

**HOME-American Rescue Plan Program**

**Session 4, Program Administration and Nonprofit Operating  
Expenses**

**Wednesday, October 6, 2021**

Peter Huber: Good afternoon, and welcome to the fourth and final webinar in a series of four webinars that HUD's Office of Affordable Housing Programs is conducting on the newly issued notice implementing the HOME-American Rescue Plan Program.

My name is Peter Huber. I'm the deputy director of the Office of Affordable Housing Programs, or OAHP. I am joined today by Danielle Frazier, director of OAHP's Financial and Information Services Division and Josh Furman, affordable housing specialist in OAHP's Program Policy Division.

We hope you have found this series of webinars helpful to understanding HOME-ARP requirements, and we hope to build on that learning today. Next slide, please.

As a reminder, the American Rescue Plan Act, or ARP, appropriated \$5 billion through the Home Investment Partnerships Program to provide assistance to address homelessness, as well as the needs of several other vulnerable populations. This new source of funds is known as HOME-ARP. HOME-ARP funds are allocated by formula to 651 state and local governments known as participating jurisdictions or PJs.

The first three sessions of this four-part webinar series focused on an overview of HOME-ARP, the allocation plan PJs are required to submit to receive their HOME-ARP grants, qualifying populations and preferences, and the four eligible activity types under HOME-ARP, including rental housing, tenant-based rental assistance, supportive services, and the acquisition and development of non-congregate shelter.

In today's session, we are moving into more of the administration and operations parts of HOME-ARP. We will discuss nonprofit operating and capacity building assistance under HOME-ARP. We'll also discuss the 15 percent administration and planning allowance available to PJs.

Finally, we will discuss the PJ's administration of its HOME-ARP program, including its responsibilities, written agreement and recordkeeping requirements, financial and grants management, and reporting requirements. Now, I'd like to turn things over to Josh Furman to discuss HOME-ARP nonprofit operating and capacity building assistance. Josh?

Josh Furman: Thanks, Peter. Hi, everybody. I'm going to get us started today by reviewing the requirements related to using HOME-ARP funds to provide operating assistance or capacity building assistance to nonprofit organizations in order to help them carry out ARP activities. What I'll be covering today can be found on page 67 and 68 of the ARP notice, if you're planning to follow along. Next slide.

So, to begin with, PJs may use up to five percent of their HOME-ARP allocation to pay the operating expenses of CHDOs and other nonprofit organizations that are carrying out HOME-ARP activities. PJs may also use up to an additional five percent of their HOME -- excuse me,

HOME-ARP allocation to pay eligible costs related to developing the capacity of eligible nonprofit organizations to successfully carry out HOME-ARP eligible activities.

And similar to how home -- the home regulations handle providing operating expense assistance to CHDOs, PJs may only award operating expense assistance or capacity building assistance to an organization if they reasonably expect to provide HOME-ARP funds to that organization or HOME-ARP activities within 24 months of the award. Next slide.

The notice provides specific examples of the types of costs that are allowed under each of these two types of assistance. The notice defines operating expense assistance as reasonable and necessary costs for operating a nonprofit. These costs include employee salaries, wages, and other employee compensation and benefits; employee education; training and travel; rent; utilities; communication costs; taxes; insurance; equipment; materials; and supplies.

Now, if you look at this list of eligible costs that I've just outlined, you'll notice that these costs are relating to running an organization and not the cost of developing units or providing specific services or activities, or ARP activities. Next Slide.

And the notice really drives home this distinction further by clarifying that HOME-ARP funds that are used for operating expenses must be used for general operating costs of the organization. And when we say general operating costs, we mean costs that do not have a particular final cost objective, such as a project or an activity, and must not be directly assignable to a HOME-ARP activity or project.

For example, HOME-ARP funds for operating expenses may not be used for staffing costs to provide supportive services under ARP or administer a TBRA program or develop ARP rental housing. Those costs would be considered project delivery costs or soft costs. And HOME-ARP project delivery costs are those that, as I kind of mentioned, that are allowable costs incurred for implementing and carrying out eligible HOME-ARP projects or activities. And they're tied to these specific activities and can be paid with HOME-ARP funds provided that they are included in a written agreement for the activity.

And again, they cannot be paid for -- these project delivery costs cannot be paid for with nonprofit operating expense or capacity building assistance. All right, I just wanted to make sure I drove home that point for you. Next slide.

So, in terms of the second five percent that can be used for capacity building assistance, capacity building expenses are defined as reasonable and necessary general operating costs that will result in the expansion or improvement of an organization's ability to successfully carry out eligible HOME-ARP activities.

