

Chapter 17: METHODS OF OPERATIONS

17.1: The Local Administering Agency (LAA)

- A.** The LAA shall be responsible for developing and working with their local community network, that may include: other agency providers, service professionals, the Department, peer service and support groups, and mental health consumers, in the maintenance and ongoing development of local service partnerships for the purpose of:
- (i).** Providing outreach to mental health consumers to alert them to the availability of services;
 - (ii).** Assessing consumer needs at the local level;
 - (iii).** Assisting consumers in locating, securing, and establishing themselves in safe and decent housing;
 - (iv).** Assisting in the arrangement and the provision of community support services;
 - (v).** Establishing and maintaining relations with local landlords, Public Housing Authorities (PHA), and property managers;
 - (vi).** Providing other services aimed at maintaining adult consumers with serious mental illness in mainstream housing in the community;
 - (vii).** Proposing modifications to the above procedures to increase access to housing options, with approval of the CAA and Department.
- B.** The LAA, after receiving an SPC application from the applicant, or service provider, shall verify the applicant's income and eligibility requirements, and submit completed applications to the CAA for authorization of the voucher to be issued/denied by the LAA or placed on the prioritization spreadsheet to be managed by the LAA.
- (i).** If approved by the CAA, the LAA shall send a letter to the applicant, informing the applicant that he/she has thirty (30) days in which to initiate the subsidy (See Appendix A1: Sample Approval Letter).
 - (ii).** If denied by the CAA, the LAA shall send a letter to the applicant stating the reason for denial and enclosing a copy of the DHHS Housing Subsidy Appeals Procedure in the decision letter (See Appendix A2: Sample Denial Letter).
 - (iii).** If the applicant is assigned to the prioritization matrix by the CAA, the LAA shall send a letter to the applicant, informing the applicant of their status (See Appendix A14: Sample Prioritization Spreadsheet Letter).
- C.** Through the guidance of the CAA the LAA shall assess applicant eligibility based on the Tenant Selection Priority List. Entry into the program shall be prioritized statewide based upon the following criteria (in the numerical order listed below):
- (i).** Chronic Homeless (as defined in Chapter 2, Section 2, "Chronic Homeless").
 - (ii).** Long-Term Stayer (as defined in Chapter 2, Section 3, "Long-Term Stayer").
 - (iii).** Literally Homeless (as defined in Chapter 2, Section 4, "Literal Homeless").
 - (iv).** Graduating from Transitional Housing (as defined in Chapter 2, Section 5, "Transitional Housing for Homeless")

- (v). Victim of Domestic Violence Situation (as defined in Chapter 2, Section 6, "Domestic Violence").
- D. If the LAA receives a written Extension request from a service provider or client, the LAA may grant up to three (3) consecutive thirty (30) day Extensions. The LAA may not grant any applicant more than one hundred and twenty (120) days to find suitable housing. Applicants who have not initiated an awarded subsidy within one hundred and twenty (120) days of program acceptance must reapply (See Section 10.1: Extensions).
- E. The LAA shall complete initial Housing Quality Standards (HQS) inspections on all units located by recipients (See Chapter 7: Housing Quality Standards), inform the landlord and/or property manager of any deficiencies and/or needed repairs, and establish a timeline for completion of repairs and/or deficiencies. The LAA shall inform the landlord and/or property manager in writing (using the "A3: Sample Inspection Letter")
- (i). The LAA shall provide each applicant with the lead paint brochure, Protect Your Family from Lead in Your Home (Appendix A11), published jointly by the United States Environmental Protection Agency, Consumer Product Safety Commission, and HUD.
- F. The LAA shall negotiate a unit price that meets HUD's 'Rent Reasonableness' test and Fair Market Rent (FMR) standards with each landlord and/or property manager (See Section 8.1: Rent Reasonableness).
- G. The LAA shall conduct an initial certification with each recipient by ensuring that the following forms are completed, and signed if necessary:
- (i). Move-In form(s) (attached as Form F13); **AND**
 - (ii). Rental Calculation and Certification Form (attached as Form F17); **AND**
 - (iii). Income Verification (according to Chapter 5); **AND**
 - (iv). Housing Quality Standard Form (attached as Form F8); **AND**
 - (v). Mandatory Release of Information Forms (according to Chapter 16); **AND**
 - (vi). Tenant Responsibility Form (attached as Form F27), with attachments distributed.
- H. The LAA shall execute a Housing Assistance Payment (HAP) Contract with each landlord/property manager (attached as Form F6).
- I. The LAA shall ensure that all SPC recipients enter into a year Lease or Rental Agreement with their landlord.
- J. The LAA shall prepare and send the Monthly Request Form to request funds from the CAA. This form shall be sent electronically and it shall be password protected. The LAA shall submit to the CAA copies of the following documents, before the CAA shall release any HAPs to the LAA:
- (i). Rent Calculation and Certification Form (Form F17) and backup documentation (according to Section 13.2: Rent Calculation Form); **AND**

