

HPRP FAQs Batch #8

Revised Q: With regard to verifying and documenting an individual's risk of homelessness, is an actual eviction notice required?

A: HUD has issued documentation requirements for HPRP grantees. Please see "HPRP Housing Status Eligibility Determination and Documentation Requirements" on the HRE at <http://hudhre.info/HPRP/index.cfm?do=viewHPRPIssuances>

Per these requirements, to be eligible for HPRP-funded prevention assistance, grantees and subgrantees must assess and document that an applicant household would become homeless *but for* the HPRP assistance. In other words, without HPRP assistance, the household would require emergency shelter or would otherwise become literally homeless. Persons who are at-risk of losing their present housing may be eligible if it can be documented that their loss of housing is imminent without HPRP assistance, including verification/documentation that the household has no other financial resources and support networks to assist with their housing need and they have no other subsequent housing options.

While the HUD guidance states that an eviction notice (typed or handwritten) is an acceptable form of documentation, HUD's publication does not proscribe various types of eviction notices. In other words, it could be a letter/notice from the owner/landlord or an official legal document. The document must minimally:

- Identify the HPRP applicant and unit where HPRP applicant is the leaseholder;
- Indicate that applicant must leave their housing; and
- Be signed and dated by owner/landlord or court

Ultimately, the most important thing to be mindful of and train staff on is the “but for” rule. Case files should include clear documentation and assessment notes that demonstrate an assisted household would have become *literally* homeless if not for the HPRP assistance. A helpful way for grantees to consider this issue is as follows: if HUD, OIG, or another entity were to conduct a monitoring visit, would they be able to clearly see that an assisted household was eligible based on case file documentation/notes? Periodic review of case files by program supervisors to assure adequate and clear documentation should be strongly encouraged among all sub-grantees.

Revised Q: Are costs related to the conduct of the inspections an eligible cost under the category of financial assistance? (REVISED)

Yes. The costs associated with conducting a habitability (or HQS) inspection are eligible under the financial assistance category. The costs should generally be charged to Rental

Assistance, unless the agency is providing the household with, for example, security deposit or utility assistance only (in which case the costs should be correlated to the type of assistance provided).

Similarly, the cost of conducting a Lead-Based Paint visual assessment is also an eligible financial assistance expense. Note that if peeling/deteriorated paint is detected during the visual assessment, costs associated with testing and repair/cleanup are not eligible under HPRP. However, once the deteriorated paint has been repaired, the cost of one Clearance Exam may be charged against the grant under the financial assistance category.

Revised Q: What are the lead-based paint inspection requirements? (REVISED)

A: The Lead-Based Paint requirements are more stringent than the habitability standards. A lead-based paint visual assessment must be completed for all units that meet the three following conditions:

- The household living in the unit is being assisted with HPRP financial assistance (rent assistance, utility assistance, utility/security deposits, or arrearages).
- The unit was constructed prior to 1978.
- A child under the age of six is or will be living in the unit.

Under HPRP, the lead requirements apply regardless of whether a household is remaining in an existing unit or moving to a new unit. The visual assessment must be completed prior to HPRP assistance being provided, and annually thereafter.

Detailed guidance on the Lead-Based Paint requirements and sample tools are available on the HRE at <http://hudhre.info/HPRP/index.cfm?do=viewHPRPTools> .

Q: How is a household defined for purposes of HPRP?

A: Under the HPRP program, a household is a single individual or group of persons who together apply to an HPRP-funded program for assistance and together meet the conditions outlined in the HPRP Notice for eligible program participants. Note that if two unrelated individuals are joint parties to a lease, a grantee must consider total household income to determine eligibility (i.e., either the whole household is eligible for assistance, or the whole household is not).

Q: If otherwise eligible for HPRP assistance, can ex-offenders or offenders who are scheduled for release but have no suitable housing options be assisted with HPRP?

HPRP regulations do not require grantees to disqualify individuals or families based on criminal history. HUD requires only that all program participants meet the minimum eligibility criteria and that grantees comply with all local and Federal requirements.

Grantees are allowed flexibility in designing their programs, which means they have the

discretion to establish their own policies regarding ex-offenders. If grantees choose to serve ex-offenders with HPRP funds, it is the role of grantees and subgrantees to work with landlords in developing strategies to reduce barriers to housing for ex-offenders.

Per the definitions in HPRP Notice, persons who have been incarcerated for less than 180 days and were homeless prior to entering the institution would be assisted under the rapid re-housing category. Persons that have been in the institution for longer than 180 days would be assisted under the prevention category.

Q: If a client is terminated from HPRP for non-compliance, are they eligible to re-apply for services?

A: Each grantee has the discretion to decide whether to allow participants that have been terminated for non-compliance to re-apply for assistance, and if so, the timeline for re-application. Please note that the HPRP Notice requires grantees to have a formal termination process in place that recognizes the rights of individuals receiving assistance to due process of law. Although the HPRP Notice does not prescribe an appeal process, HUD recommends that grantees and subgrantees develop and make public such a process.

