



Finance Committee Policy and Procedures

Purpose:

The Michigan Balance of State Continuum of Care (BoS CoC) is committed to using available funding to improve and enhance the capacity of the BoS CoC and its Local Planning Bodies (LPB). The purpose of the Finance Committee (Committee) is to ensure the proper expenditure of the HUD CoC Planning Grant on an annual basis. This includes the development of the budget in accordance with allowable HUD CoC expenditures (see CFR 578.39). These funds will be used for the continuing development, refinement, and advancement of all efforts of the BoS CoC to end and prevent homelessness within its geographic area.

Oversight:

The BoS CoC adopted this Committee's Policies and Procedures document on _____. By adopting this document, the BoS CoC authorized the formation of the Committee, a subcommittee that reports directly to the BoS CoC. This Committee is responsible to track all expenditures of the annual HUD CoC Planning Grant and provide reports to the Governance Council on a regular basis.

Committee Membership:

This Committee is open for membership to the full BoS CoC body and oversees the annual HUD CoC Planning Grant on behalf of the BoS CoC. The Committee is chaired by the Treasurer of the Executive Committee, elected by the Governance Council membership every two years or as needed. All members of the Committee serve at-will and are required to complete an annual Conflict of Interest statement. Meetings occur monthly or as often as needed. The BoS CoC Coordinator will attend, host, and maintain minutes for each meeting. The Committee can approve or recommend action items on a simple majority of the membership and will maintain five members at a minimum.

Members for the Committee are solicited from the full BoS CoC body and the Committee strategically encourages participation in accordance with these priorities:

- Membership should come from all levels of the BoS CoC agency and/or program structure. In soliciting members, the Committee should include a diverse mix of Executive Directors or CEOs, Program Directors, Program Evaluators, Supervision Staff, Case Workers or Managers, and Direct Care Staff.
- Membership should include representatives from a broad range of agencies and programs, both inside and outside of the BoS CoC (if available). To the greatest extent feasible, a Committee seat may be delegated to a current/former homeless services client who is able to make a meaningful contribution to the work of the Committee. Care should be taken to

ensure that one or two agencies or program types do not have excessive representation or influence on the work of the Committee.

Planning Grant Budget:

According to the CFR 578.39, the following regulations apply to HUD CoC Planning Grants:

“(a) In general. Collaborative applicants may use up to 3 percent of their FPRN, or a maximum amount to be established by the NOFA, for costs of:

- (1) Designing and carrying out a collaborative process for the development of an application to HUD;
- (2) Evaluating the outcomes of projects for which funds are awarded in the geographic area under the Continuum of Care and the Emergency Solutions Grants programs; and
- (3) Participating in the consolidated plan(s) for the geographic area(s).

(b) Continuum of Care planning activities. Eligible planning costs include the costs of:

- (1) Developing a communitywide or regionwide process involving the coordination of nonprofit homeless providers, victim service providers, faith-based organizations, governments, businesses, advocates, public housing agencies, school districts, social service providers, mental health agencies, hospitals, universities, affordable housing developers, law enforcement, organizations that serve veterans, and homeless and formerly homeless individuals;
- (2) Determining the geographic area that the Continuum of Care will serve;
- (3) Developing a Continuum of Care system;
- (4) Evaluating the outcomes of projects for which funds are awarded in the geographic area, including the Emergency Solutions Grants program;
- (5) Participating in the consolidated plan(s) of the jurisdiction(s) in the geographic area; and
- (6) Preparing and submitting an application to HUD on behalf of the entire Continuum of Care membership, including conducting a sheltered and unsheltered point-in-time count and other data collection as required by HUD.

(c) Monitoring costs. The costs of monitoring recipients and subrecipients and enforcing compliance with program requirements are eligible.”

Within the budget of the HUD CoC Planning Grant application, these allowable costs fall within the following categories:

- Coordination Activities
- Project Evaluation
- Project Monitoring Activities
- Participation in the Consolidated Plan
- CoC Application Activities
- Determining Geographical Area to be Served by the CoC
- Developing a CoC System
- HUD Compliance Activities

Though these are all allowable categories for expenditure, the budget may be designed using any combination of categories. The budget must be approved by the Governance Council prior to submission in the annual HUD CoC NOFA Planning Grant application and must be reviewed annually to ensure proper expenditure in alignment with the approved budget.

Budget development:

The Committee will assist the Coordinator in developing the budget for the Planning Grant, drawing guidance from past expenditures, current BoS CoC priorities, and any changes in HUD expectations for the Planning Grant. Annually, the Committee will devote meeting time in March and April to develop the Planning Grant budget for the upcoming HUD CoC Program application and Notice of Available Funding (NOFA).

