CHAPTER 13

SUPPORTIVE HOUSING PROGRAM (SHP)

13-1   APPLICABILITY. This Chapter provides guidance for conducting comprehensive monitoring of the Supportive Housing Program (SHP). The SHP is designed to develop supportive housing and services that will allow homeless persons to live as independently as possible. Eligible applicants are States, units of local government, other governmental entities such as Public Housing Authorities (PHAs), and private nonprofits. (Note: For purposes of this Chapter, the term "recipient " means the direct recipient of the HUD award. The term "sponsor" means the organization that is responsible for carrying out the proposed project activities. The terms "program participant", "participant" and "client" mean the individuals and adults in families who received assistance during the operating year.) These monitoring exhibits should be used for new and renewal SHP projects funded prior to FY 2011.

HUD awards funds through a national competition held annually. The competition requires communities to shape a comprehensive and coordinated housing and service delivery system via a Continuum of Care. The Continuum of Care approach helps communities plan for and provide a balance of emergency, transitional, and permanent housing, and service resources to address the needs of homeless persons so they can make the critical transition from the streets to jobs and independent living to the extent possible.

As part of a local Continuum of Care strategy, SHP assistance is provided to help homeless persons meet three overall goals: achieve residential stability, increase their skill levels and/or incomes, and obtain greater self-determination (i.e., more influence over decisions that affect their lives). Specific performance measures for each of these three goals must be established by grantees based on the needs and characteristics of the homeless population to be served. Grantees are required to monitor their clients' progress in meeting their performance measures on an ongoing basis. A Continuum of Care system should also include a homeless prevention strategy, even though homeless prevention is not an eligible activity under SHP.

On May 20, 2009, President Obama signed the Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act of 2009. The **HEARTH Act** amends and reauthorizes the McKinney-Vento Homeless Assistance Act with substantial changes, including:

- A consolidation of HUD's competitive grant programs (Supportive Housing Program and Shelter Plus Care);
- The creation of a Rural Housing Stability Assistance Program;

- A change in HUD's definition of homelessness and chronic homelessness;
- A simplified match requirement;
- An increase in prevention resources; and,
- An increase in the emphasis on performance.

Projects funded under HEARTH must be monitored using the HEARTH monitoring exhibits. Such exhibits will be forthcoming and guidance will be provided at that time.

13-2   PREPARING FOR MONITORING. The specific SHP program areas or requirements to be monitored are determined as part of the risk assessment process (see additional guidance provided in Chapter 2). Before monitoring, the reviewer should be familiar with both the SHP requirements and the design and operation of the grantee's SHP, particularly those areas that have been identified as high risk or are the focus of the monitoring. Information that will assist in successful SHP monitoring include:

- the authorizing legislation, Title IV, Subtitle C, of the McKinney-Vento Homeless Assistance Act of 1987, as amended (42 U.S.C. Subtitle C, 421-429);

- the grant agreement(s) for the project(s) being monitored, including the attached SHP regulations at 24 CFR Part 583;

- the *Supportive Housing Program Desk Guide*, which describes the SHP grant process from grant award onward, covering both very basic information as well as the intricacies of grant administration. It is a practical guide to help with project implementation issues;

- the *Supportive Housing Program (SHP) Self-Monitoring Tools,* which provides SHP project sponsors and grantees with "user-friendly" forms to enable staff to assess their project operations against the standards set by HUD rules and regulations. To the extent possible, these forms correspond to the topics addressed in the *SHP Desk Guide* and have been designed for use in conjunction with the *Guide*. In using the *SHP Desk Guide* and the *SHP Tools* together, local staff can evaluate their projects based on both the general guidelines for the SHP and the particular rules established by the project. In this way, the *SHP Tools* provide a set of standard instruments to guide a process of regular project monitoring and supplement the information presented in the *SHP Desk Guide*;

- the most recent Annual Performance Report (APR);

- Line of Credit Control System (LOCCS) drawdown information; and

- the approved application (comprising both the first submission narrative and the technical submission).

13-3   <u>FILE SELECTION AND SAMPLING</u>. As described in Chapter 2, the risk analysis process will be used to determine which grantees and areas should be reviewed. Once that process has been completed, where it is indicated that a file review is necessary to answer Exhibit questions, the HUD reviewer should consider the following factors when determining the specific files that will comprise the review sample:

A. Where feasible, initial file selection should be made using a random selection method.

B. The reviewer would consider adding more files to this selection in order to:

    i.   Include a file or files from each staff person working in the respective program area being monitored;

    ii.   Expand the sample, if possible, to include additional files with the same characteristics, if indicated by the severity or nature of any problems(s) noted during the initial selection's review (for example, same problem category, same staff person, same activities or other characteristics).

This expanded sampling aids in determining whether problems are isolated events or represent a systemic problem.

C. The reviewer may also add files to the selection from any project that the HUD reviewer has reason to believe may have compliance problems or that is substantially different in terms of size, complexity, or other factors from other projects the SHP grantee has undertaken.