

2025 Emergency Solutions Grants (ESG) Grantee Workshop

OCTOBER 2025

Grant Term

Contract Start Date:
October 1, 2025



Contract End Date:
September 30, 2026

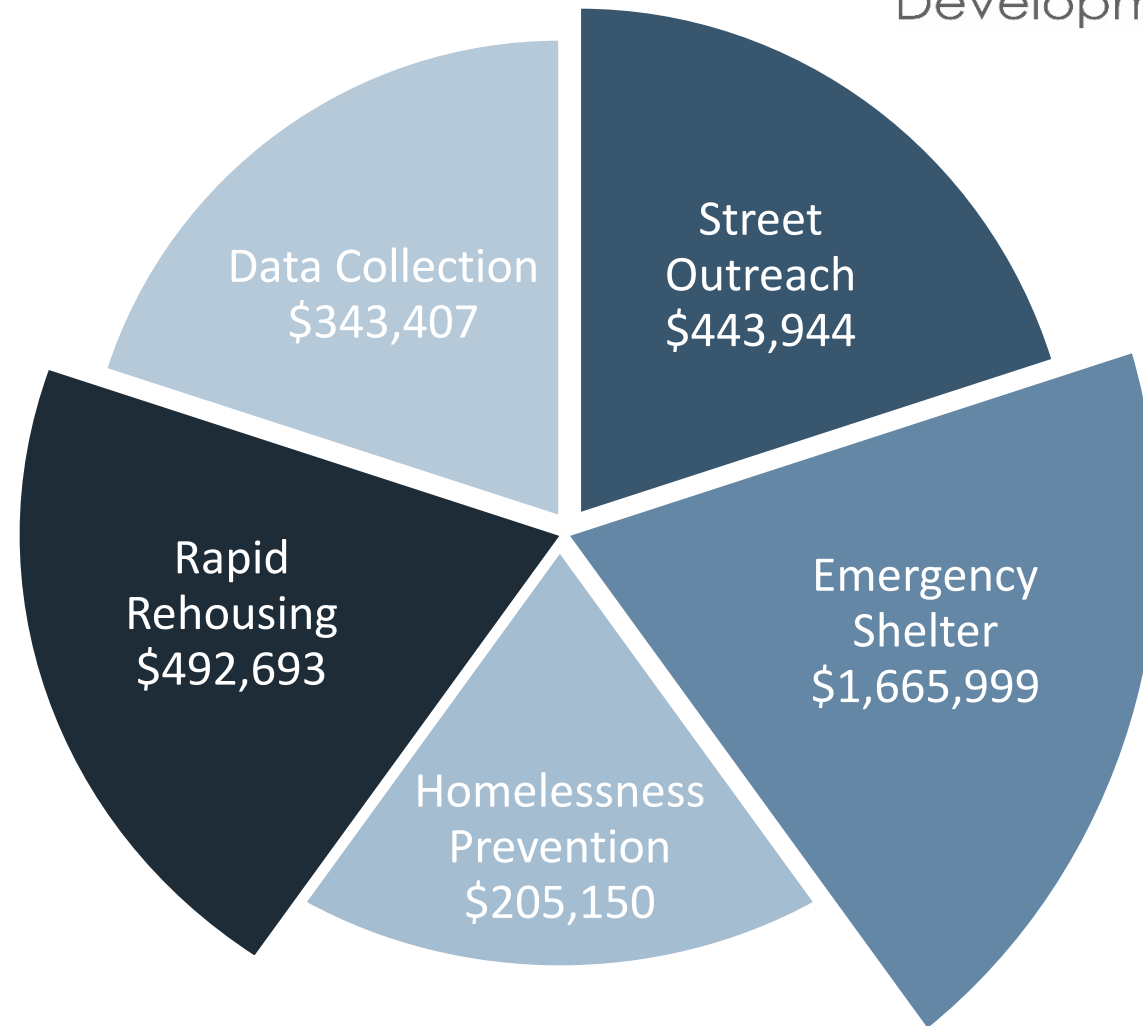
No expenditures incurred prior to October 1, 2025 can be reimbursed under ESG 2025

No expenditures can be approved before the Environmental Review is reviewed and signed

2025 ESG Award

This award is reimbursement only; no funds will be advanced.

This is a one-year competitive grant, it will not be automatically renewed, you will have to apply for future grants.

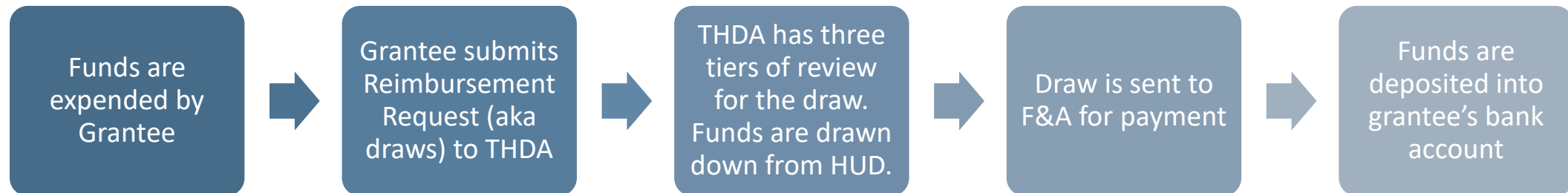


Plus \$46,875 awarded to set aside cities for Administration

- DRAW PROCESS
- SUPPLIER
MAINTENANCE
FOR GRANTEES
- GMS
- GRANT SETUP
PAGE

Grant Start-up

Draw Process



New Grantees

Reimbursements will be direct deposited into grantee bank accounts as long as the following are completed:

- 1 Grantees must submit W-9, Remittance Address Documentation, State of Tennessee Employee listing and Email Registration Documents to ESG@thda.org
- 2 ESG staff will fill out Supplier Forms and submit to State of Tennessee: Supplier Maintenance to establish an Edison Account
- 3 Grantees must mail ACH bank information using Supplier Direct Deposit Authorization Form directly to State of Tennessee: Supplier Maintenance for direct deposit of reimbursements
Form must include original signatures from grantee and financial institution
- 4 Supplier Maintenance Account and Edison approval will take at least 30 days

A large, 3D cardboard '@' symbol is positioned on the left side of the image. It is made of a light brown, textured material, likely cardboard, and is standing upright on a wooden surface. The background is a soft-focus image of a desk with some papers and a pen.

Updated Information

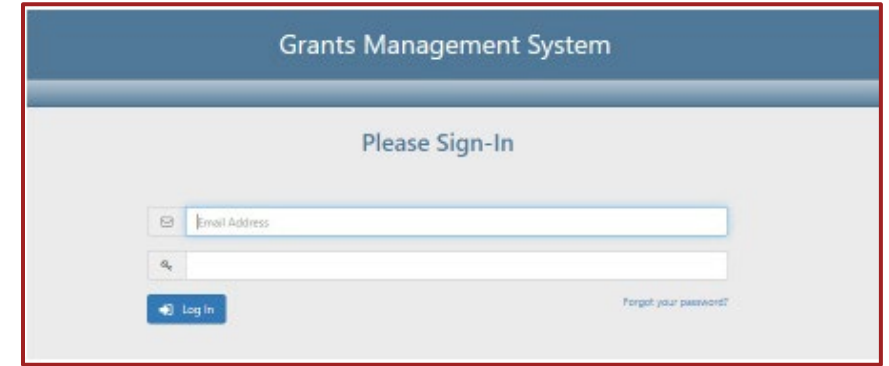
Please email ESG@thda.org for the following:

- If you have any changes to your bank account
- If you have a change in your address
- If you have updated/changed the name of your agency
- Any changes in ESG staff they must be reported to THDA

Failing to report any of the above will delay reimbursements being direct deposited to your bank account

Grants Management System (GMS)

Reimbursement requests (also known as draws) will be submitted to THDA in the designated Grants Management System (GMS).



The screenshot shows the login interface for the Grants Management System. At the top, a blue header bar contains the text "Grants Management System". Below this, the text "Please Sign-In" is centered. There are two input fields: the first is labeled "Email Address" and the second is for a password, indicated by a small eye icon. Below the password field is a blue "Log In" button. To the right of the button, there is a link that says "Forgot your password?".

Employees who will be submitting and reviewing draws will need to have a GMS account

- Role of a “Program Manager” is recommended for all users.
- Those designated as a “Program User” will have a view only mode and cannot submit draws.

GMS Grant Setup Page

- Grant Setup page must be completed before draws can be created.
- THDA will approve the items uploaded in the Grant Setup page after submission then a “create draw” button will appear in the left toolbar in GMS.
- Failure to complete your Grant Setup page will result in delay in reimbursements.

Program: 2025 ESG

Applicant: TEST Organization

Dashboard
Grant Setup

Budget Amendment Request
Non-Profit Environmental
Review
Uploads
View Application

Grant Setup

Grant Setup

Grant Setup

Document Upload Defaults:

- Max file size: 25 MB
- Allowed file types: PDF, DOC, DOCX, XLS, XLSX, GIF, JPG, JPEG, PNG, SHP, SHX, DBF, PRJ, KML, SBX, SBN, CPG, XML, DWG

Documents and forms provided by THDA can be acquired from here: [THDA Documents](#)

Documents

Date Approved

Executed Contract and Amendments

Select files...

1. 2025 Executed ESG Contract – Upload the 2025 signed contract (both parties) including all pages of the document. If you did not receive a copy of your signed contract, contact ESG @thda.org.

W-9 Form

Select files...

2. W-9 Form – The address on W-9 must match the remittance address on your Edison account. Must be signed and dated with ink. Only the newest version revised in 2024 accepted – linked on another slide

Proposed Policy and Procedures

Select files...

3. Proposed Policy and Procedures – See and attach the ESG Written Standards Checklist to your ESG Policies and Procedures. Minimum requirements outlined in 24 CFR 576.400(e)(3) must be met to be approved. See [ESG Written Standards Checklist](#) for detailed outline of necessary requirements.

Board Resolution for Policies & Procedures

Select files...

4. Board Resolution for Policies and Procedures – This is documentation of a letter or signed meeting minutes from the Board meeting where the Policies and Procedures were approved. This is not the same meeting minutes you submitted with your ESG application.

Did you use the THDA template? ☐ Yes ☐ No

Date Approved by Board

Drop files here to upload

5. Financial Information – This needs to have the complete address associated with your Edison account and match what is on the uploaded W-9 or it cannot be approved. Even if nothing has changed, you will still need to fill out this section.

Financial Information ←

Grantee Remit to Information

ⓘ Please be mindful to use the same remittance address that is associated with your Edison account

Address 1			
Address 2			
City			
State	TN	Zip	
Financial Institution Name			
Last FOUR digits of Account Number		DUNS Number	
Fiscal Year Start Date	1/1/2025	Federal Tax ID	12-3456789

☐ Nothing has changed from prior ACH Submission.

