2026 Emergency Solutions Grants (ESG) Grantee Workshop

SEPTEMBER 2026

Tennessee Housing Development Agency

Grant Term

Contract Start Date:
October 1, 2026

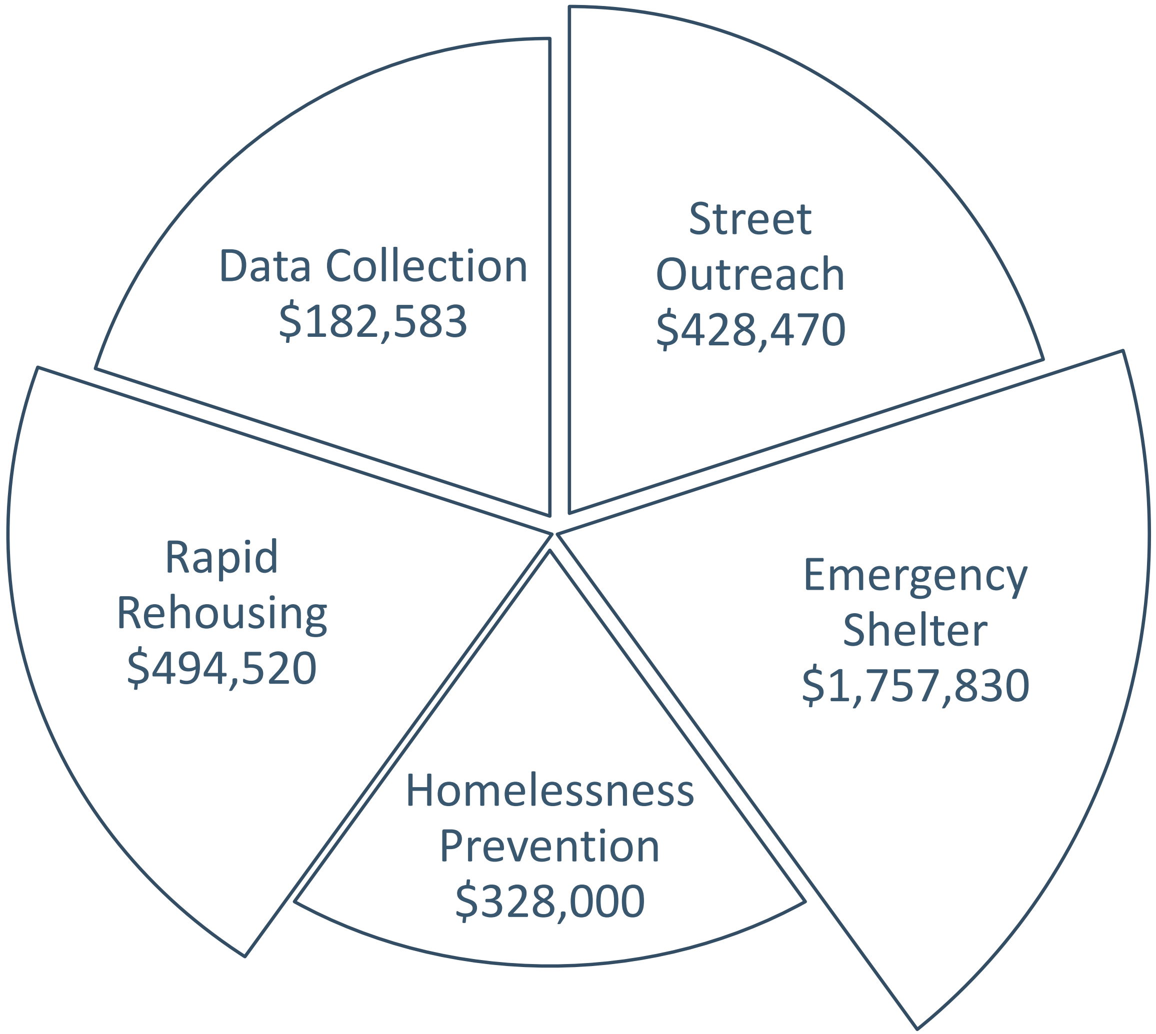
Contract End Date:
September 30, 2027

No expenditures incurred prior to October 1, 2026 can be reimbursed under ESG 2026

Quarterly Reports and Performance Outcomes will be submitted and reviewed throughout the program year

2026 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 $3,799 awarded to set aside cities for Administration

New for 2026 ESG - SmartSimple

- THDA uses a grants management system to manage the entire ESG lifecycle, from application and award through monitoring, financial invoicing, reporting, compliance, and closeout.
- THDA will no longer use GMS as it's software system and will be switching to SmartSimple.
- The entire award will be managed through SmartSimple – this is where you will submit invoices and submit quarterly reports to THDA
- We will hold a specific training on the use of SmartSimple at a later date

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Workshop Agenda

Grant Set-up
- Set up agency with Edison and Direct Deposit
- SmartSimple Activation
- Complete Grant Set-up requirements

ESG Requirements
- ESG Federal & Contract requirements
- HMIS Data Requirements
- THDA ESG contract review
- Environmental Review requirements

ESG Implementation
- Eligible Program Participants & documentation
- Eligible components & activities
- Recordkeeping
- Monitoring

Client Files
- Client File Checklists
- HP & RRH Client Files
- Unit Requirements for rental and financial assistance
- PRWORA for Homelessness Prevention

ESG Financial Management and Reporting
- 2026 ESG schedule
- Submitting Invoices in SmartSimple
- Financial Management Records and Policies
- Match
- Reporting
- Performance Outcomes
- Budget amendments

Monitoring
- Timeline
- What to expect
- Required documentation
- Preparation
- Common findings, concerns & observations

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- NEW GRANTEE STEPS
- AGENCY UPDATES
- SMARTSIMPLE ACTIVATION
- GRANT SET-UP DOCUMENTATION

Grant Set-up

Attention to New Grantees

- New grantees must send the registration documentation on this checklist to ESG@thda.org
  - W-9 Form
  - Remittance Address Documentation
  - State of TN Employee Listing (if applicable)
- Our team will then submit it to Suppliers
- Forms <u>must</u> include original signatures from grantee and financial institution
- Completing this process could take up to 30 days. Not completing these steps will result in delays in reimbursement.
- New Supplier Registrations Checklist is linked here.

New Supplier Registrations Checklist

☐ Collect Registration Supporting Documentation

☐ W-9 Form

- Must be legible
- Must be on the current version of the W-9 form
- Must be completed according to the IRS instructions
- Must be hand-signed or electronically signed using Docusign
  - If using Docusign, the blue bar next to the signature must be visible and you must also include the Docusign verification page.)
- Must be dated within one year of the submission date
- Must be in a PDF format (no picture formats)
- Address must be correct according to USPS standards.