- (ii). Verification of eligibility requirements via third (3rd) party (according to Chapter 3: Eligibility For Assistance); **AND**
 - (iii). Completed and Passed HQS inspection form (Form F8); **AND**
 - (iv). Other documents as may be requested by the CAA.
- K.** The LAA shall disburse monthly HAPs to landlords/property managers in accordance with the respective HAP Contract (See Form F6: HAP Contract).
- L.** The LAA shall complete interim certifications with recipients (according to Section 13.9: Interim Certification).
- M.** The LAA shall complete all annual re-certifications (according to Section 13.8: Annual Certification), by ensuring that the following forms are completed, and signed if necessary:
- (i). Rental Calculation and Certification Form (Form F17); **AND**
 - (ii). Income Verification form(s) and Housing Quality Standard form (Form F9: HQS Inspection: Short Form); **AND**
 - (iii). Mandatory Release of Information Forms signed and standard HIPAA Compliant Release of Information Forms.
 - (iv). Tenant Responsibility Form (See Form F27: Tenant Responsibility Agreement); **AND**
 - (v). Support Service Form (Form F26: Support Service Form); **AND**
 - (vi). HAP Amendment (Form F5: HAP Amendment).
- N.** When the LAA receives payments (i.e., loan, security, damage) from recipients, the LAA shall issue receipts to those recipients.
- O.** The LAA shall report to the CAA regarding all payment activities of recipients on a monthly basis.
- P.** The LAA shall process all Move-Out inspections (See Sample Form F10).
- Q.** The LAA shall process all transfers (Form F16: Portability Request Form).
- R.** The LAA shall process all Termination of Subsidy Forms and letters, as applicable (according to Chapter 14) and include a copy of the DHHS Housing Appeals Procedure (attached as Appendix A4).
- S.** The LAA shall have on staff an individual who holds a valid certificate as a Housing Quality Standards Inspector, as covered under 24 C.F.R. § 982. In addition, each LAA shall have on staff a person who holds a valid certificate from a HUD recognized training organization in one (1) or more of the following: Asset Management, Assisted Housing Real Estate Management, Property Management, or HUD Property/Asset Management.

- T. The LAA shall establish and maintain relationships with local landlords, property managers, shelters, General Assistance Offices, Social Service Providers, and Public Housing Authorities (PHAs) through phone calls, attendance at housing related meetings, outreach to shelters, warming centers, peer drop-in or recovery centers, providing ongoing contact information, implementing housing trainings to interested stakeholders and community members that provide support to individuals with a disability defined by HUD in their covered catchment area.
- U. The LAA shall provide a written response and provide a written copy of the DHHS Housing Appeals Procedure to any past, present, or pending applicant or tenant for any service requested in writing, that the LAA may turn down, reject, refuse, or deny in the administration of SPC.
- V. The LAA shall maintain open SPC files on all recipients. Denied applicants or recipients whom exited or terminated from the SPC program must have their file retained by the LAA for the greater of eight (8) years, or the time frame put forth in the LAA agency file destruction policy. If any litigation, claim, or audit is started before the expiration period, the LAA shall retain the records until all litigation, claims or audit findings involving the records have been resolved and final action taken.

