



Continuum of Care Foundations: Program Costs and Match

Tuesday, May 5, 2026

1:00-3:00 PM

Virtual Teams Meeting

AGENDA

- Recap of the Continuum of Care (CoC)
- CoC Match Requirement
- Eligible Activities and Project Costs
 - Component/Project Costs
 - Financial Requirements
- Wake CoC Requirements
- Questions



Recap of the Continuum of Care (CoC)

Continuum of Care Program (CoC)

(24 CFR part 578)

The CoC Program Codified with the passing of the [Hearth Act of 2009](#) and implemented through the CoC [Interim Rule 24 CFR 578 B](#).

The CoC is designed to:

- Promote community-wide commitment to the goal of ending homelessness;
- Provide funding to nonprofit providers, States, and local governments to quickly re-house homeless individuals, families, persons fleeing domestic violence, and youth, while minimizing the trauma and dislocation caused by homelessness;
- Promote access to and effective utilization of mainstream programs by homeless individuals; and to optimize self-sufficiency among those experiencing homelessness.

What is the Wake CoC?

Key elements:

- The Wake CoC is the HUD approved geographic area and network of homeless services, housing providers, and stakeholders which are the “CoC Membership”;
- The Wake CoC applicant agencies may receive funding through HUD's Homeless Assistance Program NOFO;
- CoC's have a Lead Agency staff or team responsible for carrying out CoC duties detailed in the [Interim Rule and as the Collaborative Applicant](#);
- Wake CoC's HUD designation is NC-507; and
- Wake County is the CoC Lead Agency and Collaborative Applicant for NC-507.

Wake CoC Lead Agency Core Services

Collaborative Applicant (CA)

- Coordination, collection, submission and monitoring of all CoC Program Competition components, including project applications and CoC planning funds.

Homeless Management Information System (HMIS)

- Administration, management, and operation of the HMIS, including privacy, security, end user training and reporting requirements.

Coordinated Entry System (CES)

- Administration, management, and operation of the process to standardize access, assessment, prioritization and referral to housing and services.

Disclaimer: *The CA does not have the ability to discuss funding strategies or certain inquiries during an active competition.*

NC 507 Funding Availability FY2026

HUD outlines the amount of funding each CoC can apply for and the allocation limit for Bonus amounts in its CoC Program NOFO each year. The amounts vary based on how much Congress appropriates and any additional requirements. The primary factor in determining how much a CoC can apply for is its Annual Renewal Demand (ARD).

- The ARD is based on the total funding amount of each current project in the CoC that is eligible to apply for funding again in the upcoming competition.

NC 507's **Preliminary Pro Rata Need (PPRN)** is established by HUD using the formula detailed in 24 CFR 578.17(a). The PPRN is amount released during the competition.

NC 507 **Annual Renewal Demand (ARD)** is based on the total amount of all the CoC's projects that will be eligible for renewal in the CoC Program Competition.

Additional funding:

- **DV Bonus** project(s) up to 15% of PPRN
- **CoC Bonus** project(s) amount is noted in each competition, if available
- **CoC Planning** grant is up to 5% of Final Pro Rata Need (FPRN) for Wake

* HUD releases an *estimated* amount at start of competition and then the *final* funding available for NC 507 for the competition. Always subject to change during competition/check regularly.

Who Are Eligible Project Applicants?

- State governments/County/City/Township governments;
- Special district governments;
- Native American tribal governments (Federally recognized);
- Public housing authorities/Indian housing authorities;
- Native American tribal organizations (other than Federally recognized tribal governments);
- Nonprofits having a 501(c)(3) status with the IRS, other than institutions of higher education; or
- Others: Faith-based organizations may apply on the same basis as any other organization.

(See 24 CFR 5.109)

** Individuals and For-profit entities are not eligible to apply for grants or to be subrecipients of grant funds.*

What Are Eligible Project Components?

- Permanent Supportive Housing
- Rapid Rehousing
- Transitional Housing
- Joint Transitional Housing/Permanent Housing-Rapid Rehousing
- Homeless Management Information System (HMIS-Lead only)
- Supportive Services Only including SSO, SSO-SO, and SSO-Coordinated Entry (SSO-CE Lead only)

*Eligible project types are subject to change based on the NOFO and HUD Priorities.

Who is eligible for Assistance?

Individuals and Families that meet the definition of Homeless or At-risk of Homelessness (24 CFR 578.3).

- Category 1 – Literally Homeless
- Category 2 – Imminent Risk of Homelessness
- Category 4 – Fleeing/Attempting to Flee Domestic Violence

Note: “Domestic Violence” includes dating violence, sexual assault, stalking, and other dangerous or life-threatening conditions that relate to violence against the individual or family member that either takes place in, or him or her afraid to return to, their primary nighttime residence (including human trafficking).

For SSO: People receiving services for whom the recipient/subrecipient is not providing housing assistance. Persons currently experiencing homelessness and current residents of permanent housing (HUD-funded or non-HUD-funded) who were homeless within the prior six months.

Chronic Homelessness

- Long and repeated episodes of homelessness combined with a disabling condition
 - Length of time: 12 months continuous homelessness or 3+ more episodes over the last 4 years adding up to 12 months or longer.

What Are Eligible Project Applications?

New Application	Renewal Application
<ul style="list-style-type: none">• Must be eligible applicant• Eligible Component Type• Budget does not exceed funds available to the CoC• New Application required for Transition and Expansion projects.	<ul style="list-style-type: none">• Current Grantee, eligible for renewal of existing award• Budget cannot exceed ARD• Application must be submitted by the current Grantee operating the project.

CoC Match Requirement

What are Match Requirements?

- Grantees must match all grant funds awarded under the project, except for leasing funds, with **no less** than 25 percent of funds or in-kind contributions from other sources (some waivers may apply).
- Written documentation of the donation of in-kind goods and/or equipment must be provided on the source agency's letterhead, signed, and dated by an authorized representative of the source agency. Cash match and some in-kind match requires a written commitment that may consist of a signed letter, memorandum of understanding (in-kind), or other documented evidence of a commitment (who, what, when, method to determine value). Cash match does not require MOU.
- Match documentation must, at a minimum, include the following: value, specific date goods and services will be available and eligible type, and **grant term must match**.
- Match must be used for allowable activities to be provided in the specific project.
- Match **does not need to be made for each budget line item in project budget** (although that may be easiest for tracking purposes, especially with staff time). Total min

What are Cash Match Requirements?

