



State of Nevada  
Department of Business & Industry  
**HOUSING DIVISION**



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November 18, 2013

**PROGRAM BULLETIN**

**EMERGENCY SOLUTIONS GRANT PROGRAM**

TO: ESG Sub-recipients

RE: Various ESG Program Requirements

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The Division is issuing this Program Bulletin as a reminder of issues that are required of sub-recipients that receive ESG funds for shelter, homeless prevention and/or rapid re-housing programs. Please make certain that this Program Bulletin is shared with all staff that work with, or are involved in, the ESG program:

**1. Financial Report Submission**

This is issued as a reminder to sub-recipients that Section 2, Part II (4) of the ESG Award Notice requires that agencies comply with requirements of the Division for submission of financial reports. Please make certain that the reports are provided by the deadline as follows:

- Sub-recipients expending \$500,000 or more annually in federal funds shall submit one copy of its most recent A-133 single audit to the Division within 60 days of completion, and not later than nine months from the agency's fiscal year end. This audit must be performed by a Certified Public Accountant annually.
- Sub-recipients expending less than \$500,000 but more than \$100,000 in federal funds annually are exempt from OMB Circular A-133, but must request that an audited financial statement be conducted annually. The audited financial statement shall be submitted to the Division within 30 days of receipt, and not later than six months from the agency's fiscal year end.
- Sub-recipients expending less than \$100,000 must submit unaudited financial statements, a profit and loss statement, and a letter stating that the agency expended less than \$100,000 in federal funds within 60 days following the Agency's fiscal year

end. This letter shall be written on agency letterhead and shall include the signature of the Executive Director. ***Note: Any sub-recipient not required to conduct an A-133 audit or audited financial statements by the Division, but is required to do so under another program, shall provide a copy of the A-133 or audited financial statement in lieu of the unaudited financial statement normally required. The deadline for submission of these copies is the same as above.***

2. **HMIS Client Demographic Report**

Effective with the ***November 2013*** draw, the Division shall require that all sub-recipients submit a copy of Clarity's Client Demographic Report with each draw reimbursement request. The report must be for the same period of time as the draw request and will be used to document utilization of programs and shelters.

3. **Documents provided to program participants and maintained in case files**

Participants may not be receiving copies of program rules, termination policies and grievance policies. It is critical to the nature of the ESG Program to effectively communicate procedures to program participants and ensure that they are fully understood. The Division is issuing this Program Bulletin as a reminder of the following requirements, and requests that documents (such as a signed statement that the documents were received by the applicant) be available in program files to demonstrate compliance:

**Program Rules**

All program participants must be provided a copy of program rules that the participant must follow in order to continue to receive ESG assistance, and documentation that the program participant was provided a copy must be maintained in the case file. This will ensure that program participants are aware of all requirements that must be followed so that assistance is not jeopardized. ***Program rules must also be included in the sub-recipient's written standards.***

**Termination Policy**

All program participants must be provided a copy of the sub-recipient's termination policy at program entry, and documentation that the program participant was provided a copy must be maintained in the case file. ***Termination Policies must also be included in the sub-recipient's written standards.***

***Note:*** A sub-recipient may terminate assistance to a program participant who violates program requirements or conditions of occupancy, but must follow requirements of 24 CFR Part 576.402 as follows:

- (a) **In general.** If a program participant violates program requirements, the sub-recipient may terminate the assistance in accordance with a formal process established by the sub-recipient that recognizes the rights of individuals affected. The sub-recipient ***must exercise judgment and examine all extenuating circumstances in determining when***

*violations warrant termination so that a program participant's assistance is terminated only in the most severe cases.*

- (b) Program participants receiving rental assistance or housing relocation and stabilization services. To terminate rental assistance or housing relocation and stabilization services to a program participant, the required formal process, at a minimum, must consist of:
- Written notice to the program participant containing a clear statement of the reasons for termination;
  - A review of the decision, in which the program participant is given the opportunity to present written or oral objections before a person other than the person (or a subordinate of that person) who made or approved the termination decision; and
  - Prompt written notice of the final decision to the program participant
- (c) Ability to provide further assistance. Termination under this section does not bar the sub-recipient from providing further assistance at a later date to the same family or individual.

