

# Homeless System Response: Carrying Out Coordinated Entry Activities Under the ESG Program

## Background

As Continuums of Care (CoCs) and Emergency Solutions Grants (ESG) program recipients respond to the COVID-19 pandemic, Coordinated Entry (CE) should remain central to response efforts. CE remains a requirement for CoC and ESG projects and can be used to meet urgent housing needs associated with COVID-19 risk factors. CE policies have the potential to directly address inequities in the homeless response system and protect those most vulnerable to the pandemic by streamlining connections to permanent housing for people at high risk of COVID-19 complications. As communities rehouse households during the COVID-19 crisis, it is critical they use an equitable process that prioritizes persons most disproportionately impacted by both the pandemic and homelessness, including Black, Indigenous, and other People of Color (BIPOC). For more information, view guidance and strategies on how to [advance equity in CE planning, assessment, and prioritization processes](#).

The purpose of this document is to outline how ESG funds may be used for CE costs. As CoCs and ESG recipients implement CE changes to further protect households experiencing homelessness, it is critical that communities understand what CE activities can be funded through each program. View more information on [how CoC funds can be used for CE activities](#).

## Annual ESG Funds and CE Activities

Annual ESG funds that are not specifically used to prevent, prepare for, and respond to coronavirus can be used to support CE in ways other than the expanded uses detailed on page 4 of this document. In addition to contributing to projects dedicated to CE assessments based on the ESG-funded projects receiving referrals, ESG funds may also be used for eligible ESG activities carried out in support of CE, which are generally limited to Case Management under the Street Outreach (SO) and Emergency Shelter (ES) components, and Housing Stability Case Management under the Rapid Rehousing (RRH) and Homelessness Prevention (HP) components. The table below outlines eligible ESG activities related to supporting CE, including HMIS costs.

### Eligible Coordinated Entry Activities by ESG Component

ESG Activity	Examples <sup>1</sup>
<b>Overhead costs under SO, ES, RRH, and HP</b>	<p>Contributing ESG funds to a CE project, with documentation that shows the use of ESG-CV funds, is limited to the increase in system costs due to COVID-19.</p> <p><i>Note: ESG recipients or subrecipients contributing overhead funds to a CE project must only report on the clients referred to an ESG-funded project under the applicable ESG component in which they were served: SO, ES, RRH, or HP. ESG recipients and subrecipients must not set up CE projects in HMIS or upload CE Comma Separated Value (CSV) reports in Sage for purposes of the Consolidated Annual Performance and Evaluation Report (CAPER).</i></p>
<b>SO: Case Management</b>	<p>Assisting an SO program participant to access the CE assessment process.</p> <p>Conducting an initial assessment of needs that has been standardized by the CE process.</p> <p>Conducting the CoC’s standardized housing needs assessment.</p> <p>Referring an SO program participant to a community-based housing program using CE’s uniform referral process.</p>

### -Q&A-

**Question:** Can I set up a CE project in the Homeless Management Information System (HMIS) for my ESG program?

**Answer:** No. The CE project type may never be used for HMIS project setup for any ESG-funded activities.

<sup>1</sup> These examples are not an exhaustive list but are included for illustrative purposes.

ESG Activity	Examples <sup>1</sup>
<b>ES: Case Management</b>	Assessing an ES program participant’s housing needs with the CE standardized assessment tool. Facilitating an ES program participant’s access to the referred housing placement determined by the CE process. Essential services including housing search and placement services (under 24 CFR 576.105(b)(1)), and housing search and counseling services (under 24 CFR 578.53(e)(8)).
<b>HP: Housing Stability Case Management</b>	Conducting the CE’s standardized initial assessment for a household applying for HP assistance at a CE access point for HP or a general CE access point.
<b>RRH: Housing Stability Case Management</b>	Providing a program participant receiving RRH assistance with a referral using CE’s uniform referral process. Conducting routine assessments for program participants to determine ongoing housing needs as part of a CE process that uses a progressive engagement strategy.
<b>HMIS: General</b>	Entering ESG data into HMIS for CE when CE is integrated into the CoC’s HMIS.
<b>HMIS: Lead</b>	Customize or enhance the CoC’s HMIS to integrate CE (recipients cannot fund this activity exclusively with ESG funding. Carefully document the costs and the rationale used to determine the amount allocable to ESG).

