



Washington State
Department of
Commerce

Guidelines

FOR THE

Treasury Rent Assistance Program (T-RAP)

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1 Grant Basics

1.1 Overview

The Treasury Rent Assistance Program (T-RAP) grant is part of Washington State's response to the COVID-19 pandemic. Funds are intended to prevent evictions that would contribute to the spread of the virus by paying past due, current due, future rent, and utilities, targeting limited resources to those who have experienced financial hardship due to the COVID-19 outbreak and are at risk of experiencing homelessness or housing instability.

The T-RAP Guidelines Questions & Answers (Q&A) are posted on the Commerce website: <https://www.commerce.wa.gov/serving-communities/homelessness/cares-act-and-state-rent-assistance/>.

1.2 Program Goals

The program goals are:

- ✓ Prevent evictions.
- ✓ Target resources to very low income households who are unemployed.
- ✓ Promote equity in who is served, with a focus on groups of people who historically have not been provided equitable access to rent assistance and those who have disproportionately been impacted by the COVID-19 outbreak: Latinx or Hispanic, young adults, Black or African American, American Indian and Alaska Native, Native Hawaiian or other Pacific Islander.

1.3 Program Purpose

The Office of Family and Adult Homelessness in the Housing Assistance Unit at the Department of Commerce administers state and federal funds to support homeless crisis response systems in Washington State.

The Treasury Rent Assistance Program is a critical resource in Washington State's response to the COVID-19 pandemic.

We expect Commerce grantees, including county governments and nonprofits, to be leaders, facilitating partnership among service organizations and promoting evidence-based, anti-racist practices.

Grantees must respond to the disproportionality in access to services, service provision and outcomes and cannot simply rely on standard business practices to address inequity. Grantees

have the responsibility to ensure all people eligible for services receive support and are served with dignity, respect and compassion regardless of circumstance, ability or identity.

This includes marginalized populations, Black people, Native and Indigenous people, People of Color, immigrants, people with criminal records, people with disabilities, people with mental health and substance use vulnerabilities, people with limited English proficiency, people who identify as transgender, people who identify as LGBTQ+, and other individuals that may not access mainstream support.

We are here to support your efforts. The Housing Assistance Unit provides access to continuous learning on trauma informed services, racial equity, LGBTQ+ competency and more. We can help you strategize outreach, coordinated entry and help you understand your data so we can meet Washington’s vision that no person is left living outside.

1.4 T-RAP 1.0 and T-RAP 2.0

These guidelines contain information for both Treasury Rent Assistance Programs, T-RAP 1.0 and T-RAP 2.0, also known as U.S. Department of Treasury’s Emergency Rent Assistance Program, ERA1 and ERA2. Program differences between T-RAP 1.0 and T-RAP 2.0 are embedded throughout the guidelines, as well as highlighted in Appendix I.

1.5 Authorizing Statute

T-RAP 1.0:

Consolidated Appropriations Act, 2021.

T-RAP 2.0:

American Rescue Plan Act, 2022.

2 Household Eligibility and Prioritization

There isn’t enough funding to assist all of the households who may be eligible for rent assistance under this program. The purpose of the eligibility screening criteria is to target those most likely to become homeless but for this assistance.

Households must meet all three of the initial screening criteria.

T-RAP 1.0:

- ✓ Income at or below 80% of [Area Median Income](#) (AMI).
- ✓ Experiencing a financial hardship directly or indirectly due to the COVID-19 outbreak that threatens the household’s ability to pay the costs of the rental property when due.
- ✓ At risk of experiencing homelessness or currently experiencing housing instability.

T-RAP 2.0:

- ✓ The household is a low-income family (as such term is defined in section 3(b) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)) using the [Median Family Income Documentation System](#) or Income at or below 80% of [Area Median Income](#) (AMI).
- ✓ Experiencing a financial hardship **during**, or directly or indirectly due to the COVID-19 outbreak.
- ✓ At risk of experiencing homelessness or currently experiencing housing instability.

Eligibility criteria must be documented and kept in the household file. See the Household Information and Eligibility Form for more information on documentation standards.

Prioritization:

The following households must be prioritized for both T-RAP 1.0 and T-RAP 2.0:

- ✓ Income at or below 50% Area Median Income (AMI).
- ✓ Households with one or more individuals who are unemployed and have been unemployed for 90 days before application date.

Grantees must post their prioritization methods on their agency website.

Additional Information:

United States citizenship is NOT an eligibility requirement of this program.

For the purposes of this program a household is the person or people that are obligated to pay rent on a residential dwelling and are seeking assistance together. Roommates sharing a residence, but who each have a separate lease, are not considered a household.

Households in informal rental agreements (e.g. staying with family/friends or in a motel long term) are able to receive financial assistance. See Section 3.4.2 for more information on documenting rental obligation and address when a lease is unavailable.

Households residing in subsidized housing are able to receive assistance if funds are not applied to costs that have been or will be reimbursed under any other assistance. If an eligible household receives a monthly federal subsidy (e.g., a Housing Choice Voucher, Public Housing, or Project-Based Rental Assistance) and the tenant rent is adjusted according to changes in income, the renter household may receive T-RAP assistance for the household-owed portion of rent or utilities that is not subsidized.

Assistance received through this program should not count as a public benefit for the purpose

of determining whether someone is considered a public charge. Public charge refers to non-US citizens who have received one or more public benefits, for more than 12 months within any 36-month period. A person considered a public charge is ineligible to become a lawful permanent resident.

Rental assistance provided through this program shall not be regarded as income. Rent assistance received through this program is not regarded as a resource for purposes of determining the eligibility of the household or any member of the household for benefits or assistance, or the amount or extent of benefits or assistance, under any Federal program or under any State or local program financed in whole or in part with Federal funds.

3 Documenting Household Eligibility

All eligibility requirements must be met in order for a household to receive financial assistance (rent, utilities, and/or other housing costs). Household eligibility must be documented using the ***Commerce T-RAP Household Information & Eligibility Form***. This Form and accompanying documentation must be kept in the household file and made available to Commerce to confirm grant compliance. Grantees must require all applications for assistance to include an attestation from the applicant that all information included is correct and complete. The Form details information on documentation standards for each requirement.

Commerce prohibits grantees from collecting evidence to substantiate a household statement or adding any additional criteria, such as identification, Social Security numbers, birth certificates or medical documentation.

