Maryland ESG Monitoring Process

Presentation for COSCDA, Monday March 18th, 2024
Suzanne Korff, Senior Policy Officer, Homelessness Initiatives

Maryland
DEPARTMENT OF HOUSING
AND COMMUNITY DEVELOPMENT
Jacob R. Day, Secretary
Julia Glanz, Deputy Secretary

dhcd.maryland.gov

Structure of Maryland Emergency Solutions Grant (ESG) Program

Maryland's Department of Housing and Community Development administers a little over one million in ESG funds each year. These funds are administered under the State's Homelessness Solutions Program, which includes approximately $14 million in additional state resources to fund homeless services.

Eligible entities for the Homelessness Solutions Program are the ten Continuums of Care (CoCs) and seven Local Homeless Coalitions (LHCs) in the Maryland Balance of State CoC, with most ESG funds going to non-entitlement areas. These entities are responsible for submitting annual funding applications, monthly invoices, and conducting annual monitoring of all projects receiving Homelessness Solutions Program Funds.

The Homelessness Solutions Team of three Project Managers and one Program Analyst under the leadership of the HSP Assistant Director are responsible for monitoring all Homelessness Solutions Program Grantees/lead agencies, and coordinating provider monitoring by CoC/LHC lead agaencies.

Maryland
DEPARTMENT OF HOUSING
AND COMMUNITY DEVELOPMENT
Jacob R. Day, Secretary
Julia Glanz, Deputy Secretary
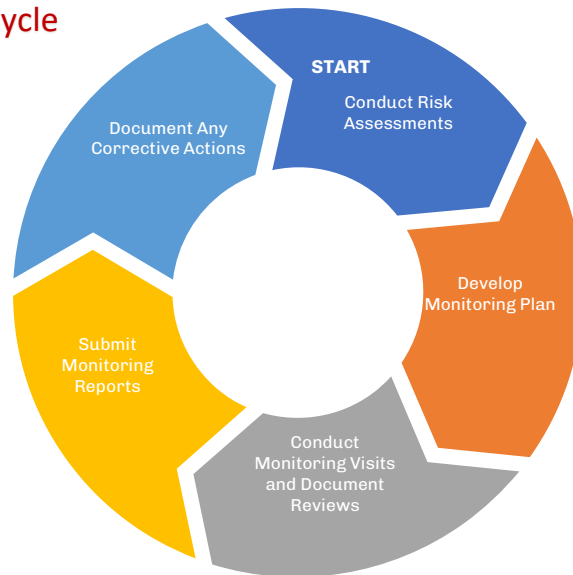
Maryland DHCD 2024 Monitoring Expectations

- DHCD will conduct a risk assessment of all Grantees to identify which agencies will be monitored in 2024. Selected grantees will be notified by March 30, 2024 in order to begin planning and scheduling.
- DHCD is planning to monitor all grantees not monitored in 2023, and any grantees considered high risk or that currently have open findings.
- Monitoring will be in-person whenever possible, and include a joint monitoring of selected sub-recipient
- DHCD will also monitor shelter programs with performance improvement plans.

Maryland
DEPARTMENT OF HOUSING
AND COMMUNITY DEVELOPMENT Jacob R. Day, Secretary
Julia Glanz, Deputy Secretary

3

Grantee 2024 Monitoring Expectations
Lead agency monitoring of subgrantees

- Grantees are not required to monitor all subgrantees in 2024, but must monitor all high risk subrecipients, and a random selection of medium and low risk subrecipients from HSP grants. Grantees planning to monitor a subset of subgrantees must use a risk assessment to score all subgrantees and to select subgrantees and grants for monitoring based on risk
- All grantees are required to submit their monitoring plan and copies of all HSP 2024 subrecipient monitoring reports to DHCD by March 15, 2024, and complete all visits by December 31, 2024
- Shelter Habitability Assessments should be conducted on an annual basis in person for all Emergency Shelters receiving funding from DHCD regardless of funding source

Maryland
DEPARTMENT OF HOUSING
AND COMMUNITY DEVELOPMENT Jacob R. Day, Secretary
Julia Glanz, Deputy Secretary

4

Monitoring Life Cycle

START

Conduct Risk Assessments

Develop Monitoring Plan

Conduct Monitoring Visits and Document Reviews

Submit Monitoring Reports

Document Any Corrective Actions

5

5

Using Risk Scores to Guide Monitoring

The annual monitoring schedule should include:

- 100% of high-risk projects
- Random selection of medium-risk projects*
- Random selection of low-risk projects*
- Sample projects selected from HSP Grants

*The number of medium- and low-risk projects selected for monitoring will vary based on total number of projects in portfolio and available staff resources. DHCD recommends monitoring a minimum of 50% of all funded projects each year with the goal of completing bi-annual project monitoring of all funded projects.

