



# **Guidelines**

FOR THE

# **City of Spokane Homeless Housing Operations and Services Grant**

**July 1, 2017 – June 30, 2019**

Version 2  
September 2018

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## 1 Grant Basics

### 1.1 Overview

The Homeless Housing, Operations, and Services Grant combines federal, state and local homeless and human services resources into a single grant opportunity. This grant is designed to support an integrated system of housing assistance that can immediately address the need of a household or individual experiencing homelessness and connect them with the resources needed to end that homeless episode. Funded projects will support Spokane's Strategic Plan to End Homelessness through innovative practices that limit barriers to entry and focus on permanent housing options for clients.

#### **Consolidated Homeless Grant**

The Consolidated Homeless Grant (CHG) provides resources to fund homeless crisis response systems to support communities in ending homelessness. Homeless crisis response systems respond to the immediacy and urgency of homelessness and make sure that everyone has a safe and appropriate place to live. The vision, principles and goals set forth in the State Homeless Strategic Plan guide the management and implementation of CHG. CHG includes additional funding households deemed eligible the Temporary Assistance for Needy Families (TANF) and Housing & Essential Needs (HEN) programs. Chapter [RCW 43.185c](#) Homeless Housing and Assistance authorizes these funds.

#### **Emergency Solutions Grant**

The Emergency Solutions Grants (ESG) Program is designed to respond to crisis and provide emergency assistance to prevent and end homelessness. ESG funds are authorized under the McKinney-Vento Homeless Assistance Act and are intended to help improve the quality of existing emergency shelters for the homeless, make additional shelters available, meet the costs of operating these facilities, rapidly rehouse homeless individuals and families, provide essential services to them, and to prevent homelessness. ESG projects will be required to assist people in moving to permanent housing and reduce households' length of time homeless.

#### **Homeless Housing Assistance Act**

The Homeless Housing Assistance Act (HHAA) was created in Washington State by Engrossed Second Substitute House Bill (ESSHB) 2163 on August 1, 2005. The law created a document recording fee on certain documents to be utilized by local jurisdictions to reduce homelessness. Grant funds are administrated by the state and local governments. Eligible uses of the funds are broad as long as the program funded addresses homelessness through housing and/or services and aligns with the local homeless plan.

#### **Human Services Grant**

The City of Spokane Human Services Grant (HSG) program is a local grant program funded through the City's general fund as determined by the City's annual budgeting process. Funding priorities include reducing or preventing homelessness among the most vulnerable populations such as the disabled, veterans, youth and families; promoting and ensuring nutrition and food security; improving access to and utilization of mental and physical care. All activities must benefit the poor and infirm and operate within the City of Spokane.

## **2 Administrative Requirements of HHOS Grantees**

### **2.1 Homeless Crisis Response System Responsibilities**

#### **2.1.1 Prioritize Unsheltered Homeless Households**

HHOS-funded must prioritize unsheltered homeless households for services and programs.

#### **2.1.2 System Wide Performance Requirements**

The City of Spokane is accountable for system wide performance measures and targets specific to intervention type (HMIS project type) as outlined in Appendix D: System Performance Measurements. While HHOS-funded are accountable to the project-specific performance measures outlined in their grant agreements, all projects in the homeless crisis response system contribute to the system's performance and grantees are responsible for their projects' impact on system performance. Homeless crisis response systems must meet or demonstrate progress towards the targets of locally identified performance measures. For more details, see Appendix D: System Performance Measurements.

#### **2.1.3 Low Barrier Housing**

HHOS-funded projects are expected to be low barrier.

All homeless housing projects adhere to state and federal anti-discrimination laws:

- ✓ All projects ensure equal access for people experiencing homelessness regardless of race, national origin, gender identity, sexual orientation, marital status, age, veteran or military status, disability, or the use of an assistance animal.
- ✓ Projects designed to serve families with children experiencing homelessness ensure equal access regardless of family composition and regardless of the age of a minor child.
- ✓ Projects that operate gender segregated facilities allow the use of facilities consistent with the person's gender expression or identity.

##### **2.1.3.1 Intake & Project Eligibility**

Low barrier projects have flexible intake schedules and require minimal documentation. At the minimum, homeless households are not screened out based on the following criteria:

- ✓ Having too little or no income
- ✓ Having poor credit or financial history
- ✓ Having poor or lack of rental history
- ✓ Having involvement with the criminal justice system
- ✓ Having active or a history of alcohol and/or substance use
- ✓ Having a history of victimization
- ✓ The type or extent of disability-related services or supports that are needed
- ✓ Lacking ID or proof of U.S. Residency Status
- ✓ Other behaviors that are perceived as indicating a lack of "housing readiness," including resistance to receiving services

##### **2.1.3.2 Project Participation**

Low barrier projects have realistic and clear expectations. Rules and policies are narrowly focused on maintaining a safe environment and avoiding exits to homelessness. Low barrier projects do not have work or volunteer requirements. Projects that require households to pay a share of rent allow

reasonable flexibility in payment.

Households are not terminated from the project for the following reasons:

- ✓ Failure to participate in supportive services or treatment programs
- ✓ Failure to make progress on a housing stability plan
- ✓ Alcohol and/or substance use in and of itself is not considered a reason for termination

#### **2.1.4 Coordinated Entry System**

The City of Spokane maintains a coordinated entry (CE) system, in which people experiencing homelessness are assessed and referred to the services that are the most likely to help them obtain and maintain housing stability.

Homeless housing programs funded by HHOS must participate in CE, either as an access point, or by accepting referrals into housing programs.

#### **2.1.5 Reporting Requirements**

HHOS grantees are responsible for submitting the following:

##### **2.1.5.1 Local Homeless Housing Plan**

HHOS grantees must assist in the development and updating of the Strategic Plan to Prevent and End Homelessness as requested by the City of Spokane.

##### **2.1.5.2 Annual County Expenditure Report**

HHOS grantees must assist the City of Spokane in its submission of the Annual County Expenditure Report to Commerce by submitting annual expenditure data on relevant homeless service projects upon request.

##### **2.1.5.3 Point-in-Time Count**

HHOS grantees must participate in the annual Point-in-Time Count of sheltered and unsheltered homeless persons as requested by City of Spokane.

##### **2.1.5.4 Essential Needs Report**

HEN grantees must submit a HEN Essential Needs Report to the City of Spokane monthly alongside HEN reimbursement request, which is a count of the total instances of Essential Needs services.

#### **2.1.6 Training**

Staff that provide direct services and supervise staff who provide direct services and manage homeless grants should receive training and demonstrate competency in, at a minimum:

- ✓ Trauma Informed Services
- ✓ Mental Health First Aid
- ✓ Harm Reduction
- ✓ Supporting victims of domestic violence
- ✓ Local coordinated entry policies and procedures
- ✓ Fair Housing

In addition, staff are highly encouraged to attend the annual [Washington State Conference on Ending Homelessness](#).

Costs to attend trainings are an eligible program expense (see Section 5.3 Operations).



Commerce will be providing free regional Trauma Informed Services and Mental Health First Aid training through June 2019.

## **2.2 Interested Landlord List**

HHOS grantees providing rental assistance are responsible for ensuring that an interested landlord list is created and maintained. The interested landlord list must include information on rental properties (including buildings with fewer than 50 units). The list must be updated at least once per quarter, and distributed to households seeking assistance and homeless housing providers within the county. See [RCW 43.185c.240](#). Creation and maintenance of the list may be delegated to another entity.

## **2.3 Outreach to Landlords**

HHOS grantees providing rental assistance are responsible for ensuring that outreach to private rental housing landlords is conducted and documented at least quarterly. Outreach to private landlords includes information about opportunities to provide rental housing to people experiencing homelessness. See [RCW 43.185c.240](#). Outreach and documentation may be delegated to another entity.

## **2.4 Grant Management**

### **2.4.1 Changes to Guidelines**

The City of Spokane may revise the guidelines at any time. All grantees will be sent revised copies.

### **2.4.2 Grantee Monitoring**

The City of Spokane will monitor grantees' HHOS grant activities, including coordinated entry. Grantees will be given a minimum of 30 days' notice unless there are special circumstances that require immediate attention. The notice will specify the monitoring components.

## **2.5 Fiscal Administration**

### **2.5.1 Reimbursements**

HHOS grantees must bill the City of Spokane monthly for reimbursement of allowable costs. Invoices are due on the 10<sup>th</sup> of the month following the provision of services. Final invoices for a biennium may be due sooner than the 10<sup>th</sup>. Exceptions to billing procedures can be negotiated with the City of Spokane on a case-by-case basis. Specific instructions for invoice submission can be found in the HHOS grant agreements

#### **2.5.1.1 Back-up Documentation**

In addition to back-up documentation supporting the expenses included in the reimbursement request, all submitted invoices must include the current billing forms/reports drafted and distributed by CHHS staff to HHOS grantees for the applicable grant agreement. Invoices may not be paid until the report(s) are received and verified. The City of Spokane may require a lead grantee to submit additional documentation. Lead grantees must retain original invoices submitted by their subgrantees.

### **2.5.2 Budget Revisions**

Budget revision requests must be submitted the HHOS grant manager and approved by CHHS staff. Budget revisions must be aligned with the scope of work outlined in the project's HHOS application.

A contract amendment is required when revisions (in one or cumulative transfers) reach more than 10 percent of the grant total.

## **3 Allowable Interventions**

### **3.1 Temporary Housing Interventions**

Temporary housing interventions are those in which the household must leave the shelter or unit at the end of their program participation. Households are considered homeless while enrolled in temporary housing interventions.

#### **3.1.1 Emergency Shelter**

Emergency shelter provides short-term<sup>1</sup> temporary shelter (lodging) for those experiencing homelessness. Emergency Shelters can be facility-based, or hotel/motel voucher.

##### **3.1.1.1 Drop-in Shelter**

Drop-in Shelters offer night-by-night living arrangements that allow households to enter and exit on an irregular or daily basis.

##### **3.1.1.2 Continuous-stay Shelter**

Continuous-stay Shelters offer living arrangements where households have a room or bed assigned to them throughout the duration of their stay.

#### **3.1.2 Transitional Housing**

Transitional housing is subsidized, facility-based housing that is designed to provide long-term<sup>2</sup> temporary housing and to move households experiencing homelessness into permanent housing. Lease or rental agreements are required between the transitional housing project and the household.

### **3.2 Permanent Housing Interventions**

Permanent housing is housing in which the household may stay as long as they meet the basic obligations of tenancy.

#### **3.2.1 Targeted Prevention**

Targeted Prevention resolves imminent homelessness with housing-focused case management and temporary rent subsidies. (For HEN-funded grant agreements only)

#### **3.2.2 Rapid Re-Housing**

Rapid Re-Housing (RRH) quickly moves households from homelessness into permanent housing by providing move in assistance, temporary rent subsidies, and housing-focused case management.

#### **3.2.3 Permanent Supportive Housing**

Permanent Supportive Housing (PSH) is subsidized, non-time-limited housing with support services for homeless households that include a household member with a permanent disability. Support services must be made available but participation is voluntary. PSH may be provided as a rent assistance (scattered site) or facility-based model. For facility-based model's a lease or rental agreement is required between the PSH project and the household. The services and the housing are available permanently.

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<sup>1</sup> Emergency Shelter programs are typically designed and intended to provide temporary shelter for short-term stays: up to three months. Clients are not required to exit after 90 days.

<sup>2</sup> Transitional Housing programs are typically designed and intended to provide temporary housing for long-term stays: up to two years.