☐ Remittance Address Documentation (If Needed)

- Must be either an invoice to or from the supplier or a hand-signed memo on company letterhead
- Must be legible
- Must contain the supplier's doing business as (DBA) name that appears on the W-9
- Must contain a complete address
- Must be dated within one year of the submission date

☐ State of Tennessee Employee Listing

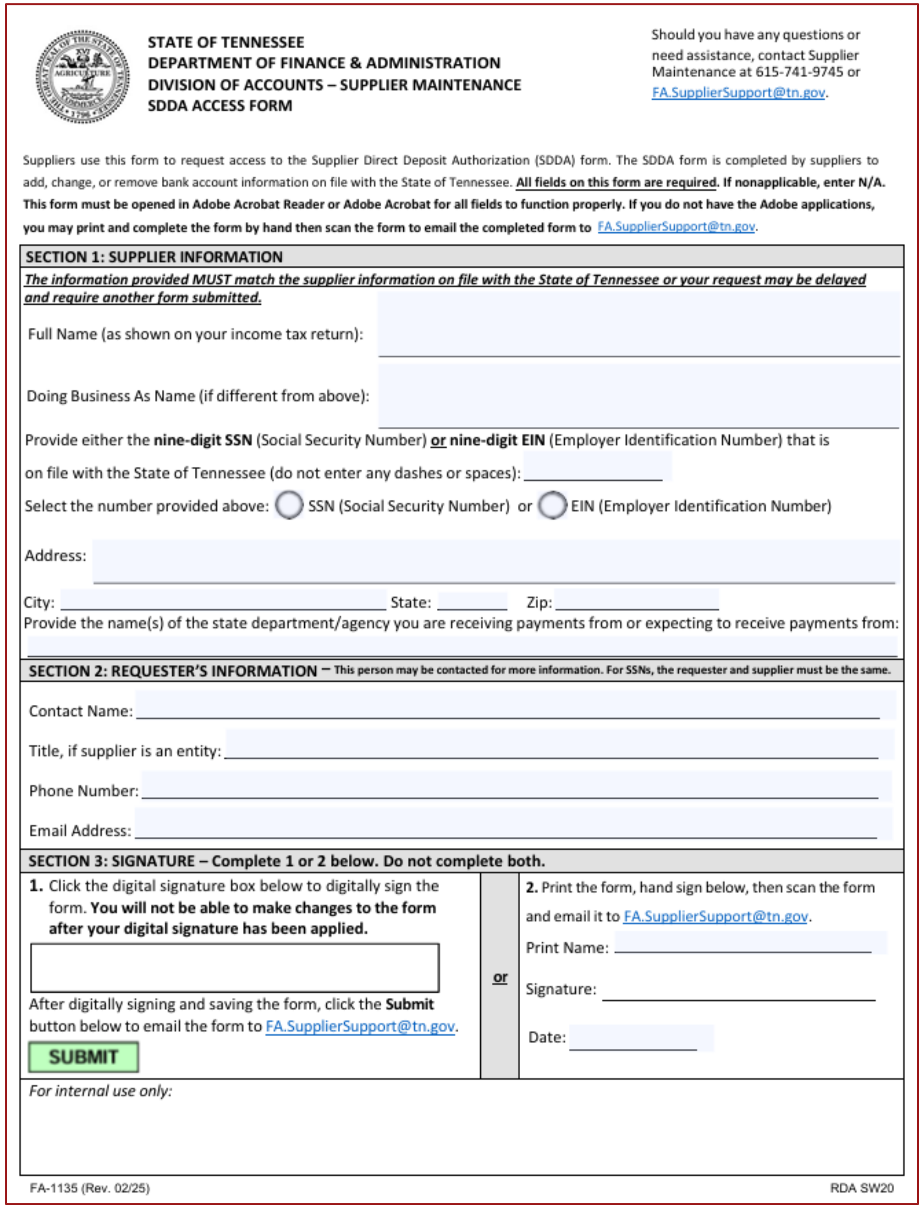
- Provide attachment if employees of the supplier are currently or were previously employed by the State of Tennessee within the last six months
- Attachment must contain the following information: first and last name, social security number, position within the firm, and ownership interest
  - If the employee is concerned about providing his or her social security number, their Edison employee ID can be provided.
- Example of documentation could be an excel file with required information

☐ Email Registration Documents to ESG@thda.org

- Please state in your email the type of payment that will be made to the supplier such as rent to a landlord (HAP), payment to a resident for utilities (UAP), payments to a grantee (such as HOME, ESG, LIHEAP, LIHWAP, WAP, NHTF, ERA, HAF, HCP), payment for professional services, etc.
- If there are no employees that fall under the State of Tennessee Employee Listing, please state in your email that there are no employees that meet this criteria.
- If you have questions about any of the forms above, please contact ESG@thda.org

Attention to New Grantees

- New Grantees must fill out the State of TN SDDA Access Form to begin the process to set up bank account information. This must be emailed to FA.SupplierSupport@tn.gov.
- F&A Supplier Maintenance will review the submitted form for approval.
- Once approved, you will be notified and provided with instructions to update your banking information electronically.
- Completing this process could take up to 30 days. Not completing these steps will result in delays in reimbursement.
- SDDA Access Form is linked here



STATE OF TENNESSEE
DEPARTMENT OF FINANCE & ADMINISTRATION
DIVISION OF ACCOUNTS – SUPPLIER MAINTENANCE
SDDA ACCESS FORM

Should you have any questions or need assistance, contact Supplier Maintenance at 615-741-9745 or FA.SupplierSupport@tn.gov.

Suppliers use this form to request access to the Supplier Direct Deposit Authorization (SDDA) form. The SDDA form is completed by suppliers to add, change, or remove bank account information on file with the State of Tennessee. **All fields on this form are required. If nonapplicable, enter N/A. This form must be opened in Adobe Acrobat Reader or Adobe Acrobat for all fields to function properly. If you do not have the Adobe applications, you may print and complete the form by hand then scan the form to email the completed form to** FA.SupplierSupport@tn.gov.

SECTION 1: SUPPLIER INFORMATION

The information provided MUST match the supplier information on file with the State of Tennessee or your request may be delayed and require another form submitted.

Full Name (as shown on your income tax return): ____

Doing Business As Name (if different from above): ____

Provide either the **nine-digit SSN** (Social Security Number) **or nine-digit EIN** (Employer Identification Number) that is on file with the State of Tennessee (do not enter any dashes or spaces): ____

Select the number provided above: ◯ SSN (Social Security Number) or ◯ EIN (Employer Identification Number)

Address: ____

City: ____ State: ____ Zip: ____

Provide the name(s) of the state department/agency you are receiving payments from or expecting to receive payments from:

SECTION 2: REQUESTER'S INFORMATION – This person may be contacted for more information. For SSNs, the requester and supplier must be the same.

Contact Name: ____

Title, if supplier is an entity: ____

Phone Number: ____

Email Address: ____

SECTION 3: SIGNATURE – Complete 1 or 2 below. Do not complete both.

1. Click the digital signature box below to digitally sign the form. **You will not be able to make changes to the form after your digital signature has been applied.**

After digitally signing and saving the form, click the **Submit** button below to email the form to FA.SupplierSupport@tn.gov.