- Cash match is actual cash contributed to benefit a CoC Program grant.
- Cash match contribution must be spent on eligible CoC Program costs listed in the Interim Rule (24 CFR 578.73 (b)).
- Cash match must be clearly documented in a general ledger to prove match was spent on CoC project activities-not on other agency expenses. Accounting system must clearly demonstrate the source, revenue, and expenditures on eligible activities within the project.
- Sources of cash that may be used as match include:
 - Grants from private, local, state, and federal resources (if not statutorily prohibited by source);
 - Cash resources;
 - Revenues from fundraising efforts organized by the recipient/subrecipient;
 - Recipient/subrecipient staff working on grant eligible activities who aren't paid from the CoC Program grant but are paid from other agency resources;
 - Program Income (occupancy charges, e.g.) may be used as cash match (currently allowable) but must be clearly documented/allocable.

What are In-Kind Match Requirements?

- In-kind match is the **value of any real property, equipment, goods, or services** contributed to a CoC Program grant that would have been an eligible CoC Program activity if the recipient/subrecipient paid for them directly with CoC Program funds. In-kind match can be donations provided directly by the recipient/subrecipient, or third party.
- To count in-kind sources as match, the recipient/subrecipient must document that the in-kind donation was provided, record the value, and ensure that it was used to match CoC Program eligible activities.
 - Example: If a grant has enough eligible administrative costs paid for by eligible sources of match equaling 25% of the grant award, the match could be all in the form of administrative costs.
- If in-kind services are included as a match by a third-party, a Memorandum of Understanding (MOU) is required to be in place prior to execution of services.
- When the source of match is in-kind goods and/or equipment, written documentation must conform to [2 CFR Part 200](#).

What are Best Practices for Documenting Match?



- Implement quarterly review and reconciliation to ensure system is working properly and project is being supported/participants are accessing match covered activities. (third-party billing data, e.g.);
- Provide partner agencies with uniform guidance, including tracking format or form;
- Obtain third party billing data and verify activities occurred (case notes, e.g.)
- Do not wait until the end of the grant year to reconcile match;
- HUD requires the 25% match for the funds **expended** in the grant at the end of the performance period/grant closeout.

Eligible Components, Costs, and Requirements

Remember: Eligible Project Components

New

- Permanent Supportive Housing (PSH)
- Rapid Rehousing (RRH)
- Transitional Housing (TH)
- Joint TH/RRH
- HMIS
- Supportive Services Only including SSO, SSO-Street Outreach, SSO-Coordinated Entry

*Eligible Project Types Are Subject to Change Based on the NOFO and HUD Priorities.

Wake Renewals

- Permanent Supportive Housing
- Rapid Rehousing
- DV Bonus (restricted funding)
- HMIS
- Supportive Services Only-CE

CoC Project Housing Components



PSH: Permanent housing with supportive services. Household must include at least one member (adult or child) with a disability. No designated length of stay, and support continues until the participant chooses to exit or is terminated from project. Supportive services must be available for the participant's entire duration in PSH.

RRH: Includes short-term (up to 3 months) and medium-term (4-24 months) tenant-based rental assistance and supportive services for households. Supportive services may be provided to participants for up to six months after rental assistance ends. Participants may stay in the housing after CoC RRH rental assistance ends.

TH: Temporary Housing with supportive services to facilitate a household's successful transition to permanent housing within 24 months.

TH/PH-RRH: Combines the activities of a transitional housing project with those of a rapid re-housing project. Up to 24 months of combined use of component types with financial assistance and wraparound supportive services.

Note: no income limit for entry or exit.

CoC Project Components and Requirements

Component	Line Item	Lease Between Participant and Landowner	Lease Between Project and Landowner	Sublease or Occupancy Agreement Between Project and Participant
Permanent Supportive Housing	Rental Assistance	Not Allowed	Required	Not Allowed
	Leasing	Required	Not Allowed	Sublease Required
Rapid Rehousing	Rental Assistance	Not Allowed	Required	Not Allowed
Transitional Housing	Rental Assistance	Not Allowed	Required	Not Allowed
	Leasing	Required	Not Allowed	Required

What are Eligible Costs: Leasing Costs

- Leasing funds may be used to **lease structures or individuals' units** to provide housing or supportive services.
- May be used to cover up to 100% of the cost of leasing the unit(s) or structure(s).
- May not be used to lease units or structures owned by the recipient, subrecipient, or any related organization.
- Costs associated with carrying out leasing activities, including processing lease payments, calculating program participant income and occupancy charges, making rent reasonableness determinations, inspecting units, and collecting/processing occupancy fees.

In addition to paying rent, leasing funds can be used for:

- Security deposits (up to two months);
- First/last month's rent (up to one month of each, allowed as advance payment);
- Costs associated with conducting required unit inspections including Lead Based Paint;
- Payments on unoccupied units while identifying a new program participant;
- Utility costs (not included in lease agreement). If recipient owns building/unit in TH and PSH can pay with CoC operating funds or make the participant responsible for utilities if individually metered.

What are the Components of Leasing Costs?



- The project must lease the unit directly from the property owner or landlord (recipient/subrecipient must be entity that signs the lease). Then, the project subleases the unit to the participant. For PSH, lease term must be at least 12 months and automatically renewable and can be terminated only for cause. For TH, participants must have a lease/sublease, or occupancy agreement for a term of at least one month and no more than 24 months.
- The project may charge the client occupancy fees. Follow the CoC's Written Standards;
 - If the project charges occupancy charges: The maximum amount is capped per HUD's rental calculation formula
 - The program is responsible for 100% of the lease to the landlord, even if the participant does not pay their portion in a given month
- The cost of the unit may be no higher than the lower of either Fair Market Rent or rent reasonable. But can use non-CoC Program funds to pay above FMR if rent is documented as rent reasonable.
- Leasing budgets are historical (with only some relatively minor adjustments from year-to-year), so program leasing budgets may be less than the FMR x the number of units x 12 months.
- **Note:** Must still be able to fulfill the obligations of the grant (e.g., number of clients/units assisted).

