Effective Strategies for Implementing State Emergency Solutions Grants (ESG) Programs:

Lessons Learned from State HPRP Administrators

Contents

Introduction

Purpose

Through the implementation of the Emergency Solutions Grants (ESG) Program interim rule, HUD emphasizes the importance of ESG recipients' administrative roles and responsibilities. Recipients are responsible for ensuring that they are planning for and have sufficient oversight for multiple aspects of the grant, including eligibility determination, program participant and cost documentation, monitoring, and collaboration with local Continuums of Care (CoC), among other requirements. While these features can be challenging for all recipients, state recipients face unique challenges–for example, they usually have a larger number of subrecipients, greater geographic diversity and distances between subrecipients, and they are required to coordinate with multiple CoCs.

Many of the requirements under the ESG interim rule are similar to those of the Homelessness Prevention and Rapid Re-Housing Program (HPRP)—a 3-year, $1.5 million program implemented under the American Recovery and Reinvestment Act of 2009, which grantees administered between 2009 and 2012. The experience of State-level HPRP programs provides relevant insights for application by ESG recipients and their administrators, and this document outlines some of these key "lessons learned."

HUD tasked The Cloudburst Group and Abt Associates with the development of this document to provide key strategies and lessons learned based on information provided by HPRP grantees. This document is intended to assist state ESG recipients in administering their programs. It is not intended to provide either specific programmatic guidance or a detailed "how-to" approach. Further, not all strategies will be appropriate for adoption by all states, based on their specific circumstances. However, it does identify and summarize specific strategies and approaches for officials to consider as they implement their ESG Programs to best address the regulatory requirements, particularly related to management and oversight. In addition, once the ESG Program final rule is published, States may decide to use techniques described in this document to establish and communicate changes in policy to subrecipients.

Background

The Cloudburst Group and Abt Associates conducted a series of structured, detailed interviews–with State-level HPRP grantee staff from 20 States and territories, HUD Headquarters HPRP staff, and HUD field office representatives–during the summer of 2012, as HPRP implementation was winding down. These interviews focused explicitly on administrative practices, experiences, and strategies–not on program design or service delivery. The questions posed focused on identifying lessons learned from the particular challenges faced in HPRP implementation, as they might help shape ESG administration going forward. This document, accordingly, focuses on issues associated with strategies and structure of program administration, and intentionally speaks only sparingly to questions of efficacy or impact in homeless prevention or rapid re-housing services implementation.

Organization of this Document

The information that emerged from these interviews can be generally classified in two domains:

- Experience related to the internal agency operations or interaction with other state-level agencies
- Experience related to external operations, particularly interactions with subrecipients

This document is organized accordingly and topics are addressed as follows:

A. Internal Agency Operations

1. Program Planning and Design
2. Developing Administrative Practices, Policies, and Procedures
3. Staff Resources and Responsibilities
4. Enhanced Use of Homeless Management Information (HMIS) Systems

B. External operations and Working with Subrecipients

1. Communications, Technical Assistance, and Training
2. Monitoring Practices
3. Encouraging Systems Change

Each of these central topical themes is explored in greater depth in the sections that follow. Each section highlights "Keys to Success," briefly articulates core strategies that might be helpful in implementation, and enumerates operational insights identified through HPRP grantee experiences. Wherever possible, this report provides concrete examples from state HPRP grantees to illuminate specific approaches to program management, and their implications for ESG administration. Due to the extensive overlap between the two organizational domains, the strategies discussed within each topic area could include both internal and external activities.

A. Internal Agency Operations

Program administrators have significant responsibility and connect with various partners and stakeholders in the course of their work.

This section focuses on relationships, activities, and accountability internal to the State agency responsible for program administration and in relation to state-level agency partners.

1. Program Planning and Design

Thinking through the overall program design, obtaining buy-in from and building understanding with stakeholders, and using the process of awarding subgrants strategically are all important steps in building and operating a strong ESG program.