Date ACH form sent to F&A

←

7. Title VI/Non-Discrimination Coordinator – You will receive an email from THDA to completed this training online. Once completed, put the Name and Contact information of Coordinator here. Click submit.

→  Save

6. Click save – then the Title VI/Non Discrimination Coordinator section will load

8. Authorized Signatures – Every agency must have:

- at least two , but up to four, authorized signees to approve reimbursement requests AND
- one Authorizing Individual, either an Executive Director or Board Chair, who authorizes the above individuals to sign off on reimbursements.

Save

Authorized Signatures For Requests For Payment

It is recommended that four signatures be shown to permit flexibility in making draw downs, but you must have a least two authorized signatures. Two signatures are required for each pay request submitted to THDA.

Name

Email

Name

Email

Name

Email

Name

Email

NOTE: THE CHIEF ELECTED OFFICIAL, BOARD CHAIR, OR EXECUTIVE DIRECTOR WHO AUTHORIZES MAY NOT BE ONE OF THE PERSONS AUTHORIZED TO SIGN A REQUEST FOR PAYMENT. IN OTHER WORDS, AN ELECTED OFFICIAL, BOARD CHAIR, OR EXECUTIVE DIRECTOR CANNOT CERTIFY HIS OR HER OWN SIGNATURE.

Authorizing Individual

Email

Role

Submit

9. Hit submit and an email will be sent to the following employees. All employees must accept their roles through the link in their email.

If there is ESG staff turnover, changes to Authorized Signatories of draws can be made in GMS throughout the grant year. All changes must be approved by the Authorizing Individual.

Resources for Grant Set-up

- GMS Log in - <https://gms.thda.org/Security/Login?ReturnUrl=%2f>
- [THDA ESG Program Guide - Updated October 2025](#)
- The following can be found on our [ESG Program Forms page](#):
 - Supplier Direct Deposit Authorization Form
 - Most recent W-9
 - ESG Written Standards Checklist

- ESG FEDERAL REQUIREMENTS
- THDA CONTRACT REQUIREMENTS
- HMIS DATA REQUIREMENTS
- THDA CONTRACT REVIEW
- ENVIRONMENTAL REVIEW

General ESG Requirements



ESG Requirements

- Practice and Post Non-Discrimination Policies.
- Post notice of receipt of ESG funds using contract language.
- Include fair housing and ADA logos on All Informational Material.
- Maintain and Implement Drug Free Workplace Policy.
- Avoid Conflicts of Interest.



ESG Requirements

- Must comply with the ESG Code of Regulations as outlined in 24 CFR 576. Can be found at <https://www.ecfr.gov/current/title-24/part-576>
- ESG Written Policies and Procedures 24 CFR 576.500(a)
 - Grantees should have written policies and procedures for program activities funded by ESG.
 - Policies and Procedures must correspond with CoC's ESG policies.
 - Grantees must consistently follow their policies.
 - **ESG Written Standards Checklist must be completed and turned into THDA with Written Standards prior to expenditure of funds.**



ESG Requirements

➤ HMIS Participation 24 CFR 576.400(f)

- The recipient must ensure that data on **all persons served and all activities assisted under ESG** are entered into the applicable community-wide HMIS in the area in which those persons and activities are located, or a comparable database, in accordance with HUD's standards on participation, data collection, and reporting under a local HMIS
- If the subrecipient is a victim service provider or a legal services provider, it may use a comparable database that collects client-level data over time (i.e., longitudinal data) and generates unduplicated aggregate reports based on the data. Information entered into a comparable database must not be entered directly into or provided to HMIS
- Grantees should be connecting with their corresponding CoC for data entry



ESG Requirements

➤ Homeless Participation 24 CFR 576.405(a)

- The Grantee must provide for the participation of not less than one person who is experiencing homelessness or has experienced homelessness on the board of directors or other equivalent policy-making entity, to the extent that the entity considers and makes policies and decisions regarding any facilities, services, or other assistance that receive ESG funding
- If unable to meet requirement, Grantee must develop and implement a plan to consult with persons experiencing homelessness or who have experienced homelessness in considering and making policies and decisions
- To the fullest extent possible, must involve persons experiencing homelessness and families in constructing, renovating, maintaining, and operating facilities assisted under ESG, in providing services assisted under ESG, and in providing services for occupants of facilities assisted under ESG. This involvement may include employment or volunteer services.



ESG Requirements

➤ Participation in Continuums of Care (CoC) 24 CFR 576.400(a)

- If your CoC has developed a centralized assessment system or a coordinated assessment system in accordance with requirements to be established by HUD, each ESG-funded program or project within the Continuum of Care's area must use that assessment system.
- If your ESG program cover areas in multiple CoC areas, you must follow each CoC's assessment procedures
- Attendance of CoC meetings and trainings is required
- Written Standards should include how your agency participates in Coordinated Entry



ESG Requirements

➤ Affirmative Outreach 24 CFR 576.407(b)

- The recipient or subrecipient must make known that use of the facilities, assistance, and services are available to all on a nondiscriminatory basis
- Grantee must establish additional procedures to make known that the availability of the facilities, assistance, and services are available to persons of any race, color, religion, sex, age, national origin, familial status, or disability who may qualify for those facilities and services (Outreach, advertisements, partnerships with other organizations & local governments)
- Required to take reasonable steps to ensure meaningful access to programs and activities for limited English proficiency (LEP) persons



ESG Requirements

➤ Faith-Based Activities 24 CFR 576.406

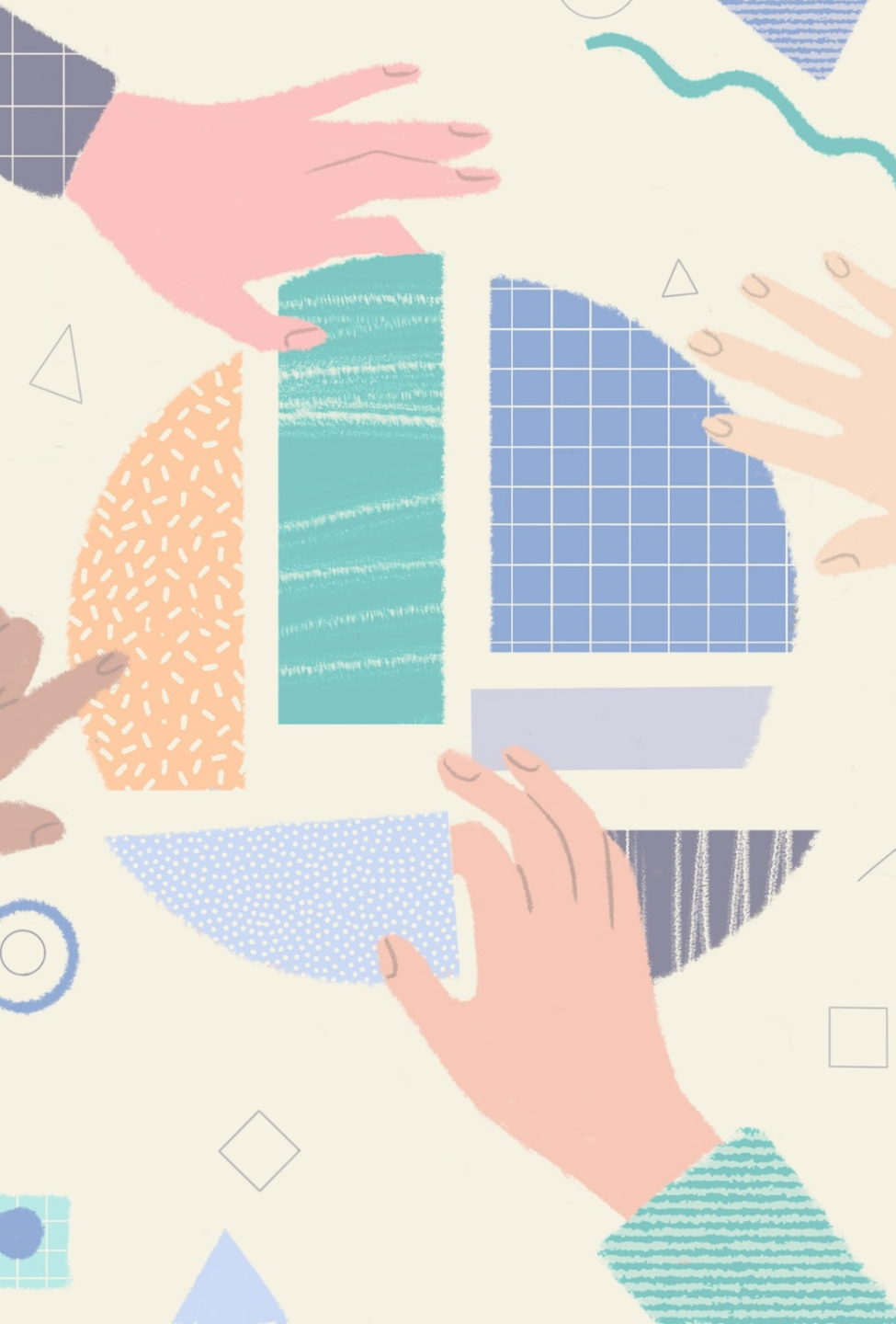
- If an organization engages in explicitly religious activities (including activities that involve overt religious content such as worship, religious instruction, or proselytization), the explicitly religious activities must be offered separately, in time or location, from the programs or activities supported by direct Federal financial assistance and participation must be voluntary for the beneficiaries of the programs or activities that receive direct Federal financial assistance
- May not discriminate against clients based on religion or belief.



ESG Requirements

- Homeless Prevention projects will need to follow PRWORA requirements. Outlined in later slides.

- All Emergency Shelters receiving ESG funding must follow Minimum Habitability for Emergency Shelters linked on our website
 - Keep a copy of the completed checklist for your records
 - THDA will complete inspections as well
 - [ESG Minimum Habitability Standards for Emergency Shelters and Permanent Housing: Checklists](#)



HMIS Data Collection

➤ Universal Data Elements (UDE)

All ESG funded projects are required to collect all the Universal Data Elements, which include:

3.01 Name	3.11 Project Exit Date
3.02 Social Security Number	3.12 Destination
3.03 Date of Birth	3.15 Relationship to Head of Household
3.04 Race and Ethnicity	3.16 Enrollment CoC
3.06 Gender	3.20 Housing Move-in Date
3.07 Veteran Status	3.917 Living Situation
3.08 Disabling Condition	
3.10 Project Start Date	

HMIS Data Collection

➤ Program Specific Data Elements

The following chart indicates which elements are required for collection for each of the ESG component types. Projects funded by the ESG Program must collect data according to the chart to generate the CSV-CAPER Report.