Eligible costs include salaries for new hires, including wages and other employee compensation and benefits, employee training or other staff development that enhances an employee skill set and expertise, equipment like software and materials and supplies, and contracts or technical assistance or for consultants with expertise related to HOME-ARP qualifying populations. Next slide.

So, in addition to the five percent limit that we have placed on operating expense assistance and capacity building assistance, there are limits set on the amount that can be used in a specific year. So, in any fiscal year, operating assistance provided to a nonprofit organization may not exceed the greater of 50 percent of the general operating expenses of the organization for that fiscal year or \$50,000.

And that same limitation applies to capacity building: greater than 50 percent of general operating expenses or \$50,000. Now, if an organization receives both operating assistance and capacity building assistance, the actual amount of the assistance it receives cannot be greater than 50 percent of the organization's total operating expenses for that fiscal year, or \$75,000. Next slide.

And to use these funds, a PJ must enter into a written agreement with a CHDO or a nonprofit that describes the amount and uses of the HOME-ARP funds for operating expenses or capacity building. And a PJ is considered to have committed operating expense assistance or capacity assistance when it enters into that legally binding agreement with the nonprofit to provide that assistance.

The notice has additional information on written agreements that apply to capacity building and operating expenses on page 81.

Lastly, I just want to point out that HUD has established separate fund types in IDIS for operating expense assistance and capacity assistance to help us track and ensure that the limitations are met. For HOME-ARP nonprofit operating, that's going to be CO fund type. And for capacity building it will be a CB fund type. Next slide.

Now, I'll pass the presentation back to Danielle Frazier.

Danielle Frazier: Thank you, Josh. I'm going to discuss administrative and planning allowances available to participating jurisdictions, as well as discuss a portion of a participating jurisdiction's administration of its HOME-ARP program, then turn it over to Peter to finish this session and wrap things up. Next Slide.

As Caitlin [ph] mentioned in the first webinar, the HOME-ARP allocation plan must be submitted to HUD as a substantial amendment to a PJ's FY 2021 annual action plan. PJs may spend up to 15 percent of its HOME-ARP allocation for payment of reasonable administrative and planning costs. Please note that this is a separate amount from what Josh was just discussing earlier, so those will be from separate. You automatically get 15 percent for your admin.

Also, this is an increase in admin from the HOME program, which is 10 percent. HUD obligated the HOME-ARP funds on September 20th, 2021, and PJs are now allowed to incur and expend up to five percent of its admin, as described in the notice, as well as that 24 CFR 29.207.

Prior to HUD's acceptance of a PJ's allocation plan, PJs are only permitted to incur and expend HOME-ARP funds on eligible administrative and planning costs. Funds under the HOME-ARP

program may not be expended to pay for any HOME program costs. And also a portion of or any of the PJ's program income may not be used to pay for administrative and planning costs. Next slide.

Once HUD accepts your HOME-ARP allocation plan, the remainder of the grant will be made available to PJs. If a PJ does not submit a HOME-ARP allocation plan or if it isn't accepted within a reasonable period of time, all administrative and planning costs incurred by the PJ will be considered ineligible costs, and any of these funds expended by the PJ must be repaid to the PJ's HOME-ARP Investment Trust Fund Treasury accounts.

In order to provide administrative and planning costs to a subrecipient or contractor before allocation plan approval, the plan must identify or at the minimum include a description of responsibilities of any subrecipients or contractors that will be responsible for the PJ's entire HOME-ARP Award. If this is not included in the allocation plan, any administrative and planning costs incurred or expended by a subrecipient or contractor will also be considered ineligible, and any funds expended will be required to be repaid to the PJ's HOME-ARP Investment Trust Fund Treasury accounts. Next slide.

What are reasonable administrative and planning costs? Well, these costs include reasonable costs for the management, coordination, monitoring, and evaluation of the overall HOME-ARP program. Salaries, wages, and related costs of the PJ's staff. If a PJ charges costs to this category, the PJ may either include the entire salary and related costs allocable to the HOME-ARP program of each person whose primary responsibilities are program administration for the HOME-ARP program or the prorated share of the salary, wages, and related costs of each person whose job includes any program administrative assignments. A PJ may only use one of these two methods. For more information, please review the notice for further details on this.

A PJ may also expend funds for the provision of information and other resources to residents and/or citizen organizations that participate in the planning, implementation, or assessing of projects that are assisted with the HOME-ARP funds. A PJ also may expend funds towards activities that are done to affirmatively further fair housing. Please note that these activities must be in accordance with 24 CFR 5.151 and the PJ certification as required by the notice in 24 CFR 5.152. Next Slide.