Q: Can HPRP funds be used to assist illegal immigrants? If so, what type of identification documentation is acceptable?

A: In accordance with Title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, an alien (a person who is not a U.S. citizen or national) may be eligible for assistance under HPRP only if he or she is a “qualified alien” (defined in 8 U.S.C. 1641). This means that no entity that receives funds under HPRP may knowingly provide HPRP assistance to an alien who is not a qualified alien.

The law requires all state and local governments that directly administer HPRP assistance to first verify that an alien is a qualified alien before using HPRP funds to assist him or her. Nonprofit organizations that administer HPRP assistance are not required, but may, verify that an alien is a qualified alien in order to provide him or her with HPRP assistance. However, if a nonprofit organization pursues verification, it must follow the requirements set forth in the interim guidance published by the Department of Justice.

For more information on these requirements (including documentation), see the “Interim Guidance on Verification of Citizenship, Qualified Alien Status, and Eligibility under Title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996,” 63 Federal Register 61344 (Nov. 17, 1997), available at <http://www.gpoaccess.gov/fr/advanced.html>. (Select 1997 Federal Register and search for page 61344. Scroll down through the list provided to find “Interim Guidance of Verification of Citizenship, Qualified Alien.”)

Grantees/subgrantees with additional questions are encouraged to contact their local US Citizenship and Immigration Services (USCIS) office. An office locator is available at <https://egov.uscis.gov/crisgwi/go?action=offices>

Q: Can HPRP financial assistance be used to cover "excess utilities" for public housing tenants, over and above the amount subsidized in public housing?

No. As explained in the Notice, HPRP assistance cannot be provided to eligible individuals or families for the same period of time and for the same cost types that are being provided through another Federal, state, or local subsidy program. If a participant is receiving utility assistance under another program (either a full or partial subsidy), HPRP funds may not be used for utility assistance during that same time period.

Q: If a household is receiving LIHEAP assistance for help with a gas bill, are they eligible for HPRP assistance for other utilities?

No. As explained in the Notice, HPRP assistance cannot be provided to eligible individuals or families for the same period of time and for the same cost types that are being provided through another Federal, state, or local subsidy program. If a participant is receiving utility assistance under another program, such as LIHEAP, HPRP funds may not be used for utility assistance during the same time period that LIHEAP assistance is provided.

Q: Can HPRP funds be paid to a collection agency for rental or utility debt?

A: No, HPRP funds may not be paid to collection agencies or other third-party debt collectors.

Q: If a grantee is providing both rent and utility assistance for the same household, can the rental payment include a utility allowance, or must rental assistance and utility assistance be paid and tracked separately?

A: All payments must go to third parties. Generally speaking, rental payments must be paid to landlords, and utility payments to the utility company. In addition, because the 18 months of rental assistance and utility assistance must each be tracked and reported separately in the QPR, grantees will have to track the payments separately.

Q: Can HPRP funds be used to pay rent in a group home, assisted living facility, or board and care setting?

A: As long as each resident of a group home, assisted living facility, or boarding house has an individual lease, and has been assessed and certified to be eligible to receive HPRP assistance, HPRP funds may be used to assist persons residing in these types of housing. However, grantees must remember that in order to be eligible to receive HPRP assistance, the person must be about to become homeless, or homeless "but for" HPRP assistance.

Grantees must also remember that HPRP is tenant-based assistance, and HPRP funds cannot be used for assistance in any project-based programs. The assistance cannot be attached to a unit; an eligible HPRP program participant must be able to choose whether to reside in the group housing or in another unit. Further, HPRP is a temporary assistance program with limited services that are provided separate from the housing, and is intended to assist persons who can remain stably housed after the assistance ends. If someone needs more intensive supports, HPRP may not be the most appropriate program for that individual.

Finally, grantees must remember that financial assistance for persons in a group home setting is limited to rent, security deposits, utility deposits, and utility payments. Service fees that might be applied at assisted living facilities are not eligible. In addition, if there is another rental subsidy being provided, HPRP cannot be used for rent, and if there is a utility subsidy being provided, HPRP cannot be used for utilities.

Q: According to the Notice, payment of credit arrears (e.g., credit cards, loans) is an ineligible financial assistance activity. At the same time, the Notice indicates that credit repair is an allowable housing relocation and stabilization service. What is the difference?

A: Credit repair is an eligible activity under Housing Relocation and Stabilization Services and refers to such services as helping clients develop a household budget, access credit reports, negotiate with banks, etc. It does not include paying down consumer debt.

Q: May financial assistance funds be used to move an individual or household to live with family in another state?

HPRP is not a reunification or relocation program. Therefore, HPRP assistance for moving costs related to reuniting eligible applicants with family members is not eligible unless the participant can live with the family member permanently. If the HPRP program participant has been assessed and determined to meet all HPRP eligibility criteria described in the HPRP Notice, and they have permanent affordable housing identified in another location, HPRP funds may be used to pay for moving costs to another state. However, note that transportation costs (including bus, train, and airplane tickets) for program participants are not eligible. As described in the HPRP Notice, eligible moving costs include truck rental fees, moving company fees, and similar costs.

