

# S+C Resource Manual

## Introduction--Purpose and Organization of the On-line Resource Manual

### S+C Resource Manual

*This resource manual is primarily designed to assist grantees, non-profit sponsors, and supportive service providers to administer the S+C program effectively.* It presents the statutory requirements, Federal regulations, and other HUD policy guidance that local program operators must know to meet the requirements of their S+C grants and the needs of program participants.

The resource manual is organized as follows:

**Section 1** presents an overview of the Shelter Plus Care program, including the program's overall goals, the S+C components, and the roles of grantees, sponsors, and HUD in local program implementation.

**Section 2** describes the eligible activities that can be funded with S+C grants and eligible participants who may be served in the program.

**Section 3** reviews leasing requirements, including evaluating unit rents, determining participant incomes and rent contributions, and developing occupancy agreements for S+C participants.

**Section 4** discusses the supportive services match requirement – what it is and how it should be documented.

**Section 5** presents an overview of financial management requirements for S+C grants, including a brief description of HUD's LOCCS system for grant drawdowns.

**Section 6** reviews Federal record-keeping requirements that govern S+C grants as well as HUD's reporting requirements.

**Section 7** explains the processes for extending or renewing an S+C grant.

**Section 8** describes S+C grant administration requirements and highlights other Federal regulations with which S+C grantees must comply.

**Appendices** include key resource documents, such as the Federal Regulations governing S+C, the Annual Progress Report, and CPD notices. It also includes sample forms that may be useful to local program operators. The appendices are:

- Appendix A:** [Shelter Plus Care Regulations: 24 CFR 582](#)
- Appendix B:** [Shelter Plus Care vs. Supportive Housing Program – Side-by-Side Comparison](#)  
[Shelter Plus Care/SRO vs. Section 8 SRO – Side-by-Side Comparison](#)
- Appendix C:** [Environmental Review Requirements: SNAPshots Policy Newsletter, Vol. 1, No. 1, REV-#2, November 17, 2000](#)
- Appendix D:** [Rent Reasonableness Checklist](#)
- Appendix E:** [Tenant Rent Calculations: Notice CPD-96-3](#)
- Appendix F:** [Supportive Service Match Tracking Form](#)
- Appendix G:** [Annual Progress Report \(APR\)](#)

- ▶ [1: Program Overview](#)
- ▶ [2: Eligible Activities and Participants](#)
- ▶ [3: Leasing Requirements](#)
- ▶ [4: Supportive Services Match](#)
- ▶ [5: Financial Management](#)
- ▶ [6: Record Keeping and Reporting](#)
- ▶ [7: Renewals and Extensions](#)
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**How to get to**

**<http://www.hud.gov:80/offices/cpd/homeless/library/spc/resourcemanual/index.cfm>  
(if you don't dare to retype the whole URL)?**

- 1) [www.hud.gov/](http://www.hud.gov/)
- 2) Click on [Homeless](#)
- 3) Under "If You Are a Homeless Assistance Provider," click on [HUD's Homeless Assistance Programs](#)
- 4) Click on [Shelter Plus Care Program](#)
- 5) Under "Shelter Plus Care Resources," click on [S+C Resource Manual](#)

## More Shelter Plus Care Program Materials:

<http://www.hud.gov/offices/cpd/homeless/library/spc/index.cfm>

### **Understanding S+C**

This guide highlights key aspects of the S+C program. It was designed to provide HUD field office personnel, potential S+C program operators, and S+C grantees with basic information.

### **Enhancing Shelter Plus Care Guide**

The purpose of this booklet is to identify the key challenges facing Shelter Plus Care (S+C) program operators and to share practical approaches used by experienced Shelter Plus Care grantees and sponsors to enhance program operations.

## **EXCERPTS from HUD's S+C Online Resource Manual**

### **Section 2.2: Eligible Participants**

To be eligible for the S+C program, a person must be both homeless and disabled. In the case of a homeless household, at least one **adult** member must meet the program definition of disabled.

Specific targeted disabilities for the S+C program are people with serious mental illnesses, those with chronic substance abuse problems, and those with AIDS and related diseases.

- The S+C statute states that, to the extent possible, not less than 50 percent of S+C

- funds be reserved for homeless individuals who are seriously mentally ill or have chronic problems with alcohol, drugs, or both.
- Grantees may establish a preference for one or more of the disability categories although housing referrals must be made available in the community for eligible persons in other disability categories seeking assistance.