Indirect costs may also be charged to administrative and planning costs as long as it's under a cost allocation plan, and given that it is prepared in accordance with 24 CFR Part 200, Subpart E as amended. You may also prepare your HOME-ARP allocation plan and expend funds for the cost of public hearings, costs of consultants, and cost of publications for this plan.

And lastly, cost of complying with the applicable federal requirements in 24 CFR Part 92, subpart H. This includes costs for project specific environmental reviews that may be charged as administrative for project delivery costs in accordance with 24 CFR 92.206(D)(8). However, remember this is at the discretion of the PJ. Next slide.

PJs may provide all or a portion of its HOME-ARP administrative funds to subrecipients or contractors that are administering activities on behalf of the PJ. These could be organizations

such as a COC entity or another nonfederal entity. As previously stated, the date of obligation of HOME-ARP funds and prior to HUD's acceptance of the HOME-ARP allocation plan, a subrecipient or contractor may only incur and expend HOME-ARP funds for eligible administrative and planning costs if the sub recipient or contractor is responsible for the use of the PJ's entire HOME-ARP award.

Let me repeat that just to make sure everyone understands that. If the subrecipient or contractor is responsible for the use of the PJ's entire HOME-ARP award. In addition, there must be an executed HOME-ARP written agreement that complies with 24 CFR 92.504 and the HOME-ARP notice.

PJs must also identify the subrecipient or contractor administering the PJ's entire HOME-ARP award and describe the responsibilities in the HOME-ARP allocation plan. Next slide.

In addition, all costs must comply with the cost principles contained in subpart E of the uniform administrative requirements, cost principles, and audit requirements for federal awards at 2 CFR part 200 as amended and better known as the Uniform Administrative Requirements. Next Slide.

Okay. I will now discuss some program administrative -- administration and Peter will hand -- I'll hand it over to Peter halfway through this. Next slide, please.

**PJ Responsibilities.** PJs are responsible for managing and overseeing the day-to-day operations of its HOME-ARP program. PJs are responsible for ensuring that HOME-ARP funds are committed and expended in accordance with all program requirements and written agreements. PJs must take appropriate action when performance problems arise, and the use of state recipients, subrecipients, or contractors does not relieve the PJ of this responsibility. Next slide.

Before a PJ can disburse HOME-ARP funds to any entity, the PJ must enter into a written agreement with the Entity pursuant to 24 CFR 92.504. Similarly, funds disbursed to a state recipient, subrecipient, or contractor, there must be a written agreement with the entity that complies with 24 CFR 92.504 and the HOME-ARP notice.

A written agreement must require compliance with the requirements of the HOME-ARP notice at all times. Please note, contents of each written agreement will vary upon the role of the entity it has asked to assume or the type of project that will be undertaken by that entity. More importantly, and very important to point out is that a written agreement cannot commit to providing HOME-ARP funds after the end of the HOME-ARP grant expiration or also known as the budget period.

Please review the written agreement section of the notice, where details are provided on basic requirements by activity and the minimum provisions that must be included in a written agreement in addition to those described at 24 CFR 92.504. I would like to point out that the written provisions in 24 CFR 92.504 that reference requirements of 24 CFR 92.350, 92.351, and 92.359 are not waived and apply to all HOME-ARP written agreements. Next slide.

Okay. As mentioned multiple times now in this session and the previous session, HUD obligated the HOME-ARP grants on September 20th and PJs should have received a copy of their grant agreement to execute and return to HUD. If you haven't signed and returned the grant agreement, please do so as soon as possible. This will ensure that your five percent for administration and planning is available in IDIS to disburse.

By signing the grant agreement, the PJ agrees that funds invested in affordable housing under the HOME-ARP notice are repayable if the housing no longer meets the requirements of the notice during the compliance period or the non-congregate shelter no longer meets the requirements of the notice during the restricted use period.

The PJ also agrees to assume all responsibility for environmental review, decision making, and actions as required in the regulations at 24 CFR 92.352 and 24 CFR part 58. The budget period for HOME-ARP grants begins on the date HUD obligates the HOME-ARP funds, which was September 20th. Grants will expire on September 30, 2030. I'll just repeat that again. Grants will expire on September 30th, 2030.

