As part of the Coronavirus Aid, Relief, and Economic Security (CARES) Act, many communities will receive a significant one-time allocation of funding through the Emergency Solutions Grants (ESG) program—referred to as "ESG-CV" funds—that can be used to quickly rehouse individuals and families experiencing homelessness and disproportionately at risk of COVID-19. ESG-CV recipients and subrecipients will need to record data about those assisted with ESG-CV funds in their Continuum of Care (CoC)'s Homeless Management Information System (HMIS). Here are several key budgeting and staffing considerations to guide HMIS Leads, CoC leadership, and ESG recipients when prioritizing HMIS funding using ESG-CV.

HMIS Expenses

Examples of regular HMIS costs include staffing, vendor contracting, office space, communications, insurance, travel expenses, equipment, internet service, building repairs and maintenance, software, and indirect staffing costs. There are adjustable costs (costs that change over time) and fixed costs (costs that do not change save for nominal inflation adjustments). The key component to successful budgeting is to understand all the costs in your budget and how they will change with the addition of the CARES Act funds being tracked in HMIS. Most organizations operate on a fiscal year cycle so that budgets can be developed, managed, and adjusted as needed based on actual expenditures. Staff costs will vary based on the skills needed to perform the job and where the position is located. Communities can utilize the U.S. Bureau of Labor and Statistics (BLS) wage data to estimate costs; data is provided by BLS for the nation, regions, states, and many metropolitan and nonmetropolitan areas.

HMIS Budgeting

Using data to develop budget priorities is critical. In addition to thoroughly reviewing past year budgets and expenditures (various accounting systems can provide overviews and detailed spending), consider developing analyses of items. To determine optimal budgeting priorities, these analyses can include **volume** (size of CoC, numbers of clients to be served, current staffing ratios), **frequency** (numbers of reports or trainings to be produced, anticipated increase in helpdesk utilization, numbers of systems to be used to submit reports, data entry timeliness requirements), and **performance** (employee absence rates, staffing turnover rates, system performance measures compared to staffing ratios). Apportioning actual costs to funder-based activities is also a critical exercise in budgeting. A single funding entity should not be charged a full cost of an activity or staff member when it is used by and benefits multiple funder sources.

Budget Templates

Activities-based budget (examples provided)

Activity #	Description	Annual Cost ($)	Actual Funder Cost ($) (if applicable)	Details/Other Information
1	Vendor Contract	300,000	50,000	Apportioned by funder report volume; frequency
2	Office Space	100,000	20,000	Includes rent, utilities, custodial
…				
		Total	Total	

Full Time Employee (FTE)-based budget (examples provided)

Budget Item #	Description	% FTE on Funder Project	Annual Cost of % FTE ($)	Details/Other Information
1	HMIS System Administrator	25%	25,000	Includes salary, benefits, indirect
2	HMIS Help Desk Staff	50%	50,000	Includes salary, benefits, indirect
…				
		Total	Total	

Performance-based budget (examples provided)

Outcome or Performance #	Description	Assumptions and Scope of Work Clarifications	Annual Cost for Successful Outcome or Performance ($)	Details/Other Information
1	ESG data entry staff trained, supported, and monitored for compliance	Trainings offered on demand; 5 days/week help desk support	100,000	Non-responses from ESG data-entry staff will be documented
2	CoC SPM submitted on time with less than 5% data quality issues	Quarterly submissions will be made	5,000	
…				
		Total	Total	

Know Your System

What HMIS activities are performed, by whom, and what performance or system improvements resulted from them are all useful costs to consider when determining HMIS budgets and staffing structures. Whether it takes one full-time employee to "do it all," or several levels of staff expertise to provide the right mix of knowledge and resolution to the HMIS stakeholders in the community, each approach is unique, dynamic, and complex. A well-conceived HMIS budget may, in fact, include bits and pieces of all of the templates above, though it may take a few tries to understand the complexity and variability of each individual HMIS implementation.

The pandemic has created the impetus for HMIS Leads, CoC leadership, and ESG recipients to understand and coordinate HMIS activities. When prioritizing HMIS funding using ESG-CV, ESG recipients need to ensure proper data collection, monitoring, and reporting for ESG-CV funds which will assist in the response to the immediate crisis and effectively and permanently house people locally and at the national level to eradicate homelessness. Communities that are implementing something new to their HMIS in response to COVID-19 and are looking to understand cost for budgeting considerations can look to other HMIS implementations that administer similar systems. The monthly HMIS Lead and Sys Admin Hub is a means to connect with other HMIS Leads, and communities looking to sign up can email HMIS@cloudburstgroup.com to request access.

Resources

HUD Workshop: HMIS Budgeting Strategies

This session provides HMIS Leads with the tools needed to develop an HMIS budget that meets the data management needs of the community and details strategies to diversify funding of HMIS through federal partner, local, and private funding.

Financial Management 201: ESG Online Module

This online self-paced training provides an overview of ESG financial management. Topics include eligible costs, match requirements and calculation, timeliness/drawdown/expenditure and payment requirements, program income determination and use, and recordkeeping and documentation requirements.

HUD Workshop: Achieving a Quality and Stable HMIS Staffing Pattern

This session provides the keys to identifying and maintaining a strong HMIS staff with a focus on how to hire and develop an effective HMIS team, including strategies for supervision, staff training, and performance evaluations.

ESG Allowable Expenses

This document outlines what HMIS expenses are allowable under the ESG program.

Rapid Expansion of HMIS

This document highlights considerations for communities that are facing a rapid expansion of their HMIS.