

Heartland Continuum of Care Local Competition Policy and Procedures FY 2021 Continuum of Care Competition

OVERVIEW

The federal Department of Housing and Urban Development (HUD) provides funding each year for housing and services to end homelessness through Continuums of Care (CoCs). The competition used to allocate funding requires CoC's to review performance of projects and rank them to determine their funding priority. This ranking process results in a priority list that places projects that will receive funding in Tier 1 and projects that may or may not receive funding in Tier 2.

For the Heartland Continuum of Care (HCoC), an independent Rating and Ranking Committee evaluates project performance and uses a variety of objective and subjective data to create a Recommended Ranked List showing the recommended score and rank of all Sangamon County projects. The Recommended Ranked List may be edited if there is a successful technical appeal. The HCoC Board of Directors then officially adopts the Approved Ranked List and submits it to HUD.

GATHERING DATA FOR RATING AND RANKING

I. SOURCES OF DATA

There are six sources of data for the Rating and Ranking process:

A. **Annual Performance Reports (APR)** are generated automatically from the data that each project enters into the Homeless Management Information System (HMIS) database or a comparable database for Victims Service Providers during the course of the year.

B. **HCoC Application** will include narrative questions to help fill in the gaps in the APR and allow applicants to discuss their project(s) in more depth.

C. The **eSNAPS Application** is a federal application form that HUD requires all projects to complete in order to apply for HUD funding.

D. **Coordinated Entry System Data** will be used to provide insight about how programs utilize CES. For providers who utilize a comparable database, a narrative will provide this information.

E. **Other Attachments** such as a budget, a job description, or a copy of one of a program's policies, may be requested by the instructions for an application or by the Committee. Any attachments submitted during the Rating and Ranking process become part of a project's application.

F. **Written questions** may be sent to organizations by the Rating and Ranking Committee 48 hours before the Rating and Ranking committee meeting. Responses will be due before 9 AM the day of the meeting. When this occurs, questions and responses will be posted to the Heartland Continuum of Care site with the rest of the application.

2. HOW DATA IS USED

The Rating and Ranking Committee will use the most recent, complete APR submitted to HUD. In order to streamline the data collection process and ensure a fair competition, all APR data will be treated as final and authoritative. Projects may use the HCoC Application to explain the context for their data. Note that APRs are only used for renewal housing project applications that have a full 12 months of data during the competition period.

DESIGN OF SCORING TOOLS

The Rating and Ranking Committee will be guided in their scoring by the HCoC Competition Scoring Tools. Upon publication of the CoC Program NOFO, the HCoC Coordinator will review the currently adopted scoring tools for all project types and ensure they comply with the NOFO. If changes are required, they will be presented to and approved by the HCoC Board of Directors in accordance with the Governance Charter.

SELECTING THE RATING AND RANKING COMMITTEE

1. RATING AND RANKING COMMITTEE MEMBER QUALIFICATIONS

Rating and Ranking Committee shall be:

- Knowledgeable about homelessness and housing in the community and are broadly representative of the relevant sectors, subpopulations, and geographic areas
- “Neutral,” meaning that they are not employees, staff, or otherwise have a business/financial or specific personal conflict of interest with the applicant organizations;
- Familiar with housing and homeless needs within the CoC; and
- Willing to review projects with the best interest of homeless persons in mind.
- Reflective of different races and ethnicities, particularly those over-represented in our local homelessness population.

Rating and Ranking Committee members agree to:

- Dedicate time for application review and Rating and Ranking Committee meetings
- Sign the HCoC Conflict of Interest Policy Form

2. RATING AND RANKING COMMITTEE SELECTION

The Rating and Ranking Committee consists of 3 to 7 members and is chosen by the HCoC Board. The Rating and Ranking Committee will be announced when the NOFO announcement is sent to the CoC.

3. CONFLICTS OF INTEREST

If a person or an organization believes there is a conflict of interest that would exclude a Rating and Ranking Committee Member, it needs to be brought to the attention of the Heartland Continuum of Care board within seven calendar days of the announcement of the Rating and Ranking membership. The concerned person/organization would need to provide specific and

substantial information regarding the alleged conflict to allow the HCoC Coordinator to conduct a fair evaluation.

ASSIGNING SCORES TO PROJECT

1. IN GENERAL

The RATING AND RANKING COMMITTEE will use the information it receives to decide on a score for each project for each of the scoring factors listed in the Scoring Tools. Committee members are encouraged to candidly share their reasoning with each other and to listen carefully to each other's reasoning, but each Committee member is entitled to their own opinion.

