



**Alliance of Community  
Assistance Ministries, Inc.**

**Housing Stabilization Services (HSS)**

*Emergency Rental Assistance (ERA)*

**ACAM HSS Business Rules**

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## I. Background

The Texas Department of Housing and Community Affairs (TDHCA) Housing Stability Services Program (HSS) provides assistance to local communities and non-profits to assist eligible households to help them maintain or obtain stable housing. The program is funded by the U.S. Department of the Treasury through the Emergency Rental Assistance (ERA) program.

Even as the American economy continues its recovery from the devastating impact of the pandemic, millions of Americans face deep rental debt and fear evictions and loss of basic housing security. Countless middleclass landlords who rely on rental income to support their families have also faced deep financial distress due to the COVID-19 crisis. Nearly 7 million Americans reported being behind on rent in Spring 2021. More than 40 percent of those renters worry that they could be evicted sometime in the next two months. Almost 12 million Americans lack confidence that they can make next month's rent. Evictions can have long-lasting consequences for families—potentially disrupting school, worsening health, displacing neighborhood networks of support, and making it more difficult to find safe, affordable housing in the future. COVID-19 has exacerbated an affordable housing crisis that predated the pandemic and that has exacerbated deep disparities that threaten the strength of an economic recovery that must work for everyone.

The Biden-Harris Administration allocated an additional \$21.6 billion under the American Rescue Plan for Emergency Rental Assistance – including \$2.5 billion targeted to the highest-need areas, where job loss and high market costs have made it especially difficult for low-income renters. To meet this need, the Emergency Rental Assistance (ERA) program makes funding available to assist households that meet eligibility criteria. As a part of ERA 1 and ERA 2, a portion of each may be used specifically for housing stability services (HSS). The State of Texas utilizes the rental assistance portion of ERA funds to provide Texans with rent and other assistance through its Texas Rent Relief Program (TRR) at [texasrentrelief.com](https://texasrentrelief.com). ERA1 provides up to \$25 billion under the Consolidated Appropriations Act, 2021, which was enacted on December 27, 2020, and ERA2 provides up to \$21.55 billion under the American Rescue Plan Act of 2021, which was enacted on March 11, 2021. The funds are provided directly to states, U.S. territories, local governments, and Indian tribes. Grantees use the funds to provide assistance to eligible households through existing or newly created housing stability assistance programs.

Section 501(a) of Division N of the Consolidated Appropriations Act, 2021, Pub. L. No. 116-260 (Dec. 27, 2020), the (“Act”), authorizes the U.S. Department of the Treasury (“Treasury”) to release funds to be used to provide emergency housing stability assistance. The Texas Department of Housing and Community Affairs (TDHCA) applied to Treasury on behalf of the State and was awarded \$52.9 million. Pursuant to the Federal Funding Agreement, ERA funding is for: (1) Financial assistance to eligible households (at least 90%); and (2) Housing stability services and administrative fees (not more than 10%). With the Housing Stability Services (HSS) funding two separate programs have been established by TDHCA, HSS1 and HSS2. The TDHCA HSS programs provide case management, housing navigation, employment training, mental health counseling, security deposit assistance and other housing stability services.

The Alliance of Community Assistance Ministries, Inc. (ACAM) is a nonprofit management support organization leading a coalition of 55 nonprofit and community organizations to advance community-wide solutions through collaboration to strengthen the social safety net in Harris, Fort Bend, Waller, Brazoria, Galveston, and Montgomery Counties. In 2020, ACAM deployed a new Housing Stability Plan with \$7.3M in private and public funds secured to support approximately 12,775 people with various levels of housing stability assistance including eviction prevention and rapid rehousing services. ACAM is experienced at managing public funds for maximum community benefit going back to the 2008 financial crisis, when ACAM received American Recovery and Reinvestment Act (ARRA) funds and was highlighted by HUD for best practices in preventing homelessness. The HSS program provides an additional avenue for our region's impacted families to become more housing stable.

The Alliance of Community Assistance Ministries, Inc. (ACAM) has been awarded HSS1 funding through TDHCA and is working with qualified service providers to implement allowable activities. As noted in these Business Rules, ACAM is not eligible for all activities under the HSS program and has chosen to focus on those aligned with other programs managed by ACAM. HSS funds cannot be used to pay for rent or rent arrears. Households provided with HSS1 funding must be at or below 80% Area Median Income (AMI), as defined by HUD and qualify for unemployment benefits or attest in writing that they have experienced financial hardship due directly or indirectly to the pandemic. HSS2 households must be below 80% AMI, qualify for unemployment benefits or provide documentation that they have experienced financial hardship during or due, directly or indirectly, to the pandemic.

## II. ACAM HSS Program Summary

### A. ACAM HSS Model

ACAM will support the deployment of the HSS program throughout our region (CoC TX-700), including Harris, Fort Bend and Montgomery Counties. The ACAM HSS programs is built on a client-centered case management/coaching approach to housing stability services. Informed by evidence-based research and experience with the target population, the ACAM HSS program employs a assets-based goal planning approach to case management and an empowerment model, which matches interventions to the level of program participants need through a standardized, streamlined process of screening, eligibility, assessment, and high-touch case management.

ACAM's HSS program has established these Business Rules and policies and procedures that describe the process from intake to exit including screening, eligibility and income determination, assessment tools, intake documentation, client determination policy, housing stability planning templates, progress reports, and output and outcome reports. The standardized intake and case files walk service providers through the process from intake to exit including required case management and accountability follow-ups. Other standardized forms include a Client Termination Policy, Landlord Incentive Policy and Agreement, and other standardized monthly reporting forms. Case managers meet each household where

they are, to screen for eligibility, collect documentation, work with clients to develop a budget, determine the current housing cost burden, create an assistance plan, and provide coaching and education to not only help the client address the immediate housing crisis, but also help the client decrease the risk of a future crises. Two individualized plans are created during this process 1) Housing Stability Plan and 2) a Rental Assistance Plan (if needed). In addition to tracking outputs listed below, ACAM’s HSS program focuses on one or more of four outcomes:

1. Improvement in relative housing destination from entry to exit (e.g., from hotel to apartment or shelter to transitional housing),
2. Increased Self Sufficiency Matrix (SSM) score in housing domain (scale from 1 to 5, 1 = in crisis, 2 = vulnerable, 3 = safe, 4 = building capacity and 5 = empowered)
3. Received rental assistance (if needed) from ERA1 and non-ERA1 HSS sources including (EFSP, ESG, TRR, Fort Bend County, Harris County, or other/private funding sources), and
4. The number and percent of goals achieved on the Housing Stability Plan.

HSS funds can be leveraged with funds from existing programs, such as the U.S. Department of Housing and Urban Development (HUD) Emergency Solutions Grant (ESG) program but cannot be used as “Match” funding for ESG. When determining if HSS funding may be used as official match for another program, please seek consultation from both funding agencies.

HSS funds may not be used to provide rental assistance. The ACAM HSS program provides funding for client outreach, case management, housing services, financial assistance payments (such as deposits, applications fees, short-term hotel/motel), and other social services and financial assistance to increase housing stability. Central to the intent of ACAM’s HSS program is regional leveraging of enhanced case management capacity with other available rental assistance funding (EFSP, ESG, TRR, Fort Bend County, Harris County, or other/private funding sources). All services are provided to eligible and appropriate households free of charge with no requirements for participation in any demonstration of religion or religious activities. Additionally, there are no zip code restrictions for any services; any residents of the CoC TX-700 region can be screened for eligibility.

### III. Sub-Awards Procedures

#### A. Sub-Awarding Requirements

ACAM is required to ensure that every sub-award to other nonprofit service providers is clearly identified as a sub-award and that the sub-awards comply with the terms and conditions of the state award. The standards of the state flow down to ACAM through its sub-grantees via sub-awards (when allowable) unless the context clearly indicates otherwise. To determine the respective duties and obligations in the sub-award context, ACAM in its role as the pass-through entity stands in the shoes of TDHCA and the sub-grantee will comply with the requirements of ACAM unless alternate text specifies requirements for a particular category of sub-grantees (e.g., nonprofit organizations). In its

role as a pass-through entity, ACAM facilitates the communications between the sub-grantees and TDHCA that are necessary for the timely evaluation of matters requiring the approval of TDHCA. Organizations sub-awarded through ACAM may not subsequently sub-award funds to other organizations.

#### B. Sub-Award Evaluation of Risk

Prior to making a sub-award, ACAM must review the risk posed by grant applicants. ACAM as part of its pre-award risk review may review eligibility qualifications and financial integrity information available through government repositories such as the State of Texas Vendor Performance Tracking System, System for Award Management, and Federal Awardee Performance and Integrity Information System (FAPIIS). Awards may not be made to entities that are subject to government wide suspension or debarment as indicated on the State of Texas Debarred Vendor List or System for Award Management.

The evaluation of risks posed by applicants may incorporate results of the evaluation of the applicant's eligibility or the quality of its application. If ACAM determines that a sub-award will be made, specific conditions that correspond to the degree of risk assessed may be applied to the sub-award agreement. In evaluating risks posed by applicants, ACAM may use a risk-based approach and may consider any items such as the following:

- (1) financial stability;
- (2) quality of management systems and ability to meet the management standards;
- (3) the applicant's record in managing state and Federal awards, if it is a prior recipient of state or Federal awards, including timeliness of compliance with applicable reporting requirements, conformance to the terms and conditions of previous state and Federal awards, and if applicable, the extent to which any previously awarded amounts will be expended prior to future awards;
- (4) reports and findings from audits performed;
- (5) the applicant's ability to effectively implement statutory, regulatory, or other requirements imposed on the grantee and sub-grantees;
- (6) the sub-grantee's prior experience with the same or similar sub-awards;
- (7) the results of previous audits including whether or not the sub-grantee receives a Single Audit prepared in compliance with the Uniform Guidance, and the extent to which the same or similar sub-award has been audited;
- (8) whether the sub-grantee has new personnel or new or substantially changed systems; and
- (9) the extent and results of TDHCA monitoring (e.g., if the sub-grantee also receives state awards directly from TDHCA). ACAM will consider imposing specific conditions upon a sub-grantee, if appropriate.

#### C. Additional specific award conditions may include the following:

- (1) based on the criteria used for the Pre-award Risk Review of Applicants section; when an applicant or sub-grantee has a history of failure to comply with the general or specific terms and conditions of a state or Federal award;

- (2) when an applicant or sub-grantee fails to meet expected performance goals as described in the sub-award; or

D. Additional award conditions may include the following:

- (1) requiring payments as reimbursements rather than advance payments;
- (2) withholding authority to proceed to the next phase until receipt of evidence of acceptable performance within a given period of performance;
- (3) requiring additional, more detailed financial reports;
- (4) requiring additional project monitoring;
- (5) requiring the sub-grantee to obtain technical or management assistance; or
- (6) establishing additional prior approvals.
- (7) ACAM must include any additional requirements necessary for ACAM to meet its own responsibility to TDHCA including identification of any required financial and performance reports.

E. Monitoring

ACAM must monitor the activities of the sub-grantee as necessary to ensure that sub-award performance goals are achieved and the sub-award is used for authorized purposes, in compliance with state law, rules, and the terms and conditions of the sub-award. ACAM monitoring of the sub-grantee must include:

- (1) Reviewing financial and performance reports required by ACAM.
- (2) Following-up and ensuring that the sub-grantee takes timely and appropriate action on all deficiencies pertaining to the sub-award provided to the sub-grantee from ACAM detected through audits, on-site reviews, and other means.
- (3) Issuing a management decision for audit findings pertaining to the sub-award provided to the sub-grantee from ACAM as required.

Depending upon ACAM's assessment of risk posed by the sub-grantee as described in the Evaluation of Sub-grantee's Risk of Noncompliance section, the following monitoring tools may be useful for ACAM to ensure proper accountability and compliance with program requirements and achievement of performance goals:

- (1) providing sub-grantees with training and technical assistance on program-related matters;
- (2) performing on-site reviews of the sub-grantee's program operations; and
- (3) arranging for audit services.

ACAM must verify that every sub-grantee is audited as required by TDHCA when it is expected that the sub-grantee's state awards expended during the respective fiscal year equaled or exceeded the threshold set forth in the Audit Requirements section. Further, ACAM must consider whether the results of the sub-grantee's audits, on-site reviews, or other monitoring indicate conditions that necessitate adjustments to ACAM's own records. ACAM must consider taking enforcement action against noncompliant sub-grantees.

## IV. Contracts for Services

ACAM may issue competitive Requests for Proposals (RFP) for the procurement of HSS services. RFPs may cover one or more aspects of the provision of services under the HSS Program and will be subject to the following requirements:

- 1) Requests for proposals will be publicized and identify the evaluation factors and their relative importance.
- 2) Response adhering to guidelines of an RFP will be evaluated. Every effort will be made to solicit proposal from an adequate number of qualified sources.
- 3) ACAM will utilize its written method for conducting technical evaluations of the proposals received and for selecting contractors.
- 4) A contract will be awarded to the responsible organization whose proposal is most advantageous to the program, with price and other factors considered.

ACAM's HSS program has a process and design for management, distribution, and performance of HSS sub-contractors. By formalizing the process, the HSS program ensures that eligible households seeking assistance are able to receive the same quality and level of assistance across ACAM's HSS program. This also ensures the most efficient use of funding and resources that allow the program to reach households within our community with the highest need. The program is designed to ensure housing stability for eligible households that can demonstrate the need for assistance.

Contractors are procured and approved by a selection committee. Contractors are selected based on criteria outlined in these rules and the RFP. There may be an option for contract extension and/or renewal based on performance toward outcomes and overall contract performance. Contractors may not further sub-contract for the same services with awarded funds and must directly provide all services proposed unless otherwise indicated in the vendor contract.

HSS contractors are selected on their ability to adhere to program procedures and meet the expectations of the program as outlined in these business rules and the issued RFP. Contractors must also ensure compliance with the written guidance for the HSS program.

Overall project management for the HSS program is conducted by ACAM. ACAM staff are assigned to the program to ensure the program is on track to achieve its goals as outlined. The project manager also serves as the point person for the program and manages any communication or process concerns identified and is responsible for troubleshooting.

## V. Program Implementation

ACAM's HSS client-centered case management program includes:

- A. Assessing eligibility and conducting intake in accordance with ACAM procedures.
- B. Creating Housing Stabilization Plans (HSP) with clients enrolled in the program.
- C. Creating a Rent Assistance Plan and facilitating applications for rental assistance (EFSP, ESG, TRR, Fort Bend County, Harris County, or other/private funding sources).
- D. Providing financial assistance on behalf of clients within eligible spending categories.
- E. Coordinating information and referrals for clients needing services in the community.
- F. Conducting client meetings in-person, over the phone or virtually, with frequent accountability/client follow-up.



- G. Recording individual and household program data.
- H. Producing accurate and complete case management records.
- I. Providing Continuous Quality Improvement (CQI) of records.
- J. Providing guidelines on case management and a Standardized Case Management Record.
- K. Providing updates and trainings as they become available with guidance from TDHCA and the U.S. Department of the Treasury.

## VI. Allowable Costs

Funds can be used to enable eligible households impacted by the pandemic (below 80% of Area Median Income, see question on household eligibility below) to maintain or obtain stable housing. All assistance funds must be for services and must be tied to specific households.

The ACAM HSS funding does not include all services listed under the HSS program, and not all housing stability services are allowable. The following is a list of housing stability services for which ACAM has authorization to incur expenses.