Data Element	Emergency Shelter-Entry/Exit	Emergency Shelter-Night-by-night	Homelessness Prevention	Rapid Re-Housing	Street Outreach
4.02 Income and Sources	X		X	X	X
4.03 Non-cash Benefits	X		X	X	X
4.04 Health insurance	X		X	X	X
4.05 Physical Disability	X	X	X	X	X
4.06 Developmental Disability	X	X	X	X	X
4.07 Chronic Health Condition	X	X	X	X	X
4.08 HIV/AIDS	X	X	X	X	X
4.09 Mental Health Disorder	X	X	X	X	X
4.10 Substance Use Disorder	X	X	X	X	X
4.11 Domestic Violence	X	X	X	X	X
4.12 Current Living Situation		X			X
4.13 Date of Engagement		X			X
4.14 Bed Night		X			
4.19 Coordinated Entry Assessment	X	X	X	X	X
4.20 Coordinated Entry Event	X	X	X	X	X
C4 Translation Assistance	X	X	X	X	X
WS Housing Assessment at Exit			X		



Contract Review

- Delay in contracts being sent out.
- Contract will be sent by THDA via DocuSign. Review for errors and program requirements.
- Review the following Attachments prior to signing the ESG contract:
 - Attachment A: Review the activities and coverage area and ensure it is correct.
 - Attachment B: Schedule of Activities
 - Attachment C: Review budget to ensure allocated funds are correct and in the right categories.
- Any errors should be reported to ESG@thda.org



Environmental Review

- THDA completed the ER for non-profit grantees
- No shelter/office rent will be reimbursed during this period
- Set aside cities will complete the ER for its subrecipients

- ELIGIBLE
COMPONENTS &
ACTIVITIES
- ELIGIBLE
PROGRAM
PARTICIPANTS &
DOCUMENTATION
- REQUIRED CLIENT
FILE
DOCUMENTATION
- RESTRICTIONS OF
FINANCIAL AND
RENTAL
ASSISTANCE
- MONITORING

ESG Implementation

Street Outreach
24 CFR 576.101

Emergency Shelter
24 CFR 576.102

Homelessness
Prevention
24 CFR 576.103

Rapid Rehousing
24 CFR 576.104

HMIS / DATA
COLLECTION
24 CFR 576.107

Administration
only available to set
aside cities
24 CFR 576.108

ESG Components

Activities under Street Outreach

ESSENTIAL SERVICES

- Crisis Intervention
- Supplies to provide urgent physical needs
- Emergency Health Services
- Emergency Mental Health Services
- Transportation via rideshare or public transit

OPERATIONS

- Case Management
 - Fuel for Outreach vehicles
 - Equipment for Street Outreach
 - Insurance for vehicles used by Street Outreach
-

Street Outreach

- Eligible participants – Category (1) Literally Homeless
- Providing essential services necessary to reach out to **unsheltered people experiencing homelessness**
- Connecting unsheltered homeless people with emergency shelter, housing, or critical services; and providing urgent, non-facility-based care to unsheltered homeless people who are unwilling or unable to access emergency shelter, housing, or an appropriate health facility.
- Services are provided on the street, or in parks, abandoned buildings, bus stations, campgrounds, and other unsheltered settings.
- Documentation must be kept for each client. Street Outreach Client File Checklist is found on our website.

Activities under Emergency Shelter

ESSENTIAL SERVICES	SHELTER OPERATIONS	ASSISTANCE REQUIRED UNDER THE URA OF 1970
• Case management • Child Care • Education Services • Employment Assistance and Job Training • Outpatient Health Services • Legal Services • Life Skills Training • Mental Health Services • Substance Abuse Treatment Services • Transportation • Services for Special Populations	• Maintenance • Rent • Security • Fuel • Equipment • Insurance • Utilities • Food • Furnishings • Supplies necessary for shelter operation • Hotel/Motel Vouchers	• Relocation payments • Other assistance to displaced persons

Emergency Shelter

- Eligible Participants – All Categories of Homeless
- ESG funds may be used for costs of providing essential services to homeless families and individuals in emergency shelters and operating emergency shelters.
- Shelter staff must complete a shelter habitability checklist for all shelter locations using ESG shelter funds before funds are expended. Checklist must be kept in agency recordkeeping files. Any deficiencies must be remediated.
- Staff must assist with linking the client available resources for stability:
 - rapid re-housing programs, affordable housing placement, and employment
 - mainstream programs such as SOAR, Supplemental Nutrition Assistance Program (SNAP), Families First, etc.
- Documentation must be kept for each client. Emergency Shelter Client File Checklist is found on our website.

Emergency Shelter

- Low barrier shelter access is encouraged. The ESG Program Interim Rules does not require recipients to disqualify individuals or families based on criminal history, including sex offenders.
 - It is possible that an individual or family may be screened out of emergency shelter based on a background check (e.g., if the individual is a registered sex offender and cannot live near children and the site has a household with children residing in it).
 - HUD encourages grantees to work with the individual or family presenting for assistance to identify another appropriate housing placement.
 - HUD requires only that all clients meet the minimum eligibility criteria and that recipients comply with all local and federal requirements.

Emergency Shelter

- Prohibition against involuntary family separation
 - The age, of a child under age 18 must not be used as a basis for denying any family's admission to an emergency shelter that uses ESG funding or services and provides shelter to families with children under age 18.
- Any group of people that present together for assistance and identify themselves as a family, regardless of age or relationship or other factors, are considered to be a family and must be served together as such.

Activities under Homelessness Prevention & Rapid Rehousing

RENTAL ASSISTANCE	FINANCIAL ASSISTANCE	SERVICE COSTS
• Short-term rental assistance • Medium-term rental assistance • Rental arrears (one time payment up to 6 months rent) • First Month's Rent	• Rental Application Fees • Security Deposits (no pet deposits; security deposits should equal no more than 2 months rent) • Last Month's Rent • Utility Deposits • Utility Payments • Moving Costs (no client gas or gas cards)	• Housing Search and Placement • Housing Stability Case Management • Mediation • Legal Services • Credit Repair

Homelessness Prevention & Rapid Rehousing

- Rapid Re-Housing programs are designed to help those experiencing homelessness transition into permanent housing.
- Homelessness Prevention programs are designed to keep those at great risk of losing their housing in their homes to avoid occurrences of homelessness.
- Eligible costs are the same in each component
- Eligible program participants are different
- If a Rapid rehousing client finds housing, they would remain an RRH client until their time in the program ends (they would not become automatically enrolled in homelessness prevention)

Homelessness Prevention & Rapid Rehousing

Homelessness Prevention Participant Eligibility

- Homeless Categories (2) At imminent risk of Homelessness, (3) Other Federal Statutes, (4) Fleeing Domestic Violence or At-risk of Homelessness **AND**;
- Must have an annual income below 30% of AMI, as determined by HUD **AND**;
- Lacks support networks necessary to maintain housing but for ESG assistance
- ❖ Continued eligibility must be determined, at minimum, once every three months

Rapid Re-housing Participant Eligibility

- Categories (1) Literally Homeless or (4) Fleeing Domestic Violence **AND**;
- Lacks support networks necessary to obtain housing but for ESG assistance
- ❖ Participant does not have to meet income eligibility at project entry, but must meet income eligibility at re-evaluation
- ❖ Continued eligibility must be determined, at minimum, once annually

Homelessness Prevention & Rapid Rehousing

- Documentation must be kept for each client. Client File Checklists for HP and RRH are found on our website.
- Client files must include, but not limited to, the following:
 - Verification of housing status
 - Case management meetings at least once a month
 - Documentation of linkages to other homelessness programs and mainstream resources as necessary for the client
 - Tracking of costs charged to ESG on behalf of the program client
 - Documentation of termination procedure and/or exit from the program
- Be aware that there are additional requirements for Financial Assistance and Rental Assistance costs that must be collected and documented in order to be deemed eligible for ESG reimbursement
 - See “*Quick Reference for RRH & HP Eligible Activities*” later in this presentation

Homelessness Prevention & Rapid Rehousing

➤ Use with Other Subsidies 24 CFR 576.106(c)

- No financial or rental assistance can be provided to a household receiving the *same type of assistance** from another public source for the same time period (unless the family is entering a homelessness prevention project and they have arrears).

**Example: A family who is receiving Section 8 would not be able to get rental assistance with their portion of rent but they would be eligible for security deposit with ESG*

- Rental assistance may not be provided to program clients who are currently receiving replacement housing payments under the URA.
- Rental assistance may be provided to an eligible program client who is living in a housing unit developed with Low Income Housing Tax Credits or other development subsidies. Development subsidies are not considered rental assistance under ESG and therefore, they do not trigger the use with other subsidies restriction.
- **Include statement in file from client that they are receiving no other services from other organizations and/or what services they are getting from other programs.**
- **Grantees must do their due diligence & check in HMIS for past services to not duplicate services.**

Homelessness Prevention & Rapid Rehousing

- Compliance Regarding Late Payments 24 CFR 576.106(f)
 - Late payments are eligible with arrears only
 - Any late fees on rental/utility payments made by the grantee after entering the Rental Assistance Agreement is **not eligible** for ESG reimbursement.
 - The Grantee is responsible for making timely payments to owners in accordance with the rental assistance agreement.
 - The grantee or client is solely responsible for paying (with non-ESG funds) late payment penalties that it incurs after entering the rental assistance agreement or initial ESG assistance.

Homelessness Prevention & Rapid Rehousing

Case Management Requirements and Restrictions

- **Case Management Frequency:** Program participants must meet with a case manager at least once a month for the duration of assistance, except where funding under the Violence Against Women Act (VAWA) or the Family Violence Prevention and Services Act (FVPSA) prohibits the recipient or subrecipient from making shelter or housing conditional upon the receipt of services (§ 576.401(e)).
- **Case Management Linkages to Other Support Systems:** Program participants must be assisted, as needed, in obtaining:
 - Appropriate supportive services, such as medical or mental health treatment, or services essential for independent living
 - Mainstream benefits, such as Medicaid, SSI, or TANF (§ 576.401(d))
- **Rapid Rehousing Case Management Time Limits:** While enrolled in Rapid Re-Housing Grantees must adhere to the time limits on providing RRH housing stability case management for program participants living on the street or in shelters, meaning:
 - When a program participant is residing on the street or in emergency shelter, the first 30 days of housing stability case management are funded by Rapid Re-Housing.
 - If more than 30 days of case management are needed and the program participant is still residing on the street or in emergency shelter, costs must be charged to Emergency Shelter: Essential Services, Street Outreach: Case Management, or non-ESG funding.
 - Once the program participant is in permanent housing, case management can continue to be provided under Rapid Re-Housing for an additional 24 months. (§ 576.105(b)(2))

Homelessness Prevention & Rapid Rehousing

- Re-evaluations 24 CFR 576.401(b)
 - RRH Program participants must undergo re-evaluations not less than once annually
 - HP Program participants must undergo re-evaluations not less than every three months
- Supporting documentation for re-evaluations must be included in client files:
 - Documentation showing AMI does not exceed 30%
 - Documentation showing client lacks sufficient resources and support networks necessary to retain housing without ESG assistance
- Re-evaluation schedule **must** be included in Written Standards and followed consistently
 - The grantee may require RRH re-evaluations more often than once a year
 - The Grantee may require each HP & RRH program participant to report changes in income and circumstances and require reevaluations be completed when these changes occur

Activities under HMIS / Data Collection

CONTRIBUTING TO COC DATA COLLECTION

- Purchasing or leasing computer hardware, software or software licenses;
- Purchasing or leasing equipment, including telephones, fax machines, and furniture;
- Obtaining technical support;
- 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, including:
- Completing data entry;
- Monitoring and reviewing data quality;
- Paying costs of staff to travel to and attend HUD-sponsored and HUD-approved training on HMIS and programs authorized by Title IV of the McKinney-Vento Homeless Assistance Act;
- Paying staff travel costs to conduct intake; and
- Paying participation fees charged by the HMIS Lead, if the recipient or subrecipient is not the HMIS Lead.