Q: Are utility reconnect fees an eligible expense?

Yes. Late fees and reconnect fees that are sometimes associated with arrears are an HPRP-eligible expense, as long as the assistance is needed to prevent homelessness for the household.

Q: If HPRP funds are used to assist an eligible client with arrears, does each month of arrears count as one month of HPRP assistance?

A: Yes. Although the payment would be a lump sum payment (and recorded as such in HMIS), each month of arrears would count against the 6 month limit on arrears as well as the 18 month overall limit on rental assistance allowed under HPRP.

Q: How would the 18-month timeline for the receipt of assistance be calculated for participants receiving different types of assistance?

A: The 18-month limitation applies to services as well as rental and utility assistance. They are each calculated separately, and the months need not be concurrent. The intent of separate clocks is to provide flexibility to grantees, but HUD expects that in most cases, households will need services that are concurrent with financial assistance in order to increase housing stability. Grantees must remember that all households – even those receiving services only – must be reassessed every three months to verify that they meet all HPRP eligibility criteria and that the assistance is needed to prevent homelessness.

Q: When completing the Staff Affidavit, is a case manager required to determine if the applicant has a familial connection to any grantee or subgrantee staff? If an individual seeking assistance is related to a grantee or subgrantee staff member, is he/she automatically disqualified?

A: A familial connection between an applicant and a staff member of the grantee or subgrantee agency does not necessarily mean that there is a conflict of interest, and it would not automatically disqualify him/her from receiving assistance. It does, however, disqualify the related staff member from doing the eligibility determination. The goal of the Staff Affidavit is to affirm that there is no conflict of interest between the HPRP staff member conducting the eligibility determination, his/her supervisor, and the household applying for HPRP assistance.

Q: HUD's HPRP Income Determination and Documentation Requirements publication indicates that the definition of income under HPRP reflects household's income at the time of application, and as such, documents and information collected

to verify income must be “recent.” What is considered recent for public assistance benefits?

A: As explained in the guidance, documentation dated within 30 days of application is acceptable. However, for public assistance benefits (e.g., SSI), a benefits statement received anytime within the past year reflecting current benefits approved for and received by an applicant household and/or a copy of a recent bank deposit slip showing receipt of benefits is acceptable.

Q: What should grantees do if they determine an individual applying for assistance has knowingly provided false information?

A: Grantees must terminate assistance to any program participant who violates program requirements established by HUD (and/or any more restrictive requirements established by the grantee). As described in Section V.E. of the HPRP Notice, the grantee must have a formal process in place and ensure that it is followed for terminations.

Additionally, if a grantee believes that an individual has falsified information in order to receive Federal assistance, the grantee should contact the police and proceed with criminal charges. The grantee should also notify its local HUD Field Office and the HUD Office of Inspector General (OIG). HUD OIG has a hotline for such situations: <http://www.hud.gov/offices/oig/hotline/index.cfm>

Q: Can grantees provide utility-only assistance? What is the qualifying hardship? And what type of documentation is required in such instances?

Grantees can provide utility-only assistance, but HUD expects that this will be rare. First, there are laws governing public utilities in many states that prevent utility companies from shutting off power to a unit during winter months, and which may also require the utility company to offer payment plans to households that miss payments. Second, staff must confirm that no other utility assistance, such as LIHEAP, is available to prevent the shut-off.

If neither of these conditions exist, however, utility-only assistance may be justified under a couple of different scenarios. First, if utilities are shut off during winter months, this can result in a dangerous situation for the occupants. If the household is going to have to abandon the housing due to a lack of utilities and can avoid moving to a shelter by having utilities paid, then HPRP funds may be used for this purpose. Under another scenario, an applicant’s lease may include a provision requiring utilities be maintained for the unit by the tenant. As a result, a utility shut-off could constitute a lease violation, thus placing the household at risk for eviction. In both cases, it is the grantee or subgrantee’s responsibility to confirm and document in the case file that the utility company will in fact shut-off the utility if the amount due is not paid.

If the household is going to have to leave the housing due to a lack of utilities, can avoid literal homelessness by having utilities paid, and meets other HPRP eligibility requirements, then a household may be assisted under the Homelessness Prevention category with utility-only assistance.

With regard to documentation, a copy of a utility shut-off notice or arrears statement is not sufficient by itself to document program eligibility. In addition to documenting, via an assessment, that the household has no other financial resources, support networks, or other housing options, grantees/subgrantees must also assess and document that a household with a utility shut-off notice will become literally homeless but for HPRP assistance. In practical terms, this means that HPRP staff must assess whether the household will lose their housing if the utility is shut-off (i.e., it will constitute a lease violation causing lease termination and/or will cause housing to be unfit for human habitation). HPRP staff should attempt to obtain a copy of the participant's lease and highlight the provision related to utility obligations and consequences. If unable to obtain a lease, HPRP staff should assess and record such circumstances in the HPRP participant case file. As with other HPRP eligibility documentation, HPRP staff must first attempt to obtain third-party verification. Participant self-declaration is only acceptable if third-party documentation cannot be obtained.