### **Grievance Policy**

All program participants must be provided a copy of the sub-recipient's grievance policy at program entry, and documentation that the program participant was provided a copy must be maintained in the case file. ***Grievance policies must also be included in the sub-recipient's written standards.***

Each sub-recipient is required to establish a formal process in writing and be made available to program participants, including ***potential clients that were ultimately denied assistance.*** The policy must include all necessary steps needed to challenge a sub-recipient's decision to ***deny or terminate*** ESG assistance. The procedure should include contact information of the provider, the Division if funds were allocated from the State, and the HUD contact in San Francisco. The policy must also include instructions for initiating a grievance.

Sub-recipients must keep a "Grievance Log" that documents the participant name, date that the grievance was received, name of staff person who logged in the complaint, resolution summary, and date the grievance was closed. This log will be reviewed during site visits.

Homeless Prevention and Rapid Re-Housing providers must ensure that these documents are provided, with evidence of receipt maintained in program files. Please use the revised Exhibit 10-ESG Client File Checklist as this requirement has been added under the "Case Management" tab. (Shelter providers must ensure that clients receive these documents as part of its established intake process).

#### 4. **Exit Strategy**

Sub-recipients that provide Homeless Prevention and/or Rapid Re-Housing Assistance need to include in its policies and procedures and written standards how the sub-recipient will assess housing needs of program participants who are nearing the end of assistance.

It is essential that housing stability of program participants continue after assistance ends, so sub-recipients should adopt exit strategies that will ensure program participants are stable prior to program exit. This action will ensure the successful outcome of the ESG and local Continuum's of Care Performance Standards, which requires clients to remain housed for at least six (6) months after program exit.

#### 5. **Match Timesheets**

Sub-recipients that use staff salaries to meet the ESG match obligations are required to provide the same type of supporting documentation whether charged to the ESG program or claimed as match. Timesheets that capture actual time spent on specific programs must be maintained for review by Division staff if an employee's salary is used for match. Note: Timesheets and the Exhibit 3 "Salary Coversheet" must still be submitted with draw reimbursement requests if employee salaries are charged to the ESG program

#### 6. **Volunteer Hours as Match**

In order for sub-recipients to use volunteer hours as match, the type of activity that the person is volunteering for must be an eligible ESG expense in order for it to be counted as match. For example, if a volunteer is working at the shelter's thrift store, the person's time cannot be counted as match. If he were paid a salary for his time, the ESG program could NOT pay for his salary as it doesn't fall under an eligible shelter expense. Volunteer hours that may be counted are those that would be allowed to be billed as a salary expense, such as persons who volunteer in food pantries, as shelter managers, or in soup kitchens. In theory their time could be billed to the ESG grant if the person was a paid employee. Sub-recipients using volunteer hours as match must be able to document the type of hours being reported so Division staff can ensure that it is an eligible match during monitoring visits.

The following reflects the language from the regulations:

***Noncash contributions:*** The value of any real property, equipment, goods, or services contributed to the sub-recipient's ESG program, *provided that if sub-recipient had to pay for them with grant funds, the costs would have been allowable.*

and

***Calculating the amount of noncash contributions:*** Services provided by individuals must be valued at rates consistent with those ordinarily paid for similar work in the sub-recipient's organization. If the recipient or sub-recipient does not have employees performing similar work, the rates must be consistent with those ordinarily paid by other employers for similar work in the same labor market.

Please ensure that these items are implemented immediately; that this Program Bulletin has been shared with employees who work with the ESG Program; and a copy has been placed in the ESG Policies and Procedures Manual under the “Program Bulletin” tab. Contact Soni Bigler, Grants and Projects Analyst for the ESG program, at 775-687-2042 or via email to [sbigler@housing.nv.gov](mailto:sbigler@housing.nv.gov) if there are questions regarding this Program Bulletin.

Thank you.

NEVADA HOUSING DIVISION

Soni Bigler  
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