SAMPLE HANDBOOK

Emergency Solutions Grants (ESG) Policies and Procedures

[Your organization's name]

Written from 24 CFR Part 576, checked November 10, 2026.

How to use this sample

Replace the bracketed name with your organization's. Change the job titles to the ones you use. Have the people who do the work read each section and correct anything that does not match how you operate. Then have your director or board approve it and sign the last page.

This is a sample, not legal advice. It follows the federal regulation. Your grant agreement and your funder's manual can add or tighten requirements, and they control where they differ.

Introduction

This handbook explains the policies and procedures our organization uses to manage Emergency Solutions Grants (ESG) funds. We receive these funds as a subrecipient, which means the money comes to us from HUD through a city, county or state. In this handbook we call that government agency the recipient. Each section states our policy, lists the steps our staff follow, and names the regulations the section rests on. Where the recipient sets a number or a deadline, we follow our subrecipient agreement and the recipient's written standards. If this handbook and our agreement ever differ, the agreement and the regulation control. The program director reviews this handbook each year and whenever the rules change.

What the program expects in writing

- Written policies and procedures that show how ESG requirements are met (24 CFR 576.500(a))
- Written intake procedures for documenting homeless status, with an order of priority for evidence (24 CFR 576.500(b))
- Written standards for providing ESG assistance (24 CFR 576.400(e))
- Written intake procedures for the coordinated entry system, and proof that you use it (24 CFR 576.400(d); 24 CFR 576.500(g))
- A formal process for ending a participant's assistance (24 CFR 576.402)
- Written confidentiality procedures (24 CFR 576.500(x))
- Written standards of conduct and a conflict of interest policy (24 CFR 576.404; 2 CFR 200.318(c))
- Documented procurement procedures (2 CFR 200.318(a))
- Written procedures for deciding whether a cost is allowable and for handling payments (2 CFR 200.302(b)(6) and (b)(7))
- A written rental assistance agreement with each owner and a written lease for each participant (24 CFR 576.106(e) and (g))
- A VAWA emergency transfer plan and the VAWA notice and certification form for rental assistance (24 CFR 576.409(c) and (d))
- A written notice to participants about their religious freedom protections (24 CFR 5.109(g); 24 CFR 576.406)

1. Participant eligibility, intake and coordinated entry

OUR POLICY

We serve only people who meet HUD's definition of homeless or at risk of homelessness for the kind of help they receive. We write down how we know this at intake, and we look for outside proof first. We use coordinated entry, which is the shared process our local Continuum of Care (the regional homeless services planning group) uses to assess people and refer them to help. We never delay emergency shelter or street outreach because paperwork is missing.

WHAT WE DO

1 The case manager screens each household using the coordinated entry assessment and the recipient's written standards.

2. The case manager records which part of HUD's homeless or at-risk definition the household meets and confirms it fits the type of help, since rapid re-housing is for people living in a shelter or a place not meant for sleeping.
3. The case manager collects proof in this order: documents from an outside party first, the case manager's own written observation second, and a signed statement from the person third.
4. The case manager documents a household that is about to lose its housing with proof that the housing will be lost within 14 days, such as an eviction court order or a notice to leave, plus a statement that the household has no other place to go and lacks the resources to find one.
5. The case manager confirms that a household applying for homelessness prevention has annual income below 30 percent of the area median income, using HUD's income rules in 24 CFR 5.609, an income evaluation form and source documents such as pay stubs or benefit letters.
6. The case manager accepts the person's own statement when a household is fleeing domestic violence, writes it up as a signed certification, and seeks outside confirmation only when that would not put the household at risk.
7. The case manager writes the reason in the record whenever a household is found not eligible.
8. The program director reviews a sample of new participant files on a regular schedule and has any missing documents added.

Rules this covers: 24 CFR 576.2; 24 CFR 576.103; 24 CFR 576.104; 24 CFR 576.400(d); 24 CFR 576.400(e); 24 CFR 576.401(a); 24 CFR 576.401(c); 24 CFR 576.500(b); 24 CFR 576.500(c); 24 CFR 576.500(d); 24 CFR 576.500(e); 24 CFR 576.500(g); 24 CFR 5.609

2. Eligible activities and costs

OUR POLICY

We spend ESG funds only on the activities named in our subrecipient agreement. ESG has five program components: street outreach, emergency shelter, homelessness prevention, rapid re-housing, and HMIS (the Homeless Management Information System), plus administration. Staff pay and overhead that directly carry out a component are charged to that component. The caps in the regulation, 7.5 percent for administration and generally 60 percent for street outreach and emergency shelter combined, apply to the recipient's whole grant, so we follow the budget lines in our agreement.

