February 8, 2022

The Honorable Adewale O. Adeyemo
Deputy Secretary
U.S. Department of the Treasury

On behalf of the state housing finance agency (HFA) partners of the Biden – Harris Administration in delivering the federal Emergency Rental Assistance (ERA) program, the National Council of State Housing Agencies writes to express our ongoing concerns about the ERA reporting process, which continues to be plagued with confusion and excessive burden on grantees.

Quite simply, HFAs – and the other state agencies administering ERA – are facing numerous technical problems using Treasury's reporting portal for their quarterly reports, which are resulting in poor quality data on the program's accomplishments and activities.

On November 16, NCSHA sent a letter to Treasury raising concerns about the reporting process and the technology challenges in Treasury's portal. At that time, we urged Treasury to limit quarterly reporting requirements to the specific data elements required by the Consolidated Appropriations Act of 2021, and require more detailed cumulative reporting for each of the two ERA programs after their respective sunset dates on September 30, 2022 for ERA 1 and September 30, 2025 for ERA 2.

We continue to stand by this recommendation, as the system Treasury currently employs for reporting is not only excessively burdensome, but also relies on flawed technology preventing it from capturing accurate and useful data. Essentially, Treasury is requiring grantees to spend countless hours trying to input data to a system that is not working.

Below are some examples that states have provided to NCSHA of the technical problems they have encountered using Treasury's reporting portal:

- *Edits made to a state's ERA 2 quarterly report automatically show up on the state's ERA 1 report when they should not.* For example, a list of ERA 2 subawards automatically populating in the ERA 1 subaward section when the there are different subawards for the two programs.

- *Inability to get certain bulk upload templates to work; in particular the expenditures greater than $30,000 and subaward bulk uploads.* Grantees report trying to upload data multiple times and receiving error messages. Sometimes, if a grantee is successful in uploading a bulk template, they find that Treasury's system did not capture all of the data that had been in the file and the system shows blank lines where data should be. The problems with bulk uploads have caused grantees to have to spend countless hours manually uploading data formatted to fit Treasury's requirements.

- *Inability to edit the section on subawards, whether this section is entered in manually or as a bulk upload.* There is no way to edit or delete data previously provided in the system if a mistake is made. Treasury's response when grantees have raised this concern has been to tell them that fixing the data is not an option and the grantee instead should input a negative to cancel out the mistake. Such a practice will certainly compromise data quality.

- *While the subrecipient/subaward sections have the option to download data the grantee submitted so that the grantee can more easily check for mistakes, such functionality is not available for expenditures.*

Grantees report that when they reached out to Treasury's ERA email inboxes (EmergencyRentalAssistance@Treasury.gov or COVIDreliefITsupport@treasury.gov) with questions about reporting, they may receive a response stating that Treasury is looking into it, but often do not receive a follow up communication with the answers to their questions or receive answers weeks or months after the report was due.

NCSHA has been asking Treasury for months to fix the problems with its portal and to provide grantees with technical assistance so that they can better understand Treasury's reporting guidance. However, we are not aware of any action Treasury has taken to address either of these requests.

We are also concerned that Treasury is providing updated reporting guidance to grantees without giving them adequate time to review the changes and make modifications to their processes and systems. Treasury most recently released an update to its reporting guidance on January 27, with Quarter 4 reporting due to Treasury from grantees on February 2.

This gave grantees only three business days to read and digest the new guidance before the due date, make changes to their data collection systems, and report to Treasury on their Quarter 4 activity in a manner consistent with that guidance. To our knowledge, Treasury denied all requests for an extension.

It is simply not reasonable to expect grantees to be able to comply with new guidance in such a short amount of time.

In its recent report on oversight of COVID-19 relief programs, including ERA, the U.S. Government Accountability Office called on Treasury to design and implement processes, such as post-payment reviews or recovery audits, to help ensure timely identification and recovery of overpayment made by grantees to households, landlords, or utility providers in the ERA program.

We are extremely concerned that Treasury's inspector general will not have the information it needs to conduct audits and/or that grantees will be put in an impossible position upon audit because of the problems in Treasury's data collection system.

We urge you to take immediate steps to fix the problems in Treasury's portal, provide technical assistance to grantees in a timely manner, and create a process by which grantees may report on the

programs' cumulative activities after the programs sunset, rather than quarterly given that grantees may make payments in one quarter for which they receive a repayment in a subsequent quarter.

We would be glad to meet with you at your convenience to further discuss these and any other issues relating to the ERA program.

Sincerely,

Stockton Williams
Executive Director

cc: Tia Boatman Patterson
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