High

Medium

Low

MONITORING SCHEDULE
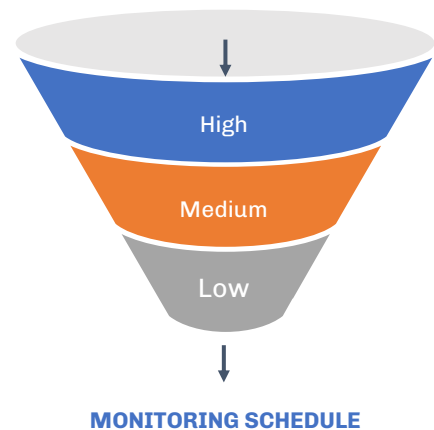
6

Common High-Risk Factors

- Recent or regular turnover in lead program staff or executive leadership

- Has not had a recent monitoring visit

- Project has large grant relative to size of funding portfolio (this standard will vary)

- Project is new to grant funding/program regulations

- Project does not submit timely, accurate, and/or adequately documented invoices

- Recipient/project had findings or material weaknesses in financial audit

- Project manages significant rental assistance/leasing (subject to additional regs related to housing inspections, lead paint, FMR)

- Deobligation of funds/inability to spend down

7

Lead Agency staff completes a risk assessment for all projects

Grant Expenditure - HSP			
Criteria:			
Low: No Issues with spending, over 75% prior year grant is spent and invoices have been submitted	Low (1)		
Medium: Spent less than 75%+ of prior year funding with a plan to spend down or reallocate unexpended funds	Medium (10)		
High: Grants are regularly underspent, and subrecipient is significantly delayed (3 or more months behind) in invoice submission.	High (20)		
Regulatory Compliance			
Does the Grantee have any **known** compliance issues with the regulations and policies listed below (if applicable)?			
Procurement	Equal Employment Opportunity	Low: Has all applicable listed policies, no compliance concerns (1)	
Inventory Controls	Americans with Disabilities Act		
HIPAA - (Health Insurance Portability and Accountability Act)	Civil Rights	Medium: Some policies in development or compliance improvements in process (10)	Please explain
FERPA (Family Educational Rights and Privacy Act)	Conflict of Interest		
Confidentiality: Client or Financial Records	Drug Free Workplace	High: Significant concerns about missing policies, major policy changes needed or compliance issues noted (20)	
Staff Background Checks	Limited English Proficiency		

8

Risk Assessment scores are used to inform planning

Name of Provider	Score	Risk level	HSP monitoring recc'd (y/n)	Date for Monitoring	Notes for follow up
Wayfarer House - Emergency Shelter	80	Medium	Yes	June 2024	Under new leadership
Amanda's Place - Emergency Shelter	150	High	Yes	May 2024	Multiple resident complaints, invoices frequently returned due to questionable expenses
New Hope -Rapid Rehousing & Homelessness Prevention	50	Low	No		Monitored last year, strong exits to permanent housing
St. Michael's Home - Emergency Shelter and Rapid Rehousing	90	Medium	Yes	June 2024	Not monitored last year, shelter has Performance Improvement Plan - low exits to Permanent Housing

INSTRUCTIONS

Providers requiring a risk assessment: The 2024 Subrecipient Risk Assessment tool includes the HSP grant, and should be completed for all providers receiving funding from any of the aforementioned grants administered under the DHCD Homelessness Solutions Program portfolio. **Entitlement jurisdictions receiving direct ESG directly from HUD are not required to include those recipients in this risk assessment.**

Selection for 2024 Monitoring: Grantees are required to monitor all high risk providers and one subrecipient of the HSP 2024 grant

9

Subgrantee Monitoring Plan

Deadline March 15, 2024

■ *Confirmed dates for all subrecipients selected for SFY24 subgrantee monitoring and grants selected for monitoring.*

■ ***If subset of subrecipients are selected****, please include copies of risk assessment for all subgrantees. If all subrecipients will be monitored in 2024, copies risk assessments are not required.*

The CoC Lead Agency monitoring plan informs DHCD of the local monitoring schedule, and is used for DHCD staff to develop our monitoring plan of all HSP Grantees. Grantee is responsible for informing subgrantees of monitoring dates and requirements.

10

Compile Subgrantee Monitoring Plan

Deadline March 15, 2024

- ■ *Confirmed dates for all subrecipients selected for SFY24 subgrantee monitoring and grants selected for monitorin*
- ■ *Copies of all HSP24 subrecipient monitoring reports, and subrecipient responses if concerns or findings were iden*
  you've already submitted HSP 2024 subrecipient reports and responses, please disregard.
- ■ *If subset of subrecipients are selected, please include copies of risk assessment for all subgrantees. If all subreci*
  copies risk assessments are not required.