SUBMIT

or

2. Print the form, hand sign below, then scan the form and email it to FA.SupplierSupport@tn.gov.

Print Name: ____

Signature: ____

Date: ____

For internal use only:

FA-1135 (Rev. 02/25) RDA SW20

Attention all Grantees

- Any updated grantee information needs to be reported to ESG@thda.org
  - Any changes to your bank account
  - Change in your address
  - Change in the name of your agency
- Failing to report any of the above will delay reimbursements being direct deposited to your bank account

SmartSimple Activation

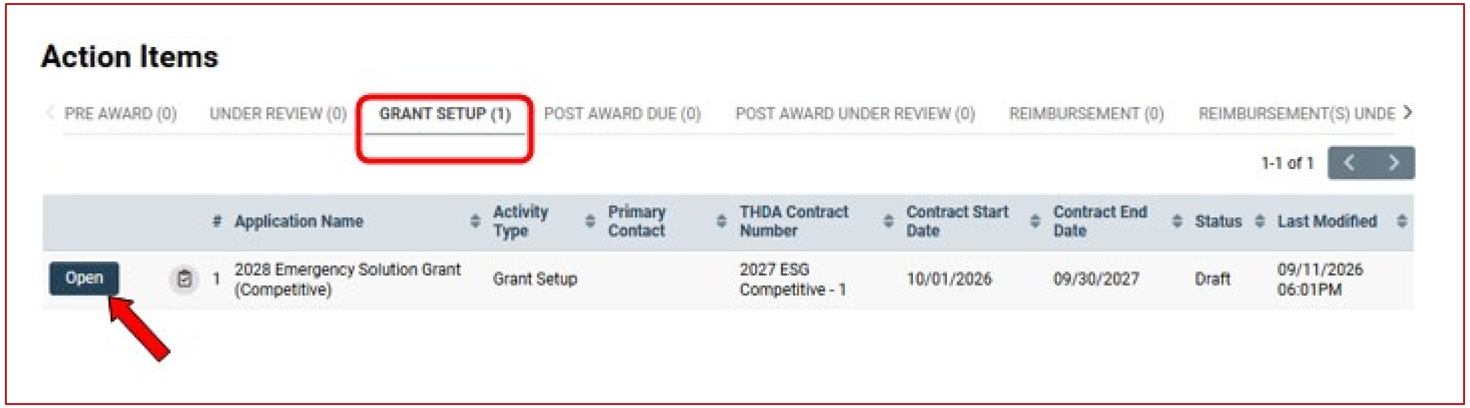
- Invoices (formerly known as draws) will be submitted to THDA in the **new** designated grants management system (SmartSimple).
- Employees who will be submitting and reviewing invoices will need to have a SmartSimple account
  - This Friday, September 18th, the primary contact for each organization will receive an email like the one below. This will give you access to your ESG SmartSimple Portal.

From: noreply@smartsimplemailer.com
Date: September 11, 2026 at 4:21:48 PM CDT
To: youremail@agency.org
Subject: Welcome: THDA One-Stop for Community Services User information

Dear Executive Director, Welcome to the THDA One-Stop for Community Services System. Your user name is youremail@agency.org and you can go to the address below to reset your password. https://thda.smartsimple.us/ex/ex_activate.jsp?lang=1&token=%24tWONGwmYQHj7THPHH8x8W0%2BGUSkrnRPknGOvkEHmxgOsSzrZOZtrZ058dibTzq52eZ2Nv4RX%2FnRr3X4M53EsxA%3D%3D Log in here https://thda.smartsimple.us Sincerely, THDA One-Stop for Community Services

SmartSimple Grant Set-up

- Grant Setup page must be completed before draws can be created.
- Failure to complete your Grant Setup page will result in delay in reimbursements.
- When you log into SmartSimple you will navigate to the grant setup screen.



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SmartSimple Grant Set-up

- The following documents will need to be uploaded in SmartSimple's Grant Set-up for THDA review
  - Policies and Procedures/Written Standards
  - Board Approval of Policies and Procedures
  - W-9
  - If you are sub-granting, you will upload any sub-contracts

- Enter your financial information to match your Edison payment information. This includes Financial Institution Name and the Last Four Digits of Account Number.
- Select your active CoC

Resources for Grant Set-up

- THDA Program Guide – most recently updated July 2026
- The following can be found on our ESG Program Forms page:
  - State of TN Supplier Direct Deposit Authorization Form
  - THDA Checklist New Supplier Registrations
  - Most recent W-9
  - ESG Written Standards Checklist

ESG Requirements

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

ESG Requirements – Policies and Procedures

- All Grantees must have policies and procedures covering the "POLICIES AND PROCEDURES REQUIREMENTS" of the ESG Program Guide starting on page 63.
  - Compliance with Non-discrimination Laws
  - Affirmative Outreach
  - Equal Access
  - VAWA Compliance
  - Emergency Transfer Plan
  - Faith-Based Activities
  - Conflicts of Interest Policy
  - Confidentiality
  - Complaints and Appeals
  - Terminating Assistance
  - Homeless Participation
  - Required Postings
  - ESG Written Standards

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ESG Requirements – Faith-Based Activities

- 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 – Required Postings

- All grantees are required to hang the following postings in their facilities in a place that program participants can easily observe:
  - HUD Fair Housing Poster
  - Equal Employment Opportunity
  - The grantee's grievance policy with appeals process
  - LEP Limited English Proficiency
  - Comptroller's Fraud, Waste and Abuse sign following the additional provisions under the "Public Accountability" section in the ESG Program Guide
- Post notice of receipt of ESG funds using contract language
- Include fair housing and ADA logos on all informational material
- Practice and post Non-Discrimination policies
- Maintain and implement Drug Free Workplace Policy
- Maintain and implement a Conflicts of Interest Policy

ESG Requirements – Program Implementation Compliance

- Grantees must follow THDA's ESG Program Guide for direction of program implementation which complies with the ESG Code of Regulations as outlined in 24 CFR 576.
- Enact and consistently follow ESG Written Standards for their ESG Program which meets all requirements of the ESG Written Standards Checklist.
    - The use of HMIS and Coordinated Entry must correspond with local CoC policies.
    - All written standards are reviewed prior to the program year. Any changes must have board approval.

ESG Requirements – Coordination with CoC

- All grantees must utilize their CoC's centralized assessment system when entering clients into the ESG program.
- If your ESG program serves areas within multiple CoCs, you must adhere to the assessment procedures established by the CoC where your program is physically located
- As an ESG grantee, attendance of CoC meetings and trainings is required

ESG Requirements – HMIS / Data Collection

- All grantees must enter data for all persons served and all activities assisted under ESG in the designated local HMIS for the CoC in which the grantee serves in.
- If the subrecipient is a victim service provider or a legal services provider, it may use a comparable database instead of HMIS. The system must collect 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.

ESG Requirements – Data Collection

- Projects funded by the ESG Program must collect data according to the chart on the next slide, to generate the CSV-CAPER Report.
- Grantees should be connecting with their corresponding CoC for data entry
- All grantees must be collecting the following Universal Data Elements (UDE) for every program

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

ESG Requirements - Data Collection

- Additional “Common Program Specific Data Elements” must be collected depending on the funded ESG component.
- The following chart indicates which elements are required for collection for each of the ESG component types.

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*
4.21 Sex	x	x	x	x	x
W5 Housing Assessment at Exit			x		

* Data collection is determined by how the CoC has structured the coordinated entry system to operate.