FOR HMIS LEAD AGENCIES

- Hosting and maintaining HMIS software or data;
- Backing up, recovering, or repairing HMIS software or data;
- Upgrading, customizing, and enhancing the HMIS;
- Integrating and warehousing data, including development of a data warehouse for use in aggregating data from subrecipients using multiple software systems;
- Administering the system;
- Reporting to providers, the Continuum of Care, and HUD; and
- Conducting training on using the system or a comparable database, including traveling to the training.

Activities under Administrative

ADMIN FOR SET ASIDE CITIES LOCAL GOVERNMENTS TO IMPLEMENT ESG TO SUBRECIPIENTS

- Salaries, wages, and related costs of staff involved program administration responsibilities includes but not limited to,
 - Preparing program budgets and schedules, and amendments to those budgets and schedules;
 - Developing systems for assuring compliance with program requirements;
 - Monitoring program activities for progress and compliance with program requirements;
 - Preparing reports and other documents directly related to the program for HUD;
 - Coordinating the resolution of audit and monitoring findings
 - Travel costs incurred for monitoring of subrecipients;
 - Administrative services performed under third-party contracts or agreements, including general legal services, accounting services, and audit services; and
 - Other costs for goods and services required for administration of the program, including rental or purchase of equipment, insurance, utilities, office supplies, and rental and maintenance (but not purchase) of office space.
 - Costs of providing training on ESG requirements and attending HUD-sponsored ESG trainings.
 - Costs of carrying out the environmental review responsibilities under 24 CFR 576.407.
-

Administration

- This component is for Set Aside and local governments only
- Set aside responsibilities for their sub-recipients:
 - Execution of sub-recipient contracts
 - Review that both policies and procedures and written standards have minimum requirements met
 - Monitor for program compliance throughout the grant term
 - Administer an Environmental Review
 - Ensure timely draw submissions

Eligible Participants of ESG

Homeless

- Category 1- Literally Homeless
- Category 2- Imminent Risk of Homelessness
- Category 3- Homeless under other Federal statutes
- Category 4- Fleeing/ Attempting to Flee DV

At-Risk of Homelessness

Homeless Category 1

Literally Homeless

Definition

- (1) Individual or family who lacks a fixed, regular, and adequate nighttime residence, meaning:
- (i) Has a primary nighttime residence that is a public or private place not meant for human habitation;
 - (ii) Is living in a publicly or privately operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or by federal, state and local government programs); or
 - (iii) 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

Required Documentation

- Written referral by another housing or service provider; **OR**
- Written observation by the outreach worker; **OR**
- Certification by the individual or head of household seeking assistance stating that (s)he was living on the streets or in shelter;
- For individuals exiting an institution—one of the forms of evidence above **and**:
 - discharge paperwork or written/oral referral stating the beginning and end dates of the time residing in the institution, **OR**
 - written record of intake worker's due diligence to obtain above evidence and certification by individual that they exited institution

Note: Lack of third-party documentation **must not** prevent an individual or family from being immediately admitted to emergency shelter, receiving street outreach services, or being immediately admitted to shelter or receiving services provided by a victim service provider.

Homeless Category 2

Imminent Risk of Homelessness

Definition

(2) Individual or family who will imminently lose their primary nighttime residence, provided that:

- (i) Residence will be lost within 14 days of the date of application for homeless assistance;
- (ii) No subsequent residence has been identified; and
- (iii) The individual or family lacks the resources or support networks needed to obtain other permanent housing

Required Documentation

- 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; or the equivalent notice under applicable state law, a Notice to Quit, or a Notice to Terminate issued under state law; **OR**
 - For individuals and families whose primary nighttime residence is a hotel or motel room **not paid** for by charitable organizations or federal, state, or local government programs for low-income individuals, evidence that the individual or family lacks the resources necessary to reside there for more than 14 days after the date of application for homeless assistance; **OR**
 - An oral statement by the individual or head of household that the owner or renter of the housing in which they currently reside will not allow them to stay for more than 14 days after the date of application for homeless assistance. The intake worker must record the statement and certify that it was found credible. To be found credible, the oral statement must either: (I) be verified by the owner or renter of the housing in which the individual or family resides at the time of application for homeless assistance and documented by a written certification by the owner or renter or by the intake worker's recording of the owner or renter's oral statement; or (II) if the intake worker is unable to contact the owner or renter, be documented by a written certification by the intake worker of his or her due diligence in attempting to obtain the owner or renter's verification and the written certification by the individual or head of household seeking assistance that his or her statement was true and complete;
- AND**
- Certification by the individual or head of household that no subsequent residence has been identified;
- AND**
- Self-certification or other written documentation that the individual lack the financial resources and support necessary to obtain permanent housing

Homeless Category 3

Homeless under other Federal statutes

Definition

(3) Unaccompanied youth under 25 years of age, or families with children and youth, who do not otherwise qualify as homeless under this definition, but who:

- (i) Are defined as homeless under the other listed federal statutes;
- (ii) Have not had a lease, ownership interest, or occupancy agreement in permanent housing during the 60 days prior to the homeless assistance application;
- (iii) Have experienced persistent instability as measured by two moves or more during in the preceding 60 days; and
- (iv) Can be expected to continue in such status for an extended period of time due to special needs or barriers

Required Documentation

- Certification by the nonprofit or state or local government that the individual or head of household seeking assistance met the criteria of homelessness under another federal statute
- AND**
- Certification of no PH in last 60 days;
- AND**
- Certification by the individual or head of household, and any available supporting documentation, that (s)he has moved two or more times in the past 60 days;
- AND**
- Documentation of special needs or 2 or more barriers

Note: Lack of third-party documentation must not prevent an individual or family from being immediately admitted to emergency shelter, receiving street outreach services, or being immediately admitted to shelter or receiving services provided by a victim service provider.

Homeless Category 4

Fleeing/ Attempting to Flee Domestic Violence

Definition	Required Documentation	Required Documentation
Any individual or family who: - Is fleeing, or is attempting to flee, domestic violence; - Has no other residence; <u>and</u> - Lacks the resources or support networks to obtain other permanent housing	For victim service providers: - An oral statement by the individual or head of household seeking assistance which states: they are fleeing; they have no subsequent residence; and they lack resources. - Statement must be documented by a self-certification or a certification by the intake worker.	For non-victim service providers: - Oral statement by the individual or head of household seeking assistance that they are fleeing. This statement is documented by a self-certification or by the caseworker. Where the safety of the individual or family is not jeopardized, the oral statement must be verified AND - Certification by the individual or head of household that no subsequent residence has been identified AND - Self--certification, or other written documentation, that the individual or family lacks the financial resources and support networks to obtain other permanent housing.

Note: Lack of third-party documentation **must not** prevent an individual or family from being immediately admitted to emergency shelter, receiving street outreach services, or being immediately admitted to shelter or receiving services provided by a victim service provider.

At-Risk of Homelessness

Definition

(1) An individual or family who:

- (i) Has an annual income below 30 percent of median family income for the area, as determined by HUD;
- (ii) Does not have sufficient resources or support networks, e.g., family, friends, faith-based or other social networks, immediately available to prevent them from moving to an emergency shelter or another place described in paragraph (1) of the “homeless” definition in this section; **and**
- (iii) Meets one of the following conditions:
 - (A) Has moved because of economic reasons two or more times during the 60 days immediately preceding the application for homelessness prevention assistance;
 - (B) Is living in the home of another because of economic hardship;
 - (C) Has been notified in writing that their right to occupy their current housing or living situation will be terminated within 21 days after the date of application for assistance;
 - (D) Lives in a hotel or motel and the cost of the hotel or motel stay is not paid by charitable organizations or by Federal, State, or local government programs for low-income individuals;
 - (E) Lives in a single-room occupancy or efficiency apartment unit in which there reside more than two persons or lives in a larger housing unit in which there reside more than 1.5 persons reside per room, as defined by the U.S. Census Bureau;

- (F) Is exiting a publicly funded institution, or system of care (such as a health-care facility, a mental health facility, foster care or other youth facility, or correction program or institution); or
- (G) Otherwise lives in housing that has characteristics associated with instability and an increased risk of homelessness, as identified in the recipient's approved consolidated plan;

(2) A child or youth who does not qualify as “homeless” under this section, but qualifies as “homeless” under section 387(3) of the Runaway and Homeless Youth Act (42 U.S.C. 5732a(3)), section 637(11) of the Head Start Act (42 U.S.C. 9832(11)), section 41403(6) of the Violence Against Women Act of 1994 (42 U.S.C. 14043e–2(6)), section 330(h)(5)(A) of the Public Health Service Act (42 U.S.C. 254b(h)(5)(A)), section 3(m) of the Food and Nutrition Act of 2008 (7 U.S.C. 2012(m)), or section 17(b)(15) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(b)(15)); or

(3) A child or youth who does not qualify as “homeless” under this section but qualifies as “homeless” under section 725(2) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a(2)), and the parent(s) or guardian(s) of that child or youth if living with her or him.

At-Risk of Homelessness continued

Required Documentation

- Verification of income form & supporting documentation proving annual income
- AND**
- Supporting documentation showing the most reliable evidence available to show that the program participant meets one or more of the conditions under paragraph (1)(iii) of the definition of “at risk of homelessness”
- AND**
- The participant's certification on a form with supporting documentation that the program participant has insufficient financial resources and support networks to prevent them from moving to an emergency shelter or another place described in paragraph (1) of the “homeless” definition.

