

**CoC PROGRAM FUNDING ELIGIBLE COSTS (BY BUDGET LINE ITEM)**

This spreadsheet details costs eligible for reimbursement with Continuum of Care (CoC) Program Funding. Eligible costs are determined by the CoC Program Interim Rule. Backup documentation is required for all costs charged to CoC program funds. This resource will be updated as additional clarification is received about specific costs and upon the issuance of the CoC Program Final Rule.

CoC program funds may be used to pay indirect costs in accordance with 24 CFR 200, as applicable. Indirect costs may be allocated to each budget line item noted below, in accordance with cost eligibility guidelines, so long as that allocation is consistent with an indirect cost rate proposal developed and approved in accordance with OMB Circulars A-87 or A-122, or 24 CFR 200, as applicable.

Only the eligible costs submitted on the CoC application budget and /or amendment request are allowable. If an eligible cost was not included when the budget and/or amendment was submitted, a request to include the cost must be submitted to CSB per the local HUD field office.

BUDGET LINE ITEM	TYPE OF COST	ELIGIBLE & INELIGIBLE COSTS	ADDITIONAL INFORMATION
<b>Leasing</b>	N/A	100% of the costs of leasing a structure or structures, or portions thereof, to provide housing or supportive services to homeless persons are eligible for up to 3 years. The cost of headquarters and lead-based paint inspections are allowable.	Rent must be reasonable in relation to other comparable units in the area. Documentation of rent reasonableness must be in the client file. Rent may not exceed HUD FMR rates. Rent must be paid to the landlord and not the client. The lease must be in the name of the subgrantee. All subgrantees must also have signed occupancy agreements or leases (or subleases) with program participants residing in housing.
		Security deposits in an amount not to exceed two months of actual rent are eligible. An advance payment of the last month's rent is eligible if it accompanies a security deposit and first month's rent.	Multiple security deposits for the same client are allowable when a household must be relocated to a different unit (e.g., if FMR and/or rent reasonableness changes or if household composition changes). Any refund of the initial deposit must be returned to the agency, shown on the invoice disbursements journal as 'Program Income - Deposit Refund.'
		If electricity, gas, and water are included in the rent, these utilities may be paid from leasing funds.	
		Funds may not be used to lease units or structures owned by the recipient, subrecipient, their parent organization(s), any other related organization(s), or organizations that are members of a partnership, where the partnership owns the structure, unless HUD authorized an exception.	Program income, including any rent and occupancy charges collected from program participants, can be counted as Match as long as the funds are expended on eligible CoC program costs that supplement the project.

		If client utilities are not provided by the landlord, these utility costs are an operating cost. If the structure is being used as a supportive service facility, then these utility costs are a supportive service cost.	
		Rent above FMR is ineligible. Providers that own their property may not conduct HQS inspections.	
Rental Assistance	N/A	Funds may be used to provide rental assistance for homeless individuals and families. Rental assistance may be short-term, medium-term, or long-term. Rental assistance may be tenant-based, project-based, or sponsor-based. The cost of HQS and lead-based paint inspections are allowable.	Rent must be reasonable in relation to other comparable units in the area. Documentation of rent reasonableness must be in the client file. Rent may exceed HUD FMR rates but must be reasonable in comparison to other units in the area. Rent must be paid to the landlord and not the client. There is no provision in the CoC Program Interim Rule that allows for utility payments using rental assistance dollars. HUD has indicated that they will issue a reallocation that will permit such payments. The local field office is currently allowing utility costs to be paid with rental assistance funds.
		Security deposits in an amount not to exceed two months of actual rent are eligible. An advance payment of the last month's rent is eligible if it accompanies a security deposit and first month's rent.	
		Funds may be used, in an amount not to exceed one month's rent, to pay for any damage to housing due to the action of a program participant. Damage costs may only be accrued once per participant, and are incurred at the time a participant exits a housing unit.	
		If a unit assisted under this section is vacated before the expiration of the lease, the assistance for the unit may continue for a maximum of 30 days from the end of the month in which the unit was vacated, unless occupied by another eligible person. Brief periods of stays in institutions, not to exceed 90 days for each occurrence, are not considered vacancies.	