If a household received financial assistance in the last 60 days and re-applies for assistance, their Household Information and Eligibility Form and documentation are still valid for additional services UNLESS a self-declaration was used to determine income eligibility, in which case, income eligibility will still need to be re-certified. If 60 days has passed, new eligibility paperwork and Payment Forms are needed regardless.

Electronic signatures for all documentation types are allowable.

Current versions of all Forms are located at <https://www.commerce.wa.gov/serving-communities/homelessness/cares-act-and-state-rent-assistance/>.

3.1 Income

To determine income eligibility, grantees must consider the household's total gross income for calendar year 2020, calendar year 2021, ***or*** the household's current monthly income at the time of application. Grantees may choose between using the Department of Housing and Urban Development's (HUD) definition of "annual income" in [24 CFR 5.6094](#) and using [adjusted gross income](#) as defined for purposes of reporting under Internal Revenue Service Form 1040 series for individual federal annual income tax purposes.

3.1.1 Documentating Income

3.1.1.1 Self-Declaration

Commerce encourages grantees to rely on a self-declaration to document household income. If a self-declaration is used to document income and the household re-applies for additional assistance within 60 days, their income documentation must still be re-verified.

If relying on a self-declaration to document income eligibility, use self-declaration embedded in the Household Information and Eligibility Form.

3.1.1.1.1 Fact-specific proxy

A fact-specific proxy can also be used in conjunction with a self-declaration. A fact-specific proxy is a data set showing average incomes in the household's geographic area. Grantees can opt to utilize Commerce's approved fact-specific proxy method, located at [Fact-Specific Proxy - Census Tracts.xlsx | Powered by Box](#). *Grantees choosing to utilize a different fact-specific proxy method must seek approval from their grant coordinator prior to implementation.*

3.1.1.2 Source Documentation

Grantees can collect source documentation for income determinations when it is readily available. This can include paystubs, W-2s or other wage statements, tax filings, bank statements demonstrating regular income, or an attestation from an employer. An attestation from an employer should include the employees name, employers name, pay amount and frequency, average hours worked per week, amount of any additional compensation. When appropriate, grantees may rely on an attestation from a caseworker or other professional with knowledge of a household's circumstances to certify their income eligibility.

Source documentation is flexible and can include photocopies or digital photographs of documents, e-mails, or attestations from employers, landlords, caseworkers, or others with knowledge of the household's circumstances.

Grantees have discretion to provide waivers or exceptions to this documentation requirement to accommodate disabilities, extenuating circumstances related to the pandemic, or a lack of technological accessor when a household's income, or a portion of it, is not verifiable due to the impact of COVID-19, has been received in cash, or the household has no qualifying income.

Requirement for extenuating circumstances:

If there are barriers or time constraints associated with collecting source documentation to substantiate a household's income, grantees must utilize the flexibility of self-declarations and fact-specific proxies.

3.1.1.2.1 Categorical Eligibility

If an applicant's household income has been verified in connection with another local, state, or federal government assistance program, grantees are permitted to rely on a determination letter from the government agency that verified the applicant's household income or status as a low-income family, provided that the determination for such program was made on or after January 1, 2020. Grantees can use the DSHS Benefits Verification System to document this eligibility determination. See Section 7.10 and Appendix I for more information.

3.1.1.3 Annualizing Income

Use one of the following calculations to convert the 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.

3.2 Housing Status

One or more individuals in the household must demonstrate a risk of experiencing homelessness or currently experiencing housing instability. This must be documented and may include:

- ✓ Self-declaration signed and dated by the household that verifies the applicant's housing instability (currently late on rent and/or has rental arrears, past due utilities, other housing instability details), use self-declaration embedded in Household Information and Eligibility Form.
- ✓ Rent Payment Form requesting assistance for rent arrears.
- ✓ A past due utility notice or eviction notice.
- ✓ Statement from the landlord that verifies the household's housing instability (currently late on rent and/or has rental arrears). Verbal verification is allowable, use Household Information and Eligibility Form.

3.3 Financial Hardship

For documenting unemployment benefits and other types of financial hardship:

- ✓ Written self-declaration signed by the applicant that one or more members of the household meets this condition. Use self-declaration embedded in Household Information and Eligibility Form.
- ✓ Copy of most recent payment statement or benefit notice, or,
- ✓ Dated mail, fax, email verification, or verbal verification from unemployment administrator that includes amount.

T-RAP 1.0

One or more individuals in the household must have qualified for unemployment benefits, experienced a reduction in income, incurred significant costs, or experienced other financial hardship **directly or indirectly** due to the COVID-19 pandemic that threaten the household's ability to pay the costs of the rental property when due.

T-RAP 2.0

One or more individuals in the household must have qualified for unemployment benefits, experienced a reduction in income, incurred significant costs, or experienced other financial hardship **during** the COVID-19 pandemic that threaten the household's ability to pay the costs of the rental property when due.

3.4 Documenting Rental Obligation and Utility Arrears

3.4.1 Rent Payment Agreement Form

The **Commerce T-RAP Rent Payment Agreement Form** must be completed for households seeking rent assistance. This Form and accompanying documentation must be kept in the household file and made available to Commerce to confirm grant compliance.

Landlords can initiate T-RAP financial assistance on behalf of their households. Directions for landlords are detailed on the Form. The provider must still verify the household's eligibility.

Landlord's initiating assistance must:

1. Provide the household with a copy of the Form, and
2. Accept any payments received as satisfaction of the household's rental obligations, and
3. Ensure the household sign the Payment Agreement Form at some point in the process.
This can be initiated by the landlord or a grantee. Electronic signatures are allowable.

Current versions of all Forms are located at <https://www.commerce.wa.gov/serving-communities/homelessness/cares-act-and-state-rent-assistance/>.

3.4.2 Leases

If requested and available, landlords must submit a current lease signed by the applicant household and the landlord or sublessor that identifies the unit where the applicant resides and establishes the rental payment amount. If collecting a lease is administratively burdensome and slows down the application processing time, grantees may require the landlord to make the lease available only upon request. If requested, the entire lease document doesn't need to be provided as long as the household and landlord signatures, payment amounts, and rental address are identified.

