CHAPTER 12

SHELTER PLUS CARE (S+C) PROGRAM

12-1   APPLICABILITY. This chapter provides guidance for comprehensive
monitoring of the Shelter Plus Care (S+C) program. The S+C program provides
rental assistance for hard-to-serve homeless persons with disabilities (primarily
those with serious mental illness, chronic problems with alcohol and/or drugs, and
acquired immunodeficiency syndrome or related diseases) and their families who
are living in places not intended for human habitation (e.g., streets) or in
emergency shelters. The program allows for a variety of housing choices, and a
range of supportive services funded by other sources, in response to the needs of
the hard-to-reach homeless population with disabilities. Other Federal, State, or
local sources, as well as private sources may fund the supportive services.

Funding for new S+C projects is awarded competitively through HUD's
Continuum of Care process to eligible applicants: States, units of local
government and public housing authorities (PHAs). Projects are operated by
either grantees or project sponsors and rental assistance is administered by PHAs.
For purposes of this Chapter, eligible applicants, PHAs and project sponsors are
referred to as "grantees" and recipients of S+C assistance are referred to as
"clients."

Program grants are used for the provision of rental assistance payments through
four components:

1.   Tenant-based Rental Assistance (TRA) – Contract with the S+C tenant;
2.   Sponsor-based Rental Assistance (SRA) – Contract with the non-profit
        organization;
3.   Project-based Rental Assistance with rehabilitation (PRAW) or without
        rehabilitation (PRA) – Contract with the building owner; and
4.   Section 8 Moderate Rehabilitation Program for Single Room Occupancy
        Dwellings – Contract with the public housing agency (PHA).

12-2   PREPARING FOR MONITORING. The specific S+C grantees to be monitored
are determined as part of the risk assessment process (see additional guidance
provided in Chapter 2). Before monitoring, the reviewer should be familiar with
both the S+C program requirements and the design and operation of the grantee's
S+C program, particularly any area(s) that have been identified as high risk or that
are the subject of the monitoring. Whether monitoring on-site or assembling
materials for a remote monitoring, reviewers will need specific items to
successfully monitor a grantee's S+C program.

Resources required for monitoring include:

- the implementing statute, McKinney-Vento Homeless Assistance Act, Title IV, Subtitle F;
- the program regulations at 24 CFR 582 [attached to the grant agreement(s) for the project(s) being monitored];
- the Notice of Funds Availability (NOFA);
- the grantee's approved S+C application;
- the executed S+C grant agreement(s) for the period being monitored;
- any amendments to the grant agreement(s);
- for the SRO component, the subrecipient agreement with the PHA and a copy of the Annual Contributions Contract (ACC);
- the most recent Annual Progress Report;
- LOCCS expenditure information for the grantee being monitored and the time period under review;
- *S+C Resource Manual*, designed primarily to assist grantees, non-profit sponsors, and supportive service providers in effective administration of the S+C program;
- *Understanding S+C*, a guide highlighting key aspects of the S+C program and designed to provide HUD field office personnel, potential S+C program operators, and S+C grantees with basic information; and
- *Enhancing Shelter Plus Care Guide*, a booklet identifying the key challenges facing S+C program operators and sharing practical approaches used by experienced S+C grantees and sponsors to enhance program operations.

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12-3 FILE SELECTION AND SAMPLING. As described in Chapter 2, the risk analysis process will be used to determine which S+C grantees and areas should be reviewed. Once that process has been completed, where it is indicated that a file review is necessary to answer Exhibit questions, the HUD reviewer should consider the following factors when determining the specific files that will comprise the review sample:

A. Where feasible, initial file selection should be made using a random selection method.

B. The reviewer would consider adding more files to this selection in order to:

    i. Include a file or files from each staff person working in the respective program area being monitored;

    ii. Expand the sample, if necessary, to include additional files with the same characteristics, if indicated by the severity or nature of any problems(s) noted during the initial selection's review (for example, same problem category, same staff person, same activities or other

characteristics). This expanded sampling aids in determining whether problems are isolated events or represent a systemic problem.

C. The reviewer may also add files to the selection from any project that the HUD reviewer has reason to believe may have compliance problems or that is substantially different in terms of size, complexity, or other factors from other projects the grantee has funded.