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ESG Requirements – Shelter Habitability Standards

- 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 during Monitoring
- ESG Minimum Habitability Standards for Emergency Shelters and Permanent Housing: Checklists
- Shelter inspections will not be using NSPIRE

ESG Requirements - Contract Review

- Contract will be sent by THDA via Docusign
- Grantees must review for accuracy
- Pay close attention to 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 immediately

Environmental Review

- All grantees should have submitted their Environmental Review Questionnaire to THDA
- THDA then completed the ER for non-profit grantees
- No shelter/office rent will be reimbursed during this period
- Local government needs to complete the ER for its project and subrecipients prior to expending funds

ESG Implementation

- ELIGIBLE PROGRAM PARTICIPANTS & DOCUMENTATION
- ELIGIBLE COMPONENTS & ACTIVITIES
- MONITORING

Eligible Participants of ESG

Homeless

- Category 1- Literally Homeless
  - Street Outreach (if unsheltered), Emergency Shelter, Rapid Re-housing
- Category 2- Imminent Risk of Homelessness
  - Emergency Shelter, Homelessness Prevention (if income requirement is also met)
- Category 3- Homeless under other Federal statutes
  - Emergency Shelter, Homelessness Prevention (if income requirement is also met)
- Category 4- Fleeing/ Attempting to Flee DV
  - Street Outreach (if unsheltered), Emergency Shelter, Rapid Re-housing (if living in a shelter or other place designated in paragraph 1(i) of "literally homeless definition), Homelessness Prevention (provided household also meets income requirement)

At-Risk of Homelessness

- There are three subparagraphs within this definition
- All are eligible for Homelessness Prevention provided households also meet HP income requirement

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“Homeless” Category 1 Literally Homeless

Definition	Required Documentation
(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	• 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 **<u>and</u>**: •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 **<u>must not</u>** 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.

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“Homeless” Category 2 Imminent Risk of Homelessness

Definition	Required Documentation
(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	• 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

Note: Lack of third-party documentation **<u>must not</u>** 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 3 Homeless under other Federal statutes

Definition	Required Documentation
(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	• 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.

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“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 **<u>must not</u>** 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.

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“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	Acceptable Supporting 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. **Note:** This documentation requirement is for paragraph 1 of the “at-risk of homelessness” definition. Documentation requirements for paragraphs 2 and 3 of “at-risk of homelessness” can be found in our ESG Program Guide	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

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 local governments

24 CFR 576.108

ESG Components

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.
- Coordination among other street outreach providers is essential to ensure you are not duplicating services.
- Documentation must be kept for each client. Street Outreach Client File Checklist is found on our website.

Activities under Street Outreach

ESSENTIAL SERVICES	OPERATIONS
• Crisis Intervention • Supplies to provide urgent physical needs • Emergency Health Services (non-facility based) • Emergency Mental Health Services (non-facility based) • Transportation via rideshare or public transit	• Case Management • Fuel for Outreach vehicles • Equipment for Street Outreach • Insurance for vehicles used by Street Outreach

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 prior to program year.
- 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
  - If your shelter serves families, you must serve all families
  - 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 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

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 re-housing 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 Statues, (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

❖Projects must outline in their written standards their re-evaluation schedule and if any changes in the participant's circumstances would trigger a re-evaluation more frequently

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

❖Projects must outline in their written standards their re-evaluation schedule and if any changes in the participant's circumstances would trigger a re-evaluation more frequently

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

HMIS / Data Collection

- ESG funds may be used to supplement efforts made by grantees to provide complete and accurate data in the Homeless Management Information System (HMIS) of the CoC, or comparable database for victim service providers.
- Purpose is to enhance data collection accuracy across the ESG program.

Activities under HMIS / Data Collection

CONTRIBUTING TO COC DATA COLLECTION	FOR HMIS LEAD AGENCIES
• 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.	• 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.

Administration

- This component is for local governments only
- Local governments' 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

Activities under Administrative

ADMIN FOR LOCAL GOVERNMENTS TO IMPLEMENT ESG

- 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.

General Recordkeeping

- **It is the grantee's responsibility to maintain adequate documentation that shows:**
  - Centralized Assessment System and standardized assessment used by the CoC was completed with the client
  - All ESG services were provided to ESG eligible participants who also met the income requirement of the ESG program, when applicable.
  - Procurement procedures were followed using THDA's Procurement Manual.
  - Proper tracking of supplies and equipment purchased with ESG funds.
  - Emergency Shelters maintained "Habitability Standards" for the program year.
  - All purchases in the ESG program were allowable, reasonable and allocable and maintained with invoices and proof of payments.
  - Any changes in policies, procedures and/or written standards received Board approval.
  - Client files are complete per the ESG component and regularly reviewed by program staff for accuracy.
  - Clients who were deemed ineligible for ESG services were referred to other services in the area and the reason for ineligibility is recorded.
- **All ESG records must be kept for five (5) full years from the date of the final payment of expenditures.**

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.

Client Files

- CLIENT FILE CHECKLISTS
- HOMELESSNESS PREVENTION & RAPID RE-HOUSING
- UNIT REQUIREMENTS FOR RENTAL AND FINANCIAL ASSISTANCE
- PRWORA FOR HOMELESSNESS PREVENTION

Client Files

- Client files must be kept for all participants served under
  - Street Outreach
  - Emergency Shelter
  - Rapid Re-housing
  - Homelessness Prevention
- All Client File Checklists are located on ESG Forms page of our website under "ESG Program Self-Audit Forms"
- Client files may be kept electronically but must be able to be quickly complied together to send to THDA when a notification of Monitoring goes out
- All participants of ESG must complete a standardized assessment and be entered into HMIS or the comparable database, as applicable

RRH & HP Client Files

- Rapid Re-housing and Homelessness Prevention projects have more client file requirements than other components. Some examples of this include:
  - Housing Stability Case Management must be recorded each month the client is open in the program
  - Client receives proper referrals to local resources and mainstream services as necessary
  - Re-evaluations of eligibility, as applicable
  - When Financial Assistance and Rental Assistance is provided, additional documentation of the unit must be collected
  - When a client is terminated from receiving services, detailed notes leading up to the termination and client file shows that the termination procedure followed minimum requirements outlined in the ESG Program Guide and grantee's written standards
  - Client receiving assistance has no other subsidies
  - Client has not received more than 24 months of ESG assistance in a three-year period

RRH and HP Housing Stability Case Management

- Must agency must:
  - Require the program participant to meet with a case manager not less than once per month to assist the program participant in ensuring long-term housing stability
  - Develop a plan to assist the program participant to retain permanent housing after the ESG assistance ends, taking into account all relevant considerations, such as the program participant's current or expected income and expenses; other public or private assistance for which the program participant will be eligible and likely to receive; and the relative affordability of available housing in the area.
  - Ensure program participants are assisted, as needed, in obtaining appropriate supportive services, such as medical or mental health treatment, or services essential for independent living and Mainstream benefits, such as Medicaid, SSI, or TANF
  - Record monthly meetings in client file showing how the plan for housing evolved while the participant was in the program

Limits on RRH Housing Stability Case Management

- While enrolled in Rapid Re-Housing program participants who are residing on the street or in emergency shelter, the first 30 days of housing stability case management are funded by Rapid Re-Housing.
- After 30 days of case management, if the 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.

RRH & HP Re-evaluations of Program Eligibility

- ESG re-evaluation regulations at a minimum require:
  - 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
- The Grantee may require each HP & RRH program participants to report changes in income and circumstances and require re-evaluations be completed when these changes occur
- The grantee may require RRH re-evaluations more often than once a year
- **Re-evaluation schedule and if relevant changes are reported must be included in Written Standards and followed consistently throughout the grant year**

RRH & HP Re-evaluations of Program Eligibility

- To be eligible for continued eligibility, all re-evaluations must prove:
  - Documentation showing AMI does not exceed 30% for the area. 2026 30% AMI limits can be found here.
  - Documentation showing client lacks sufficient resources and support networks necessary to retain or maintain housing without ESG assistance
    - "Statement of Insufficient Resources" on the ESG Forms page satisfies this requirement.