Budget tracking:

Expenditures will be tracked in real-time on a shared spreadsheet, according to categories of expenditure. The Coordinator will enter this information and will regularly provide updates to the Committee. The Coordinator will also ensure that the Line of Credit Control System (LOCCS) submission for the Planning Grant is completed quarterly.

Encumbering expenditures:

At the start of each Planning Grant year, expenditures will be recommended by the Committee to encumber for each budget category to demonstrate full expenditure of the Planning Grant by the end of the fiscal year. These recommendations will be reviewed by the Governance Council for consensus and support.

Budget amendments:

A Planning Grant budget amendment must be recommended by the Committee to the Governance Council for final approval. Once approved, the Coordinator will work with the Collaborative Applicant to submit the request to HUD for approval. Upon approval, the Coordinator will then make the necessary changes to the Planning Grant spreadsheet for tracking purposes.

Expenditure approvals:

If an expenditure is listed in the approved Planning Grant budget with a payee named, the Committee Chair may approve the expense for payment without additional Committee approval. If the proposed expenditure does not have a payee named in the approved Planning Grant budget, the item must go to the Committee for review and approval before payment can be completed.

Planning Grant close-out:

Within 90 days of the end of the Planning Grant year, the Coordinator will work in partnership with the Collaborative Applicant to ensure the final draw in LOCCS is completed, all bills are paid, all Planning Grant match is accounted for, and the final Annual Performance Report (APR) is completed in the Sage reporting repository. The Coordinator will notify the Committee once this is completed.

Returned funds:

If an approved expenditure does not fully utilize all funds provided through the Planning Grant, the remaining funds must be returned to the Collaborative Applicant and the Committee will determine how these funds will be reallocated. The reallocation must be in

accordance with approved HUD CoC expenditure categories and with respect to the funding year in which it was originally allocated.

Funding request categories:

The Committee will entertain funding requests that align with “Developing a CoC System” and in accordance with CoC priorities and needs, as funding permits. Examples of possible requests include training, consultation, evaluation, strategic planning, and capacity building activities. Funded requests for training must be made known to anyone within the BoS CoC geographic area.

Funding requests may be written for a specific event or may be provided in response to a Request for Funding Proposals (RFP) solicited by the Committee (as guided by the BoS CoC). Both types of requests fall within the same funding request principles but require different processes, as outlined below.

Funding request principles:

Any interested party must complete a Funding Request form (see Addendum A) and submit it to the Chair for consideration and review by the Committee. Priority in BoS CoC funding is given to:

- Counties, LPBs, or regions identified by the BoS CoC Governance Council, standing committees, or to support HUD mandates or initiatives.
- Counties, LPBs, or regions where prioritization of need is prevalent, identified by Homeless Management Information System (HMIS) data.
- Counties, LPBs, or regions where members identify need or area of system improvement.

Funding procedures (non-RFP):

- Submit Funding Request form to the Committee Chair, which includes the following:
 - Date of request
 - Point of contact for the request
 - Name of entity requesting funds
 - Amount of request {accompanied by bid(s) or invoice(s)}
 - Date of activity/project
 - Description of activity/project
 - Relevance of proposed activity/project to the improvement of BoS CoC services or agencies
- The Committee Chair will forward Funding Request form to the Committee membership for review and or approval.
 - If approved, the CoC Coordinator will notify requestor via email and complete all necessary forms to submit for payment.
 - If not approved, the CoC Coordinator will notify the requestor by email.
- The Committee will report out on all funding requests at monthly membership meeting.
- The Committee will approve or deny funding requests within 60 days of submission.

- The Committee can complete email votes on funding requests that fall between Committee meetings or are time-sensitive.

Funding procedures (RFP):

- The Committee will provide notice of RFP to the full BoS CoC membership, including outreach to known providers with services within the scope of the RFP.
- Interested parties will respond in accordance to RFP guidelines.
- The Committee will review and rank all submissions in accordance with RFP guidelines.
- Submission selection will be based on RFP guidelines and the Committee is responsible for final decisions.
- All interested parties will be notified by the Coordinator of the results for each submission.
- The RFP will include guidance for an appeals process.

Funding request close-out:

- Verification of payment for approved funding request accounted for via shared spreadsheet.
- Any unspent funds from the approved request or selected submission must be returned.
- The point of contact for the approved funding request will provide a summary of the funded activity no more than 60 days past the final activity date, with extension granted on a case-by-case basis.
 - Failure to return unspent funds, summary reports, or other paperwork as requested will result in a delay or denial of future funding until resolved.
- The summary will include the following, as applicable:
 - Use of funds
 - Number of attendees
 - Feedback from attendees via survey results
 - Other identified outcomes