### **3.3 Services Only Interventions**

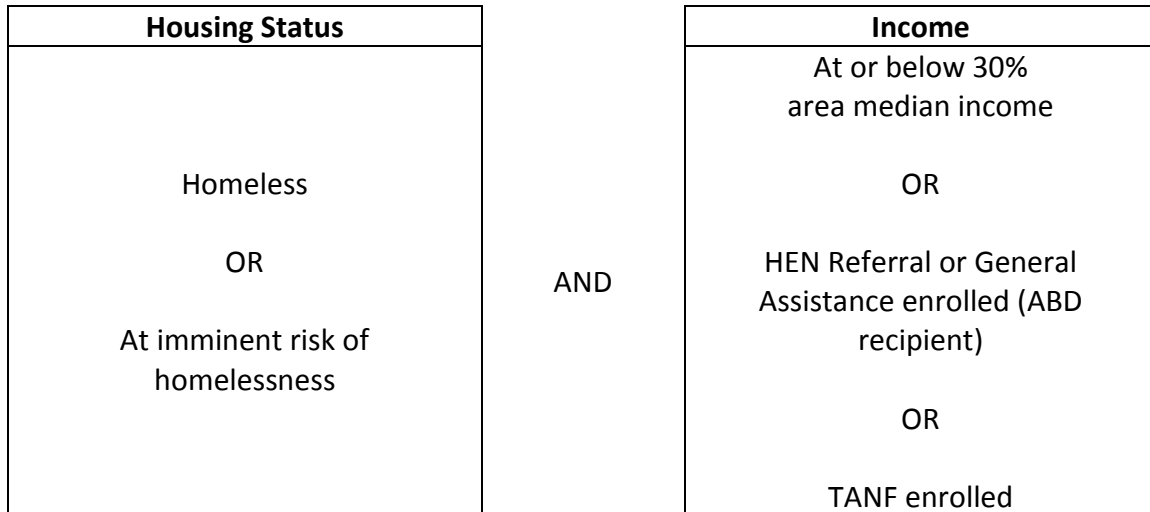
#### **3.3.1 Outreach**

Street outreach is a strategy for engaging people experiencing homelessness who are otherwise not accessing services for the purpose of connecting them with emergency shelter, housing, or other critical services.

## 4 Household Eligibility

A household is one or more individuals seeking to obtain or maintain housing together. The entire household must be considered for eligibility determination and services. A household does not include friends or family that are providing temporary housing.

Eligible households must meet both housing status and income requirements as detailed in the following sections.



## 4.1 Housing Status Eligibility

### 4.1.1 Homeless

Households are homeless if they are unsheltered or residing in a temporary housing program, as defined below.

#### 4.1.1.1 Unsheltered Homeless:

- ✓ Living outside or in a place that is not designed for, or ordinarily used as a regular sleeping accommodation for human beings, including a vehicle, park, abandoned building, bus or train station, airport, or campground.
- ✓ Fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, human trafficking, or other dangerous or life-threatening conditions that relate to violence against the household member(s), including children, that have either taken place within the household's primary nighttime residence or has made the household member(s) afraid to return to their primary nighttime residence.

#### 4.1.1.2 Sheltered Homeless:

- ✓ Residing in a temporary housing program including shelters, transitional or interim housing, and hotels and motels paid for by charitable organizations or government programs.
- ✓ Exiting a system of care or institution where they resided for 90 days or less AND who resided in an emergency shelter or place not meant for human habitation immediately before entering that system of care or institution.
- ✓ Residing in a trailer or recreational vehicle that is parked illegally or in a location that is not intended for long-term stays (i.e. parking lots).

#### 4.1.2 At Imminent Risk of Homelessness

Households are at imminent risk of homelessness if they will lose their primary nighttime residence (including systems of care or institutions) within 14 days of the date of application for assistance, AND no subsequent residence has been identified, AND the household lacks the resources or support networks needed to obtain other permanent housing.

#### 4.2 Documentation of Housing Status

HHOS grantees must verify and document eligible housing status prior to program entry. See Appendix E: Documentation of Housing Status.

Households entering emergency shelter are exempt from housing status requirements.

The *HHOS Verification of Household Eligibility and Income Recertification Form* and housing status documentation must be kept in the client file. Documentation must be dated within 30 days of program entry.

#### 4.3 Income Eligibility

The combined household income must not exceed 30 percent of area median gross income as defined by HUD. Income limits are based on Area Median Income (AMI) which can be located for each county at: [www.huduser.gov](http://www.huduser.gov) (Data Sets, Income Limits).

Income is money that is paid to, or on behalf of, any household member. Income includes the current gross income (annualized) of all adult (18 years and older) household members and unearned income attributable to a minor. Income eligibility determinations are based on the household's income at program entry. Income inclusions and exclusions are listed in the Electronic Code of Federal Regulations, [www.ecfr.gov](http://www.ecfr.gov), Title 24 – Housing and Urban Development: Subtitle A 0-99: Part 5: Subpart F: Section [5.609 Annual Income](#).

**Gross Income** is the amount of income earned before any deductions (such as taxes and health insurance premiums) are made.

**Current Income** is the income that the household is currently receiving. Income recently terminated should not be included.

#### 4.3.1 Income Eligibility Exemptions

Income eligibility verification is never required for Drop-in Shelter or for households receiving only Flex Funding.

The following are exempt from income eligibility requirements for the first 90 days of program participation:

- ✓ Households entering Transitional Housing
- ✓ Households entering a Rapid Re-Housing program
- ✓ Households entering a Continuous-stay Shelter

For HEN and TANF household income eligibility, see the following:

**Assistance for HEN households:** In place of income verification, the HEN Referral or General Assistance enrollment (ABD recipient) from the Washington State Department of Social and Health Services

(DSHS) as documented in the Benefits Verification System (BVS) is required.

**Assistance for TANF households:** In place of income verification, proof of TANF enrollment from DSHS is required.

INCOME ELIGIBILITY REQUIREMENTS		
Temporary Housing Interventions	Enrollment	Recertification
Drop-in Shelter	None	None
Continuous-stay Shelter	None	At or below 30% AMI
Transitional Housing	None	At or below 30% AMI
<b>Permanent Housing Interventions</b>		
CHG/ESG Rapid Re-Housing	None	At or below 30% AMI
TANF Rapid Re-Housing	TANF Enrollment	TANF Enrollment
HEN Rapid Re-Housing and Targeted Prevention	DSHS HEN Referral or General Assistance enrolled (ABD recipient)	DSHS HEN Referral or General Assistance enrolled (ABD recipient)
Permanent Supportive Housing	At or below 30% AMI and a household member with a permanent disability	None

#### 4.4 Documentation of Income Eligibility

HHOS grantees must verify and document income eligibility prior to program entry.

*HHOS Verification of Household Eligibility and Income Recertification Form*, all allowable income documentation, and the *HHOS Income Eligibility Worksheet* (or equivalent) must be kept in the client file. Documentation must be dated within 30 days.

Adult household members that have no income are required to complete a *HHOS Self-Declaration Form*.

##### 4.4.1 Annualizing Wages and Periodic Payments

Use the *HHOS Income Eligibility Worksheet* (or equivalent) to calculate income based on hourly, weekly, or monthly payment information. Add the gross amount earned in each payment period that is documented and divide by the number of payment periods. This provides an average wage per payment period. Depending the schedule of payments, use the following calculations convert the average wage into annual income:

- ✓ Hourly wage multiplied by hours worked per week multiplied by 52 weeks.

- ✓ Weekly wage multiplied by 52 weeks.
- ✓ Bi-weekly (every other week) wage multiplied by 26 bi-weekly periods.
- ✓ Semi-monthly wage (twice a month) multiplied by 24 semi-monthly periods.
- ✓ Monthly wage multiplied by 12 months.

The *HHOS Income Eligibility Worksheet* is not required for households that have no income.

#### 4.4.2 Documentation of HEN Referral, General Assistance Enrollment (ABD Recipient) or TANF Enrollment

HEN and CHG-TANF grantees must verify and document HEN Referral, General Assistance enrollment (ABD recipient) or TANF enrollment prior to program entry.

**Assistance for HEN households:** The HEN Referral or General Assistance enrollment (ABD recipient) from the Washington State Department of Social and Health Services (DSHS) is required and must be kept in the client file.

**Assistance for TANF households:** Proof of TANF enrollment from DSHS is required and must be kept in the client file.

#### 4.5 Eligibility Recertification

HHOS grantees must document recertification of household income eligibility at least every three months using the *HHOS Verification of Household Eligibility and Income Recertification Form*. For HEN and TANF household recertification, see the following:

**Assistance for HEN households:** In place of income, recertification of the HEN Referral or General Assistance enrollment (ABD recipient) from DSHS as documented in the Benefits Verification System (BVS) is required at least every three months and must be kept in the client file.

**Assistance for TANF households:** In place of income, recertification of TANF enrollment from DSHS is required at least every three months and must be kept in the client file.

#### 4.5.1 Income Ineligible at Recertification

If households are determined income ineligible, they may remain in the program for an additional three months. Case management may continue for an additional six months after the determination of income ineligibility to support the household transition to self-sufficiency.

If the household is no longer enrolled in TANF, the three additional months of rent assistance can be charged to the TANF budget or the CHG base funding.

#### 4.6 Additional Eligibility Requirements for Permanent Supportive Housing

To be eligible for permanent supportive housing, a household must be homeless AND include at least one household member who has a disability that is expected to be long-continuing or of indefinite duration and substantially impedes the household member's ability to live independently.

Disability includes: a physical, developmental, mental, or emotional impairment, including impairment caused by alcohol or drug abuse, post-traumatic stress disorder, or brain injury. A person will also be considered to have a disability if he or she has Acquired Immune Deficiency Syndrome (AIDS) or any conditions arising from the etiologic agent for 86 Acquired Immune Deficiency Syndrome, including infection with the Human Immunodeficiency Virus (HIV).

#### **4.6.1 Documentation of a Disability**

HHOS grantees must verify and document the disability prior to program entry. Acceptable documentation of the disability must include one the following:

- ✓ Written verification of the disability from a professional licensed by the state to diagnose and treat the disability and his or her certification that the disability is expected to be long continuing or of indefinite duration and substantially impedes the individual's ability to live independently.
- ✓ Written verification from the Social Security Administration.
- ✓ Disability check receipt (Social Security Disability Insurance check or Veteran Disability Compensation).
- ✓ Other documentation approved by the City of Spokane.

If unable to document disability at program entry with the above methods, program staff must record observation of disability. Required documentation (above) must be obtained within 45 days of program enrollment.

#### **4.6.2 Maintaining Homeless Status for Permanent Housing**

While receiving Rapid Re-Housing assistance, households maintain their homeless status for purposes of eligibility for other permanent housing placements.



## 5 Allowable Expenses

### 5.1 Rent

Rent Payments and Other Housing Costs must be paid directly to a third party on behalf of the household.

#### 5.1.1 Rent Payments

- ✓ Monthly rent and any combination of first and last months' rent. Rent may only be paid one month at a time, although rental arrears, pro-rated rent, and last month's rent may be included with the first month's payment.
  - Monthly rent is not time-limited for HEN households or households in a PSH program.
  - For all other households and programs, rent assistance is limited to 24 months per episode.
- ✓ Rental arrears and associated late fees for up to three months. Rental arrears may be paid if the payment enables the household to obtain or maintain permanent housing. If funds are used to pay rental arrears, arrears must be included in determining the total period of the household's rental assistance.
  - Rental arrears for HEN or TANF enrolled clients can be paid for a time period when the client was not HEN or TANF enrolled.
- ✓ Lot rent for RV or manufactured home.
- ✓ Costs of parking spaces when connected to a unit.
- ✓ Incentives paid to landlords, including reimbursement for damages.
- ✓ Security deposits for households moving into new units.
- ✓ Hotel/Motel expenses are allowable when a hotel/motel unit is used as permanent housing.
- ✓ Utilities which are included in rent.