- Clients who do not meet one or both of these requirements, may not continue with ESG assistance.
- Documentation for each re-evaluation must be included in the client file

Income Eligibility

- When calculating if income meets income thresholds, as applicable, the client file must have:
  1. Income & Asset Calculation Worksheet or the results of the CPD Income Eligibility Calculator
  2. Supporting documentation of income following the order of obtaining documentation
- Both must be included each time you are assessing the individual or household's income for the ESG program
- Income and assets must be calculated of all adults in the household using 24 CFR 5.609
- Part 5 (Section 8) Income and Asset Inclusions and Exclusions outlines inclusions and exclusions of income to determine AMI for the ESG program

Additional Unit Requirements for Financial & Rental Assistance

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

Rapid Re-Housing and Homelessness Prevention Components		
Rental Assistance°	**Housing Relocation and Stabilization Services**	
	Financial Assistance	**Services Costs**
Eligible activity types: • Short-term rental assistance • Medium-term rental assistance • Rental arrears °Rental assistance can be project-based or tenant-based.	Eligible activity types: • Rental Application Fees • Security Deposits • Last Month's Rent • Utility Deposits • Utility Payments • Moving Costs	Eligible activity types: • Housing Search and Placement • Housing Stability Case Management • Mediation • Legal Services • Credit Repair

Exceptions:

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. The following chart provides a list of the eligible activities under each category of assistance, within the Rapid Re-Housing and Homelessness Prevention components.

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 HMIS[3] *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

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.
- 2027 FMR begins Oct 1, 2026
- 2027 FMR must be used by accessing this HUD website - 2027 Fair Market Rents Dataset | Summary
- Client file must explicitly show that the unit receiving rental assistance meets FMR

Calculating the GROSS RENT AMOUNT

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

Total contract rent amount of the unit + Any fees required for occupancy under the lease (excluding late fees and pet fees)

+

Monthly utility allowance* (excluding telephone) established by local PHA

=

Gross Rent Amount

*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.

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Rent Reasonableness

RENT REASONABLENESS CHECKLIST AND CERTIFICATION

	Proposed Unit	Unit #1	Unit #2	Unit #3
Address				
Number of Bedrooms				
Square Feet				
Type of Unit/Construction				
Housing Condition				
Location/Accessibility				
Amenities Unit: Site: Neighborhood:				
Age in Years				
Utilities (type)				
Unit Rent Utility Allowance Gross Rent				
Handicap Accessible?				

CERTIFICATION:

A. Compliance with Rent Reasonableness Payment Standard:

______________ + ______________ = ______________
Proposed Contract Rent + Utility Allowance = Proposed Gross Rent

Approved rent does not exceed applicable RR Payment Standard of $____________________.
(Average Gross Rent of Units 1, 2 & 3)

B. Rent Reasonableness

Based upon a comparison with rents for comparable units, I have determined that the proposed rent for the unit [ ] is [ ] **is not reasonable.**

Name:	Signature:	Date:

- Units receiving rental assistance must meet Rent Reasonableness
- Rent Reasonableness Form must be completed by case manager and kept in the client's file
  - Fill out information for proposed unit
  - Fill out information for 3 comparable rental units, using real estate listings, phone inquiries, or TNHousingSearch.org
  - Calculate Gross Rent of the prospective unit and the 3 comparable units. Same Gross Rent calculation should be used in the previous slide.
  - A. Write rent, utility allowance and Gross Rent of prospective unit. Then, calculate the average Gross Rent of the 3 comparable units and write that on the second line
  - B. If the "Proposed Gross Rent" does not exceed the average of the 3 comparable units then you may mark that the unit is reasonable.

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Housing Standards

- NSPIRE Standards have been delayed until October 1st, 2026.
- At this point in time, we have not gotten further notice of how to implement NSPIRE for ESG from HUD.
- The NSPIRE implementation could be delayed but we are waiting on direction from HUD.
- Until further notice, we will continue using Habitability Standards Checklist
- Units being provided rental and financial assistance (& the client plans to stay in the unit) must have a passed Habitability Inspection for the unit in the client's file.
- Case managers must conduct these inspections in person and remediate any fails prior funding any assistance to the unit.

Housing Standards

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.
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.**
    1. There must be a second means of exiting the building in the event of fire or other emergency.
    2. 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.
    3. 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

- Units receiving Rental Assistance AND/OR financial assistance and the participant plans to remain housed in the unit must use the Lead-Based Paint Visual Assessment Form to show compliance with LBP requirements.
- This form assesses whether the unit has an exception to the LBP Visual Assessment requirement.
- When you complete the form, if the unit does have an exception, you do not need to conduct a visual assessment, and the form will be kept in the client's file showing exemption from the visual assessment
- If the unit does not have an exception, then a Lead-Based Paint Visual Assessment needs to be conducted and remediated prior to ESG assistance being provided

Lead Based Paint Visual Assessment

- All Lead Based Paint visual inspections must be conducted by staff certified by HUD’s Lead Based Paint visual inspection online course.
  - Available at: Visual Assessment Training – HUD
- Document all remediations as necessary
- Unit may not receive financial or rental assistance until LBP requirements are met
- Keep documentation in client file

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

VAWA Lease Addendum

- 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 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.
- VAWA Lease Addendum can have the same end date that the Rental Assistance Agreement ends between the landlord and your agency.
- Current VAWA Lease Addendum can be found on the ESG Forms website.
- If the landlord refuses to participate in signing the VAWA Lease Addendum then rental assistance cannot be provided for the unit.

VAWA Protection Forms

- 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.
- The following VAWA Protection Forms must be given to all clients receiving rental assistance and at 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 while they are in the unit currently being provided with ESG rental assistance 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.
- Record all instances in the client’s file that the client’s were given these forms.
- VAWA Protection Forms are on the ESG Forms website

Rental Assistance Agreement (RAA)

- A Rental Assistance Agreement is required to be signed by the owner and the agency if rental assistance is being provided for the unit and kept in the client's file
- 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 under ESG.
- If a landlord refused to sign a Rental Assistance Agreement, rental assistance for the unit is not eligible.

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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. During the term of the agreement, the owner must give your agency a copy of any notice to the program participant to vacate the housing unit or any complaint used under State or local law to commence an eviction action against the program participant.
6. VAWA Protections
7. 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.
8. 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.

RRH & HP Program Entry

- At program entry, all program participants must receive the following:
  - Grievance & Termination Policy
  - Program rules
  - Right to Fair Housing
  - Releases of Information for HMIS and other entities on behalf of participant
  - “Protect Your Family from Lead in Your Home” pamphlet
  - “Notice of Occupancy Rights under the Violence Against Women Act” HUD Form 5380
- This is to ensure the participant is aware of the program expectations as well as their rights while in the program. This protects your agency and your participants.
- This is key in maintaining a best practices for your program and especially if a program participant must be terminated from receiving ESG services.