What are the Types of Rental Assistance Projects?

There are three different types of rental assistance (§ 578.51(c)-(e))

- **Tenant-Based Rental Assistance (TBRA)** Program participants locate housing in the private rental market and enter into a lease with the property owner. Recipients/subrecipients may require participants to live in a specific structure for the first year, or a specific geographic area for the remainder of their participation in order to facilitate services.
- **Project-Based Rental Assistance (PBRA)** Sponsor agencies rent units in the private market and then sublet the units to program participants. Sponsors may be private nonprofit organizations or community mental health agencies established as nonprofit organizations. If the participant moves, the sponsor may sublease to a different participant or use the SBRA in a different unit with the current participant. SBRA stays with the sponsor. Program participants must reside in housing owned or leased by a sponsor organization and arranged through a contract between the recipient/subrecipient and the sponsor organization. A sponsor may be a private, nonprofit organization, or a community mental health agency established as a public nonprofit organization.
- **Sponsor-Based Rental Assistance (SBRA)** The recipient/subrecipient contracts for a particular unit or property and the participant then enters a lease with the landlord. If the participant moves, the PBRA stays with the unit for the next eligible participant. Program participants must reside in housing provided through a contract with the owner of an existing structure whereby the owner agrees to lease subsidized units to program participants. Program participants do not retain the rental assistance if they relocate to a unit outside the project; the subsidy remains with the project.

What are Eligible Costs: Rental Assistance?



- Rental assistance funds may be used to pay part of the rent for a unit in which a program participant will reside.
- Assistance may be short-term (less than 3 months), medium term (4-24) or long-term (more than 24 months).
- In very limited circumstances, rental assistance can be used in units/structure owned by a recipient/ subrecipient.
- Rental assistance cannot be combined with operating costs.
- PSH and RRH funded with Rental Assistance must charge rent.

In addition to paying rent, rental assistance funds can be used for:

- Security deposits (up to two months)
- Up to one month of first and/or last month's rent (allowed as advance payment)
- Up to one month of rent for damages to property
- Up to 30 days of vacancy payments following the end of the month in which the unit is vacated by the program participant
- Utility costs (not included in lease agreement). Note, when a program participant is made responsible for paying utility costs in TH or PSH, the recipient must incorporate those costs into the program participant's rent contribution and must reimburse the program participant if the reasonable utility costs exceed the applicable amount under 24 CFR 578.77

***Note:** Must still be able to fulfill the obligations of the grant (e.g., number of clients/units assisted)

What are the Components of Rental Assistance ?



- The tenant holds the lease directly with the property owner. The project can enter into a written agreement with the property owner for the payment of rental assistance. For PSH and RRH, lease term must be for 12 months and automatically renewable and terminated only for cause.
- The tenant pays rent directly to the property owner in an amount determined through HUD's rental calculation formula (for RRH, the project must follow the CoC's Written Standards for portion of tenant contribution and/or maximum financial assistance).
- Rental assistance payment amounts are the difference between the total rent and the amount paid by the client (tenant contribution).
- The cost of a unit may be higher than Fair Market Rent (FMR), so long as the rent is reasonable and must be appropriately documented (must still meet grant obligations).
- Rental assistance budgets are adjusted annually so that the total amount equals the FMR x the number of units (taking into account the size of the units) x 12 months.

What are eligible Utility Costs?

- Eligible utilities included in rental assistance or leasing: Gas/Oil, Electricity, Water, Sewage, Garbage (if not included in tenant lease). Telephone/internet and cable television are ineligible.
- If utilities are not included in the rent but are the responsibility of the resident, a utility allowance (UA) for reasonable utility consumption must be subtracted from the total rent. CoC recipients are required to use their local Public Housing Authority's (PHA) schedule for UA.
- If the cost of utilities is less than the permitted monthly rental amount, the amount of rent owed by the tenant must be reduced by the cost of utilities. If the cost of utilities is greater than the permitted monthly rental amount, the household should receive a utilities reimbursement directly from the recipient/subrecipient per [Notice CPD-17-11](#).
- Households who are responsible for paying for their own utilities and have 0 income are eligible to receive a UA and recipients/subrecipients can pay utility amounts on behalf of household.
- If, when the recipient/subrecipient deducts the reasonable monthly utility consumption amount from the household's rent contribution or maximum occupancy charge amount, and the calculation equals a number less than \$0, then the recipient/subrecipient must provide a utility reimbursement to the program participant in accordance with the methods outlined in Section D of the [CPD Notice 17-11](#). and [§ 578.77\(b\)-\(c\)](#)

What are Eligible Costs: Operating

Operating funds may be used to pay costs associated with the day-to-day physical operation of a facility in which homeless persons are housed. Operating funds may be used for:

- Maintenance and repair of housing (when not included in the lease);
- Building security for a housing program (where more than 50% of the units or building area is paid for with CoC grant funds);
- Property taxes and insurance and **payments to a reserve fund** for the future replacement of **major buildings systems** (structural support, roofing, cladding, plumbing, electrical, heating/cooling, ventilation, e.g);
- Utilities, including: electricity, gas/oil or other heating/cooling and water;
- Furniture Office or unit (must be retained for use by the housing program);
- Office Equipment and appliances such as microwaves, refrigerators, stoves, washers/dryers, etc. **that remain with the project**; and
- Staff time and related overhead costs of carrying out operating activities.

Common Mistakes: Ineligible Operating Costs

Keep in mind that operating funds may not be used for:

- Operating costs of emergency shelters facilities;
- Maintenance and repair of housing where those costs are included in the lease;
- A structure or unit also subsidized by rental assistance funds;
- Food/Groceries;
- Mortgage payments or rent;
- Landscaping for beautification (not maintenance);
- Legal fees to keep attorney on retainer;
- General cleaning supplies or office supplies (pens, paper, files, folders, postage).

Reminder: RRH, Supportive Services Only, and HMIS projects are not eligible for Operating Costs.

What is Transitional Housing?