Acceptable Supporting Documentation

1. Source documents (*e.g.*, notice of termination from employment, unemployment compensation statement, bank statement, health-care bill showing arrears, utility bill showing arrears, 21-day notice to vacate);
2. To the extent that source documents are unobtainable, a written statement by the relevant third party (*e.g.*, former employer, public administrator, relative, public administrator, landlord, primary leaseholder, hotel or motel manager) or the written certification by the recipient's or subrecipient's intake staff of the oral verification by the relevant third party that the applicant meets criteria
3. To the extent that source documents and third-party verification are unobtainable, a written statement by the grantee's intake staff includes: describing the efforts taken to obtain the required evidence, observation of participant's circumstances and certification that the participant meets criteria necessary

PRWORA Affect on ESG Homelessness Prevention Activities

- On August 22, 1996, President Clinton signed the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Pub. L. 104-193 (“PRWORA”), which generally makes aliens who are not “qualified aliens” ineligible for any federal public benefit.
- Recently, Attorney General Pamela Bondi issued A.G. Order No. 6335-2025 that explained that a prior attorney general order issued after PRWORA was enacted was causing confusion as to the correct interpretation of PRWORA and thus withdrew the prior order instructing that the only exceptions to PRWORA are those outlined within the act itself.

PRWORA Affect on ESG Homelessness Prevention Activities

In order for an activity to be excluded from PRWORA, it must meet a three-prong test:

1. deliver in-kind services at the community level,
2. are necessary for the protection of life or safety, and
3. do not condition the provision of assistance on the potential program participant's income or resources.

- Since income/assets are considered in determining eligibility for Homelessness Prevention under ESG, Homelessness Prevention is not exempt from PRWORA and applicants must be eligible under PRWORA.
- To be eligible under PRWORA, an applicant must be US citizen, a US non-citizen national, or qualified alien.
- Homelessness Prevention staff must assure the same steps for determination under PRWORA are the same for every applicant, regardless of an applicant's race, color, religion, sex, age, national origin, or familial status.

PRWORA Affect on ESG Homelessness Prevention Programs

Step 1:

Determine if applicant is eligible under general eligibility requirements for Homelessness Prevention, because no need to verify citizenship if not otherwise eligible for the program.

Step 2:

Verify applicant's status as a US citizen, US non-citizen national, or qualified alien

Step 3:

Within the application must declare, under penalty of perjury, that he or she is a citizen or non-citizen national of the U.S. or that he or she is a qualified alien.

Step 4:

Verify applicant's status further with documentation outlined in the next slide.

Step 5:

Take action based on results of verification as instructed in THDA's PRWORA Procedures, which will be subsequently published.

Documentation Required for PRWORA for ESG Homelessness Prevention



For US Citizen and US Non-Citizen National, accept any one of the following, in this order:

1. Ask the applicant to present a document demonstrating that he or she is a U.S. citizen or non-citizen national. THDA will provide a list of acceptable documentation in its PRWORA Procedures.
 - i. If the document reasonably appears on its face to be genuine and to relate to the individual presenting it, the grantee should accept the document as conclusive evidence that the applicant is a U.S. citizen or non-citizen national and should not verify status any further.
 - ii. If the document presented does not on its face reasonably appear to be genuine or to relate to the individual presenting it, the grantee should contact THDA. If an applicant has lost his or her original documents or never had an original document demonstrating naturalized or derivative citizenship, refer the applicant to the local INS office to obtain documentation of status.
2. Subject to the Note below, accept a written declaration, made under penalty of perjury, from one or more third parties indicating a reasonable basis for personal knowledge that the applicant is a U.S. citizen or non-citizen national.
3. Accept the applicant's written declaration, made under penalty of perjury, that he or she is a U.S. citizen or non-citizen national.

* Note for 2 and 3 above: The options described in paragraphs 2 and 3 above present a greater potential for undetected false claims and therefore should be used with caution in appropriate circumstances. Before using these options, a grantee must require the applicant demonstrate why a document evidencing that he or she is a U.S. citizen or non-citizen national does not exist or cannot be readily obtained. Such a requirement must be imposed equally on all applicants and cannot be applied in a discriminatory manner. Benefits may be provided temporarily but if verification is not subsequently received by a deadline as outlined in THDA's PRWORA Procedures, benefits will be later terminated.

Documentation Required for PRWORA for ESG Homelessness Prevention

For Qualified Alien:

1. Ask the applicant to provide documentation evidencing his or her status as a Qualified Alien. Documentation requirements will be outlined in THDA's PRWORA Procedures.
2. If the documentation reasonably appears on its face to be genuine and to relate to the individual presenting it, you should accept the documentation and forward to THDA to verify status in SAVE.
3. If the documentation does not reasonably appear on its face to be genuine or to relate to the individual presenting it, forward to THDA to verify status in SAVE.

If the applicant has submitted a written declaration, under penalty of perjury, that he or she is a qualified alien, you should not delay, deny, reduce or terminate the applicant's eligibility for benefits under the program on the basis of an applicant's immigration status during the period of time it takes to verify his or her immigration status.

Participant Files

- Individual client files required for Emergency Shelter, Street Outreach, Homeless Prevention & Rapid Rehousing
- Requirements vary based on ESG Activity
- Checklists for client files and sample forms available through the link at the bottom of our THDA ESG website under **“FOR GRANT ADMINISTRATORS”**

For Grant Administrators

INFORMATION FOR ESG GRANT ADMINISTRATORS →

- Some examples of required documentation in client files:
 - Verification of Homelessness Status
 - Proof of income when necessary
 - Case notes documenting client progress towards goals
 - Grievance and Termination Policies, Fair Housing Brochure & LBP pamphlet was given to client
 - For Homelessness Prevention projects - citizenship status determination
 - More requirements are included in the checklists, please review prior to starting your program for the year

Order of Obtaining Supporting Documentation

All supporting documentation for income and homelessness status must be obtained in the following order and included in the client file:

1. Source documentation (*e.g.*, eviction notice, notice of termination from employment, unemployment compensation statement, public benefits statement, bank statement, notice to vacate)
2. To the extent that source documents are unobtainable, a written statement by the relevant third party (*e.g.*, former employer, owner, primary leaseholder, public administrator, landlord, hotel or motel manager, government benefits administrator) OR the written certification by the recipient's or subrecipient's intake staff of the oral verification by the relevant third party that the applicant meets criteria
3. To the extent that source documents and third-party verification are unobtainable, a written statement by intake staff that the staff person has verified and determined the applicant meets criteria necessary. Intake staff must include to efforts taken to obtain the required evidence. Participant also must self-certify their circumstances.

RRH & HP Quick Reference for Participant File Requirements

Rapid Re-Housing and Homelessness Prevention Components		
Rental Assistance ^o	Housing Relocation and Stabilization Services	
<u>Eligible activity types:</u> • Short-term rental assistance • Medium-term rental assistance • Rental arrears	Financial Assistance	Services Costs
	<u>Eligible activity types:</u> • Rental Application Fees • Security Deposits • Last Month's Rent • Utility Deposits • Utility Payments • Moving Costs	<u>Eligible activity types:</u> • Housing Search and Placement • Housing Stability Case Management • Mediation • Legal Services • Credit Repair

Type of assistance given with ESG funds determines which standard requirements must be in the client's file.

Standard	Rental Assistance	Housing Relocation and Stabilization Services	
		Financial Assistance	Services
Fair Market Rent 24 CFR 576.106(d)	X		
Rent Reasonableness 24 CFR 576.106(d)	X		
Housing Standards 24 CFR 576.403(c)	X	X	X
Lead-based paint requirements 24 CFR 576.403(a)	X	X	X ¹
Lease between the program participant and landlord 24 CFR 576.106(g)	X		
Rental assistance agreement between the landlord and recipient or subrecipient 24 CFR 576.106(e)	X		
Maximum Amounts and Periods of Assistance (24-month cap in 3-year period) 24 CFR 576.105(c) & 576.106(a)	X	X	X ²
Participation in HMIS³ 24 CFR 576.400(f)	X	X	X
Prohibition of use with other subsidies 24 CFR 576.104(d) & 576.106(c)	X ⁴	X	
Recordkeeping and Reporting Requirements 24 CFR 576.500	X	X	X

¹ When providing *homelessness prevention services only* assistance – housing search and placement, housing stability case management, mediation, legal services, and credit repair – to keep a program participant *in the same unit*, a lead-based paint assessment is not required.

² Housing stability case management services cannot exceed 30 days during the period the program participant is seeking permanent housing. In addition, these services cannot exceed 24 months, not including the previous 30 days, during the period the program participant is living in permanent housing (24 CFR 576.105(b)(2)).

³ Excludes victim service providers and legal service providers, which must maintain a comparable database.

⁴ A one-time payment of rental arrears of the tenant's portion of the rental payment is permitted while the program participant is receiving another subsidy for rent.

Fair Market Rent (FMR)

- All units assisted with ESG rental assistance must meet FMR.
 - Units that do not meet FMR can still receive financial assistance
- Unit meets FMR if Gross Rent Amount is less than or equal to the FMR for your area.
- FMR is established by HUD for each county or city and the link is posted on our website under ESG/HUD Rent Limits.
- Make sure to explicitly record that the unit receiving rental assistance meets FMR in the client's file

Calculating the **GROSS RENT AMOUNT**

To calculate the gross rent of a unit that is being tested by the FMR standard:

$$\begin{aligned} & \text{Total contract rent amount of the unit} + \text{Any fees required for occupancy under} \\ & \quad \text{the lease (excluding late fees and pet fees)} \\ & \quad + \\ & \quad \text{Monthly utility allowance* (excluding telephone) established by local PHA} \\ & \quad = \\ & \quad \text{Gross Rent Amount} \end{aligned}$$

*Note: The monthly utility allowance is added only for those utilities that the tenant pays for separately (for more information on utility allowances established by the local public housing agency (PHA), see 24 CFR § 982.517). The utility allowance does not include telephone, cable or satellite television service, and internet service. If all utilities are included in the rent, there is no utility allowance.

Rent Reasonableness

- Required for rental assistance
- Must obtain 3 comparable rental units to determine reasonability for both Homelessness Prevention and Rapid Rehousing rental assistance
- Documentation must be kept in the client's file otherwise rent for that unit is not eligible. A Rent Reasonableness form is on our website.
- Grantee may use real estate listings, phone inquiries, or TNHousingSearch.org to find comparable units.

[Link to Rent Reasonableness and Fair Market Rent Under the Emergency Solutions Grants Program Resource Guide](#)

Housing Standards

- **NSPIRE Standards have been delayed until October 1st, 2026. More information to come as HUD releases next steps.**
- Documentation of passed inspection must be kept in client's file. Form is on our website.
- Until NSPIRE is required, all units receiving rental assistance AND/OR financial assistance (& the participant plans to stay in the unit) must meet these minimum habitability standards:
 - (1) Structure and materials.**

The structures must be structurally sound to protect residents from the elements and not pose any threat to the health and safety of the residents.
 - (2) Space and security.**

Each resident must be provided adequate space and security for themselves and their belongings. Each resident must be provided an acceptable place to sleep.
 - (3) Interior air quality.**

Each room or space must have a natural or mechanical means of ventilation. The interior air must be free of pollutants at a level that might threaten or harm the health of residents.
 - (4) Water supply.**

The water supply must be free from contamination.
 - (5) Sanitary facilities.**

Residents must have access to sufficient sanitary facilities that are in proper operating condition, are private, and are adequate for personal cleanliness and the disposal of human waste.