This means the PJ may not expend any funds after this date. After September 30th, any funds remaining in a PJ's HOME-ARP Investment Trust Fund Treasury account will not be made, will not be available to commit or expend and must be recaptured by the U.S. Treasury. I just want to reiterate this because I know this is a little bit different, but the PJ may not draw down or expend any funds after this date. After September 30th, any funds remaining in a PJ's HOME-ARP Investment Trust Fund account will be recaptured by the U.S. Treasury.

The period of performance has the same start and end date as the budget period. All HOME-ARP projects and activities must be completed by September 30th, 2030. However, the PJ may continue to report in IDIS its beneficiary and completion data. And finally, single audits of PJs, state recipients, and subrecipients must be conducted in accordance with subpart E of the uniform administrative requirements. Next slide.

HOME-ARP grants will be closed out in accordance with 2 CFR part 200, subpart D, just like the HOME program. But before the grants can be closed out administratively, all HOME-ARP funds must be extended, all HOME-ARP activities must be completed in IDIS, and all beneficiary and completion data must be entered into IDIS. In addition, any monitoring findings or audits must be closed out before we can close out your grants.

HUD will use IDIS to close out these grants once all the closeout requirements have been met. HUD will provide additional guidance as we get closer to the end of the period of performance and we get towards closing out these grants. Next slide.

The requirements of 2 CFR part 200 as amended apply to all PJs, state recipients, and subrecipients receiving HOME-ARP funds. Please refer to the HOME-ARP notice for provisions that are not applicable. I do want to point out if there is a conflict between definitions in 2 CFR part 200 and 24 CFR part 92, the definitions in 24 CFR part 92 govern. Also, if there is a conflict between the provisions of 2 CFR part 200 and the provisions of the notice, the provisions of the notice will govern. Now, I'd like to turn it over to Peter to continue. Peter?

Peter Huber: Thanks, Danielle. I'm going to pick things up here with financial management and get right into it with the HOME-ARP Investment Trust Fund. So, for each PJ, HUD will establish a HOME-ARP Investment Trust Fund Treasury account, which we'll refer to as the Treasury account for HOME-ARP funds.

The Treasury account includes all HOME-ARP funds allocated by formula to the PJ. So, the PJ's grant. And any HOME-ARP funds repaid by the PJ. And we'll talk about repayments here in a few minutes. The PJ must establish a HOME-ARP Investment Trust Fund local account, which we'll refer to as the local account.

As described in CPD Notice 2110 and the HOME regulation at 4 CFR 92500. So, the HOME-ARP local account is going to consist of funds drawn down from the PJ's Treasury account and any program income received from the use of HOME-ARP funds. We'll talk more about program income later as well.

The PJ may use either a separate local account or a subsidiary account within its general fund as the HOME-ARP local account. The local account must be interest bearing, and the PJ may not use the same local account that it uses for its regular HOME program's local account, so there must be separate accounting of HOME funds and HOME-ARP funds in their respective local accounts.

Again -- and one question we've received numerous times over the past two weeks, and you've heard us say this a few times today. All HOME-ARP grants expire on September 30th, 2030, and any funds remaining in the PJ's Treasury account at that time will be recaptured by the United States Treasury. Neither the PJ nor HUD can prevent that recapture. So, it's absolutely critical that all HOME-ARP funds are expended by that date. Next slide, please.

And as far as program income is concerned, there's one pretty significant change for HOME-ARP that we'll discuss on this slide. So generally, what is program income? Program income is the gross income received by the PJ generated from the use of HOME-ARP funds during the grant period of performance. This is going to include, but it's not limited to, principal and interest payments from a loan made with HOME-ARP funds, other income or fees received from project interests in connection with HOME-ARP funds, and interest earned by the PJ on program income before its disposition.

So, here's the big difference that I mentioned. Program income earned from the use of HOME-ARP funds is HOME program income and must be used in accordance with the requirements of 24 CFR part 92 or the HOME Regulations. So let me repeat that. Program income earned from the use of HOME-ARP funds is HOME program income and must be used in accordance with the requirements of the HOME Regulations, so for eligible home activities.

All HOME-ARP program income must be deposited in the PJ's HOME-ARP local account unless the PJ allows a state recipient or subrecipient to retain the program income for additional home projects. HOME-ARP program income must be recorded as a HOME program income receipt in IDIS, and used in accordance with the requirements for HOME program income.



For HOME, for any HOME-ARP program income that the PJ allows a state recipient or subrecipient to retain, the PJ must record that as a HOME program income receipt in IDIS and then subgraph the program income back to the state recipient or subrecipient. Next slide, please.