WHAT WE DO

1. The program director keeps a chart that matches each budget line in our agreement to the ESG component and the eligible costs listed for it in the regulation.
2. The program director confirms that a cost fits a budget line and a component before approving it.
3. The case manager charges street outreach only for services to people living in places not meant for sleeping, such as a car, a park or an abandoned building.
4. The program director approves a hotel or motel voucher as a shelter cost only when no appropriate emergency shelter is available for that person or family.
5. The finance manager pays rent, deposits and utility help to the owner, the utility company or another third party, and not to the participant.
6. The finance manager codes administrative costs to their own budget line and keeps them within the amount in our subrecipient agreement.

7 The program director looks for ways to involve people who are or have been homeless in running and staffing our ESG services, such as paid work or volunteering.
8 The program director asks the recipient in writing before starting any activity that is not in our agreement.

Rules this covers: 24 CFR 576.100; 24 CFR 576.101; 24 CFR 576.102; 24 CFR 576.103; 24 CFR 576.104; 24 CFR 576.105; 24 CFR 576.107; 24 CFR 576.108; 24 CFR 576.405(c)

3. Rental assistance and housing stability services

OUR POLICY

We give each household the help it needs to get or keep permanent housing, within the limits in the regulation and the recipient's written standards. No participant receives more than 24 months of rental assistance in any 3-year period. We pay rental assistance only for units that pass the rent and inspection checks, and only when there is a written lease and a signed rental assistance agreement with the owner.

WHAT WE DO

1 The case manager follows the recipient's written standards for how much rent the participant pays, how long help lasts and how it changes over time, and confirms the household is not getting the same type of help from another public program.
2 The case manager confirms that the rent plus the utility allowance is not more than HUD's Fair Market Rent and is reasonable compared with similar units, and keeps the comparison in the file.
3 The program director signs a rental assistance agreement with the owner before any payment is made, with the same due date, grace period and late fee terms as the lease and a duty for the owner to send us any notice to vacate or eviction filing.
4 The case manager puts a copy of the written lease between the owner and the participant in the file, unless the only help is payment of back rent.
5 The case manager tracks months of help for each participant: short-term rental assistance is up to 3 months, medium-term is more than 3 and up to 24 months, and back rent is a one-time payment of up to 6 months including late fees.
6 The finance manager checks each payment against the limits in the regulation: a security deposit of no more than 2 months' rent, utility payments for up to 24 months per service with up to 6 of those months in arrears, and storage fees for up to 3 months.
7 The case manager meets with each prevention and rapid re-housing participant at least once a month and writes a plan for keeping housing after the help ends, unless a domestic violence law bars us from requiring services.
8 The case manager re-evaluates eligibility and need at least every 3 months for prevention and at least once a year for rapid re-housing, and confirms that income is not above 30 percent of area median income and that the household still lacks the resources to stay housed without help.

Rules this covers: 24 CFR 576.105; 24 CFR 576.106; 24 CFR 576.400(e); 24 CFR 576.401(b); 24 CFR 576.401(e); 24 CFR 576.500(h); 24 CFR 576.500(i)

4. HMIS data and participant privacy

OUR POLICY

We enter data on every person we serve and every ESG activity into HMIS, the shared database chosen by our local Continuum of Care, and we follow HUD's HMIS standards. If our organization is a victim service provider, we use a separate comparable database instead and do not put client information into HMIS. We keep all personal information secure and confidential under written procedures.

WHAT WE DO

1. The case manager enters each participant into HMIS at intake, updates the record as services are given, and records the exit, within the time limits set by the local HMIS policies.
2. The case manager explains to each participant what information is collected and how it is used, and follows the consent steps in the local HMIS policies.
3. The program director runs a data quality report on a regular schedule and has staff fix missing or wrong entries.
4. The program director approves each HMIS user account, removes access when a staff member leaves, and does not allow shared passwords.
5. The program director keeps paper files locked and electronic files password protected, and limits access to staff who need it for their work.
6. The case manager does not share the location of a domestic violence shelter without written permission from the person who runs it, and does not make a participant's housing address public except as our privacy policy and state and local law allow.
7. The program director of a victim service provider keeps client records in a comparable database that tracks each client over time and produces reports with no duplicate counts, and does not enter or send that client information to HMIS.
8. The finance manager charges HMIS costs, such as software licenses, data entry time and fees charged by the HMIS lead agency, to the HMIS budget line if our agreement has one.