A lease is a document that contains the following components:

- ✓ Name of household
- ✓ 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 household/date
- ✓ Signature of landlord/date

3.4.2.1 Rental Address

The Rent Payment Agreement Form can be used as documentation of rental address if collecting a lease is administratively burdensome and slows down the application processing time. In cases where the household is fleeing violence or is in the address confidentiality program, the applicant's physical address can be redacted.

3.4.2.2 Rental Payment Amount

The Rent Payment Agreement Form can be used as documentation of rental payment amount when payment is made to the landlord. If payment is made directly to the household, evidence of the amount of a rental payment may include bank statements, check stubs, or other documentation that reasonably establishes a pattern of paying rent, a written attestation by a landlord who can be verified as the legitimate owner or management agent of the unit, or other reasonable documentation as defined by the grantee in its policies and procedures.

In cases where a written self-declaration from the household is used, the monthly maximum amount of assistance must be 100% of the greater of the [Fair Market Rent or the Small Area Fair Market Rent](#) for the area in which the applicant resides. In this case, such assistance may only be provided for three months at a time, and the grantee must obtain source documentation of monthly rent after three months in order to provide further assistance.

4 Allowable Expenses

4.1 Administration and Operations

The Administration/Operations budget category, or Admin budget category, must be used on costs associated with administering T-RAP. All amounts billed these categories must be supported by actual costs.

Expenses that are directly attributable to this program may include:

- ✓ Shared costs that are allocated directly by means of a cost allocation plan.
- ✓ Salaries and benefits for staff costs, including but not limited to program staff, human resources staff, bookkeeping staff, IT staff and accounting staff.
- ✓ Intake and assessment, including time spent assessing a household, whether or not the household is determined eligible.
- ✓ Outreach services.
- ✓ Data collection and entry for the required T-RAP Report Form require by Commerce.
- ✓ Office space, utilities, supplies, phone, internet, and training related to grant

- management and/or service delivery.
- ✓ IT software used to process T-RAP applications or household information.
- ✓ General liability insurance and automobile insurance.

The above examples are not a comprehensive list. Consult with your T-RAP Grant Coordinator if you're unsure if an expense is allowable.

T-RAP 1.0

Budget category is Admin/Ops. The maximum amount of admin allowed to be contracted and utilized is 10% of the contract total.

T-RAP 2.0

Budget category is Admin. The maximum amount of admin allowed to be contracted and utilized is 15% of the contract total.

4.1.1 Indirect

Grantees may apply their indirect cost rate to their award in accordance with the Uniform Administrative Guidance (2 CFR Part 200). Indirect costs may be allocated to each eligible component, so long as the cost is an eligible cost in the grant award and agreement under which the grantee operates.

4.2 Housing Stability Services

Housing stability services are those that enable households to maintain or obtain housing. They may include eviction prevention and eviction diversion programs; mediation between landlords and tenants; case management related to housing stability; housing-related services for survivors of domestic abuse or human trafficking; legal services or attorney's fees related to eviction proceedings and maintaining housing stability; and specialized services for individuals with disabilities or seniors that support their ability to access or maintain housing.

Grantees using T-RAP funds specifically for housing stability services must maintain records regarding such services and the amount of funds provided to them. Similar types of allowable expenses, such as intake and assessment of available resources for a household may also be considered admin expenses. Consult your T-RAP grant coordinator for assistance determining which budget category should be utilized.

T-RAP 1.0

Grantees who have allocated T-RAP 1.0 funds to the Housing Stability Services budget category may utilize these funds to provide eligible households with case management and other services related to the COVID-19 outbreak that are intended to help keep households stably housed. These services provided with T-RAP 1.0 funds may only be utilized for eligible households. When housing stability services represent the only T-RAP 1.0 assistance a household will receive, grantees are encouraged to rely on a household's self-attestations for

purposes of confirming eligibility. Housing stability services cannot be provided with T-RAP funds past Septmeber 30, 2022.

T-RAP 2.0

Grantees who have allocated T-RAP 2.0 funds to the Housing Stability Services budget category do not have to ensure that services are related to the COVID-19 outbreak and services are not restricted to eligible households only. Housing stability services cannot be provided with T-RAP funds past June 30, 2023.

4.3 Financial Assistance

Financial assistance can include a combination of rent and utility arrears, current rent and utility payments, future rent payments, and other housing costs related directly or indirectly to COVID-19. Assistance cannot be provided for arrears that were accrued before March 13, 2020.

Households can receive up to 18 months of financial assistance cumulatively if receiving assistance from both T-RAP 1.0 and T-RAP 2.0.

T-RAP 1.0

Households receiving T-RAP 1.0 only can receive up to 15 months of financial assistance. Financial assistance cannot be provided past September 30, 2022.

T-RAP 2.0

Households receiving T-RAP 2.0 only can receive up to 18 months of financial assistance. Final T-RAP 2.0 expenses can be incurred through June 30, 2023. The last allowable future rent payment is for September 2023, so long as the payment is made within the contract period.

4.3.1 Rent

Rent arrears are when any rent payment is missed or past due, including when the current month's rent is due. Future rent is the rent *after* the current month and can be provided for up to three months at a time.

- ✓ Households can receive assistance with only future rent if the household does not have rental arrears and/or the provider has already assisted the household with rental arrears.
- ✓ An additional three months of future rent assistance can be provided if the household reapplies and is still experiencing housing instability, and has not already received the maximum amount of assistance.

Rental payments for mobile home space, lot rent, and mooring fees are allowable. Households in informal rental agreements (e.g. staying with family/friends or in a hotel/motel long term) are able to receive financial assistance. Short term hotel/motel stays can be allowable under Other Housing Costs, see below for more information.

Grantees may use funds to pay for an additional rental payment required by a landlord as a

condition to entering into a lease with a “hard-to-house” household that would not qualify under the landlord’s previously established, non-discriminatory, and lawful screening or occupancy policies. “Hard-to-house” applicants are those who, during the preceding 12 months, suffered an eviction; aged out of foster care or similar arrangements; were convicted of a criminal offense or released from incarceration; or experienced homelessness. The additional payment must be documented in the written lease agreement as additional rent and may not, in the aggregate, exceed one month’s rent (excluding the additional payment). Grantees should establish reasonable safeguards to ensure these additional rental payments do not incentivize landlords to adopt more stringent leasing policies and are otherwise compliant with any rent or security deposit restrictions imposed by state or local law.