Keys to Success
➢ **Ensure that appropriate state-level stakeholders share an initial understanding about the program's vision and strategies.**   ➢ **Identify ways that ESG can complement existing state programs and resources.**   ➢ **Ensure the allocation process fits recipient and local needs and resources.**   ➢ **Use the funding application process to reinforce strategic priorities and ensure capacity to carry out program activities.**

➢ **Ensure that appropriate state-level stakeholders share an initial understanding about the program's vision and strategies.**

   Key Strategies:

   1. Identify stakeholders with experience or insights into the program, or that might be affected by the program. As early as possible, facilitate discussions to clearly define the priorities and focus of the program. Ensure key stakeholders are at the table.

      - Several grantees formed planning committees made up of state-level stakeholders to clearly define the overarching priorities and focus for use of their HPRP funds.

   2. At the outset, work to develop a collaborative and thoughtful planning process to define how best to strategically allocate and target ESG funds to meet agreed-upon goals (e.g., those in the Consolidated Plan/Action Plan). This can also set the stage for a lasting process of oversight and strategic priority setting.

➢ **Identify ways that ESG can complement existing state programs and resources.**

   Key Strategies:

1. Especially in states where similar programs or resources already exist, program design should ensure that ESG funds complement those resources rather than duplicate them.

    - One HPRP grantee targeted funds toward specific populations that were not being served and eligible activities that were not being provided through existing state funds.

2. In states where similar programs or resources exist, alternatively, ESG recipients could align the programs to use the other(s) as match for ESG funds.

3. Clearly identify ways that different funding streams can be used for particular populations or purposes in order to maximize the use of available funds.

    - Some state grantees explicitly targeted more flexible local funding to support homeless prevention activities that were ineligible under HPRP.

➢ **Ensure the allocation process fits recipient and local needs and resources.**

Key Strategies:

1. Consider the strengths and weaknesses of previous allocation processes and review relevant "best practice" strategies to develop the most appropriate approaches for making ESG awards.

    - Some HPRP grantees used a competitive process, while others used an allocation or formula-based allocation that supported more active local targeting of resources.

    - Some HPRP grantees used a combination of formula-based and competitive awards, in which each community was eligible to apply for up to a certain amount of funds.

    - Some HPRP grantees funded agencies serving only the "Balance of State" entitlement geographies, whereas other chose to provide funds to agencies within local entitlement communities.

2. Consider administrative staffing resources available when determining the number of subrecipients to fund. While states might desire to fund many agencies to ensure statewide coverage, the experience of HPRP agencies demonstrated that it takes significant staff resources to monitor and support a large number of subrecipients.

    - Some states funded only one applicant per community to do all HPRP activities, while others funded multiple applicants within a community but funded them for different types of HPRP activities.

3. Consider specific local conditions when determining funding distribution strategies.

    - Several state grantees with large rural communities and few providers funded nonprofit organizations with regional reach in order to provide HPRP services over large geographic areas. In some cases, these regional applicants further subgranted or subcontracted the funds to ensure access to services.

- In order to make funding determinations, some HPRP grantees used PIT counts, housing inventory data, poverty, population, availability of affordable housing, availability of other funding, and availability of services.

➢ **Use the funding application process to reinforce strategic priorities and ensure capacity to carry out program activities.**

Key Strategies:

1. Ensure that information collected through the application process supports funding decisions that target resources to agencies that have the administrative and programmatic capacity necessary to implement ESG.

   - HPRP application processes often included requirements to report on applicants' fiscal and administrative capacity, demonstrated experience with targeted populations and services, quality and extent of prior HMIS participation, capabilities for complying with reporting requirements, and plans for measuring program performance.

   - Several grantees required agencies within a community to create collaborative applications, thereby supporting more active collaboration–and leveraging of administrative strengths–in HPRP program implementation.

   - Whether using administrative staff or teams of stakeholders to assess program applications, state grantees that used a rigorous and thorough application process tended to experience fewer compliance issues over the term of the grant.