Q: Do applicants for HPRP assistance have to deplete all of their liquid assets in order to be eligible for HPRP funds? Similarly, must a household's retirement and educational savings accounts be tapped prior to becoming eligible for HPRP assistance?

A: As described in HUD's publication "HPRP Housing Status Eligibility Determination and Documentation Requirements," part of determining eligibility is assessing the household's situation to determine if the household has any other financial resources, support networks, or subsequent housing options. A review of the household's assets would certainly be a relevant part of this analysis. However, HUD has not established requirements concerning how assets are to be treated and whether or what amount of assets held by an applicant household must be spent in order to qualify for HPRP assistance. In other words, whether an eligible household is required to spend down all of its assets or is allowed to retain a reasonable amount of assets is a local determination. Grantees may establish a separate policy for each local Continuum of Care (CoC) where one or more subgrantees operate. In all cases, policy related to treatment of assets must be uniform across all subgrantees within a local CoC and determinations must be applied consistently to all applicant households within the CoC.

Q: Where do I find the AMI table that is used to determine income eligibility for HPRP assistance?

A: As explained in the Notice, the income limit data set is available at <http://www.huduser.org/datasets/il/il09/index.html>. HUD updates the dataset each year

(typically in the spring), so continue to use the 2009 dataset until the 2010 data becomes available.

Q: Does HPRP financial assistance count as income for participants for the purpose of determining eligibility under other state and Federal benefit programs?

A: Financial assistance received under HPRP may be required to be declared under other Federal or state tax laws, or in calculating benefits under other programs. The client is ultimately responsible for providing information required under Federal and state tax laws, and as such, HUD encourages grantees to assist HPRP program participants in understanding these requirements.

It is important to remember that HPRP prohibits direct payments to HPRP participants. Payments must only be made to a third party for an eligible type of HPRP financial assistance (e.g., rental assistance, utility assistance). These program design features may or may not have an impact on the calculations required by other Federal or state programs, so grantees may want to highlight these features when gathering information on requirements associated with other programs.

Finally, grantees should note that HPRP assistance does not count as income for HPRP income eligibility purposes (i.e., if a program is reassessing eligibility for a household receiving rental assistance, they would not count the HPRP assistance already provided as household income).

Q: If a Section 8 or public housing resident is seeking HPRP assistance for a security deposit, utility assistance, or arrears, and the unit has already passed an HQS inspection by the PHA, must the HPRP grantee conduct separate habitability and lead inspections?

A: If a unit has already passed a Housing Quality Standards (HQS) inspection by the PHA with the past 12 months, the HPRP grantee is not required to repeat the inspection. However, it is the HPRP grantee's responsibility to obtain documentation from the PHA for the HPRP case file. HPRP grantees should be aware that some PHAs use a sampling technique with regard to inspections for public housing units, and as such, the grantee must ensure that an inspection was conducted for the actual unit into which the HPRP program participant will be moving. If the PHA did not conduct an HQS inspection for that unit, then the HPRP grantee must conduct a habitability inspection in compliance with Appendix C of the HPRP Notice and a lead-based paint visual assessment (as applicable) before assistance can be approved.

Inspections are required annually during the term of assistance, and it remains the HPRP grantee's responsibility to either conduct the follow-up inspections or obtain the needed documentation from the PHA. Documentation should be attained prior to approving the HPRP assistance.

Grantees should note that HQS – the standards required under the Section 8 program – are more stringent than the habitability standards required under HPRP, and as such, adequately satisfy HPRP requirements. If HPRP grantees rely on inspections required under another housing program and conducted by another agency, including an inspection for a local housing code requirement, they must ensure that the standards used are equal to or greater than the habitability standards required under HPRP.

Q: In addition to assessing habitability standards, the guidelines also say that the homes occupied by HPRP recipients must meet all state and local requirements. What documentation is required to satisfy that state and local housing requirements are met?

A: The Notice indicates that housing must be in compliance with state and local housing codes to ensure that grantees understand the habitability standards do not replace state and local codes. Likewise, if a local Certificate of Occupancy or other inspection is required by local code, it cannot be used in place of the HPRP habitability inspection unless the grantee can verify that it meets all of the standards in Appendix C of the HPRP Notice (including the frequency with which the inspection is required). If there are requirements that are covered in both the habitability standards and state/local housing code, grantees must comply with the more stringent of the two. However, compliance with state and local codes is a local matter. Typically, landlords should have a Certificate of Occupancy or other documentation that ensures that the building complies with local requirements. If grantees have questions about their state or local housing code, they are encouraged to contact their state or local housing agency for more information.