#### 5.1.2 Other Housing Costs

- ✓ Utility payments for households also receiving rental assistance.
- ✓ Utility arrears (see utility-only assistance below) for up to three months. Utility arrears may be paid if the payment enables the household to obtain or maintain permanent housing. If funds are used to pay utility arrears, arrears must be included in determining the total period of the household's financial assistance.
- ✓ Utility-only assistance (including arrears) can be provided when no other [utility assistance](#), such as [LIHEAP](#), is available to prevent a shut-off, and documented using the *Utility-Only Assistance Form*.
- ✓ Utility deposits for a household moving into a new unit.
- ✓ Application fees, background, credit check fees, and costs of urinalyses for drug testing of household members if necessary/required for rental housing.
- ✓ Other costs as approved by the City of Spokane.

#### 5.1.3 Special Circumstances

- ✓ Master-lease: Security deposit and monthly rent is allowable when an organization master-leases a unit, and then sub-leases the property to HHOS eligible households in the context of a Rapid Re-Housing or Permanent Supportive Housing program.
- ✓ Temporary absence: If a household must be temporarily away from the unit, but is expected to return (such as temporary incarceration, hospitalization, or residential treatment), grantees

may pay for the household's rent for up to 60 days and charge the grant for eligible costs. While a household is temporarily absent, he or she may continue to receive case management. Any temporary absence must be documented in the client file.

- ✓ Subsidized housing: HHOS rent/utility assistance may be used for move-in costs (security deposits, first and last month's rent) for subsidized housing (where household's rent is adjusted based on income), including project- or tenant-based housing.<sup>3</sup> HHOS may also be used for rental arrears or utility arrears for subsidized housing.

#### 5.1.4 Ineligible Expenses

- ☒ Ongoing rent/utilities for subsidized housing.
- ☒ HHOS rent and rent/utility assistance in combination with HHOS-funded facility support.
- ☒ Cable deposits or services.
- ☒ Mortgage assistance and utility assistance for homeowners.

### 5.2 Facility Support *(not an allowable expense for TANF)*

#### 5.2.1 Lease Payments

- ✓ Lease or rent payment on a building used to provide temporary housing or permanent supportive housing.
- ✓ Hotel/Motel expenses for less than 90 days when no suitable shelter bed is available.
- ✓ Move-in costs (security deposits, first and last month's rent) for permanent housing.

#### 5.2.2 Other Facility Costs

- ✓ Utilities (gas /propane, phone, electric, internet, water and sewer, garbage removal).
- ✓ Maintenance (janitorial/cleaning supplies, pest control, fire safety, materials and contract or staff maintenance salaries and benefits associated with providing the maintenance, mileage for maintenance staff).
- ✓ Security and janitorial (salaries and benefits associated with providing security, janitorial services).
- ✓ Essential facility equipment and supplies (e.g. common-use toiletries, food served in shelters, bedding, mats, cots, towels, microwave, etc.)
- ✓ Expendable transportation costs directly related to the transportation of eligible households (bus tokens and fuel for a shelter van).
- ✓ On-site and off-site management costs related to the building.
- ✓ Facility specific insurance (mortgage insurance is not allowable) and accounting.
- ✓ Costs for securing permanent housing including: application fees, background check fees, credit check fees, utility deposits, and costs of urinalyses for drug testing of household members if necessary/required for housing.
- ✓ Other expenses as approved by the City of Spokane.

#### 5.2.3 Special Circumstances

- ✓ Master-lease: Facility costs are allowable when an organization master-leases a building and then sub-leases the property to HHOS eligible households in the context of a Transitional Housing or Permanent Housing program.

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<sup>3</sup> In this context tax credit units are not considered subsidized housing.

#### 5.2.4 Ineligible Expenses

- ☒ Replacement or operating reserves.
- ☒ Debt service.
- ☒ Construction or rehabilitation of shelter facilities.
- ☒ HHOS facility support in combination with HHOS funded rent and rent/utility assistance.
- ☒ Mortgage payment for the facility.

#### 5.2.5 HEN Facility Support

Lease payments and other facility costs are allowable with HEN funding for transitional housing (section 3.1.2) and permanent housing (section 3.2). Emergency shelter is not allowable.

HEN facility support must be proportionally billed according to an estimate of the number of HEN households expected to occupy the facility.

#### 5.2.6 Maintenance Activities vs. Building Rehabilitation

Building maintenance is an allowable facility support expenses.

Maintenance activities include cleaning activities; protective or preventative measures to keep a building, its systems, and its grounds in working order; and replacement of existing appliances or objects that are not fixtures or part of the building. Maintenance activities should fix, but not make improvements that would add value to the building.

Maintenance activities do not include the repair or replacement of fixtures or parts of the building. A fixture is an object that is physically attached to the building and cannot be removed without damage to the building. Fixtures also include, but are not limited to, kitchen cabinets, built in shelves, toilets, light fixtures, staircases, crown molding, sinks and bathtubs. Maintenance activities do not include the installment or replacement of systems designed for occupant comfort and safety such as HVAC, electrical or mechanical systems, sanitation, fire suppression, and plumbing.

Building rehabilitation and capital improvements are not allowable facility support expenses.

These typically include those items that are done building-wide or affect a large portion of the property such as roof replacement, exterior/interior common area painting, major repairs of building components, etc. See Appendix F: Examples of Maintenance Activities.

### 5.3 Operations

Operations expenses are directly attributable to a particular program or to the homeless crisis response system.

- ✓ Salaries and benefits for staff costs directly attributable to the program or to the homeless system, including but not limited to program staff, information technology (IT) staff, human resources (HR) staff, bookkeeping staff, and accounting staff.
- ✓ Office space, utilities, supplies, phone, internet, and training/conferences/travel and per diem.
- ✓ Equipment up to \$1,500 per grant period unless approved in advance by the City of Spokane.

#### 5.3.1 Homeless Crisis Response System Expenses

- ✓ Point-in-Time counts
- ✓ Annual report/housing inventory
- ✓ Local homeless plans
- ✓ Coordinated entry planning, implementation and operations

- ✓ State data warehouse and Homeless Management Information System
- ✓ Interested landlord list and landlord outreach activities
- ✓ Participation in local Continuum of Care

### 5.3.2 Program Expenses

- ✓ Intake and assessment, including time spent assessing a household, whether or not the household is determined eligible.
- ✓ Housing Stability Services. This includes developing an individualized housing and service plan, monitoring and evaluating household progress, identifying creative and immediate housing solutions outside of the traditional homeless service system (diversion), [SSI/SSDI Outreach, Access, and Recovery \(SOAR\)](#), and assuring that households' rights are protected.
- ✓ Housing Search and Placement Services. This includes services or activities designed to assist households in locating, obtaining, and retaining suitable housing, tenant counseling, assisting households to understand leases, inspections, securing utilities, making moving arrangements, and representative payee services concerning rent and utilities.
- ✓ Mediation and outreach to property owners/landlords related to locating or retaining housing (landlord incentives).
- ✓ Outreach services.
- ✓ Optional support services for individuals in permanent supportive housing, including case management and connections to resources.
- ✓ Data collection and entry.
- ✓ General liability insurance and automobile insurance.
- ✓ Other costs as approved in advance by City of Spokane.

### 5.3.3 Flexible Funding

Flexible Funding includes expenses formerly categorized as HEN Essential Needs.

Flexible Funding is the provision of goods or payments of expenses not included in other allowable expense categories, which directly help a household to obtain or maintain permanent housing or meet essential household needs. Essential household needs means personal health and hygiene items, cleaning supplies, transportation passes and other personal need items (WAC 388-400-0065).

Households are eligible for Flexible Funding up to \$1,500 per household. Essential household need items are exempt from the \$1,500 cap.

Households eligible for HHOS are eligible for Flexible Funding. Households receiving only Flexible Funding and not ongoing assistance are exempt from income eligibility requirements. Verification of housing status is required. Flexible Funding payments must be paid directly to a third party on behalf of the household and noted in a household's housing stability plan.

#### 5.3.3.1 Ineligible Expenses

- Retailer or merchant gift cards, vouchers, or certificates that can be exchanged for cash or that allow the recipient to purchase alcohol or tobacco products.

### 5.4 Administration

Allowable administrative costs benefit the organization as a whole and cannot be attributed specifically to a particular program or to the homeless crisis response system. Administrative costs may include the same types of expenses that are listed in program operations (such as IT staff and office supplies), in the case that these costs are benefiting the agency as a whole and are not attributed to a particular

program or the homeless system. Administrative costs may include, but are not limited to, the following:

- ✓ Executive director salary and benefits.
- ✓ General organization insurance.
- ✓ Organization wide audits.
- ✓ Board expenses.
- ✓ Organization-wide membership fees and dues.
- ✓ Washington State Quality Award (WSQA) expenses.
- ✓ General agency facilities costs (including those associated with executive positions) such as rent, depreciation expenses, and operations and maintenance.

All amounts billed to administration must be supported by actual costs. If actual costs exceed the budgeted limit, they may be charged in equal monthly amounts. These costs must be charged to grant cost centers by one of the following three methods:

- ✓ Billed directly such as IT services that are billed by the hour.
- ✓ Shared costs that are allocated directly by means of a cost allocation plan.
- ✓ Costs related to executive personnel such that a direct relationship between the cost and the benefit cannot be established must be charged indirectly by use of an indirect cost rate which has been appropriately negotiated with an approved cognizant agency or by use of the 10 percent de minimus rate.

## **6 Requirements of all Grantees Providing Direct Service**

### **6.1 Service Delivery**

The City of Spokane promotes evidence-based service delivery models that efficiently move people experiencing homelessness into permanent destinations.

#### **6.1.1 Access to Homeless Housing Assistance**

Coordinated entry intake must not require identification, social security cards, birth certificates, or other documentation not required by funders. Households experiencing homelessness should be provided temporary housing if available while documentation is being obtained. HHOS Flexible Funding can be used to assist homeless households in obtaining required documentation to access housing.

Programs should limit eligibility criteria to those required by funders and/or facility structure (for example, funding for veterans or unit size suitable for families with children).

#### **6.1.2 Voluntary Services**

Programs must not terminate or deny services to households based on refusal to participate in supportive services. Supportive services are helping or educational resources that include support groups, mental health services, alcohol and substance abuse services, life skills or independent living skills services, vocational services and social activities.

Supportive services do not include housing stability planning or case management.

#### **6.1.3 Progressive Engagement**

HHOS grantees must employ a progressive engagement (PE) service model. Progressive Engagement includes the following components:

- ✓ Whenever possible, households experiencing a housing crisis should be diverted from entering homeless housing programs through problem-solving conversations, linkages to mainstream and natural supports, and/or flexible, and light-touch financial assistance.
- ✓ Initial assessment and services address the immediate housing crisis with the minimal services needed.
- ✓ Frequent re-assessment determines the need for additional services.
- ✓ Services are individualized and responsive to the needs of each household.
- ✓ Households exit to permanent housing as soon as possible.
- ✓ Having already received assistance does not negatively impact a household's eligibility if they face homelessness again.

#### **6.1.4 Assessment and Housing Stability Planning**

A problem-solving diversion conversation should occur prior to a full, standardized assessment. HHOS grantees must assess each household's housing needs and facilitate planning with the goal of obtaining or maintaining housing stability. Housing stability planning must be housing-focused and client-driven.

Assessments and housing stability planning must be documented.

Assessments and housing stability planning are not required for Drop-in Shelters.

## 6.2 HMIS

HHOS grantees providing direct service must enter client data into the Homeless Management Information System (HMIS) for all temporary and permanent housing interventions regardless of funding source.

### 6.2.1 Data Timeliness

All grantees must enter/update project participant household data into HMIS in a timely manner and support monthly data quality reports to the City's HMIS staff no later than 5<sup>th</sup> of each month unless otherwise specified by HMIS staff.

### 6.2.2 Data Quality

The City of Spokane is accountable to the Department of Commerce for the for the bellowed outlined data quality requirements. HHOS grantees are responsible for ensuring the data quality of HHOS-funded projects. Data quality is measured by the percent of valid data collected for each data element. "Client doesn't know", "Client refused", and "Data not collected" are considered invalid responses and will count against data quality.