Housing Standards

(6) Thermal environment.

The housing must have any necessary heating/cooling facilities in proper operating condition.

(7) Illumination and electricity.

The structure must have adequate natural or artificial illumination to permit normal indoor activities and support health and safety. There must be sufficient electrical sources to permit the safe use of electrical appliances in the structure.

(8) Food preparation.

All food preparation areas must contain suitable space and equipment to store, prepare, and serve food in a safe and sanitary manner.

(9) Sanitary conditions.

The housing must be maintained in a sanitary condition.

(10) Fire safety.

(i) There must be a second means of exiting the building in the event of fire or other emergency.

(ii) Each unit must include at least one battery-operated or hard-wired smoke detector, in proper working condition, on each occupied level of the unit. Smoke detectors must be located, to the extent practicable, in a hallway adjacent to a bedroom. If the unit is occupied by hearing impaired persons, smoke detectors must have an alarm system designed for hearing-impaired persons in each bedroom occupied by a hearing-impaired person.

(iii) The public areas of all housing must be equipped with a sufficient number, but not less than one for each area, of battery-operated or hard-wired smoke detectors. Public areas include, but are not limited to, laundry rooms, community rooms, day care centers, hallways, stairwells, and other common areas.

Lead Based Paint Visual Assessment Form



For units receiving Rental Assistance AND/OR financial assistance and the participant plans to remain housed in the unit.



Lead Based Paint visual inspections must be conducted by staff certified by HUD's Lead Based Paint visual inspection online course.

Available at: http://www.hud.gov/offices/lead/training/visual_assessment/h00101.htm



Must obtain verification that unit was built after 1978 or obtain a Lead Based Paint (LBP) visual assessment if children under the age of six are in the household.



Must keep documentation on file that LBP was addressed even with determination that LBP rule is not applicable to household. Form is on our website.

Lease Agreement

- A written lease is required for all clients receiving rental assistance except for a one-time payment of arrears.
- Grantee must document efforts to obtain a written lease.
- If a written lease does not exist and/or cannot be adequately documented, a new written lease must be executed and documented in the case file before any rental assistance is provided.
- Without a lease in the participant's file, rental assistance for that unit is not eligible

Rental Assistance Agreement (RAA)

- The grantee may make rental assistance payments **only to an owner with whom the grantee has entered into a Rental Assistance Agreement (RAA).**
- The RAA must contain the same payment due date, grace period, and late payment penalty requirements as the client's lease.
 - The grantee must make timely payments to each owner in accordance with the rental assistance agreement (RAA). The grantee is solely responsible for paying late payment penalties that it incurs with non-ESG funds.
 - All late fees incurred after the RAA is in place will not be reimbursed.
- Without a Rental Assistance Agreement in the participant's file, rental assistance for the unit is not eligible.

Rental Assistance Agreement (RAA)

Written Rental Assistance Agreement between landlord and agency must include the following:

1. Client name and address of unit
2. Amount to be paid with same due date and grace period as lease
3. Landlord's agreement to accept payment on behalf of client
4. Length of assistance
5. Release of liability for further assistance when the program participant moves out of the housing unit, the lease terminates and is not renewed or the participant is no longer eligible for ESG assistance
6. Signature of Landlord and Agency Representative. Include Participant's signature if they are agreeing to pay a portion of the rent during this time period.

VAWA Protections 24 CFR 576.409

- Required for all RENTAL ASSISTANCE
 - The core statutory protections of VAWA that prohibit denial or termination of assistance or eviction solely because an applicant or tenant is a victim of domestic violence, dating violence, sexual assault, or stalking.
 - All clients regardless of gender or history of domestic violence must receive these forms at each of the following times:
 - **Notice of Occupancy Rights (HUD form 5380)** The Notice of Occupancy Rights informs the clients of their rights under VAWA in case a domestic violence situation occurs and they needed to access their rights under VAWA. Each Agency needs to edit this form to include their information prior to giving it to the client.
 - **Certification form to document an incident (HUD form 5382)** The purpose of this form is to direct a client of how to document an incident of DV if the landlord requests verification when they attempt to access their rights under VAWA.
1. When an individual or family is denied ESG rental assistance;
 2. When an individual or family's application for a unit receiving project-based rental assistance is denied;
 3. When a program participant begins receiving ESG rental assistance;
 4. When a program participant is notified of termination of ESG rental assistance; and
 5. When a program participant receives notification of eviction.

VAWA FORMS WERE UPDATED

You can no longer distribute the old VAWA forms to client files for 2025 program year.

Updated:

- The Notice of Occupancy Rights (HUD form 5380)
- The Certification form to document an incident (HUD form 5382)

Forms can be found here or on our Program Forms page-

<https://www.hud.gov/vawa#VAWA-Forms>

VAWA Lease Addendum

- VAWA Lease Addendum is to protect all clients and landlords in the case that there were to be an instance of domestic violence while the client is enrolled in ESG and they wouldn't be able to be evicted or discriminated against due to this occurrence.
- All units assisted with *rental assistance* from federal funding must have a VAWA Lease Addendum added to the lease if it is not already included.
- VAWA Lease Addendum can have the same end time that the Rental Assistance Agreement ends between the landlord and your agency.
- Current VAWA Lease Addendum and VAWA Protection Forms can be found on the ESG website.

Monitoring

- Monitoring will be conducted by THDA's Compliance Team - CPCompliance@thda.org
- Compliance team will review draws, client files, written standards, etc. to ensure compliance with requirements
- The most common findings are within client files
 - Lack of documentation for housing and/or income status
 - No case notes to show case management was conducted every month for RRH and HP components
 - No documentation of FMR, rent reasonable, housing standards, lease, rental assistance agreement and/or VAWA lease addendum and protections when necessary
 - Re-evaluations lacking required documentation
- It is the responsibility of the grantee to ensure compliance of their programs
- Create procedures for self-audits
- Helpful forms and tools can be found on THDA's ESG website

Monitoring Schedule

1. Notification of Monitoring – Grantees will be given notification of a monitoring review two weeks prior to the start of monitoring and Entrance Conference. Grantee deadline for submitting ESG client list will be included in the notification.
2. Draw Reimbursement Review – THDA staff will review all reimbursements to ensure compliance with ESG regulations
3. Entrance Conference – THDA staff and grantee staff will meet to discuss monitoring procedure, questions and agency will provide a list of clients served. THDA will randomly select client files to review.
4. Client File Review – THDA staff reviews client files in accordance with ESG CFR 576, THDA's Program Guide and agency's contract to confirm compliance.
5. On-site inspection of emergency shelters to ensure minimum shelter habitability requirements is conducted.
6. Exit Conference – Review any findings, concerns, or observations with THDA staff and grantee staff.
7. Monitoring Letter – Sent from THDA following Exit Conference outlining the findings, concerns and/or observations of the monitoring.
8. Agency must respond to monitoring letter within 30 days of the date of the letter with a Corrective Action Plan.
9. Corrective Action Plan - when necessary, is reviewed by THDA within 30 days

Additional Trainings

- The client file requirements that we've touched on during this training mostly focuses on Rapid Rehousing and Homelessness Prevention components and even still, did not touch on everything required in those components.
- We plan to hold specific component trainings throughout the year to touch on each component and the requirements of each in greater detail with smaller groups of grantees.
- It is a grantee responsibility to review the forms and resources on our website to ensure compliance.
- Last year's component trainings are posted on our website.
- Any questions regarding compliance can be answered by our team in the meantime.

THDA ESG Workshops & Resources

- [ESG Draw Documentation Standards](#)
- [ESG Program Basics](#)
- [RA HRSS Standards Matrix](#)
- [ESG Emergency Shelter and Permanent Housing Standards](#)
- [ESG Homelessness Prevention Component Workshop](#)
- [ESG Rapid Rehousing Component Workshop](#)
- [ESG Payment Request Process Workshop](#) *YOUTUBE:* <https://youtu.be/bEuS5JI0Ld8>
- [Community Services Programs Overview](#) *YOUTUBE:* <https://youtu.be/j4J4oC1XXhg>
- [ESG Street Outreach Component Workshop](#) *YOUTUBE:* https://youtu.be/_ZyRIZreCrl
- [ESG Emergency Shelter Component Workshop](#) *YOUTUBE:* <https://youtu.be/wlgqEJoQvcQ>

Resources for ESG Implementation

Review the following resources on our ESG website -

ESG Program Forms

Fair Housing

- [Fair Housing Brochure](#)
- [HUD AFHMP Form](#)
- [Subrecipient Self Assess Survey](#)

Program Limits

- [2025 Income Limits](#)
- [Income Determination Guide](#)
- [Fair Market Rents](#)
- [Utility Allowances](#)
- [Rent Reasonableness Form](#)

ESG Program Self Audit Forms

- [ESG Written Standards Checklist](#)
- [ESG Client File Checklist- Rapid Rehousing](#)
- [ESG Client File Checklist- Homelessness Prevention](#)
- [ESG Client File Checklist- Emergency Shelter](#)
- [ESG Client File Checklist- Street Outreach](#)

Lead-Based Paint

- [Lead-based Paint Compliance Form](#)
- [Protect Your Family from Lead in Your Home Brochure](#)