- Transitional Housing (TH) provides temporary housing with supportive services to households experiencing homelessness. The goal is interim stability and support to successfully move participants into permanent housing.
- TH projects may cover housing costs and supportive services for up to 24 months.
- HUD may discontinue assistance if >50% remain longer than 24 months 24 CFR 578.79. Grantee must follow Wake CoC's Written Standards on period of assistance/term limits for households enrolled in CoC funded projects.

What are Eligible Costs: Transitional Housing?

Rental Assistance

- First and last month's rent
- Security deposits (up to 2 months' rent)
- Property damages (up to 1 month, one-time per participant per unit)
- Vacancy payments (up to 30 days)
- Staff and overhead costs directly related to rental assistance activities.
- Examples: intake process, HQS inspections (required for RA), writing checks to Landlord/property owner
- A project cannot pay for short-term rental assistance when a participant is exiting the transitional housing.
- Programs may NOT charge participant fees

Leasing

- Agency payments of rent for units or
- Security deposits (up to **2 months**)
- First/last month's rent (one month each)
- Staff costs for leasing activities (Habitability inspections (leasing only), landlord payments)
- Payments for unoccupied units between participants
- Cannot combine rental assistance and leasing within a single unit/structure
- Programs may charge occupancy fees

What are the Components of Transitional Housing?



Leasing:

- Programs may charge an occupancy fee but not required. “Occupancy fee” is term used in Leasing projects.
- Lease is in agency name.
- Participants must sign a lease, sublease, or occupancy agreement of at least 1 month and be renewable up to 24 months. Automatically renewable upon expiration, except by prior notice by either party.
- Not required to impose occupancy fee, but if imposed must not exceed the higher of 30% of their adjust income or 10% of gross monthly income.

Rental Assistance:

- Participants must pay a portion of the rent/tenant contribution “Rent” is term for RA.
- Can be Tenant-Based Rental assistance or Sponsor/Project-Based.
- TH RA projects are required to have a State, local government, or PHA administer.
- Participants must sign a lease or occupancy agreement of at least 1 month and be renewable up to 24 months. Automatically renewable upon expiration, except by prior notice by either party.

What is Program Income?

Program income is the income received by the recipient/subrecipient directly generated by a grant-supported activity.

- Occupancy charges paid directly to the recipient/subrecipient by program participants. Rent funds received for SBRA are considered to be program income.
- Tenant rent paid to a landlord that is not the recipient/subrecipient is not considered to be program income.
- Occupancy charges collected from residents of transitional housing may be reserved to assist the residents move into permanent housing.
- Funds from Program Income must be spent on CoC **eligible** cost within project type.
- While Program Income is allowed-Program Fees are NOT. A program fee is defined as any other fee assessed on a program participant other than rent contribution or an occupancy charge. This prohibition includes the cost of unit damage/damages.
- Recipients/subrecipients must clearly document program income received and expended.

Program Income Guidance

- Program Income must be expended during the grant term and cannot be carried over and must be used within the project that generated the program income.
- Recipients are required to disburse funds available from Program Income before requesting additional cash payments ((2 CFR 200.305 (b)(5)).
- Spend funds already in project budget prior to drawing funds from HUD.
- Expend Program Income before drawing additional funds from HUD.
- HUD has recently clarified that security deposits returned to recipients are not program income but a 'refund' of project funds. This means it would also be excluded as eligible match.

What are Supportive Services?

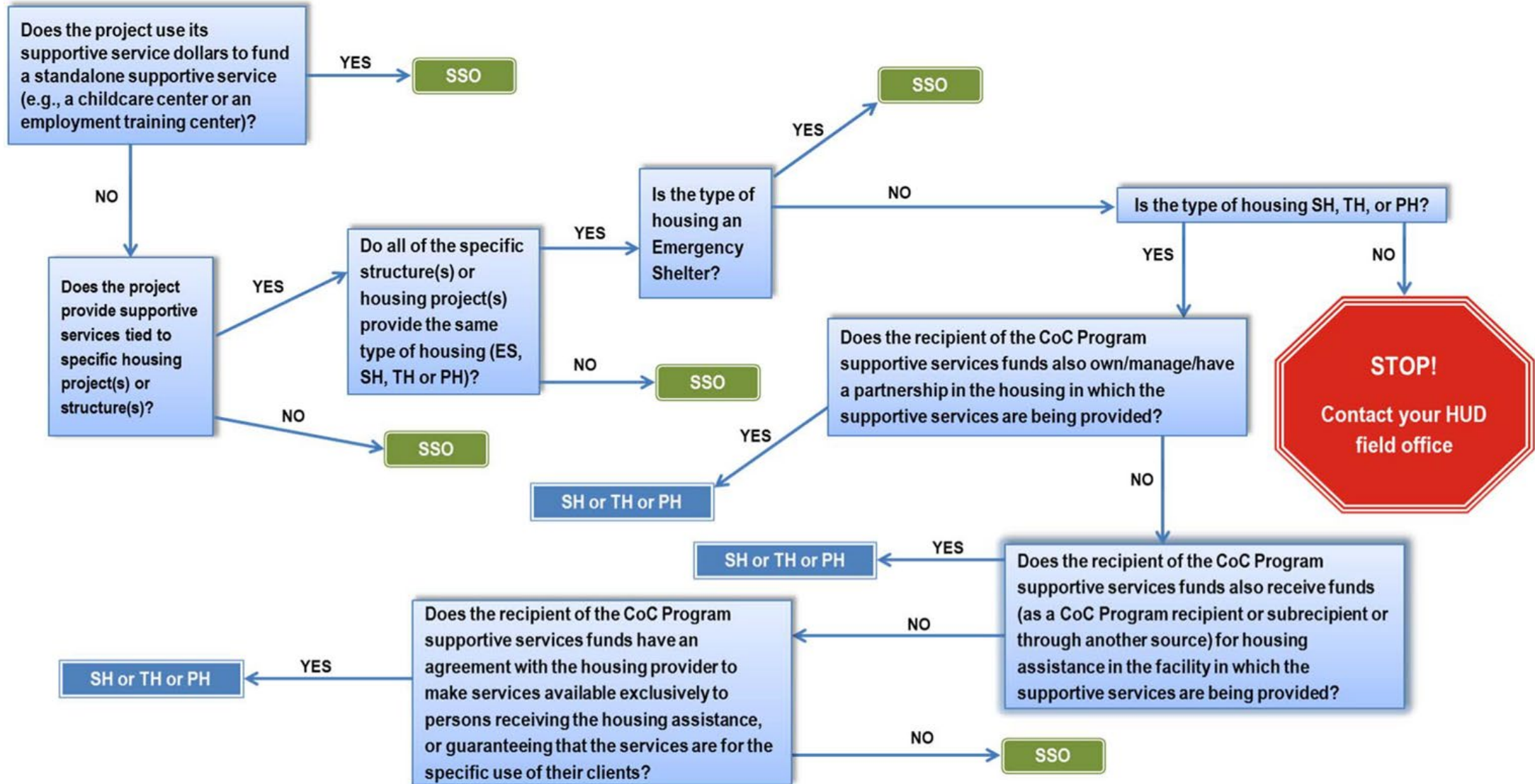
Depending on the program component there are different supportive service requirements and special considerations by project component:

- **Permanent Supportive Housing (PH-PSH).** Recipients/subrecipients are required to make available supportive services to program participants for the entire duration of their residence in the project.
- **Rapid Rehousing (PH-RRH).** Participants enrolled in this project component are expected to meet with their case management at least once per month. The location, duration, and content of such meetings will vary according to the program participant's need. Supportive services to RRH participants may be provided for up to six months after program exit.
- **Transitional Housing (TH).** Recipients/subrecipients must make supportive services available for program participants throughout the duration of their residence in TH and may provide supportive services for up to six months after program exit to assist in their adjustment to independent living.
- **Supportive Services Only (SSO).** Recipients and subrecipients can provide supportive services to individuals and families experiencing homelessness for whom they are not also providing housing assistance and current residents of permanent housing (HUD-funded or non-HUD funded) that were homeless during the prior six months.
- If the supportive services are provided in a supportive services facility not contained in a housing structure, the costs of day-to-day operation of the supportive service facility, including maintenance, repair, building security, furniture, utilities, and equipment are eligible as a supportive service cost (§ 578.53(a)).

Is it Supportive Service Only?

- SSO projects are designed to provide supportive services to sheltered and unsheltered homeless persons and families. Households at risk of homelessness who do **not** meet the definition of homelessness may not be served by CoC Program-funded SSO projects.
- SSO projects may provide supportive services to households living in emergency shelters. This includes emergency shelters operated by an organization that is also a recipient of CoC Program SSO funds.
- In general, recipients of a SSO project **may not** also provide housing or housing assistance to program participants in their SSO project.
- It is possible to be classified as a housing program component (i.e., Safe Haven, Transitional Housing, or Permanent Housing) even if there is not a housing budget line item (BLI) such as leasing, rental assistance, or operating for a project. This commonly occurs when the recipient or subrecipient owns the structure or units and only requests CoC Program funding for the supportive services or when the recipient or subrecipient funds the housing portion of the project from another source.

Is it Supportive Service Only?



What are Eligible Supportive Services?

Supportive services funds may be used for **direct provision of services and/or contracted supportive services provided by another agency** to assist homeless persons transition from homelessness to permanent housing, including the costs of labor (salary and benefits) and supplies/materials directly related to providing the service costs listed in the CoC Interim Rule. :

- Assessing service needs
- Moving costs
- Case management
- Child care
- Education services
- Employment assistance/job training
- Food/Groceries
- Housing search and counseling services
- Legal services
- Life skills training
- Mental health services
- Outpatient health services
- Outreach services
- Substance abuse treatment services
- Transportation
- Utility Deposits

What are Eligible Supportive Service Costs?

- **Child Care:** Costs of establishing and operating child care and providing child-care vouchers. Costs may include establishing/operating a licensed child care for young children or disabled children under 18yrs. Of age from families experiencing homelessness, providing child-care vouchers, meals and snacks and costs of comprehensive/coordinated developmental activities for children experiencing homelessness.
- **Education Services:** Costs of improving knowledge and basic educational skills. Costs may include screening to improve participant knowledge and basic educational skills including instruction/training in consumer ed, health ed, substance use prevention, literacy, and GED. Costs of individual/group instruction, books, supplies and instructional materials, tutoring, and counseling, assessment/testing, and referral to community resources for instruction and training.
- **Employment Assistance And Job Training:** Costs of establishing and operating employment assistance and job training programs, including: establishing/operating employment assistance/job training programs including classroom, on-line and/or computer instruction, on-the-job instruction, and increasing earning potential, acquiring learning skills including those skills that can be used to secure and retain employment, including the acquisition of vocational licenses/certificates, and special training/tutoring, books and instructional materials, counseling/job coaching, and referral to community resources.
- **Food:** Costs of providing meals or groceries to program participants. Receipts must be maintained.

What are Eligible Supportive Service Costs?

- **Annual Assessment Of Service Needs:** Staff time arranging and conducting annual assessment. Recipients/subrecipients must conduct an annual assessment of participant service needs and should adjust services accordingly to meet client's needs. The recipient/subrecipient must also document the types of supportive services provided under the program and the amount spent on those services.
- **Assistance With Moving Costs** – Reasonable one-time moving costs including truck rental and hiring moving company. May charge cost of disposing participant property that is too old/damaged to donate.
- **Case Management** – Costs of assessing, arranging, coordinating, and monitoring the delivery of individualized services. Eligible costs include the costs of:
 - Using the Wake CoC's centralized/coordinated assessment system.
 - Obtaining federal, State, and local benefits for a participant to meet their housing needs.
 - Providing ongoing risk assessment/safety planning with victims of domestic violence/dating violence/sexual assault/stalking.
 - Developing an individualized participant housing and service plan, including planning a path to permanent housing stability.
 - Monitoring and evaluating participant progress to meet their housing needs.

What are Eligible Supportive Service Costs?



