



# Due Diligence Training

Housing Trust Fund (HTF) Program

Rental Assistance

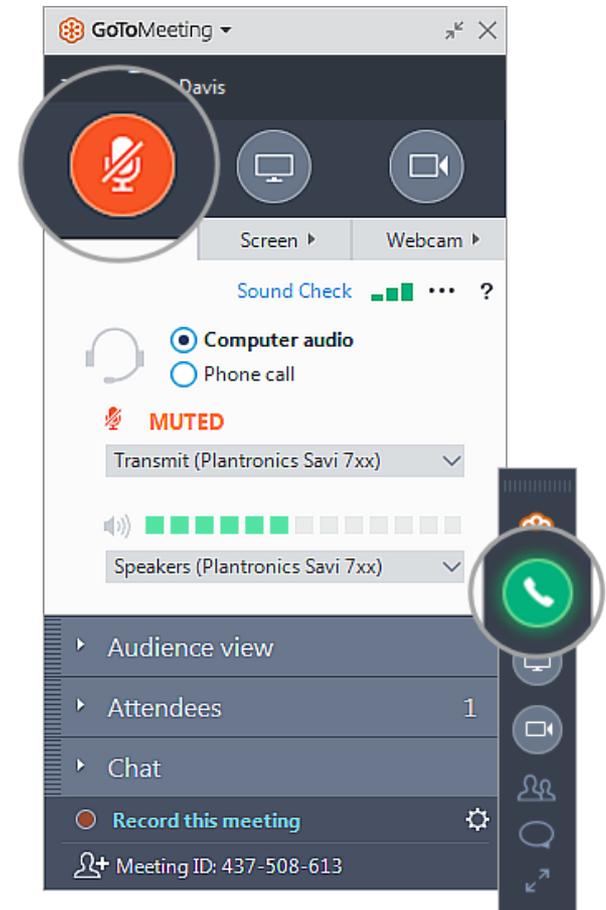
August 7, 2023

# Meeting Logistics

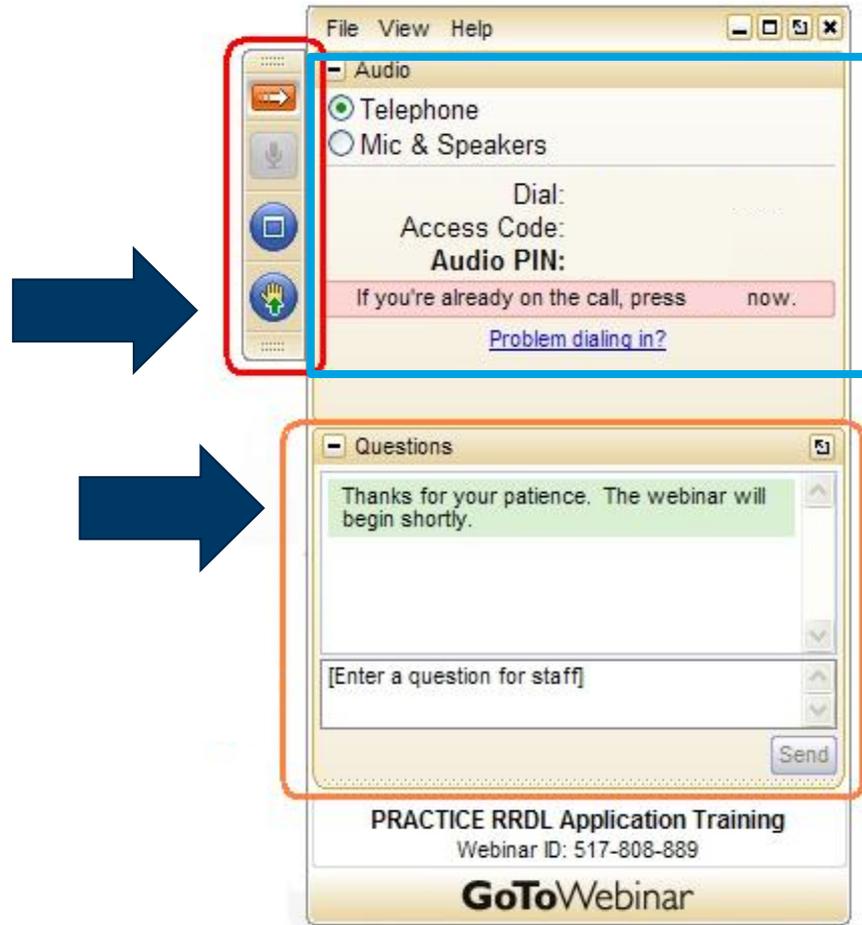
This session is being recorded and may be posted publicly.