The monitoring plan informs DHCD of the subgrantee monitoring schedule. Grantee is responsible for informing sub
and requirements.

11

Financial Management Review - Materials

- ■ Match documentation if applicable (award letters, value of in-kind donations, non-cash contributions, etc.)
- ■ Procurement Policies and Procedures
- ■ Procurement documentation for major purchases, e.g., multiple quotes and documentation of approvals (if applicable)
- ■ Policies and procedures for submitting HSP and ESG-CV invoices, or internal policy for how the agency manages financial payments
- ■ Supporting documentation for invoices
- ■ Most recent financial audit results (required if receive more than $750,000/ yr. in federal funds), OR annual financial review
  - ■ Note any findings and plan to resolve (if applicable)

12

Monitoring Conference - Provider Monitoring Tools

Monitoring Conference: Grantee should use the conference to discuss any issues noted during the materials review, along with completing the standard questionnaire.

Grantee Monitoring Conference Tool

Provider Monitoring Conference Tool

Materials Review

Client Record Checklist - Five client files per provider randomly selected for documentation review

Shelter Habitability Assessment - Simple third party assessment tool, must be completed annually

Invoice Supporting Documentation Reviews - Used to verify supporting documentation is complete

Low Barrier Shelter Checklist - Confirms what should and should not be included as eligibility criteria for shelter

Primary Reference for all compliance questions: Homelessness Solutions Program Policy Guide

13

Provider Monitoring Conference

4. SUBGRANTEE STAFFING + BOARD COMPOSITION				
MONITORING ISSUE/PERFORMANCE STANDARD	YES	NO	N/A	COMMENTS
Has the subgrantee established administrative procedures to ensure equal opportunity and nondiscrimination in soliciting and hiring staff?				
Did the subgrantee provide a copy of their Personnel Handbook or Policies and Procedures?				
Does the board include one or more members with lived experience of homelessness?				
5. WRITTEN POLICIES AND PROCEDURES				
MONITORING ISSUE/PERFORMANCE STANDARD	YES	NO	N/A	COMMENTS
Does the subgrantee have written policies and procedures for the HSP and EHP programs, and has staff been provided copies of those policies and procedures?				
Do the subgrantee's written standards reflect all required components, including client eligibility requirements, and are they available upon request? *See Policy Guide Appendix: Quick Reference Guide on Required Policies*				

14

Client Review Checklist

	Documents Required in Client's File		
☐	Date of Client Intake:		
☐	Signed Client Release of Information Form		
☐	Proof of Homeless Status		
☐	Case Notes (with information about household needs, case management, housing, or social service		
☐	Grievance Policy/ Acknowledgement		
☐	Evidence of referrals to social service and other resources:		
	_____		
	_____		
☐	Date Case Closed: _____		

HOMELESS STATUS - Proof of Eligiblity	Comments:
(Check which of the following applies, and only if documented evidence is in the client's file):	
A homeless household is one that lacks a **fixed, regular, and adequate nighttime residence**.	
☐ Household was staying in a public or private place not meant for human habitation (such as wooded areas, cardboard boxes, sidewalks, underpasses, public bathrooms, etc.)	
☐ Household was staying in an emergency shelter, transitional housing, or a motel paid for by a provider.	
☐ Household was fleeing domestic violence.	
☐ Household was exiting an institution, having been there 90 days or less, and was staying in a shelter or place not meant for human habitation prior to institution stay.	
☐ At Risk of Homelessness	

HOMELESSNESS DOCUMENTATION- Written verification of homeless status	Comments:
(Check all that are present in the client's file):	
☐ Third-party documentation (1st)	
☐ Intake worker observations (2nd)	
☐ Self-certification from the individual/family seeking assistance (3rd)	

Shelter Habitability Assessment

Approved	Deficient	Shelter Standards
		1. *Structure and materials* The shelter building is structurally sound to protect the residents from the elements and does not pose any threat to the health and safety of the residents.
		2. *Access* Where applicable, the shelter is accessible in accordance with: a. Section 504 of the Rehabilitation Act (29 U.S.C. 794) and implementing regulations at 24 CFR part 8; b. The Fair Housing Act (42 U.S.C. 3601 et seq.) and implementing regulations at 24 CFR part 100; and c. Title II of the Americans with Disabilities Act (42 U.S.C. 12131 et seq.) and 28 CFR part 35.
		3. *Space and security* Except where the shelter is intended for day use only, the shelter provides each program participant in the shelter with an acceptable place to sleep and adequate space and security for themselves and their belongings.
		4. *Interior air quality* Each room or space within the shelter has a natural or mechanical means of ventilation. The interior air is free of pollutants at a level that might threaten or harm the health of residents.
		5. *Water Supply* The shelter's water supply is free of contamination. (Reviewer should turn on bathroom sink or kitchen faucet to certify water appears sanitary.)