4.3.2 Utilities

Utilities and home energy costs are separately-stated charges related to the occupancy of rental property. They can include electricity, gas, water and sewer, trash removal and energy costs, such as fuel oil. Utilities that are covered by the landlord within rent will be treated as rent. Utility only payments are allowable. Future utility payments are not allowable. All payments for utilities and home energy costs should be supported by a bill, invoice, or evidence of payment to the provider of the utility or home energy service.

Separately stated utility charges included in the lease agreement that are paid to the landlord will be reported on the Rent Payment Agreement Form and paid with rent. Utility charges paid to a third party utility company will be reported on the Utility Payment Form.

4.3.3 Rent and Utilities at a Previous Address

Grantee can provide assistance for rental or utility arrears after a household has vacated a unit. As a condition of receiving payment, grantees should have landlords and utility providers agree to not engage in collection efforts regarding the arrears that are paid or related fees or expenses. They should also ensure that any reports to credit agencies will confirm the matter’s resolution. Grantees may consider requiring the landlord or utility provider to notify the tenant that payment has been received and that there will be no further collection efforts.

4.3.4 Other Housing Costs

Other Housing Costs can include relocation expenses, rental fees, reasonable accrued late fees (if not included in rental or utility arrears), short-term hotel/motel stays, and internet service provided to the rental unit. Grantees should adopt policies that determine when covering these costs would be appropriate.

If a housing-related expense is included in a bundle or an invoice that is not itemized (for example, internet services bundled together with telephone and cable television services) and obtaining an itemized invoice would be unduly burdensome, grantees may establish and apply reasonable procedures for determining the portion of the expense that is appropriate to be covered by T-RAP.

All payments for Other Housing costs must be supported by documentary evidence such as a bill, invoice, or evidence of payment to the provider of the service.

T-RAP 1.0

Other Housing Costs must be related to housing and incurred directly or indirectly due to COVID-19.

T-RAP 2.0

Other Housing Costs must be related to housing, but do not have to be incurred due to COVID-19.

4.3.4.1 Short Term Hotel/Motel Costs as Other Housing Costs

A short term hotel/motel stay can be covered under Other Housing costs provided that:

- ✓ The household has been temporarily or permanently displaced from its primary residence or does not have a permanent residence elsewhere;
- ✓ The total months of assistance provided to the household do not exceed the applicable time limits for T-RAP 1.0 and T-RAP 2.0; and
- ✓ Documentation of the hotel or motel stay is provided.

The cost of the hotel or motel stay would not include expenses incidental to the charge for the room.

Grantees covering the cost of such stays must develop policies and procedures detailing under what circumstances they would provide assistance to cover such stays. In doing so, grantees should consider the cost effectiveness of offering assistance for this purpose as compared to other uses. If a household is eligible for an existing program within Coordinated Entry than can provide similar assistance for hotel or motel stays, grantees should utilize such programs instead.

4.3.5 Relocation Assistance

T-RAP funds can be used to provide relocation assistance to eligible households. This can include rent, utilities, and/or deposits or rental fees for a new unit. Grantees will need to determine whether the type of relocation assistance provided is Rent, Utilities, and/or Other Housing Costs in order to know which T-RAP Payment Form to utilize. Other Housing Costs relocation expenses include security deposits or fees related associated with securing a new unit. In order to provide relocation assistance to a new unit, the landlord and the household must enter into a lease of at least six months. For reporting purposes, grantees may consider these commitments to be an obligation of funding until their expiration.

4.3.6 Calculating Maximum Rent Payment

Payments can be up to 150% of [Fair Market Rent](#) (FMR) and must not be more than the total

amount due.

In cases where the household does not have source documentation of the rental payment amount and relies on a written self-declaration from the household, the monthly maximum amount of assistance must be 100% of the greater of the Fair Market Rent or the Small Area Fair Market Rent for the area in which the applicant resides. In this case, assistance may only be provided for three months at a time and the household must also attest that they have not received, and do not anticipate receiving, another source of public or private subsidy or assistance for the rental costs that are the subject of the attestation. Grantees must obtain source documentation of the rental payment amount after three months in order to provide further assistance to the household.

See the ***Commerce T-RAP Household Information and Eligibility Form*** for details on how to document.

4.3.7 Payments

Documentation of payments made to a landlord or utility provider on behalf of the household must be provided to the household.

4.3.7.1 Payments to Households

T-RAP 1.0

If the landlord or utility provider does not agree to accept payment from the grantee after outreach by the grantee, or the landlord cannot be reached, the grantee may make payments directly to the household for them to provide to the landlord or utility provider themselves.

Grantees must make reasonable efforts to obtain the cooperation of landlords and utility providers to accept payments. Outreach will be considered complete if:

- ✓ A request for participation is sent in writing, by certified mail, to the landlord or utility provider, and the addressee does not respond to the request within seven calendar days after mailing; or
- ✓ If the grantee has made at least three attempts by phone, text, or email over a five calendar-day period to request the landlord or utility provider's participation; or
- ✓ A landlord confirms in writing that they do not wish to participate.

The final outreach attempt or notice to the landlord must be documented.

T-RAP 2.0

T-RAP 2.0 does not require grantees to seek the cooperation of the landlord or utility provider before providing assistance directly to the household. However, if grantees choose to seek the cooperation of landlords or utility providers before providing assistance directly to households, it is encouraged that the grantee apply the same outreach efforts as described above.

For payments made directly to households, grantees must have systems in place to ensure there is no duplication of payment.

4.3.7.2 Bulk Payments

Grantees may establish reasonable procedures for combining the assistance provided for multiple households into a single “bulk” payment made to a utility provider or landlord.

Grantees should ensure that any such arrangements:

- ✓ Comply with applicable privacy requirements;
- ✓ include appropriate safeguards to ensure payments are made only for eligible households; and
- ✓ are documented in records satisfying the grantee’s reporting requirements, including, for example, the amount of assistance paid for each household.

4.3.7.3 Estimated Payments

Grantees may adopt policies and procedures enabling landlords and utility providers to receive assistance based on reasonable estimates of arrears owed by multiple households, before their application and documentation requirements are satisfied. Specifically, a grantee may provide for payments based on such estimates if:

- ✓ The landlord or utility provider certifies that its estimate is reasonable based on information available to it at the time,
- ✓ the grantee requires the landlord or utility provider to receive all required documentation within six months, and
- ✓ the landlord or utility provider agrees in writing to return to the grantee any assistance the landlord or utility provider receives that the household was ineligible for or for which the required documentation is not received within six months.