- **Housing Search/Navigation and Counseling Services** – Costs of assisting eligible program participants to locate, obtain, and retain suitable housing, including reasonable rental application fees (Note: Housing Counseling must be from a HUD certified counselor). Costs of assisting individuals and families to understand leases, securing utilities, making moving arrangements, credit counseling/accessing a free credit report, resolving credit issues, and mediation with property owners/landlords.
- **Legal Services** – The reasonable fees charged by licensed attorneys and by person(s) under the supervision of licensed attorneys, for advice and representation in matters that interfere with a program participant's ability to obtain/retain housing. Costs include representation for: child support, guardianship, paternity, emancipation for minors, legal separation, appeal of Veteran or public benefits denial, landlord/tenant civil disputes, and resolution of outstanding criminal warrants that prohibit a person's ability to secure housing. Representation for orders of protection and other civil remedies for victims of domestic violence/sexual assault/stalking/ and human trafficking or other dangerous life-threatening conditions (see VAWA definition). Costs of filing fees and other necessary court costs on matters that interfere with homeless individual or family's ability to obtain/retain housing. Criminal representation is ineligible cost and fees must be based on actual services performed but only if less than the hourly fee. Legal services for immigration and citizenship matters and issues related to mortgages and homeownership are ineligible. Retainer fee arrangements and contingency fee arrangements are ineligible.
- **Life Skills Training** – Costs of teaching critical life management skills necessary to function independently in the community that have been lost or never learned, including parent training/skills classes, use of public transportation, nutrition management, shopping for food/basic sanitation needs, conflict management, household management and budgeting.

What are Eligible Supportive Service Costs?

- **Mental Health Services** – Costs of direct outpatient treatment of mental health conditions that are provided by licensed professionals. Costs including, crisis intervention support, individual or family group therapy, psychotropic medication assistance, and counseling/therapeutic approaches received by licensed professional.
- **Outpatient Health Services** – Costs of the direct outpatient treatment of medical conditions when provided by licensed medical professionals, including preventative/non-cosmetic dental care, health assessments, preventative health-care, medication and follow-up services.
- **Outreach Services** – Costs of activities to engage persons for the purpose of providing immediate support and intervention, as well as identifying potential program participants. Costs include outreach workers transportation and cell phones/hot spots, and staff costs, including benefits. Costs for assessment, crisis counseling, information and referrals to mainstream/homeless programs, and costs of addressing urgent physical needs such as meals, blankets, or toiletries. Costs of publicizing the housing and/or services provided within the CoC.
- **Substance Abuse Treatment Services** – Costs of program participant intake and assessment, outpatient treatment, group and individual counseling, and drug testing for outpatient substance abuse treatment. Inpatient detox or other alcohol/drug treatment is not eligible cost.

What are Eligible Supportive Service Costs?

- **Transportation:** Costs of participant's travel (or an accompanying staff) on public transportation or in a vehicle provided by the recipient/subrecipient to and from medical care, employment, child care, or other eligible services. Mileage allowance costs for service workers (using their own vehicles), cost of purchasing/leasing vehicle to transport participants; gas, insurance, taxes, and maintenance for a vehicle provided by the recipient/subrecipient that transports participants; One-time direct payment (not to exceed 10% of Blue Book value) on behalf of a participant to a third party that repairs/maintains a personal vehicle needing repairs/maintenance required to operate. Recipient/subrecipient may require program participant to share in the cost of car repairs/maintenance as a condition of receiving the assistance. Public transportation options must be considered non-sufficient within the area to support this cost. All transportation costs for clients must be logged and verifiable and policy should ensure costs allocated and tracked appropriately.
- **Utility Deposits:** One time assistance to pay utility deposits directly to utility companies of eligible utilities .
- **Services after homelessness:** To aid in the adjustment to independent living, supportive services may be provided for up to 6 months to: 1) program participants who are exiting transitional housing, 2) program participants exiting RRH or 3) program participants who are exiting homelessness to non-CoC-funded permanent housing. If program participants are entering CoC-funded PH, the services attached to that project should begin to serve them upon entry.

Eligible Costs: HMIS or Comparable database

All projects may include an HMIS line item in the project budget that may be used to pay costs associated with HMIS data collection. Certain HMIS costs are only available to the CoC HMIS Lead which is funded under the HMIS component.

HMIS Budget Line Items (all projects)

HMIS funds may be used for:

- Purchasing/leasing hardware or software licenses
- Leasing office space or utilities for HMIS activities
- Salaries, operating costs, and duties as required to operate an HMIS
- HMIS trainings
- HMIS reporting to the CoC

HMIS Component (HMIS Lead Only)

The HMIS lead can use HMIS funds for:

- Leasing/operating the HMIS facility
- Hosting and maintaining HMIS software and data
- Backing up, recovering, and/or repairing HMIS software or data
- Upgrading, customizing, and/or enhancing the HMIS
- Integrating and warehousing data
- Administering the system
- Reporting (providers, CoC, and HUD)
- Conducting HMIS training (incl. travel)

What are Project Administrative Cost?

Recipients and subrecipients may use up to 10 percent of any grant, excluding the amount for CoC planning, established through the CoC Program NOFO for project administrative costs. These costs include expenses related to the overall administration of the grant ([24 CFR part 578.59](#)), such as management, coordination, monitoring, evaluation activities, and environmental review. Administrative Costs are separate from Indirect Costs.

What are Eligible Administrative Costs?

- General management, oversight, and coordination;
- Salaries, wages, and related costs of recipient's staff, staff of subrecipients, or other staff engaged in project administration;
- Travel costs incurred for monitoring subrecipients;
- Administrative services performed under third-party contracts or agreements (general legal services, accounting services, or audit services);
- Other costs for goods and services required for administration of projects rental or purchase of equipment, insurance, utilities, office supplies, rental and maintenance – not purchase – of office space);
- Costs of training on CoC requirements/attending HUD-sponsored CoC trainings;
- Environmental review.

Remember: Eligible Costs by Project Component

Eligible Costs	Program Components				
	Permanent Housing		TH	SSO	HMIS
	PH:PSH	PH:RRH			
Leasing	X		X	X	
Rental Assistance	X	X	X		
Supportive Services	X	X	X	X	
Operating Costs	X		X		
HMIS	X	X	X	X	X
Project Administration	X	X	X	X	X

What are Key Elements of Eligible Costs?

1

Reasonable

2

Allowable

3

Documented

4

Allocable

5

Reimbursable

Key Elements (cont'd)

1

- Reasonable:** A cost is reasonable if it is necessary and directly related to the grant. To determine reasonableness, consider:
- Whether the expenditure is ordinary and necessary;
 - The cost of comparable goods and services; and
 - The benefit to program participants.