Termination from RRH & HP Assistance

- Written standards & Program Rules should include what situations warrant termination from the ESG program and must be given to the client upon entering the program
- Written procedure must detail the agency's process leading up to termination (verbal warnings, written violations, number of warnings before terminating, etc.) and each step is thoroughly documented in the client's file
- All ESG written standards must outline for rapid re-housing and prevention sub-grantees to terminate rental assistance or housing relocation and stabilization services to a project participant, requires this formal process, at a minimum:
  1. Written notice to the program participant containing a clear statement of the reasons for termination;
  2. A review of the decision, in which the program participant is given the opportunity to present written or oral objections before a person other than the person (or a subordinate of that person) who made or approved the termination decision; AND
  3. Prompt written notice of the final decision to the program participant.

RRH & HP Use with Other Subsidies or Duplication of Services

- 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.
  - *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 is allowed for subsidized units if the program participant is entering in a Homelessness Prevention project and they owe arrears however, prospective rent would not be eligible.
- 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.
- Grantee must outline in their written standards their procedure for how they will check that ESG assistance will not be provided if there are other subsidies or duplicate services. Some options 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.
  - Case manager will check the client’s lease
  - Grantees must do their due diligence & check in HMIS for past or present services to not duplicate services.

RRH & HP Maximum ESG Assistance

- Per ESG regulations, clients may not receive more than 24 months of ESG assistance in a three-year period.
- While programs are required to set their own caps of assistance, a client could have received ESG assistance from other ESG programs
- It is the grantee’s responsibility to ensure that client’s do not exceed this 24-month cap in a three-year period.
- Case manager must record this requirement in the client file

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Late Payments with RRH and HP

- Late payments on rent and utilities 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 RAA.
- 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.

PRWORA 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.
- Last year, 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 on ESG Homelessness Prevention Activities

- In order for an activity to be excluded from PRWORA, it must meet a three-prong test:
  - deliver in-kind services at the community level,
  - are necessary for the protection of life or safety, and
  - 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 procedure outlined in the next slide.

Step 5: Take action based on results of verification as instructed in THDA’s PRWORA Procedures.

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PRWORA Procedure for US Citizen and US Non-Citizen National

For US Citizen and US Non-Citizen National:

1. Ask the applicant to present a document demonstrating that he or she is a U.S. citizen or non-citizen national. A list of acceptable documentation in THDA's 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.

PRWORA Procedure for Qualified Aliens

For Qualified Alien:

1. Ask the applicant to provide documentation evidencing his or her status as a Qualified Alien. Documentation requirements are 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.

- 2026 ESG SCHEDULE
- SUBMITTING INVOICES & MATCH IN SMARTSIMPLE
- MATCH
- REPORTING
- BUDGET AMENDMENTS

ESG Financial Management & Reporting

Schedule for 2026 ESG

October 1st, 2026

Expenditures begin

If an expenditure was incurred prior, it must be prorated to exclude service prior to Oct 1st.

For example a shelter utility bill running Sept 16th, 2026 – Oct 15th, 2026. ESG may only be billed for Oct 1st and beyond.

January 20th , 2026

Quarterly Report Due for

October 1 – December 31

April 20th ,2027

Quarterly Report Due for

January 1 – March 31

July 20th, 2027

Quarterly Report Due for

April 1 – June 30

July 30th, 2027

CAPER Reports Due

September 30th, 2027

Last day for program expenditures

THDA will accept payments paid past Sept 30th for costs accrued within the grant term.

The payments must be prorated to only include costs within the grant term.

November 14th, 2027

All Draw Requests must be submitted to receive reimbursement.

Submitting Invoices to THDA

- ESG is a reimbursement grant, and no funds will be provided in advance.
- All invoices will be sent to THDA through SmartSimple
- All expenses require supporting documentation of invoice and proof of payment.
- The grantee can start creating reimbursements and invoices once:

1. The SmartSimple Grant Set-up page is completed and approved
2. The ESG contract is executed
3. Authorized Signature Page completed and uploaded to SmartSimple

Submitting Invoices in SmartSimple

- More detailed SmartSimple processes will be presented in a separate workshop
- This is a brief overview of how invoices will be processed

Funds are expended by Grantee

Grantee creates Reimbursements in SmartSimple of eligible grant expenses which are reviewed by internal staff

Staff member compiles the reviewed reimbursements together in an “invoice” then submits for internal staff approval.

Invoices need to go through two internal staff approvals for accuracy then submits to THDA.

THDA has three tiers of review for the invoice. Any errors will be sent back to the grantee for corrections. Correct invoices are drawn down from HUD.

Submitting Invoices in SmartSimple

- Creating reimbursements is the first step to submitting an invoice
- Reimbursement requests are submitted with the “New Reimbursement” button
- Reimbursements are created for each activity for that month (SO, ES, RRH, HP and Data Collection)
- Supporting documentation will be attached to each reimbursement

$ Budget

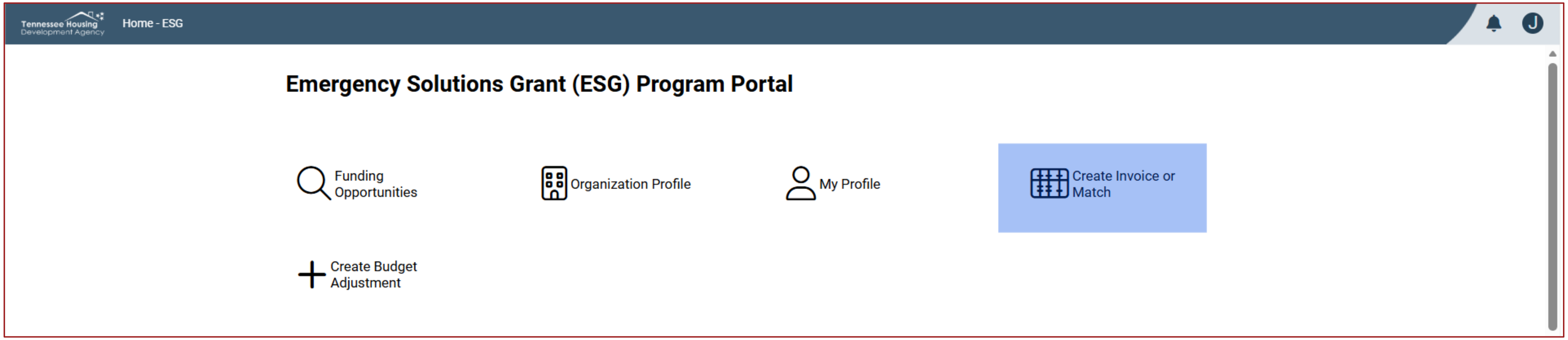
$ BUDGET ITEMS ACTIVE (4) $ BUDGET ADJUSTMENT (6)