We will leave time at the end for questions. Today's answers offered are preliminary. Final answers will be posted on Minnesota Housing's [Multifamily Grant Programs](#) page.

- Please mute your line unless you are speaking. Webinar audio controls are **orange** when muted.
- Please do not put your line on hold, as this may trigger hold music.



# GoTo Toolbar



## TOPICS

Welcome and Congratulations

Introductions

Due Diligence

- General Due Diligence
- Program-Specific Due Diligence

Submission and Deadline

Questions



# General Due Diligence

Merideth Mayrand | Business Operations

# Due Diligence For All Grants

- Grant Contract Agreement (signing will be initiated by Minnesota Housing via DocuSign once all due diligence items have been submitted and approved)
- Board Resolution
- Proof of Insurance: Certificate of Liability
- Only for new grantees or if banking information has changed
  - SWIFT vendor number and W-9
  - Electronic Funds Transfer (EFT) Authorization Form

# Grant Contract Agreement

- Review the entire Grant Contract Agreement and all exhibits to ensure accuracy and understand compliance
- Electronic signing of contracts via DocuSign will be initiated by Minnesota Housing once all due diligence items have been approved
- Submit the name(s), email address(es), and routing order (if applicable) of the authorized signer(s)

# Grant Contract Agreement

Note the following important dates on your Grant Contract Agreement:

Effective Date, Grant Period, and Expiration Date

**Effective Date** (either October 1, 2023, or when the contract is fully executed, whichever is later):

- The date when all parties have executed the document (this includes the signer(s) for the grantee and the signer for Minnesota Housing)
- The date when you can start incurring costs under the terms of the Grant Contract Agreement; expenses incurred prior to the execution of the Grant Contract Agreement by both parties cannot be reimbursed

# Grant Contract Agreement

## Grant Period:

- The effective date of the contract is from the date the Grant Contract Agreement is executed through September 30, 2025
- The time period in which grant proceeds must be incurred and expended; no funds can be used prior to or after this time

## Expiration Date:

- The expiration date is December 31, 2025
- The date by which all final reports, documents, and other requirements must be submitted by the grantee to Minnesota Housing; all unexpended Housing Navigation funds (if applicable) must be returned to Minnesota Housing; **and** all final payments must be made by Minnesota Housing to the grantee

# Board Resolution

- From your organization's board of directors
- Must be a signed and dated original board resolution
- Should be specific to the grant and include the awarded amount
- Must include the names of individuals who are authorized to sign the Grant Contract Agreement

# Proof of Insurance

## Must be **Employee Dishonesty/Crime Coverage**

- At least 1/8 the amount of the total grant award
- Employee theft coverage will not be accepted

## Submit as a **Certificate of Liability**

- Must list Minnesota Housing as certificate holder
- Policy must be current with expiration after the start of the grant term

# Electronic Funds Transfer (EFT) Form, SWIFT Vendor Number, and W-9

- If you are a new grantee or if you have a change to your banking information, you must submit an EFT form allowing direct deposit of funds directly to your agency's financial institution
- Important to update immediately if banking information changes. Forms can be accessed on the Minnesota Management and Budget (MMB) [website](#) or through the links below.
- [EFT Authorization Form](#)
- [EFT Bank Change Request Form](#)
- Submit your SWIFT vendor number (this should be for the grantee organization)
- If you have not registered as a vendor with the State of Minnesota, this will need to be completed prior to receiving payment
- Visit <https://mn.gov/admin/business/vendor-info/> to complete this process
- Submit a completed and signed copy of your [W-9](#)