Q: Can HPRP funds be used to assist a unit that exceeds the Fair Market Rent?

Fair Market Rents (FMRs) are not applicable under HPRP. As explained in the HPRP Notice, HPRP rental assistance may only be used to assist eligible households in units that meet rent reasonableness standards. Therefore, assistance may be provided for units that exceed the FMR as long as the rent meets the rent reasonableness standard.

However, if the rent for the unit does not meet the rent reasonableness standard, then HPRP funds may not be used to assist the household in that unit (nor can HPRP funds be used to pay the rent up to the rent reasonable standard, while the tenant pays the remainder). However, in such instances, the household could receive assistance to relocate to another unit that does comply with rent reasonableness standards.

Q: Does a rent reasonableness determination have to be conducted for households living in Section 8 units or public housing?

Grantees must remember that HPRP assistance cannot be provided to eligible individuals or families for the same period of time and for the same cost types that are being provided through another Federal, state, or local housing subsidy program. As such, HPRP may not be used to pay the tenant's portion of the rent payment when the household is receiving another rental assistance subsidy (even if the other subsidy is a shallow subsidy).

However, in cases where HPRP is being used to assist an eligible household living in Section 8 or public housing with other types of assistance (arrearages or a security deposit, as applicable), the grantee must document that the unit is in compliance with the rent reasonableness standard. Grantees should also remember that documenting compliance with the FMR is not enough. As explained in a separate FAQ, Fair Market Rents (FMRs) and rent reasonableness are two different concepts; FMRs do not apply under HPRP.

Q: How can grantees request/apply for technical assistance?

All requests for HPRP technical assistance (TA) must be submitted through the HPRP Virtual Help Desk at http://hudhre.info/helpdesk/index.cfm?do=viewHelpdesk&program_system=1

In general, grantees should be the entity to submit TA requests. If subgrantees need TA, they should first discuss their questions/issues with their grantee to determine if the grantee can provide guidance. Additionally, this level of communication between subgrantees and grantees will help HUD determine if the issue is an agency-specific or a community-wide challenge.

When submitting a request, grantees should describe the issue/problem, the actions they have taken to date to address the issue/problem, and the specific assistance they are requesting.

Grantees must recognize that TA funds are limited and HUD will not be able to accommodate every request. However, all requests will be reviewed and HUD will do what they can to accommodate as many requests as possible.

Finally, it is important to note that HPRP TA is being managed by HUD Headquarters. Field Office TA funds cannot be used for HPRP TA at this time.

Q: Can HPRP Data Collection and Evaluation funds be used for travel to attend HUD's national HMIS training conference?

Yes, HPRP Data Collection and Evaluation funds can be used for expenses related to attending HUD's national HMIS training conference.

Q: If I have already reported in FederalReporting.gov, must I also report in e-snaps?

A: Yes. FederalReporting.gov is managed by the White House Office of Management and Budget (OMB), whereas e-snaps is managed by HUD. OMB is requiring all Recovery Act grantees to submit data common to all Recovery Act programs in FederalReporting.gov each quarter. In contrast, e-snaps collects HPRP-specific performance and expenditure data for HUD. Grantees MUST file reports with both systems EVERY quarter, until all grant funds are expended.

Q: The QPR instructions indicate that QPRs are due within 10 days of the end of each Federal fiscal quarter in e-snaps, but that grantees will have 20 additional business days to submit a final QPR to correct errors or omissions in the preliminary report. If grantees do not anticipate making changes, should they submit their reports as final instead of preliminary in e-snaps?

A: Grantees should submit QPRs in e-snaps as preliminary to meet the quarterly filing deadline (i.e., 10 days after the close of the quarter). HUD will be examining all QPRs and may contact grantees if changes are needed. If a report is submitted as final, it is much more difficult to make a change to the report. If no changes are required, a grantee does not have to resubmit the report as final; HUD will accept the preliminary report as final, and the e-snaps system will change it to “final” status at the end of the review period if it is the only report appearing in the system.

Q: I am a grantee. Can I have my subgrantees submit reports directly into e-snaps on my behalf?

A: No. Grantees must aggregate all data from subgrantees and file only one report in e-snaps. Under no circumstances should subgrantees be submitting reports in e-snaps.

Q: I am a grantee, and I accidentally created multiple reports in e-snaps. How can I delete them?

A: Once created, a report cannot be deleted. However, as long as it is not submitted, the system will ignore it and HUD will not receive it. If multiple reports were submitted, either for the grantee or for subgrantees, the grantee must create one correct report that compiles data for all subgrantees and name it such that a reviewer could easily identify it as the correct version. In such instances, grantees can also send a note through the Virtual Help Desk to inform HUD which report is the correct version.

Q: As a grantee, I will not receive all reimbursement requests from my subgrantees by the quarterly report deadline. By "expenditures during the reporting period," does HUD mean expenditures that we, as the grantee, have received and reimbursed for that quarter? Or does it mean all expenditures, whether they have been submitted or not?