2. Clearly define expectations and priorities for selected subrecipients as a condition of the contract awards process.

   - Many state grantees held pre-application workshops to reinforce program priorities and requirements prior to awarding funds; others held post-award workshops to clarify expectations and obligations after agencies were notified of their awards.

2. Developing Administrative Practices, Policies, and Procedures

If the ESG recipient uses the program design process to define the administrative processes, then it becomes easier to develop detailed policies and procedures covering recipient and subrecipient activities. Developing and clearly articulating such administrative policies and procedures can help establish consistent work processes and behavior for all recipient and subrecipient staff. This can ultimately result in improvements in the experience for program participants.

Keys to Success
➢ **Develop and clearly articulate policies and procedures that are consistent with purposeful and explicit program design, to establish consistent expectations for all recipient and subrecipient staff.**

> ➢ **Consider the scope of the program and types of subrecipients, and allow flexibility where appropriate. Be ready to work closely with partnering entities.**
>
> ➢ **Develop standard forms for reporting and documentation and use electronic tools to improve efficiency of administrative activities.**

➢ **Develop and clearly articulate administrative policies and procedures consistent with purposeful and explicit program design, to establish consistent expectations for all recipient and subrecipient staff.**

    Key Strategies:

1. Develop, disseminate, and provide consistent guidance and training on policies and procedures covering ESG program elements and requirements for ESG subrecipients.

2. Articulate written policies and procedures as early as practical during implementation, and update it on an ongoing basis, so that all recipient and subrecipient staff have access to clear and current information about requirements and expectations. This can help to reduce and avoid findings when HUD conducts monitoring.

3. Obtain stakeholder feedback on policies before implementation when feasible. Examples from HPRP include:

    - Several grantees collaborated with their subgrantees when developing policies and procedures prior to issuance, to identify potential challenges to implementation.

    - Some grantees sought feedback from subgrantees after the policies and procedures were issued, and revised policies based on that feedback.

4. Develop state-specific Frequently Asked Questions (FAQ) documents.

5. Examples of topics covered in policies and procedures manuals for subrecipients could include:

    - Screening, Intake, and Assessment Procedures
    - Types and Amounts of Financial Assistance
    - Case Management Requirements
    - Termination and Appeals Procedures
    - Housing Quality Standards/Inspections
    - Financial Management and Reimbursements
    - Recordkeeping and Reporting
    - Participation in HMIS

➢ **Consider the scope of the program and types of subrecipients, and allow flexibility where appropriate. Be ready to work closely with partnering entities.**

    Key Strategies:

1. Identify policies and procedures–including the required written standards under ESG–that are better standardized, as well as those for which there can be some flexibility to support local conditions or decisionmaking.

   - For example, in a state program, consider whether to establish the same or different procedures for subrecipients in urban, suburban, and rural areas, or in areas that have many subrecipients (as opposed to just one), or in metropolitan cities and urban counties that also receive their own allocation of ESG funds. Flexibility might be limited through threshold criteria to areas where there are proactive CoCs and/or subrecipients with demonstrated performance.

2. Some states allowed HPRP subgrantees to develop their own administrative policies and procedures, which they reviewed and approved.

   - This approach appeared effective in areas where there were relatively few subgrantees, allowing staff to thoroughly review and monitor these locally-specific protocols.

   - Grantees that supported flexibility provided training and guidance to subgrantees that reinforced and supported compliance with HUD and state requirements.

3. Anticipate unintended administrative obstacles, and work to adjust practices and staffing levels as appropriate. Close coordination with other recipient offices and subrecipients can assist with this, and help the recipient respond to needs of subrecipients.

   - Many HPRP grantees implemented programs that allowed subrecipients to submit quarterly reporting and invoicing, consistent with their practice in managing their Emergency Shelter Grants programs. Most quickly learned that HPRP's extensive documentation requirements made quarterly reporting both inefficient and overly cumbersome, and instead began to require more frequent–monthly or bi-monthly–invoicing.

