

Grant and Per Diem Program Frequently Asked Questions

What is the difference between grants and per diem under this program? Grants can be used for acquisition, renovation, or construction of a building that will provide services for homeless veterans. Grants can be considered capital funds. Per Diem is paid by VA to help organizations defray operational costs. Most grant awardees request per diem funding. Those entities that are not grant awardees need to apply for per diem under a separate Notice of Fund Availability (NOFA). This is sometimes referred to as the "Per Diem Only" NOFA.

Who is eligible to apply for grants? Non-profit organizations, state and local government agencies as well as Indian Tribal governments that wish to start new programs to provide supportive housing or supportive services for homeless veterans. In addition, 75% of clients served in the program must be veterans.

What can a grant be used for? Grant funds may provide up to 65% of the cost to acquire, renovate, or construct facilities that will be used to provide supportive housing (up to 24 months) and/or service centers (offering services such as case management, vocational development, crisis intervention, counseling, etc.) for homeless veterans; and to purchase vans in support of these programs. Grants may not be used for operational costs, including salaries.

When is the application deadline? Applications will be due on the date specified in the Notice of Fund Availability (NOFA) published in the Federal Register. You can check Federal Register publications on the Internet at <http://www.gpoaccess.gov/fr/browse.html> or you may contact the Grant and Per Diem Program at (toll-free) 1-877-332-0334.

We are already a new homeless program, can we use grant funds to expand? It depends. If the original program was created after November 10, 1992 and the expansion took place after November 1999 then you would be eligible to use grant funds to expand your program.

What is my Catalog of Federal Domestic Assistance (CDFA) Number? This number is preprinted on the Standard Form 424 in block 10. For the Grant and Per Diem Program this number is 64.024.

What do I have to do to apply as a non-profit organization? In order to be considered a non-profit organization you must have a non-profit status designation given by the IRS. You must be a non-profit at the time of application.

What counts as matching funds for grants? Matching funds must be cash or cash equivalents. In-kind donations that are part of the project are acceptable, such as donated architect's time, donated building materials, donated building, etc. However, in-kind matches must be related to the specific categories of renovation, acquisition, or construction for which your organization is applying.

Where a building is being purchased with a mortgage, and the applicant has equity in the building, can the equity be used as part of the matching funds? Possibly. If the applicant proposes to use VA funds to complete the purchase of a building, the applicant must ensure that the mortgage contract allows the mortgage to be pre-paid (e.g., paid in full at the time VA provides payment of the grant award).

Can the grant funds be used to lease a building? No. The one exception is a capital lease which is defined in the regulations at 38 CFR section 61.1.

Can the grant funds be used to renovate or expand leased buildings? No, unless the property is under a capital lease.

Can grant funds be used to renovate or expand buildings on VA medical center grounds, or other buildings owned by the VA? Yes, but the grant awardee must be an eligible entity. VA facilities are not eligible to receive this grant.

Can grant funds be used to acquire, construct, or renovate homes or apartments that will ultimately be turned over to the veteran? No. Ownership of property funded by the grant must remain with the public or non-profit private entity who is awarded a grant.

Can grant funds be used to pay the salaries, operating costs, overhead, etc.? No. These costs are covered under the Per Diem Component of the program.

Who is eligible to apply for Per Diem payments? Priority in awarding Per Diem funds goes to recipients of Grants. Non-Grant programs may qualify if they meet these criteria: (1) at least 75% of those receiving supportive services are veterans, (2) provide supportive housing or a homeless service center.

What portion of operating costs will Per Diem payments cover? Funding for services in conjunction with supportive housing is limited to the daily cost of providing the services, minus other sources of revenue, up to a predetermined amount. At this time, the maximum amount payable under per diem is \$33.01. The maximum hourly per diem rate for a service center not in connection with supportive housing is 1/8 the daily cost of care not to exceed the current VA State Home rate for domiciliary care. Payment for a veteran in a service center will not exceed 8 hours in any day.

How does our agency apply for Per Diem? If you are a grant recipient, your program that was created with grant funds will be considered for per diem. There is no need to reapply. Program staff will review the relevant portions of the original grant proposal. If your agency never received a grant for the particular component of the program you would like per diem for, you must apply in response to a separate Per Diem Only NOFA that will be published in the Federal Register.

Can veterans be charged rent? Veterans in supportive housing may be asked to pay rent if it does not exceed 30% of the veteran's monthly-adjusted income. In addition, reasonable fees may be charged for services not paid for with Per Diem funds.

What hints can you give about applying? There is a strong emphasis on creating working relationships with the local VA medical center facilities as well as networking and collaborating with other community based organizations, so as to minimize duplication of services. There is also an emphasis on developing programs in underserved areas.