A: Per QPR instructions, the accounting method for financial reporting is left to grantees to determine. The grantee may base reporting either on their expenses (i.e., what they have paid) or on expenses incurred by the grantee and subgrantees (i.e., accrued expenses, but not yet paid). HUD recommends the latter and suggests that grantees ask subgrantees for expenses to date as of the end of the reporting period, even if subgrantees have yet to seek payment from the grantee.

Q: Does HUD expect that quarterly expenditures as reported in the QPR will actually be drawn down from IDIS by the time the report is submitted? In other words, will HUD be comparing draws in IDIS with the information reported in the QPR?

A: The QPR requires grantees to report on the HPRP expenses incurred, whether or not the grantee has been reimbursed by IDIS. Grantees must draw down from IDIS at least quarterly (preferably before the quarterly reports are due), and are urged to draw down from IDIS monthly. HUD will monitor disbursements, but does not expect the draws in IDIS to match exactly what is reported in the QPR. HUD recognizes that due to differences in timing of draws and expenditures, the information in both systems could vary. However, if there are large differences between the amounts reported as drawn and expended between the two systems, HUD may contact the grantee. Grantees can use existing IDIS reports (e.g., the PR02 report) to monitor their commitments and expenditures.

Q: For reporting on FederalReporting.gov, what is the difference between a vendor and a subgrantee?

A: The following definitions should be used for the purpose of HPRP reporting:

- A grantee for HPRP is the legal entity to which the HPRP grant is awarded and that is accountable for the use of grant funds; grantee and recipient are synonymous. Each grantee is responsible for ensuring that all activities carried out under its grant comply with all requirements of the Notice, regardless of whether those activities are carried out by the grantee's subgrantee(s), vendor(s)/contractor(s), or its own employees.
- A subgrantee/subrecipient for HPRP is a private, nonprofit organization or unit of general purpose local government (or a Public Housing Agency or other special purpose local government entity that has received a waiver from HUD to be a subgrantee of a metropolitan city or urban county) that receives funding through the

HPRP grantee or subgrantee to carry out any portion of the HPRP program; it does not include an individual that is a beneficiary of the HPRP program. The terms and conditions of the Federal award are carried forward to the subgrantee. It is possible that a subgrantee for one award may also be a primary grantee of another Federal award provided directly from the Federal Government. Subgrantees that receive all or a portion of Recovery funding from a grantee may be delegated the responsibility by the grantee to report information into the reporting system at www.FederalReporting.gov. OMB guidance does not provide for such a delegation to vendors. Note that each subgrantee is responsible for ensuring that all activities carried out under its subgrant comply with the requirements of the Notice, whether those activities are carried out by the employees of the subgrantee or by any vendor(s)/contractor(s) of the subgrantee.

- A vendor is defined as a dealer, distributor, merchant, or other seller providing a grantee or subgrantee with generally required goods or services that have been purchased by the grantee/subgrantee for the conduct of the Federal program (i.e., a vendor is a contractor selected by the grantee or subgrantee pursuant to the procurement requirements in 24 CFR part 84 or 85 to provide goods or services for HPRP). Vendors are not subject to the terms and conditions of the HPRP grant agreement, but they are subject to the terms and conditions of the contract between the grantee/subgrantee and vendor.

Q: The QPR/IPR asks for expenditures by type of Financial Assistance as well as by type of Housing Relocation and Stabilization Services. However, the 2009 HMIS Data Standards do not include HPRP expenditures. Are grantees required to provide expenditure amounts for HPRP services and assistance?

A: As explained in the QPR/IPR Instructions, grantees may report expenses for HPRP services (Financial Assistance and Housing Relocation and Stabilization Services) based on HMIS data or by other accounting means as determined by the grantee. HMIS data elements were not specifically designed to provide for accounting and reporting of all HPRP expenditures to HUD. Thus, it is up to grantees to determine the most appropriate financial records upon which to generate financial information for the QPR.

Q: The QPR requires grantees to submit information both on households served and expenditures. What happens if the expenditure occurs at the end of one quarter, but the assistance is actually for the following quarter?

A: It is possible that an assisted household and the expenditure for that household could appear in two different quarterly reports. For example, the grantee should report a participant as receiving HPRP rental assistance based on the "start date" and "end date" entered in the participant's Financial Assistance Provided record in HMIS. If the grantee expended funds on December 29 but the household did not move into the unit and their lease did not begin until January 1, the household's start date is January 1 and the

participant(s) would be reported in the April QPR (reporting on persons served in January – March). Because HUD is allowing grantees to determine the accounting method for reporting HPRP expenses on the QPR, it is possible that the actual rental assistance expense would be reported in the January QPR if the check was issued and accounted for by the grantee on or before December 31.

Q: How will service start and end dates be used for quarterly reporting? In the QPR, should grantees include only those households that begin to receive services during the quarter? Or should they include all households receiving services during the quarter?