4. Administrative adjustments mid-program can often be challenging because other state-level offices or departments (e.g., those associated with finance) have their own established procedures, which might not be easily adaptable. Effective communication is essential to achieve timely program reporting and reimbursement.

➢ **Develop standard forms for reporting and documentation and use electronic tools to improve the efficiency of administrative activities.**

Key Strategies:

1. Developing standardized forms, detailed templates, checklists, and protocols provides subrecipients with the information that they must capture and submit, in a consistent format. Most state HPRP grantees advised using standard forms, while several regretted their initial decision to allow flexibility in this area among HPRP subgrantees. Common forms developed by state HPRP grantees included those focused on:

   - Pre-Screening
   - Intake
   - Eligibility

- Assessment
- Case Management Plans
- Habitability Inspection
- Rent Reasonableness Determinations

Grantees reported that the mandated use of detailed invoicing checklists and templates by subrecipients resulted in more efficient reimbursement processes.

2. Recipients may consider converting from manual to electronic reporting and/or invoicing by subrecipients, where appropriate technological tools and capacity are in place. This shift can support efforts to check for completeness and accuracy, conduct ongoing program review/oversight, and expedite payments for subgrantees.

- One grantee established an invoice validation process for HPRP subgrantees, which automatically checked against previously entered information on approved levels of rent assistance and time frames.

- Several grantees verified participant-level HPRP program data in HMIS before reimbursing subgrantees for financial assistance and/or services.

- One grantee incorporated a function into its HMIS that automatically calculated income eligibility to determine whether HPRP applicants met established eligibility requirements and whether rent payments were consistent with program thresholds.

Using such tools allows for frequent review of subrecipient rates of expenditure, important in both HPRP and ESG. Automated invoicing allowed several HPRP grantees to track the pace of subgrantees' expenditures, which in turn allowed sufficient time for the grantee to re-allocate funds to other subrecipients with the capacity to expend funds more efficiently, when needed.

3. Staff Resources and Responsibilities

Effective state-level administrative operations require adequate staffing resources, including active support for ongoing planning as well as monitoring and supporting subrecipients.

Keys to Success
➢ **Ensure adequate staff resources are available within the state recipient's organization to implement the program effectively.**
➢ **Ensure that state administrative staff have in-depth knowledge of program requirements and can effectively monitor the program.**

➢ **Ensure adequate staff resources are available within the recipient's organization to implement the program effectively.**

Key strategies:

1. Identify key activities necessary to administer the state-level program, including allocating funds, overseeing operations, reviewing invoices and performance reports, assessing expenditures within and across subrecipients, and providing ongoing training and annual on-site monitoring. Then develop a staffing plan that realistically addresses all these varied tasks.

2. Consider alternative staffing strategies when resources are not available. For example, because several grantees were unable to add staff for HPRP activities due to hiring freezes or other constraints, they devised alternative staffing strategies, including:

    -   Borrowing staff (or at least partial staff time) from other departments, particularly financial personnel, who assisted in invoice review and monitoring responsibilities.

    -   Contracting with private firms for certain activities, while maintaining staff resources (albeit at a reduced level) required for contractor oversight.

    -   Collaborating with other departments or agencies to integrate HPRP monitoring with the monitoring of other programs–some grantees used state staff working to monitor other American Recovery and Reinvestment Act programs.

➢ **Ensure that state administrative staff have in-depth knowledge of program requirements and can effectively monitor the program.**

Key strategies:

1. Although prior experience with similar programs (such as HPRP) might be helpful, staff must understand the specific rules for the Emergency Solutions Grants program, especially to effectively assist subrecipients.

    -   Several grantees emphasized training their own staff on technical HPRP program rules and general administrative responsibilities. It was also helpful to ensure that staff remained up to date on HUD-issued guidance throughout the first several months of program implementation.

2. Equip staff with the technical skills and training necessary to effectively monitor subrecipients. Monitoring ESG requires specific technical training and understanding.