A description of the local S+C project's target population must be included in the grantee's application for funding. In the S+C funding application, prospective grantees must complete a table (reproduced on the next page) to indicate the targeted disabilities and the number of persons they plan to serve. Successful applicants are expected to serve the types and numbers of persons with disabilities shown on this chart. Changing the target population is considered a significant program change that must be approved by HUD. By regulation, the grantee must serve *at least as many participants as shown in the application*. No program change is permitted in this regard since the amount of funds originally awarded was based upon this number.

Click [here](#) to access "Section D. Targeted Disabilities" from a sample of the grantee's application for funding.

## **DEFINITION and DOCUMENTATION of DISABILITY**

The definition of disabled [[24 CFR 582.5](#)] that is used as the basis for determining eligibility in the S+C program is the same as that used in the Section 811 (Supportive Housing for Persons with Disabilities) program. Persons with disabilities are defined as:

"Persons with disabilities" – a household composed of one or more persons at least one of whom is an adult who has a disability.

1. A person shall be considered to have a disability if such person has a physical, mental, or emotional impairment which is expected to be of long-continued and indefinite duration; substantially impedes his or her ability to live independently; and is of such nature that such ability could be improved by more suitable housing conditions.

2. A person will also be considered to have a disability if he or she has a developmental disability, which is a severe, chronic disability that –

(i) Is attributable to a mental or physical impairment or combination of mental and physical impairments;

(ii) Is manifested before the person attains age 22;

(iii) Is likely to continue indefinitely;

(iv) Results in substantial functional limitations in three or more of the following areas of major life activity;

(A) Self-care

(B) Receptive and expressive language;

(C) Learning;

(D) Mobility;

(E) Self-direction;

(F) Capacity for independent living; and

(G) Economic self-sufficiency; and

(v) Reflects the person's need for a combination and sequence of special, interdisciplinary, or generic care, treatment, or other services that are of lifelong or extended duration and are individually planned and coordinated.

Key to the definition is determining that the impairment is of long-continued and indefinite duration AND **substantially impedes** the person's ability to live independently. For example, drug or alcohol abuse or an HIV/AIDS condition that does not substantially impede a person's ability to live independently **does not** qualify as a disability in the S+C Program. Written documentation that a person's disability meets the program definition must come from a credentialed psychiatric or medical professional trained to make such a determination. The possession of a title such as case manager or substance abuse counselor does not by itself qualify a person to make that determination. "Self-certification" is also unacceptable.

Grantees and/or sponsors must have written documentation in their project files that qualifies each participant as having met the program definition of "disabled."

*A Note on Care-givers:* The term, "person with disabilities" may include, except in the case of the SRO component, a care-giver determined to be important to the care or well-being of a disabled person. However, following the death of the disabled person, the caregiver's right to rental assistance under the Shelter Plus Care Program will end at the end of the grant period or when the caregiver leaves the S+C assisted housing unit, whichever comes first.

## **DEFINITION and DOCUMENTATION of HOMELESSNESS**

In general, a person is considered homeless if, without HUD assistance, he or she would have to spend the night in a homeless shelter or in a place not meant for human habitation.

More specifically, an individual is considered homeless if he or she is:

- sleeping in an emergency shelter;
- sleeping in places not meant for human habitation, such as cars, parks, sidewalks, or abandoned or condemned buildings;
- spending a short time (30 consecutive days or less) in a hospital or other institution, but ordinarily sleeping in the types of places mentioned above;
- living in transitional/supportive housing but having come from streets or emergency shelters;
- being evicted within a week from a private dwelling unit and having no subsequent residence identified and lacking the resources and support networks needed to obtain access to housing; or
- being discharged from an institution and having no subsequent residence identified and lacking the resources and support networks needed to obtain access to housing.

### **NOTE**

As a part of the application process for all State and local government applicants, a "Discharge Policy" certification must be signed and submitted. This form certifies that if the S+C project receives funding, the government entity will develop and implement policies to prevent persons discharged from publicly funded institutions from becoming homeless.

If your state has a policy requiring housing as part of a discharge plan, HUD does not consider those persons homeless since they will be placed in housing arranged by the State. Contact your State Department of Mental Health or similar State agency for information on its discharge policy. If your State does not require housing as part of discharge planning, then those persons being discharged may be served as long as they will meet the homeless definition.

S+C grantees are required to document how it was determined that participants did not have the resources or support network needed to obtain housing. Exhibit 2-1 shows examples of appropriate documentation of homelessness for S+C participants under various scenarios. This documentation must be kept in the participants' files.

Click [here](#) to access Exhibit 2-1: Homelessness Eligibility and Documentation Guide [or see copy on next page].