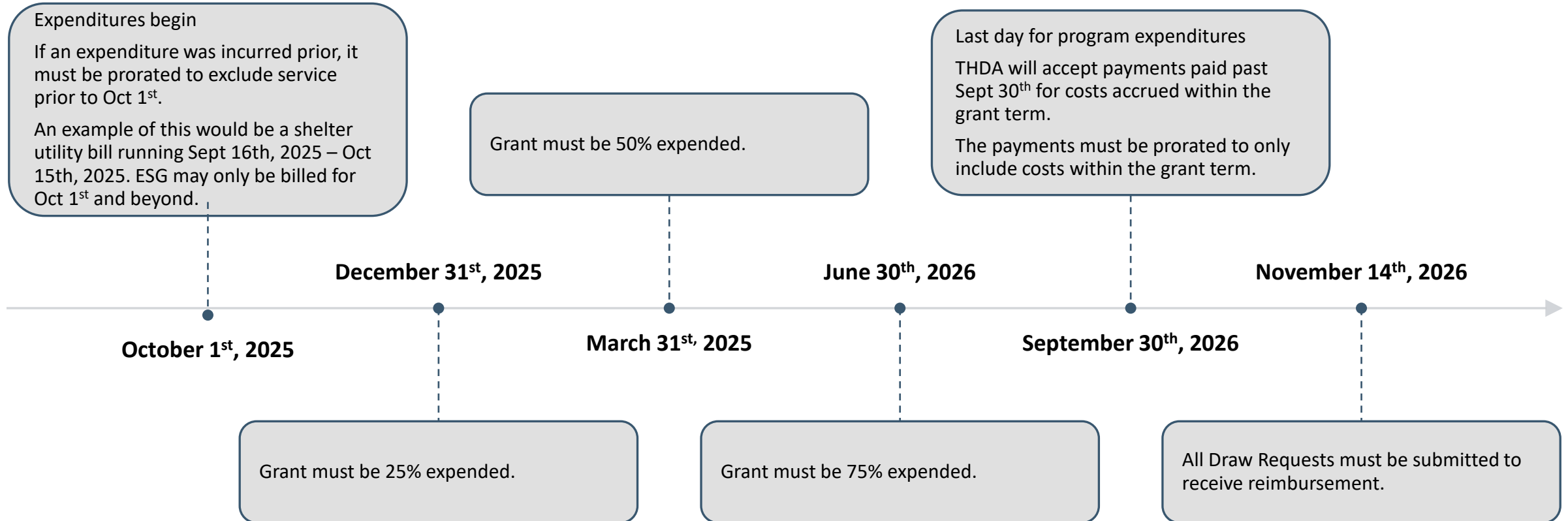
Optional Forms to use for ESG Participant files

- [Verification of Homelessness Status](#)
- [Income and Asset Calculation Worksheet](#)
- [Third Party Verification of Income](#)
- [Referral Tracking Tool \(Word\)](#)
- [Referral Tracking Tool \(PDF\)](#)
- [Financial Tracking Form](#)
- [VAWA Form HUD-5380](#)
- [VAWA Form HUD-5382](#)
- [Minimum Habitability Standards](#)
- [Statement of Insufficient Resources](#)
- [ESG Self-Certification of Income](#)
- [VAWA Lease Addendum](#)
- [ESG Housing and Critical Needs Assessment](#)
- [ESG Housing Stability Plan](#)

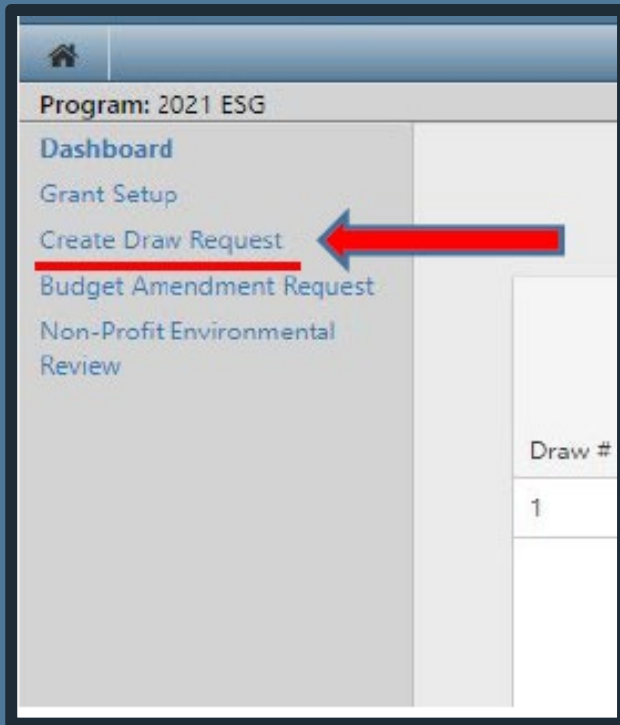
- REIMBURSEMENT
SCHEDULE
- SUBMITTING
DRAW REQUESTS
- MATCH
- REPORTING
- BUDGET
AMENDMENTS

ESG Financial Management

Schedule for 2025 ESG Reimbursements



Submitting Draw Requests



- Once GMS Grant Set-up page is completed and approved. GMS Program Managers can start creating draws.
- Reimbursement request are submitted with the “Create Draw” button in the toolbar on the left of the screen
- Draw Requests need to be submitted **each month**. Any costs submitted after 90 days from the last day of the month that costs were incurred, must include a letter signed on letterhead by the same person who authorized the grant contract of why the submission was late and how late submissions will be avoided in the future.
- After a draw is submitted by the Program Manager user, it will need to be approved by two grantee authorized signees. Authorized signees will receive an email to approve the draw.
- When the draw is submitted and fully approved by the grantee THDA can begin processing.

Supporting Documentation for Draw Requests

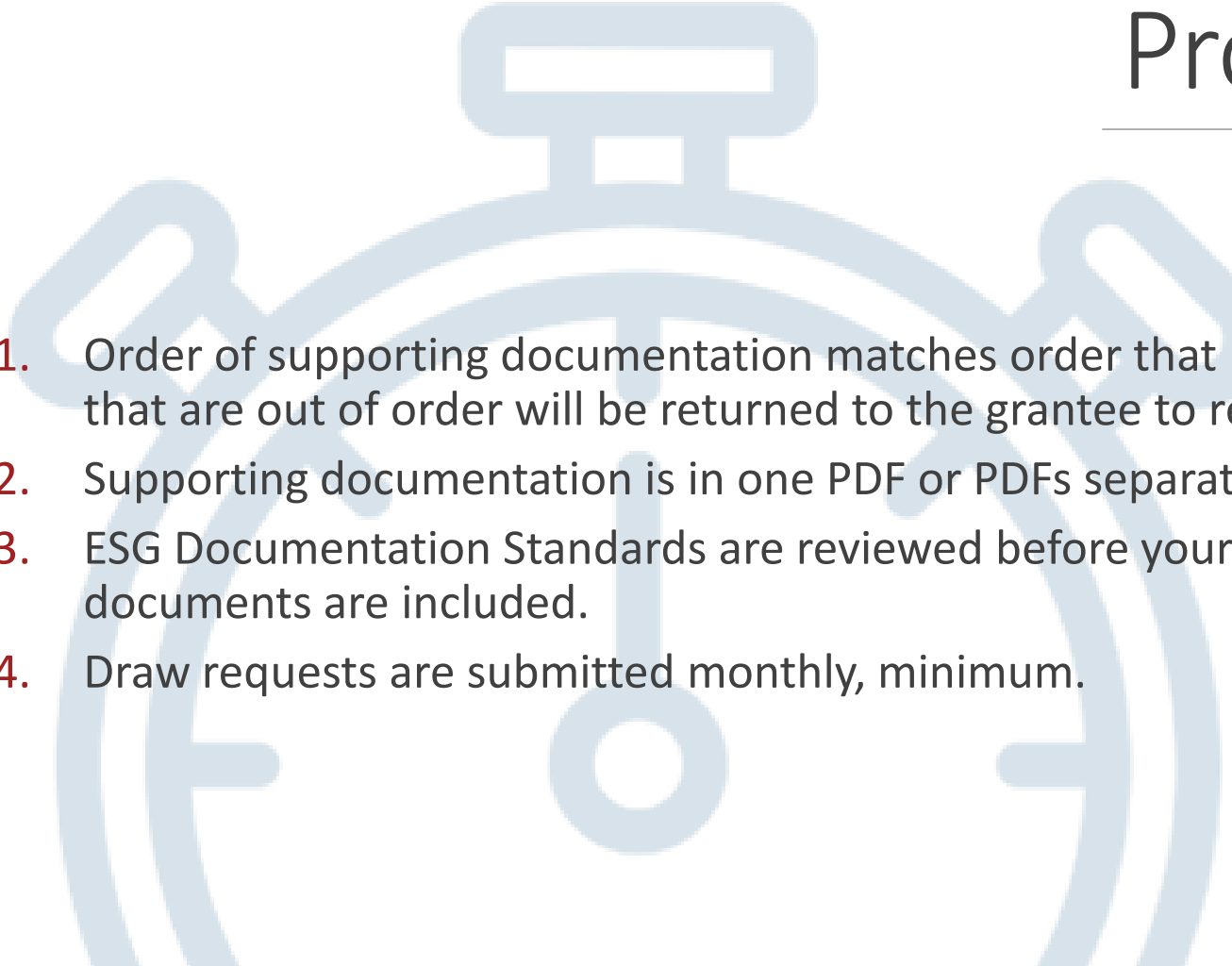
- Supporting documentation of costs is required on all draw requests
- For Supporting Documentation requirements, please refer to Pay Request Documentation Standards on THDA website — linked in another slide
 - For most costs, at minimum, we require an invoice and proof of payment or an itemized receipt to support ESG costs
- If a draw is lacking supporting documentation, it will be returned to the grantee for corrections
- Include timesheets on the first draw and any draws where a new staff member is included for the first time
 - Only tracked time worked directly on ESG activities should be charged. Agencies should have an appropriate method for tracking time.



Process of Draw Reimbursement after Submission

1. Upon receipt of Draw Request, THDA will have two staff members review request for documentation, eligibility and accuracy.
2. If any there is any missing documentation, ineligible expenses or errors found, the draw will be returned to the grantee with a condition explaining why the draw was returned. Corrections are made by the grantee and sent back to THDA for review to conduct two staff reviews of the corrections.
3. The draw is sent to the Program Manager for final approval and funds are drawn from HUD (IDIS).
4. The draw will then be reviewed by the THDA fiscal department and sent to the state Finance and Administration for payment.
5. Reimbursement will be deposited directly in grantee's account, typically within 2 weeks, no later than 30 days after receipt of a complete draw request.
6. If the reimbursement has taken longer than 30 days from submission, please email ESG@thda.org

Tips for Quicker Processing Times

- 
1. Order of supporting documentation matches order that line items are entered in GMS. Draws that are out of order will be returned to the grantee to re-order.
 2. Supporting documentation is in one PDF or PDFs separated by Activity not by line item.
 3. ESG Documentation Standards are reviewed before your first draw to ensure all supporting documents are included.
 4. Draw requests are submitted monthly, minimum.

Financial Records 24 CFR 576.500(u)

- The grantee must implement a system to maintain supporting documentation for all costs charged to the ESG grant.
- Create an efficient process to get supporting documentation from the case manager to the GMS Program Manager who is creating the draw request
- This includes invoices and proof of payments for goods and services provided with ESG funds.
- ESG records must be kept by Grantee for a period of **5 years** from the end of the grant term

Direct Costs VS Indirect Costs

- Direct costs can be identified specifically with a particular final cost objective: case manager salary, rental assistance for clients, purchase of food for shelter meals
- If an organization has only one source of funding, a single ESG grant, then 100 percent of its expenses would be direct, because all costs are solely and clearly tied to an ESG award and related activities.
- If an organization has more than one funding source and has multiple programs in its portfolio, then some costs—such as administrative costs and overhead costs like facility rental and utilities—will be hard to tie to a single funding source and activity, and are thus shared or indirect costs.