    -   Make sure all new staff have reviewed the [ESG training webinars and guidance documents available on the HUD Exchange](#).

4. Enhanced Use of Homeless Management Information Systems (HMIS)

HMIS is an important tool that can help ESG recipients and subrecipients manage their ESG programs more effectively. HMIS reports can provide timely information on a range of administrative and service delivery activities, as well as on performance outcomes. Regular review of HMIS reports can help identify subrecipients in need of additional training, support, or monitoring.

Keys to Success
➢ **Use HMIS for proactive program reporting and oversight.**
➢ **Use HMIS for program planning and analysis.**
➢ **Consider additional ways that HMIS can support program implementation.**

➢ **Use HMIS for proactive program reporting and oversight.**

Key strategies:

1. Generate error reports to identify subrecipients that might require additional training, support, or monitoring and work with them to improve data quality.

2. Consolidate and standardize HMIS implementations.

   - States with multiple HMIS implementations faced particular challenges under HPRP. These challenges included having to aggregate data from multiple CoCs for HPRP reporting, and collaborating with HMIS Leads working in different systems to review and improve data quality.

   - One state had nine different HMIS implementations at the outset of the program, which made HPRP reporting at the recipient level very challenging. In this case, the state used HPRP funding and HUD-provided technical assistance to develop a state-wide HPRP data warehouse. HMIS is an eligible expenditure under ESG, and could be used to achieve a similar solution for ESG data.

➢ **Use HMIS for program planning and analysis.**

Key strategies:

1. Regularly generate canned reports and/or offer querying functions that are specific to program administrators, communities, and individual providers to provide information on program utilization, types of needs, populations served, common barriers, and outcomes.

   - In some states, HMIS reports were used to explore who was served with HPRP assistance, which programs and services were being used in which areas, and assessment of costs, duration of support, use of other resources, and varying outcomes among types of services or providers.

2. Review HMIS data frequently to inform overall program planning and to guide mid-course corrections.

- Some state grantees asked HPRP subgrantees to submit a version of HUD's Quarterly Performance Report (QPR) and/or other reports on a monthly basis, to closely track levels of performance and spending.

- Many states tracked enrollment and spending by subrecipients to allow time to plan for re-allocation of HPRP funds among categories or agencies.

➢ **Consider additional ways that HMIS can support program implementation.**

Key strategies:

1. Consider adapting Information Technology systems to enable integration of HMIS data and financial data–and to serve multiple functions wherever possible. Reconciling systems can provide opportunities for improving accuracy of data. However, this "best practice" could be a significant undertaking, so recipients should weigh the costs and benefits.

- One grantee's HMIS was integrated with its HPRP financial management data system. This allowed the state to streamline and align numerous HPRP program and administrative functions, including providing pre-populated data to expedite the required 3-month program participant re-certifications.

- This same system was also designed to prevent case managers from entering contradictory or erroneous data. For example, it required the amount of rent paid to match the number of bedrooms in an HPRP rental unit. Also, it prevented applicants whose incomes exceeded program thresholds from receiving assistance.

2. Make reasonable investments in active HMIS training and support–especially when awarding funds to agencies that are new to HMIS. Ensure that administrative staff have the expertise and resources needed to fulfill HMIS requirements and provide needed support for subrecipients.

3. Ensure that ESG subrecipients have the experience and/or training to comply with HMIS requirements. Consider using "previous experience with HMIS" and/or "demonstrated data quality" as threshold criteria for funding decisions.

B. External Agency Operations and Working with Subrecipients

State administrators must work closely with subrecipients of their federal funds, to ensure compliance with program requirements but also to support improved understanding, administrative capacity accurate reporting, program effectiveness, and impact. State-level programs often face real challenges due to wide variation among subrecipients, and should plan and prepare for these complexities.

1. Communications, Technical Assistance, and Training

Communication and the provision of active and ongoing technical assistance and training are critical to administrative efficacy. In particular, HPRP grantees found that maintaining regular communication with subrecipients and using a variety of methods to provide ongoing training, technical assistance, and problem-solving support improved program effectiveness. Some other strategies are described below.

