

**San Antonio / Bexar County
CoC NOFA 2018 – CoC Policies**

A. COC PROJECT RANKING & FUNDING DECISION PROCESS

SARAH staff, with assistance from its Board of Directors, will recruit participants for an Independent Review Team (IRT), whose primary purpose will be to carry out the project ranking and funding decisions for the Continuum of Care Program local competition. The IRT also may serve in other prioritization and funding allocation capacities as determined by SARAH staff.

The Board of Directors will appoint the Chair of the IRT and make an annual call for nominations for members. SARAH will elect up to seven IRT members from the slate of nominees.

B. INDEPENDENT REVIEW TEAM (IRT)

IRT members may not be employees, contractors, or serve in any representative capacity of an applicant or a subrecipient agency party to a funding application.

C. COC PROGRAM RANKING POLICY

SARAH will hold a training, open to the public, to train the IRT to perform the project ranking and prioritization process. The IRT training will follow HUD guidance and the prioritization and ranking rules within the CoC Program Notice of Funding Availability (NOFA).

The IRT will conduct two private meetings, which will include SARAH staff, as part of the project review and selection process. The first meeting will review and confirm receipt of all CoC Program Application Materials. SARAH staff, in coordination with the IRT Chair, will provide final instructions to the committee on the review process. The second meeting will center on the final review, prioritization, and funding decisions. Additional meetings may be scheduled, depending on the timing of the NOFA, to complete reviews for renewal applications, new applications, and to update the ranking policy if necessary due to new HUD requirements or policy changes.

All “housing grants” will be ranked according to the score provided by the Independent Review Team.

Projects will be ranked and selected based on objective criteria (see below) including cost-effectiveness, performance outcomes, and use of effective practices such as Housing First. System performance measures considered include increases in household income, exits to

permanent housing and prevention of returns to homelessness. Specific measures are included for victim services providers including assessing increasing safety for participants.

Apart from special consideration for HMIS and CE grants, all grants will be ranked according to score and grants will be placed in Tier 2 if their score would place them in that Tier.

In the event that two separate grants have been consolidated into a single grant, each of the prior grants will be scored and the average score used to establish rank for the renewal grant.

PRIORITIES FOR NEW PROJECTS:

The only new projects that will be considered by the CoC include:

- ✓ Rapid rehousing for families and non-chronically homeless single adults
- ✓ Permanent supportive housing for single adults/chronically homeless
- ✓ Rapid Rehousing or Joint TH-RRH projects for individuals and families fleeing DV
- ✓ CE expansion including expansion to better serve the needs of survivors of DV
- ✓ HMIS expansion

New projects must be in one of the above categories or they will not be considered for funding by the CoC.

PROJECT PLACEMENT: TIER 1

HMIS and Coordinated Entry Renewal Grants will be placed in Tier 1 as they are core operations for the Continuum of Care.

HMIS and the Coordinated Entry Expansion Grant ranking positions will be recommended by the Independent Review Team.

Should HMIS or Coordinated Entry seek expansion funding, grants will be scored based on scoring criteria for 'non-housing' grants with same potential total points of 150 as renewal grants.

PROJECT PLACEMENT: TIER 2

Project score determines tier 2 placement, with special consideration for projects that serve a high priority population or many clients.

RANKING:

As part of the annual NOFA competition, the CoC will rank all new and renewal projects. The only projects that will not be ranked according to score are: renewal HMIS and Coordinated Entry grants as these are essential to the operation of the CoC and not comparable to other projects funded. As per HUD competition policies, the planning application is not ranked by the CoC.

- New projects – scored at 100 points – using HUD scoring tool, which will adjust to 100 points
- Renewals scored at 150 points
 - First time renewals and those without a full year of operational history will be scored on 150-point scale using different factors than fully operational renewals (*see below*).

This ranking policy will tilt the results toward the renewal of existing grants; however, a poorly performing renewal grant may score below the score of a new project. This was the result of a similar policy in 2017.