A: The QPR should reflect all program participants receiving financial assistance and housing relocation and stabilization services during the quarter. If a participant was served from November through January, they should be counted in both the October-December QPR and the January-March QPR.

Q: Can an arrears payment for multiple months be made in one lump sum and recorded in HMIS as financial assistance for one month, and then the actual months paid be notated in the case file? If the actual months must be entered into HMIS, should it be back-dated or dated forward from the program entry date?

A: Financial assistance for arrears should be noted in HMIS as a single lump sum payment, with start and end dates being the same and entered as the date the financial assistance is approved (i.e., not back-dated). The actual number of months covered by the arrears payment can be noted in the case file or case management notes.

Q: If an applicant is assessed for program eligibility, and the applicant ultimately does not meet program requirements, should the client be entered into HMIS?

A: Although the time spent assessing all households is an eligible expense, only HPRP program participants that actually receive financial assistance and/or housing relocation and stabilization services need to be entered into HMIS. Only those program participants who receive HPRP assistance, as recorded in HMIS or a comparable data system, are reported in the QPR and APR.

Q: At what point is it appropriate to "exit" a client household from HMIS - upon the provision of final assistance or at a later date? Does HUD require the grantee to track the housing stability of households following the receipt of HPRP assistance?

A: Grantees and subgrantees should exit a program participant and record a Program Exit Date that coincides with the date the participant is no longer considered a program participant. The exit date may represent the last day a service was provided or the last

date of a period of ongoing assistance. Programs should have a clear and consistent procedure for determining when a client who is receiving supportive services is no longer considered a program participant. For example, if a person has been receiving weekly case management as part of a rapid re-housing program and either formally terminates his or her involvement or fails to keep appointments such that the program no longer considers the individual to be a program participant, then the last date of service and exit date may be the date of the last case management session.

For HPRP programs, the Program Exit Date may be the same as the Program Entry Date if participation begins and ends on the same day (e.g., in the case of a one-time payment for arrears, a security deposit, or one month of rental assistance). For a program participant receiving ongoing assistance for two or more consecutive months, the Program Exit Date should be equivalent to the last day of the last month for which the rental assistance payment applies.

HUD does not require follow-up reporting on housing stability. The housing status identified at program exit should be the agency's best assessment of the household's near-term stability as of the time of exit.

Q: Within HMIS, "Income & Sources" and "Non-Cash Benefits" information is collected more than once. Does any of the historic information need to be retained? Or should those elements just reflect the latest response?

A: Historical data must be retained in the HMIS. The APRs for HPRP, SHP, and S+C programs require that grantees report income and non-cash benefits at program entry, exit, and the most recent annual reassessment if the period between program entry and exit exceeds one year. The difference in income from entry to exit or annual reassessment is an important indicator that assesses increases in client self-sufficiency, self-reliance, and ability to obtain/maintain housing.

Q: Since all HPRP programs must collect the HMIS universal data elements and the HPRP program-specific data elements from each participant, is there a template available that incorporates these data fields?

A: Yes, sample data collection templates are available on the HRE at <http://hudhre.info/hprp/index.cfm?do=viewHPRPData>

Q: Does a rental arrears payment impact whether a client is reported as having received short-term or medium-term assistance? For example, would payment of 1-3 months be considered short-term assistance and 4-6 months be considered medium-term assistance?

A: The QPR does not require grantees to differentiate between persons/households who receive short-term and medium-term rental assistance. However, grantees must still document the number of months of rental assistance provided, whether for arrears or current rent, to ensure participants receive no more than the maximum 18 months of total rental assistance.

Q: According to the QPR Instructions, grantees have to report expenditures for each of the Housing Relocation and Stabilization Services subcategories (e.g., outreach and assessment, case management, housing search and placement) as well as by assistance type (prevention versus rapid re-housing). Does HUD expect case managers to track their hours at this level of detail?

A: The housing status of each program participant is a mandatory data element that must be tracked for each participant at program entry. This field is used to classify all activities as either prevention or rapid re-housing assistance for purposes of the HPRP QPR and APR - i.e., clients with a Housing Status of “literally homeless” at entry would be classified as receiving homeless assistance (rapid re-housing); clients with a Housing Status other than “literally homeless” would be classified as receiving homelessness prevention assistance. For HPRP Housing Relocation and Stabilization Services, the intention is to record in HMIS whether a given program participant is provided one or more types of services. At a minimum, services provided must be recorded in HMIS once every three months. Grantees and subgrantees may record services provided data at more frequent intervals (e.g., monthly, daily).

HUD allows grantees to identify and use an appropriate accounting system to record and report eligible HPRP expenditures. Grantees and subgrantees must follow OMB requirements related to allowable cost accounting as defined in OMB Circulars A-87 and A-122 (2 CFR parts 225 and 230) for eligible HPRP activities.