### HMIS Project Setup and CAPER Reporting

ESG-funded activities that are carried out as part of the CoC’s CE process must be set up in HMIS using only the project types available for the ESG program, which are explained in more detail in the [ESG Program HMIS Manual](#). All possible project types that may be used for the ESG program are associated with an eligible ESG component (i.e., SO, ES, RRH, or HP). This means that ESG recipients and subrecipients may **not** use HMIS Project Type 14—Coordinated Entry since CE is not an eligible ESG component.

#### -Q&A-

**Question:** I am an ESG RRH provider that is contributing ESG funds to our CoC’s centralized hotline. Should I report this activity on the ESG CAPER as a CE project?

**Answer:** No. Consistent with HMIS project setup protocol, ESG recipients and subrecipients may not upload CE reports into Sage for the CAPER. Program participants referred to your RRH project by the CoC’s centralized hotline should be reported, as they normally would be, on the CAPER under your RRH project.

When an ESG project is doing initial assessments or other work in support of CE, ESG-funded staff may enter data into HMIS Data Standard element 4.19 Coordinated Entry Assessment and 4.20 Coordinated Entry Event. These data elements must be accessible within HMIS to ESG staff and be completed for all program participants according to the HMIS workflow for the community.

Consistent with HMIS project setup protocol, ESG recipients and subrecipients may **not** upload CE CSV reports into Sage for the CAPER.

The project type within HMIS and uploaded in the CSV file in Q4 must match the project type that the recipient identifies in the CAPER. See the [ESG CAPER Guidebook](#) for more information about using the correct project types for CAPER reporting in Sage.

### Using ESG for CE—Scenarios

The following scenarios show how to correctly use ESG funding to support CE processes and collect ESG- and CE-related data. CE processes will differ across communities, and if there are questions not addressed in these scenarios, please submit a question to the [HUD Exchange’s Ask A Question \(AAQ\) portal](#).

<b>Scenario 1</b>	<p>“Front-line” SO workers conduct CE housing assessments in unsheltered settings (e.g., parks, on the street) throughout CoC that consists of three entitlement cities. One of the cities uses its ESG SO funds to pay for staff time to do assessments within its jurisdiction. The city bills this SO activity under Essential Services (Case Management). The SO workers record their assessment in data element 4.19 Coordinated Entry Assessment under their HMIS SO project as well as the results of the assessment (e.g., being placed on a priority list). When notified that a program participant has been approved for a permanent housing project, the SO staff enter that information into element 4.20 Coordinated Entry Event, under their ESG SO project in HMIS.</p>
<b>Scenario 2</b>	<p>A CoC’s centralized CE project run by Nonprofit A is responsible for conducting housing assessments for permanent housing placements. An ESG recipient located within the CoC uses its ESG ES Essential Services (Transportation) funding to provide the shelter’s program participants with bus tickets to access the centralized CE location for their assessment. Shelter staff enter only required ES data under their ES project in HMIS (i.e., no CE data). Nonprofit A (not funded by ESG), which conducts the housing assessments, enters CE data elements under the CoC’s CE project in HMIS.</p>
<b>Scenario 3</b>	<p>An ESG-funded RRH project uses progressive engagement to determine how long David, a program participant, needs a housing subsidy. After the first month of rental assistance, the RRH staff complete ongoing housing needs assessments each month to determine if David still needs assistance to remain stably housed. While completing the assessment after his third month in the project, the RRH staff and David agree that he should be referred to a Permanent Supportive Housing (PSH) project. Staff time used for the assessments are billed to ESG RRH Housing Stability Case Management. RRH staff document the following under their ESG RRH project in HMIS: 1) the Housing Needs Assessment in data element 4.19 Coordinated Entry Assessment and 2) the referral to PSH in data element 4.20 Coordinated Entry Event.</p>
<b>Scenario 4</b>	<p>The CoC’s CE Assessment Team conducts a CE standardized assessment for Jill, a program participant staying in an ESG-funded emergency shelter, and determines that she should be placed on a prioritization list for RRH. Once Jill’s placement in a local RRH project is available, a housing navigator employed by the emergency shelter begins working with Jill to identify an apartment. The navigator gives Jill a bus token to view a unit and assists her with completing the rental application. The emergency shelter bills the housing navigator’s time as an eligible expense under ESG ES Essential Services (Case Management). Shelter staff enter only required ES data under their ES project in HMIS (i.e., no CE data). The CoC’s CE Assessment Team (not funded by ESG), which conducted Jill’s CE standardized assessment, completes the 4.19 Coordinated Entry Assessment and 4.20 Coordinated Entry Event data elements under the CoC’s CE project in HMIS.</p>