	#		Name	Activity	Contract Start Date	Contract End Date	Award Amount Currency	Budget Amount	Obligated Amount	Spent Amount	Remaining Amount	Status	Last Modified
	1	New Reimbursement	2028 Emergency Solution Grant (Competitive)	E-Data Collection	10/01/2026	09/30/2027	$40,000.00	$10,000.00	$6,400.00	$3,500.00	$6,500.00	Active	09/02/2 10:08AM
	2	New Reimbursement	2028 Emergency Solution Grant (Competitive)	E-Emergency Shelter	10/01/2026	09/30/2027	$40,000.00	$10,000.00	$0.00	$2,500.00	$7,500.00	Active	09/02/2 10:08AM
	3	New Reimbursement	2028 Emergency Solution Grant (Competitive)	E-Homelessness Prevention	10/01/2026	09/30/2027	$40,000.00	$10,000.00	$7,000.00	$0.00	$10,000.00	Active	09/02/2 10:08AM
	4	New Reimbursement	2028 Emergency Solution Grant (Competitive)	E-Street Outreach	10/01/2026	09/30/2027	$40,000.00	$10,000.00		$0.00	$10,000.00	Active	09/02/2 10:08AM

Show More

Submitting Invoices in SmartSimple

- An invoice can be created with the “Create Invoice or Match” button
- Reimbursements previously created for the month will be attached to the invoice
- This button is also how you will submit for match. In SmartSimple, match will be submitted separately from invoices.
- The invoice or match will be submitted to THDA for review



Supporting Documentation for Invoices

- Supporting documentation of costs is required for all invoices submitted to THDA.
- For Supporting Documentation requirements, please refer to ESG Reimbursement Documentation Standards on THDA website.
- For most costs, at minimum, we require an invoice and proof of payment or an itemized receipt to support ESG costs.
- If an invoice is lacking supporting documentation, it will be returned to the grantee for corrections and will delay reimbursement.

Tips for Submitting Invoices

- Ensure all information entered into the invoice matches supporting documentation (paid date, pay period dates, amount and vendor).
- Ensure all documentation is in the same order as the line items in the invoice.
- Combine documentation into one PDF per activity.
- Ensure draws are submitted monthly, at minimum. No more than 5 draws submitted per month.
- If your agency has multiple grants - overhead costs, salaries, data entry, etc. must be split between those grants and not charged to ESG at 100%.
- Bills outside of the grant term must be prorated to only include dates within the grant term.
- State taxes must be removed from all requests.
- Each client receiving ESG assistance must be entered on separate line items unless your organization is a domestic violence agency, you do not have to list the client's name or payee/vendor if it will compromise the client, however, all other data fields must be completed.

Late Invoices

- Invoices 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.
- THDA has the right to deny any late submissions.

Invoice Processing Timeline

1. Grantee staff will create individual reimbursements for each ESG component (SO, ES, RRH, HP or HMIS)
2. The reimbursements need to be reviewed for accuracy. Corrections will need to be made prior to submitting to THDA.
3. Once all the reimbursements are correct, grantee staff will compile each reimbursement component into one invoice and submit to THDA to review.
4. THDA will have two staff members review request for documentation, eligibility and accuracy.
5. If any there is any missing documentation, ineligible expenses or errors found, the invoice will be returned to the grantee with a revision explaining why the invoice was returned. Corrections are made by the grantee and sent back to THDA for review.
6. Two THDA staff members review the corrections then, the invoice is sent to the Program Manager for final approval and funds are drawn from HUD (IDIS).
7. The invoice will then be reviewed by the THDA fiscal department and sent to the state Finance and Administration for payment.
8. Funds will be deposited directly in grantee's account, typically within 2 weeks, no later than 30 days after receipt of a complete draw request.
9. If the reimbursement has taken longer than 30 days from submission, please email ESG@thda.org

Financial Management Records

- 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 staff member who will be creating invoices to submit to THDA.
- Supporting documentation includes invoices and proof of payments for goods and services provided with ESG funds. Additional documentation needed is outlined in our ESG Reimbursement Documentation Standards.
- 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's only source of funding is ESG, 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.
- Costs that are shared must have a reasonable methodology for the percentage splits and this must be recorded in grantee recordkeeping

Indirect Costs

- 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.

Reimbursing for Employee Compensation

- Only actual time spent on ESG activities may be charged to ESG as employee compensation.
- All Grantees must establish the policy for "Time Tracking for Employee Compensation" in our ESG Program Guide to reimburse for employee compensation.
- This policy applies to all ESG employees, including full-time, part-time and temporary staff whose salaries or wages are charged in whole or in part to ESG funds.
- Policy includes that all time spent on ESG eligible activities must be tracked accordingly:
  - Employee must complete timesheets reflecting actual ESG hours worked per activity. Timesheets must clearly allocate time by notating "ESG" as well as the ESG component on the timesheet for those hours worked.
  - Include brief descriptions of daily activities compensated under ESG
  - Detailed Timesheets must be signed by employees to certify for accuracy. Then, supervisors must review to ensure that the activities align with the job duties and program eligibility requirements. Supervisors must sign and date all timesheets.
  - Any corrections on timesheets must be clearly marked, dated and initialed by supervisor.
  - Budget estimates (meaning, estimates determined before the services are performed) alone do not qualify as support for charges to Federal awards.

Transportation Reimbursement for Agency Vehicles

- Grantees are allowed to reimburse transportation costs for grantee-owned or grantee-leased vehicles’
- This includes fuel and routine maintenance under Street Outreach, Emergency Shelter, Rapid Re housing and Homelessness Prevention components.
- Grantees are required to keep a record of the vehicles designated for use under ESG funding including, make, model and year of each vehicle.
- Each vehicle must have a travel log recording the date & time of the trip, starting point, final destination, purpose which specifies the client or project, mileage and odometer readings.
- Travel logs must document that vehicles are being used for ESG related activities.
- Grantees must establish policies and procedures to support the use of travel logs.

ESG Match

- ESG grantees must provide matching contributions equal to the amount of their ESG grant (a dollar-for-dollar match)
- The purpose of match is show that the grantee is contributing additional resources towards the ESG program.
- Matching contributions can include cash, donated services, volunteer time, donated facilities, and certain other eligible contributions that meet HUD requirements.
- Match but does not have to be provided for in the same category in which your award was funded under.
  - For example, your agency was awarded Rapid Re-housing but you can provide match to show that contributions went to further your Emergency Shelter program (so long as the participants and costs are ESG eligible).
- Match will also be submitted SmartSimple under “Create Invoice or Match” button.
- Match documentation requirements have been updated on our ESG Reimbursement Documentation Standards for this year

ESG Match

- 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 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 grantee does not use ESG funds to meet the other program's matching requirements; and
  - The grantee must keep records of <u>the source and use of the matching funds</u>, including the particular fiscal year ESG grant for which the matching contribution is counted.

ESG Match Documentation – Cash Contributions

<table>
<tr><th>Cash Contributions</th><th>Documentation Requirements</th></tr>
<tr><td>

Grants from private, local, state, and federal resources (if not statutorily prohibited by source)
Cash resources or monetary donations
Revenues from fundraising efforts organized by the grantee
Grantee staff salaries working on grant eligible activities who aren't paid from the ESG Program grant but are paid from other agency resources
Program income - is the income received by the grantee directly generated by a grant-supported activity. Some examples include income from fees for services performed and rent and occupancy charges paid directly to the grantee by program participants or thrift store income.