17.2: The Central Administering Agency (CAA)

The CAA shall be responsible for performing the following key activities:

- A. The CAA shall inform the Department of all changes to Shelter Plus Care (SPC) forms and procedures used for the disbursement and accounting of funds, and all such changes and must be approved in writing by the Department prior to the changes being implemented.
- B. Provide training and technical assistance to all LAAs involved in the administration of rental assistance and notify all LAAs of any nationally recognized training modules that are relevant to the administration of vouchers and services.
- C. Provide consultation and assistance to LAAs on a regular basis, and as requested by the Department, to maintain compliance with local, state, and federal housing related policies, rules, regulations, and statutes (including the Fair Housing Act, as may be amended, and the Americans With Disabilities Act, as may be amended).
- D. Disburse rental subsidy funds to all LAAs on a monthly basis, provided they are in good standing and in compliance with the policies and procedures contained in the current version of the CAA Manual and the current version of the LAA Manual.
- E. Process, and approve or deny, all Reasonable Accommodation requests (according to Section 15.1: Reasonable Accommodation and the LAA Manual).

- F. Coordinate, and approve or deny, all SPC Transfers of persons currently Leased-Up from one (1) LAA to another.
- G. Comply with additional priorities and requests from the Department.
- H. Report and reconcile monthly billing to each LAA and the Department on a monthly basis on all Housing Assistance Payment (HAP) activity, as well as Census utilization; to include budget vs. actual and remaining balance.
- I. Maintain electronic database(s) of all SPC activity, including required participation in Maine's Homeless Management Information System (HMIS), to document persons served by SPC.
- J. Track and reconcile all certifications required for SPC, including all Move-Ins, Move-Outs, Unit Transfers, Annual Certifications, and Interim Certifications on a monthly basis.
- K. Conduct annual on-site program and tenant file reviews of each LAA for compliance with the LAA Manual. Within thirty (30) days of each review, the CAA shall generate a formal report to include any findings, concerns, or corrections to the LAA, with a copy to the Department. Frequency of such review visits may increase or decrease at the discretion of the CAA or Department.

17.3 Homeless Management Information System (HMIS)

To end homelessness, a community must know the scope of the problem, the characteristics of those who find themselves homeless, and understand what is working in their community and what is not. Solid data enables a community to work confidently towards their goals as they measure outputs, outcomes, and impacts.

The Homeless Management Information System (HMIS) is the information system designated by a local Continuum of Care (CoC) to comply with the requirements of CoC Program interim rule 24 CFR 578. It is a locally-administered data system used to record and analyze client, service and housing data for individuals and families who are homeless or at risk of homelessness. HMIS is a valuable resource because of its capacity to integrate and un-duplicate data across projects in a community. Aggregate HMIS data can be used to understand the size, characteristics, and needs of the homeless population at multiple levels: project, system, local, state, and national. The Annual Homeless Assessment Report (AHAR) is HUD's annual report that provides Congress with detailed data on individuals and households experiencing homelessness across the country each year. This report could not be written if communities were not able to provide HUD with reliable, aggregate data on the clients they serve.

17.4: Continuous Monitoring Process

The Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act of 2009 amend and reauthorize the McKinney-Vento Homelessness Assistance Act with substantial changes. These amendments include a change in HUD's definition of homelessness and chronic homelessness, along with an increase in prevention services and a greater emphasis on performance. The SPC program must operate within provisions of the CoC Program interim rule and all related regulations. The CAA is required to monitor and report project progress to Maine's CoC's and HUD. The CAA must also comply with any additional terms and conditions specified in the applicable CoC Program Notice of Funding Availability (NOFA). For each grant, the respective LAA's and the CAA must document and maintain records related to program participant eligibility and the services received by program participants in order to ensure that CoC Program funding is used in accordance with HUD requirements, grant agreements, and to document that program participants are served as intended.