So, I want to spend a minute talking about repayments. We're not expecting PJs to have to repay funds. Obviously, that's not something that we like to see. We want our PJs to use HOME-ARP funds for their intended purpose. However, there may be times when a repayment's required. So, for example, the PJ must repay HOME-ARP funds when the HOME-ARP funds were used for ineligible activities or costs. So, activities or costs not eligible under the requirements of CPD Notice 2110.

The PJ must repay HOME-ARP funds when the funds were invested in a project that's terminated before completion. Whether that termination was voluntary or involuntary. The PJ must repay HOME-ARP funds when the funds were invested in HOME-ARP rental housing or non-congregate shelter activities that did not meet HOME-ARP requirements for the applicable time period specified in CPD Notice 2010. So, for HOME-ARP rental housing, that's the 15-year minimum compliance period. For HOME-ARP non-congregate shelter activities, that's the 10 or 15-year restricted use period that was described during Monday's webinar.

Any repayment of HOME-ARP funds must be made by the PJ because HUD's agreement is with the PJ. And repayment would be made with non-federal funds, and those funds would be repaid to the PJ's HOME-ARP Treasury account. So big difference here from regular HOME guidance. In regular home, the PJ can repay his local account and record that repayment as an IU receipt fund type in IDIS. There is no IU receipt fund type for HOME-ARP, so those repayments must be made to the PJ's HOME-ARP Treasury account.

The good news is that any funds the PJ repays before September 30th, 2030 may be used by the PJ for other HOME-ARP eligible costs. The bad news is that after that date, any funds repaid would be recaptured by the United States Treasury, and those funds would not be available for the PJ's use. Again, HOME-ARP funds may not be repaid to the PJ's local account. They must be repaid to the Treasury account. Next slide, please.

So, the PJ is going to use HUD's integrated disbursement and information system or IDIS to administer its HOME-ARP funds. Generally, this includes requests for disbursements of HOME-ARP funds from the PJ's Treasury account and reporting on the use of HOME-ARP funds. And again, PJs must report all program income in IDIS. More specifically, the PJ will use IDIS to submit its HOME-ARP allocation plan as an attachment to the AD25 or AD26 screen in the Econ Planning Suite.

A PJ will use IDIS to set up new HOME-ARP rental, non-congregate shelter, tenant-based rental assistance, supportive services, administration and planning, and nonprofit operating and capacity building assistance activities. So, each of those has their own activity type in IDIS.

The PJ will be able to subgrant HOME-ARP funds to state recipients and subrecipients in IDIS, like regular HOME. The PJ will fund activities with HOME-ARP funds in IDIS and draw down

HOME-ARP funds from its Treasury account into its local account to expend for eligible costs. And finally, the PJ will use IDIS to report its HOME-ARP accomplishments, and I will talk much more about reporting here in a minute.

There are no HOME-ARP receipt fund types in IDIS. So, you know how regular HOME has PI, HP, and IU receipt fund types for program income, recaptured home buyer funds, and repayments to the local account. None of those receipt fund types exist for HOME-ARP in IDIS. As we discussed, HOME-ARP program income is HOME program income and must be reflected as a HOME PI receipt in IDIS.

There's no HP receipt fund type because there are no homebuyer activities in HOME-ARP. So, there are no recaptured homebuyer funds. Finally, there is no IU receipt fund type because all HOME-ARP repayments must be made to the PJ's Treasury account, and local account repayments are not allowed in HOME-ARP.

The requirements of 24 CFR 92.502(c)(3) do not apply to HOME-ARP funds. This regulation requires home funds in the local account to be disbursed before funds in the Treasury account. Because there are no funds in the HOME-ARP local account other than funds that are drawn from Treasury and program income, which must be used in accordance with the HOME program income requirements.

Funds in the HOME-ARP local account do not have to be disbursed before HOME-ARP funds that are drawn from the Treasury account. So, for example, if the PJ needed to draw HOME-ARP funds to pay eligible costs and had a HOME-ARP -- and had HOME-ARP program income in its local account waiting for an eligible HOME cost to pay, it would not have to draw the program income first because those funds will be paying a regular HOME cost and not a HOME-ARP cost. Next slide, please.

So, IDIS users that have HOME privileges in IDIS will have the same privileges for HOME-ARP and do not need to request a different level of IDIS access for ARP. For new IDIS users, please submit the IDIS online access request form, which is HUD form 27055, and that form can be found at the at the link on -- I guess the link's not there. But when the slides are available, the link will be there. It can be found on the HUD Exchange IDIS page.