# Program-Specific Due Diligence

Deran Cadotte | Program Manager

# HTF Program Due Diligence

- Housing Trust Fund Program Summary
  - Exhibit B
- Housing Navigation Work Plan and Budget
  - Exhibit C (if Housing Navigation Funds awarded)
- Memorandum of understanding (MOU) or other contractual agreement, if the primary service provider is an agency other than the grantee

# Program Summary

- Exhibit B: Housing Trust Fund Program Summary
  - Review and or/complete all relevant fields/review and confirm all information is accurate
  - Development number (D#) and MRA (Minnesota Housing Rental Assistance) number – needed as reference for rental assistance draw requests

# Housing Navigation Work Plan and Budget

- Exhibit C: Housing Navigation Work Plan and Budget
  - Complete the Work Plan and Budget
    - Include descriptions of each Housing Navigation expense
    - Record the budgeted amount for each line item
    - Include assigned FTEs, if applicable
  - Minnesota Housing will review; program staff may require revisions
  - Allow time for review, revision and approval

# Primary Service Provider vs. Subgrantee

## Primary Service Provider

- Required documentation: memorandum of understanding (MOU)

## Subgrantee

- Required documentation: formal contract or agreement

## Expectations

- Agreements remain in effect throughout the grant period
- Any changes must be communicated to and approved by Minnesota Housing at least 60 days prior
- Any pertinent communication is relayed to subgrantees

# Memorandum of Understanding

Memorandum of understanding (MOU) or other contractual agreement

- If the primary service provider is not the grantee:
  - Submit a current draft MOU clearly describing the responsibilities of each agency in effect through the term of the contract
  - Once reviewed and approved by Minnesota Housing, Minnesota Housing staff will notify you of the approval, and you can then submit the final, executed MOU to Minnesota Housing

# Memorandum of Understanding

MOU must clearly identify:

- The roles and responsibilities of each service provider
- Target number of households to be served
- A description of services and outreach
- A description of how communication will take place
- Eligibility criteria
- Identification of the entity responsible for Homeless Management Information System (HMIS) data entry
- Identification of the entity responsible for other reporting requirements

# Reporting and Meeting Expectations

- Annual Progress Report
- Annual grantee meeting
- HMIS Report – moved to federal fiscal year
  - Due November 1 (Oct. 1, 2023 – Sept. 30, 2024)
  - Due May 1 (April 1, 2024 – March 31, 2025)
  - Quarterly Data Quality ([QDQ](#)) monitoring (October – December)



# Submission and Deadline

# Submission

- Send items to [mhfa.grants@state.mn.us](mailto:mhfa.grants@state.mn.us); include in the subject line the **Project name-grantee name(s)**
- Name all documents by **grantee name-due diligence item name**
- All general items can be submitted as a PDF; program-specific items must be submitted in their original format

# Deadline

- All due diligence items must be received and approved by Minnesota Housing prior to the execution of the Grant Contract Agreement
- Reimbursement of expenses incurred prior to Minnesota Housing's execution of the Grant Contract Agreement will not be allowed
- All items must be submitted to and received by Minnesota Housing by 4:30 p.m. Central Time on Thursday September 7, 2023
- Questions related to due diligence can be directed to [mhfa.grants@state.mn.us](mailto:mhfa.grants@state.mn.us)

# Questions?

# Thank you!

Deran Cadotte, HTF Program Manager

[deran.cadotte@state.mn.us](mailto:deran.cadotte@state.mn.us)

Merideth Mayrand, Business Operations

[merideth.mayrand@state.mn.us](mailto:merideth.mayrand@state.mn.us)