

Emergency SHC – Frequently Asked Questions for Providers

Q. Can other Counties apply for Emergency SHC funding?

A. No. Only Counties eligible for the Colonia Self Help center Program may apply.

Q. How do we calculate income?

A. Income for the next 12 months should be *estimated* based on simple documentation of current income, as follows:

Income Type	Documentation
wages and salaries, overtime pay, commissions, fees, tips and bonuses, (before payroll deductions)	Pay stub(s) for one month
Income from self-employment	Two consecutive months bank statements from business and personal accounts demonstrating withdrawal and deposit (average of two months to be used for calculation)
Unemployment, disability compensation, worker's compensation, and severance pay, and similar payments in lieu of earnings	Benefits statement from agency OR One month bank statement demonstrating deposit(s) Note: unemployment benefits should be included only for the period of time the applicant is actually eligible to receive those benefits
Welfare assistance Note: if this assistance is designated for shelter and utilities, ESHC assistance may only be granted for other purposes or for shelter/utility costs that exceed the welfare assistance provided (duplication of benefits)	Benefits statement from agency OR One month bank statement demonstrating deposit(s)
Social security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts	One month bank statement demonstrating deposit(s)

Do not include the following as household income:

- Income from employment of children (including foster children) under the age of 18 years;
- Income of a live-in aide, as defined in 24 CFR 5.403;
- Payments received for the care of foster children or foster adults (usually persons with disabilities unrelated to the tenant family, who are unable to live alone);

ADDITIONAL INCOME EXCLUSIONS (optional – counties may choose to document these additional exclusions):

- Amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member;
- Amounts received by the family in the form of refunds or rebates under state or local law for property taxes paid on the dwelling unit;

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- Amounts paid by a state agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home;
- Amounts of scholarships funded under title IV of the Higher Education Act of 1965;
- Amounts received under training programs funded by HUD (e.g., training received under Section 3) or through volunteer programs under the Domestic Volunteer Services Act (e.g., AmeriCorps, VISTA, Retired Senior Volunteer Program, etc.);
- Earned income tax credit (EITC) refund payments
- Other Part 5 exclusions; or
- Amounts specifically excluded by any other federal statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under any program to which the exclusions set forth in 24 CFR 5.609(c) apply.

Alternative Documentation of Income Eligibility:

Counties may consider eligibility for certain other means tested programs to be evidence of eligibility for Emergency SHC, if desired. These programs include:

- Section 8 assistance TANF (not one-time) SNAP (Households up to 5 persons)
- Free School Lunch Program Reduced School Lunch Program (Households up to 3 persons)
- County Indigent Health services Other local programs if verified by TDA

Q. Why is the program limited to 50% of Area Median Family Income (AMFI)?

A. Emergency SHC relies primarily on self-certification of income, with limited supporting documentation and a priority on providing economic relief as rapidly as possible. TDA established 50% of AMFI as the eligibility threshold so that, if the program is audited and finds that a household estimated their income slightly incorrectly, the error will be unlikely to exceed HUD’s LMI eligibility threshold (80% AMFI). In that case, the issue would be resolved programmatically and not require repayment to HUD.

In addition, households anticipating income less than 50% AMFI for the coming year are very likely to need assistance to provide basic household necessities during this emergency period.

Q. Can the County be more restrictive than TDA?

A. Yes, the County may limit the Emergency SHC program by reducing the maximum grant amount, limiting eligibility to designated colonias, requiring additional documentation, or creating other program requirements. The sample E-SHC Summary for Residents and E7 forms use red text to indicate program elements that Counties have asked to modify.

Q. Can the County request a waiver to the eligibility requirements?

A. If the County demonstrates that there are not sufficient applicants to fully expend all Emergency SHC funds, the County may request that TDA include additional participants, including non-colonia residents, households that include staff members of the County or non-profit partner, or households with income levels up to 80% of AMFI.

Q. Can the funds be used for:

- Cash / general pre-paid cards? – No, emergency funds must be paid to the “service provider” (mortgage lender, utility company, etc.)
- Grocery Store gift cards? – Yes, gift cards limited to use at that store may be eligible – the County may coordinate with the store to limit the purchases available with the card (example, food only, or only SNAP eligible products) but is not required to impose limits beyond use in the same store.
- Gas cards? - Yes, gift cards limited to use at that store may be eligible
- Home repairs? – No, this program is for emergency household needs; housing rehabilitation projects should be funded through other grants

Q. Is photo ID required?

A. Photo ID is not required by TDA for mortgage assistance or utility assistance, as the address of the residence being assisted is confirmed on the supporting documentation.

For the more flexible “Food and other assistance” category, some evidence that the applicant actually resides at the eligible address is needed – photo ID is an appropriate example.

Q. Is proof of citizenship required?

A. TxCDBG and the Emergency SHC program are focused on income and residential location. Proof of citizenship is not required.

Q. Can the County pay the utility in one lump sum?

A. TDA recommend issuing a separate payment to the utility for each eligible household to ensure that the correct account is credited. The County should receive some confirmation that the funds have been credited to that account.

TDA encourages the Emergency SHC Counties to reach out early to utilities that serve colonia areas, both to help identify eligible households in need of assistance and to coordinate the payment process if special arrangements are needed.

Q. The Commissioners Court passed its resolution authorizing this application before the public hearing was held. Is this acceptable?

