Modality	Podcast
Topic	**Program Components and Costs**
Subtopic	**Transition to the New CoC Program**
Interviewer	
Speaker	
Pre-Intro	You're listening to Continuum of Care 2.0, a podcast sponsored by the U.S. Department of Housing and Urban Development.
Intro	*[Start jingle with ducking (music gets quieter when speaker starts)].* Welcome to Continuum of Care 2.0. This is your host Jessica Hinkson. Today we have Brett Gagnon and Justin Brock to talk with us about Program Components and Costs. Given that the Continuum of Care Program consolidated three different McKinney-Vento programs in their rules, we want listeners to understand some of the major changes related to project funding, and what elements of the previous McKinney programs remain constant. And now to Robert Waters.
Interviewer Intro Remarks	This is Robert Waters. I am here with Brett Gagnon and Justin Brock. Thank you, Justin and Brett, for taking time to discuss the CoC Program interim rule and some of the changes of which renewal recipients should be aware.
Initial question	To start things off, can you highlight some of the key differences for recipients that will be administering projects under the CoC Program? **BRETT:** Absolutely, Robert. Most of the projects awarded previously under the Supportive Housing Program and the Shelter Plus Care Program should be able to renew and continue to operate under the CoC Program with minimal changes; however, there are a few key differences that will change how a recipient administers its project. Justin and I are going to review some of the highlights of those today. **BRETT:** I'd like to start by reviewing some changes to the the types of projects that we will fund under the CoC Program. First, Safe Havens are no longer an eligible project component under the CoC Program. This means that HUD will fund no new safe havens under the CoC Program; however, safe haven projects previously funded under the Supportive Housing Program will be allowed to continue to renew under the CoC Program, so long as they don't really change anything that they're doing under the SHP program. **JUSTIN:** You know, Robert, one of the biggest opportunities under the CoC Program is the ability to fund rapid re-housing projects under the permanent housing component. This form of permanent housing is not limited to homeless individuals and families with a disability. **JUSTIN:** Also keep in mind the differences in the costs or budget line items. • The types of costs that were eligible under the SHP and Shelter Plus Care programs are generally the same. Although, some costs might be classified differently. For example, food is now only eligible as a supportive service where under the SHP Program it was eligible as either a supportive service or an operating cost. • There also are new costs eligible under some cost categories that may provide more options to certain types of projects. For example, under the HMIS budget line item, there are new eligible costs for HMIS lead agencies related to administering and operating the HMIS. • Finally, there is more flexibility to combine eligible cost categories in new ways. For example, rental assistance can now be combined in a single grant with supportive services and/or HMIS; whereas under the Shelter Plus Care Program it could not be combined with any other costs, and no project awarded under

	the SHP program could request rental assistance. **BRETT:** Anther change, Robert, is that the match requirements under the CoC Program are much simpler and allow either a cash or in-kind match against the grant. **JUSTIN:** Exactly! Along these lines, one of the benefits of consolidating programs is that the requirements for administering the grants awarded are simplified and consistent across all program components, which should help recipients administer their grants. Additionally, wherever possible, HUD attempted to make the requirements consistent with the Emergency Solutions Grants Program to help ease the administrative burden for organizations that receive both types of funding.
Follow-up question	HUD has received numerous questions about the CoC Program components and eligible costs. One of the questions that has been asked is around how to reflect staffing costs in project budgets. Can you help listeners understand where staff costs should be charged to the grant? • **BRETT:** That's a great question, Robert, and we do get it a lot. Oftentimes, recipients ask whether staff costs should be charged under the project administration line item of their grant; however, this is not necessarily where staff costs belong. The CoC Program rule makes it clear that staff costs related to carrying out any of the eligible costs (for instance, case management or maintenance) should be charged to that budget line item. This means that if a portion of a staff members time is devoted to completing reports for HUD related to the grant, for example, then that staff member's time (or the portion of his/her time) should be charged to project administration line item. But, a case manager's salary should be charged to the case management line item of the grant under supportive services, or a maintenance person's time should be charged to the maintenance line item under operating. Recipients need to carefully document how staff costs are allocated and drawn, though, to ensure HUD can effectively determine compliance with the program requirements when they come out and monitor.
Follow-up question	Can you explain a little more about project administration costs and how these expenses differ from the past programs? **JUSTIN:** Sure, Robert. Recipients previously awarded under the Shelter Plus Care program were not able to request additional funds for project administration; however, under the CoC Program, all projects can request funds for project administration – even those projects receiving rental assistance. Additionally, even if a project does not receive funds for project administration, if the recipient carries out those activities using its own funds, then those activities can be counted as match for the CoC grant Program. **JUSTIN:** Only expenses related to grant administration can be charged to the project administration budget line item. **BRETT**: Another change is that the project administration line item must be included in the match calculation. In the past, the amount awarded for project administration did not have to be matched. **BRETT**: And finally, the amount of project administration that can be funded under the CoC Program is up to 10% of a project's total budget; however, recipients should read the NOFA carefully, as there were limitations imposed on the additional funds that HUD would supply and as well as competitive implications if the applicant requested the full 10% in the FY2012 CoC Program Competition. These types of limitations (or other limitations) could be imposed in future competitions, so it's really important that CoCs and recipients read the NOFA carefully.

Wrap-up	Those were some really good highlights. Would you like to share any closing thoughts with listeners about the opportunities for recipients and project funding under the CoC Program? **JUSTIN:** Yeah, I'd like to close by mentioning one more thing. We know that many of you have been recipients for a while now and are used to managing your grants in a certain way. The CoC Program interim rule is going to change "business as usual." While we think that these changes are going to make things better in the long run, there are going to be some changes that need to be made to begin to administer your project in compliance with the requirements of the CoC Program. I encourage you to take the time to carefully really read the regulations and the technical assistance materials and ask the questions of HUD that will help you implement these changes in the best way possible.
Outro	*[Start jingle with ducking].* Thank you to Brett Gagnon and Justin Brock for taking the time to talk with us about the Continuum of Care Program and eligible program components and costs. This is Jessica Hinkson, and you've been listening to Continuum of Care 2.0.