Grantees are encouraged to limit such payments to a portion of the landlord’s or utility provider’s estimate (for example, 50 or 75 % of the estimated amount) to limit the risk of providing funds that are used for an ineligible purpose and subsequently must be returned. If an estimated payment is subsequently found to have been used for an ineligible household or an ineligible expense, or if the required documentation is not timely submitted, the payment will be considered an ineligible use of T-RAP funds.

Data-sharing agreements between grantees and utility providers or landlords with multiple units may reduce administrative burdens and enhance program integrity by providing information to validate tenant-provided information. Therefore, grantees may establish prudent information sharing arrangements with utility providers and landlords for determining household eligibility.

5 Local Variance

Grantees interested in implementing program restrictions or additional eligibility requirements

must ensure they are based on vulnerability and/or risk. Grantees must first consult with their Commerce T-RAP grant coordinator before implementing. Examples include but are not limited to:

- ✓ Restricting income eligibility to less than 80% AMI (for example, using 50% AMI for eligibility and not just prioritization).
- ✓ Providing less than three months of future rent payments.
- ✓ Prioritizing households that are severely rent burdened.

6 Coordinated Entry

Lead grantees and subgrantees funded by this grant are not required to participate in the county or regional Coordinated Entry (CE) process for the purpose of this grant.

To support effective partnerships, grantees should actively create and maintain relationships with CE. Additionally, grantees should refer households to CE when their needs cannot be met by this grant assistance.

7 Grant Requirements

7.1 Performance Measures

Grantees must work to ensure equitable access to T-RAP.

Equitable access means that the race and ethnicity of people receiving T-RAP assistance are similar to the community demographics. Equitable access is measured by comparing the % of people in poverty by race and ethnicity to the % of people receiving T-RAP by race and ethnicity.

Race and ethnicity will be measured in the following groups:

- ✓ People of Color (includes Black or African American, American Indian and Alaska Native, Native Hawaiian or other Pacific Islander, Hispanic/Latinx, Asian, Other/Multi-Racial)
- ✓ Black or African American
- ✓ American Indian and Alaska Native
- ✓ Hispanic/Latinx

Additional performance target includes:

- ✓ Ten percent of households served must be youth or young adults age 18-24, *this includes emancipated 16 and 17 year olds.*

Data from all T-RAP grantees in the county will be combined for the purpose of performance measurement and performance monitoring.

Strategies to promote equity in services:

- Affirmatively market the program.
- Outreach to and develop meaningful connections with tribal communities, farmworkers and other marginalized communities.
- Demonstrate a commitment to hiring and promoting people from communities who are most impacted by COVID in your community.
- Provide interpretation services to ensure effective communication with people who have limited English proficiency.
- Translate all documents and marketing information (including website) into the most common languages spoken by those impacted by COVID in your community.
- Offer flexible intake and services such as mobile services, virtual services and outreach-based services.
- Ensure direct services staff have relevant cultural humility training and educational materials.

Grantees can review the performance targets for their service area by visiting the website at: <https://www.commerce.wa.gov/serving-communities/homelessness/cares-act-and-state-rent-assistance/>.

7.2 By and For Sub Grants

Grantees must actively work to partner with By and For organizations in their communities that assist and serve marginalized populations. It is incumbent on the grantee to identify By and For service providers that can best support their community members in accessing assistance.

By and For organizations are operated by and for the community they serve. Their primary mission and history is serving a specific community and they are culturally based, directed, and substantially controlled by individuals from the population they serve. At the core of their programs, the organizations embody the community's central cultural values. These communities may include ethnic and racial minorities; immigrants and refugees; individuals who identify as LGBTQ+, individuals with disabilities or who are deaf; and Native Americans.

Funds provided to By and For organizations can cover the costs associated with program outreach and assistance to marginalized communities. This can include acting as a referral source, outreach to marginalized communities, providing rental assistance to households directly, or other Operations activities related to T-RAP.

Marginalized communities may include ethnic and racial minorities; immigrants and refugees; individuals who are lesbian, gay, bisexual, and transgender; individuals with disabilities or who are deaf; and Native Americans.

7.3 Dispute Resolution Center Partnerships

Grantees must coordinate with their local Dispute Resolution Centers (DRC) if one exists within their service area. DRCs can be an important pathway to prevent evictions, and providing rent assistance can be critical to settling disputes.

There are many ways to partner with a DRC. The following list is not comprehensive and grantees should work towards a partnership that makes sense for their community.

- ✓ Prioritize referrals from the local DRC for households involved in the Eviction Resolution Pilot Program (ERPP).
- ✓ Embed a release of information in your intake process to be able to communicate with DRC staff.
- ✓ Subcontract to your local DRC to provide rent assistance.
- ✓ Train staff on T-RAP program eligibility.
- ✓ Receive T-RAP referrals from the DRC.
- ✓ Engage with DRC staff to help resolve communication challenges between landlords and households.
- ✓ Invite DRC staff to participate in rent assistance provider meetings.
- ✓ Partner households with DRC staff to help establish repayment plans when appropriate.
- ✓ Work with DRC mediators and staff to provide training opportunities to rental assistance providers, landlords, and households on the following:
 - Communication to prevent escalation
 - Collaboration for mutual gain
 - Collaborative negotiation
 - Feedback for positive landlord/household relationship

7.4 Civil Legal Aid Partnerships

Civil legal aid services continue to be a crucial support in helping households maintain housing. Grantees should partner with these providers if one exists within their service area. The following list is not comprehensive and grantees should work towards a partnership that makes sense for their community.

- ✓ Train staff on T-RAP program eligibility and paperwork.
- ✓ Receive T-RAP referrals from civil legal aid staff.
- ✓ Engage with civil legal aid staff to help resolve communication challenges between landlords and households.
- ✓ Invite civil legal aid staff to participate in rent assistance provider meetings.

7.5 Language Assistance Services Requirement

Lead/subgrantees are required to ensure their customers with disabilities and those with limited English proficiency have access to vital information, and are responsible for ensuring meaningful language assistance services. This requirement can be fulfilled using 1) in-person interpretation: spoken and sign language or 2) remote interpretation using phone or video. Language interpretation costs are an eligible use of grant funds.