The CAA has adopted continuous quality monitoring as a vital compliance tool. The CAA department has established priority areas and completes this compliance process on a monthly basis. Compliance spreadsheets are one method used for communicating results, including progress, identifying areas of risk and areas for improvement. The goal is to ensure that policies, procedures, and business processes are operating effectively. Compliance is a tool intended to support LAA's as they adapt with these program changes and maintain compliance with the Hearth Act regulations and CoC program rules.

Technology plays a central role in our continuous monitoring activities by helping to automate currently established systems, analyze patterns and derive themes, among other activities. LAA's are continuously being asked to improve the quality of the data entered into Maine's HMIS system due to the growing expectations of HUD. These emerging requirements have triggered a strong focus on technological improvements program wide. The expectation of future technological advances is to create efficiencies in existing systems, while simultaneously decreasing the administrative burdens of the LAA's.

17.6: Paperwork Compliance Policy

Paperwork and Billing oversight is one of the duties of the Central Administrative Agency. It is the responsibility of the LAA to ensure that all program requirements have been met in accordance with HUD rules and the SPC program manual. Paperwork must be entered into DHHS database and into the mandated HMIS data system. The universal data elements for these housing programs are reviewed and entered into the system by the CAA on a monthly basis. Data compliance expectations must be fulfilled for reporting, performance, contract requirements and funding purposes. LAAs will submit paperwork to be approved for program and data compliance. This will be done on a monthly basis to assure the LAA office maintains program standards. Paperwork will be sent in by the following agencies:

- Aroostook Mental Health Center (AMHC)
- Common Ties
- Community Health and Counseling Services (CHCS)
- Kennebec Behavioral Health (KBH)
- Sweetser
- Shalom House Inc.

Subsidy paperwork must be received by the CAA office on the 8th of the month. Billing is received by the CAA office on or before the 8th of each month. Bills must be submitted electronically no later than the 8th of each month. If the 8th falls on a weekend, bills are due the Friday before the 8th.

Certification Paperwork consists of the following:

- A. Move-In Paperwork.
- B. Annual Paperwork.
- C. Interim Paperwork.
- D. Unit Transfer Paperwork.
- E. Gross Rent Change Paperwork.
- F. Terminations.
- G. Any missing, needed, or corrected paperwork from previous months.

The following missing or incorrect documents are examples of issues that may trigger a compliance finding:

- A. Applications where homeless documentation does not meet HUD standard.

- B.** Applications where priority verification is does not meet standards.
- C.** Initial HQS forms missing or unacceptable.
- D.** HQS re-inspection forms not submitted with one year of the previous inspection or failed for more than 30 days.
- E.** Initial rental calculation forms with missing income documents or incorrect calculations.
- F.** Annual rental calculation forms not submitted by the annual date.
- G.** Annual or interim rental calculation forms with missing income documents or incorrect calculations.

CAA staff will process and review submitted LAA paperwork. The CAA will submit any paperwork requests or discrepancies via the compliance spreadsheet. The compliance spreadsheet will be sent via email by the 25th of each month to each agency with a copy to DHHS. The compliance spreadsheet will alert each LAA of any missing or incorrect documents. This process also allows a thirty day grace period for paperwork to be submitted before there is a negative impact on the agency billing reimbursement.

Example:

February's monthly paperwork is due March 8th . However, the finalized electronic bills are due to the CAA on the 7th , as the 8th is on a non-business day (i.e. Saturday).

March 25th CAA staff will send out February's Compliance Spreadsheet. The LAA must submit missing documents on April 25th to correct February compliance sheet discrepancies.

On April 25th if February's outstanding issues are not resolved, DHHS will be notified prior to the HAP being paid for that individual to determine if the May HAP for that individual will be held until corrections are completed and forwarded to the CAA. CAA staff will send March's Compliance Spreadsheet and the LAA will have 30 days to correct those issues. Once corrections are acknowledged by the CAA the HAP may be paid on subsequent billing.

If both February and March compliance errors compound and are still not corrected, DHHS will determine if June's payment will be authorized and further corrective action may be taken if necessary as determined by DHHS.