Case management is a core service component and required by HSS program in accordance with the ACAM Business Rules and HSS Program Guidelines. Case management services related to housing stability that will be provided at the above service sites include:

- A. assessing eligibility in accordance with ACAM procedures and the HSS Household Eligibility and Certification Flowchart,
- B. creating Housing Stabilization Plans (HSP) and Rental Assistance Plans with clients enrolled in the program,
- C. providing financial assistance on behalf of clients within eligible spending categories,
- D. nurturing cooperative landlord relationships,
- E. coordinating information and referrals to clients for needed services in the community,
- F. conducting client meetings in-person, over the phone or virtually including follow-up and referral services,
- G. recording individual and household data,
- H. producing accurate and complete case management records,
- I. assisting clients, including landlords and tenants, with rent relief program application processes (EFSP, ESG, TRR, Fort Bend County, Harris County, or other/private funding),
- J. assistance in qualifying for unemployment or other benefits (e.g., SNAP, SSI, SSDI, Veteran's assistance, and Medicaid) and financial coaching and household budgeting programs that help stabilize the household.

Housing services include:

- A. payment for the rental of moving vans
- B. hiring of movers within reasonable limits to place households in stable housing

Housing payments will be provided to clients that have a clear plan for obtaining permanent housing. These include:

- A. rental application fees,
- B. rent or utility deposits (including pet deposits) – see **Appendix F** Security Deposit Policy & Agreement),

- C. landlord incentive payments (may not exceed one month’s rent; rent or other monthly payments are not eligible expenses - see ACAM’s HSS Landlord Incentive Policy & Agreement in **Appendix C**); and
- D. short-term payments for hotels/motels.

Eviction prevention and eviction diversion activities include:

- A. paying for legal services or attorney’s fees related to eviction appeal bonds
- B. paying for legal services related to eviction proceedings and mediation or alternative dispute resolution between landlords and tenants.

Social services for housing stability include:

- A. employment services,
- B. job training,
- C. job placement,
- D. financial literacy assistance,
- E. classes, trainings, counseling, and work-support programs that help households obtain needed skills and resources (excluding tuition) (payment for non-postsecondary credit earning certificate programs under review),
- F. childcare while searching for a job,
- G. ID recovery,
- H. transportation (i.e., bus/cab fare or IRS mileage for a service provider to take a household to view an available unit or access other social services),
- I. mental health counseling and associated medical services and substance use treatment,
- J. technology costs limited to a housing stability needs (training program, broadband/ computer to search for employment or communicate with a remote medical provider, and
- K. assistance with correcting eviction, debt, or other inaccurate data from credit report (excluding payment of debt).

Allowable Program Cost	Not Allowable Program Cost
Client-facing housing stability program staff, case workers, housing navigators providing case management activities that directly support housing stabilization and can be tied to an individual (eligible) household.	Administrative staff, program managers without client interaction, kitchen staff, janitorial staff (admin). Shelter services including food, or basic needs items.
Payment for the rental of moving vans or the hiring of movers within reasonable limits to place households in stable housing.	Furniture (under review), appliances, or home furnishings

Rental deposits, pet deposits, utility deposits, rental application fees, and landlord incentives. Subject to terms and conditions - see Landlord Incentive Policy ( <b>Appendix C</b> ) and Security Deposit Policy ( <b>Appendix F</b> ).	General/ongoing rental assistance or utility assistance. Clients should be referred to EFSP, ESG, TRR, Fort Bend County, Harris County, or other/private funding sources for this assistance.
Attorney's fees related to eviction appeal bonds, eviction proceedings and mediation. (Unless provided on-site, procurement is required).	Legal fees not associated with eviction prevention.
Career coaching, resume building, job searching, childcare, ID recovery, credit report repair.	GED classes (under review) or other tuition, ongoing childcare expenses, and services not related to housing stability (payment for non-postsecondary credit earning certificate programs under review). Traffic tickets or license reinstatement after suspension
Transportation for clients or staff to provide services directly related to housing stability including cab fare, gas reimbursement, Uber, Lyft	Vehicle purchase, vehicle repair, travel expenses not related to housing stability services, Driving courses
Mental health counseling and associated medical services and substance use treatment, including but not limited access to a mental health practitioner for medication management for persons with disabilities, as required to obtain or maintain housing. (Unless provided on-site, procurement is required).	Prescriptions, medical equipment, medical expenses
Purchase of a computer or broadband assistance to help a program participant attend an HSS training program, search for employment, or communicate with a remote medical provider, as required to obtain, or maintain housing; Internet/Broadband service payments can be paid month to month, or up to 6 months, <b>but not to exceed a current lease date (if housed) and cannot exceed total length of assistance</b>	Computers, broadband internet, or phone service for general program use and/or administration (admin) costs are not allowed. Within the allowable activity noted, no individual purchase of equipment of \$5,000 or more is allowed.

NOTE: Households may receive housing stability assistance for up to 12 months from HSS1 and up to 15 months from HSS2. The aggregate amount of financial assistance an eligible

household may receive under HSS2, when combined with financial assistance under HSS1, must not exceed 10 months.

NOTE: Any cost that cannot be specifically tied to direct assistance to an eligible household is an ineligible expense. Assistance funds must be for services and must be tied to specific households. A good way to apply a test for this is to ask yourself which households are the specific beneficiaries that I can report on for this activity. If the funds can't be tied to households, then it likely is not eligible. If unsure, contact us.

## VII. Performance Targets and Outcome Measures

ACAM maintains data for the HSS program which may include:

- A. Number of people and households screened for program eligibility,
- B. Number of people and households determined eligible for the program,
- C. Number of people and households enrolled in HSS (clients met eligibility: COVID-19 impacted, housing unstable, and < 80% AMI),
- D. Demographics,
- E. Special Populations,
- F. Household data,
- G. Housing status (destination) at entry and exit,
- H. Fair Market Rent and Housing Cost Burden calculations,
- I. Household Income,
- J. Documentation of pandemic impact,
- K. Non-cash benefits received by household,
- L. Housing Stability Plan and Rent Assistance Plan,
- M. Barriers to Stable Housing,
- N. Assessment of Housing Stability,
- O. Sessions of case management, coaching, and employment counseling provided per person per household,
- P. Number of people and households assisted with applications for rent assistance (and which programs),
- Q. Number of people and households successfully enrolled in rental assistance (including amount and which programs),
- R. Amount of housing services provided per service, per household (i.e., utility deposits, pet deposits, landlord incentives, moving costs), and
- S. Amount of social services provided per service, per household (transportation, childcare, employment training programs, ID recovery, technology, credit recovery related to stability).

## VIII. Reporting Requirements

ACAM has established reporting requirements for sub-awardees and contractors. Additional information is provided to awarded sub-grantees or contractors. In general, monthly invoices must be accompanied by the monthly performance and expenditure reports which are due via electronic submission. Failure to submit any report or monitoring response required by the sub-award or contract may result in suspension of payments or termination of agreements. ACAM may include

other requirements as indicated in issued sub-awards or contracts. Reports will be subject to the terms outlined in sub-award or contract service agreement.

## IX. Client Eligibility

HSS program funds may be used to provide certain types of financial assistance and housing stability services to eligible households. To be eligible, a household must have experienced financial hardship during or due (defined differently for HHS1 and HSS2), directly or indirectly, to the coronavirus pandemic and the service provider must determine:

- A. household income (HSS1 at or below, HSS2 below) 80% of area median income (AMI),
- B. one or more individuals within the household has qualified for unemployment benefits or experienced a reduction in household income, incurred significant costs, or experienced other financial hardship during or due, directly or indirectly, to the COVID-19 pandemic;  
AND
- C. one or more individuals within the household can attest to being at-risk of homelessness documented by a past due utility or rent notice or eviction notice, OR without assistance they will have to move to an unsafe or unhealthy living conditions.
- D. Households must certify that they are not receiving TDHCA HSS services from another program intended for the same purpose that might produce a duplication of benefits.
- E. Households may receive housing stability assistance for up to 12 months from HSS1 and up to 15 months from HSS2. The aggregate amount of financial assistance an eligible household may receive under HSS2, when combined with financial assistance under HSS1, must not exceed 10 months.

**Updated April 2023:**

- F. Households receiving assistance from only ERA1 HSS funds: up to 12 months of assistance
- G. Households receiving assistance from only ERA2 HSS funds: up to 15 months of assistance
- H. Households receiving assistance from both ERA1 and ERA2 HSS funds: up to 18 months of assistance

## X. Eligibility/Intake Determination Policy & Procedure

Every household's eligibility and appropriateness for the program is determined in accordance with ACAM's procedures and all applicable policies. All households that are declined enrollment by a Housing Stability Services Provider have the right to appeal the eligibility determination. ACAM follows the TDHCA ERA HSS Eligibility Flow Chart in **Appendix A**. Service providers shall provide information and assistance with the appeal process. If a household wishes to appeal the intake determination of the Housing Stability Services provider, the head of household shall be instructed to follow the process described the Client Determination Policy & Appeal Process in **Appendix B**.

## XI. Client Intake Process

ACAM follows the TDHCA eligibility process described in the TDHCA ERA HSS Eligibility Flow Chart in **Appendix A**. The guidelines include:

1. Eligibility Requirements
2. Self-Attestation for Income Determination
3. Duplication of Benefits

#### 4. Allowable Program Costs

And Household Eligibility Requirements including, but not limited to:

1. Financial Hardship
2. Housing Instability (if sued for eviction - document docket number, JP number, and county of the court)
3. Income Eligibility <80% AMI
4. Income Verification
5. Attestation of non-duplication of benefits

For the HSS program, there are four ways to document household income (must re-verify if reapply): **\*\*Due to the expiration of the Public Health Emergency related to Covid-19, as of May 11, 2023, Option 4 is no longer available as a type of Enrollment\*\***

- Option 1. Eligibility through Other Programs (re-certification needed in 12 months)
- Option 2. Annual Income Documentation for 2021 (prior year) (re-certification needed in 12 months)
- Option 3. Monthly Income Documentation – annualized based on the last 30 days (re-certification needed in 12 months)
- Option 4. Self-attestation of income (re-certification needed in **3 months**)

#### **A. Option 1: Eligibility through Other Programs (Categorical Eligibility) (Must recertify annually)**

- a. A Household with six (6) or fewer members may provide a letter or other documentation dated on or after January 1, 2020, showing that the Household receives benefits from one of the following programs:
  - i. Head Start
  - ii. Low Income Home Energy Assistance Program (“LIHEAP”), or the Comprehensive Energy Assistance Program (“CEAP”) in Texas
  - iii. Supplemental Nutrition Assistance Program (“SNAP”)
  - iv. Supplemental Security Income (“SSI”), for head or co-head of Household
  - v. Temporary Assistance for Needy Families (“TANF”) or Tribal TANF, for head or co-head of Household
  - vi. Veterans Affairs Disability Pension, Survivor Pension, Enhanced Survivor Benefits, or Section 306 disability pension (not standard VA pension)
  - vii. Special Supplemental Nutrition Program for Women, Infants, and Children (“WIC”) for Households with three or fewer member
- b. If the Household resides in a development that is a property whose rent limit is capped by HUD, the U.S. Department of Agriculture, or the TDHCA, the Household may provide documentation that an income certification was done pursuant to 24 CFR Part 5 on or after April 1, 2020, but must be within twelve (12) months of the application for assistance for household Stability Services or Other Financial Assistance, showing the residing Household’s income did not exceed eighty percent (80%) of HUD’s AMI.
- c. If a Household has any of the items above, they must also sign a certification that is part of the application attesting to their Household annual income.

**B. Option 2: IRS Annual Income (Must recertify annually)**

- a. Filed 2020 or 2021 if after April 2022 IRS Form 1040 if the Household has completed their 2020 or 2021 if after April 2022 federal income taxes. Household income will be calculated as the adjusted gross income.
- b. An official IRS Tax Return Transcript will suffice for a 2020 or 2021 if after April 2022.
- c. Source documents evidencing annual income (e.g. wage statement, W2s, interest statement, unemployment compensation statement).
- d. All file types (PDF, screenshot, picture, etc.) are acceptable.

**C. Option 3: Household's Monthly Income (Must recertify annually)**

- a. Income reported for thirty (30) days will be annualized based upon the provided 30-day documentation. Except as documented below, the documentation should be no more than ninety (90) days old.
  - i. Alimony
  - ii. Cash Income (certification)
  - iii. Gross Pay at time of application: Pay stubs covering the most recent thirty (30) day-period or current letter from employer verifying gross wages (pay rate, hours/week, pay date)
  - iv. Current Pension/Retirement Benefit letter (if applicable)
  - v. Investment income
  - vi. No Income (certification)
  - vii. Pension
  - viii. Retirement
  - ix. Self-Employment (certification)
  - x. Social Security
  - xi. Unemployment compensation
- b. Excluded Income for Option 3. The following are excluded Income for purposes of program eligibility:
  - i. Income from Children, which is income from the employment of children (including foster children) under the age of eighteen (18) years and child support.
  - ii. Payments Received for the Care of Foster Children, including foster adults (usually persons with disabilities, unrelated to the family, who are unable to live alone).
  - iii. Lump-Sum Payments, including additions to family assets, such as inheritances, insurance payments (e.g., health and accident insurance, and worker's compensation), capital gains and settlement for personal or property losses [except as provided].
  - iv. Reimbursement for Medical Costs, including all payments received by the family that are specifically for, or in reimbursement of, medical expenses for any family member.
  - v. Live-in Aide, including the income of a live-in aide employed because of a medical condition or disability of a family member. A live-in aide is determined to be essential to the care and well-being of the person, not obligated for the support of the person, and would not be living in the unit except to provide the necessary supportive services.

- vi. Education Assistance, including the full amount of educational scholarships paid directly to the student or to the educational institution, and Government funds paid to a veteran for tuition fees, books, equipment, materials, supplies, transportation, and miscellaneous personal expenses of the student. Any amount of such scholarship or payment to a veteran not used for the above purposes that is available for subsistence is to be included in income.
- vii. Government Programs, including the following: Amounts received under training programs funded by HUD and earnings and benefits from participation in qualifying State or local employment training programs (including training programs not affiliated with a local government.) Amounts received by a disabled person that are disregarded for a limited time for purposes of SSI eligibility and benefits, because they are set aside for use under a Plan to Attain Self-Sufficiency (“PASS”). Amounts received by a participant in other publicly assisted programs, which are specifically for or in reimbursement of out-of-pocket expenses incurred (special equipment, clothing, transportation, childcare, etc.) and made solely to allow participation in a specific program. Amounts specifically excluded by any other Federal statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under the U.S. Housing Act of 1937. Amounts paid by a State agency to a family with a member who has developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member living at home.
- viii. Temporary Income, considered temporary, nonrecurring, or sporadic in nature (including gifts).
- ix. Income of Full-Time Students, earnings in excess of \$480.00 for each full-time student eighteen (18) years old or older attending school or vocational training (excluding the head of Household and spouse).
- x. Property Tax Refunds, including amounts received by the family in the form of refunds or rebates under State or local law for property taxes paid on the dwelling of the unit.
- xi. Adoption Assistance Payments, more than \$480.00 per adopted child.
- xii. Income from Stimulus checks, that is income from any of the stimulus checks received during the pandemic.