		For project-based, sponsor-based, or tenant-based rental assistance, program participants must enter into a lease agreement for a term of at least one year, which is terminable for cause. Leases must be automatically renewable upon expiration for terms that are a minimum of one month long, except on prior notice by either party.	
		Funds cannot be provided to a program participant who is already receiving rental assistance, or living in a housing unit receiving rental assistance or operating assistance through other federal, state, or local sources.	Program income, including any rent and occupancy charges collected from program participants, can be counted as Match as long as the funds are expended on eligible CoC program costs that supplement the project.
		The costs to repair unit damages are not allowable.	Repair and maintenance are only eligible under operating costs. Operating costs are unallowable in the same program as rental assistance.
		Providers that own their property may not conduct HQS inspections.	
<b>Supportive Services</b>	Subcontracted supportive services are allowable, but MUST be documented through a detailed contract that ensures full compliance with CoC Program cost eligibility requirements, including the assurance that the contract/MOA and its term represent an arm's length transaction. The subcontractee must invoice the CoC-funded agency for costs in accordance with the contract/MOA. Compliant procurement procedures must also be followed and detailed in full.		
	Annual Assessment of Service Needs	The costs of providing annual assessments of the service needs of program participants are eligible.	
	Assistance with Moving Costs	Reasonable one-time moving costs are eligible, including truck rental and hiring a moving company.	Moving costs are only allowable under supportive services.
	Case Management	The costs of assessing, arranging, coordinating, and monitoring the delivery of individualized services to meet the needs of the program participants are eligible. These may include:	
		Counseling;	
		Developing, securing, and coordinating services;	Program supervisor staff costs are considered eligible.
		Using the centralized or coordinated assessment system;	The Coordinated Point of Access is operated by HandsOn Central Ohio in Columbus and Franklin County.
		Obtaining federal, state, and local benefits;	
		Monitoring and evaluating program participant progress;	

		Providing information and referrals to other service providers;	
		Providing ongoing risk assessment and safety planning with victims of domestic violence; and	
		Developing an individualized housing and service plan, including housing stabilization.	Referred to as the Individualized Housing Stabilization Plan, or IHSP, in CSB materials.
	Child Care	The costs of establishing and operating child care, and providing child-care vouchers, for children experiencing homelessness are eligible. Children must be under the age of 13 unless they are disabled. Disabled children must be under the age of 18.	
		The child care center must be licensed by the jurisdiction in which it operates in order for its costs to be eligible.	
		Eligible costs include the costs of providing meals/snacks and developmental activities.	
	Education Services	The costs of improving knowledge and basic educational skills are eligible. These may include instruction or training in consumer education, health education, substance abuse prevention, literacy, ESL & GED classes.	
		Component services and activities are screening, assessment, and testing; individual or group instruction; tutoring; provision of books, supplies, and instructional material; counseling; and referral to community resources.	
	Employment Assistance and Job Training	The costs of establishing and operating employment assistance and job training programs are eligible. These may include classroom, online and/or computer instruction, on-the-job instruction, and services that assist individuals in securing employment, acquiring learning skills, and/or increasing earning potential.	
		Learning skills include those skills that can be used to secure and retain a job, including the acquisition of vocational licenses and/or certificates.	
		The cost of providing reasonable stipends to participants in these employment programs is also eligible.	

		Services that assist individuals in securing employment consist of the following:	
		Employment screening, assessment, or testing;	
		Structured job skills and job-seeking skills;	
		Special training and tutoring, including literacy training and pre-vocational training;	
		Books and instructional material;	
		Counseling and job coaching; and	
		Referral to community resources.	
	Food	The cost of providing meals or groceries to program participants is eligible <b>ONLY</b> if food has been included in the budget detail submitted with the application or an amendment.	
		Gift cards given to clients are eligible <b>ONLY IF</b> the agency can specifically document that the gift cards were used to pay for eligible CoC costs. Documentation (receipts) for the items purchased with the gift card is required.	If a client uses a gift card for eligible costs (e.g., meals or groceries), and the sub-recipient can document that it was used to pay for those costs, gift cards may be used to pay for the cost of those services and the sub-recipient will be reimbursed for the cost of the gift cards. If a client receives a \$10 gift card for groceries, but provides a receipt for only \$7 worth of food, the sub-recipient can only include \$7 on the CoC invoice.
	Housing Search and Counseling Services	The costs of assisting eligible program participants to locate, obtain, and retain suitable housing are eligible.	
		Component services and activities are tenant counseling; assisting individuals and families to understand leases; securing utilities; and making moving arrangements.	
		Other eligible costs include the following:	
		Mediation with property owners and landlords on behalf of eligible program participants;	Funds may not be used to pay for eviction costs.
		Credit counseling, accessing a free credit report, and resolving personal credit issues; and	
		The payment of rental application fees.	Background checks are considered an eligible cost if included as part of a rental application fee or as a program eligibility requirement.