Rules this covers: 24 CFR 576.107; 24 CFR 576.400(f); 24 CFR 576.500(n); 24 CFR 576.500(x); 2 CFR 200.303(e)

5. Match

OUR POLICY

The regulation requires the recipient to match its ESG grant with contributions equal to the grant amount, which is a 100 percent match. The share our organization provides is the amount in our subrecipient agreement. We count only contributions that pay for costs ESG would allow, that we can prove from our records, and that are not counted as match for any other federal award.

WHAT WE DO

1. The finance manager lists the planned sources of match at the start of each grant year and confirms with the recipient that each source is acceptable.
2. The finance manager records cash match when it is spent on costs that ESG allows, with invoices and proof of payment.
3. The program director documents donated goods, space and services with a statement from the donor and a note showing how we figured the fair market value.

4. The program director has volunteers sign time logs, and the finance manager values their time at the rate we pay for similar work, or the local market rate if we have no similar job.
5. The finance manager confirms, before counting money from another federal program as match, that the other program's law does not forbid it and that ESG funds are not counted as match for that program.
6. The finance manager labels each match contribution with the ESG grant year it is counted toward and checks that nothing is counted twice.
7. The finance manager reports match to the recipient on the schedule in our subrecipient agreement.

Rules this covers: 24 CFR 576.201; 24 CFR 576.500(o); 2 CFR 200.306(b)

6. Financial management, timekeeping and reimbursement requests

OUR POLICY

We track ESG funds apart from all other money, by grant and by budget line, and we can trace every charge to a source document. We charge a cost to ESG only if it is allowed, reasonable and benefits the ESG program, and we split shared costs using a fair method that is written down. Staff time charged to ESG is based on records of the work actually done, not on budget estimates alone.

WHAT WE DO

1. The finance manager sets up a separate fund or cost center for each ESG grant, with accounts that match the budget lines in our agreement.
2. The finance manager compares actual spending with the budget each month and tells the program director about any line running over or under.
3. The program director approves a timesheet for each employee paid in part with ESG funds that shows all hours worked, split by program and activity.
4. The finance manager charges salaries to ESG from approved timesheets and corrects any charges that were first booked from budget estimates.
5. The finance manager splits shared costs such as rent, phones and insurance using the method in our written cost allocation plan, for example square footage or staff time.
6. The finance manager charges indirect costs (overhead that cannot be tied to one program) only if our agreement allows it, using our federally negotiated rate or, if we do not have one, the de minimis rate of up to 15 percent of modified total direct costs.
7. The finance manager prepares each reimbursement request on the schedule in our agreement, attaches the ledger, invoices, proof of payment and timesheets, and has the executive director review and sign it, after which the regulation gives the recipient 30 days from a complete request to pay.
8. The finance manager records any returned security or utility deposit as program income and pays any late fee on our own rental assistance payments with non-ESG funds.

Rules this covers: 24 CFR 576.2; 24 CFR 576.106(f); 24 CFR 576.109; 24 CFR 576.203(c); 24 CFR 576.500(u); 2 CFR 200.302; 2 CFR 200.303; 2 CFR 200.403; 2 CFR 200.405; 2 CFR 200.414(f); 2 CFR 200.430(g)

7. Procurement and conflicts of interest

OUR POLICY

We buy goods and services through fair, documented steps and keep a record of each purchase. No employee, officer, board member or agent takes part in a decision when they, their family or a business tied to them could gain from it, and under ESG rules a covered person cannot gain a financial interest or benefit from an ESG-assisted activity while in their role or for one year after. We do not make ESG help depend on a person living in shelter or housing that we own.

WHAT WE DO

1. The finance manager follows our written procurement procedures, which set the method for each purchase size: micro-purchases, small purchases with price quotes, and sealed bids or proposals for large purchases.
2. The finance manager uses the dollar thresholds in our procurement policy, which we set no higher than the federal rules allow.
3. The program director gets price or rate quotes from an adequate number of qualified sources for purchases above our micro-purchase threshold and keeps the quotes.
4. The finance manager keeps a file for each purchase that shows why the method was chosen, the type of contract, why the vendor was selected or rejected, and the basis for the price.
5. The finance manager confirms, before a contract is signed, that the vendor is not suspended or debarred from federal work, for example by checking SAM.gov.
6. The executive director has each employee and board member sign our conflict of interest policy and report any possible conflict in writing as soon as it comes up.
7. The executive director reports any potential conflict to the recipient in writing, since only HUD can grant an exception and only at the recipient's written request.
8. The case manager does not carry out the initial evaluation or give homelessness prevention help to a household living in housing that our organization, or its parent or subsidiary, owns, and refers that household to another provider.