Keys to Success
➢ **Incorporate comprehensive training on both federal and state requirements early in the implementation for state and subrecipient staff and continue to provide training on an ongoing basis or as updates are provided.**
➢ **Establish dynamic mechanisms for communicating ongoing changes in program requirements or protocols to subrecipients.**
➢ **Develop and continually provide training and technical assistance to support administrative compliance and consistency in subrecipient practice, and to address emerging areas where performance is not acceptable.**

➢ **Incorporate comprehensive training for state and subrecipient staff on federal and state requirements early in the implementation, and continue to provide training on an ongoing basis or as updates are provided.**

Key strategies:

1. Provide complete training upfront to increase the likelihood that relevant state and subrecipient staff understand the requirements. This will improve the state's overall ability to meet ESG requirements and reduce errors and noncompliance. For example:

    - Several state grantees provided "pre-award" training to potential HPRP subgrantees and extensive training and program orientations for subgrantees immediately following awards. Some grantees that did not provide adequate early training found it necessary to provide more active remedial training.

2. Provide frequent ongoing training or communications/updates thereafter to ensure that all staff are aware of changes and updates to policies and procedures and guidance.

3. Encourage subrecipients to review HUD guidance and participate in related webinars. For example:

- Throughout the HPRP program, HUD provided numerous webinars and remote trainings. Most state grantees actively encouraged subgrantee participation in these learning opportunities, and viewed these as essential tools in establishing a solid foundation for compliant and consistent implementation.

- Under ESG, HUD has provided webinars, FAQs, and other guidance documents posted on the HUD Exchange, at www.hudexchange.info/esg. ESG recipient and subrecipient staff–especially new staff–should carefully review these materials.

3. Use multiple methods for training on requirements, to ensure that people with different availability and learning styles can access the training. These could include written materials, webinars, in-person trainings, and regular phone calls. HPRP grantees that had frequent and regular, even if informal, communication with their subgrantees found that it helped subgrantees adapt and administer such a rapid program.

4. Use all contacts with subrecipients, from initial bidders' conferences through monitoring visits, to provide training and technical assistance, and to elicit and pro-actively respond to questions regarding administrative expectations.

➤ **Establish dynamic mechanisms for communicating ongoing changes in program requirements or protocols to subrecipients.**

Key strategies:

1. Use flexible/dynamic communications tools to provide program guidance. Under HPRP, many grantees increased their use of electronic technologies to support consistent and continual communications with subgrantees. For example:

- A number of grantees published program policies on a regularly-updated website. Such a program-specific website can provide access to ongoing updates on policies and procedures.

- Other grantees used email to transmit these updates.

Either way, using these methods instead of creating a static program manual allowed for clarification and revision of written tools, while ensuring that subrecipients had timely access to up-to-date policies.

2. Make sure subrecipients are aware of updates to HUD guidance documents as well as state guidance when they are issued.

3. Maintain a list of specific topics that tend to be challenging for subrecipients–e.g., documenting client eligibility–and issue periodic guidance or clarifications on these topics.

Develop and continually provide training and technical assistance to support administrative compliance and consistency in subrecipient practice, and to address emerging areas where performance is not acceptable.

Key strategies:

1. Use training to disseminate updated program information, address program implementation concerns, encourage compliance, and improve performance. For example:

    - HPRP grantees often provided ongoing training for subrecipients through regular, required conference calls or webinars. While the frequency of these events varied widely (some as often as weekly, especially at the outset of the program), several grantees expressed their positive impact.

    - One state grantee facilitated a monthly "training academy" to support HPRP subrecipients, including both detailed instructions on program requirements and peer-to-peer networking.

    - Several grantees provided ongoing in-person training, but this generally required greater investment of resources, which was often only practical in smaller states. Specialized training for one or more subrecipients may be necessary when a pattern of mistakes is identified.