The following is a list of organizations that provide language interpretation services over the phone. This is not a comprehensive list or an endorsement of the services they provide; other organizations may be better suited to fulfill the language interpretation requirement:

Lionbridge: <https://www.lionbridge.com/content-transformation-services/interpretation-services/>

Language Link: <https://www.language.link/telephonic-interpretation/>

Linguistica: https://www.linguisticainternational.com/services/over_the_phone/

Commerce will assist with language access by translating the required public facing Forms into multiple languages, and can assist grantees with translation of other written materials as requested.

7.6 Changes to Guidelines

Commerce may revise the guidelines at any time. All lead grantees will be sent revised copies. Lead grantees are responsible for sending revisions to subgrantees in a timely manner.

7.7 Fiscal Administration

7.7.1 Expenditure Deadlines

Commerce will monitor spending monthly to ensure grantees are on track to meet expenditure deadlines.

Grantees that do not meet the expenditure deadlines below will be required to address the following components in writing:

- ✓ Policies and practices recommended by Treasury and/or Commerce that the have already been implemented, such as the use of self-attestations to document income in combination with the fact-specific proxy;
- ✓ eviction diversion partnerships with Dispute Resolution Center Staff and civil legal aid organizations; and engaging with By and For providers;
- ✓ whether or not the grantee has adopted any policies or practices that Treasury and/or Commerce have discouraged, such as the collection of extra documentation not required by the program guidelines;
- ✓ key obstacles to delivering T-RAP assistance to eligible households in the grantee's jurisdiction;

- ✓ actions that will be taken to increase program expenditures; and
- ✓ a projection of the grantee's T-RAP expenditures over the next four months.

T-RAP 1.0

Grantees must be on track to spend out at least 30% of their award by September 30, 2021.

Beginning on September 30, 2021, Treasury will determine which grantees have obligated at least 65% of their award, and expended at least 30% of their award, and will reallocate funds based on these factors. Beginning with the 30% threshold established for September 2021, grantees must continue to expend an additional 5% each month. The amount of any such reallocation shall be determined based on demonstrated need within a grantee's jurisdiction.

In November 2021, Commerce will plan reallocations to meet the federal expenditure deadline. Grantees that do not meet the deadlines may be subject to grant reductions and funds will be reallocated.

T-RAP 2.0

Commerce will monitor spending regularly to help ensure grantees are on track to obligate at least 50% of their award by March 31, 2022. Beginning on March 31, 2022, Treasury will determine which grantees have obligated at least 50% of their award and reallocate the unobligated funds. The amount of any such reallocation shall be determined based on demonstrated need within a grantee's jurisdiction.

In February 2022, Commerce will examine spending and plan reallocations to meet the federal spending deadline. Grantees that do not meet the deadlines may be subject to grant reductions and funds will be reallocated.

7.7.2 Invoicing and Due Dates

Grantees must invoice Commerce at least monthly, and can invoice as frequently as weekly, for reimbursement of allowable costs. Invoices are due on the 20th of the month following the provision of services. Invoices must be submitted online using the Commerce Contract Management System (CMS) through Secure Access Washington (SAW).

T-RAP 1.0

Final invoices with expenses through September 30, 2022 are due October 31, 2022.

T-RAP 2.0

Final invoices with expenses through June 30, 2023 are due July 13, 2023.

7.7.3 Budget Revisions

Grantees can move funds between certain budget categories. An amendment is not needed for allowable budget revisions. Submit budget revision requests to your T-RAP Grant Coordinator via email for approval. The following restrictions on budget revisions apply:

Budget Category	Move to Other Category
Admin and Operations/Admin	Yes, Rent and Utility Assistance only
Housing Stability Services	Yes, Rent and Utility Assistance only
Rent and Utility Assistance	No
By and For Subcontracting	No

7.7.4 Advance Payments

Grantees can use the Advance Payment Request Form and procedure to request an amount of funds to be paid forward on a quarterly basis.

7.8 Policies and Procedures (P&P)

The following policies and procedures are required and recommended for T-RAP grantees administering financial assistance.

7.8.1 Required P&P

7.8.1.1 Grievance Procedure

Grantees must have a written grievance procedure for households seeking or receiving services which includes the tenant's right to review decisions and present concerns to program staff not involved in the grievance. This procedure must clearly describe how tenants can request a review or report concerns and be accessible to all tenants seeking or receiving services.

7.8.1.2 Termination and Denial of Service Policy

Grantees must have a termination and denial policy. This policy must describe the reasons a tenant would be denied services and/or terminated from program participation, describe the notification process, and ensure tenants are made aware of the grievance procedure.

7.8.1.3 Written Self-Declaration Policy

Grantees must specify under what circumstances they will accept written self-declarations from the tenant without further documentation to determine any aspect of eligibility or the amount of assistance, and in such cases, grantees must have in place reasonable validation or fraud prevention procedures to prevent abuse.

7.8.1.4 Eligibility and Prioritization Policy

Grantees must document their policies and procedures for determining a tenant's eligibility. These must include policies and procedures for determining the prioritization of tenants in compliance with the statute and to maintain records of their determinations.

7.8.1.5 Temporary Hotel/Motel Stays Policy

Grantees must develop policies and procedures detailing under what circumstances they would provide assistance to cover hotel/motel stays with Other housing Costs. In doing so, grantees should consider the cost effectiveness of offering assistance for this purpose as compared to other uses. If a tenant is eligible for an existing program with narrower eligibility criteria that can provide similar assistance for hotel or motel stays, such as the HUD Emergency Solutions Grant program or FEMA Public Assistance, grantees should utilize such programs prior to providing similar assistance under the T-RAP program.

7.8.1.6 Ineligible Use of Funds

Grantees must inform Commerce if grant funds are spent on ineligible households or expenses. Reasonable attempts must be made to prevent ineligible use of funds. Grantees must have a written procedure for when fraudulent activity by the landlord or household is suspected that includes the following components:

- ✓ Steps for investigating
- ✓ Process for notifying the State Auditor's Office (SAO) (see Appendix III for more information)
- ✓ When to notify law enforcement
- ✓ How grantees will seek return of funds if substantiated

Grantees can choose to adopt Commerce's sample policy for addressing fraud. Please consult with your Grant Coordinator for assistance.