Rules this covers: 24 CFR 576.404; 24 CFR 576.500(p); 24 CFR 576.500(v); 2 CFR 200.112; 2 CFR 200.214; 2 CFR 200.318; 2 CFR 200.320

8. Termination of assistance and grievances

OUR POLICY

We end a participant's assistance for breaking program rules only in the most severe cases, after looking at everything going on in that person's situation. We follow a formal written process that respects the participant's rights. Ending assistance does not stop us from helping the same person or family again later. We also keep a simple complaint process for concerns that are not about termination; the ESG regulation does not spell one out, but a recipient may ask for it.

WHAT WE DO

1. The case manager gives each participant the program rules in writing at enrollment and explains how termination and appeals work.
2. The case manager documents the rule violation, the steps taken to resolve it and any extenuating circumstances before recommending termination.

3 The program director reviews the file and decides whether the violation is serious enough to end assistance.
4 The program director sends the participant a written notice that clearly states the reasons, when the help being ended is rental assistance or housing relocation and stabilization services.
5 The executive director, or another person who did not make or approve the decision and does not report to the person who did, hears the participant's written or spoken objections.
6 The executive director sends the participant prompt written notice of the final decision.
7 The program director confirms that no one is denied or loses rental assistance because they are a victim of domestic violence, dating violence, sexual assault or stalking, and includes the VAWA notice and certification form with any notice ending rental assistance.
8 The program director logs every other complaint about our services and answers it in writing within the time set in our complaint policy.

Rules this covers: 24 CFR 576.402; 24 CFR 576.409(a); 24 CFR 576.409(c); 24 CFR 576.500(f); 24 CFR 5.2005(b)

9. Nondiscrimination, faith-based rules and VAWA protections

OUR POLICY

We make our services known and open to everyone who qualifies, without discrimination, under the fair housing and civil rights laws listed in 24 CFR 5.105(a). We do not require anyone to take part in religious activities. We do not turn people away from shelter or rental assistance, or end it, because they are victims of domestic violence, dating violence, sexual assault or stalking. If we run a shelter that serves families with children, we do not refuse a family because of the age of a child under 18.

WHAT WE DO

1 The program director makes sure our outreach tells the public that our facilities and services are open to all on a nondiscriminatory basis, and adds outreach when some groups who may qualify are unlikely to hear about us.
2 The program director arranges interpreters, translated forms and accessible formats so that people with disabilities and people with limited English can use our services.
3 The case manager records each applicant's and participant's race, ethnicity, disability status, sex and family characteristics, which the regulation requires us to keep.
4 The program director keeps our admission and placement practices in line with HUD's equal access rules in 24 CFR 5.105(a)(2) and 5.106 as they read at the time, and checks with the recipient when those rules change.
5 The case manager gives each person HUD's written notice of religious freedom protections before enrollment, or as soon as possible when that cannot be done first.
6 The program director keeps any religious activity our organization offers separate in time or place from ESG-funded services and makes sure taking part is voluntary.
7 The case manager gives the VAWA notice of occupancy rights and certification form to each person when ESG rental assistance is denied, when it starts, with any notice ending it, and when the participant gets an eviction notice.
8 The program director follows the emergency transfer plan that covers our program, logs each transfer request and its outcome, puts any request for proof of abuse in writing with at least 14 business days to respond, and keeps what the person submits strictly confidential and out of any

shared database.

Rules this covers: 24 CFR 576.102(b); 24 CFR 576.406; 24 CFR 576.407(a); 24 CFR 576.407(b); 24 CFR 576.409; 24 CFR 576.500(r); 24 CFR 576.500(s); 24 CFR 5.105(a); 24 CFR 5.106; 24 CFR 5.109; 24 CFR 5.2005; 24 CFR 5.2007

10. Shelter and housing standards and lead-based paint

OUR POLICY

Any emergency shelter we operate with ESG funds meets the minimum safety, sanitation and privacy standards in the regulation. We inspect a housing unit before we use ESG funds to help someone move in or stay there, and at least once every 12 months while the help continues. We follow HUD's lead-based paint rules for older housing where young children live.