## **EXHIBIT 2-1: HOMELESSNESS ELIGIBILITY AND DOCUMENTATION GUIDE**

<b>If your S+C program serves...</b>	<b>Then you need to...</b>	<b>This means...</b>
Persons living on the street or places not meant for human habitation	Document their homeless status	<p>You must verify that an individual is coming from the street through a certification from an outreach worker or organization that the person was living on the street.</p> <p>If you are unable to verify in this manner, the participant or a staff member may prepare a short written statement about the participant's previous living place and have the participant sign the statement and date it.</p>
Persons coming from an emergency shelter	Verify from the emergency shelter staff that the participant has been residing at the emergency shelter.	You need to obtain from the referring agency a written, signed, and dated verification that the individual has been a resident of the emergency shelter.
Persons coming from transitional housing for homeless persons	Verify with the transitional housing staff that the participant has been residing at the transitional housing.	<p>You should obtain:</p> <ol style="list-style-type: none"> <li>1) a signed statement from the transitional housing staff indicating that the individual is a resident there; and</li> <li>2) the referring agency's signed and dated verification as to the individual's homeless status when he/she entered their program.</li> </ol>
Persons from a short-term stay (up to 30 consecutive days) in an institution who previously resided on the street or in an emergency shelter	Verify from the institution staff that the participant has been residing at the institution and was homeless before entering the institution.	<p>You must obtain:</p> <ol style="list-style-type: none"> <li>1) written verification from the institution's staff that the participant has been residing in the institution for less than 31 days; and</li> <li>2) information on the previous living situation. Preferably, this will be the institution's written, signed, and dated verification on the individual's homeless status when he/she entered the institution</li> </ol>
Persons being discharged from a longer stay in an institution	Verify from the institution staff that the participant has been residing at the institution and will be homeless if not provided with assistance.	<p>You need to obtain signed and dated documentation:</p> <ol style="list-style-type: none"> <li>1) from the institution's staff that the participant was being discharged within the week before receiving homeless assistance; and</li> <li>2) of the following: <ul style="list-style-type: none"> <li>- the income of the participant;</li> <li>- what efforts were made to obtain housing; and</li> <li>- why, without the homeless assistance, the participant would be living on the street or in an emergency shelter.</li> </ul> </li> </ol>

## Section 4.1: Service provision requirements

The statute states that supportive services must be offered to S+C participants in an amount equal to or greater than the total rental assistance through the S+C grant.

The statute does not exclude any source of funding for the purposes of meeting the supportive services match requirement, except that S+C grant funds cannot be used for supportive services in any event. The sources may be Federal, State, local, or private. Of course, supportive services must be an eligible use of the source program's funds. For example, the HOME Program cannot be used to meet the S+C match requirement since supportive services are not an allowable use of HOME funds. The services may be created specifically for the S+C program or already be in operation.

Supportive service may be provided by a variety of entities including S+C sponsors, the grantee, or social service agencies in the community. The services may be offered by paid staff or by volunteers.

Service plans need to be developed and tailored to each participant's needs, both at program entry and over time. You must perform ongoing assessments of participants' service needs and make adjustments to service plans as needed. ([See 24 CFR 582.300 b-c.](#)) This is essential so that tenants are not made to receive specific services for which there may no longer be a need.

NOTE	NOTE
<p>In order to qualify as match, the supportive service must:</p> <ul style="list-style-type: none"><li>▶ Address the special needs of the population being served.</li><li>▶ Be appropriate or assist participants in obtaining appropriate services.</li></ul>	<p>Over time, some tenants may require few if any supportive services. When this happens, you may wish to consider offering these tenants the option of receiving Section 8 vouchers, if available in your community, thus freeing up rental assistance dollars in your S+C Program for new tenants.</p>

## Section 4.2: Providing appropriate services

Appropriate services should be offered to S+C participants, and should be tailored to meet the needs of each individual participant.

### APPROPRIATE ELIGIBLE SERVICES

In general, and as the definition of "supportive service" in the S+C regulation (section [582.5](#)) indicates, a supportive service qualifies as a matching resource when it addresses the "special needs" of the individual.

Examples of supportive services that might be provided by you or one of your sponsors include:

- Health care
- Mental health treatment
- Alcohol and other substance abuse services
- Childcare services
- Case management
- Counseling
- Education and/or job training
- Other services essential for achieving and maintaining independent living, such as courses on household budgeting

Among the types of services that are not eligible to count toward the supportive service match requirement is inpatient acute hospital care.

### OUTREACH

S+C grantees must make an ongoing effort to ensure that eligible hard-to-reach persons are identified and served by the program. Outreach activities to identify eligible homeless people are considered a supportive service, and the value of outreach activities that occur after the execution of the grant agreement counts toward meeting the match requirement.