HUD will govern access to IDIS by other entities. Typically, only states and local governments may have access to IDIS. For HOME-ARP only PJs and state recipients, if they're permitted by the state, may request disbursement of HOME-ARP funds in IDIS.

You heard Danielle, discuss the written agreement requirements earlier this afternoon. A signed and dated written agreement is required before any HOME-ARP funds may be disbursed from IDIS. Also, the PJ may not draw down HOME-ARP funds from its Treasury account in advance of need to pay eligible costs.

So, funds can't be drawn down and placed in an escrow or advanced in lump sums to state recipients, subrecipients, project owners, service providers or landlords or tenants, except that funds may be drawn down for a HOME-ARP rental project for an operating cost assistance

reserve or reserve replacement. And HOME-ARP funds may be drawn down for a replacement reserve as part of a non-congregate shelter activity in accordance with the requirements of CPD Notice 2110. Next slide, please.

Okay. Continuing on with financial management and IDIS requirements for HOME-ARP. Like with regular HOME, HOME-ARP funds drawn down from a PJ's HOME-ARP Treasury account must be expended for eligible costs within 15 days of drawdown. Any interest the PJ earns in that 15-day period may be retained by the PJ as HOME program income. Those funds would remain in the PJ's HOME-ARP local account and be recorded in IDIS as a HOME program income receipt.

Any HOME-ARP funds that were drawn down by the PJ and not expended for eligible costs within 15 days must be returned to HUD for deposit in the PJ's Treasury account. In those cases, any interest earned after 15 days belongs to the United States and must be remitted to the United States as provided for in 2 CFR 200.305(b)(9). Except that interest earned up to \$500 per year may be retained by the PJ for its administrative expenses.

And finally, the PJ may commit additional HOME-ARP funds to a project up to one year after project completion. Next slide, please.

Okay, folks, let's move on and start to talk about reporting. CPD Notice 2110 requires the PJ to submit reports in a format and at such time as prescribed by HUD. For HOME-ARP, like with regular HOME, that reporting is primarily going to be through IDIS. The PJ must require -- the PJ must enter the required HOME-ARP data elements timely in IDIS. And we'll go over the timing of reporting here a second.

For existing HOME IDIS users, the good news is HOME-ARP reporting in IDIS is going to look and feel a lot like reporting in IDIS for regular HOME, with some notable exceptions. And keep in mind that HUD and HUD's Office of Inspector General, or the OIG, may access all information related to the selection, award, and use of the PJ's HOME-ARP funds.

As far as reporting HOME-ARP accomplishments in the PJ's Consolidated Annual Performance and Evaluation Report, or the CAPER, HUD will issue guidance about reporting on HOME-ARP activities in the PJ's CAPER in the future. So be on the lookout for that guidance. I should also mention here that we've received a few questions about HMIS and using HMIS from ARP.

PJs may use HMIS to track beneficiaries of HOME-ARP activities, and that may be especially useful for HOME-ARP supportive services activities for which aggregate quarterly reporting is required in IDIS. However, the use of HMIS is not required for HOME-ARP. Next slide, please.

So, let's talk a little bit about what PJs are required to report in IDIS. For HOME-ARP rental activities, the PJ must enter complete project completion information when it completes the activity in IDIS, except the assisted units can be marked vacant until they are occupied by eligible households.

So, like with regular HOME, the PJ is going to want to complete the activity in IDIS, the rental activity, in IDIS, when it meets the project completion requirements outlined in CPD Notice 2110, even if not all of the assisted units are occupied. Once the units become occupied, the PJ will need to reopen the activity and add the beneficiary information for the recently occupied units until occupancy is reported for all HOME-ARP assisted rental units.

The information reported for HOME-ARP rental activities is exactly the same as the information reported for regular HOME rental activities, with one significant exception. PJs will be required to report on the qualifying population of the initial occupant of a HOME-ARP assisted rental. If the unit's occupied by a household that is a member of a qualifying population, the PJ does not need to report on the income range of the occupied household.

If the unit is not occupied by a household that's a member of a qualifying population, the user will select low-income household on the HOME completion beneficiary screen and must also enter the income range of the eligible low-income household. So, the unit can either be occupied by a qualifying population household or a low-income household. And when you're reporting HOME-ARP beneficiary information, the PJ is going to have to select which member of which qualifying population or low-income household the beneficiary household is.