	Legal Services	Eligible costs are the fees charged by licensed attorneys and by person(s) under the supervision of licensed attorneys, for advice and representation in matters that interfere with the homeless individual or family's ability to obtain and retain housing.	
		Eligible subject matters are child support; guardianship; paternity; emancipation; legal separation; orders of protection and other civil remedies for victims of domestic violence, dating violence, sexual assault, and stalking; appeal of veterans and public benefit claim denials; landlord tenant disputes; and the resolution of outstanding criminal warrants. Legal services for immigration and citizenship matters and issues related to mortgages and homeownership are ineligible. Retainer fee arrangements and contingency fee arrangements are ineligible.	
		Component services or activities may include receiving and preparing cases for trial, provision of legal advice, representation at hearings, and counseling.	
		Fees based on the actual service performed (i.e., fee for service) are also eligible, but only if the cost would be less than the cost of hourly fees. Filing fees and other necessary court costs are also eligible. If the subrecipient is a legal services provider and performs the services itself, the eligible costs are the subrecipient's employees' salaries and other costs necessary to perform the services.	
	Life Skills Training	The costs of teaching critical life management skills that may never have been learned or have been lost during the course of physical or mental illness, domestic violence, substance abuse, and homelessness are eligible. These services must be necessary to assist the program participant to function independently in the community.	

		Component life skills training are the budgeting of resources and money management, household management, conflict management, shopping for food and other needed items, nutrition, the use of public transportation, and parent training.	
	Mental Health Services	Eligible costs are the direct outpatient treatment of mental health conditions that are provided by licensed professionals.	
		Component services are crisis interventions; counseling; individual, family, or group therapy sessions; the prescription of psychotropic medications or explanations about the use and management of medications; and combinations of therapeutic approaches to address multiple problems.	
	Outpatient Health Services	Eligible costs are the direct outpatient treatment of medical conditions when provided by licensed medical professionals including:	
		Providing an analysis or assessment of an individual's health problems and the development of a treatment plan;	
		Assisting individuals to understand their health needs;	
		Providing directly or assisting individuals to obtain and utilize appropriate medical treatment;	
		Preventive medical care and health maintenance services, including in-home health services and emergency medical services;	
		Provision of appropriate medication;	
		Providing follow-up services; and	
		Preventive and non-cosmetic dental care.	
	Outreach Services	The costs of activities to engage persons for the purpose of providing immediate support and intervention, as well as identifying potential program participants, are eligible.	
		Eligible costs include the outreach worker's transportation costs and a cell phone to be used by the individual performing the outreach.	

		Component activities and services consist of: initial assessment; crisis counseling; addressing urgent physical needs, such as providing meals, blankets, clothes, or toiletries; actively connecting and providing people with information and referrals to homeless and mainstream programs; and publicizing the availability of the housing and/or services provided within the geographic area covered by the Continuum of Care.	
	Substance Abuse Treatment Services	The costs of program participant intake and assessment, outpatient treatment, group and individual counseling, and drug testing are eligible.	
		Inpatient detoxification and other inpatient drug or alcohol treatment are ineligible. Training costs are unallowable. Any costs that are not included in the budget detail submitted with the application.	
	Transportation	Eligible costs include the following:	
		The costs of program participant's travel on public transportation or in a vehicle provided by the recipient or subrecipient to and from medical care, employment, child care, or other services eligible under this section;	Transportation for clients must be logged and verifiable according to the stipulations noted here. Agencies should develop a policy to ensure that client transportation costs are being appropriately allocated and tracked.
		Mileage allowance for service workers to visit program participants and to carry out housing quality inspections;	Children's car seats are not eligible costs.
		The cost of purchasing or leasing a vehicle in which staff transports program participants and/or staff serving program participants;	
		The cost of gas, insurance, taxes, and maintenance for the vehicle;	
		The costs of recipient or subrecipient staff to accompany or assist program participants to utilize public transportation; and	
		If public transportation options are not sufficient within the area, the recipient may make a one-time payment on behalf of a program participant needing car repairs or maintenance required to operate a personal vehicle.	This cost is subject to additional regulation, but public transportation availability in Columbus and Franklin County make this an ineligible expense.
	Utility Deposits	Utility deposits are an eligible cost as a one-time fee, paid to utility companies.	