A. Due to the emergency nature of this program, TDA is accepting the public hearing and local governing body resolution regardless of the order in which they were completed. All other TxCDBG programs will continue to follow the citizen participation steps in the prescribed order.

Q. What is the application due date?

A. As soon as possible!

Please submit the Form 424 (main signed page) as soon as the County holds its public hearing, even if certain other pieces of the application are not yet complete. Once all 7 counties submit

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the 424, TDA will route and issue the formal award notice. TDA will then confirm the application is complete before issuing the contract for execution to that County.

Q. When can I receive funds?

A. Once the contract is executed, grant funds may be requested by submitting [Form A203](#):

- * Complete the Ledger tab according to the instructions
- * On the Draw Form tab,
 - *leave the Progress Report Blank,
 - *complete the Period Covered fields
 - *print and sign (2 persons authorized by the local resolution)
- * Support documentation must include Part B of the standard Colonia Self Help Center Quarterly Report, identifying each household that received assistance.
- * email to CDBG_Draws@TexasAgriculture.gov with support documentation

If Emergency CSH funds will be distributed during an application event, the County may request grant funds in advance of the event in order to purchase grocery cards and have funds available for immediate disbursement to service providers.

- Submit Form A203 with the advertisement showing the event date and time as supporting documentation – type “Advance Payment Request” in one of the blank field on the Draw tab budget table
- Please submit the request at least 10 business days prior to the event. Funds will be disbursed no more than 5 business days prior to the event.
- Submit the full support documentation (SHC Quarterly Report Part B) no later than 5 business days following the event.

Q. What support documentation is required regarding self-certification support documentation. Is there any other section of the self-certification that needs supporting documentation?

- **Proof of Residency in a Colonia (by means of a utility bill or similar)**
- **Proof of Mortgage Costs**
- **Proof of Utility Costs**

A. You may require any form of proof of residency listed above. Mortgage and utility assistance should be applied to current costs (and the month before and after) – do not require past due notices, as HUD is unclear whether CDBG funds may be used to pay arrears.

The purpose of confirming residency is to prove the location is in the Colonia, as confirmed by the County for eligibility.

Q. Gift Card purchases – Will there be any method for procurement?

A. No specific method of procurement is required as the letter allowing non-competitive procurement processes was sent to each County.

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* If you process a PO please include only the Termination Clause from the Appendices mentioned below on the purchase documentation. If you only have e-mail correspondence then you may send them an email notifying the store of the update required per the State. No signature or approval is needed only the notification of the provided language as provided below:

For **Gift Card purchases** the State requires the Federal conditions language on the purchase documentation. CDBG Implementation Manual Appendix D page 20, Part IV Terms and Conditions , Numbers 1 and 2

1. Termination for Cause. If the Contractor fails to fulfill in a timely and proper manner its obligations under this Agreement, or if the Contractor violates any of the covenants, conditions, agreements, or stipulations of this Agreement, the City/County shall have the right to terminate this Agreement by giving written notice to the Contractor of such termination and specifying the effective date thereof, which shall be at least five days before the effective date of such termination. In the event of termination for cause, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs and reports prepared by the Contractor pursuant to this Agreement shall, at the option of the City/County, be turned over to the City / County and become the property of the City / County. In the event of termination for cause, the Contractor shall be entitled to receive reasonable compensation for any necessary services actually and satisfactorily performed prior to the date of termination.

Notwithstanding the above, the Contractor shall not be relieved of liability to the City/County for damages sustained by the City/County by virtue of any breach of contract by the Contractor, and the City/County may set-off the damages it incurred as a result of the Contractor's breach of contract from any amounts it might otherwise owe the Contractor.

2. Termination for Convenience of the City/County. City/County may at any time and for any reason terminate Contractor's services and work at City/County's convenience upon providing written notice to the Contractor specifying the extent of termination and the effective date. Upon receipt of such notice, Contractor shall, unless the notice directs otherwise, immediately discontinue the work and placing of orders for materials, facilities and supplies in connection with the performance of this Agreement.

[Parties should include the manner by which such termination will be effected and the basis for settlement or any other terms and conditions concerning payment upon such termination.]

Q. Food Products purchases – How do we provide support documentation?

A. Please provide the listed items that will be put together for a family basket. Along with the listed items please provide the receipted value from the Grocery Store so we can show the combined value of each basket.

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For **Food Product purchases** the State requires the Federal conditions language on the purchase documentation. CDBG Implementation Manual Appendix D page 20, Part IV Terms and Conditions , Numbers 10 and 11

10. Termination for Cause [for Contracts > \$10K]

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11. Termination for Convenience of the City/County.[for Contracts > \$10K]

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[Parties should include the manner by which such termination will be effected and the basis for settlement or any other terms and conditions concerning payment upon such termination.]

Q. Do staff members need to be CDBG Certified in order to charge to the E-SHC Grant?

A. At this time we do not require TxCDBG Administrator Certification for the ESHC Program. In the future we may require some sections of the manual be covered but as we roll out our new training materials for our Implementation Manual updates we will have hopefully fully funded the E-SHC grants.

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Q. Can we update the 2020 TxCDBG Survey Questionnaire and E-SHC Family Certification Form?

A. Yes you can make your updates to meet the requirements set forth by the County. I understand you may want to update the eligible amount as well as remove an activity the County will not be offering to limit confusion in the application process.