Data quality is reviewed monthly by the HMIS team.

DATA QUALITY REQUIREMENT: PERCENT OF RECORDS WITH VALID RESPONSES		
Data Element	Emergency Shelter <sup>4</sup>	All Other Housing Project Types
Living Situation	85%	100%
Destination	60%	95%

Commerce will annually score county HMIS data quality. This score will be reported on the [Homeless System Performance Report Card](#).

### 6.2.3 Consent for Entry of Personally Identifying Information

#### 6.2.3.1 Identified Records

- ✓ Personally identifying information (PII)<sup>5</sup> must not be entered into HMIS unless all adult household members have provided informed consent.
- ✓ Informed consent must be documented with a signed copy of the *Client Release of Information and Informed Consent Form* in the client file. If electronic consent has been received, a copy does not need to be printed for the client file but must be available in HMIS. If telephonic consent has been received, complete the consent form the first time the household is seen in person. See **Error! Reference source not found.**

#### 6.2.3.2 Anonymous Records

The following types of records must be entered anonymously:

- ✓ Households in which one or adult member does not provide informed consent for themselves or their dependents.
- ✓ Households entering a domestic violence program or currently fleeing or in danger from a domestic violence, dating violence, sexual assault, human trafficking or a stalking situation.

<sup>4</sup> Emergency Shelters using the night-by-night tracking method in HMIS are excluded from data quality measurement. Emergency Shelters with 100% beds categorized as voucher-based AND overflow may be excluded from the data quality measurement.

<sup>5</sup> PII includes name, social security number, birthdate, address, phone number, email, and photo.

- ✓ Minors (under the age of 18) entering programs independently (without a parent or guardian).
- ✓ Households in programs which are required by funders to report HIV/AIDS status.

### 6.2.3.3 Special Circumstances

If the reporting of the HIV/AIDS status of clients is not specifically required, the HIV/AIDS status must not be entered in HMIS.

If a combination of race, ethnicity, gender, or other demographic data could be identifying in your community, those data should not be entered for anonymous records.

## 6.3 Habitability

### 6.3.1 For Rent Assistance

Documented habitability is required for all housing units into which households will be moving, except when a household moves in with friends or family or into a hotel/motel unit. Housing units must be documented as habitable prior to paying the rent subsidy. Documentation must be kept in the client file.

Habitability can be documented by the Landlord Habitability Standards Certification Form or inspection. Both methods are valid for the length of time the household is a tenant in the housing unit. If the housing unit is provided to a different household within 12 months of documented habitability, an additional certification/inspection is not required.

#### 6.3.1.1 Allowable Methods for Unit Habitability Determination

Grantees are expected, to the extent possible, to inspect all housing units to determine habitability. Grantees may use the *Commerce Housing Habitability Standards (HHS) Form* or the *HUD Housing Quality Standards (HQS) Inspection Form* to document unit habitability.

OR

In lieu of (or in addition to) an inspection, grantees may utilize the *HHOS Landlord Habitability Standards Certification Form* which references the state Landlord Tenant Act (RCW 59.18.060) and requires the landlord (as defined in RCW 59.18.030) to certify that the unit meets the safety and habitability standards detailed in the law. The landlord's failure to comply with the law may result in termination of the rent subsidy.

Documentation of habitability certification or inspection must be kept in the client file.

#### 6.3.1.2 Habitability Complaint Procedure

Each household must be informed in writing of the habitability complaint process and assured that complaints regarding their housing unit's safety and habitability will not affect the household's eligibility for assistance.

HHOS grantees must have a written procedure describing the response to complaints regarding unit safety and habitability. The procedure must include:

- ✓ Mandatory inspection when a complaint is reported using the HHS Form, HQS Inspection Form, or documenting the specific complaint in an alternate format that includes follow-up and resolution.



### **6.3.2 For Facilities**

All facilities must conduct and document an inspection at least once a year using the HHS Form or HQS Inspection Form.

## **6.4 Lead Based Paint Assessment**

To prevent lead poisoning in young children, grantees must comply with the Lead-Based Paint Poisoning Prevention Act of 1973 and its applicable regulations found at 24 CFR 35, Parts A, B, M, and R.

A visual assessment must be conducted on an annual basis thereafter (as long as assistance is provided.) Visual assessments must be conducted by a HUD-Certified Visual Assessor and must be documented on the HQS Inspection Form or HHS Form and maintained in the client file.

For a guide to compliance see Appendix G: Lead-Based Paint Visual Assessment Requirements.

### **6.4.1 For Rent Assistance**

A lead-based paint visual assessment must be completed prior to providing rapid re-housing or prevention rent assistance if a child under the age of six or pregnant woman resides in a unit constructed prior to 1978.

### **6.4.2 For Facilities**

All facilities that may serve a child under the age of six or a pregnant woman constructed prior to 1978 must conduct an annual lead-based paint visual assessment which is documented on the HQS Inspection Form or HHS Form, and readily accessible for review.

### **6.4.3 Exceptions to the Lead-Based Paint Visual Assessment Requirement**

Visual assessments are not required under the following circumstances:

- ✓ Zero-bedroom or SRO-sized units;
- ✓ X-ray or laboratory testing of all painted surfaces by certified personnel has been conducted in accordance with HUD regulations and the unit is officially certified to not contain lead-based paint;
- ✓ The property has had all lead-based paint identified and removed in accordance with HUD regulations;
- ✓ The unit has already undergone a visual assessment within the past 12 months –obtained documentation that a visual assessment has been conducted; or
- ✓ It meets any of the other exemptions described in 24 CFR Part 35.115(a).

If any of the circumstances outlined above are met, grantee must include the information in the client file.

## **6.5 Additional Requirements**

### **6.5.1 Ineligible Use of Funds**

HHOS grantees must inform the City of Spokane if HHOS funds are spent on ineligible households or expenses. Reasonable attempts must be made to prevent ineligible use of funds.

### **6.5.2 Personal Identifying Information**

Personal identifying information must never be sent electronically unless sent via a secure file transfer.

### 6.5.3 Grievance Procedure

HHOS grantees must have a written grievance procedure for households seeking or receiving services which includes the household's right to review decisions and present concerns to program staff not involved in the grievance.

This procedure must:

- ✓ Clearly describe how households can request a review or report concerns.
- ✓ Be accessible to all households seeking or receiving services.

### 6.5.4 Termination and Denial of Service Policy

HHOS grantees must have a termination and denial policy.

This policy must:

- ✓ Describe the reasons a household would be denied services and/or terminated from program participation.
- ✓ Describe the notification process.
- ✓ Ensure households are made aware of the grievance procedure.

### 6.5.5 Records Maintenance and Destruction

HHOS grantees must maintain records relating to this grant for a period of six years following the date of final payment. See HHOS Grant General Terms and Conditions, Section 26 RECORDS MAINTENANCE.

Paper records derived from HMIS which contain personally identifying information must be destroyed within seven years after the last day the household received services from the grantee.

### 6.5.6 Client File Check List

HHOS grantees must use the *HHOS Client File Checklist* to record the contents of each client file. Programs may create their own checklist but the components of the *HHOS Client File Checklist* must be included.

### 6.5.7 Consent to Review Information in the Benefits Verification System

All household members must provide informed consent for grantees to review confidential information in the Benefits Verification System (BVS) on the form *DSHS 14-012(x)(REV 02/2003)*. See Appendix H: Access to the DSHS Benefits Verification System Data Security Requirements for more information. This form must be kept in the client file.

### 6.5.8 Prohibitions

- ✓ HHOS grantees may not require households to participate in a religious service as a condition of receiving program assistance.
- ✓ HHOS grantees may not deny emergency shelter to households that are unable to pay fees for emergency shelter.
- ✓ If a program serves households with children, the age of a minor child cannot be used as a basis for denying any household's admission to the program.
- ✓ If a program serves households with children, the program must serve all family compositions.
- ✓ If a program operates gender-segregated facilities, the program must allow the use of facilities consistent with the client's gender expression or identity.

### 6.5.9 Nondiscrimination

As stated in the HHOS Grant General Terms and Conditions Section 9 and Section 22, grantees must

comply with all federal, state, and local nondiscrimination laws, regulations and policies.

HHOS grantees must comply with the Washington State Law against Discrimination, RCW 49.60, as it now reads or as it may be amended. RCW 49.60 currently prohibits discrimination or unfair practices because of race, creed, color, national origin, families with children, sex, marital status, sexual orientation, age, honorably discharged veteran or military status, or the presence of any sensory, mental, or physical disability or the use of a trained guide dog or service animal by a person with a disability.

HHOS grantees must comply with the Federal Fair Housing Act and its amendments as it now reads or as it may be amended. The Fair Housing Act currently prohibits discrimination because of race, color, national origin, religion, sex, disability or family status. The Fair Housing Act prohibits enforcing a neutral rule or policy that has a disproportionately adverse effect on a protected class.

Local nondiscrimination laws may include additional protected classes.

## 7 Additional Requirements of Lead Grantees and Subgrantees Providing Rent Assistance

### 7.1 Washington Residential Landlord-Tenant Act

HHOS grantees must provide information on the Washington Residential Landlord Tenant Act ([RCW 59.18](#)) to households receiving rent assistance.

For more information on this law, visit Washington Law Help, housing page, tenant rights at [www.washingtonlawhelp.com](http://www.washingtonlawhelp.com).

### 7.2 Rental Agreements

Client files must contain one of the following types of agreements if rent assistance is paid on their behalf: Intent to Rent, Lease, or Certification of Payment Obligation.

If the rent assistance paid is move-in costs (security deposits, first and last month's rent) only, an Intent to Rent form is allowable. If the rent assistance will exceed move-in costs to include on-going rent, a lease or Certification of Payment Obligation is required.

#### 7.2.1 Intent to Rent

At a minimum, an Intent to Rent form must contain the following:

- ✓ Name of tenant
- ✓ Name of landlord
- ✓ Address of rental property
- ✓ Rent rate
- ✓ Signature of landlord/date

#### 7.2.2 Lease

At a minimum, the lease or rental agreement between the grantee and the landlord OR the household and the landlord must contain the following:

- ✓ Name of tenant
- ✓ Name of landlord
- ✓ Address of rental property
- ✓ Occupancy (who gets to live at the rental)
- ✓ Term of agreement (lease start and end date)
- ✓ Rent rate and date due
- ✓ Deposits (if any and what for/term)
- ✓ Signature of tenant/date
- ✓ Signature of landlord/date

#### 7.2.3 Certification of Payment Obligation

A *HHOS Certification of Payment Obligation/Potential Eviction from Friend or Family Form* is required for rent subsidies paid to a friend or family member who is not in the business of property management. This form must be kept in the client file.

### **7.3 Targeted Prevention**

HHOS grantees that provide targeted prevention must prioritize households most likely to become homeless, using the *HHOS Targeted Prevention Eligibility Screening Form*. This form must be kept in the client file.

### **7.4 Rent Limit**

HHOS grantees must set a rent limit policy for their service area using a percentage of HUD's Fair Market Rent (FMR). The rent limit is the maximum rent that can be paid for a unit of a given size. Rent calculations must include the cost of utilities as detailed on utility allowance schedules established by the local Housing Authority. The policy may also include a description of how exceptions are made to the rent limit when circumstances require a rent amount that exceeds the limit.

If a rent limit policy exceeds 120 percent FMR, grantees must submit the rationale to the City of Spokane for approval.

### **7.5 Determining Rent Subsidy**

HHOS grantees providing rental assistance must have a standardized procedure for determining the amount of rent subsidy for each household. The procedure should include a consideration of the household's resources and expenses. Although each household may receive a different amount of rent subsidy, the procedure for determining the subsidy must be standardized.