</td><td>

Proof of the source of cash contribution, Deposit slips, grant award letters, donation checks, proof of revenue from fundraising
Supporting documentation that cash contributions were spent on ESG eligible activities within the grant year:
<ol type="I">
Invoice and proof of purchase of all items OR
A ledger may be accepted showing the following:

Funding source
Date of purchase, payee and amount
Name and description of cost
The ESG eligible component the purchase is contributing to

</td></tr>
</table>

Tennessee Housing Development Agency

ESG Match Documentation – Noncash Contributions

Noncash Contributions	Documentation Requirements
• In-kind donations of property, equipment, goods, or services • Volunteer hours • Purchase value of any donated building • Donated rental space	1. For donated items - List of items donated with monetary claim in the month you are claiming match 2. Value of donated building – building must be used for ESG services. Copy of the assessed value of the building or rental value by a certified appraiser 3. Volunteer hours – volunteer log of hours with same rate being charged by your agency is included 4. For other noncash contribution requirements see ESG Reimbursement Documentation Standards for detailed requirements for each.

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

- Quarterly Reports will be due on the 20th of the month following the end of the reporting period.
  - Information submitted for all reports should be pulled from HMIS data
- CAPER Reporting to HUD through SAGE is required at the end of each fiscal year.
  - CAPERs will be due on July 30, 2027 and will be for the period of July 1, 2026 – June 30, 2027.
  - This will include data from your 2025 and 2026 ESG programs.
  - If you are new grantee this will include data from October 1, 2026 – June30, 2027

Performance Outcomes

Performance outcomes will be tracked throughout the grant year to:

- Monitor grant performance and ensure ESG funds are being used as intended.
- Track program outcomes, such as:
  - Number of households served
  - Shelter utilization
  - Rapid Re-Housing placements
  - Homelessness prevention assistance
  - Housing stability outcomes
- Ensure compliance with HUD regulations and grant requirements.
- Identify issues early, such as underspending, delays in service delivery, low expenditure rates, or data quality problems.
- Support reimbursement requests and demonstrate that activities are eligible and properly documented.

Budget Amendments

- Agencies have the ability to move money in SmartSimple from one awarded activity to another if unforeseen changes in the budget occur.
- Budget Amendments are a request and may be denied.
- Obtain approval from THDA prior to spending funds.

Tennessee Housing
Development Agency

- TIMELINE
- WHAT TO EXPECT
- REQUIRED DOCUMENTATION
- PREPARATION
- COMMON FINDINGS, CONCERNS & OBSERVATIONS

ESG Monitoring

Monitoring Timeline

- Notification – 15 calendar days prior to Entrance Conference
- Participant List - 7 days after notification
- Required documents - 10 days after notification
- Entrance Conference - 15 calendar days after notification
- Participant files – Upload to EDT within 24 hours of Entrance Conference
- On-site inspection – Dependent on inspector’s schedule
- Exit Conference – Review monitoring letter, questions
- Response to Monitoring letter – 30 business days after letter sent
- Reply, Closeout Letter & Completion Certificate

Following Notification

- Reply to notification confirming receipt
- Schedule the time of the Entrance Conference
- Provide Participant List
- Provide Required Documents

Required Documentation

- Contact Information Sheet
- ESG Program Budget including Cost Allocation Plan if applicable
- Financial Management Policies and Procedures
- Personnel Policies and Procedures
- ESG Program Policies and Procedures
- Detailed record of Match Expenditures
- Organizational Chart with Names and Titles of agency members and volunteers
- Completed Agency Program Questionnaire
- Photos of:
  - Intake area(s)
  - Program participant file location(s)
  - Mandatory postings

Preparation For The Entrance Conference

• THDA	You
• Review previous monitoring review letters • Draw Request Review • Review submitted documents • Randomly select participant files for review • Prepare questions for Entrance Conference	• Prepare to share about your organization • Prepare any questions or concerns • Review previous monitoring review letters

Participant File Review

- List of 20% of participant files is requested for review
- The request will include a document checklist of the documents to include in the file
- Combine the documents in the order of the check list into one PDF per participant
- Confirm that files are legible & both sides of any two-sided documents are copied
- Upload to THDA's EDT site by 11:59 PM the following day
- Send an email confirming files are uploaded
- Additional documentation may be requested

Shelter Inspection

- Will be coordinated with one of our three inspectors

COMMON FINDINGS

- *Outlets within six feet of a water source are not GCFI
- *Fuel-fired (gas, wood, oil, etc.) appliances do not have carbon monoxide detectors installed within the immediate area of sleeping areas
- Mandatory postings are not where the public and program participants can see them

* Requires resolution within 24 hours

Exit Conference

- Scheduled once all documentation is reviewed and Monitoring Review Letter is complete
- May ask questions that have arisen during the monitoring review prior to finalization of the Review Letter
- Discuss any Findings, Concerns and Observations
- Answer any questions you may have
- Send Monitoring Review Letter

Findings, Concerns & Observations

- Draw Request Documentation VS Monitoring Documentation
  - Timesheets for any employee whose salary is charged to ESG
  - Invoices and proof of payment for any charges to ESG
  - Invoices and proof of payment for any fringe benefits charged to ESG

- If the regulation, THDA Program Guide or contract says MUST – the monitor must be able to observe documentation that shows that the requirement has been met.

Common Issues

- Salary charged to ESG 2 CFR 200.430(g)
  - Salary and wages charged to ESG must be reasonable, properly allocated, and supported by documentation.
  - Charges to Federal awards for salaries and wages must be based on records that accurately reflect the work performed.
- HMIS documentation (24 CFR 576.400(f); 24 CFR 576.500(n))
- Referrals to Supportive Services/Mainstream Benefits (24 CFR 576.401(d))
- Fair Market Rent (FMR) and/or Rent Reasonableness (RR) exceeded (24 CFR 576.106(d))
- Case notes (24 CFR 576.500(f))

Monitoring Guidance

- 24 CFR 576 – Emergency Solutions Grants Program
- 2 CFR Part 200 - Uniform Guidance
- 24 CFR Part 91 - Consolidated Plan
- 24 CFR Part 5
- HUD CPD Monitoring Handbook

Compliance Contact Information

- Email: CPCompliance cpcompliance@thda.org

- Julie Ridenour, Senior Housing Programs Compliance Coordinator - ESG
  - Email: JRidenour@thda.org

- LaMar Brooks, Housing Programs Compliance Manager
  - Email: LBrooks@thda.org

- Tanya Jackson, Assistant Director of Compliance & Asset Management
  - Email: TJackson@thda.org

- Heather Reynolds, Director of Compliance & Asset Management
  - Email: HReynolds@thda.org

Tennessee Housing
Development Agency

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 with 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 SmartSimple.
5. Complete Grant Setup page in SmartSimple as soon as possible to prevent delay in submitting draws.
6. Review THDA's ESG Program Guide (updated July 2026), sample forms and Client File Checklists prior to expending funds to ensure compliance. All located on our website.

Contact Information

Jodi Smith
Housing Program Manager
Homeless Programs
(615) 815-2038
jsmith@thda.org

Brianna Atol
Senior Housing Program Coordinator - Homeless Programs
(615) 815-2216
batol@thda.org

Cheri Ballinger
Housing Program Coordinator
Homeless Programs
(615) 815-2041
cballinger@thda.org

To reach our entire team – ESG@thda.org

Tennessee Housing
Development Agency

Additional Resources

ESG HUD Exchange

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

ESG Program Guide - UPDATED JULY 2026

- https://dogvxws799i6n.cloudfront.net/wp-content/uploads/ESG-PROGRAM-GUIDE-July-2026.pdf

ESG 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/