Q: If an individual is homeless and applies for HPRP assistance, should this individual’s housing status be changed from “homeless assistance” to “prevention” once housing is secured? If so, is the person exited out of homeless assistance and re-entered as a new prevention client?

A: A program participant’s Housing Status at program entry must be based on the response categories defined in HUD’s HMIS Data Standards found at http://www.hudhre.info/documents/HMISDataStandards_July2009.pdf. The type of assistance (homelessness prevention or homeless assistance/rapid re-housing) is based on the Housing Status recorded at program entry. Specifically, program participants with a Housing Status of “literally homeless” at entry would be classified as receiving homeless assistance (rapid re-housing); clients with a Housing Status other than “literally homeless” would be classified as receiving homelessness prevention assistance. The Housing Status at program entry field should not be changed/updated even if the housing status of the program participant changes subsequent to program entry. Thus, if an

individual is literally homeless at the time of application, the type of HPRP assistance for the whole period is considered to be homeless assistance (rapid-rehousing). This is true even if the program participant begins receiving assistance from a different subgrantee. If the participant later returns for additional assistance after he/she has formally exited the program (and is still housed), then the client would be recorded under homeless prevention.

Q: If a client refuses to sign a Release of Information for HMIS to share non-confidential client level data with other agencies, can they be denied services?

A: An individual or family can refuse to participate in HMIS, and the provider must still provide services to that household, just as with HUD's Continuum of Care programs. However, persons applying for HPRP assistance must provide enough information for the staff person doing the assessment to verify and document that they meet all of the eligibility criteria for HPRP. While it is not HUD's intention that clients be denied service if they refuse or are unable to supply information for HMIS data collection purposes, some information may be required by the program to determine eligibility, assess needed services, or to fulfill reporting requirements.

Please note that HUD's baseline consent protocols allow for inferred consent to collect and enter client data into HMIS. It is not required that providers obtain informed consent or even written consent, unless these more stringent consent protocols are required locally (in which case, a grantee would have to develop the form locally).

Q: The HUD QPR instructions ask for a report of persons served by persons and households. Does this mean that each child should be entered as an individual client and be assigned a separate Personal Identification Number?

A: Every client receiving services must be assigned a Personal Identification Number (PIN). The PIN is permanent and unique to each person and is automatically generated by the HMIS. The PIN is used to obtain unduplicated counts of persons served within individual programs and throughout the entire CoC. All clients served by a program, including dependent children, are considered program participants and must be entered into the HMIS so that they can receive a PIN. All individuals in the same household should receive the same Household Identification Number. A household is defined as a single individual or a group of persons who together apply to an HPRP funded program for assistance.

Q: What information must the grantee submit to request a conflict of interest waiver?

There are two situations that are often referred to as a "conflict of interest."

1) The first is when HPRP program participants are to be assisted in a property that is owned by the grantee, subgrantee, or the parent/subsidiary/affiliated organization of the subgrantee. In this instance, a grantee must submit a letter to the CPD Director requesting a waiver for good cause. The waiver must:

- Include a description of the benefit(s) to HPRP participants;
- Explain how the grantee/subgrantee disclosed the conflict and addresses/mitigates any potential issues;
- Demonstrate that the grantee/subgrantee has looked for other appropriate housing and it is not available, or there is a good reason why the grantee/subgrantee housing is better for the clients;
- Demonstrate that the subsidy is not tied to a unit (clients have to be able to choose the grantee/subgrantee housing);
- Demonstrate that an attorney has reviewed the housing selections and determined that the activities proposed do not violate state and local law; and
- Demonstrate that there is no implied benefit to any individual or organization.

2) The second type of conflict of interest that can occur is at the individual level (as opposed to the grantee/subgrantee level). The HPRP Notice states: “No person who is an employee, agent, consultant, officer, or elected or appointed official of the grantee **and** who exercises or has exercised any functions or responsibilities with respect to assisted activities, **or** who is in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a personal or financial interest or benefit from the activity, or have an interest in any contract, subcontract, or agreement with respect thereto, or the proceeds thereunder, either for himself or herself or for those with whom he or she has family or business ties, during his or her tenure or for one year thereafter.” (emphasis added)

Please note that employees of a grantee or subgrantee and their families are not automatically disqualified from receiving HPRP assistance, as long as they meet the qualifications of the above paragraph (i.e., they are not in a position to exercise any responsibilities, make decisions about, gain inside information into, or obtain a personal benefit from HPRP). This situation would be more likely in a large grantee/subgrantee agency than it would in a very small grantee/subgrantee agency.

When this type of conflict of interest exists, the grantee may seek an exception by writing to the local HUD Field Office, including the following information:

- For states and other governmental entities, a disclosure of the nature of the conflict, accompanied by an assurance that there has been public disclosure of the conflict and a description of how the public disclosure was made; and
- For all grantees, an opinion of the grantee’s attorney that the interest for which the exception is sought would not violate state or local law.

If there is a question or the appearance of a conflict of interest of any type, please contact the local HUD field office to determine if an exception or waiver is needed.