Client files must include documentation of the subsidy amount and the determination process. Rent subsidy should be adjusted when there is a change in household circumstance, income, or need.

**8.1 Appendix A: Required Forms**

The following forms are required, if applicable. Forms may be modified if all of the content is included. All HHOS forms are posted on the City's CHHS [website](#).

- ✓ HHOS Verification of Household Eligibility and Income Recertification (sections 4.2;4.4;4.5)
- ✓ HHOS Income Eligibility Worksheet (section 4.4.1)
- ✓ HHOS Utility-Only Assistance form (section 5.1.2)
- ✓ Client Release of Information and Informed Consent Form (section 6.2.3.1)
- ✓ HHOS Landlord Habitability Standards Certification Form OR Commerce Housing Habitability Standards (HHS) Form OR HUD Housing Quality Standards (HQS) Inspection Form– including Lead-based Paint Visual Assessment (section 6.3)
- ✓ HHOS Client File Checklist (section 6.5.6)
- ✓ DSHS 14-012(x)(REV 02/2003) for BVS(section 6.5.7)
- ✓ HHOS Certification of Payment Obligation/Potential Eviction from Friend or Family (section 7.2.3)
- ✓ HHOS Targeted Prevention Eligibility Screening (section 7.3)

## **8.2 Appendix B: Required Policies and Procedures**

- ✓ Habitability Complaint Procedure (section 6.3.1.2)
- ✓ Grievance Procedure (section 6.5.3)
- ✓ Termination or Denial of Service Policy (section 6.5.4)
- ✓ Rent Limit Policy (section 7.4)
- ✓ Determining Rent Subsidy Procedure (section 7.5)

### 8.3 Appendix C: Client File Documentation

The following chart summarizes the documentation required in each client file, depending on the type of service provided. Details and specific information for each requirement are explained in the following sections. Other documentation may be required based on individual circumstances. HHOS required forms are posted on the City’s CHHS [website](#).

Documentation	Drop-in Shelter	Continuous Stay Shelter	Transitional Housing	Rapid Re-housing Rent Assistance	Permanent Supportive Housing	Prevention Rent Assistance
Client File Checklist		✓	✓	✓	✓	✓
HMIS Client Release of Information and Informed Consent Form (unless DV OR client refuses consent)	✓	✓	✓	✓	✓	✓
DSHS 14-012(x)(REV 02/2003) for BVS, if applicable		✓	✓	✓	✓	✓
HHOS Verification of HH Eligibility and Income Recertification Form (with associated documentation)		If staying longer than 90 days	✓	✓	✓	✓
HHOS Income Eligibility Worksheet (or equivalent, where applicable)		If staying longer than 90 days	✓	CHG/ESG standard only	✓	✓
Targeted Prevention Eligibility Screening Form						✓
Landlord Habitability Certification OR HHS or HQS			✓	✓	✓	
Lead-based Paint Assessment, if applicable			✓	✓	✓	✓
Utility-Only Assistance Form, if applicable						✓
Lease OR Certification of Payment Obligation (for friends/family)				✓	✓	✓
Intent to Rent, if applicable				✓		
Household Rent subsidy amount / Rent determination process				✓	✓	✓
Assessment and Housing Stability Planning		✓	✓	✓	✓	✓
Temporary Absence, if applicable				✓	✓	✓



## 8.4 Appendix D: System Performance Measurements from the Department of Commerce

### 8.4.1 Unsheltered Prioritization

Homeless Crisis Response Systems must prioritize unsheltered homeless households for services and programs.

Fulfilling this requirement can be demonstrated in one of two ways:

- A. **Counties achieve functional zero<sup>6</sup> unsheltered homelessness by September 30, 2018, for at least two subpopulations<sup>7</sup>.**

Counties asserting functional zero unsheltered for subpopulations will be evaluated by the Department of Commerce based on state and local administrative data, and qualitative data gathered from key stakeholders.

To achieve functional zero, homeless systems will need to conduct outreach to identify unsheltered homeless households, engage them, and actively connect them to temporary and permanent housing solutions via coordinated entry.

-OR-

- B. **Counties increase from baseline the percent served of unsheltered homeless households in temporary or permanent housing projects by 10 percentage points by September 30, 2018.**

Data for the reporting period October 1, 2015 through September 30, 2016 as reported on the Washington State Homeless System Performance Reports found at <http://www.commerce.wa.gov/serving-communities/homelessness/homeless-system-performance/> will serve as the baseline for each county. The county baseline indicates the percent of those served who are or were unsheltered homeless (includes fleeing domestic violence) at any point in the last two years.

Counties that have not achieved functional zero, do not increase the percent served of unsheltered homeless household by 10 percentage points AND are serving high levels of unsheltered homeless households may assert that the county has met a high performance threshold which will be evaluated by the Department of Commerce based on state and local administrative data, and qualitative data gathered from key stakeholders.

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<sup>6</sup> Functional zero unsheltered is the number of unsheltered homeless households moving into temporary or permanent housing being equal to or greater than the number of current and newly identified unsheltered homeless households.

<sup>7</sup> Subpopulations are households with minor children, households without minors, veterans, households with only minors (unaccompanied youth), and chronically homeless households.

The Unsheltered Prioritization measurement includes any person that was unsheltered in the last two years, as measured in HMIS by Living Situation (Place not meant for habitation, e.g. vehicle, abandoned building, bus/train/subway station/airport, park, camping ground or anywhere outside) OR people indicating that they are currently fleeing or attempting to flee, domestic violence, dating violence, sexual assault, stalking or other dangerous or life-threatening conditions.

#### 8.4.1.1 Reporting Specifications

Client Universe:

People who entered into emergency shelter, safe haven, transitional housing, homelessness prevention or any permanent housing type project (which includes rapid re-housing) during the report period.

Calculation:

Of the client universe, add up those were active in any emergency shelter, safe haven, transitional housing, homelessness prevention, street outreach, services only or any permanent housing type project (which includes rapid re-housing) within 24 months prior to the reporting period AND had a prior residence (917A living situation): Place not meant for habitation OR answered 4.11 Domestic Violence YES AND Are you currently fleeing? YES.

Divide the total from step 2 by the total from step 1 (client universe) to calculate the percent of people served with a recent history of unsheltered homelessness.

#### 8.4.2 System Wide Performance Requirements

**Performance measures** are outcomes that help evaluate the effectiveness of Homeless Crisis Response Systems as they work towards reducing homelessness. Each performance measure has a **target** that is the level of desirable performance that each intervention type should reach to indicate a high performing Homeless Crisis Response System.

The **benchmark** is a short-term goal to improve performance. The benchmark is set by the grantee using local data and indicates acceptable progress toward the target within each year of the grant period (July 1, 2017 through June 30, 2018 and July 1, 2018 through June 30, 2019). Grantees develop benchmarks using local baseline data for the reporting period October 1, 2015 through September 30, 2016. For Balance of State Continuum of Care counties, the Department of Commerce provides baseline data.

Performance measures and benchmarks may be re-assessed and adjusted throughout the grant period using the amendment process.

Required and secondary performance measures, targets specific to intervention type (HMIS project type), acceptable levels of progress, and data sources are outlined in the table below. For each intervention type, grantees must adopt the required performance measure(s), and at least one secondary performance measure.

Performance will be measured annually against established baseline data. Grantees meeting

locally developed benchmarks will have met the requirement to demonstrate progress towards the targets of performance measures as outlined in the CHG Statement of Work.

Intervention Type	Required	Performance Measure	Data Source	Acceptable Progress (Minimum Change from Baseline)	Performance Target
Emergency Shelter	x	Increase Percent Exits to Permanent Housing	HMIS: HUD Homeless System Performance Report Measure 7	Increase by at least 5 percentage points	At Least 50%
		Reduce Median Length of Time Persons Remain Homeless (Length of Stay)	HMIS: HUD Homeless System Performance Report Measure 1 B	Decrease by at least 5 days	20 Days or Less
		Reduce Average Length of Time Persons Remain Homeless (Length of Stay)	HMIS: HUD Homeless System Performance Report Measure 1 B	Decrease by at least 5 days	20 Days or Less
		Reduce Percent Return to Homelessness in 2 Years	HMIS: HUD Homeless System Performance Report Measure 2 A & 2 B	Decrease by at least 5 percentage points	Less than 10%
Transitional Housing	x	Increase Percent Exits to Permanent Housing	HMIS: HUD Homeless System Performance Report Measure 7	Increase by at least 5 percentage points	At Least 80%
		Reduce Median Length of Time Persons Remain Homeless (Length of Stay)	HMIS: HUD Homeless System Performance Report Measure 1 B	Decrease by at least 10 days	90 Days or Less
		Reduce Average Length of Time Persons Remain Homeless (Length of Stay)	HMIS: HUD Homeless System Performance Report Measure 1 B	Decrease by at least 10 days	90 Days or Less
		Reduce Percent Return to Homelessness in 2 Years	HMIS: HUD Homeless System Performance Report Measure 2 A & 2 B	Decrease by at least 5 percentage points	Less than 5%
Rapid Re-Housing	x	Increase Percent Exits to Permanent Housing	HMIS: HUD Homeless System Performance Report Measure 7	Increase by at least 5 percentage points	At Least 80%

	x	Reduce Percent Return to Homelessness in 2 Years	HMIS: HUD Homeless System Performance Report  Measure 2 A & 2 B	Decrease by at least 5 percentage points	Less than 5%
Targeted Prevention <sup>8</sup>	x	Reduce Number of New Homeless	HMIS: HUD Homeless System Performance Report  Measure 5	Reduce by any number	Reduce Number
		Increase Percent served with residence prior to project entry: institutional setting or temporarily staying with family or friends	HMIS: Of all people who entered a Homelessness Prevention Type project during the reporting period count of people with a prior residence of: Staying or living in a family member's room, apartment or house; Staying or living in a friend's room, apartment or house; Substance abuse treatment facility or detox center; Jail, prison or juvenile detention center; Hospital or other residential non-psychiatric medical facility; Psychiatric hospital or other psychiatric facility; Long-term care facility or nursing home; Foster care home or foster care group home. Count Last (if multiple) or Only Entries.	Increase by at least 5 percentage points	At Least 80%
		Increase Percent served with past homelessness (previously served in HMIS)	HMIS: Of all people who entered a Homelessness Prevention Type, project during the reporting period, count of people who exited from <b>any</b> project type two years prior to the reporting period. Count Last (if multiple) or Only Entries.	Increase by at least 5 percentage points	At Least 80%

<sup>8</sup> Targeted Prevention performance measures are exempted from the “Consequences of non-compliance” identified in the CHG Statement of Work.

