
From: CPD Homeless Assistance and Continuum of Care (CoC) Grantees <R8CPDCOC-L@HUDLIST.HUD.GOV> on behalf of Burke, Kathleen S <Kathleen.S.Burke@HUD.GOV>
Sent: Tuesday, March 17, 2020 8:37 AM
To: R8CPDCOC-L@HUDLIST.HUD.GOV
Subject: CoC Funds for Grocery Store Gift Cards Question

Good morning,

I have received questions about providing gift cards for grocery purchases in lieu of case managers completing that shopping on behalf of clients, given the guidelines for social distancing. The short answer is – yes, this is possible using one of two options for verifying cost eligibility:

1. The end user must keep receipts of what was purchased (as not all grocery items would be eligible as food), which can either be photo'ed and texted to the case manager for review, or kept for in-person verification at a later date.
2. The grantee can establish a schedule of reasonable grocery costs by area by family size by time period, and use those as max limits. This is more work up front, but could be something you already have and removes the back-end admin burden.

If a grocery delivery service is an option in your area and indicated for clients who are self-isolating, that may be a reasonable activity delivery cost of Supportive Services per my interpretation.

A non-COVID FAQ on this topic is below:

Question:

The cost of providing meals or groceries to [program participants](#) is eligible. I understand meals and groceries are an eligible expense. My question is can we purchase Food Cards for program participants?

Answer:

Thank you for your question.

The cost of purchasing gift cards (including food vouchers to area grocery stores) in and of itself is not an eligible cost under the CoC Program. However, the costs of providing meals or groceries to program participants are eligible supportive service costs according to Section 578.53(e) of the CoC Program interim rule. That being said, if the gift card is used by the program participant for eligible activities, and the recipient is able to document that it was used to pay for eligible costs, gift cards may be used to pay for the cost of those services. If the recipient or subrecipient is not able to ultimately determine and document that the program participant used the gift card to pay for eligible CoC Program costs, recipients or subrecipients may not be reimbursed with CoC grant funds for the purchase of gift cards. For instance, if a recipient provides a program participant with a \$10 gift card for groceries and the program participant provides a receipt for \$7 worth of food, the recipient can only seek reimbursement for \$7 as documented by the receipt provided.

My deepest thanks to you all as you continue to serve our most vulnerable,

Katy

Katy Burke

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