**D. Option 4. Income Determination: Self-Attestation (Must recertify after 90 days) \*\*Due to the expiration of the Public Health Emergency related to Covid-19, as of May 11, 2023, Option 4 is no longer available as a type of Enrollment\*\***

Households who are not otherwise exempt from providing income documentation may provide a written attestation to their income and income eligibility if the household has insufficient income documentation or no income documentation available. A caseworker, housing navigator, or other housing stability service professional may then certify, in writing, that they reasonably believe that the household meets the applicable income requirements. The service provider must retain documentation on the certified self-attestation (ACAM form provided) and record why they believe the household to be eligible. The self-attestation is only valid for three months after its issuance. If the household wishes to access services after three months have passed, they must either



complete a provider certified re-attestation of their income eligibility or provide proper income documentation.

- a. Written provider certified self-attestation of household income without further verification as to household income is sufficient for determining income eligibility for Housing Stability Services for 90 days.
- b. Self-attestation from a household must specify the monthly or annual income claimed by the household and be certified by a caseworker, housing navigator, or other housing stability service professional.
- c. In appropriate cases, providers may rely on a written attestation directly from a housing stability service professional with knowledge of a household's circumstances to certify that an applicant's household income qualifies for assistance.
- d. Households may need to provide income documentation upon request.

#### **E. Other Income Inclusions/Exclusions**

- a. To determine whether a household qualifies for the program they must have gross annual income at or below 80% of the Area Median Income (AMI). Providers can use the following link to determine the AMI limits for the county services are provided in.  
2021AMI – Effective June 1, 2021  
[https://www.huduser.gov/portal/datasets/il.html#2021\\_query](https://www.huduser.gov/portal/datasets/il.html#2021_query)
- b. Child Support. Paying or receiving child support does not determine whether a Household can qualify. Child support payments received are excluded when counting income. Child support payments paid have no effect on eligibility or income calculation.
- c. Recent Loss of Income. If a Household's annual income from their 2020 W-2 forms exceeds eighty percent (80%) AMI, but the Household has experienced a more recent loss of income, they may still meet the income test if their income documentation submitted for the last 30 days shows an income below eighty percent (80%) AMI.
- d. Changes in Income. If an applicant submits income information when they first apply, and then submits different/additional income information that is more current prior to receiving assistance, then income determination must be based on the most recent income documentation provided.
- e. Unemployment Insurance. For Unemployment Insurance ("UI"), the annual income determination will be calculated by multiplying the "Weekly Benefit Amount" in the Statement of Benefits letter by fifty-two (52), not actual payments made. Pandemic Unemployment Assistance ("PUA") or any other unemployment compensation received in addition to this weekly benefit will not be included in income calculations for TRRP. Unemployment benefits may be from another state for purposes of documenting income, however the unit assisted must be their current primary residence and be located in Texas.

#### **F. Methods to annualize for part-time and full-time gross income**

- a. Weekly pay: 4 pays stubs: Add the four gross amounts of each stub and divide by four for the weekly average. Multiply the weekly average by 52 to arrive at the gross annualized income.

- b. Bi-weekly (every two weeks) pay: 2 pay stubs: Add the two gross amounts of each stub and divide by two for the bi-weekly average. Multiply the bi-weekly average by 26 to arrive at the gross annualized income.
- c. Semi-monthly (twice per month) pay: 2 pay stubs: Add the two gross amounts of each stub and divide by two for the semi-monthly average. Multiply the semi-monthly average by 24 to arrive at the gross annualized income.
- d. Monthly pay: One pay stub: Multiply gross amount by 12 to arrive at the gross annualized income

### **G. Determining Household Size**

When determining the number of household members and annual household income:

- a. Minor children are considered household members. Earned income of minor children is not considered as part of total annual household income.
- b. Minor children who are subject to shared custody agreements may be counted as household members if the minor child lives in the residence at least 50% of the time.
- c. Temporarily absent family members are considered household members and their income is considered in calculation of household income, regardless of how much the temporarily absent family member contributes to the household.
- d. Paid, non-related, live-in aides, whether paid by the family or through a social service program, are not considered household members. Income of live-in aides is not considered in the calculation of household income. Related persons do not qualify as live-in aides.
- e. Permanently absent family members, such as a spouse who resides permanently in a nursing home, may be considered a household member, at the discretion of the head of household/program applicant. If the head of household opts to include a permanently absent family member in the household, the income of the permanently absent household member will be counted in the calculation of annual household income. If the head of household chooses not to include the permanently absent family member as part of the household, the income of the permanently absent family member will not be considered in the calculation of annual household income.

## **XII. HSS Client Intake Form Checklist Sample Instructions**

ACAM requires the TDHCA HSS client intake checklist which includes the following data

- a. *Applicant Name*: Collect name of applicant applying for services for his or her household. Names and other personal identifiable information will not be reported to TDHCA on a monthly basis.
- b. *Unique Identifier*: Determine a unique household ID for the household served. This unique ID should be tied directly to an application, including applicant name and eligibility documentation, in your organization's records. Unique IDs are reported to TDHCA on a monthly basis, along with general household information, income and eligibility information, and household demographics.
- c. *County/Zip Code*: Collect the county and zip code where the household currently resides. If the household currently has no permanent residence, please input either a future residence or the county and zip code where service was provided.

- d. *Non-Duplication Certification*: Clients must certify that they have not received funds or services from Texas Department of Housing and Community Affairs (TDHCA) Emergency Rental Assistance Housing Stability Services Program for the same purpose and same period of time that might produce a duplication of benefits. Please note that receiving rental assistance from other programs or receiving different stability services is allowable.
- e. *Acknowledgement of Housing Instability*: Clients must certify that they are at risk of housing instability, are currently experiencing homelessness, or is survivor of domestic violence fleeing from abuse.
- f. *Acknowledgment of Being Financially Impacted by the Pandemic*: Clients must certify that due to or during the pandemic they have been financially impacted (have experienced a reduction in income, have incurred significant costs, or have experienced other financial hardship).
- g. *Self-Attestation of Income Eligibility*: Clients must report and certify their household income. Self-attestation from a household must be certified by a caseworker, housing navigator, or other housing stability service professional. In appropriate cases, providers may rely on an attestation from a caseworker, housing navigator, or other housing stability service professional with knowledge of a household's circumstances to certify that an applicant's household income qualifies for assistance. Households may need to provide income documentation upon request.
- h. *Household and Income Information*:
  - i. Are there Children in the Household under age 18? Yes/No
  - ii. Are there Adult(s) in the Household over age 62? Yes/No
  - iii. Is anyone in the household a person with a disability? Yes/No
  - iv. Is anyone in the household a veteran? Yes/No
  - v. Gender of Applicant: Male, Female, Nonbinary, Declined to Answer
  - vi. Self-identified Race of household: American Indian or Alaska Native, Asian, Black or African American, Native Hawaiian or Other Pacific Islander, White, Multi-Racial/Other, Decline to Answer
  - vii. Self-identified Ethnicity of household: Hispanic or Latino, Not Hispanic or Latino, Declined to Answer
- i. *First-time recipient of HSS Services*: Yes/No
- j. *Gross Monthly Income*: Enter the household's annual gross income in USD (\$). Use either self-reported income or documented income as applicable. If the household has no income, enter \$0.
- k. *Household Size*: 1-8 Enter the number of persons in the household seeking assistance. A household is defined as any group of people that present together for assistance and identify themselves as a family or household, regardless of age or relationship or other factors.
- l. *Area Median Family Income (AMI)*: Calculate the household's AMI qualification using their self-reported income or other income documentation if requested, the household size, and AMI levels for your area. Confirm reported income against the applicable 80% income limit as listed here:  
<https://www.huduser.gov/portal/datasets/il.html> and document it on the applicant's

case file. Report the household's income as 80%-51%, 50%-31%, or 30%-0%. Note that if the income exceeds 80% AMI, they are not eligible for assistance.

m. *Does the client need to provide documentation of income to confirm attestation?*

Determine whether client needs to provide documentation to confirm attestation or is self-attestation is sufficient to receive HSS funded services. The Housing Professional may affirm self-attestation through knowledge of client's income eligibility, through knowledge of homelessness, or through another method. A client should provide documentation of income to confirm attestation if the Housing Professional does not have knowledge of a households' circumstances. See the TDHCA Client Eligibility Flowchart in [Appendix A](#) for more detail.

### XIII. Landlord Incentive Policy

The ACAM Housing Stability Services (HSS) Program allows for landlord incentive payments. The purpose of this policy is to define eligible incentives, the documentation process, and limits. Selected service providers will receive a copy of this policy and landlord incentive agreement to document expenses as part of their sub-award or contract. See [Appendix C](#) for ACAM's HSS Landlord Incentive Policy & Agreement.

### XIV. Client Termination Policy & Procedure

Cause for termination or suspension includes failure to comply with terms of the program, failure to abide by the requirements of the service provider and/or the identification of possible instances of fraud, abuse, waste, fiscal mismanagement, or other deficiencies. Provisions for termination is clearly stated in the signed Program Agreement completed upon initial assessment. Termination from the HSS program may not necessarily prevent the provider from provision of future assistance to the client. See [Appendix D](#) ACAM HSS Client Termination Policy for more detail.

### XV. Grievance Procedure for RFP Respondents to ACAM's HSS Program

The purpose of the grievance procedure is to settle any grievance between an RFP respondent and Alliance of Community Assistance Ministries, Inc. (ACAM), as quickly as possible to assure an efficient and fair procurement. See Grievance Procedure for RFP Respondents to ACAM's HSS Program in [Appendix E](#).

## ACAM HSS Policies

### I. General HSS Procurement Policies

In accordance with ACAM's Procurement Policy, an outside consultant or contractor is prohibited from submitting a competitive proposal for services in which the consultant or contractor was a designer or reviewer. Applicants may be required to submit a disclosure of the nature of any perceived or actual conflicts of interest as part of the proposal or contract. Submitting a disclosure does not disqualify the applicant from consideration; however, ACAM may request a conflict-of-interest mitigation plan upon review of the application. ACAM also maintains a competitive procurement process including a Grievance Procedure for RFP Respondents to ACAM's HSS Program provided in [Appendix E](#).

## A. Conflicts of Interest/Nepotism

- a. HSS assistance will not be contingent on the client's acceptance or occupancy of emergency shelter or housing owned by the provider or a provider's subsidiary or parent.
- b. No provider, with respect to client's occupying housing owned by the provider or a provider's subsidiary or parent, will carry out the initial evaluation or administer homelessness prevention.
- c. When procuring goods and services, the provider will comply with codes of conduct and conflicts of interest requirements as well as the Texas Administrative Code.

## B. Continuous Quality Improvement (CQI) for Records

- a. ACAM shall host regular CQI meetings.
- b. Each service provider will bring a designated number of records and have other service provider agencies review the other service providers' records.
- c. The CQI Form shall be updated, and deficiencies corrected when possible. There is a 30-day limit to submit records for a second CQI review. Uploaded records for a second CQI must accurately reflect household eligibility.

## C. Program Income

Program income includes any gross income received by the ACAM or service provider.

ACAM or service provider that was directly generated by a grant supported activity or earned only as a result of the contract during the grant period.

- a. Fees charged to a household by a service provider to provide HSS services are prohibited.
- b. Any repayment of direct assistance to the service provider by the client becomes program income.
- c. Program income that is received after the end of the program period must be returned to ACAM as it must be returned to TDHCA.
- d. Utility and pet deposits paid on behalf of a household should be treated as a grant to the household. Rent deposits may only be returned to the household if the household remains in the unit for four or more months. Otherwise, the rent deposits should be returned to the issuing agency. If the deposit is returned to the service provider, it is program income, and may be spent on other HSS qualifying activities.
- e. Program income shall be reported by the service provider to ACAM monthly.

## D. Record Retention

Maintain records in accessible location for five (5) years after expenditure of all funds from the current contracted program year. The service provider agrees to house the records for the required retention period. Service providers shall produce records for review by ACAM as needed, and will comply with requests and records reviews from ACAM, TDHCA, Treasury and its representatives as requested.

## Appendices

[Appendix A. TDHCA ERA HSS Eligibility Flow Chart](#)

[Appendix B. ACAM HSS Client Determination Policy & Appeal Process](#)

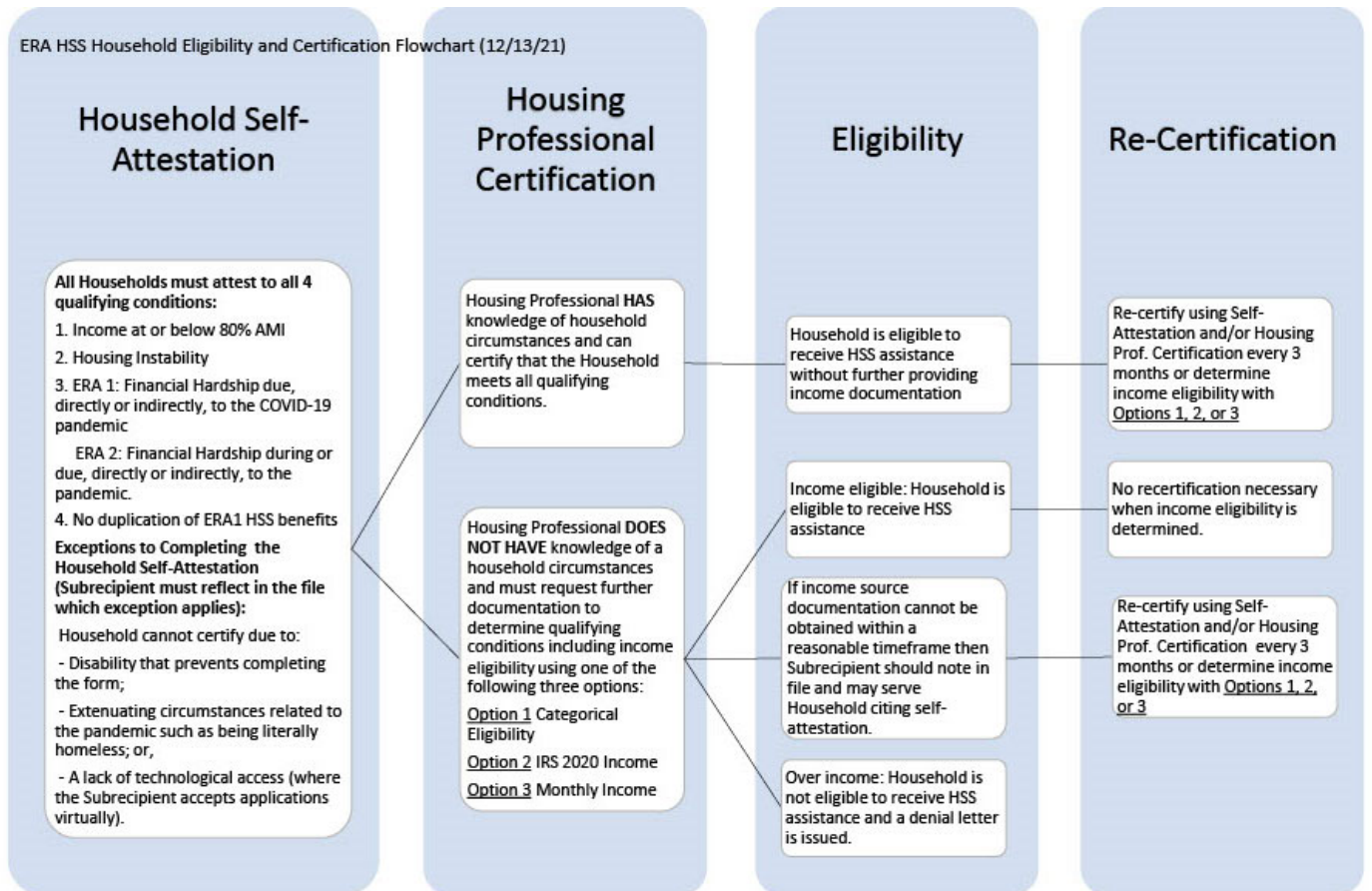
[Appendix C. ACAM HSS Landlord Incentive Policy](#)

[Appendix D. ACAM HSS Client Termination Policy](#)

[Appendix E. Grievance Procedure for RFP Respondents to ACAM's HSS Program](#)

[Appendix F. Security Deposit Policy & Agreement](#)

# Appendix A. TDHCA ERA HSS Eligibility Flow Chart



## Appendix B. ACAM HSS Client Determination Policy & Appeal Process

### Client Determination Policy

All households that are declined enrollment by a Housing Stability Services Provider have the right to appeal the program entrance determination. Case Managers/Counselors and Coaches shall provide information and assistance with the appeal process outlined below. If a client wishes to appeal the intake determination of the Housing Stability Services provider organization, clients shall be instructed to follow the process described in this procedure.

