

Budget guidance

Eligible Budget Line Items by Project Component Type

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| Permanent Supportive Housing | <ul style="list-style-type: none"> • Acquisition • Rehabilitation • New Construction • Leasing • Operations • Rental Assistance • Supportive Services • HMIS • Indirect Costs • Administration |
| Rapid Re-Housing | <ul style="list-style-type: none"> • Short term (up to 3 months) and/or medium-term (3-24 months) tenant-based rental assistance • Supportive services • HMIS • Indirect Costs • Administration |
| Joint Transitional/ Rapid Re-housing | <ul style="list-style-type: none"> • Capital costs (i.e., new construction, rehabilitation, or acquisition), leasing of a structure or units, and operating costs to provide transitional housing; • Short term (up to 3 months) and/or medium-term (3-24 months) tenant-based rental assistance • Supportive services • HMIS • Project administrative costs |
| Homeless Management Information System (HMIS) | <ul style="list-style-type: none"> • HMIS • Indirect Costs • Administration |
| Support Services Only (for Coordinated Entry) | <ul style="list-style-type: none"> • Supportive services • Indirect Costs • Administration |

Information about eligible costs under each line item can be found in the CoC Program Interim Rule, 24 CFR 578. A useful version of the CoC Program Interim Rule can also be found at:

https://www.hudexchange.info/resources/documents/CoCProgramInterimRule_FormattedVersion.pdf

Renewable Costs

All renewal projects must submit an application that reflects the same costs and amounts as are listed on the Grant Inventory Worksheet for that grant. Renewable costs that may be included are:

- Leasing
- Rental assistance
- Operating costs
- Supportive services
- HMIS
- Indirect Costs
- Administration

Consolidated Grant Budgets

HUD encourages the consolidation of renewal grants when the grants are with the same recipient, have the same component and expire in the same year, however, projects that have not yet been consolidated must submit separate project applications for individual renewal grants. HUD encourages grantees to consult with the HUD Field Office to confirm that grants are eligible for consolidation. River Valleys CoC requires grantees to provide documentation of that confirmation from the Field Office.

Budgets proposed for consolidated grants must match the exact total of the combined budget line items for each of the grants to be consolidated.

Other budget considerations

- Staff training and the costs of obtaining professional licenses or certifications needed to provide supportive services are not eligible supportive services costs. Some limited training is eligible under administrative costs, however.
- Administrative costs do not include staff and overhead costs directly related to carrying out other eligible activities (e.g., rental assistance), because those costs are eligible as part of those activities.
- Time spent preparing the annual application to HUD is not an eligible use of CoC funds.
- Indirect costs (also known as “facilities and administrative costs” defined at 2 CFR 200.56) are eligible under the CoC Program, and if the applicant does not have an approved federally negotiated indirect cost rate, the applicant may use a de minimis rate of 10 percent of Modified Total Direct Costs. However, the River Valleys CoC has limited administrative costs to less than 7 percent of Modified Total Direct Costs. Administrative costs at or above 7 percent will be rejected or reduced.
- Renewal projects must meet minimum project eligibility, capacity, timeliness, and performance standards identified in this NOFA or they will be rejected from consideration for funding.

Each year’s Notice of Funding Availability (NOFA) will state how the funding amount is to be calculated. This year, these rules apply:

- New project applications must request the full Fair Market Rent (FMR) amount per unit. A link to FMRs is included in the project application in e-snaps or the e-snaps guide for the Project Application. Contact CoC staff if you cannot locate the FMR(s) applicable to your project.
- HUD will adjust leasing, operating, and rental assistance budget line items based on changes to the FMR. All adjustments will be made prior to award announcement.
- If the recipient has a subrecipient, it is required to share at least 50% of project administrative funds with its subrecipient(s).