Key Elements (cont'd)

2

- Allowable:** An expense is allowable if it is:
- An eligible cost within the CoC Program;
 - Expended (directly or indirectly) for the benefit of an eligible CoC Program participant;
 - In accordance with any limitations specified in the CoC grant agreement and the HUD-approved budget.

Key Elements (cont'd)

3

Documented: An expense is documented if it is supported by materials backing up the expenditure, including:

- Voided checks
- Paid bills
- Certified payrolls
- Time and Effort attendance records
- Etc. (e.g. leases, HAP, mileage records)

Key Elements (cont'd)

4

Allocable: An expense is allocable to federal grants in two circumstances:

- Incurred directly for the purposes of a specific grant, contract, or program; or,
- Benefits a grant, contract, or program/other costs objectives, and can be distributed among objectives in reasonable proportion to the benefits received.
- Note: Costs may be charged on a direct or indirect basis if an indirect cost rate elected.

Key Elements (cont'd)

5

Reimbursable: An expense is reimbursable if it is made:

- In accordance with a HUD-approved budget and otherwise an allowable cost;
- Within the eligible timeframe (i.e., the grant term/performance period).

What are Eligible vs. Approved Costs?

The CoC Program regulations specify which costs are eligible for each program component, and they vary from one program component to another.

- Eligible activities (cost categories), are the allowable uses of CoC Program funds. Eligible costs are the full universe of all costs included in the CoC Interim Rule.
- Approved costs however, are reflected in grant agreement by budget line items (BLIs). Projects can only expend CoC funding on approved costs only after completing a fully-executed grant agreement.
- Certain budget changes (more than 10% shift between BLIs) must be executed by a grant amendment with HUD.

Financial Management for CoC Projects

- Ensure costs are eligible and follow the grant agreement.
- Meet and track match requirements.
- Timely drawdown (at least quarterly) and expenditure requirements
 - Pay subrecipients no later than 45 days from approved request
 - Meet 50% administration rule to subrecipients
- Track program income revenue and expenditures.
- Adhere to recordkeeping requirements.
- Meet other federal financial managements requirements that apply to the CoC program.

Reminder: Match Requirements

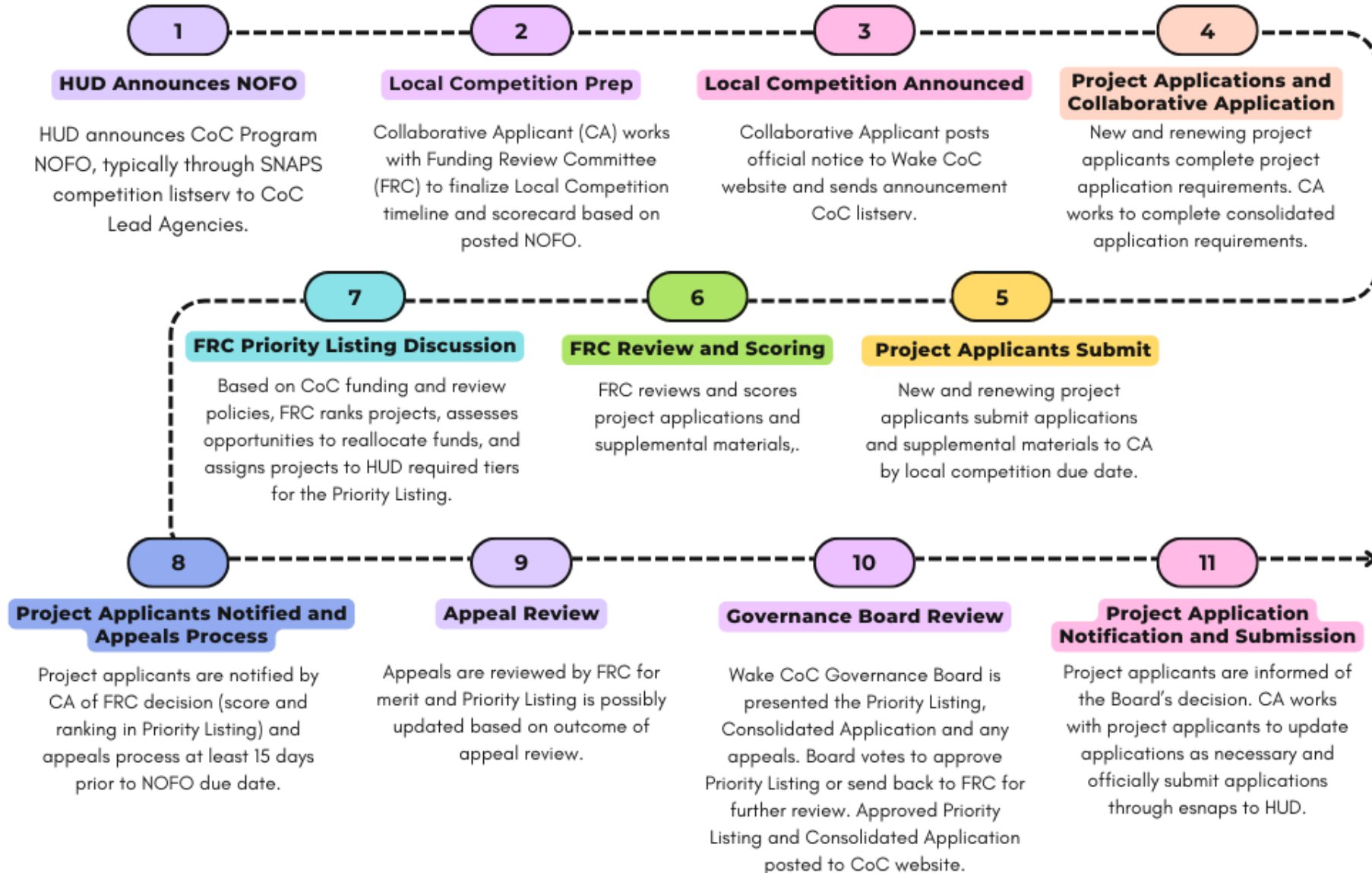
- Grantees must match all grant funds, except for leasing funds, with no less than 25% of funds or in-kind contributions from other sources.
- Match **does not have to be an approved cost** for the project but must be an eligible cost under the specific component.
- Match is grant by grant basis! Resources already used as match cannot be used for another grant (“double-dipping”).
- Committing match is a **contractual commitment** and **limits the use** of the funding to eligible activities under the CoC Program Interim Rule.
- Leveraged funds have less restrictive use requirements.