#### **You can appeal when you believe there is an error with:**

- A denial or ineligibility determination,
- Any other program determination.
  - Appeals that challenge federal program requirements will be denied.

#### **You can appeal within 30 days of determination:**

- An applicant must submit a completed Appeal Form and any supporting documentation directly to the program within thirty (30) days of the original determination.
- Appeals received after the 30-day window will be denied. If you do not submit an appeal within 30 days, the program will assume you have accepted the program determination.

#### **Make sure to submit the following with your Appeal:**

- Additional facts, circumstances, or evidence to justify your Appeal.
- For documentation to be considered, it must be submitted with your Appeal Form.

#### **What will be accepted?**

- The program may accept or reject new documentation based upon its accuracy and relevance to the appeal.

#### **What you can expect:**

- The Program will review and address the Appeal within fifteen (15) business days of its receipt, when feasible.
- You will receive written notification of the Program's determination via email or mail.

#### **Appeal determination.**

- Missing/ corrected documentation may be accepted at Second Appeal, if submitted timely and appropriately.
- Appeals may be denied or approved in whole or in part after a thorough review of the determination, the information already included in an Applicant's file, and relevant new documentation submitted.

#### **To file an Appeal**

- Complete the following completed form, along with all supporting documents.
- Please note: Appeals submitted by mail must be postmarked or emailed within the thirty (30) days of the initial application determination.



## ACAM HSS Client Determination Appeal Form

Please include any supporting documentation for the appeal with submission of this form.

Provider Organization:	
Date:	
Full Name:	
Address Line 1:	
Address Line 2:	

Select one of the following options for which you are requesting appeal:

Eligibility Determination

Other: \_\_\_\_\_

Provide an explanation of the basis for the appeal:

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

## Appendix C. ACAM HSS Landlord Incentive Policy & Agreement

### ACAM HSS Landlord Incentive Policy

ACAM Housing Stability Services (HSS) Program allows for landlord incentive payments. The purpose of this policy is to define eligible incentives, the documentation process, and limits.

#### A. Landlord Incentive Payments Defined

Landlord incentive payments and risk fees are payments that improve the likelihood that a client can find and secure housing. Landlord incentives do this by negotiating additional payments to landlords so that the landlord in question will agree to rent to households facing barriers to housing (e.g., households with criminal backgrounds, poor credit, debt or poor rental history). Landlord incentives can be retained by the landlord at the end of the lease term provided that the landlord meets the terms of the landlord incentive agreement. For the purposes of the housing stability services program, landlord incentives do not include additional months, rent, arrearage, security deposits, application fees, or any fees normally charged to all tenants.

#### B. Case Management Process

Case managers will work with clients and landlords to determine if a landlord incentive would assist the client in becoming housing stable. Landlord incentive payments must not exceed one month's rent in value and the lease must be at least six months long. The landlord incentive payment must be documented in the case file along with a copy of the lease agreement. The Landlord Incentive Agreement below includes the incentive amounts, signatures of landlord, adult tenants, and case manager. Once the Agreement has been signed by all parties (tenant, landlord, and service provider), the form must be kept in the client's file in Tab 3 as part of the required documentation supporting the housing services payment.

#### C. Types of Landlord Incentive Payments

Risk fees are fees that landlords automatically apply during lease signing before they agree to lease to a client with a criminal background, eviction history, poor credit, debt, or poor rental history. Unlike a landlord incentive payment, risk fees do not require negotiation or outreach on the part of an external party, such as ACAM service providers. These fees are allowable provided that the fee is customary, automatic, and based on defined rental screening criteria. Signing Bonuses may be used for initial lease execution or lease renewal within the last sixty days of the lease term. If at any time ACAM service providers attempt to negotiate to pay an additional fee or the landlord attempts to engage ACAM service providers to either raise, institute, or levy an additional fee, then this fee will be subject to the landlord incentive policies outlined above. Risk fees require at least a six-month lease and are limited to one month's rent. If a risk fee and a signing bonus are provided, the sum of these two payments cannot be more than one month's rent.

## ACAM HSS Landlord Incentive Agreement

1. The tenant, landlord, and service provider should complete this agreement.

Service Provider:	
Case Manager:	
Date:	
Tenant Name:	
Second Adult Tenant Name:	
Tenant Full Address:	
Landlord Name:	
Landlord Full Address:	
Landlord Phone:	

Please give the reason why an incentive payment is needed. Check one or more:

- Previous eviction     
  Missed/late rent payments     
  Criminal background  
 Previous broken lease     
  Low credit score/debt  
 Other rental history (e.g., property damages) explain: \_\_\_\_\_  
 Other – explain: \_\_\_\_\_

2. The service provider should indicate the amount and type of landlord incentive below. To qualify for an incentive payment, the lease must be at least six months long. ***The total incentives cannot be more than one month's rent.***

Landlord Incentive Type	Description	Amount
Risk Fee	A risk mitigation fee is a fee paid by a rental applicant to the landlord as a requirement for conditional approval for tenancy.	
Signing Bonus	A financial reward to the landlord for joining a program, keeping a tenant, or adding a high-risk tenant to a unit.	
	<b>Total Incentive Payment</b>	
	<b>Total One Month's Rent</b>	
	<b>Initial here to verify total incentive payment does not exceed one month's rent</b>	

I/we understand that with my/our signature I/we are certifying all information herein is true and correct.

Signature of Tenant: \_\_\_\_\_ Date: \_\_\_\_\_

Signature of Tenant: \_\_\_\_\_ Date: \_\_\_\_\_

Signature of Landlord/Landlord's Agent: \_\_\_\_\_ Date: \_\_\_\_\_

Signature of ERA-HSS Case Manager: \_\_\_\_\_ Date: \_\_\_\_\_

## Appendix D. ACAM HSS Client Termination Policy

### ACAM HSS Client Termination Policy

Cause for termination or suspension includes failure to comply with terms of the Program Agreement, failure to abide by the requirements of the agency and/or the identification of possible instances of fraud, abuse, waste, fiscal mismanagement, or other deficiencies. Provisions for termination is clearly stated in the signed Program Agreement completed upon initial assessment. Termination from the HSS program may not necessarily prevent the provider from provision of future assistance to the client.

**Termination Procedure:** First, the Case Manager sends a warning letter by certified mail that clearly states the reason for which the client is in noncompliance and in danger of being exited from the HSS program; if clients are encouraged to contact the Case Manager to discuss options for becoming compliant; and the time period in which this must be completed. If after the specified time the client is still noncompliant, the Case Manager shall request a Case Staffing Meeting and recommend that the client be exited. If the Case Staffing group agrees, the Case Manager would send a second certified letter that clearly states the reason for which the client is in noncompliance and being exited from the HSS program; the process for filing an appeal; and the time period in which this must be completed.

**Appeals Process:** If a client wishes to appeal and present objections, the client must request an appeal with the Case Manager within seven (7) business days from the date of the termination letter. The Case Manager then sets up a Case Staffing Meeting. If the client does not attend the hearing or attends but fails to bring sufficient evidence of compliance or reason for non-compliance, they will then be exited from the program.

Any applicant/ client denied admission or terminated from services provided under HSS has the right to appeal the decision. All applicants/ clients who are denied admission or continuation of services will be informed at the time of the denial/termination of their right to appeal the decision. The applicant/client will be supplied with a denial/termination letter, a copy of this procedure, and a blank appeal form. Applicants/Clients wishing to appeal the decision must inform the Case Manager and complete the appeal form within seven (7) business days of the date on denial/termination letter.

The applicant/client and appropriate Contractor Program Director will arrange a mutually agreeable date and time for the applicant/client to present his/her appeal at the Case Staffing Meeting. Applicants/Clients may present an appeal in writing or orally and may choose to bring a friend or advocate to the meeting. The applicant may also present any new information relevant to the denial of application or termination for non-compliance.

The Program Director name will notify the Case Manager of his or her decision within five business days of the Case Staffing Meeting and will inform the applicant/client in writing of the final determination. Final determination will be sent to the applicant/client by certified mail, receipt requested.

# Appendix E. Grievance Procedure for RFP Respondents to ACAM's HSS Program

## Grievance Procedure for RFP Respondents to ACAM's HSS Program

### Purpose

The purpose of the grievance procedure is to settle any grievance between an RFP respondent and Alliance of Community Assistance Ministries, Inc. (ACAM), as quickly as possible to assure an efficient and fair procurement.

### Eligibility

A grievance may be filed by any proposer that claims it has been adversely affected by:

1. The score assigned by the Independent Review Team.
2. Improper application of ACAM business rules, regulations and/or procedures.

### Procedure for Filing Respondent Organization Grievances

The following steps must be followed in the order given. Time limits shall begin on the first working day after the applicable occurrence, filing, appeal, response, or recommendation. Working days shall not include weekends or national holidays.

#### Step 1

To be considered, a grievance must be filed in writing with ACAM within 24 hours preliminary contract award announcement. This written grievance should be sent to Sarah Malcolm, Housing Stability Programs Manager at [smalcolm@acamweb.org](mailto:smalcolm@acamweb.org). ACAM has forty-eight (48) hours from receipt of the grievance form to respond to and resolve the grievance.

#### Step 2

If the respondent organization is not satisfied with the proposed resolution the respondent organization has twenty-four (24) hours to file an appeal with the ACAM Grievance Committee.

The Grievance Committee has forty-eight (48) hours to investigate, talk with the grievant and respond in writing using the official form.

### General Provisions

The Grievance Forms provided by ACAM should be used in pursuing a resolution of the grievance.

The respondent organization may represent itself or be represented by a chosen representative when presenting the organization's grievance.

GRIEVANCE FORM FOR ACAM HSS PROGRAM RFP RESPONDENTS

**Grievance Form**

Respondent Organization: \_\_\_\_\_

Representative: \_\_\_\_\_ Title: \_\_\_\_\_

Address: \_\_\_\_\_ Phone: \_\_\_\_\_

We have discussed this complaint with Housing Stability Programs Manager and received her verbal answer on (date)\_\_\_\_\_. Because this answer is unacceptable to us, we wish to file a formal complaint.

Nature of grievance. Explain how your organization was unfairly treated including names and dates. (Use additional pages if needed.)

Empty box for describing the nature of the grievance.

A just and fair solution of our grievance is:

Empty box for describing a just and fair solution of the grievance.

We understand that if we wish to further appeal our complaint, we have twenty-four (24) hours from response to submit a grievance form to the next level of appeal. Grievances not appealed timely are considered settled at the previous level.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature

GRIEVANCE PROCEDURE FOR THE ACAM HSS PROGRAM RFP RESPONDENT ORGANIZATIONS

**Grievance Form Response from ACAM’s Grievance Committee**

Respondent Organization: \_\_\_\_\_

Respondent Representative: \_\_\_\_\_

ACAM’s Grievance Committee Response to Respondent Organization’s Complaint:

Grievances not appealed timely are considered settled at the previous level.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature

## Appendix F. ACAM HSS Security Deposit Policy & Agreement

### ACAM HSS Security/Utility/Pet Deposit and Application Fees Policy

The ACAM Housing Stability Services (HSS) Program allows for payments to landlords or utility companies for one-time financial assistance for a security deposit, utility deposit, and pet deposit payments. The purpose of this policy is to define eligible expenses, the documentation process, and limit.

#### 1. Definitions of Eligible Expenses

- a. **Security Deposit.** Security deposits can be paid to by service providers on behalf of eligible clients to landlord, so they are willing to rent to someone with limited income, a poor rental history, or a criminal history. The funds can cover damages to the rental unit, lost rent, or legal fees. HSS clients are eligible to receive this deposit returned in full at the end of the tenancy agreement given no charges have been incurred if they have resided in the unit for at least four months. If they do not reside in the unit for at least four months, the landlord will return the security deposit to the service provider.
- b. **Utility Deposit.** A utility deposit is an up-front sum of money paid by service providers on behalf of clients to landlords that can be used to pay for utilities in the case that the tenant is unable to pay for any pending electricity, natural gas and water utility bills. HSS clients are eligible to receive this deposit returned in full at the end of the tenancy agreement given no pending payments on the utility fees if they have resided in the unit for at least four months. If they do not reside in the unit for at least four months, the landlord will return the utility deposit to the service provider.
- c. **Pet Deposit.** Pet deposits are very similar to a security deposit, but the deposit is intended only to repair damage caused by a pet. HSS clients are eligible to receive this deposit returned in full at the end of the tenancy agreement given no charges have been incurred if they have resided in the unit for at least four months. If they do not reside in the unit for at least four months, the landlord will return the pet deposit to the service provider.
- d. **Application Fees.** Payment of housing application fees, provided that these application fees are required of all tenants and are reasonable and intended to help the household maintain or obtain housing

For the purposes of the housing stability services program, security/utility/pet deposits and application fees are normally charged to all tenants and do not include additional months, rent, arrearage, or landlord incentives (see Landlord Incentives Policy).

2. **Case Management Process:** Case managers negotiate with landlords to agree on fair and reasonable deposit rates, help clients to pay the rent on time, follow the lease, care for the unit, and mediate issues with the landlord before they escalate.
3. **Required Documentation:** All service providers should document payments in the “Summary of Assistance” Worksheet and keep the Deposit Agreement, Deposit Receipt and supporting documentation of payment in the clients’ file in Tab 3.



### ACAM HSS Security/Utility/Pet Deposit and Application Fee Agreement

3. The tenant, landlord, and service provider should complete this agreement.

Service Provider:	
Case Manager:	
Date:	
Tenant Name:	
Second Adult Tenant Name:	
Tenant Full Address:	
Landlord Name:	
Landlord Full Address:	
Landlord Phone:	

4. The service provider should indicate the amount and type of deposit below. \*The tenant must reside in the unit for at least four months to receive the deposit back from the landlord. Otherwise, the landlord shall return the deposit to the service provider. ***The security deposit(s) cannot be more than one month's rent. Pet deposits must not exceed \$500 per pet or \$1000 for all pets.***

Rental Deposit	Description	Amount
Security Deposit	Money that a renter pays to a landlord that can be used to pay for damages that is returned to the tenant if not used, and the tenant remains in the unit for at least four months.	
	<b>Total Security Deposit</b>	
	<b>Total One Month's Rent</b>	
<b>Initial here to verify total security deposit is no more than one month's rent</b>		

Deposit Type	Description	Amount
Utility Deposit	Up-front payment by service providers on behalf of clients to landlords that can be used to pay for utilities	
Pet Deposit	Deposit intended only to repair damage caused by a pet	
Application fees	Payment of housing application fees, provided that these application fees are reasonable	
	<b>Total Other Deposits and Fees</b>	

I/we understand that with my/our signature I/we are certifying all information herein is true and correct. The deposits being charged are usual and customary and charged to all applying tenants.