WHAT WE DO

1. The program director inspects each ESG-funded shelter on a regular schedule using a checklist that covers the structure, accessibility, sleeping space and security, air quality, water, bathrooms, heating and cooling, lighting and electricity, food preparation, cleanliness and fire safety.
2. The program director confirms that the shelter has a working smoke detector in each occupied unit and in every public area, and a second way out of the building.
3. The case manager inspects each housing unit against HUD's housing standards in 24 CFR 5.703, as ESG applies them, before we pay rental assistance or other help tied to that unit, and keeps the completed inspection form.
4. The case manager may provide services to a homelessness prevention participant for the first 30 days without an inspection, but still follows the lead-based paint rules during that time.
5. The program director holds ESG help for a unit that fails inspection unless the owner fixes the problems within 30 days of the first inspection and our staff verify the repairs.
6. The case manager inspects each assisted unit again at least once every 12 months.
7. The case manager, when a child under age 6 will live in a unit built before 1978 and no exemption in 24 CFR 35.115 applies, has a person trained in visual assessment check for peeling or damaged paint and does not approve the unit until the owner has repaired it.
8. The program director files every inspection report with the shelter record or the participant's file.

Rules this covers: 24 CFR 576.403; 24 CFR 576.500(j); 24 CFR 5.703; 24 CFR 35.115; 24 CFR 35.1200; 24 CFR 35.1215

11. Record keeping, reporting and monitoring

OUR POLICY

We keep records that let the recipient and HUD see that each ESG requirement was met. We keep ESG records for at least 5 years, and we keep participant records for 5 years after all funds from the grant that served the participant have been spent. We send reports on time and give the recipient, HUD and auditors access to our records.

WHAT WE DO

1. The case manager keeps a file for each participant with the proof of eligibility, the services and payments provided, re-evaluations, and any termination notices.
2. The finance manager keeps supporting documents for every cost charged to ESG, along with match records, program income records and procurement files.

3 The program director keeps a retention schedule that holds ESG records for at least 5 years, holds records for 10 years after funds are first obligated when a shelter renovation or conversion costs more than 75 percent of the building's value, and holds anything tied to an open audit, claim or lawsuit until it is resolved.

4 The program director sends the performance and financial reports listed in our subrecipient agreement on the schedule it sets.

5 The program director sends the recipient the year-end data it needs for its annual performance report to HUD, called the CAPER, which covers the number of people assisted, the types of assistance, program outcomes and emergency transfer requests, in the format the recipient asks for.

6 The program director gives the recipient, HUD and their auditors access to our records and staff during monitoring and answers any findings in writing by the recipient's deadline.

7 The program director reviews our own compliance with this handbook at least once a year and fixes any problems found.

8 The finance manager arranges a single audit for any fiscal year in which our organization spends $1,000,000 or more in federal awards from all sources.

Rules this covers: 24 CFR 576.500(a); 24 CFR 576.500(f); 24 CFR 576.500(o); 24 CFR 576.500(u); 24 CFR 576.500(v); 24 CFR 576.500(y); 24 CFR 576.500(z); 24 CFR 576.501(c); 24 CFR 91.520(g); 2 CFR 200.303; 2 CFR 200.329(a); 2 CFR 200.334; 2 CFR 200.337; 2 CFR 200.501(a)

Adoption

This handbook was reviewed and adopted by our organization on the date below. We review it once a year and whenever the grant agreement or the regulation changes.

Adopted by: _____ Title: _____

Signature: _____ Date: _____

Sources

- 24 CFR Part 576: The Emergency Solutions Grants program regulation, including eligible activities, program requirements and record keeping. https://www.ecfr.gov/current/title-24/part-576
- 2 CFR Part 200: The federal Uniform Guidance on financial management, procurement, cost principles and audits, which 24 CFR 576.407(c) applies to ESG subrecipients. https://www.ecfr.gov/current/title-2/part-200
- 24 CFR Part 5: HUD's general program requirements, including nondiscrimination (5.105), faith-based rules (5.109), annual income (5.609), housing standards (5.703) and VAWA protections (subpart L). https://www.ecfr.gov/current/title-24/part-5
- 24 CFR Part 35: HUD's lead-based paint rules, which 24 CFR 576.403(a) applies to ESG shelters and participant housing. https://www.ecfr.gov/current/title-24/part-35
- 24 CFR 91.520: The rule for the recipient's annual performance report to HUD (the CAPER), including the ESG data it has to contain. https://www.ecfr.gov/current/title-24/section-91.520
- HUD Exchange: ESG program: HUD's page for the ESG program, with guidance, notices and training. https://www.hudexchange.info/programs/esg/
- HUD Exchange: ESG requirements: HUD's plain-language summary of ESG program requirements. https://www.hudexchange.info/programs/esg/esg-requirements/
- HUD Exchange: HMIS Data Standards: HUD's current standards for what is collected in HMIS and how. https://www.hudexchange.info/programs/hmis/hmis-data-standards/
- HUD Exchange: Sage HMIS Reporting Repository: The HUD system recipients use to submit the ESG CAPER. https://www.hudexchange.info/programs/sage/