What is Difference between Match and Leveraging Project Resources?

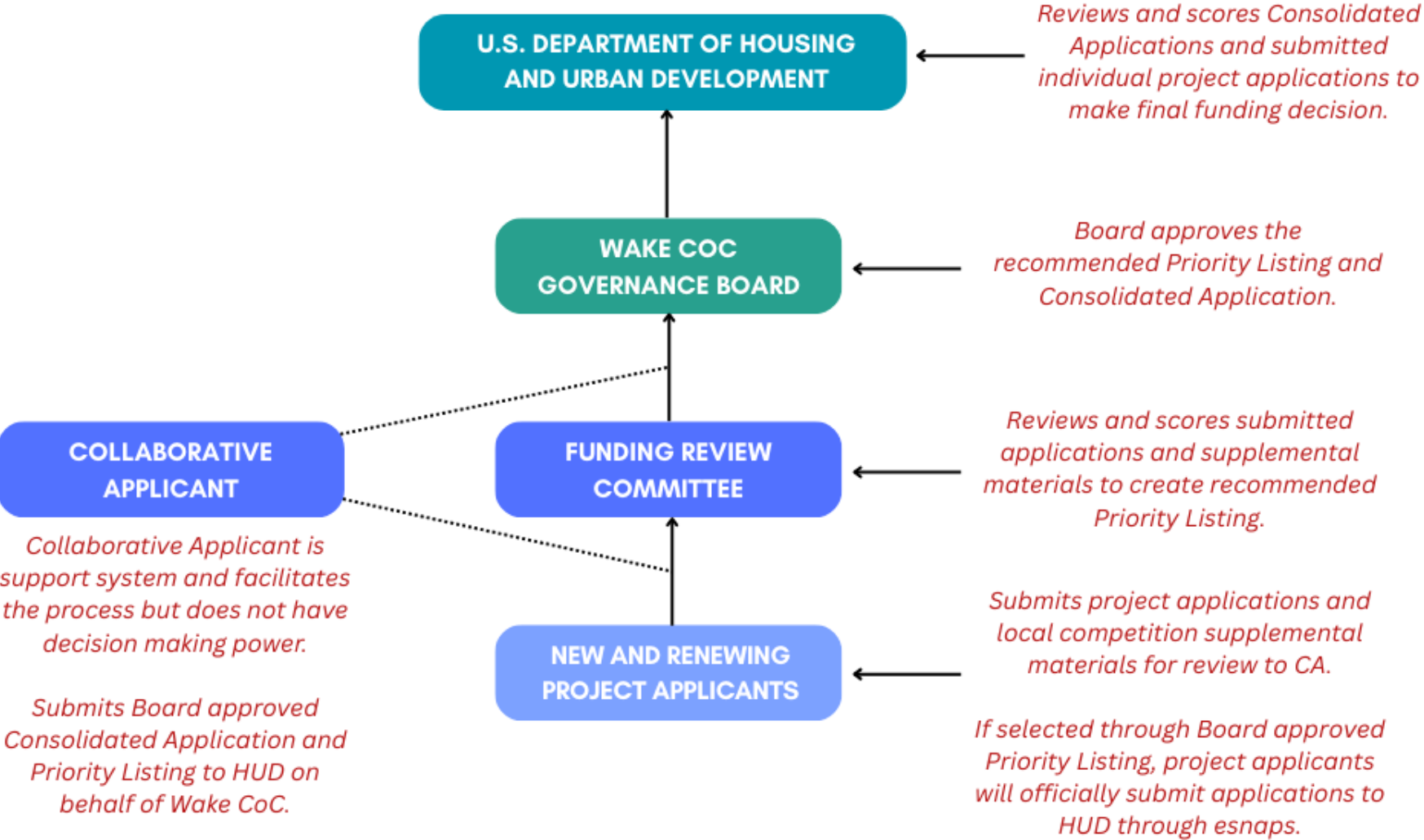
- **Leverage is the non-match cash or non-match in kind resources that are committed to making a CoC Project fully operational.**
- The CoC Program Competition outlines basic leverage requirements.
- Document per the NOFO and include all resources in excess of the required 25% match as well as other resources that are used on costs that are ineligible in the CoC project.
- Leverage strengthens project application and supports Wake CoC's Consolidated Application.
- Documenting leverage within your projects shows the CoC's systemwide collaboration across housing, healthcare, behavioral health, workforce, youth, education, and other sectors.

Wake CoC Grantee Requirements

Local Competition Steps



DECISION STRUCTURE



Overview of Applicant Requirements

Pre-Application:

- Conflict of Interest/Code of Conduct on file with HUD
- Active in SAM.gov (System for Award Management) registration
 - cannot be suspended, inactive, or barred
 - Have a Unique Entity Identifier
- Drug Free Workplace policy

If Awarded:

- HMIS or Comparable database usage/complete data entry for project
- Active participation in the CoC (membership, attendance requirements, etc.)
- Participation in Coordinated Entry (CE) system of CoC and CE policies
- Meet all Federal reporting requirements (Annual Performance Report, HIC/PIT)
- Must adhere to the HUD regulations and Wake CoC's Written Standards
- Have applicable Environmental Review completed before start of project.

Current Status/Outlook of CoC NOFO

- HUD has indicated they will release a new FY2026 NOFO, by or around June 1st.
 - The FRC is reviewing all applicable policies and procedures in preparation.
 - Potential for overlap of Emergency Solution Grant (ESG) and CoC NOFO competitions.
- As of April 1, Courts upheld the preliminary injunction on HUD's attempt to release an FY25 NOFO.
 - HUD must process all FY25 renewal awards without additional competition. First and Second Quarter award notices have been released by HUD for current Wake CoC Grantees.

Questions?



Contact

Eileen Rosa, Lead Agency Director: eileen.rosa@wake.org

Erin Flynn, CoC Coordinator: erin.flynn@wake.org