



Housing Stability & Eviction Diversion

HSED Funded Agency Compliance Training

FY 2024

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MHDC.com

Overview

<https://mhdc.com/programs/community-programs/covid-relief/>

- HSED Eligibility
- Compliance Site Visit
- Desk Review Process
- Client File Documentation
- Financial Documentation
- Monitoring Notifications
- Non-Compliance
- Common Findings
- Best Practices
- Compliance Resources

HSED Eligibility & Calculating Income

HSED Eligibility:

- **Income**
 - Household must be at or below 80% of the Area Median Income (AMI), with priority given to households that are at or below 50% AMI.
 - To calculate household AMI visit:
https://www.huduser.gov/portal/datasets/il.html#2021_query
 - **Financial Hardship:**
 - One or more household individuals must have experienced one or more of the following financial hardship qualifications, during or due, directly or indirectly to COVID-19:
 - Qualified for unemployment benefits or;
 - Experienced a reduction in household income or;
 - Incurred significant costs or;
 - Experienced other financial hardship.
- **Housing Status**
 - Recipient must be currently renting or seeking to rent a residential property in Missouri.
 - One or more household members must have experienced/are experiencing homelessness or housing instability. during or due, directly or indirectly to COVID-19.

Eviction Relief Clients:

- **Income**
 - Household must meet HSED income eligibility criteria.
- **Housing Status**
 - Household must meet HSED Housing Status eligibility criteria and;
 - Client must be able to provide court documentation of an active or prior eviction occurring **after**:

March 13, 2020

Compliance Site Visit

- Compliance visits are scheduled by an MHDC Compliance officer, and are conducted at location listed on the Site Contact form.
- Standard site visits may be scheduled once a minimum of 25% of approved back-up (CP-106) has been submitted and approved by accounting.
- The information reviewed at the site visit will be gathered from all approved CP-106 Expense Detail and CP-107 Demographic Reporting forms.
- Compliance Officers may also request agency processes, procedures and programmatic data for review.
- Requested files must be produced within 15 minutes of the Compliance Officer's arrival and must be:
 - assembled in an orderly fashion;
 - in paper form;
 - available for review in a private workspace.
- Exceptions to the 15 minute requirement can only be made if the staff member is assisting a client.

Desk Review Process

In the event that an onsite compliance visit cannot be conducted, an electronic desk review will be required as follows:

- Once a funded agency meets the minimum threshold of submitted and approved backup/invoices, a compliance desk review may be scheduled by the MHDC compliance officer and will consist of:
 - An email to schedule the Desk Review will be sent to the financial contact and Executive Director listed on the Site Contact form. **NOTE:** All grantees are responsible for ensuring that their listed grant contacts are up to date.
 - The initial email will include a proposed date in which agency staff responsible for administering the grant should be available to provide requested documentation electronically, as well as general information concerning how the electronic desk review will be conducted.
 - On the scheduled date and time of the review, the compliance officer will send a second email to the agency grant contact, the financial contact and the executive director on file, with a detailed list of all required documentation i.e., client file documentation, forms, and financials. The items will be randomly selected from the approved CP-106/107 and/or the invoices submitted to date.
 - All requested documentation should be assembled in an orderly fashion, scanned, and submitted electronically **within 24 hours**.

Please review scans before sending them to MHDC.
Make sure that all pages are facing the same direction and are legible.

Client File Documentation

All Client Files

- HSED Eligibility (CP-101);
- HSED Release of Information (CP-102);
- Head of Household government issued ID;
- Detailed case notes.

Eviction Relief Files

- HSED Eligibility (CP-101);
- HSED Release of Information (CP-102);
- Head of Household government issued ID;
- Eviction Relief Eligibility (CP-112);
- Clearing House Verification Tool (CP-116);
- Proof of need;
 - Rental judgement
 - Forward Rent
 - Security deposit
 - Utility arrears
- Proof of residency;
 - Forward rent
 - Security deposit
- Proof of cleared payment;
- Detailed case notes.

Financial Documentation

Expense	Cost Incurred	Proof of Cleared Payment
Employee Compensation	<ul style="list-style-type: none"> Detailed timesheets, signed by both the supervisor and employee detailing time worked under the HSED grant 	<ul style="list-style-type: none"> Employee paystub Timesheet (see Cost Incurred) Bank statement with cleared HSED payments highlighted
Contracted Legal Staff	<ul style="list-style-type: none"> Detailed invoice of legal services provided 	<ul style="list-style-type: none"> Invoice (see Cost Incurred) Bank statement with cleared HSED payments highlighted
Supplies Purchased	<ul style="list-style-type: none"> Detailed invoice of supplies purchased Receipt for supplies purchased 	<ul style="list-style-type: none"> Invoice/receipt Bank statement with cleared HSED payments highlighted
Mileage	<ul style="list-style-type: none"> Travel request or mileage expense report which contains: <ul style="list-style-type: none"> Date of travel; Details regarding where staff is traveling from/to; Purpose of travel; Number of miles; Total mileage costs 	<ul style="list-style-type: none"> Check register or credit card/bank statement with payments made by HSED highlighted and/or returned check logs

Monitoring Notification

- Following the site visit or desk review, MHDC staff will prepare a report detailing the results of the review including any deficiencies and/or areas of improvements along with corrective action required.
- Agencies found out of compliance must submit a Corrective Action Plan detailing how the agency plans to rectify the compliance issues noted within 30 days.
- Funding will be suspended until the MHDC staff member has verified that the issue(s) has/have been resolved.

Non-Compliance

- More than one-half of files reviewed during on-site compliance visit contained findings
- Audit uncovered ineligible costs that require replacement
 - Replacement or repayment of ineligible expenses may be required as part of your Corrective Action Plan.
- Files were unable to be reviewed during the site visit
- Files were not produced within 15 minute time frame
- Grantee will not schedule visit; after three attempts and no response from request sent within 15 days of date of request
- Grantee accommodations deemed to be unsafe or unsanitary; allegations of potential danger to clients due to grantee negligence.

Common Findings

- Missing required forms and/or incorrect usage of forms
- Participants failing to disclose income information / inadequate CP-101, 102, and/or 112 completion
- Ineligible expenses
- Failure to complete accurate Clearing House eligibility verification, including payment for clients who have exceeded their maximum benefit and/or received a duplication of benefits with Eviction Relief assistance
- Insufficient recordkeeping
- Missing case notes
- Expenses incurred and/or paid outside the grant period

Best Practices

- Review HSED 2024 Funded Agency Trainings.
- Submit timely reports prior to grant deadlines.
- Submit site contact updates to your Program Administrator in a timely manner.
- Enter grant deadline reminders into your office calendar.
- Implement internal written policies and procedures to ensure HSED 2024 Desk Guide compliance.
- Frequently review www.mhdc.com for updates to the Desk Guide and forms.
- If you're not sure, ask your Program Administrator.

Compliance Resources

- Recordkeeping Requirements (HSED 2024 Desk Guide)
- Appendix A – Initial Grant Documents (HSED 2024 Desk Guide)
- Appendix B – Agency Forms/Data Submissions (HSED 2024 Desk Guide)
- Appendix C – Client File Forms (HSED 2024 Desk Guide)
- Rider A – HSED Service Agreement
- Community Programs Compliance Resources

<https://mhdc.com/programs/community-programs/community-programs-compliance-resources/>

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