So, moving on to non-congregate shelter, For HOME-ARP, non-congregate shelter reporting in IDIS, the PJ must enter project completion information when it completes the activity in IDIS. The PJ must provide information about the location of the shelter units and the number of units. However, the PJ is not required to report about the beneficiaries or occupants of the shelter units. This is because HOME-ARP funds cannot be used for shelter operations. The eligible activity is the acquisition or development of non-congregate shelter.

Another thing that's different from regular HOME, the PJ must report on the disposition of any HOME-ARP assisted non-congregate shelter activity that's later converted to another eligible use. So, this would be for conversion of non-congregate shelter to another eligible use. This reporting would be done at the time of conversion, and it will require the PJ to reopen the non-congregate shelter activity in IDIS and enter the conversion information before re-completing the activity. Next slide, please.

So, let's move on and discuss reporting for tenant-based rental assistance activities in IDIS. For TBRA, the PJ must report household level information at the time assistance is provided. The PJ is required to report on the qualifying population of the beneficiary household for all whom ARP and TBRA activities because assistance must be provided to households that are qualifying populations.

One new IDIS enhancement that affects both HOME-ARP and TBRA reporting and reporting on TBRA under the regular HOME program is that activity funding for TBRA activities is limited to the amount of assistance provided to the households assisted under the activity. So, I'll give you an example. If rental assistance of \$1,000 per month for 12 months is contracted to be provided to an eligible household, the PJ's activity funding for that specific activity would be limited to \$12,000.

If there were two households assisted under the -- at the same time, let's say, under an activity and the first received \$1,000 per month for 12 months, and the second received \$1,000 per month for 24 months, the activity funding would be limited to \$36,000 for that activity. The PJ may also add eligible project delivery costs to the activity, which would be factored into the activity funding limitation for TBRA activities.

When no additional households will be assisted under the HOME-ARP TBRA activity and all the funds committed have been disbursed, the PJ must change the activity status to complete. And let's turn our attention to HOME-ARP supportive services activities. There are some big differences here from how PJs typically report on HOME activities.

So, for supportive services, activities only, the PJ is required to report quarterly in IDIS for each quarter in which services are provided. The quarterly HOME-ARP supportive services report is due by the 30th day after the end of each calendar quarter. So quarterly in IDIS, the PJ is required to report on the aggregate number of homeless and not homeless households assisted under the broad categories of supportive services and housing counseling.

The PJ must report in the aggregate on the race and ethnicity, household size, and household type of all households assisted. No specific client level data is required to be reported for HOME-ARP supportive services activities. So, this is all aggregate reporting. We're not having specific households or specific client level data identified in IDIS for supportive services activities.

Okay, so I know that was a lot to unpack as far as IDIS reporting for HOME-ARP. You should be on the lookout for additional guidance on IDIS reporting. And also, don't forget to send your specific HOME-ARP IDIS questions into the Ask a Question portal on HUD exchange. Next slide, please.

Okay, let's talk for a few minutes about the HOME-ARP recordkeeping requirements. There's plenty of detail in CPD Notice 2110 about the specific recordkeeping requirements for HOME-ARP, but at a high level, the PJ must establish and maintain sufficient records to enable HUD to determine whether the PJ meets the requirements of the notice.

So, at a minimum, the PJ must maintain program records, project records, financial records, program administration records, and records concerning other federal requirements. Again, these are broad categories of types of records, and you're going to want to review the notice for the specific recordkeeping requirements for each of those categories.

The PJ must require its state recipients and subrecipients to keep the program project, financial program administration records and records concerning the other federal requirements and any other records that the PJ determines to be necessary. The PJ doesn't have to duplicate the recordkeeping done by its state recipients or subrecipients, but the PJ must keep records concerning its annual review of their performance and compliance of each state recipient and subrecipients.

Generally, all records must be retained for five years unless there are different record retention requirements specified in CPD Notice 2110. And finally, the PJ must provide citizens, public

agencies, and interested parties with reasonable access to HOME-ARP records consistent with applicable state and local laws. A next slide, please.

CPD Notice 2110 sets forth specific confidentiality requirements for HOME-ARP activities. The notice requires that all entities assisted with HOME-ARP funds must develop, implement, and maintain written procedures that ensure first that all records containing the personally identifying information of any individual or family will be kept secure and confidential.

And second, that the address or location of any HOME-ARP program participant or non-congregate shelter or rental housing project that's exclusively for individuals fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, or human trafficking will not be made public except as necessary where making the address or location public does not identify occupancy of the non-congregate shelter or rental housing.