Permanent Supportive Housing	x	Increase Percent Exits to or Retention of Permanent Housing	HMIS: HUD Homeless System Performance Report Measure 7	Increase by at least 5 percentage points	At Least 95%
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**8.5 Appendix E: Documentation of Housing Status**

Homeless				At Imminent Risk of Homelessness (losing housing within 14 days)		
Unsheltered (Place Not Meant for Human Habitation)	Residing in a Temporary Housing Program	Exiting a System of Care and Previously Homeless	Fleeing Domestic Violence, Dating Violence, Sexual Assault, Stalking, etc.	All imminent risk households must also complete Section 4– No Subsequent Residence and Insufficient Resources/Support Networks, on the HHOS Verification of Eligibility and Recertification Form.		
				Staying With Friends/Family or Hotel Motel	Renting	Exiting a System of Care
<p>Third party verification, including outreach workers.</p> <p>OR</p> <p>Signed and dated self-declaration by applicant stating what type of place they were staying the night before.</p>	<p>Letter signed and dated from the provider of the temporary housing.</p> <p>OR</p> <p>A telephone call to the provider of temporary housing that is documented, signed, and dated by the case manager making the call.</p> <p>OR</p> <p>Current HMIS record from homeless housing project, including dates of stay.</p>	<p>Letter signed and dated by system of care representative including:</p> <ul style="list-style-type: none"> <li>a. Statement verifying current stay of household member(s), and</li> <li>b. Indicate household member(s) have no available housing option after exiting.</li> <li>c. Indicate that household was homeless prior to entering the system of care.</li> </ul>	<p>Signed and dated self-declaration by applicant.</p>	<p>Letter signed and dated from the provider of the temporary residence. Letter must include:</p> <ul style="list-style-type: none"> <li>a. Statement verifying the applicant’s current living situation, and</li> <li>b. Date when the household must vacate the temporary housing.</li> </ul> <p>OR</p> <p>Certification of Payment Obligation and Potential Eviction from Friend/Family form.</p> <p>OR</p> <p>A telephone call to the provider of temporary housing that is documented, signed, and dated by the case manager making the call.</p> <p>OR</p> <p>Self-declaration signed and dated by applicant stating where they are residing. <u>Self-declaration of housing status should be used very rarely and only when written third-party verification cannot be obtained.</u></p>	<p>Copy of lease naming household member as lease holder or other written occupancy agreement identifying them as legal tenant of unit.</p> <p><b>AND</b></p> <p>Written and signed notice from the landlord that includes the date when the household must vacate within 14 days.</p>	<p>Letter signed and dated by system of care representative including:</p> <ul style="list-style-type: none"> <li>a. Statement verifying current stay of household member(s), and</li> <li>b. Indicate household member(s) have no available housing option after exiting.</li> </ul>

**8.6 Appendix F: Examples of Maintenance Activities**

<b>ALLOWABLE EXPENSES</b>		
<b>Cleaning Activities</b>	<b>Protective or Preventative Measures to Keep a Building, its Systems, and its Grounds in Working Order</b>	<b>Replacing Existing Appliances or Objects That Have Broken or are Clearly Past Their Useful Life, are not Fixtures or Part of the Building (See above for definition of "fixtures.")</b>
<ul style="list-style-type: none"> <li>• Cleaning gutters and downspouts</li> <li>• Lawn and yard care (mowing, raking, weeding, trimming/pruning trees and shrubs)</li> <li>• Cleaning a portion of interior or exterior of building, including graffiti removal</li> <li>• Washing windows</li> <li>• Litter pick up and trash collection</li> <li>• Removing snow/ice</li> <li>• Unclogging sinks and toilets</li> </ul>	<ul style="list-style-type: none"> <li>• Fixing gutters</li> <li>• Mending cracked plaster</li> <li>• Patching roof</li> <li>• Caulking, weather stripping, re-glazing.</li> <li>• Replacing a broken window or screen</li> <li>• Reapplication of protective coatings</li> <li>• Fixing plumbing leaks</li> <li>• Repainting previously painted surface (including limited scraping)*</li> <li>• Waterproofing (sealant)</li> <li>• Servicing and maintenance of mechanical systems</li> <li>• Replacing a carpet square or patching carpet</li> <li>• Fixing alarm systems</li> <li>• Installing temporary fencing</li> </ul>	<p>Replacing:</p> <ul style="list-style-type: none"> <li>• Kitchen appliances where removal would not cause any damage (for example dishwashers, stoves, refrigerators)</li> <li>• Light bulbs</li> <li>• Washing and drying machines</li> <li>• Air filters</li> <li>• Furniture</li> </ul>
<p>* Non-destructive methods only (e.g., no sandblasting or high pressure spraying).</p>		

## 8.7 Appendix G: Lead-Based Paint Visual Assessment Requirements

To prevent lead-poisoning in young children, grantees must comply with the Lead-Based Paint Poisoning Prevention Act of 1973 and its applicable regulations found at 24 CFR 35, Parts A, B, M, and R.

### Disclosure Requirements

For ALL properties constructed prior to 1978, landlords must provide tenants with:

- ✓ Disclosure form for rental properties disclosing the presence of known and unknown lead-based paint;
- ✓ A copy of the “Protect Your Family from Lead in the Home” pamphlet.

Both the disclosure form and pamphlet are available at: <https://www.epa.gov/lead/real-estate-disclosure>

It is recommended that rent assistance providers also share this information with their clients.

### Determining the Age of the Unit

Grantees should use formal public records, such as tax assessment records, to establish the age of a unit. These records are typically maintained by the state or county and will include the year built or age of the property. To find online, search for your county name with one of the following phrases:

- ✓ “property tax records”
- ✓ “property tax database”
- ✓ “real property sales”

Print the screenshot for the case file. If not available online, the information is public and can be requested from the local authorities.

### Conducting a Visual Assessment

Visual assessments are required when:

- ✓ The leased property was constructed before 1978;

*AND*

- ✓ A child under the age of six or a pregnant woman will be living in the unit occupied by the household receiving HHOS rent assistance.

A visual assessment must be conducted prior to providing HHOS rent assistance to the unit and on an annual basis thereafter (as long as assistance is provided). Grantees may choose to have their program staff complete the visual assessments or they may procure services from a contractor. Visual assessments must be conducted by a HUD-Certified Visual Assessor.

Anyone may become a HUD-Certified Visual Assessor by successfully completing a 20-minute online training on HUD’s website at:

<http://www.hud.gov/offices/lead/training/visualassessment/h00101.htm>



If a visual assessment reveals problems with paint surfaces, Grantees cannot approve the unit for HHOS assistance until the deteriorating paint has been repaired. Grantees may wait until the repairs are completed or work with the household to locate a different (lead-safe) unit.

### **Locating a Certified Lead Professional and Further Training**

To locate a certified lead professional in your area:

- ✓ Call your state government (health department, lead poison prevention program, or housing authority).
- ✓ Call the National Lead Information Center at 1-800-424-LEAD (5323).
- ✓ Go to the US Environmental Protection Agency website at <https://www.epa.gov/lead> and click on "Find a Lead-Safe Certified Firm."
- ✓ Go to Washington State Department of Commerce Lead-Based Paint Program website at <http://www.commerce.wa.gov/building-infrastructure/housing/lead-based-paint/lead-based-paint-program-lbpabatment/> and click on "Find a Certified LBP Firm" under Other Resources.

Information on lead-based programs in Washington State can be found at <http://www.commerce.wa.gov/building-infrastructure/housing/lead-based-paint/>.

For more information on the Federal training and certification program for lead professionals, contact the National Lead Information Center (NLIC) at <https://www.epa.gov/lead/forms/lead-hotline-national-lead-information-center> or 1-800-424-LEAD to speak with an information specialist.

The Lead Safe Housing Rule as well as a HUD training module can be accessed at [http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/healthy\\_homes/enforcement/lshr](http://portal.hud.gov/hudportal/HUD?src=/program_offices/healthy_homes/enforcement/lshr)

## 8.8 Appendix H: Access to the DSHS Benefits Verification System Data Security Requirements

1. **Definitions.** The words and phrases listed below, as used in this Appendix, shall each have the following definitions:
  - a. "Authorized User(s)" means an individual or individuals with an authorized business requirement to access DSHS Confidential Information.
  - b. "Hardened Password" means a string of at least eight characters containing at least one alphabetic character, at least one number and at least one special character such as an asterisk, ampersand or exclamation point.
  - c. "Unique User ID" means a string of characters that identifies a specific user and which, in conjunction with a password, passphrase or other mechanism, authenticates a user to an information system.
  - d. "Contractor" means CHG Lead/subgrantees.
2. **Data Transport.** When transporting DSHS Confidential Information electronically, including via email, the Data will be protected by:
  - a. Transporting the Data within the (State Governmental Network) SGN or Contractor's internal network, or;
  - b. Encrypting any Data that will be in transit outside the SGN or Contractor's internal network. This includes transit over the public Internet.
3. **Protection of Data.** The Contractor agrees to store Data on one or more of the following media and protect the Data as described:
  - a. **Hard disk drives.** Data stored on local workstation hard disks. Access to the Data will be restricted to Authorized User(s) by requiring logon to the local workstation using a Unique User ID and Hardened Password or other authentication mechanisms which provide equal or greater security, such as biometrics or smart cards.
  - b. **Network server disks.** Data stored on hard disks mounted on network servers and made available through shared folders. Access to the Data will be restricted to Authorized Users through the use of access control lists which will grant access only after the Authorized User has authenticated to the network using a Unique User ID and Hardened Password or other authentication mechanisms which provide equal or greater security, such as biometrics or smart cards. Data on disks mounted to such servers must be located in an area which is accessible only to authorized personnel, with access controlled through use of a key, card key, combination lock, or comparable mechanism.

For DSHS Confidential Information stored on these disks, deleting unneeded Data is sufficient as long as the disks remain in a Secured Area and otherwise meet the requirements listed in the above paragraph. Destruction of the Data as outlined in Section 5. Data Disposition may be deferred until the disks are retired, replaced, or otherwise taken out of the Secured Area.
  - c. **Optical discs (CDs or DVDs) in local workstation optical disc drives.** Data provided by DSHS on optical discs which will be used in local workstation optical disc drives and which will not be transported out of a Secured Area. When not in use for the contracted purpose, such discs must be locked in a drawer, cabinet or other container to which only Authorized Users have the key, combination or mechanism required to access the contents of the container. Workstations which access DSHS Data on optical discs must be located in an area which is

accessible only to authorized personnel, with access controlled through use of a key, card key, combination lock, or comparable mechanism.

- d. **Optical discs (CDs or DVDs) in drives or jukeboxes attached to servers.** Data provided by DSHS on optical discs which will be attached to network servers and which will not be transported out of a Secured Area. Access to Data on these discs will be restricted to Authorized Users through the use of access control lists which will grant access only after the Authorized User has authenticated to the network using a Unique User ID and Hardened Password or other authentication mechanisms which provide equal or greater security, such as biometrics or smart cards. Data on discs attached to such servers must be located in an area which is accessible only to authorized personnel, with access controlled through use of a key, card key, combination lock, or comparable mechanism.
- e. **Paper documents.** Any paper records must be protected by storing the records in a Secured Area which is only accessible to authorized personnel. When not in use, such records must be stored in a locked container, such as a file cabinet, locking drawer, or safe, to which only authorized persons have access.
- f. **Remote Access.** Access to and use of the Data over the State Governmental Network (SGN) or Secure Access Washington (SAW) will be controlled by DSHS staff who will issue authentication credentials (e.g. a Unique User ID and Hardened Password) to Authorized Users on Contractor staff. Contractor will notify DSHS staff immediately whenever an Authorized User in possession of such credentials is terminated or otherwise leaves the employ of the Contractor, and whenever an Authorized User's duties change such that the Authorized User no longer requires access to perform work for this Contract
- g. **Data storage on portable devices or media.**
  - (1) Except where otherwise specified herein, DSHS Data shall not be stored by the Contractor on portable devices or media unless specifically authorized within the terms and conditions of the Contract. If so authorized, the Data shall be given the following protections:
    - (a) Encrypt the Data with a key length of at least 128 bits
    - (b) Control access to devices with a Unique User ID and Hardened Password or stronger authentication method such as a physical token or biometrics.
    - (c) Manually lock devices whenever they are left unattended and set devices to lock automatically after a period of inactivity, if this feature is available. Maximum period of inactivity is 20 minutes.Physically Secure the portable device(s) and/or media by
    - (d) Keeping them in locked storage when not in use
    - (e) Using check-in/check-out procedures when they are shared, and
    - (f) Taking frequent inventories
  - (2) When being transported outside of a Secured Area, portable devices and media with DSHS Confidential Information must be under the physical control of Contractor staff with authorization to access the Data.
  - (3) Portable devices include, but are not limited to; smart phones, tablets, flash memory devices (e.g. USB flash drives, personal media players), portable hard disks, and laptop/notebook/netbook computers if those computers may be transported outside of a Secured Area.
  - (4) Portable media includes, but is not limited to; optical media (e.g. CDs, DVDs),

magnetic media (e.g. floppy disks, tape), or flash media (e.g. CompactFlash, SD, MMC).