2. SCALED SCORES

Some scoring factors in the scoring tools include "scales" that instruct members on how to translate performance into points. Committee members should not adjust scores based on personal feelings about the value of a project, nor should members adjust scores based on a general sense of the difficulty of a project's work. Committee members are not allowed to adjust scores based on an applicant's arguments about what the data "would have shown" or "really shows" – the data in the Annual Performance Report (APR) must be treated as authoritative.

3. MISSING, LATE, OR INCOMPLETE APPLICATION

If the HCoC Coordinator receives part or all of an application up to 72 hours late, this fact will be noted in the competition documents so that the Rating and Ranking Committee can assign an appropriate penalty using the Scoring Tool. If an application is more than 72 hours late, the Rating and Ranking Committee may choose to reject that application without assigning it a score.

4. DV BONUS PROJECTS

Projects that are dedicated to serving survivors of domestic violence, dating violence, stalking, and/or sexual trafficking may opt to apply for HUD's domestic violence (DV) bonus funding.

If HUD awards the bonus funding to the project, then it will be separately funded using a national pool of DV-specific money. If HUD does not award bonus funding to the project then the project will still be eligible to compete as normal for ordinary HUD CoC bonus funding.

5. PROJECTS WITH NEW SUB-RECIPIENTS

A project that receives funding directly from HUD through the CoC is called a "direct recipient." Some direct recipients may delegate some or all of the duties in their contracts to "subrecipients." These subrecipients may change from year to year. If a project changes its subrecipient(s) in a way that shifts the funding for less than 60% of the project's total CoC award, then the subrecipient will still be scored as a renewal project.

However, if a project changes its subrecipient(s) in a way that shifts the funding for at least 60% of the project's total CoC award, or if the direct recipient for a project changes, then the project will be scored as a new project in the local competition, and the project will be treated exactly as if it were applying for funding for the first time.

Because most of the funding is being absorbed by a new entity that was not responsible for the project's prior performance, it would not make sense to score that entity based on prior results. Note that for regulatory reasons, the project will still fill out a renewal project application form in e-snaps, no matter how much money is re-assigned.

6. UNSCORED PROJECTS

Certain projects are not assigned scores in the competition. As explained in the next section, these projects will be automatically assigned a spot in the Recommended Ranked List based on community policies.

ASSIGNING RANKS TO PROJECTS

After all projects have been scored, the Rating and Ranking Committee will assemble a list of their recommendations for how each project should be ranked in order of funding priority.

1. TIER 1

Most projects will be ranked in "Tier 1." For the 2021 competition, Tier 1 is equal to the entire Heartland Continuum of Care Annual Renewal Demand. Projects that are ranked in Tier 1 are expected to receive federal funding unless the project is deemed legally ineligible by HUD.

2. TIER 2

Some projects will be ranked in "Tier 2" which is equal to the amount available for the Bonus amount (but not the DV Bonus amount). This means that the community would like those projects to receive funding, but that it is unclear whether HUD will allocate enough money to the community to fund those projects. Projects that are ranked toward the top of Tier 2 are somewhat more likely to receive funding than projects at the bottom of Tier 2.

3. STRADDLING PROJECT

For any projects that straddle the two tiers, the Tier 1 portion will be funded in accordance with Tier 1 processes and the Tier 2 portion will be funded in accordance with Tier 2 processes. HUD may award project funds for just the Tier 1 portion, provided the project is still feasible with the reduced funding (i.e., is able to continue serving homeless program participants effectively).

4. UNSCORED PROJECTS

HMIS and Coordinated Entry projects are not scored. Instead, they are automatically placed at the bottom of Tier 1, just above the 'straddling' project. This reflects the community's commitment to ensuring that it can continue to provide mandatory HMIS and Coordinated Entry services, without which other CoC programs would not be eligible to receive funding. The Coordinated Entry project will be ranked higher than the HMIS project.

Renewal projects with less than one year of operating data will be automatically ranked near the bottom of Tier 1, immediately above the HMIS and Coordinated Entry projects. The relative ranking of these projects will be alphabetical.

If a program includes data two different projects (e.g., as the result of consolidation, or as the result of expansion), and a single APR is available that contains data from both projects, then that APR will be used to score the project as normal. In accordance with the scoring tools, the project may have its score on utilization factors adjusted upward if the younger portion of the project has less than one full year of operating data. The fact that part of the project did not have a full year of operating data will **not** cause the entire project to remain unscored.