RENEWAL SCORING:

Existing renewal projects that have at least one full year of operational experience will be scored based on the most recent CoC Performance Scorecard plus additional factors as listed below:

Renewal Project Scoring Factors	Total Points Possible
CoC Performance Scorecard: <i>Card to be modified for DV providers – points for data (HMIS) will be reduced and additional scoring element(s) will be added based on input from DV providers.</i>	100 Points
Expenditures:	≥ 90% program funds expended = 10 points Between 85-89% program funds expended = 5 points
Housing First Questionnaire:	15 Points (1 point per answer)
CoC Participation:	Attendance at regular meetings = 5 points

	Participation in work groups = 5 points
CoC Wellness:	10 Points (1 point per wellness answer)
Cost Appropriateness: <i>This measure is based on providers having adequate supportive services staffing to meet the needs of participants. For each 30 households served, there should be at least 1 FTE case manager, plus necessary costs associated with fringe, overhead and professional supervision. The assumption is that an FTE case manager with sufficient skills/training for the population would cost about \$40,000 annually and adjusted to \$70,000 to cover fringe, operations, and supervision. This number will be pro-rated for the number of households served by the project. Projects that have supportive services staffing that is within 20% plus or minus of this target will receive the 5 points.</i>	5 Points

FIRST-TIME RENEWAL SCORING:

Renewal grants that have not been operational for a full 12 months will not be ranked based on performance but will be reviewed primarily based on operational readiness as indicated in the factors below:

First-Time Renewal Scoring Factors	Total Points Possible
Fiscal: <ul style="list-style-type: none"> ✓ Match is documented (for cash match – written commitment; for in-kind, MOU with provider) ✓ Written fiscal policies and procedures ✓ Conflict of interest policy that meets HUD’s requirements ✓ Recent audit – no unaddressed significant findings/concerns ✓ If grant has been executed, have made at least quarterly eLOCCS drawdowns 	Grants with no drawdowns are scored on 4 factors = 12.5 pts each Grants under contract for 3 months or longer are scored on 5 factors = 10 pts each
Housing First Compliance: <i>(Based on self-questionnaire)</i>	15 Points (1 point per answer)
Written Policies & Procedures: <ul style="list-style-type: none"> ✓ Equal access compliance ✓ Client confidentiality ✓ Intake policies 	35 Points

✓ Termination	
Spending / Start-Up Plan:	Plan Existence = 10 Points Plan Reasonableness = 10 Points
CoC Wellness:	10 Points (1 point per wellness answer)
Property Owners – Outreach / Engagement Plan: <i>(or site control in place for project-based developments and project can be rapidly implemented)</i>	Plan Existence = 10 Points Plan Reasonableness = 10 Points

SCORING FOR HMIS + COORDINATED ENTRY EXPANSION:

As noted above, **current HMIS and coordinated entry grants will automatically be ranked in Tier 1.** Should the HMIS provider or Coordinated Entry lead seek to expand their grants, those expansion requests will be ranked according to the following factors:

- ✓ Expansion requests must provide a complete budget for entire project – showing all staffing – that shows how existing resources are used and the impact of the expansion
- ✓ These grants will be scored on 150-point scale based on effectiveness of operational grants

HMIS EXPANSION	Total Points Possible
Score on CoC Application Rating Factors for 2017: <i>distributed based on the percentage of available points for HMIS awarded to the CoC in last year's application – based on the 46 points for data collection and quality.</i>	60 Points
Annual Update of Policies: <i>based on annual updates to HMIS governance, privacy, and data quality plans.</i>	20 Points
Spending of Last Year's Grant:	100% Spent = 20 Points 95% Spent = 10 Points
No Issues w/ Audit and No Outstanding Monitoring Findings:	20 Points
CoC Wellness Score:	10 Points

	(1 point per factor)
Quality of Presentation to IRT:	20 Points

COORDINATED ENTRY EXPANSION	Total Points Possible
Operation of Coordinated Entry: <i>efficient/accurate referrals, engagement with CoC providers, low rate of rejection of referred participants.</i>	60 Points
Annual Update of Policies: <i>if it can be demonstrated that CE policies have been updated annually.</i>	20 Points
Spending of Last Year's Grant:	100% Spent = 20 Points 95% Spent = 10 Points
No Issues w/ Audit and No Outstanding Monitoring Findings:	20 Points
CoC Wellness Score:	10 Points (1 point per factor)
Quality of Presentation to IRT:	20 Points

NEW PROJECTS:

New Projects are evaluated based on their experience, project descriptions, housing first orientation, and the priority of the population served. **New project applications will receive up to 100 points (before bonus points). Projects will be scored using the HUD scoring tool for new projects.** Renewals that reallocate to new projects based on the needs and gaps identified by the SARAH Board of Directors will receive extra points.