2. Provide technical assistance as needed.

    - HPRP grantees often provided technical assistance in the course of scheduled monitoring, in response to slow spending or other performance deficiencies, and through regular, direct communication between state agency staff and the subrecipients.

2. Monitoring Practices

A streamlined approach to monitoring can ease the process for all parties, and in turn, improve results. Effective monitoring of state subrecipients generally focuses on completeness of financial records, as well as comprehensive review of case files and client eligibility documentation. It can include desk audits or on-site monitoring visits. Monitoring visits can also be an opportunity to provide training and technical assistance, rather than enforcement alone.

Keys to Success
➢ **Identify subrecipients with greatest need for oversight, including those with capacity issues, and prioritize monitoring of these programs.**
➢ **Leverage other available resources to strengthen monitoring capacities.**
➢ **Monitor compliance "in real time" through rigorous review of reimbursement requests.**
➢ **Develop comprehensive and ongoing monitoring plans, which can include adapting HUD or other recipients' tools to reflect local needs/concerns in monitoring.**

➢ **Identify subrecipients with greatest need for oversight, including those with capacity issues, and prioritize monitoring of these programs.**

Key strategies:

1. Under HPRP, several grantees used risk assessments to determine which subrecipients had higher needs, and targeted monitoring resources to them. This was a particularly helpful strategy in states with a large number of subrecipients. Risk assessments included use of the following criteria:

   - History of noncompliance;

   - Significant difference in program design than existed previously;

   - High rate of staff turnover;

   - Slow rate of spending; and

   - Persistent HMIS and/or invoicing problems.

2. In addition to exploring the use of risk assessment analyses, consider expanding the use of HMIS to help target monitoring activities and resources toward support for subrecipients that need help.

   In one instance, an HPRP grantee decided which subrecipients to monitor based on the quality and completeness of data entered into the HMIS.

➢ **Leverage other available resources to strengthen monitoring capacities.**

Key strategies:

1. Use HMIS as part of the monitoring process.

   - Several state HPRP grantees verified HMIS data for each program participant as requests for payment were received, enabling errors to be more easily identified and remedied in "real time."

2. Other monitoring strategies focused on "leveraging" the impact of available staffing resources–e.g., use of contractors, under the supervision of recipient staff, for case file monitoring, and/or use of state compliance staff for on-site monitoring.

3. Distribute self-assessment tools and checklists to all subrecipients immediately following award of funds.

4. Ensure that subrecipient administrative staff receive specialized training in program rules and regulations, and that job descriptions for state staff include responsibility for conducting regular on-site monitoring with subrecipients.

➢ **Monitor compliance "in real time" through rigorous review of reimbursement requests.**

Key strategies:

1. Collect detailed information during processing of reimbursements to assist in identifying potential noncompliance.

- For some state grantees, intensive staff review of detailed invoicing and back-up documentation helped identify HPRP subrecipients that were not complying with program requirements.
- The accuracy and completeness of HMIS data provided additional information about compliance and completeness.

2. Administrative staff should maintain frequent communication with subrecipients, and provide them with timely feedback as issues are identified.

➢ **Develop comprehensive and ongoing monitoring plans, which can include adapting HUD or other recipients' tools to reflect local needs/concerns in monitoring.**

Key strategy:

A recipient's monitoring plan can include distribution of standardized tools for subrecipient use in administering the program and preparation for monitoring visits. These tools could modify and build upon existing tools to include specific state requirements. This helps to ensure monitoring is both comprehensive and reflective of state/local protocols.

- Several grantees used HUD-developed HPRP monitoring tools, which they distributed for use in self-assessment and as a checklist that subrecipients could complete prior to on-site monitoring visits.
- One grantee published an HPRP monitoring guide detailing monitoring criteria, potential noncompliance issues, and a schedule of site visits.

3. Encouraging Systems Change

ESG recipients and their community partners can use the coordinated planning and service delivery requirements in the ESG interim rule to strengthen ties between government and community agencies, improve client services, increase data-driven planning, and forge new housing/service partnerships. Some potential strategies for supporting systems change from the state level are discussed below.