Indirect Costs

24 CFR 576.109

- Costs incurred for rent, office supplies, insurance, utilities, etc. that benefit more than one program
- ESG can only pay its percentage of total indirect costs according to the agency's approved cost allocation plan
- If indirect costs will be billed, Grantee must provide letter citing from their cost allocation plan the percentage of indirect costs that may be billed to ESG and must provide copy of cost allocation plan.

ESG Match

24 CFR 576.201

- ESG funds must be matched dollar for dollar, but does not have to be in the same category (street outreach, shelter, rapid rehousing, homelessness prevention, data collection).
- If you are using a large sum for match like the cost of a building or another grant, please include the entire portion of match in one draw rather than splitting the match by each draw request.
- ESG funds may be used as match for the CoC program or CoC programs may be used as match for the ESG program (so long as you are not counting both as match).
- Match documentation requirements have been updated on our Draw Request Documentation Standards for this year
- Match will also be submitted in GMS.

ESG Match

24 CFR 576.201

In general, federal (other than ESG), state, local, or private funds may be used to satisfy the requirement that the recipient provide matching contributions to ESG, so long as the following conditions are met:

- The matching funds are contributed to the ESG program and expended for the recipient or subrecipient's allowable ESG costs.
- If the matching funds are from another federal program, there is no specific statutory prohibition on using those funds as match;
- The matching funds are used in accordance with all requirements that apply to ESG grant funds, except for the expenditure limits in 24 CFR 576.100. This includes requirements such as documentation requirements, eligibility requirements, and eligible costs.
- The matching funds are expended (that is, the allowable cost is incurred) after the date HUD signs the grant agreement for the ESG funds being matched.
- The matching funds are expended by the expenditure deadline that applies to the ESG funds being matched;
- The matching funds have not been and will not be used to match any other Federal program's funds nor any other ESG grant;
- The recipient does not use ESG funds to meet the other program's matching requirements; and
- The recipient keeps records of the source and use of the matching funds, including the particular fiscal year ESG grant for which the matching contribution is counted.

ESG Match Documentation

- If using donations, please send in the list of items donated in the month you are claiming the match (you can use general categories, i.e., food, clothing, household items, etc.).
- If using the value of a building, please send in a copy of the assessed value or rental value of the building for our records. **A donated building may be counted as match one time, either in a lump sum or as a prorated amount divided by a set number of years.**
- If using salary of employees as match, please send the following documentation:
 - Name(s) of employee(s)
 - Title(s) of position
 - Amount of salary
 - **Funding source – make sure to name which grant or funding source is covering the match on the documentation submitted**
- Another agency's contribution cannot be used as match unless it is a direct donation to the Grantee. With match documentation, include confirmation of donation on letterhead. Documentation that donation was spent on ESG eligible activities also required.
- Program income – show the record of program income as well as documentation that the program income was spent on ESG eligible activities.

Ineligible Match

Some examples of ineligible cash match include:

- Mainstream benefits paid directly to program participants
- Other ESG funds
- Match funds already designated for another project
- Program participant savings (belong to participant, not program)
- Funds from other sources that are spent on ineligible ESG activities

In-kind match must directly contribute to the project. Examples of ineligible in-kind match include:

- Routine volunteer contributions that would occur whether or not your project existed (e.g., ongoing volunteer gardeners that visit agency weekly)
- Routine operations and activities of program partners (e.g., volunteer contributions for a food pantry that does not provide food for the ESG funded project)
- “Potential” or “estimated” services and donations. The in-kind donation must have been made.
- Services that would otherwise not be eligible costs with ESG program funds such as bed linens or furniture that would become the property of the program participant.
- Services funded by funds that are disallowed from being used as match.

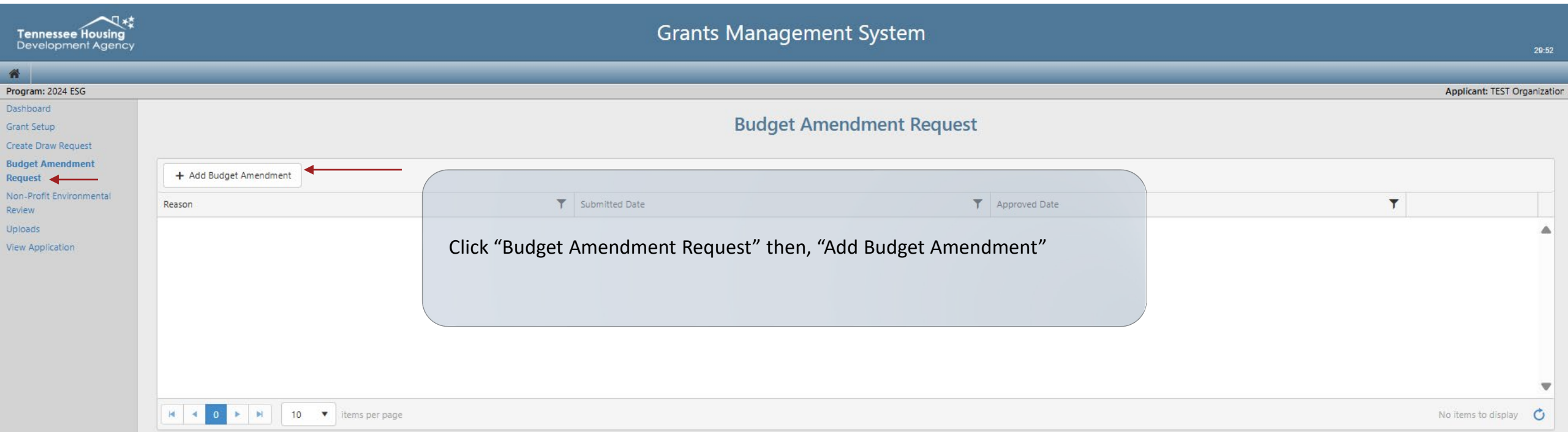


Reporting Requirements

- There are no quarterly reports currently required for Annual ESG funds
- **CAPER Reporting to HUD through SAGE is required at the end of the grant year.**
- **Closeout financial report is required at the end of the grant year for THDA to meet HUD reporting requirements.**

Budget Amendments

Agencies have the power to move money in GMS from one awarded activity to another if unforeseen changes in the budget occur.



The screenshot displays the Grants Management System (GMS) interface. At the top, the header includes the Tennessee Housing Development Agency logo, the title "Grants Management System", and the time "20:52". Below the header, the left sidebar shows the navigation menu with options: Dashboard, Grant Setup, Create Draw Request, **Budget Amendment Request** (highlighted with a red arrow), Non-Profit Environmental Review, Uploads, and View Application. The main content area is titled "Budget Amendment Request" and features a table with columns: Reason, Submitted Date, and Approved Date. A red arrow points to the "+ Add Budget Amendment" button in the top left corner of the table. A large blue callout box in the center of the table contains the text: "Click 'Budget Amendment Request' then, 'Add Budget Amendment'". At the bottom of the table, there is a pagination bar showing "0" items per page and "10 items per page". The bottom right corner of the interface displays "No items to display" and a refresh icon.

Budget Amendment Request

PART 1: Budget Amendment Request				
Categories	Current Budget	**Change (+ or -)		New Budget
Street Outreach	\$0.00	\$	0.00	\$0.00
Emergency Shelter	\$122,500.00	\$	0.00	\$122,500.00
Homeless Prevention	\$0.00	\$	0.00	\$0.00
Rapid Re-housing	\$0.00	\$	0.00	\$0.00
Homeless Management Information System (HIMS)	\$2,500.00	\$	0.00	\$2,500.00
Administrative Costs	\$0.00	\$	0.00	\$0.00
Total*	\$125,000.00		\$0.00	\$125,000.00

Fill out the changes here

*Total Current Budget must equal Total New Budget. Amendments only move funds between categories.
**To subtract funds from an activity, add the subtract symbol in front of the dollar amount you want to subtract (e.g. - 5000)

PART 2: Matching Funds Amendment Request				
Categories	Current Budget	Change (+ or -)	New Budget	
Other Non-ESG HUD Funds	\$0.00	\$0.00	\$0.00	Edit
Other Federal Funds	\$0.00	\$0.00	\$0.00	Edit
State Government	\$0.00	\$0.00	\$0.00	Edit
Local Government	\$0.00	\$0.00	\$0.00	Edit
Private Funds	\$0.00	\$0.00	\$0.00	Edit
Fees	\$0.00	\$0.00	\$0.00	Edit
Program Income	\$0.00	\$0.00	\$0.00	Edit
Other	\$353,000.00	\$0.00	\$353,000.00	Edit
Total*	\$353,000.00	\$0.00	\$353,000.00	

You may also change match categories as well.

Reason for Amendment Request

Include the reason for the request and hit save.

Save Back

Budget Amendment will need to be approved by the agency's Authorizing Individual before being sent to THDA. Approval request will be sent to their email.

Resources for Financial Management

- [Draw Documentation Standards - Updated October 2025 Standards](#)
- [https://ESG Payment Request Workshop](#)
- [How to Submit a Draw Request](#)
- [How to Submit a Budget Amendment](#)

Next Steps

1

Title VI Coordinator will complete THDA's Title VI Non-Discrimination Training. You will receive an email from THDA with the training link.

2

Employees completing housing inspections will complete HUD's Lead Based Paint Visual Inspection Online course.

3

New grantees or those with a change of address or banking information must set up with Edison Supplier Maintenance to make sure their ACH banking information is submitted.

4

Complete ESG Written Standards Checklist. Make edits to your Written Standards, as necessary. Get board approval for all changes. Checklist should be attached to your Written Standards when uploaded to GMS.

5

Complete Grant Setup page in GMS as soon as possible to prevent delay in submitting draws.

6

Review THDA's **updated** ESG Program Guide, sample forms and Client File Checklists prior to expending funds to ensure compliance. All located on our website.

7

Start submitting draws in GMS.

8

Reach out to THDA throughout the year for any additional questions or training that we can conduct for your teams at ESG@thda.org.

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Contact Information



To reach our entire team –
ESG@thda.org

Additional Resources

HUD Exchange

- <https://www.hudexchange.info/programs/esg/>

ESG Program Guide

- <https://dogvxws799i6n.cloudfront.net/wp-content/uploads/FINAL-ESG-PROGRAM-GUIDE-OCT-2025.pdf>

Code of Federal Regulations (24 CFR 576)

- <https://www.ecfr.gov/current/title-24/subtitle-B/chapter-V/subchapter-C/part-576>

Tennessee Housing Development Agency ESG Website

- <https://thda.org/govt-non-profit/emergency-solution-grants-esg-program/>

CPD Income Eligibility Calculator and Income Limits

- <https://www.hudexchange.info/incomecalculator/>