

## YHDP Questions and Answers 4

### March 26, 2018

1. The issue for RRH match is that while there are many services that we know are eligible for “match” under RRH, there is no way to predict what, if any, services clients will avail themselves of. Since RRH cannot mandate services, upon audit, we may or may not be able to demonstrate that match dollars were expended, and may not have been expended as submitted in the proposal. We are concerned about the risk of audit/recapture of funds in such a situation. It is not at all clear to me/us how to address this.
  - A. It is accurate that actual match has to be documented. If program participants do not choose the services providers identified as match, providers would need to find other sources to meet match requirements. One possibility for in-kind services is to have extra MOUs in place so there is flexibility with match.
  
2. What are considered eligible match costs for RRH clients?
  - A. As explained, match includes cash or in-kind services for *activities that are eligible under the CoC program*. A few examples include: non-YHDP funds for CoC eligible transportation costs for program staff or participants, in-kind service commitments from work training programs, funding for additional rental assistance from another non-YHDP source.
  
3. Do these services have to be documented as expended or just be eligible to be used by clients during the year?
  - A. They must be expended.
  
4. Do you know if HUD still requires leverage for CoC grants?
  - A. HUD has not required leverage under their recent CoC NOFAs, but we cannot guarantee what will or will not be included in future HUD NOFAs.
  
5. In the answers dated March 1<sup>st</sup>, question #14 states that RRH applicants can apply for:
  1. Support Services Dollars; 2. Rental Administration and 3. Administration funding.In answers dated March 22<sup>nd</sup>. Question 5., Example A, says that the amount requested from HUD (without leasing) would include 1. Rental assistance funding (gives an example of \$55,000); 2. Supportive Services funding (example of 40,000); 3. Project Administration funding (example \$5,000). It gives the total amount requested as \$100,000 with a match of 25% or \$25,000.

Our question is: In answer #5 of March 22<sup>nd</sup>, the cash match calculation includes rental assistance. But everything prior to this answer, seems to indicate that rental assistance is *not* part of the budget, thus not part of the funds needing to be matched in this application.

  - A. Rental assistance should be included in match. As stated in the answer to question #39 (March 1, 2018): “Applicants should strive to provide their own match (of the total RRH budget, including rental assistance) as much as possible, to ensure project feasibility. This is a unique situation since the HOME funding waiver is still pending (and further guidance on HOME rules) so it cannot be relied on. If RRH applicants do not include match, then their projects may not be feasible, depending on the HOME waiver outcome and further HOME rules guidance.” Again, please note that if our HOME

waiver is approved, enabling us to use it as partial YHDP RRH match, then we may be able to award RRH projects that do not include a full 25% match in their local application because their budget might be cost feasible with the HOME funding (however, remember that a complete 25% match is required for crisis housing applications and sufficient match to supplement DOH's partial YN match to achieve a total 25% match is required for Youth Navigator applications). It is a risk. The answer to question #13 (March 13, 2018) might be helpful for you to review again as well.

6. In the CT Youth Homelessness Demonstration Program Bidders Webinar slides, it states under YHDP Match Requirements, "Match must be committed prior to application". Does there need to be a written letter of commitment attached to the application?
  - A. Yes.
  
7. If we are using a current DOH RRH contract for our match in a RRH application in the same CAN, would that be a cash or in-kind match?
  - A. As noted in the answer to question # 3 (March 13, 2018), applicants should ensure their existing funder would allow them to use their program as match, given the new obligations (such as the need to serve young adults). You should contact DOH to discuss the details of your match asap. Please also note that you cannot reuse what is match for another CoC program.

The question regarding in-kind versus cash match depends on the details. Cash match is when you, as the recipient or subrecipient, are paying for an eligible activity, or when you are paying for a staff member to carry out that eligible activity, with funds from your agency that are not YHDP Program grant funds. In-kind match, on the other hand, is where another provider agrees to provide the eligible activity to your project. For example, if you're paying the salary of a case manager with funds that are not YHDP Program grant funds to serve program participants, then that would be considered cash match. However, in an instance where another provider signs a MOU with your agency and agrees to provide case management to your program participants with a case manager from their agency, then that would be considered in-kind match. If you want to use rental assistance as match, it would be cash match if you currently administer it within your agency, but the DOH rental assistance is administered through a different entity so it would be an in-kind match.
  
8. For a RRH application, what parts of the budget are included in the 25% match? Would it be 25% of the total: Project Admin + amount of rental assistance + rental assistance administration + operating costs + supportive services?
  - A. For the RRH application, everything but the rental administration amount should be included when calculating the 25% match. Please also note that rapid rehousing applicants cannot apply for operating costs. Applicants cannot request both rental assistance and operating costs.
  
9. For a RRH application, can the rental assistance administration be rolled in to the support services budget if the support services/case management staff will be completing the inspections, rental calculations and rent reasonableness?

- A. No. While case management staff can complete the rental administration activities, HUD requires that the portion of their salary dedicated to these activities be reflected in the appropriate budget line item.
10. If rent for a potential shelter property has been reduced by the owner from the market value, can the difference from what is actually paid by grantee in lease and the fair market value of rent be an agreed upon in-kind donation from the property owner, to count toward the 25% match?
- A. Yes, the discounted shelter rent would count as in-kind match as long as the property meets the quality standards and rent reasonableness, but only space that would be eligible for the project. For instance if the building serves multiple purposes, the value has to be prorated.
11. From the first Q&A, question #11 – it states that programs can apply for up to 7% in project administration (see RFP webinar and 24 CFR sec.578.59 for additional details). The webinar and Q&A state 7%. The 24 CFR sec.578.59 states 10%. The same items are listed under both. I am writing to confirm that we can only include the 7% for administrative costs which include the managing the program. Is that correct, or can we include an additional 10% for program administration on top of the 7%?
- A. Applicants may only apply for up to 7% administrative costs. HUD does allow CoC programs to request up to 10% (rather than 7%), but CT's YHDP program is following CT BOS's 7% limitation (which can lead to extra points when seeking to renew programs beyond the 2 year demonstration period within the CoC program).  
As noted in the answer to question #10 (March 13, 2018): "As a reminder, the 7% admin expenses are for specific costs, and the indirect cost rates can cover administrative expenses that are not specified as eligible costs within the admin line item but that are associated with carrying out the eligible activities of your proposed YHDP program."