**h. Data stored for backup purposes.**

(1) DSHS data may be stored on portable media as part of a Contractor's existing, documented backup process for business continuity or disaster recovery purposes. Such storage is authorized until such time as that media would be reused during the course of normal backup operations. If backup media is retired while DSHS Confidential Information still exists upon it, such media will be destroyed at that time in accordance with the disposition requirements in Section 5. Data Disposition

(2) DSHS Data may be stored on non-portable media (e.g. Storage Area Network drives, virtual media, etc.) as part of a Contractor's existing, documented backup process for business continuity or disaster recovery purposes. If so, such media will be protected as otherwise described in this exhibit. If this media is retired while DSHS Confidential Information still exists upon it, the data will be destroyed at that time in accordance with the disposition requirements in Section 5. Data Disposition.

**4. Data Segregation.**

- a. DSHS Data must be segregated or otherwise distinguishable from non-DSHS data. This is to ensure that when no longer needed by the Contractor, all DSHS Data can be identified for return or destruction. It also aids in determining whether DSHS Data has or may have been compromised in the event of a security breach. As such, one or more of the following methods will be used for data segregation.
- b. DSHS Data will be kept on media (e.g. hard disk, optical disc, tape, etc.) which will contain no non-DSHS data. And/or,
- c. DSHS Data will be stored in a logical container on electronic media, such as a partition or folder dedicated to DSHS Data. And/or,
- d. DSHS Data will be stored in a database which will contain no non-DSHS data. And/or,
- e. DSHS Data will be stored within a database and will be distinguishable from non-DSHS data by the value of a specific field or fields within database records.
- f. When stored as physical paper documents, DSHS Data will be physically segregated from non-DSHS data in a drawer, folder, or other container.
- g. When it is not feasible or practical to segregate DSHS Data from non-DSHS data, then both the DSHS Data and the non-DSHS data with which it is commingled must be protected as described in this exhibit.

**5. Data Disposition.** When the contracted work has been completed or when no longer needed, except as noted in Section 3. Protection of Data b. Network Server Disks above, Data shall be returned to DSHS or destroyed. Media on which Data may be stored and associated acceptable methods of destruction are as follows:

Data Stored On:	Will be Destroyed By:
Server or workstation hard disks, or  Removable media (e.g. floppies, USB flash drives, portable hard disks) excluding optical discs	Using a “wipe” utility which will overwrite the Data at least three (3) times using either random or single character data, or  Degaussing sufficiently to ensure that the Data cannot be reconstructed, or  Physically destroying the disk
Paper documents with sensitive or Confidential Information	Recycling through a contracted firm provided the contract with the recycler assures that the confidentiality of Data will be protected.
Paper documents containing Confidential Information requiring special handling (e.g. protected health information)	On-site shredding, pulping, or incineration
Optical discs (e.g. CDs or DVDs)	Incineration, shredding, or completely defacing the readable surface with a coarse abrasive
Magnetic tape	Degaussing, incinerating or crosscut shredding

**6. Notification of Compromise or Potential Compromise.** The compromise or potential compromise of DSHS shared Data must be reported to the Department of Commerce Contact designated in the Grant Agreement within one (1) business day of discovery.

**Data shared with Subcontractors.** If DSHS Data access provided under this Contract is to be shared with a subcontractor, the Contract with the subcontractor must include all of the data security provisions within this Contract and within any amendments, attachments, or exhibits within this Contract.

## 8.9 Appendix I: Access to the DSHS HEN Referral List Data Security Requirements

As required under RCW 43.185.C 230 and RCW 74.62.030, the Lead/sub grantee may use the ***HEN Referral List*** information for the sole purpose of improving access to HEN assistance for individuals determined eligible for a referral to HEN.

Access to Data shall be limited to staff whose duties specifically require access to such Data in the performance of their assigned duties.

Prior to making Data available to its staff, the Data Recipient shall notify all such staff of the Use and Disclosure requirements.

All staff accessing the data must sign a [DSHS Nondisclosure of Confidential Information – Non Employee](#) form prior to accessing the Data.

The Lead/sub grantee shall maintain a list of such staff and their signed [DSHS Nondisclosure of Confidential Information – Non Employee](#) forms. These forms must be updated annually and submitted to Commerce upon request.

**Limitations on Use of Data:** If the Data and analyses generated by the Lead/sub grantee contain personal information about DSHS clients, then any and all reports utilizing these Data shall be subject to review and approval by Commerce prior to publication in any medium or presentation in any forum.

1. **Definitions.** The words and phrases listed below, as used in this Exhibit, shall each have the following definitions:
  - a. “AES” means the Advanced Encryption Standard, a specification of Federal Information Processing Standards Publications for the encryption of electronic data issued by the National Institute of Standards and Technology (<http://nvlpubs.nist.gov/nistpubs/FIPS/NIST.FIPS.197.pdf>).
  - b. “Authorized Users(s)” means an individual or individuals with a business need to access DSHS Confidential Information, and who has or have been authorized to do so.
  - c. “Business Associate Agreement” means an agreement between DSHS and a contractor who is receiving Data covered under the Privacy and Security Rules of the Health Insurance Portability and Accountability Act of 1996. The agreement establishes permitted and required uses and disclosures of protected health information (PHI) in accordance with HIPAA requirements and provides obligations for business associates to safeguard the information.
  - d. “Category 4 Data” is data that is confidential and requires special handling due to statutes or regulations that require especially strict protection of the data and from which especially serious consequences may arise in the event of any compromise of such data. Data classified as Category 4 includes but is not limited to data protected by: the Health Insurance Portability and Accountability Act (HIPAA), Pub. L. 104-191 as amended by the Health Information Technology for Economic and Clinical Health Act of 2009 (HITECH), 45 CFR Parts 160 and 164; the Family Educational Rights and

- Privacy Act (FERPA), 20 U.S.C. §1232g; 34 CFR Part 99; Internal Revenue Service Publication 1075 (<https://www.irs.gov/pub/irs-pdf/p1075.pdf>); Substance Abuse and Mental Health Services Administration regulations on Confidentiality of Alcohol and Drug Abuse Patient Records, 42 CFR Part 2; and/or Criminal Justice Information Services, 28 CFR Part 20.
- e. “Cloud” means data storage on servers hosted by an entity other than the Contractor and on a network outside the control of the Contractor. Physical storage of data in the cloud typically spans multiple servers and often multiple locations. Cloud storage can be divided between consumer grade storage for personal files and enterprise grade for companies and governmental entities. Examples of consumer grade storage would include iTunes, Dropbox, Box.com, and many other entities. Enterprise cloud vendors include Microsoft Azure, Amazon Web Services, and Rackspace.
  - f. “Encrypt” means to encode Confidential Information into a format that can only be read by those possessing a “key”; a password, digital certificate or other mechanism available only to authorized users. Encryption must use a key length of at least 256 bits for symmetric keys, or 2048 bits for asymmetric keys. When a symmetric key is used, the Advanced Encryption Standard (AES) must be used if available.
  - g. “FedRAMP” means the Federal Risk and Authorization Management Program (see [www.fedramp.gov](http://www.fedramp.gov)), which is an assessment and authorization process that federal government agencies have been directed to use to ensure security is in place when accessing Cloud computing products and services.
  - h. “Hardened Password” means a string of at least eight characters containing at least three of the following four character classes: Uppercase alphabetic, lowercase alphabetic, numeral, and special characters such as an asterisk, ampersand, or exclamation point.
  - i. “Mobile Device” means a computing device, typically smaller than a notebook, which runs a mobile operating system, such as iOS, Android, or Windows Phone. Mobile Devices include smart phones, most tablets, and other form factors.
  - j. “Multi-factor Authentication” means controlling access to computers and other IT resources by requiring two or more pieces of evidence that the user is who they claim to be. These pieces of evidence consist of something the user knows, such as a password or PIN; something the user has such as a key card, smart card, or physical token; and something the user is, a biometric identifier such as a fingerprint, facial scan, or retinal scan. “PIN” means a personal identification number, a series of numbers which act as a password for a device. Since PINs are typically only four to six characters, PINs are usually used in conjunction with another factor of authentication, such as a fingerprint.
  - k. “Portable Device” means any computing device with a small form factor, designed to be transported from place to place. Portable devices are primarily battery powered devices with base computing resources in the form of a processor, memory, storage, and network access. Examples include, but are not limited to, mobile phones, tablets, and laptops. Mobile Device is a subset of Portable Device.
  - l. “Portable Media” means any machine readable media that may routinely be stored or moved independently of computing devices. Examples include magnetic tapes,

- optical discs (CDs or DVDs), flash memory (thumb drive) devices, external hard drives, and internal hard drives that have been removed from a computing device.
- m. “Secure Area” means an area to which only authorized representatives of the entity possessing the Confidential Information have access, and access is controlled through use of a key, card key, combination lock, or comparable mechanism. Secure Areas may include buildings, rooms or locked storage containers (such as a filing cabinet or desk drawer) within a room, as long as access to the Confidential Information is not available to unauthorized personnel. In otherwise Secure Areas, such as an office with restricted access, the Data must be secured in such a way as to prevent access by non-authorized staff such as janitorial or facility security staff, when authorized Contractor staff are not present to ensure that non-authorized staff cannot access it.
  - n. “Trusted Network” means a network operated and maintained by the Contractor, which includes security controls sufficient to protect DSHS Data on that network. Controls would include a firewall between any other networks, access control lists on networking devices such as routers and switches, and other such mechanisms which protect the confidentiality, integrity, and availability of the Data.
  - o. “Unique User ID” means a string of characters that identifies a specific user and which, in conjunction with a password, passphrase or other mechanism, authenticates a user to an information system.
- 2. Authority.** The security requirements described in this document reflect the applicable requirements of Standard 141.10 (<https://ocio.wa.gov/policies>) of the Office of the Chief Information Officer for the state of Washington, and of the DSHS Information Security Policy and Standards Manual. Reference material related to these requirements can be found here: <https://www.dshs.wa.gov/fsa/central-contract-services/keeping-dshs-client-information-private-and-secure>, which is a site developed by the DSHS Information Security Office and hosted by DSHS Central Contracts and Legal Services.
- 3. Administrative Controls.** The Lead/sub grantee must have the following controls in place:
- a. A documented security policy governing the secure use of its computer network and systems, and which defines sanctions that may be applied to Lead/sub grantee staff for violating that policy.
- 4. Authorization, Authentication, and Access.** In order to ensure that access to the Data is limited to authorized staff, the Lead/sub grantee must:
- a. Have documented policies and procedures governing access to systems with the shared Data.
  - b. Restrict access through administrative, physical, and technical controls to authorized staff.
  - c. Ensure that user accounts are unique and that any given user account logon ID and password combination is known only to the one employee to whom that account is assigned. For purposes of non-repudiation, it must always be possible to determine which employee performed a given action on a system housing the Data based solely on the logon ID used to perform the action.