Keys to Success
➢ **Use ESG funds to expand existing infrastructure and service delivery operations.**
➢ **New program rules offer the opportunity to adopt new approaches and philosophies in homeless services delivery.**
➢ **Capitalize on cross-agency/cross-systems collaborations.**

➢ **Use ESG funds to expand existing infrastructure and service delivery operations.**

Key strategies:

1. Consider diverse approaches to awarding funds, using the ESG program requirements and structure as a catalyst to facilitate systems change.

    - Several HPRP grantees encouraged systems change by combining competitive program awards with formula allocations, to achieve a new or extended purpose.

    - In some instances, HPRP applicant communities were required to work together to design new programming that distributed HPRP funds through a regional collaborative structure. This structure was designed as a means to encourage regional decision-making and the formation of enduring regional collaborations and to broaden access to HPRP resources in even the most rural communities.

    - In other instances, HPRP funds were distributed through Community Action Agencies, connecting those "anti-poverty" programs more closely with traditional homeless service organizations, and thereby increasing access to a broad array of supports for HPRP participants.

2. Increasing requirements for collaboration among stakeholders could help maximize access to housing and services and extend the reach and impact of resources.

    - For some grantees, a single entity conducted all eligibility screening for HPRP, referring eligible households to various agencies to provide direct assistance and housing stabilization support in more accessible, standardized and consumer-sensitive ways. Some, but not all, grantees used HMIS for this purpose.

    - Some grantees used HMIS to complement referrals of applicants for mainstream public benefits–even if only by providing community resources lists.

    - Some grantees pooled data across subgrantees to improve consumer assessment, program performance assessment, and program planning capabilities.

3. Consider awarding funds to providers to work with targeted high-need populations.

➢ **New program rules offer the opportunity to adopt new approaches and philosophies in homeless services delivery.**

Key strategies:

1. Use the challenge of implementing new program requirements and activities to revisit statewide strategies for ending homelessness.

    - Some HPRP grantees used the opportunity to direct resources toward more specialized populations, and to use more focused targeting strategies to achieve statewide goals.

    - Several HPRP grantees used significant portions of their HPRP award to support rapid re-housing initiatives targeted to the "hardest to serve" chronically homeless individuals.

- One grantee used funds primarily to rapidly re-house people living in shelter, and worked with communities to gear local programs toward providing complementary homelessness prevention services.
- One grantee used HPRP habitability and lead-based paint standards to focus providers on obtaining safer and higher-quality housing for all clients.

➢ **Capitalize on cross-agency/cross-systems collaborations.**

Key strategies:

1. Use the ESG collaboration requirements to strengthen existing coordination and develop new partnerships.

   - A number of grantees approached HPRP as an opportunity to increase collaboration within state government and across state agencies; sometimes these efforts were convened by the governor.

   - For one grantee, the statewide Homeless Division collaborated with TANF colleagues to create a platform for shared documentation and to track results for clients receiving services or supports under both programs. This partnership led to the creation of subsequent new collaborations between the departments.

   - In another instance, within the state housing department, collaboration between Rental Assistance and Homeless Services divisions brought together staff in an ongoing planning process that now links rapid re-housing and longer-term rental assistance for hundreds of new households each year.

➢ At the local level, state ESG recipients could require a CoC or region to designate a single "lead" agency to coordinate service delivery. Consider requiring collaborative program application and administration.

Conclusion

The challenges associated with implementing the *Emergency Solutions Grant Program* are markedly different from those associated with administering its predecessor, the *Emergency Shelter Grants* program. As program administrators are confronting and addressing these new challenges; however, there is much that can be learned and applied from prior experiences in implementing HPRP.

This document compiles and shares a series of key "lessons learned" from HPRP. The intent is to inform the continuing evolution of ESG program design and implementation, especially for state recipients, and thereby to increase impact and effectiveness of these programs as they continue to evolve.

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