Invoice Supporting Documentation Checklist

Homeless Management Information System (HMIS)

General costs of contributing data to the HMIS designated by the Continuum of Care for the area.

Eligible Costs
- Copy of receipts for purchasing or leasing computers, hardware and software and/or software licensing.
- Copy of receipt(s) for technical support.
- Proof of leasing space copy and charges for utilities associated with the space.
- Copy of timesheet for staff that monitors report and/or review HMIS data.
- Receipt of staff travel for HMIS training.

Administrative Activities

General management, oversight and coordination of the overall HSP program.

Eligible Costs
General management, oversight and coordination
- Copy of recent paystub or timesheet of staff engaged in overall program coordination / administration.

Trainings (HSP State)
- Copy of mileage log, or receipt for purchase of airplane or train ticket for travel to training.
- Receipt for staff hotel/motel stay.
- Receipt for training, or conference.
- Contract and receipt for payment of professional external trainer.

Stipends for representatives with lived experience
- Copy of stipend logs with names, signatures and amount of pay/incentive received for each representative, (if gift cards, food or other incentives) - receipts for incentives purchased. *Must be in alignment with stipend policy, reviewed as part of programmatic review.*

17

Low Barrier Checklist

A	Eligibility and Continued Stay Criteria should include the following:	Does the program require these things? (Yes/No)
1.	Homeless (HUD Definition)	
2.	Age 18 or older	
3.	Ambulatory and not requiring hospital or nursing home care	
4.	Agree to be nonviolent	
5.	Agree not to use or sell drugs or illegal substances on the premises	
6.	Agree to treat other clients, staff and the property with respect	
7.	Agree to obey fire and other safety regulations	
8.	Bed is reserved nightly for client (as long as the criteria above is met)	

B	Criteria that should not be included as a condition of eligibility or continued stay	Does the program require these things? (Yes/No)
1.	Sobriety and/or commitment to be drug free	
2.	Requirements to take medication if the client has a mental illness	
3.	Participation in religious services	
4.	Participation in drug treatment services (including NA/AA)	
5.	Proof of citizenship	
6.	Identification	
7.	Require a referral from the police, hospital or other service provider	
8.	Payment or ability to pay (though saving plans are encouraged)	

18

Monitoring Report and Letter

Once the monitoring conference and review of all documents is completed, the grantee is responsible for compiling a monitoring report detailing any findings or concerns with the provider, and sharing copies with the provider and DHCD.

Proposed template (may be adapted or grantee may use own)

Process:
- Monitoring reports completed and sent to subgrantee and DHCD for our records (Deadline: **January 30, 2025**).
- Subgrantee has 30 days from receipt to respond to any concerns or findings.
- Grantee should forward confirmation that findings or addressed once received, and may request technical assistance if challenges arise.

19

Deep Dive - Maryland's Comprehensive Emergency Shelter Review

In Fall 2023, Maryland DHCD asked all Grantees to complete a comprehensive review of all Emergency Shelter Programs receiving HSP/ESG funds. The review required the following:
- Resident Feedback Survey
- APR Report
- Review Workbook, including:
  - Shelter Profile
  - Staffing Composition
  - Services Provided
  - Staff Training
  - Funding
  - Low Barrier Practices
  - Accessibility
  - Performance
  - Compliance

WE WANT YOUR **FEEDBACK**

SHELTER RESIDENT SURVEY

The State of Maryland is conducting a survey to learn more about the experiences of people residing at homeless shelters and transitional housing to identify opportunities to improve services and shelter conditions.

The 5-minute survey is completely anonymous and does not collect your name or any identifying information. Your shelter will not know whether or not you responded and will not receive your information.

SCAN ME

TELL US WHAT YOU THINK!

20

CoC/LHC Shelter Performance Improvement Action Plan

CoC/LHC leads may add lines, change ranking designations, and/or provide more information than what is listed here to develop a comprehensive plan.

Ranking	Shelter Name & FY24 Grant Amount	Summary of Corrective Action Needed and CoC Implementation Timeline	Proposed FY25 Plan
1		Compliance Concerns: Performance Concerns: Training and TA Needs/Plan:	Continue Funding at Current Levels
2		Compliance Concerns: Performance Concerns: Training and TA Needs/Plan:	Continue funding at current levels, pending completion of a Performance Improvement Plan
3		Compliance Concerns: Performance Concerns: Training and TA Needs/Plan:	Continue funding at current levels, pending completion of a Performance Improvement Plan.
4		Compliance Concerns: Performance Concerns: Training and TA Needs/Plan:	Continue funding at current levels, pending completion of Performance Improvement Plan
5		Compliance Concerns: Performance Concerns: Training and TA Needs/Plan:	Do not recommend for continued funding

21

QUESTIONS?

contact: Suzanne.Korff@maryland.gov

22