- d. Ensure that only authorized users are capable of accessing the Data.
- e. **Ensure that an employee's access to the Data is removed immediately:**
  - (1) **Upon suspected compromise of the user credentials.**
  - (2) **When their employment is terminated.**
  - (3) **When they no longer need access to the Data.**
- f. Have a process to periodically review and verify that only authorized users have access to systems containing DSHS Confidential Information.
- g. When accessing the Data from within the Lead/sub grantee's network (the Data stays within the Lead/sub grantee's network at all times), enforce password and logon requirements for users within the Lead/sub grantee network, including:
  - (1) A minimum length of 8 characters, and containing at least three of the following character classes: uppercase letters, lowercase letters, numerals, and special characters such as an asterisk, ampersand, or exclamation point.
  - (2) That a password does not contain a user's name, logon ID, or any form of their full name.
  - (3) That a password does not consist of a single dictionary word. A password may be formed as a passphrase which consists of multiple dictionary words.
  - (4) That passwords are significantly different from the previous four passwords. Passwords that increment by simply adding a number are not considered significantly different.
- h. When accessing Confidential Information from an external location (the Data will traverse the Internet or otherwise travel outside the Lead/sub grantee network), mitigate risk and enforce password and logon requirements for users by employing measures including:
  - (1) Ensuring mitigations applied to the system don't allow end-user modification.
  - (2) Not allowing the use of dial-up connections.
  - (3) Using industry standard protocols and solutions for remote access. Examples would include RADIUS and Citrix.
  - (4) Encrypting all remote access traffic from the external workstation to Trusted Network or to a component within the Trusted Network. The traffic must be encrypted at all times while traversing any network, including the Internet, which is not a Trusted Network.
  - (5) Ensuring that the remote access system prompts for re-authentication or performs automated session termination after no more than 30 minutes of inactivity.
  - (6) Ensuring use of Multi-factor Authentication to connect from the external end point to the internal end point.
- i. Passwords or PIN codes may meet a lesser standard if used in conjunction with another authentication mechanism, such as a biometric (fingerprint, face recognition, iris scan) or token (software, hardware, smart card, etc.) in that case:
  - (1) The PIN or password must be at least 5 letters or numbers when used in

- conjunction with at least one other authentication factor
      - (2) Must not be comprised of all the same letter or number (11111, 22222, aaaaa, would not be acceptable)
      - (3) Must not contain a “run” of three or more consecutive numbers (12398, 98743 would not be acceptable)
    - j. If the contract specifically allows for the storage of Confidential Information on a Mobile Device, passcodes used on the device must:
      - (1) Be a minimum of six alphanumeric characters.
      - (2) Contain at least three unique character classes (upper case, lower case, letter, number).
      - (3) Not contain more than a three consecutive character run. Passcodes consisting of 12345, or abcd12 would not be acceptable.
    - k. Render the device unusable after a maximum of 10 failed logon attempts.
- 5. **Protection of Data.** The Lead/sub grantee agrees to store Data on one or more of the following media and protect the Data as described:
  - a. **Hard disk drives.** For Data stored on local workstation hard disks, access to the Data will be restricted to Authorized User(s) by requiring logon to the local workstation using a Unique User ID and Hardened Password or other authentication mechanisms which provide equal or greater security, such as biometrics or smart cards.
  - b. **Network server disks.** For Data stored on hard disks mounted on network servers and made available through shared folders, access to the Data will be restricted to Authorized Users through the use of access control lists which will grant access only after the Authorized User has authenticated to the network using a Unique User ID and Hardened Password or other authentication mechanisms which provide equal or greater security, such as biometrics or smart cards. Data on disks mounted to such servers must be located in an area which is accessible only to authorized personnel, with access controlled through use of a key, card key, combination lock, or comparable mechanism. For DSHS Confidential Information stored on these disks, deleting unneeded Data is sufficient as long as the disks remain in a Secure Area and otherwise meet the requirements listed in the above paragraph. Destruction of the Data, as outlined below in Section 8 Data Disposition, may be deferred until the disks are retired, replaced, or otherwise taken out of the Secure Area.
  - c. **Optical discs (CDs or DVDs) in local workstation optical disc drives.** Data provided by DSHS on optical discs which will be used in local workstation optical disc drives and which will not be transported out of a Secure Area. When not in use for the contracted purpose, such discs must be Stored in a Secure Area. Workstations which access DSHS Data on optical discs must be located in an area which is accessible only to authorized personnel, with access controlled through use of a key, card key, combination lock, or comparable mechanism.
  - d. **Optical discs (CDs or DVDs) in drives or jukeboxes attached to servers.** Data provided by DSHS on optical discs which will be attached to network servers and which will not be transported out of a Secure Area. Access to Data on these discs will be restricted to Authorized Users through the use of access control lists

which will grant access only after the Authorized User has authenticated to the network using a Unique User ID and Hardened Password or other authentication mechanisms which provide equal or greater security, such as biometrics or smart cards. Data on discs attached to such servers must be located in an area which is accessible only to authorized personnel, with access controlled through use of a key, card key, combination lock, or comparable mechanism.

- e. **Paper documents.** Any paper records must be protected by storing the records in a Secure Area which is only accessible to authorized personnel. When not in use, such records must be stored in a Secure Area.
- f. **Remote Access.** Access to and use of the Data over the State Governmental Network (SGN) or Secure Access Washington (SAW) will be controlled by DSHS staff who will issue authentication credentials (e.g. a Unique User ID and Hardened Password) to Authorized Users on Contractor's staff. Contractor will notify DSHS staff immediately whenever an Authorized User in possession of such credentials is terminated or otherwise leaves the employ of the Contractor, and whenever an Authorized User's duties change such that the Authorized User no longer requires access to perform work for this Contract.
- g. **Data storage on portable devices or media.**
  - (1) Except where otherwise specified herein, DSHS Data shall not be stored by the Lead/sub grantee on portable devices or media unless specifically authorized within the terms and conditions of the Grant. If so authorized, the Data shall be given the following protections:
    - (a) Encrypt the Data.
    - (b) Control access to devices with a Unique User ID and Hardened Password or stronger authentication method such as a physical token or biometrics.
    - (c) Manually lock devices whenever they are left unattended and set devices to lock automatically after a period of inactivity, if this feature is available. Maximum period of inactivity is 20 minutes.
    - (d) Apply administrative and physical security controls to Portable Devices and Portable Media by:
      - i. Keeping them in a Secure Area when not in use,
      - ii. Using check-in/check-out procedures when they are shared, and
      - iii. Taking frequent inventories.
  - (2) When being transported outside of a Secure Area, Portable Devices and Portable Media with DSHS Confidential Information must be under the physical control of Lead/sub grantee staff with authorization to access the Data, even if the Data is encrypted.
- h. **Data stored for backup purposes.**
  - (1) DSHS Confidential Information may be stored on Portable Media as part of a Lead/sub grantee's existing, documented backup process for business continuity or disaster recovery purposes. Such storage is authorized until such time as that media would be reused during the course of normal backup operations. If backup media is retired while

DSHS Confidential Information still exists upon it, such media will be destroyed at that time in accordance with the disposition requirements below in Section 8 *Data Disposition*.

- (2) Data may be stored on non-portable media (e.g. Storage Area Network drives, virtual media, etc.) as part of a Lead/sub grantee's existing, documented backup process for business continuity or disaster recovery purposes. If so, such media will be protected as otherwise described in this exhibit. If this media is retired while DSHS Confidential Information still exists upon it, the data will be destroyed at that time in accordance with the disposition requirements below in Section 8 *Data Disposition*.

i. **Cloud storage.** DSHS Confidential Information requires protections equal to or greater than those specified elsewhere within this exhibit. Cloud storage of Data is problematic as neither DSHS nor the Lead/sub grantee has control of the environment in which the Data is stored. For this reason:

- (1) DSHS Data will not be stored in any consumer grade Cloud solution, unless all of the following conditions are met:
  - (a) Lead/sub grantee has written procedures in place governing use of the Cloud storage and Contractor attests in writing that all such procedures will be uniformly followed.
  - (b) The Data will be Encrypted while within the Lead/sub grantee network.
  - (c) The Data will remain Encrypted during transmission to the Cloud.
  - (d) The Data will remain Encrypted at all times while residing within the Cloud storage solution.
  - (e) The Lead/sub grantee will possess a decryption key for the Data, and the decryption key will be possessed only by the Lead/sub grantee and/or DSHS.
  - (f) The Data will not be downloaded to non-authorized systems, meaning systems that are not on either the DSHS or Lead/sub grantee networks.
  - (g) The Data will not be decrypted until downloaded onto a computer within the control of an Authorized User and within either the DSHS or Lead/sub grantee's network.
- (2) Data will not be stored on an Enterprise Cloud storage solution unless either:
  - (a) The Cloud storage provider is treated as any other Sub-Contractor, and agrees in writing to all of the requirements within this exhibit; or,
  - (b) The Cloud storage solution used is FedRAMP certified.
- (3) If the Data includes protected health information covered by the Health Insurance Portability and Accountability Act (HIPAA), the Cloud provider must sign a Business Associate Agreement prior to Data being stored in their Cloud solution.

6. **System Protection.** To prevent compromise of systems which contain DSHS Data or through which that Data passes:

- a. Systems containing DSHS Data must have all security patches or hotfixes applied within 3 months of being made available.
- b. The Lead/sub grantee will have a method of ensuring that the requisite patches and hotfixes have been applied within the required timeframes.
- c. Systems containing DSHS Data shall have an Anti-Malware application, if available, installed.
- d. Anti-Malware software shall be kept up to date. The product, its anti-virus engine, and any malware database the system uses, will be no more than one update behind current.

**7. Data Segregation.**

- a. DSHS Data must be segregated or otherwise distinguishable from non-DSHS data. This is to ensure that when no longer needed by the Lead/sub grantee, all DSHS Data can be identified for return or destruction. It also aids in determining whether DSHS Data has or may have been compromised in the event of a security breach. As such, one or more of the following methods will be used for data segregation.
  - (1) DSHS Data will be kept on media (e.g. hard disk, optical disc, tape, etc.) which will contain no non-DSHS Data. And/or,
  - (2) DSHS Data will be stored in a logical container on electronic media, such as a partition or folder dedicated to DSHS Data. And/or,
  - (3) DSHS Data will be stored in a database which will contain no non-DSHS data. And/or,
  - (4) DSHS Data will be stored within a database and will be distinguishable from non-DSHS data by the value of a specific field or fields within database records.
  - (5) When stored as physical paper documents, DSHS Data will be physically segregated from non-DSHS data in a drawer, folder, or other container.
- b. When it is not feasible or practical to segregate DSHS Data from non-DSHS data, then both the DSHS Data and the non-DSHS data with which it is commingled must be protected as described in this exhibit.

**8. Data Disposition.** When the contracted work has been completed or when the Data is no longer needed, except as noted above in Section 5.b, Data shall be returned to DSHS or destroyed. Media on which Data may be stored and associated acceptable methods of destruction are as follows:

<b>Data stored on:</b>	<b>Will be destroyed by:</b>
Server or workstation hard disks, or  Removable media (e.g. floppies, USB flash drives, portable hard disks) excluding optical discs	Using a “wipe” utility which will overwrite the Data at least three (3) times using either random or single character data, or  Degaussing sufficiently to ensure that the Data cannot be reconstructed, or

	Physically destroying the disk
Paper documents with sensitive or Confidential Information	Recycling through a contracted firm, provided the contract with the recycler assures that the confidentiality of Data will be protected.
Paper documents containing Confidential Information requiring special handling (e.g. protected health information)	On-site shredding, pulping, or incineration
Optical discs (e.g. CDs or DVDs)	Incineration, shredding, or completely defacing the readable surface with a coarse abrasive
Magnetic tape	Degaussing, incinerating or crosscut shredding

9. **Notification of Compromise or Potential Compromise.** The compromise or potential compromise of DSHS shared Data must be reported to COMMERCE and DSHS Privacy Officer at [dhsprivacyofficer@dshs.wa.gov](mailto:dhsprivacyofficer@dshs.wa.gov) designated within one (1) business day of discovery. Lead/sub grantee must also take actions to mitigate the risk of loss and comply with any notification or other requirements imposed by law or DSHS.
10. **Data shared with Subcontractors.** If DSHS Data provided under this Grant is to be shared with a subcontractor, the Grant with the subcontractor must include all of the data security provisions within this Grant and within any amendments, attachments, or exhibits within this Grant. If the Lead grantee cannot protect the Data as articulated within this Grant, then the contract with the sub grantee must be submitted to COMMERCE for review and approval.