If a program includes data from two different projects (e.g. as the result of consolidation, or as the result of expansion), and there is no single APR that adequately reports the data for the pair of projects, then CoC staff will use their best efforts and discretion to find an appropriate basis for objectively evaluating the project(s). This could include merging the APRs, separating the APRs and scoring only the project(s) that have a full year of operating data, separating the APRs and scoring all projects and then averaging their scores, or other reasonable solutions based on the available data.

5. VOLUNTARY AND INVOLUNTARY REALLOCATION

Some agencies may decide to voluntarily reallocate part or all of one of their projects, i.e., to release that funding back into the common pool for the entire CoC. Agencies might choose to reallocate their funding because they are no longer able or willing to continue their program, because they have more funding than they need to operate the program, or because they believe that the funding could be better spent on alternative uses. A project that is entirely reallocated will not receive a spot in the Ranked List. A project that is partially reallocated can still receive a spot in the Ranked List; that project's spot will simply reflect that the project is now applying for a reduced amount of money.

Alternatively, the Rating and Ranking Committee has the discretion to recommend projects for involuntary reallocation. The Rating and Ranking Committee determines if any renewal project should receive a decrease in funding (or an elimination of funding) due to substandard performance in outcomes and/or utilization of funds. Any funding captured from an existing project will be made available for reallocation to a new project that meets the requirements in the NOFO.

All projects must meet certain threshold requirements (as detailed on the scoring tool) in order to be included in the ranked list.

HUD encourages CoCs to reallocate funds from non- and/or under-performing projects to higher priority community needs that align with HUD priorities and goals. Reallocation involves using funds in whole or part from existing eligible renewal projects to create one or more new projects.

HUD expects that CoCs will use performance data to decide how to best use the resources available to end homelessness within the community. CoCs should reallocate funds to new projects whenever reallocation would reduce homelessness. Communities should use CoC approved scoring criteria and selection priorities to determine the extent to which each project is

still necessary and address the policy priorities listed in the NOFO.

6. NOTIFICATION OF RANKINGS

Project applicants will be notified as to whether they were recommended for funding (and, if so, in what tier) within 72 hours of the Review and Rank Meeting.

TECHNICAL APPEALS

Applicants may appeal the Rating and Ranking Committee decision on technical grounds by following the process set forth below.

1. MEMBERS OF THE APPEAL PANEL

The Appeal Panel shall consist of three members and be selected by the HCoC Coordinator. These members may be selected from non-profits, foundations, consumers, government, and private agencies with experience in grant administration and homelessness projects. Appeal Panel members must not have a conflict of interest with any of the agencies or parties applying for CoC Program funding as defined by the existing Rating and Ranking Committee conflict of interest rules.

2. APPEAL ELIGIBILITY

A project may only appeal if:

1. The Rating and Ranking Committee recommends the project for full or partial reallocation;
2. The project is placed in Tier 2;
3. The project is straddling Tier 1 and Tier 2, or;
4. The project is placed immediately above the unscored renewal projects, so that if one other project's appeal is successful, then this project could be moved down into Tier 2.

If the project was submitted by a collaboration of agencies, only one joint appeal may be made.

3. SUBJECTS FOR APPEAL

Appeals may be made only on the following basis:

- Inaccuracy in information provided to the Rating and Ranking Committee (by entities other than the applicant) resulting in a reduced score
- A failure to follow the Rating and Ranking process resulting in a reduced score
NOTE: Appeals based on policy considerations, funding priorities, or other subjective criteria will not be considered and are not eligible for technical appeal.

4. APPEALS PROCESS

Any Project Applicant seeking to appeal must adhere to the included timeline. Failure to meet a deadline in the timeline voids the Project Applicant's appeal.