Signature of Tenant: \_\_\_\_\_ Date: \_\_\_\_\_

Signature of Tenant: \_\_\_\_\_ Date: \_\_\_\_\_

Signature of Landlord/Landlord's Agent: \_\_\_\_\_ Date: \_\_\_\_\_

Signature of ERA-HSS Case Manager: \_\_\_\_\_ Date: \_\_\_\_\_

**ACAM HSS Security/Utility/Pet Deposit Receipt**

This is an acknowledgment that service provider (Agency Name) \_\_\_\_\_

(Agency Address and Phone) \_\_\_\_\_ paid

Landlord (Full Name) \_\_\_\_\_ a

Security Deposit of \$ \_\_\_\_\_ (Attach documentation) on (date) \_\_\_\_\_

Utility Deposit of \$ \_\_\_\_\_ (Attach documentation) on (date) \_\_\_\_\_

Pet Deposit of \$ \_\_\_\_\_ (Attach documentation) on (date) \_\_\_\_\_

Application fees of \$ \_\_\_\_\_ (Attach documentation) on (date) \_\_\_\_\_

for (Tenant Name) \_\_\_\_\_ at

(Full Address) \_\_\_\_\_.

**Terms and Conditions**

1. The total deposit(s) cannot be more than one month's rent.
2. Pet deposits must not exceed \$500 per pet or \$1000 for all pets.
3. The tenant must reside in the unit for at least four months to receive the deposit back from the Landlord. Otherwise, the Landlord shall return the deposit to the service provider at (Full Address) \_\_\_\_\_.

I/we understand that with my/our signature I/we acknowledge and accept these terms and conditions.

Landlord Name \_\_\_\_\_

Landlord's Address \_\_\_\_\_

Landlord's Email \_\_\_\_\_ Landlord's Phone \_\_\_\_\_

Landlord Signature \_\_\_\_\_ Date \_\_\_\_\_ Time \_\_\_\_\_

Appendix G:

**HOUSING STABILITY SERVICES (HSS)**  
AN EMERGENCY RENTAL ASSISTANCE PROGRAM (ERA)

PROGRAM GUIDELINES

REVISED APRIL 4TH & 19TH, 2023

**NEWEST UPDATES WILL BE IN GREEN FONT**



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## **1. Background**

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The Housing Stability Services (HSS) program provides assistance to local communities and non-profits to assist income eligible households to help them maintain or obtain stable housing. The HSS program is administered by the Texas Department of Housing and Community Affairs (TDHCA or the Department), with Emergency Rental Assistance (ERA1 and ERA2) funds.

Funded through the U.S. Department of Treasury (Treasury), this program is designed to help keep households stably housed by providing them with case management, housing navigation, and other stability services. Housing stability services include, among other things, eviction prevention and eviction diversion programs; mediation between landlords and tenants; housing counseling; fair housing counseling; housing navigators or promotoras that help households access ERA programs or find housing; case management related to housing stability; housing-related services for survivors of domestic abuse or human trafficking; legal services or attorney's fees related to eviction proceedings and maintaining housing stability; and specialized services for individuals with disabilities or seniors that support their ability to access or maintain housing. Although supported through the Treasury's ERA funds, the HSS program does not provide direct rental assistance or utility assistance; however, HSS funds may be used to provide additional services to households receiving rental assistance or other federal housing assistance. Additionally, the HSS program is only eligible for renter households or households experiencing homelessness. Homeowners should be assisted through TDHCA's Homeowner Assistance Fund or other local and federal programs.

As the agency in Texas designated to administer these funds, TDHCA is subcontracting with eligible jurisdictions or entities through direct awards for ERA1 funds and through a competitive process for ERA2 funds for the exclusive purpose of providing housing stability services for income eligible Texans.

These program guidelines list program requirements for both ERA1 and ERA2 HSS programs including household eligibility requirements, minimum federal administration and reporting requirements, length of assistance, maximum amounts of assistance, and maximum household income. In most cases, the following guidelines are applicable to both the ERA 1 HSS and the ERA 2 HSS programs, unless otherwise noted.

## **2. Program Goals**

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The goal of the Housing Stability Services Program is to provide assistance to cities, counties, councils of governments, public housing authorities, private nonprofit organizations, and other eligible organizations per Treasury regulations to assist income eligible households, who have been financially affected by (ERA 1) or during (ERA 2) the coronavirus pandemic, to help them maintain or obtain stable housing.

## **3. ERA National Objective**

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The Emergency Rental Assistance (ERA) program makes funding available to assist households that are unable to pay rent or utilities. Two separate programs have been established: ERA1 provides up to \$25 billion under the Consolidated Appropriations Act, 2021, which was enacted on December 27, 2020, and ERA2 provides up to \$21.55 billion under the American Rescue Plan Act of 2021, which was enacted on March 11, 2021. The funds are provided directly to states, U.S. territories, local governments, and (in the case of ERA1) Indian tribes or Tribally Designated Housing Entities, as applicable, and the Department of Hawaiian Home Lands. Grantees use the funds to provide assistance to eligible households through existing or newly created rental assistance programs and housing stability services programs.

The Housing Stability Services Program is funded by Treasury through the Emergency Rental Assistance (ERA1 and ERA2), which allows up to 10% of the funds to be utilized for housing stabilization services.

#### **4. Governing Requirements**

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The following regulations establish federal and state requirements. Relevant legal authority includes, but is not limited to, the following as now in effect or as amended in the future:

- 2 CFR Part 200 (OMB Super Circular) (ecfr.gov)
- Texas Grant Management Standards (TxGMS) (for Units of Government)
- Texas Administrative Code: Title 10, Part 1, Chapters 1 and 2

If state or federal statutes or regulations, or other laws, relating to the ERA funds are modified by the United States Congress, Treasury, the Department, the Texas State Legislature, or the Governor, the changes may become effective immediately and may be applicable to existing contracts executed between TDHCA and ERA1 or ERA2 HSS Subrecipients.

If there is a conflict between the state and federal regulations, the federal regulations shall prevail. In addition, the Department reserves the right, at its sole discretion, to suspend or amend the provisions governing this program. If such an action occurs, the Department will notify interested parties. Awards are also contingent upon the Department executing a grant agreement from the Treasury for the ERA funds.

#### **Financial Management**

Subrecipients must demonstrate to the satisfaction of the Department that they are in compliance with the financial management requirements at 2 CFR Part 200, including the single audit requirements of 2 CFR §200.501. All Subrecipients are subject to the requirements of 10 TAC §1.403, concerning Single Audits. If a Subrecipient utilizes subawardees the Subrecipient is responsible for monitoring the subawardees financial management systems in accordance with 10 TAC §1.402.

#### **Records Retention**

Subrecipients must maintain such records in an accessible location for the greater of: (i) six (6) years; (ii) if notified by the Department in writing, the date that the final audit is accepted with all audit issues resolved to the Department's satisfaction; (iii) if any litigation claim, negotiation, inspection, or other action has started before the expiration of the required retention period records must be retained until completion of the action and resolution of all issues which arise under it; or (iv) a date consistent with any other period required by the performed activity reflected in federal or state law or regulation. Upon termination of this Contract, all records are property of the Department.

#### **Previous Participation Review and Federal/State Debarment**

Prior to receiving an award of HSS funds, all entities will be subject to a Previous Participation Review by the Department, as outlined in 10 TAC §1.302. Pursuant to 2 CFR Part 180, all HSS applicants are required to verify that they and their principals, or any/all persons, contractors, consultants, businesses, subawardees, etc., that will be conducting business with the applicant as part of the rental assistance activity are not presently debarred, proposed for debarment, suspended, declared ineligible, or voluntarily excluded from participation in the covered transaction or in any proposal submitted in connection with the covered transaction.

The Department will not award any HSS funds to organizations that are debarred, suspended, proposed for debarment, and declared ineligible or voluntarily excluded from participation from federal or state assisted programs, or that are proposing to partner, contract, or otherwise fund rental assistance activities through an organization that is debarred, suspended, proposed for debarment, or otherwise ineligible

from participation in federally assisted programs. If an organization has a member of its governing body that has this status, the Department will allow the member to resign so that the organization can enter into a Contract with the Department.

### **Fidelity Bond Requirements**

All ERA HSS Nonprofit Subrecipients and any nonprofit subgrantees shall maintain adequate fidelity bond coverage as set forth in 10 TAC §1.406. The fidelity bond must be for a minimum of \$10,000 or an amount equal to the contract if less than \$10,000. The bond must be obtained from a company holding a certificate of authority to issue such bonds in the State of Texas. Subrecipients may use Administrative funds to pay for this coverage or a proportional amount of coverage if the coverage is for more than the ERA HSS funds.

## 5. Program Overview

The following table provides an overview of eligible program components explained in detail in subsequent sections.

Program Component	Criterion
<b>Eligible Activities</b>	<ul style="list-style-type: none"> <li>• <b>Stabilization Services</b> Funds can be used to enable eligible households impacted by the pandemic to maintain or obtain stable housing. Essential services to unsheltered persons and services to eligible renter households include outreach services, shelter services, community services, and services offered at permanent supportive housing properties.</li> <li>• <b>Housing Legal Services – Texas Access to Justice Foundation (TAJF)</b> TAJF subgrantees provide free civil legal services to eligible households experiencing housing insecurity including <u>legal</u> representation, housing clinics, and Texas Rent Relief (TRR) application assistance as funds are available.</li> </ul>
<b>Household Eligibility</b>	<ul style="list-style-type: none"> <li>• <b>ERA 1:</b> Household must have experienced financial hardship due, directly or indirectly, to the coronavirus pandemic; <b>AND</b></li> <li>• <b>ERA 2:</b> Household must have experienced financial hardship <b>during</b> or due, directly or indirectly, to the coronavirus pandemic; <b>AND</b></li> <li>• <b>ERA 1 &amp; 2:</b> Household must be experiencing homelessness <b>OR</b> be at risk of experiencing homelessness <b>OR</b> experiencing housing instability; <b>AND,</b></li> <li>• <b>ERA 1 &amp; 2:</b> Have income no more than 80% of AMI</li> </ul>
<b>Income Verification</b> <u>**Due to the expiration of the Public Health Emergency related to Covid-19, as of May 11, 2023, Self-Attestation is no longer an allowable method to determine income eligibility and verification. For further detail, see Section 10. Client Eligibility Requirements. **</u>	<ul style="list-style-type: none"> <li>• One or more members of the household must provide written attestation that they have either: <ul style="list-style-type: none"> <li>○ Qualified for unemployment benefits; <b>OR</b></li> <li>○ Due to or during the pandemic: <ul style="list-style-type: none"> <li>▪ Experienced a reduction in income,</li> <li>▪ Incurred significant costs,</li> <li>▪ Experienced other financial hardship and</li> </ul> </li> <li>○ <b>AND</b> one or more individuals within the household must attest that: <ul style="list-style-type: none"> <li>▪ That they are at risk of experiencing homelessness or housing instability, which may include a past due utility or rent notice or eviction notice, <b>OR</b></li> <li>▪ That unless they receive assistance, they would have to move to an unsafe, unhealthy, or emergency care environment, like an overcrowded living situation or emergency shelter.</li> </ul> </li> </ul> </li> </ul>



<b>Duplication of Benefits</b>	<ul style="list-style-type: none"> <li>Households receiving HSS assistance must certify that they are not receiving duplicate housing stability services from another TDHCA funded ERA1 or ERA2 HSS Subrecipient. Non-HSS ERA funds, such as Texas Rent Relief assistance, do not count as duplicate services.</li> </ul>
<b>Length of Assistance for Eligible Households</b>	<ul style="list-style-type: none"> <li>Households receiving assistance from <i>only</i> ERA1 HSS funds: up to 12 months of assistance</li> <li>Households receiving assistance from <i>only</i> ERA2 HSS funds: up to 15 months of assistance</li> <li>Households receiving assistance from <i>both</i> ERA1 and ERA2 HSS funds: up to 18 months of assistance</li> </ul> <p>Months receiving assistance do not need to be contiguous</p>
<b>Contract Periods for Subrecipients</b>	<ul style="list-style-type: none"> <li>The ERA1 contract period for HSS Subrecipients is September 1, 2021, through August 31, 2022. Assistance for ERA1 can be provided to income eligible households through August 31, 2022.</li> <li>The ERA2 contract period is March 31, 2022, through March 31, 2024. Subrecipients receiving both ERA1 and ERA2 awards must fully expend ERA1 funds before they will be able to access ERA 2 funds.</li> </ul>
<b>Administrative Costs for Subrecipient</b>	<ul style="list-style-type: none"> <li>For ERA1 HSS contracts, up to 7% administrative funds are allowed</li> <li>For ERA2 HSS contracts, up to 10% administrative funds are allowed</li> <li>Allowable administrative expenses include proportional amounts for: <ul style="list-style-type: none"> <li>Non-programmatic salary and benefits for staff, including any staff that do not directly serve clients, but are needed to oversee management of the HSS program</li> <li>Supplies and equipment for both program and administrative staff</li> <li>Overhead (administration, rent, utilities, maintenance, HMIS, etc.), so long as this overhead is needed to administer the grant</li> <li>Subrecipients may not purchase equipment (meeting the federal definition at 2 CFR 200.1) without TDHCA's approval and, if approved, must complete the ERA HSS Inventory Equipment List form and submit it to TDHCA within 10 business days. The Inventory Equipment List form may be obtained from a Subrecipient's assigned HSS staff.</li> </ul> </li> </ul>

**6. Eligible Activities**

**Housing Stability Services and Housing Legal Services**

To keep Texans who need assistance in obtaining or maintaining stable housing, the HSS program provides income-eligible, COVID-impacted households with housing stability services. HSS funds can be used to help families at-risk of eviction remain in their homes, including working with courts to connect such families and their landlords with mediation and emergency rental assistance resources, engaging

providers of housing stability services for active support, and working directly with court administrators to facilitate eviction diversion programs.

Housing stability services may include, among other things, eviction prevention and eviction diversion programs; mediation between landlords and tenants; housing counseling; fair housing counseling; housing navigators or promotoras that help households access ERA programs or find housing; case management related to housing stability; housing-related services for survivors of domestic abuse or human trafficking; legal services or attorney’s fees related to eviction proceedings and maintaining housing stability; and specialized services for individuals with disabilities or seniors that support their ability to access or maintain housing. Grantees using HSS funds for housing stability services must maintain records regarding such services and the amount of funds provided to them. All services provided with HSS funds must be tied to a specific household in their client file, unless the activity is expressly exempt from this requirement as indicated by HSS program guidance.