HUD's project rating and ranking tool is located here:

<https://www.hudexchange.info/resource/5292/project-rating-and-ranking-tool/>.

New projects are addressed under the tab for "new projects threshold" and "new projects rating tool".

BONUS POINTS:

As an incentive, bonus points will be awarded to new and renewal projects that meet the following criteria:

CRITERIA	Total Points Possible
Projects that are voluntarily reallocating funding to a high priority need: <i>(rapid rehousing for families, PSH for singles, chronic individuals)</i>	50 Points
SOAR Certified Staff:	5 Points
FOR YOUTH-SERVING PROJECTS ONLY: Participants are enrolled in and complete programs leading to: <ul style="list-style-type: none">✓ A High School Diploma✓ A GED from an accredited provider	≥ 25% of Clients Enrolled = 5 Points

PENALTY POINTS:

To ensure that renewal and new project applicants are diligent in meeting internal deadlines and providing information that can be readily reviewed by the IRT, **the following points will be deducted from a prospective grantee’s score:**

CRITERIA	Total Points Possible
Application Submitted After Posted Deadline:	- 15 Points
Application is Incomplete, Incorrectly Completed, Not Assembled According to Instructions, or Required Copies Not Provided:	- 15 Points

ADDITIONAL RANKING POLICIES:

- Projects with equal scores are ranked by project component type.
- Projects with equal scores and the same component type will be ranked based on cost per client.

SARAH will prepare the project priority list and funding decision as instructed by the IRT. The IRT Chair will present the list and the Chair's report at the next Board of Directors meeting. SARAH's Board of Directors will vote to accept the decisions of the IRT. The Board of Directors is the final decision-making body for the determination of project priorities and funding levels.

SARAH's Board of Directors may also direct SARAH to make minor budgetary corrections, as needed, consistent with HUD application rules. SARAH will be charged with communicating budget adjustments to individual applicants before submitting the final CoC application to HUD.

D. GRIEVANCE AND APPEALS PROCESS

Provisions at 24 CFR 578.9¹ require CoCs to design, operate and follow a collaborative process for the development of an application in response to a NOFA issued by HUD. As part of this collaborative process, CoCs must implement internal competition deadlines to ensure transparency and fairness at the local level.

Any project applicant that submits a project that the CoC rejected in the local competition must have been notified in writing by the CoC, outside of e-snaps, with an explanation for the decision to reject the project(s).

The Appeals Process outlined below is a statement to eligible organizations. SARAH is committed to fairness and openness in the HUD CoC funding process.

Except for the amount of the HUD CoC allocation available to SARAH and cost eligibility, SARAH's Board is the primary decision-maker in the review process.

- The Independent Review Team will review all applications and make project ranking recommendations to the SARAH Board.
- SARAH will make the final rankings and notify all project applicants no later than 15 days before the application deadline regarding whether their project applications would be

¹ [24 CFR 587.9](#)

included as part of the CoC Consolidated Application submission and the approved community ranking.

- If their application was rejected, or if the applicant objects to their ranking position, applicants have three (3) calendar days from the ranking announcement to make a formal appeal. If they wish to do so, they must notify the SARAH Executive Director, in writing, of the appeal with specific reasons why the applicant believes the project was unfairly rejected or ranked.
- The SARAH Executive Director will notify the Board of the appeal and a conference call will be held to discuss if the appeal has merit based on the criteria in 24 CFR 578.35. At least two (2) Board members must participate in the call.
- If it is determined that the appeal does not have merit, the applicant will be notified in writing.
- If it is determined that the appeal does have merit, the SARAH Board President and an additional board member selected by the President will hear the appeal within three (3) days and make a final determination. The applicant will be notified in writing within three (3) days of the appeal decision.
- Project applicants whose project was rejected may appeal the local CoC competition decision to HUD, if the project applicant believes it was denied the opportunity to participate in the local CoC planning process in a reasonable manner, by submitting a Solo Application in e-snaps directly to HUD prior to the application deadline.

E. GRANT REALLOCATION POLICY

VOLUNTARY REALLOCATION:

Existing CoC project grantees of any project type may, in part or in whole, voluntarily reallocate their grants, including:

- ✓ rapid rehousing for families or individuals
- ✓ permanent supportive housing for single adults

Grantees voluntarily reallocating will receive 50 bonus points in the competition.

Grants may be reallocated either to permanent supportive housing for chronically homeless persons or rapid rehousing for literally homeless families or other funding priorities. SARAH staff offer technical support and approval letters for grantees reallocating to meet HUD and community priorities.