- Project Applicants must provide notice to the CoC of an intent to appeal. The due date for this notice will be contained in the official CoC Competition Timeline. This notice must include:
 - i. A statement as to why the project is eligible to appeal.
 - ii. The basis for the appeal
 - iii. A brief statement of the facts upon which the Project Applicant bases its appeal. These facts need not be complete, but must give the CoC a sufficient understanding for the basis of the appeal.
- The CoC will contact the appealing Project Applicant in an attempt to clarify the scoring decision and determine if the appeal can be resolved without requiring a formal hearing.
- If a resolution is not possible, the Project Applicant will submit a formal appeal pursuant to the official CoC Competition Timeline.
 - i. The Formal Appeal must consist of a short, clear, written statement no longer than two pages of the basis for the Project Applicant's appeal of the Rating and Ranking Committee's decision.
 - ii. The Formal Appeal must be sent as an attachment to the HCoC Coordinator and Board Chair.
- Upon timely receipt of the Formal Appeal, the HCoC Coordinator will convene the Appeal Panel and set a time and date for the Appeal Hearing.
- The Appeal Hearing shall be conducted according to the following procedure:
 - i. The Appeal Hearing will be conducted via Zoom.
 - ii. The Appeal Panel will join the call with the neutral facilitator and a representative of the Rating and Ranking Committee.
 - iii. The neutral facilitator will explain the facts of the appeal and answer any procedural questions.
 - iv. The Appeal Panel may ask the Rating and Ranking Committee member questions about the Review and Rank Process to clarify what occurred during Review and Rank and what information the Panel considered in evaluating the Project Applicant.
 - v. The appealing Project Applicant will then join the phone call. The appealing Project Applicant will be allotted a few minutes to explain their appeal. The Appeal Panel may then ask any questions of the appealing Project Applicant. The appealing Project Applicant then leaves the phone call.
 - vi. The Appeal Panel conducts a discussion of the appeal and takes a formal vote.

The Appeal Panel may consider the effect of its decision on other Project Applicants and may include those project applicants in the appeals discussion. The decision of the Appeal Panel is final and will be transmitted to the CoC Board without further debate.

SUPPLEMENTAL PROJECT FUNDING

In some circumstances there may be an opportunity after the application deadline for programs to submit application materials for additional funding. The HCoC will issue a Supplemental Project Application when:

1. After receiving all project applications it appears there is additional funding available; or,
2. After conducting the threshold review of the submitted project applications it appears there is additional funding available; or,
3. After conducting the review and rank, the Panel has recommended a program for reallocation and there are not adequate new project applications for those funds.

In the event that Supplemental Applications are required, the HCoC Coordinator will:

- Email the CoC and other interested parties (all homeless service and housing providers in the CoC area) with specifics regarding how much money is available and which type of programs qualify.
- The Coordinator will provide technical assistance and guidance, as needed, to ensure applicants understand the funding requirements.
- Any additional applications for these funds will be due as soon as possible after this email is distributed, as determined by the NOFO submission deadline.
- The Rating and Ranking Committee will reconvene to evaluate the applications.

For this type of process, the timeline will be short and may make an application burdensome; expanding an already submitted application, applying in collaboration, and a community consensus on how to spend the funds are also viable options.

APPROVAL OF THE RANKED LIST AND SUBMISSION TO HUD

- All technical appeals shall be concluded within one week of the Rating and Ranking Committee Meeting.
- Once the technical appeals are complete and the Supplemental Competition (if any) is concluded, the Recommended Priority List will be submitted to the CoC Board for review and approval.
- Once the CoC Board approves the Recommended Priority List, the Rating and Ranking Process is complete.
- The Approved Priority List will be publicly posted on the CoC website in accordance with the timeline stated in the Continuum of Care Program NOFO, and shall be used to fill in the appropriate application forms for the Collaborative Applicant to submit to HUD as part of the national competition.

NOFA APPLICATION PROCESS FOR PROJECT APPLICANTS

1. The Collaborative Applicant registers for the CoC competition and confirms the Grant Inventory Worksheet.
2. Once the competition is announced by the Department of Housing and Urban Development, the HCoC will publish the local timeline for NOFO submission.
 - a. New and Renewal Project Applications due in E-snaps
 - b. New and Renewal Project HCoC Applications due to HCoC Coordinator
 - c. Applicants Notified by Continuum of Program Status (Ranked or Rejected)
 - d. Continuum Application Posted to the CoC Website (at least 2 days before end of competition)
 - e. Continuum Application Submitted to HUD
3. The NOFO announcement will be shared broadly across the Continuum including through the Continuum's website, social media, newsletter, etc.
4. Renewal projects will be scheduled for a monitoring session conducted by the Heartland Continuum of Care Coordinator to ensure compliance with CoC policies and procedures.
5. The HCoC Coordinator will pull the relevant data for programmatic performance and will compile the information for all projects for the Committee.
6. The Rating and Ranking Committee will convene to review the submissions and draft the recommended project ranking.
7. The recommended project ranking will be presented to the HCoC Board of Directors for approval.
8. Projects that are ranked, reduced, or rejected are notified.
9. Project applicants are permitted to appeal via the Technical Appeal procedure.
10. The Continuum's application, including the Approved Ranked List (final ranking), will be published to the Continuum's website for public comment for at least two days before application submission to HUD.