Stabilization Services may include:

Outreach Services

Activity	Activity Details
<b>Housing Clinics</b>	In person or web-based clinics to assist clients with rental assistance program applications. Clinics may provide legal advice related to eviction proceedings and applications for housing assistance.
<b>Housing Navigators or Promotoras</b>	Assisting eligible households in the housing search process, application, and move-in process. This includes conducting landlord outreach for the purposes of connecting clients with stable housing, so long as landlord outreach can be connected to specific households served by this activity.
<b>HSS Outreach and Intake</b>	<p>Outreach to eligible households, and providing intake and needs assessment for eligible households, so long as these outreach activities can be connected to specific households served by the HSS program. Advertisement and marketing materials are <b>NOT</b> eligible under this category and must be paid for with administrative funds.</p> <p>Temporary space rentals, such as meeting or conference rooms, are allowable as long as households are served. If intake is not provided and households are not served, then all expenses for the outreach event will need to be billed either HSS admin, or a non-HSS source of funding. If other non-HSS services are provided, Subrecipient will need to bill proportionally to HSS.</p>

Homelessness Prevention and Shelter Services

Activity	Activity Details
<b>Temporary Housing (Campgrounds and Hotel/Motel Stays)</b>	<p>Payments for short-term stays at public or private campgrounds, or hotels/motels for persons needing temporary housing solutions. Tents, RV lots, and open-air pavilions are <u>NOT eligible expenses under the HSS program</u>. Temporary housing <b>MUST</b> be an enclosed habitable space.</p> <p>Private short-term rentals, such as Airbnb, are NOT allowed, as they are not beholden to the same state and federal regulations for health, safety, and accessibility as hotel/motels are.</p>

	<p>Subrecipients may house a client in temporary housing up until the maximum length of eligible assistance, listed above, so long as the Subrecipient is actively attempting to place the household in a more permanent and stable residence. Temporary housing expenses are not eligible if there is no reasonable attempt to place the household in permanent housing.</p> <p>Pet fees incurred while housing eligible clients in short-term hotel/motels are allowable as an eligible Direct Household Payment expense under the 'Short-term Hotel/Motel Stay' reporting category. Subrecipients should make a good faith effort to house clients with pets in hotels or motels with no pet fees or reasonable pet fees whenever possible.</p> <p>Pet deposits for short-term stays are also eligible and shall be returned to the Subrecipient (not the client) and then recycled back into the ERA2 HSS program during the contracted performance period. If HSS Subrecipients wish to pay pet fees/deposits for eligible short-term hotel/motel stays, then they should confer with their counsel to ensure that written pet fee policies are in compliance with state, local, and federal law. Please note that incidental damages caused to hotel/motels by pets are not an eligible HSS expense.</p>
<p><b>Homelessness or At Risk of Homelessness</b></p>	<p>Food, basic clothing needed for protection from the elements or to obtain employment, or basic hygiene products, as part of a service to help the household obtain or maintain housing. School uniforms for children under 18 are eligible, so long as they meet the provisions above. Baby formula is also an eligible expense.</p> <p>Food delivery costs are an eligible program cost if the household is homeless or at risk of homelessness and the delivery fee serves to directly provide food to that household. Delivery fees to households must be documented as reasonable through the micro purchase process for nongovernmental entities in 2 CFR 200.300. Governmental entities cannot pay for delivery fees. Subrecipients may incur reasonable transportation and staff costs to directly deliver food to clients themselves; however, the cost incurred to purchase or collect food prior to client delivery must be paid through administrative funds as it is not a direct client service.</p> <p>Large-scale meal provision services are an eligible program expense if such an activity is expressly approved by HSS program staff. Large-scale meal provision services include kitchens and cafeterias for eligible households. It does <b>NOT</b> include food donation or food pantries. Subrecipients should be able to reasonably ensure that all clients served by a meal provision service are eligible. Approved large-scale meal provision providers are exempt from tracking food provided to individual households but must report the number of meals served each month. Food, beverages, and cutlery are eligible program expenses; however, food preparation staff and kitchen equipment must be paid for through administrative funds.</p> <p>Basic hygiene products include consumable hygienic items, such as wet wipes, laundry detergent, dryer sheets, hand sanitizer, feminine hygiene</p>

	<p>products, toothpaste, shampoo, soap, basic cleaning supplies, diapers, and other items as approved by HSS program staff. Additional hygienic supplies include trash can, laundry basket, broom, dustpan, and mop.</p> <p><b>Gift Cards:</b> Gift cards are an eligible expense, for nonprofits, so long as they are used to purchase eligible food, basic clothing and hygiene items for eligible households. Subrecipients must have a written gift card policy. They must have adequate measures in place to keep gift cards protected and to prevent fraud. Subrecipients must track the usage of gift cards via electronic or paper receipts to ensure that they are only expended on eligible items. These receipts must be placed in the client file. All distributed gift cards must be noted in the client file. If Subrecipients are providing gift cards to restaurants or stores that only provide eligible items, such as a food co-op, fast food restaurant, or clothing resale store, then the Subrecipient MAY be exempt from providing receipts provided that they note in their gift card policy how and why they vetted the establishment to ensure no ineligible items can be purchased. For instance, gift cards to restaurants that serve alcohol would not be eligible under a general gift card policy. All gift card policies and rules must be compliant with 2 CFR Part 200, especially in relation to micro purchases.</p> <p>Units of government are not allowed to purchase and distribute gift cards for clients. <b>Units of government include local municipalities, Political Subdivisions, Public Housing Authorities (PHAs), and Local Mental Health Authorities (LMHAs). Subrecipients of this nature should ensure that they are following the procurement and micro-purchase rules set forth in 2 CFR 200 for government entities.</b></p> <p>If a gift card requires an activation or administration fee, then that fee counts as an administrative expense proportional to the amount of eligible purchases made on the gift card in question.</p> <p><b>Vouchers:</b> Federal administrative code encourages Subawardees to utilize vouchers instead of gift cards whenever possible. Vouchers that permit only the purchase of eligible items for eligible households are permitted, provided that they comply with program guidelines and federal administrative code.</p>
<b>Hygiene stations</b>	Handwashing stations, hand sanitizing stations or portable bathroom facilities.

Housing Services

<b>Activity</b>	<b>Activity Details</b>
<b>Moving and Storage</b>	Payment of rental moving vans or hiring of movers within reasonable limits (as outlined by federal procurement standards in 2 CFR 200). <b>These standards usually require 3 individual quotes, but these quotes may also be obtained via a rate sheet comparison or via a comparison of 3 different continued service agreements.</b> Subrecipients may use moving expenses to move furniture from a donation drop-off or furniture bank to a client’s new

	<p>place of residence. Moving expenses can be used to move clients outside of Subrecipient's contracted service area, if there is sufficient reason to do so. To facilitate a move, storage facilities are an eligible expense for up to one month. Extensions to the one-month time frame may be granted <b>with approval by TDHCA</b> HSS staff if more storage time is needed in order to provide the household with necessary services.</p>
<p><b>Landlord Incentive Payments</b></p>	<p>Landlord incentive payments and risk fees to improve likelihood of finding housing through negotiating with landlords, and expanding the housing pool for households facing barriers to housing (e.g., households with criminal backgrounds, poor credit, debt or poor rental history). Subrecipients should keep a copy of the landlord incentive agreement and the lease, which should cover no less than six months.</p> <p>A landlord incentive payment includes any payment where an HSS Subrecipient offers to pay a landlord a non-refundable fee (except in certain circumstances decided by the agreement) in exchange for entering into a lease agreement of at least six months with a household facing a barrier to housing. Risk fees include any fee levied by the landlord according to pre-established criteria to mitigate leasing risk; however, any active negotiation between a landlord and a Subrecipient to provide a non-refundable fee of a certain amount shall count as a landlord incentive and should be subject to that Subrecipient's landlord incentive policy.</p> <p>Landlord incentive payments and risk fees together may not exceed one month's rent. Subrecipients should develop a written landlord incentive policy that promotes stable housing situations for clients and does not encourage further barriers to housing for future clients. Landlord incentives cannot extend beyond the situations and uses as defined above and may not be offered after lease signing.</p> <p>Subrecipients who made Incentive Payments to Landlords of least \$600 in calendar year 2022 shall provide a 2022 Form 1099-MISC to the Landlord by February 2023. This requirement continues for payments made in calendar year 2023.</p>
<p><b>Deposits and Utility Reconnection Fees</b></p>	<p><b>Rental/Security Deposits</b></p> <ul style="list-style-type: none"> <li>• Security Deposits should not exceed one month's rent unless the Subrecipient has requested and received written approval from TDHCA. The Subrecipient request must contain evidence of higher security deposits being <b>reasonable and</b> customary in the local rental market. This evidence may include internal assistance data, external assistance data, external housing market studies, and U.S. Census data. Subrecipients should keep a copy of the lease agreement, which should be valid for at least six months. The deposit amount may be calculated based on market rent of the unit, not the subsidized rent amount.</li> <li>• As a best practice, Security deposits should be returned to the tenant at the completion of the lease term (if the tenant stays for</li> </ul>

	<p>at least four months); otherwise, they should be returned to the Subrecipient or retained by the landlord (in case of a break in the lease terms). The Subrecipient should use the returned deposit to provide additional services <b>during the ERA2 HSS Contract period of performance</b>. The lease agreement between the client and landlord should stipulate where funds are to be returned at the end of the lease period. Subrecipients may choose to use lease addendums or signed agreements with the client to ensure compliance with security deposit policies. If a security deposit is returned to the Subrecipient after the end of the contract period, then the funds must be returned to TDHCA. Contact your assigned HSS staff for instructions on returning deposits.</p> <ul style="list-style-type: none"> <li>As a best practice, the lease agreement should prohibit a landlord from retaining a security deposit without just cause and should require the landlord to provide an itemized bill to any clients if the landlord has sufficient reason to retain all or part of the security deposit.</li> </ul> <p><b>Pet Deposit/Fee</b></p> <ul style="list-style-type: none"> <li><b>Pet deposits and pet fees for rental housing may also be paid for eligible households. Pet fees and deposits of this nature must not exceed \$500 per pet or \$1000 for all pets. The rules and regulations for pet deposits and fees follow all the same applicable rules for security deposits and application fees respectively.</b></li> </ul> <p><b>Utility Deposit</b></p> <ul style="list-style-type: none"> <li>Utility Reconnection fees are an eligible expense provided that they are paid to a utility provider for an eligible renter household.</li> </ul> <p><b>Surety Bond Fee</b></p> <ul style="list-style-type: none"> <li>Subrecipients may use budgeted security deposit funds to pay for surety bond fee only if the landlord and/or property manager of an applicable rental unit does not otherwise accept security deposits. If security deposits and surety bonds are both offered as an option, HSS Subrecipients may NOT use HSS funds to pay for a surety bond fee. If a surety bond fee is paid, then HSS funds may NOT be used to pay for any damages claimed by the bond company, landlord, and/or property management company during or after the lease term. The amount paid for a surety bond fee must be reasonable and customary for the local rental market.</li> </ul> <p>*Important note for ERA1 HSS Subrecipients who also have an ERA2 HSS contract: Any ERA1 HSS funds returned to the Subrecipient after the end of the ERA1 HSS contract MUST be returned to the Department as soon as possible. These returned funds may not be recycled back into the ERA2 HSS program. Contact HSS staff immediately if there are funds to return.</p>
<b>Counseling</b>	Housing or fair housing counseling

<b>Application and Administrative Fees</b>	<p>Application fees are an eligible program expense if used to help a client obtain stable housing. Application fees must be reasonable for the local rental market. Subrecipients should keep a log of all applications submitted and paid for with HSS program funds in their client files.</p> <p>Administrative fees are an eligible program expense at the time of application and move-in provided they are reasonable for the local rental market. 'Administrative fees' that only apply to certain households facing barriers to housing should be treated as 'risk fees' as described above <b>and not as application fees.</b></p>
<b>Case Management</b>	Salaries and fringe expenses for case management staff related to housing stability are eligible program expenses. Staff supplies and equipment, regardless of use, should be paid for from administrative funds.
<b>Domestic Violence and Human Trafficking Survivors</b>	Housing-related services for survivors of domestic abuse or human trafficking

#### Eviction Diversion Services

Must be a household **NOT** receiving this type of assistance from Texas Access to Justice Foundation subawardees.

<b>Activity</b>	<b>Activity Details</b>
<b>Eviction Prevention</b>	<p>Eviction prevention and eviction diversion activities, which can include paying for eviction appeal bonds (if the eviction case is handled by an attorney and the attorney makes a professional decision that the expense is reasonable). This excludes rental or utility bill assistance.</p> <p>Cleaning/remediation services are eligible if a tenant has received a lease violation notice or a warning notice from the Landlord, <u>and</u> the tenant has a documented disability from a third-party medical professional that they have a disability impacting their ability to maintain their residence in a habitable condition.</p>
<b>Legal Fees</b>	Legal services or attorney's fees related to eviction proceedings and maintaining housing stability
<b>Dispute Resolution/Mediation</b>	Mediation or alternative dispute resolution between landlords and tenants

#### Social Services for Housing Stability

<b>Activity</b>	<b>Activity Details</b>
<b>Technology Costs</b>	ONLY if the technology is a needed supply for the program participant to attend a Housing Stability Services funded training program, search for employment, or communicate with a remote medical provider and the expense is directly necessary to obtain or maintain housing, then broadband assistance, phone minutes, or purchase of a computer or phone is allowed. Subrecipients must set internal policies to ensure that technology costs do not exceed what is necessary for the household to obtain or maintain housing stability. Otherwise, technology costs are not

	<p>allowed. Within the allowable activity noted, no individual purchase of equipment of \$5,000 or more is allowed.</p> <p>Clients may retain purchased technology after the grant period is over provided that the purchase adheres to the requirements above and that no household has received non-consumable supplies including technology of greater than \$5,000.</p> <p>Purchased technology must be to directly serve housing stability services clients and must not be used for general operations. Technology purchases for staff are an administrative expense and <b>NOT</b> a program expense.</p> <p>Subrecipients may retain purchased technology used for Housing Stability Services activities provided that they intend to use said technology for other federal grant programs and only if the total supplies for the entire program are worth less than \$5,000 (inclusive of technology). Otherwise, TDHCA will provide disposition instructions for supplies at the end of the contract term.</p> <p>Internet/Broadband service payments can be paid month to month, or up to 6 months, but not to exceed a current lease date (if housed) and cannot exceed total length of assistance</p>
<p><b>Transportation</b></p>	<p>Transportation, gas reimbursement, or gas cards can be provided for clients needing access to social services that are necessary or required to obtain or maintain housing.</p> <p>Examples include:</p> <ul style="list-style-type: none"> <li>• Bus/cab fare or IRS mileage for a service provider to take a household to view an available unit or access other social services.</li> <li>• Ride share services, provided that the trip itinerary is logged by the Subrecipient and provided that the cost is reasonable to help stabilize the household.</li> <li>• Employment services (but not to their actual place of employment)</li> <li>• Case management meetings</li> <li>• Substance abuse or mental health counseling</li> <li>• Childcare that is being funded as part of the HSS program</li> </ul> <p>In all cases above, Subrecipients must note in the client file how, when, and why the transportation cost was incurred. Subrecipients should keep an itinerary of where the client traveled to, their method of travel, and their reason for travel. Miles traveled should be logged at the IRS mileage rate for any gas expenses (reimbursement or gas cards). Subrecipients should ask for sufficient proof that the correct itinerary was completed, such as a copy of a job application, a signed notice from a mental health practitioner, or paper brochure from a rental complex/unit.</p> <p>Gas cards are subject to the gift card provisions above and are also subject to the rules regarding micropurchases established in 2 CFR 200.</p> <p>Units of local government may NOT purchase gas cards for clients.</p> <p>Bicycles are an allowable supply under federal administrative code if they are used directly to stabilize the household, such as employment services,</p>