## ESG Funds and Expanded Coordinated Entry Activities

### ***Expanded Coordinated Entry Activities***

[Notice CPD-21-08](#), Section E, part k waives limitations on eligible activities provided in Section 415(a) of the McKinney-Vento Homeless Assistance Act and 24 CFR Part 576, subpart B to the extent necessary to use ESG-CV funds or annual ESG funds used to prevent, prepare for, and respond to coronavirus (i.e., recipients meet the criteria in Section IV of the ESG-CV Notice) to pay for additional costs needed to update, enhance, and operate the CE assessment system. This notice allows CoCs to use ESG funds more flexibly to support activities that can be carried out to quickly prioritize and refer for assistance households experiencing and at risk of experiencing homelessness through the CoC’s CE. With this notice, the ability to use ESG funds to cover CE costs, such as staffing a centralized CE assessment center or a hotline system that screens and connects callers to homeless housing and service providers in the area, is no longer based on the extent to which clients are referred to ESG-funded projects as described below.

The ESG program regulations at 24 CFR 576.400(d) require that each ESG-funded program or project within the CoC’s area must use the CoC’s CE system. Therefore, ESG programs must be integrated into the CoC CE process.

ESG funds can be used to fund CE activities in different ways, and whether or not expanded CE costs are eligible depends upon how ESG funds are being utilized. ESG-CV funds and annual ESG funds specifically used to prevent, prepare for, and respond to coronavirus can be used to pay for expanded CE costs. Annual ESG funds

that are not specifically used to prevent, prepare for, and respond to coronavirus cannot be used to pay for expanded CE costs. The below table details how [Notice CPD 21-08](#) allows for using ESG funds for CE costs with the right column limited to those funds that can be used for expanded CE costs. Expanded CE activities funded with ESG should be budgeted in the Integrated Disbursement and Information System (IDIS) as part of the SO activity. For more information, refer to the [activity setup guidance](#) or submit a question to HUD Exchange's [AAQ portal](#).

Coordinated Entry Project Refers...	ESG Program Funding Prior to Notice	ESG Program Funding With the Notice
...all clients to ESG-funded projects	ESG may fund up to 100% of the cost of the CE project.	
...clients to a mix of ESG- and non-ESG-funded projects	ESG may fund a prorated amount of CE costs based on the percentage of clients entered into ESG-funded projects.	ESG may fund up to 100% of the cost of the CE project, with documentation that shows the use of ESG-CV funds is limited to the increase in system costs due to COVID-19.
...all clients to non-ESG funded projects	ESG funds may not be used to fund the cost of the CE project.	

#### Additional Resources

- [ESG Program Interim Rule](#) at 24 CFR Part 576
- [Notice CPD-17-01](#): Notice Establishing Additional Requirements for a CoC Centralized or Coordinated Assessment System
- [ESG Program HMIS Manual](#)