Existing CoC grantees of any project type may also voluntarily reallocate their funds to the pool of new project dollars for community members to apply for.

In order to voluntarily reallocate, grantees must be in good standing. **A grant is in good standing if:**

- ✓ there are no open or unresolved significant monitoring or audit findings;
- ✓ grant expenditures are within reasonable limits;
- ✓ and the project has maintained reasonable levels of occupancy.

SARAH will provide support to grantees seeking to voluntarily reallocate including support in program development for the new project and in closing down the project to be reallocated.

INVOLUNTARY REALLOCATION:

Grantees may be placed in involuntarily reallocation status if:

- ✓ There are **significant deficiencies**² in program operations and policies or
- ✓ There are **significant deobligated funds**³.
- ✓ Grantees who are found by the IRT to have either significant deficiencies or significant deobligated funds (see definitions below) will be required to develop a performance improvement plan. Grants with significant under-expenditures will be required to develop and submit a spending plan to the SARAH Board.
 - If the Board is not satisfied with the progress:
 - Grants with significant deficiencies will not be renewed in the next competition and the funds associated with the grant will be placed in the reallocation pool and competitively awarded.
 - Grants with significant deobligated funds will only be allowed to renew at a reduced funding level to account for the unexpended funds. Funds removed from a grant due to under-expenditure will be added to the reallocation pool.
 - The SARAH Board will also review and approve the spending plan. The grantee must provide quarterly reports to the Board regarding grant expenditures. At the completion of the grant term under the spending plan, the size of the grant will be adjusted to the level of funding actually expended under the spending plan.

² **Significant Deficiencies Defined:** Unresolved significant HUD findings or audit findings, the grant scores less than 75 points on the renewal evaluation (maximum points are 150), grantee is not following CoC policies including: not following Housing First, not participating in Coordinated Entry, or not participating in HMIS.

³ **Significant Deobligated Funds Defined:** *more than 10% of the grant funds is recaptured by HUD, or more than \$25,000 is recaptured by HUD.*

✓ **Significant deficiencies defined:**

- Unresolved significant HUD monitoring findings or audit findings
- The grant score is less than 75 points on the renewal evaluation (maximum points possible = 150)

SARAH and the NOFA Independent Review Team (IRT) will review each renewal project annually to determine the applicant's performance and rate of expenditure. If significant deficiencies⁴ are found with a project during the review process, the project may be placed on a CoC Project Quality Improvement Plan (QIP).

The QIP will be customized based on the specific issues of the project with deficiencies. The plan will be drafted by SARAH staff (with recommendations from the Independent Review Team after the annual review) and approved by SARAH's Board of Directors. The renewal applicant will have seven (7) calendar days to appeal the participation in the performance improvement plan by writing an appeal letter to the Board. SARAH's Board will make the final determination.

SARAH's Board of Directors will review the project's progress six (6) months after the close of the Notice of Funding Availability (NOFA). If the project has not shown progress toward the targets outlined in their QIP at a level satisfactory to the Board of Directors, the project will be involuntarily reallocated for the next funding cycle.

SIGNIFICANT DE-OBLIGATED FUNDS:

All projects are expected to expend 100% percent of their project funds. **Any project that de-obligates more than 10% of its funds or \$25,000 in any HUD contract year is considered to have incurred a de-obligation deficiency.** Grantees with an unexpended balance that meets or exceeds the threshold specified above will be subjected to a reduction in renewal grant amount with the unspent funds being added to the pool of funds available for reallocation.

Projects with a de-obligation deficiency will be required to submit a spending plan to the CoC collaborative applicant. The Board of Directors will require a quarterly update on the progress of meeting the spending plan. If at the end of the grant, a project incurs a second de-obligation deficiency, the project will be reduced to the amount expended at the end of the 12-month review. An exception to this policy may be made for new projects that could not expend funds due to implementation barriers. The Board of Directors reserves the right to place a project on

⁴ **Significant Deficiencies** - Unresolved HUD findings, Poor Performance on Renewal Performance Report (Less than 50% of points earned), Not meeting HUD Priorities or Thresholds, Not Following Housing First Requirements, Not Participating in Coordinated Entry, Not Following other HUD Requirements, or Having Significant De-Obligated Funds.

a spending plan at any time if funds are not being drawn down during routine financial monitoring.