	<p>accessing/viewing housing, or accessing other social services if these services are needed to help the household obtain or maintain stable housing. Title to the bicycle would have to remain with the organization, and all supplies remaining (in aggregate value of over \$5,000) would have to be returned to the Department, sold, or reimbursed to the Department at fair market value at the time of contract closeout as per 2 CFR 200.314 and 2 CFR 200.453.</p> <p>Car rentals, purchases, payments, and/or insurance are <b>NOT</b> allowable expenses.</p>
<p><b>Case Management</b></p>	<ul style="list-style-type: none"> <li>• Services related to housing stability, including but not limited to help accessing other benefits (e.g., SNAP, SSI, SSDI, Veteran’s assistance, and Medicaid). A caseworker’s salary is an eligible service if the casework provided is for eligible activities and their time is maintained via timesheets pursuant to 2 CFR 200</li> <li>• Supporting embedded caseworkers on-site at shelters, permanent supportive housing properties or properties willing to commit to serve persons exiting homelessness (activities performed by caseworkers must be otherwise eligible)</li> <li>• Financial literacy assistance as needed to understand documents needed to obtain or maintain access to housing</li> <li>• Assistance with correcting eviction, debt, or other inaccurate data from a household’s credit report. This does <b>NOT</b> include paying for someone’s debt or other incurred costs.</li> <li>• ID recovery to help obtain identification documentation. This does NOT include paying traffic tickets, <b>driver’s courses</b>, fines, or driver’s license reinstatement fees. It does include license renewal fees in cases where a client needs the license for identification. <b>ID recovery services also do NOT include passports or other documentation that extend beyond the basic identification needed for employment and/or the receipt of government benefits.</b></li> </ul>
<p><b>Mental Health Counseling</b></p>	<p>Mental health counseling and associated medical services and substance use treatment, including but not limited to access to a mental health practitioner for medication management for persons with disabilities, as required to obtain or maintain housing. Prescriptions and medical care are <b>NOT</b> eligible HSS expenses.</p>
<p><b>Childcare Expenses</b></p>	<p>Childcare expenses are eligible if the client is otherwise eligible for assistance AND they are searching for a new job so that they can maintain or obtain housing. Childcare expenses can extend a maximum of two months beyond the start of the new job to ensure stability within the new role.</p>
<p><b>Employment Assistance</b></p>	<ul style="list-style-type: none"> <li>• Help with job placement (including associated childcare while searching for a job), as needed to obtain or maintain housing</li> <li>• Employment services and job skills training provided by the Subrecipient may include basic language classes, technology</li> </ul>

	<p>classes, financial and accounting literacy workshops/classes. Employment services can involve resume writing, interviewing skills, and application assistance if job loss or loss of income was due to COVID-19 and if needed to obtain or maintain access to housing</p> <ul style="list-style-type: none"> <li>• General Education Development (GED) Test Fee</li> <li>• Assistance in qualifying for unemployment</li> <li>• Employment assistance shall <b>NOT</b> be at institutions of higher education</li> </ul>
<b>Individuals with Disabilities or Seniors</b>	Specialized services for individuals with disabilities or seniors that support their ability to access or maintain housing. Program funds may be used to provide reasonable accommodations, including the provision of sign-language interpreters for eligible households.
<b>Limited-English-proficiency (LEP)</b>	In accordance with Title VI of the Civil Rights Act of 1964 (Title VI), Subrecipients must ensure they provide meaningful access to their limited-English-proficiency (LEP) applicants and clients. Program funds may be used to provide interpreters and translations of program related documents for eligible households. <a href="https://www.lep.gov/">https://www.lep.gov/</a>

**What are HSS funds not allowed to be used for?**

Any cost that cannot be specifically tied to direct assistance to an eligible household is an ineligible expense. Assistance funds must be for services and must be tied to specific households. A good way to apply a test for this is to ask yourself which households are the specific beneficiaries that I can report on for this activity. If the funds can't be tied to households, then it likely is not eligible. If unsure, ask us.

This means that funds cannot be used for:

- Capital projects or infrastructure; funds may not be used for hard construction, equipment such as showering stations, or other construction activities including remodels
- Rent or rental arrears assistance (Note that households that need rental assistance should be referred to either the Texas Rent Relief Program or a local rental assistance program.)
- Utility payments or utility arrears (Note that households that need utility assistance should be referred to either the Texas Rent Relief Program or a local rental assistance program.)
- General shelter operations
- Rental insurance
- Furnishings (Note that TDHCA has requested from the Treasury whether helping a household with basic household furnishing/kitchen tools, etc. can be eligible. If TDHCA receives an affirmative response from Treasury, this item will be moved to the eligible category.)
- Tents, tarps, or sleeping bags
- General administration and agency coordination expenses that are not household-level specific
- Cars, car rentals, car repairs or car registration expenses
- Bicycle rental
- Driving courses
- Traffic tickets or license reinstatement after suspension
- Tuition for education courses and certification programs
- Payroll processing fees
- **Hotel damage fees**
- Full time students or individuals who have not experienced job loss or loss of income, directly or indirectly, due to the Covid-19 pandemic.

- Medical/Dental Care – As noted in the table above, health counseling and associated medical services and substance use treatment, including access to a mental health practitioner for medication management for persons with disabilities are eligible if needed to obtain or maintain housing; however, all other general medical and dental expenses, administration associated with medical/dental care, medical supplies/prescriptions, health and wellness classes, or clinic operations are not eligible.
- Technology costs other than those noted above (is a needed supply for the program participant to attend a housing stability services training program, search for employment, or communicate with a remote medical provider and the expense is directly necessary to obtain or maintain housing) are not allowed. No individual purchase of equipment of \$5,000 or more is allowed.

### **Administrative Costs**

Subrecipients can incur the following administrative costs to deliver the Home Stability Services program: salaries and related costs, supplies, overhead (utilities, maintenance, etc.), equipment for staff (with Department approval or as approved in Subrecipient Budget), transportation, and mileage based upon time spent on Eligible Costs. Funds requested for administration are limited up to 7% of the total amount of funds requested for ERA1 HSS contracts and up to 10% for ERA2 HSS contracts.

Subrecipients may use Administrative funds for HMIS, at a proportional amount for households served. All methods of allocating administrative costs (per 2 CFR § 200.405, 414 & 416) to the Department are allowable.

### **Match**

ERA1 and ERA2 HSS funds shall not be used for match of Emergency Solutions Grants funds, but may be used as match for HOME, HUD CoC Rapid Re-housing, or AmeriCorps funds if spent on eligible matching items for those programs.

## **7. Duplication of Benefits**

A Duplication of Benefits (DOB) occurs when a program beneficiary receives assistance from multiple sources for a cumulative amount that exceeds the total need for a particular funding need. The amount of the duplication is the amount of assistance provided in excess of the need. In the case of housing stability services, a duplication of benefits would occur if a client received direct financial payments for the same purpose from multiple TDHCA-funded ERA 1 and/or ERA 2 sources.

TDHCA is required to develop and maintain adequate procedures to prevent a duplication of benefits that address (individually or collectively) each activity or program. To accomplish this TDHCA has instituted the following requirements:

- Clients must attest they are not receiving any other form of government or charitable assistance from TDHCA's ERA1 or ERA2 HSS program intended for the same purpose that might produce a duplication of benefits.
- Subrecipients must keep client files for monitoring purposes, so that TDHCA can monitor for any suspected cases of duplicative benefits. Subrecipients are responsible for ensuring that clients do not receive duplicative benefits from within their own organization.
- Subrecipients must keep lease agreements and landlord contact information in their client files to prevent duplicative payments to landlords in the form of deposits or incentives.

## **8. Time Period of Assistance**

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Housing stability services funded through ERA1 may be provided through August 31, 2022. Services funded through ERA2 may be provided through March 31, 2024. Based on performance, TDHCA may opt to extend ERA2 contract and close-out periods for certain Subrecipients beyond March 31, 2024. ERA1 contract and close-out periods may not be extended past the deadline.

## **9. Subcontractors and Subawards**

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### **Subcontracts**

A Subrecipient, in subcontracting for any performances described in their Contract, expressly understands that in entering into such subcontracts, TDHCA is in no way liable to the Subrecipient's subcontractor(s). All subcontracts must be for goods or services and paid out of administrative funds. Subcontractors must be procured in accordance with 2 CFR Part 200, and 10 TAC §1.404.

A Subrecipient is responsible for ensuring that the performances rendered under all subcontracts are rendered so as to comply with all Contract terms and as if such performances rendered were rendered by Subrecipient. Department maintains the right to monitor and require Subrecipient's full compliance with the terms of their Contract.

### **Subawards**

A Subrecipient may request to the Department to enter into a subaward with a unit of local government, council of government, public housing authority, or private nonprofit organization for some or all of its program and administrative funds through a direct (non-competitive) award. The Subrecipient must fulfill all of the requirements of a pass-through entity listed in 2 CFR §200.332, and must monitor its subawardee at least once during the Contract Term.

Any subaward must contain all the applicable terms and conditions required by federal and state requirements and as further reflected in a Subrecipient contract including but not limited to items specifically identified in the contract, 2 CFR §200.332, and 2 CFR Part 200 (as applicable).

A Subrecipient must provide the Department with the applicable contact information for all subawards to ensure that accurate contact information is available relating to Housing Stability Services to include in a list of resources for eligible Households and members of the public. Subawardees may not further subaward funds except as approved by the Department in writing. Any further subawardee's service area and contact information must also be reported to the Department.

Before entering into a contract or other agreement with a subawardee, Subrecipient must:

1. check the Federal and TDHCA's debarment list for the entity and for governing board members of subawardees;
2. ensure that the entity (if applicable) is current on its Single Audit submission to the Federal Audit Clearinghouse;
3. request a disclosure for matters under 2 CFR §200.113, 2 CFR Part 200 Appendix XII, or the Fair Housing Act; and
4. Provide the Department this information.

The Subrecipient, in subawarding for any performances described in its contract, expressly understands that in entering into such subawards, the Department is in no way liable to the Subrecipient's subawardee(s). Department's approval does not constitute adoption, ratification, or acceptance of Subrecipient's or subawardee's performance. Department maintains the right to monitor and require Subrecipient's full compliance with the terms of their Contract. Department's approval does not waive any right of action which may exist or which may subsequently accrue to Department under their Contract.

## 10. Client Eligibility Requirements

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### Eligibility Requirements

Households must be experiencing homelessness or be at risk of experiencing homelessness or housing instability and have an income no more than 80% of area median income (AMI) AND one or more members of the household must attest in writing that they have either:

- Qualified for unemployment benefits, OR
- Due to, directly or indirectly (ERA1), or during (ERA 2) the pandemic:
  - Experienced a reduction in income,
  - Incurred significant costs, or
  - Experienced other financial hardship,
- AND one or more individuals within the household must attest that:
  - That they are at risk of experiencing homelessness or housing instability, which may include a past due utility or rent notice or eviction notice, OR
  - That unless they receive assistance, they would have to move to an unsafe/unhealthy environment like a shared living situation or emergency shelter.

For households with six or fewer members, where persons are receiving assistance from these other programs, no other income documentation is needed:

- Head Start, LIHEAP/CEAP, SNAP, SSI, TANF, or Tribal TANF for head or co-head of household
- Veterans Affairs Disability Pension, Survivor Pension, Enhanced Survivor Benefits, or Section 306 disability pension (not standard VA pension)
- WIC for households with three or fewer members, **OR**
- If you are living in a rent-restricted property or public housing unit or you are receiving tenant-based or Section 8 rental assistance, you or your landlord can provide evidence of your most recent income certification no older than one year from when you apply for assistance.

For clients enrolled as students, as long as the household meets the program eligibility requirements (income, housing instability, financial hardship due to pandemic), they may be assisted with HSS funds. However, this would not be allowable if the applicant is a dependent and is receiving housing support from a guardian.

### Self-Attestation of Income

**\*\*Due to the expiration of the Public Health Emergency related to Covid-19, as of May 11, 2023, Self-Attestation is no longer an allowable method to determine income eligibility and verification. \*\***

For households that apply for HSS services between August 25, 2021, and May 10, 2023, Self-Attestation may be used as an acceptable method to determine income eligibility. Self-Attestation is valid for 3 months, at which time a household may re-certify or submit income documentation to maintain eligibility. Subrecipients may use a Certification of Zero Income form for households with no income or no reportable income, as outlined in the income determination procedures set forth in the ERA 2 HSS contacts and Section 12 and Appendices of these Guidelines. This Certification of Zero Income does not require a re-certification every 3 months. Sample Certification of Zero Income forms are available on the HSS webpage at <https://www.tdhca.state.tx.us/HSS.htm>.

The Department of the Treasury's August 25, 2021, ERA FAQ revision allows households, who are not otherwise exempt from providing income documentation, to provide a written attestation to their income and income eligibility if the household has insufficient income documentation or no income

documentation available. A caseworker, housing navigator, or other housing stability service professional may then certify, in writing, that they reasonably believe that the household meets the applicable income requirements. The Subrecipient must retain documentation on the certified self-attestation and record why they believe the household to be eligible. If the household self-attests and is certified by a housing professional, then this certified self-attestation is only valid for three months. After three months have elapsed, if the client is still being served or if the client re-enters the program, then the housing professional must either acquire sufficient income documentation from the client or re-certify their self-attestation.

If no service professional is available to certify the self-attestation, the household may still self-attest, but the self-attestation is only valid for three months after its issuance. If the household wishes to access services after three months have passed, they must either re-attest to their income eligibility, provide proper income documentation, or have a professional certify their self-attestation (see above).

Verbal attestations of eligibility delivered in person, over the phone, or internet voice/video services counts as proof of eligibility IF a caseworker, housing navigator, or other housing stability service professional certifies, in writing, that they reasonably believe that the household meets the applicable income requirements. Verbal attestations may be made through a qualified sign-language or language interpreter. A representative from the awardee (or subawardee) must witness, approve, and retain documentation on the verbal attestation and record why the household is eligible for verbal attestation.

### **Conflict of Interest**

All ERA HSS Subrecipients are responsible for ensuring that their internal conflict of interest policies are compliant with state and federal law. Texas nonprofits are responsible for following their conflict of interest policies established under the Texas Business Code, while units of local government are responsible for following their conflict of interest policy as it pertains to local government code. Government agencies should contact TDHCA staff regarding any outstanding questions related to conflict of interest.

For non-procurement related conflict of interest policies, Subrecipients should ensure that if an employee wishes to be served as a client: 1) The employee is not given information not available to the general public regarding application availability; 2) The employee is not given a preference in application selection or benefit amount; 3) The employee does not have any role in determining eligibility, approve financial amounts or payments, request reimbursement from the Department, or supervise those persons who would perform those functions, in addition to any other provisions in the Subrecipient's conflict of interest policy.

For procurement related conflict of interest, Subrecipients should ensure that they are compliant with local, state, and federal administrative code related to procurement, as well as their own conflict of interest policy.

## **11. Appeal Procedures for Households**

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Subrecipient must establish a written denial of service complaint procedure to address written complaints (or an oral complaint if a person with a disability requests a reasonable accommodation based on their disability) from an applicant whom the Subrecipient determines is not an Eligible Household.

If the applicant is not satisfied with the Subrecipient's decision under the service complaint procedure, the applicant may appeal the Subrecipient's decision in writing (or telephonically if a person with a disability requests a reasonable accommodation based on their disability) to the Department within ten (10) calendar days of notification of an adverse decision.

Subrecipient must put appeal information in its contract with its subawardees or subcontractors, if the entity is taking or evaluating the application.