7.8.1.7 Collecting a Lease

If collecting a lease is administratively burdensome and slows down the application processing time, grantees may require the landlord to make the lease available only upon request. Grantees must have a policy and procedure for when they will request a lease to verify rental payment amount and address.

7.8.2 Recommended P&P

7.8.2.1 Unsafe or Unhealthy Living Conditions

Grantees should adopt policies and procedures addressing how they will determine the presence of unsafe or unhealthy living conditions and what evidence of risk to accept in order to support their determination that a tenant satisfies this requirement.

7.8.2.2 Internet Costs

Grantees should adopt policies that determine in what circumstances that it would be appropriate to cover internet costs.

7.8.2.3 Prioritization Policy

As part of the Prioritization Policy, grantees should document the preference system (for 50% AMI and unemployed) they plan to use and should inform all applicants about available preferences.

7.9 Reporting

Grantees are required to provide quality data to the best of their ability. Maintaining good data quality is important for effective program evaluation.

- ✓ Grantees within non-Balance of State Continuum of Care (CoC)s may choose to report data in HMIS, but must still complete the Commerce T-RAP Report Form.
- ✓ Grantees within the Balance of State CoC must not enter program data into HMIS. Enrollment into an existing CE project is allowable

Grantees must establish data privacy and security requirements for the information collected above that include appropriate measures to ensure that the privacy of the individuals and tenants is protected, that the information is collected and used only for the purpose of submitting reports, and that provide confidentiality protections for data collected about any individuals who are survivors of intimate partner violence, sexual assault, or stalking.

Grantees must compile data elements using the T-RAP Report Form and email monthly, by the 7th of each month, following the month of service. Grantees must compile all subgrantee information into one report when submitting. Separate Report Forms for both T-RAP 1.0 and T-RAP 2.0 must be submitted.

Grantees using local systems to store data may elect to produce a report rather than use the provided T-RAP Report Form. This is allowable if produced in an Excel or CSV file with the data elements listed in the Report Form below. Additionally, reports must be submitted with the same column labels as the T-RAP Report Form. Please see the T-RAP Data Elements Chart for more information [here](#).

7.10 Benefits Verification System

Commerce maintains a data share agreement with the Department of Social and Health Services (DSHS) so grantees can access the Benefits Verification System (BVS) to confirm HEN program eligibility. The BVS can also be used to confirm benefits and financial eligibility for homeless housing programs to determine categorical eligibility (see section 3.1.1.2.1).

Lead grantees manage BVS User access for their staff and subgrantees. Upon approval by Commerce, lead grantees may also appoint another agency as the BVS lead for their county.

BVS leads are responsible for the following:

- ✓ Review User requests to confirm requesting agency is a subgrantee and staff have a business need to access the BVS system.
- ✓ Confirm that each User request includes a signed DSHS Non-Disclosure form.
- ✓ Retain all signed DSHS Non-Disclosure forms.
- ✓ Maintain an Excel spreadsheet identifying current and past BVS Users. Spreadsheet must be in format designated by Commerce.

- ✓ Report to Commerce within one business day when User no longer require access to BVS.
- ✓ Provide access to DSHS Non-Disclosure forms and User spreadsheet for inspection within one business day of request by Commerce or DSHS.

BVS leads are also responsible for the following, annually:

- ✓ Require Users to re-sign DSHS Non-Disclosure form.
- ✓ Review BVS User spreadsheet for accuracy and notify Commerce of any changes.
- ✓ Notify Commerce via email upon completion of annual requirements.

7.10.1 Consent to Review Information in the Benefits Verification System

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

8 Appendix I: T-RAP 1.0 and T-RAP 2.0 Differences by Guideline Section

	3.3 - Financial Hardship	4.3 - Financial Assistance	4.3.4 - Other Housing Costs	4.3.6 - Payments	7.7.1 - Expenditure Deadlines	7.7.2 - Invoicing and Due Dates
T-RAP 1.0	At least one household member must have experienced financial hardship directly or indirectly due to the COVID-19 pandemic that threaten the household's ability to pay the costs of the rental property when due.	Households can receive up to 15 months of financial assistance.	Other Housing Costs must be related to housing and incurred directly or indirectly due to COVID-19.	The grantee can pay households directly if the landlord or utility provider (LL) can't be reached, or won't accept payment from the grantee. Grantees must make reasonable efforts to obtain the cooperation of LLs.	Grantees must have spent out at least 30% of their award by 9/30/2021. Grantees must continue to expend an additional 5% each month. Commerce will plan reallocations to meet the federal expenditure deadline in 11/2021.	Final invoices with expenses through 9/30/2022 are due 10/31/2022.
T-RAP 2.0	At least one household member must have experienced financial hardship during the COVID-19 pandemic that threaten the household's ability to pay rent when due.	Households can receive up to 18 months of financial assistance.	Other Housing Costs must be related to housing, but do not have to be incurred due to COVID-19.	Grantees do not need to seek the cooperation of the LL or utility provider before providing assistance directly to households.	Grantees must be on track to obligate at least 50% of their award by 3/31/2022. In February 2022, Commerce will examine spending and plan reallocations to meet federal spending deadline.	Final invoices with expenses through 6/30/2023 are due 7/13/2023.

9 Appendix II: 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.

10 Appendix III: Addressing Fraud and Ineligible Use of Funds Samplly Policy

The Treasury Rent Assistance Program guidelines require grantees to establish an Ineligible Use of Funds policy for when fraudulent activity by the landlord or household is suspected. The policy should include the following components:

- Steps for investigating.
- Process for notifying the State Auditor’s Office (SAO).
- When to notify law enforcement.
- How grantees will seek the return of funds if the fraud is substantiated.

FRAUD REPORTING REQUIREMENTS

If a grantee suspects or knows of Fraud, the following steps must be done. These steps must be

included in your policy as well:

- Notify your Rent Assistance Grant Manager at the Department of Commerce.
- Report the loss to the State Auditor's Office (SAO) at [Fraud Program - Office of the Washington State Auditor](#)
- All records related to the suspected fraud should be kept until the investigation is complete.
- Contact your legal counsel if appropriate.
- The SAO may advise the grantee to file a police report with their local or state law enforcement.
- Do not sign any documents for restitution or repayment with any party unless approved by the SAO and the AAG (Assistant Attorney General).