Regarding documenting the status of a qualifying population that is fleeing or attempting to flee domestic violence, dating violence, stalking, sexual assault, or human trafficking, if an individual or family qualifies for HOME-ARP assistance under that qualifying population, an acceptable evidence includes an oral or written statement by the qualifying individual or head of household seeking assistance that they are fleeing that situation.

An oral statement may be documented by a written certification by the individual or head of household or a written certification by a service provider, an intake worker, social worker, legal assistance provider, health care provider, law enforcement agency, a pastoral counselor or any intake worker in any other organization from whom the individual or family sought assistance.

And the written documentation only needs to include a minimum amount of information that the individual or family is fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, or human trafficking, and does not need to include any additional details about the conditions that prompted the individual or family to seek assistance. Next slide, please.

The CPD Notice 2110 states that HUD will review the PJ's performance of its use of HOME-ARP funds and its compliance with the requirements of the Notice. HUD's performance review may include remote or onsite monitoring, the review of IDIS data or reports, and assessment of documents requested from the PJ, subrecipient, or other entity, and inquiries resulting from the from external audit reports, media reports, or citizen complaints, among other items.

HUD's review of a PJ's performance in administering its HOME-ARP program will include a review of the PJ's timely use of HOME-ARP funds for eligible activities, including the PJ's progress committing funds to projects, the PJ's progress expending funds for individual projects or activities, the PJ's compliance with the requirement to place a project in service as required in CPD Notice 2110, and the PJ's compliance with the four-year project completion deadline for rental housing and non-congregate shelter activities.

So, monitoring exhibits for HOME-ARP will be developed in the future. And HUD will be monitoring HOME-ARP PJs using those exhibits. Next slide, please.

So, as we wrap up today's session and really this four-part webinar series, I want to call your attention to the HOME-ARP HUD Exchange Web page at [www.HUDEXchange.Info/programs/HOME-ARP/](http://www.HUDEXchange.Info/programs/HOME-ARP/). Hopefully, you already know about this page and have maybe visited it already. On this page, you'll find policy guidance, training, and other HOME-ARP resources. And this website will be growing as more materials are added.

Under policy guidance on the HUD Exchange page, we'll find CPD Notice 2110 requirements for the use of funds in the HOME-ARP program, which we've been calling out today and in the previous webinars, we've been calling it the HOME-ARP implementing notice. And as I said, we've been referencing it throughout the webinar series.

You can also find a series of HOME-ARP fact sheets, including fact sheets about getting your HOME-ARP grant and the HOME-ARP allocation plan. You'll also find the allocation plan certifications and the allocation plan template here.

You'll find additional fact sheets on HOME-ARP non-congregate shelter, HOME-ARP nonprofit operating and capacity building assistance home, HOME-ARP Rental Housing Home, HOME-ARP Supportive Services and HOME-ARP tenant-based rental assistance.

Finally, there is a handy home PJ CoC crosswalk that will help HOME-ARP PJs to identify the continuum of care within their jurisdiction. Next slide, please.

We're wrapping up this webinar series today, but you will have access to recordings of the four webinars, including the September 27th overview of HOME-ARP and CPD Notice 2110, qualifying populations and allocation plans. The September 29th webinar about preferences, referral methods, and rental housing under HOME-ARP; the October 4th webinar on HOME-ARP tenant-based rental assistance, supportive services, and non-congregate shelter activities; and today's webinar on HOME-ARP program administration, administration and planning funds, and nonprofit operating and capacity building assistance.

As mentioned early on, we do have plans for an office hour session based on the questions we've received during these webinars and other frequently asked questions. We also plan on conducting a more in-depth webinar on HOME, HOME-ARP allocation plans for PJs and a future webinar that reviews non-congregate shelter project profiles.

So, if you have not done so yet, I urge you to subscribe to the HOME-ARP mailing list to keep you informed about any upcoming guidance, training, and technical assistance. You can subscribe to the HOME-ARP mailing list at [www.HUDEXchange.Info/maillinglist/subscribe/](http://www.HUDEXchange.Info/maillinglist/subscribe/).

And I should mention that the HOME-ARP mailing list is separate from the HOME mailing list, so you will want to make sure that you're signed up for both the HOME-ARP mailing list and the HOME mailing list. Next slide, please.

So finally, on behalf of HUD's Office of Affordable Housing Programs, I would like to thank all of you for participating in these four webinars over the past few weeks. And for all the work that you do out there in your communities to provide decent, safe, sanitary, and affordable housing to

the nation's most vulnerable. We applaud your work and we appreciate the partnership we have with you. We look forward to continuing that partnership under HOME-ARP. Thank you.

(END)