## **12. Income Determination**

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Applicants can use either their most recent total annual income or their most recent 30 days of income. Income provided for the 30 days is annualized, based upon the frequency of pay (hourly, weekly, bi-weekly, or monthly) for those 30 days. If using the most recent 30 days of income, any reapplication for assistance later in the Subrecipient's contract period must include a resubmission of income documentation. Some households receiving certain types of federal benefits are automatically (categorically) income eligible.

Income for all household members 18 years of age or older will be considered when calculating annual household income.

A household is defined as all persons occupying the same housing unit, regardless of their relationship to each other. The occupants could consist of a single family, two or more families living together, or any other group of related or unrelated people who share living arrangements.

Household income will be calculated based on the adjusted gross income as defined for purposes of reporting under Internal Revenue Service (IRS) Form 1040 series for individual Federal annual income tax purposes. Forms from the latest applicable tax year should be used. Income reported for 30 days will be annualized based upon the provided 30-day documentation. When determining the number of household members and annual household income, keep in mind:

- Minor children are considered household members. Earned income of minor children is not considered as part of total annual household income.
- Minor children who are subject to shared custody agreements may be counted as household members if the minor child lives in the residence at least 50% of the time.
- Temporarily absent family members are considered household members and their income is considered in calculation of household income, regardless of how much the temporarily absent family member contributes to the household.
- Paid, non-related, live-in aides, whether paid by the family or through a social service program, are not considered household members. Income of live-in aides is not considered in the calculation of household income. Related persons do not qualify as live-in aides.
- Permanently absent family members, such as a spouse who resides permanently in a nursing home, may be considered a household member, at the discretion of the head of household/program applicant. If the head of household opts to include a permanently absent family member in the household, the income of the permanently absent household member will be counted in the calculation of annual household income. If the head of household chooses not to include the permanently absent family member as part of the household, the income of the permanently absent family member will not be considered in the calculation of annual household income.

To determine whether a household qualifies for the program they must have gross annual income at or below 80% of the Area Median Income (AMI). Subawardees can use the following link to determine the AMI limits for the county services are provided in.

- **2022 AMI – April 18, 2022 ([Income Limits | HUD USER](https://www.huduser.gov/portal/datasets/il.html))**  
<https://www.huduser.gov/portal/datasets/il.html>

- **Note** – 2023 Income Limits are expected to be published in May 2023. For detail, see <https://www.huduser.gov/portal/datasets/il/il23/Statement-on-FY-2023-Income-Limits.pdf>

### **13. Program Administration and Performance**

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#### **Execution of Grant Documents**

Before accessing the HSS funds, the Subrecipient must execute and deliver a Contract to TDHCA and must provide to TDHCA all executed, legally enforceable grant documents, as applicable, and any other documents reasonably requested by TDHCA in connection with these funds.

If a Subrecipient has a change in contract signatory authority or HCS employee access/removal, Subrecipient must provide an updated HCS access request form. If agency has a change in direct deposit, Subrecipient must submit an updated Direct Deposit form. Forms may be submitted to HSS email. These forms are available on the HSS webpage at: <https://www.tdhca.state.tx.us/HSS.htm>

#### **One-Time Advance of Funds**

Per 2 CFR §200.305, the Subrecipient may request a one-time advance of funds (no more than 30 days cash need) by submitting to TDHCA a properly completed planned expenditure report that includes a request for advance funds, in a format specified by TDHCA. TDHCA shall determine the reasonableness of each amount requested and shall not make disbursement of any such payment until TDHCA has reviewed and approved such request. TDHCA may request Subrecipient to make modifications to the disbursement request and is authorized to modify the disbursement procedures set forth herein as may be necessary or advisable for compliance with the Federal Act and Program Requirements.

The Subrecipient's request for the advance of funds shall be limited to the minimum amounts needed for effective operation of programs, and shall be timed as closely as possible to be in accord with actual cash requirements. The Subrecipient shall establish procedures to minimize the time elapsing between the transfer of funds from TDHCA to the Subrecipient and the spending of such funds and shall ensure that such funds are disbursed as soon as administratively possible. If Subrecipient subgrants any part of its award, it must have financial management systems in place to pay the subgrantee for expenses under the agreement, generally within 30 days.

#### **Contract Term, Performance Benchmarks, and Deobligation**

Subrecipient contracts will be issued for a term of 12 months for ERA1 and for 24 months for ERA2, subject to opportunity for extension at the sole discretion of the Executive Director of the Department. Subrecipient contracts will contain performance and expenditure benchmarks set at four (4) intervals through the contract term (quarterly for ERA1 HSS and bi-annually for ERA2 HSS).

Failure to achieve contract benchmarks may be cause for a partial or complete deobligation of the remaining unexpended contract funds, as determined by TDHCA on a case-by-case basis. Subrecipients of both ERA1 and ERA2 HSS funds must expend all ERA 1 HSS funds before accessing and expending ERA 2 HSS funds. TDHCA may alter the contract benchmarks to account for when ERA 1 HSS Subrecipients begin to expend ERA 2 HSS funds on a case-by-case basis. If ERA 1 benchmarks are not met, TDHCA may reduce a Subrecipient's ERA 2 award in whole or in part.

#### **Deobligation of Funds**

Failure to meet an expenditure benchmark as reported in the Monthly Expenditure and Performance Report as identified in the Contract Benchmarks may result in the Department (in its sole discretion)



deobligating the unreported amount of expended funds for the benchmark and deobligating an equivalent proportion of administrative funds.

### **Program Income or Reimbursement**

Per Section 12 of the Subrecipient contract, any refunds or reimbursement of housing stability costs paid out or annual interest exceeding \$500 must be returned to TDHCA within 10 days of receipt. To return these funds, Subrecipient must notify HSS staff in writing. **This does not include refunds that may be recycled into the program during the ERA2 HSS contract period of performance, such as security deposit and utility deposit refunds.** Staff will then provide instructions for returning funds via check or ACH transfer. Upon receipt, funds may be credited back to Subrecipient's available funds in the Housing Contract System.

### **Reporting Responsibilities & Records to be maintained**

Subrecipients will be required to submit monthly performance reports outlining households assisted, funds expended, client demographic data and verification of grant-funded program expenses. The reports will be reviewed for accuracy, performance measures and compliance. In addition, monitoring and auditing of grantees for ongoing compliance and eligibility will be performed by the State to ensure federal requirements are being met.

Subrecipients will be required to maintain client data supporting client eligibility for services provided. Data shall include, but not be limited to: how the person/household was directly impacted by the coronavirus, number of persons/households served, family size, race/ethnicity and income documentation or self-attestation. **(\*\*Due to the expiration of the Public Health Emergency related to Covid-19, as of May 11, 2023, Self-Attestation is no longer an allowable method to determine income eligibility and verification. \*\*)**

Subrecipients will also be required to maintain client and program data relating to the Housing Legal Services including, but not limited to: number of persons served, number of housing clinics executed, client eligibility and demographic information.

During the grant period, ERA 1 and ERA 2 HSS Subrecipients will be required to submit three reports by the 15th of each calendar month, or the first business day thereafter, as allowed by TDHCA HSS staff in writing. The first report is the Monthly Household Reporting Spreadsheet, which tracks economic, geographic, and demographic data on each individual household served, and is submitted via a Smartsheet portal listed on the ERA HSS program website. The second report is the Housing Contract System Monthly Performance Report, which is a roll-up of all household data provided on the Monthly Household Reporting Spreadsheet. These first two reports will be used to evaluate program performance and compliance. The third report is the Housing Contract System Monthly Expenditure Report. This report will be used to review draw requests and program compliance. Failure to submit these three reports in a timely manner each month may result in the deobligation of funds. Monthly Performance and Expenditure reporting is submitted through TDHCA's Housing Contract System.

For more information on reporting requirements, see the HSS Reporting Guidelines document available at <https://www.tdhca.state.tx.us/HSS.htm>.

### **Limited English Proficiency (LEP)**

In accordance with Title VI of the Civil Rights Act of 1964 (Title VI) ERA grantees must ensure they provide meaningful access to their limited-English-proficiency (LEP) applicants and beneficiaries of their federally assisted programs, services, and activities. Denial of an LEP person's access to federally assisted programs, services, and activities is a form of national-origin discrimination prohibited under Title VI and Treasury's Title VI implementing regulations at 31 CFR Part 22. Meaningful access for an LEP person may entail providing language assistance services, including oral interpretation and written translation where necessary, to ensure effective communication regarding the ERA grantee's programs, services, and activities. For more information regarding reasonable steps to provide meaningful access for LEP persons, please go to <https://www.lep.gov>. The provision of language assistance services for an HSS applicant or client is an eligible HSS program expense.

### **Direct Deposit Form**

For any changes to Subrecipient's direct deposit bank information, Subrecipients are required to complete the Direct Deposit Information form found on the HSS website and email it to their HSS contract contact. Subrecipient staff will be required to verify any bank information changes by a video or phone call with HSS Staff.

### **Budget Amendments**

Subrecipients may request a budget amendment at any time by emailing their assigned HSS staff. A budget amendment will be required anytime the aggregate amount of funds being moved is more than 10% of the total contract amount. HSS staff will provide a template to complete for each budget amendment as requested by the Subrecipient.

### **Returned Funds**

Contact HSS staff immediately if there are returned funds for a closed-out contract. Returned funds will most commonly be returned or unused security/pet/utility deposits or landlord incentives. To return unused funds, Subrecipient will fill out a form given upon request by HSS staff describing the amount of funds being returned, as well as their original intended purpose. HSS staff will provide instructions to immediately wire returned funds back to TDHCA.

### **Prevention of Fraud, Waste, Abuse**

If a Subrecipient suspects fraud, waste, or abuse, submit an email to HSS staff providing as much detail as necessary so that the appropriate action can be taken. HSS staff will review the information submitted and determine the appropriate steps in accordance with Section 24 of the ERA2 HSS Contract and with Section 321.022 of the Texas Government Code. In the emailed notification, include contact information such as email, telephone and/or physical address; the date(s) the incident occurred; the date the incident was discovered; and, a detailed description of the incident.

## 14. Other Federal Cross-cutting requirements

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- [Fair Housing Act](#)
- [Monitoring and reporting program performance - 2 CFR §200.329](#)

## 15. List of Program Forms

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### Administrative Forms

- Audit Certification Form
- Direct Deposit Authorization Form
- Housing Contract System Access Request Form
- TDHCA Information Security and Privacy Agreement
- Taxpayer Identification Number (TIN) Form

### Sample Program Forms

- Sample Intake Checklist Form
- [Sample Certification of Zero Income Form](#)

### Reporting Template

- Monthly Performance Reporting Spreadsheet

## **Appendix 1: Annualized Income**

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In general, a Subrecipient evaluating a household's income should assume that the household's circumstances today will continue for the next 12 months (ANNUALIZE), unless there is verifiable evidence to the contrary.

For example, if a head of household is currently working for \$7.00 per hour, 40 hours per week, the Subrecipient should assume that this family member will continue to perform that work for that rate and amount of time for the next year. Thus, estimated earnings will be \$7.00 per hour multiplied by 2,080 hours (40 hours per week for 52 weeks of the year), or \$14,560 per year.

This method should be used even when it is not clear that the type of income received currently will continue in the coming year.

For example, assume a family member has been receiving unemployment benefits of \$100 per month for 16 weeks at the time of income certification. It is unlikely that the family member will continue on unemployment for another 52 weeks. However, because it is not known whether or when the family member will find employment, the Subrecipient should use the current circumstances to anticipate annual (gross) income. Income would therefore be calculated as follows:

- \$100 per week x 52 weeks, or \$5,200.

The exception to this rule is when documentation is provided that current circumstances are known to be time limited or about to change. For example, an employer might report that an employee currently makes \$7.50 an hour, but a negotiated union contract will increase this amount to \$8.25 an hour eight weeks from the date of assistance. In such cases, income can be calculated based on the information provided. In this example, the calculation would be as follows:

- $\$7.50/\text{hour} \times 40 \text{ hours/week} \times 8 \text{ weeks} = \$2,400$
- $\$8.25/\text{hour} \times 40 \text{ hours/week} \times 44 \text{ weeks (remaining weeks in the year)} = \$14,520$
- $\$2,400 + \$14,520 = \$16,920 = \text{Anticipated and Annualized Gross Income from that household member.}$

### **Methods to annualize for part-time and full-time gross income**

#### **Weekly pay:**

4 pay stubs: Add the four gross amounts of each stub and divide by four to give you the weekly average. Multiply the weekly average by 52 to arrive at the gross annualized income.

#### **Bi-weekly (every two weeks) pay:**

2 pay stubs: Add the two gross amounts of each stub and divide by two to give you the bi-weekly average. Multiply the bi-weekly average by 26 to arrive at the gross annualized income.

#### **Semi-monthly (twice per month) pay:**

2 pay stubs: Add the two gross amounts of each stub and divide by two to give you the semi-monthly average. Multiply the semi-monthly average by 24 to arrive at the gross annualized income.

#### **Monthly pay:**

One pay stub: Multiply gross amount by 12 to arrive at the gross annualized income.

#### **Irregular pay:**

Use a reasonable, consistent method to arrive at the gross annualized income.

## **Appendix 2: Excluded Income**

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The calculation of annual income shall not include the following:

**A. Income from Children**, which is income from the employment of children (including foster children) under the age of 18 years.

**B. Payments Received for the Care of Foster Children**, including foster adults (usually persons with disabilities, unrelated to the family, who are unable to live alone).

**C. Lump-Sum Payments**, including additions to family assets, such as inheritances, insurance payments (e.g., health and accident insurance, and worker's compensation), capital gains and settlement for personal or property losses [except as provided].

**D. Reimbursement for Medical Costs**, including all payments received by the family that are specifically for, or in reimbursement of, medical expenses for any family member.

**E. Live-in Aide**, including the income of a live-in aide employed because of a medical condition or disability of a family member. A live-in aide is determined to be essential to the care and well-being of the person, not obligated for the support of the person, and would not be living in the unit except to provide the necessary supportive services.

**F. Education Assistance**, including the full amount of educational scholarships paid directly to the student or to the educational institution, and Government funds paid to a veteran for tuition fees, books, equipment, materials, supplies, transportation and miscellaneous personal expenses of the student. Any amount of such scholarship or payment to a veteran not used for the above purposes that is available for subsistence is to be included in income.

**G. Government Programs**, including the following: Amounts received under training programs funded by HUD and earnings and benefits from participation in qualifying State or local employment training programs (including training programs not affiliated with a local government.) Amounts received by a disabled person that are disregarded for a limited time for purposes of Supplemental Security Income (SSI) eligibility and benefits, because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS). Amounts received by a participant in other publicly-assisted programs, which are specifically for or in reimbursement of out-of-pocket expenses incurred (special equipment, clothing, transportation, childcare, etc.) and made solely to allow participation in a specific program. Amounts specifically excluded by any other Federal statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under the U.S. Housing Act of 1937. Amounts paid by a state agency to a family with a member who has developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member living at home.

**H. Temporary Income**, considered temporary, nonrecurring or sporadic in nature (including gifts).

**I. Income of Full-Time Students**, earnings in excess of \$480 for each full-time student 18 years old or older attending school or vocational training (excluding the head of household and spouse).

**J. Property Tax Refunds**, including amounts received by the family in the form of refunds or rebates under State or local law for property taxes paid on the dwelling of the unit.

**K. Adoption Assistance Payments**, in excess of \$480 per adopted child.