	Direct Provision of Services	If the service described in this section is being directly delivered by the recipient or subrecipient, eligible costs for those services also include:	
		The costs of labor or supplies, and materials incurred by the recipient or subrecipient in directly providing supportive services to program participants; and	Community meeting expenses directly related to services provided are also considered eligible costs.
		The salary and benefit packages of the recipient and subrecipient staff who directly deliver the services.	Work-related telephone, cell phone, and internet services for staff members are considered eligible costs.
<b>ADDITIONAL COST ELIGIBILITY INFORMATION</b>			
Telephone and cellular phone services for clients are ineligible.			
Cable service is ineligible.			
Internet service for individual client units is ineligible.			
Late fees such as late fees charged for telephone, utilities, etc are unallowable.			
Dishes, cookware, bed linens, cleaning supplies, and other consumable supplies (other than food) used by the program participant are not eligible costs. <b>Haircuts are not eligible costs.</b>			
School supplies for both children and adults are eligible as long as they are necessary for and directly related to carrying out educational activities.			
<b>Operating Costs</b>	Subcontracted property management services are allowable, but MUST be documented through a detailed contract/MOA that ensures full compliance with CoC Program cost eligibility requirements, including the assurance that the contract/MOA and its term represent an arm's length transaction. The subcontractee must invoice the CoC-funded agency for costs in accordance with the contract/MOA. Compliant procurement procedures must also be followed and detailed in full.		
		Grant funds may be used to pay the costs of the day-to-day operation of transitional and permanent housing in a single structure or individual housing units. Eligible costs include:	
		The maintenance and repair of housing;	
		Property taxes and insurance;	
		Scheduled payments to a reserve for replacement of major systems of the housing (provided that the payments must be based on the useful life of the system and expected replacement cost);	
		Building security for a structure where more than 50 percent of the units or area is paid for with grant funds;	

		Electricity, gas, and water; and	
		Furniture and equipment.	Furniture charged under operating costs should stay with the unit. Mattresses are eligible, as they are part of a bed, but given the unique nature of a mattress, participants are
		Program funds may not be used for rental assistance and operating costs in the same project. Program funds may not be used for the operating costs of emergency shelter- and supportive service-only facilities.	
		Program funds may not be used for	Dishes, cookware, bed linens,
<b>ADDITIONAL COST ELIGIBILITY INFORMATION</b>			
Telephone and cellular phone services for clients are ineligible.			
Cable service is ineligible.			
Internet service for individual client units ineligible			
Late fees such as late fees charged for telephone, utilities, etc are unallowable.			
<b>Project Administrative Costs</b>	Indirect costs may be charged to the administrative BLI as noted above, but the indirect costs for this BLI must be calculated by applying the indirect cost rate only to costs eligible under the administrative BLI.		
		The recipient or subrecipient may use up to 10 percent of any grant awarded under this part for the payment of project administrative costs related to the planning and execution of Continuum of Care activities. This does not include staff and overhead costs directly related to carrying out activities eligible under other cost categories, because those costs are eligible as part of those activities.	Administrative costs are currently capped at 7% by the local CoC.

	General Management, Oversight, and Coordination	Costs of overall program management, coordination, monitoring, and evaluation. These costs include, but are not limited to, necessary expenditures for the following:	
		Salaries, wages, and related costs of the recipient's staff, the staff of subrecipients, or other staff engaged in program administration. In charging costs to this category, the recipient may include the entire salary, wages, and related costs allocable to the program of each person whose primary responsibilities with regard to the program involve program administration assignments, or the pro rata share of the salary, wages, and related costs of each person whose job includes any program administration assignments. The recipient may use only one of these methods for each fiscal year grant.	All salary and wages must be documented by timesheets with hours worked on the project by each day. Timesheets must be approved by the employee and a supervisor.
		Travel costs incurred for monitoring of subrecipients;	
		Administrative services performed under third-party contracts or agreements, including general legal services, accounting services, and audit services; and	
		Other costs for goods and services required for administration of the program, including rental or purchase of equipment, insurance, utilities, office supplies, and rental and maintenance (but not purchase) of office space.	
	Training on Continuum of Care Requirements	Costs of providing training on Continuum of Care requirements and attending HUD-sponsored Continuum of Care trainings.	
	Environmental Review	Costs of carrying out the environmental review responsibilities under § 578.31.	
<b>Program Income</b>	Program Income is income directly generated by the grant-supported activity. Include income where the		

	Occupancy fees	Occupancy fees paid by tenants to the Provider agency are Program Income.	If the Provider agency pays the full rent amount to the landlord and then the tenant pays a portion of the rent to the Provider agency, the tenant portion of the rent is Program Income. If the Provider agency pays a portion of the rent to the landlord and the tenant pays a portion of the rent to the landlord, the tenant portion of the rent is not Program Income, even if the Provider agency and
	Vending machine revenue	If a CoC-funded provider leases a building that already has vending machines and the provider is permitted to keep the vending machine revenue, include those receipts as Program Income. If a CoC-funded provider purchases or operates a residential facility, vending machines are not an eligible CoC expense; therefore, vending machine receipts are not considered Program Income whether collected by the recipient or vendor.	
	Laundry revenue	Include revenue from laundry machines.	
	Space rental	Include revenue from renting space, if the space rented is in a CoC-funded facility.	