Standardization of a policy that addresses fraud is important in order to minimize the impact of implicit bias in decision making around fraud and, by extension, the impact of those biases on overall rent assistance access by marginalized populations. Additionally, it minimizes the possibility that workers will need to rely on "hunches" which could end in punitive measures, and that they instead know how their agencies expect them to respond to fraud.

The information from here through page 3 is from the [HUD Fraud Prevention Guidance](#). This guidance was used in the development of the sample policy at the end of this document.

FRAUD

Fraud is a criminal act in which individuals, groups, or businesses steal taxpayers' monies from local State and Federal programs. Tenants and landlords who make false statements regarding their income or family size, or alter official documents, are committing fraud. Employees who engage in bribery, embezzlement, or who alter, forge or destroy records are committing fraud.

COMMITMENT BY MANAGEMENT

The rental assistance programs can make a positive difference with a commitment to preventing fraud and addressing fraud when it is suspected. Increasing fraud awareness among tenants and employees may be one of the most effective fraud prevention measures available to all managers. Prevention and awareness are the first steps in ensuring the resources are getting to those most in need.

WHAT CAN BE DONE TO COMBAT FRAUD

Lead grantees should notify and educate employees and tenants as to what may constitute fraudulent activities. To accomplish this, grantees must create, adopt and implement an Ineligible Use of Funds policy that can be easily understood by tenants and employees. Fraud controls do little to deter fraud if tenants and employees are not aware that controls are in place. A policy establishes procedures for identifying, addressing and reporting fraudulent activity to the appropriate law enforcement authorities as well as to the AAG.

POLICY AND PROCEDURE – THE FIRST STEP IN COMBATING FRAUD

Your Ineligible Use of Funds policy highlights the importance and commitment by you, your organization and Commerce to combat fraud.

A comprehensive policy should also include the following components:

- ✓ *POLICY STATEMENT*
 - A written statement declaring the organization's commitment to fraud prevention, explaining that landlords, employees, and tenants are responsible for preventing, identifying, and reporting fraud. The Policy Statement should clearly identify who the appropriate officials are for reporting suspected fraud.

- ✓ *POLICY SCOPE*
 - A written statement defining what constitutes fraud, which may include but are not limited to such activities as:
 - False statements from tenants, landlords or employees
 - Tenant misrepresentation of income
 - Bribery or kickbacks

- ✓ *FRAUD COMMITMENT BY STAFF*
 - Theft or embezzlement
 - Forgery or alteration of documents
 - Destruction or concealment of records
 - Profiting from the eviction rent assistance program or a conflict of interest

- ✓ *CONFIDENTIALITY STATEMENT*
 - A written statement specifying that any investigation of fraud or other criminal activity will not be disclosed except to the appropriate law enforcement authorities. It should also state that management will not retaliate against tenants or employees who report fraud, criminal activity, or other program irregularities.

- ✓ *AUTHORIZATION FOR INVESTIGATION*
 - A written statement that identifies which management officials are responsible for the investigation and by what authority. The authority should also include the right of management to obtain and examine records.

- ✓ *CONSEQUENCES*
 - A written statement that identifies administrative, civil, and criminal penalties associated with fraud and outlines the penalties for tenants and employees.

- ✓ *DUE PROCESS*
 - A written statement providing assurances that tenants, landlords and employees will be accorded full due process of law.

We are providing this framework to ensure that grantees have a fully formed fraud policy to alleviate the burden imposed on tenants with requests for backup documentation.

Sample Policy

Title: Ineligible Use of Funds Policy

Effective Date: 10/1/2021

Approval: Your Director

POLICY PURPOSE

This policy is intended to create a standardized response to fraud or suspected fraud, and to provide good stewardship of funds. Fraud prevention and awareness are the first steps in ensuring the resources are getting to those most in need. This policy attempts to seriously examine the possibility of fraud while minimizing the impact of implicit bias in decision making and, by extension, the impact of those biases on overall access by marginalized populations. Additionally, it intends to protect employees from ambiguous instruction on fraud prevention and investigation.

SCOPE

Fraud is a criminal act in which individuals, groups, or businesses steal taxpayers' monies from local State and Federal programs. Tenants and landlords who make false statements regarding their income or family size, or alter official documents are committing fraud. Employees who engage in bribery, embezzlement, or who alter, forge or destroy records are committing fraud. Examples of this for the temporary rent assistance programs may include: providing untrue or misleading statements about a household's income, false statements about property ownership from landlords, and employee action leading to enrichment of oneself or their friends and family, among others.

POLICY

- A. All attempts will be made by management to communicate to employees, tenants and landlords what may or may not constitute fraud under [insert rent assistance program] guidelines. Sometimes, fraud can be committed without malicious intent, because of unclear messaging.
- B. Employees will send applications they have worked on to another employee or manager for review, to allow for oversight.
- C. Employees will look out for signs of fraud on applications and forms, or "flags." This may include inconsistent or incomplete information on applications. Employees will complete a "check" to ensure the property exists (this could be as simple as an internet "maps" search). Employees will **not** rely on "hunches," "suspicions," "intuition," or other subjective and potentially biased evidence to flag fraud. The organization will make clear what constitutes a "flag" requiring follow-up
- D. If fraud is suspected, the employee will immediately notify their supervisor and reference the County Assessor's site to verify ownership of the property.
- E. If the outlined checks are completed and the fraud concern is alleviated with substantiated evidence, no further action is needed.
- F. If the fraud is unable to be resolved by following the outlined steps, the following steps must be done:

- a. Notify the Rent Assistance Grant Manager at the Department of Commerce.
- b. Report the loss to the State Auditor's Office (SAO) at [Fraud Program - Office of the Washington State Auditor](#).
- c. All records related to the suspected fraud should be kept until the investigation is complete.
- d. Contact legal counsel if appropriate.
- e. The SAO may advise the grantee to file a police report with their local or state law enforcement.
- f. Do not sign any documents for restitution or repayment with any party unless approved by the SAO and the AAG (Assistant Attorney General).

WHISTLEBLOWER PROTECTIONS

No employee, landlord, tenant, or manager who reports suspected fraud under the guidelines of this policy will be retaliated against by the program or any of its staff or agents for doing so.