## Section 6.1: Record-keeping requirements

HUD requires that Shelter Plus Care grantees retain and provide access to program records as outlined in [24 CFR \(85.42\)](#). Program records include all financial and programmatic records, supporting documents, and statistical records.

In most cases, the records must be kept for three years after the last expenditure report is submitted. If there is pending litigation, an audit, or other action at the end of the three years, grantees must retain the records until the issues are resolved.

The Federal Freedom of Information Act (5 USC 552) does not apply to S+C program records. Unless required by other Federal, State or local law, grantees are not required to permit public access to their records.

## Section 6.2: Completing the Annual Progress Report (APR)

### **PURPOSE of the APR**

HUD uses the APR to review the progress of your S+C project annually. Performance of your project is tracked using the following three outcomes:

- Increased residential stability;
- Increased skill level and/or income; and
- Greater self-sufficiency.

Grantees can also use the APR as a tool for evaluating performance and setting future program goals.

### **REPORTING REQUIREMENTS**

Grantees must submit an Annual Progress Report (APR) for Competitive Homeless Assistance Programs (HUD Form 40118) within 90 days of the end of each operating year. The report should be submitted to the CPD Division Director for the local HUD office responsible for managing the grant.

Note that the APR is used for reporting not only on S+C grants, but also on HUD's other competitive homeless programs – the Supportive Housing Program and Section 8 Moderate Rehabilitation for SROs. Some sections of the report do not apply to S+C grants. Grantees should read the APR instructions carefully to make sure they complete the report appropriately for S+C grants.

It is important to complete the report accurately and submit it on time. The reports are a valuable source of information that HUD Headquarters uses to respond to inquiries about the program from Congress and others, including justifications for program funding requests during the annual appropriations process.

## **TIPS for COMPLETING the APR**

The APR documents project enrollments and departures, participants' demographic characteristics, and outcomes including participants' length of stay in housing, changes in skills and income, and changes in levels of self-sufficiency.

As discussed in Section 4, grantees must also document the S+C match by reporting the value of supportive services received by S+C participants during the year. You are advised to develop a standard form for supportive service providers to use to report services received by S+C participants. This information must be collected and summarized at least annually for inclusion in the APR.

Collecting and compiling the information for the APR requires close cooperation between the grantee and local project sponsors. Grantees will need to develop and implement systems and procedures for collecting this information **before** the S+C grant program begins operating!

The APR form includes a worksheet for collecting information on participant characteristics. Until a form-fillable version is made available to you on the Web, it will be very useful for you to create an electronic version of this worksheet, and as many other parts of the APR as possible, to more efficiently collect and tabulate the information.

# Glossary

**Assisted unit** – a housing unit for an eligible person that receives rental assistance under the S+C program.

**Components** – Grantees may provide rental assistance to eligible participants through four possible housing arrangements or components. They are: sponsor-based, tenant-based, project-based (with or without rehabilitation), and SRO. (See [Section 1.2](#))

**Eligible person** – a homeless person with disabilities (primarily persons who are seriously mentally ill; have chronic problems with alcohol, drugs, or both; or have AIDS and related diseases) and, if also homeless, the family of such person. To be eligible for assistance, persons must be very low income.

**Grantee** – the prime recipient of the S+C grant funds.

**Homeless or homeless individual** – someone who is sleeping in places not meant for human habitation, such as cars, parks, sidewalks, and abandoned or condemned building; or is sleeping in an emergency shelter. This may include a person who ordinarily sleeps in one of the above places but is spending a short time (30 days or less) in a hospital or other institution. (See [Section 2.2](#))

**Participants** - an eligible person who has been selected to participate in S+C.

**Persons with disabilities** – Those who have a disability that is expected to be of long-continued and indefinite duration; substantially impedes his or her ability to live independently; and is of such a nature that the disability could be improved by more stable conditions. Disabilities primarily targeted by the S+C program are: serious mental illness, chronic alcohol and/or other drug abuse; and AIDS or related diseases. (See [Section 2.2](#))

**Service provider** – a person or organization licensed or otherwise qualified to provide supportive services, either for profit or not for profit.

**Single Room Occupancy (SRO)** – a unit for occupancy by one person, which need not but may contain food preparation or sanitary facilities, or both.

**Sponsor** – a nonprofit organization which owns or leases dwelling units for use by S+C participants.

**Supportive services match** – S+C has a requirement that rental assistance funds must be matched with an equal amount of supportive services funded through sources other than S+C. (See [Section 4.3](#))