

Ranking and Reallocation Procedure

Background

To ensure the strategic allocation of resources and continued progress towards the goals of MACCH's strategic plan and any state or federal strategic plans to prevent and end homelessness, HUD requires Continuums of Care to annually review and rank projects utilizing HUD Continuum of Care (CoC) Program funding. As part of this process, the CoC also considers whether existing funding should be reallocated from existing projects to invest in alternate strategies for ending homelessness. It is, therefore, the intent of the Metro Area Continuum of Care for the Homeless (MACCH) to develop a Ranking and Reallocation Procedure that: prioritizes project performance; is aligned with HUD and HEARTH Act policy guidance; and follows the policy priorities specified with the annual HUD CoC Notice of Funding Opportunity (NOFO).

Ranking

The CoC will evaluate each project's performance and compliance with HUD and CoC requirements through its annual ranking process. In order to ensure a comprehensive, consistent and transparent ranking process, project score cards will be used. Score cards for renewal and new projects will be updated annually.

The score card will include evaluation of:

- Project performance outcomes, with specific focus on the HUD System Performance Measures;
- Cost Effectiveness
- Adherence to CoC Standards of Administration of Assistance
- Commitment to Diversity, Equity, and Inclusion principles and reducing disparities
- HMIS Data Quality; and
- Monitoring criteria, such as expenditure of CoC Grant Funds.

The CoC's HMIS and Coordinated Entry System (CES) project(s) will be exempt from completing a ranking score card. Instead, these projects will be monitored by the CoC during a separate annual scorecard that includes the input of provider agencies. Additionally, new projects funded in the immediate prior year will also not complete a ranking scorecard, as they may not yet be under contract with HUD or have very limited data or performance to review.

The CoC will follow the below-listed practices as part of the CoC's annual project ranking and tiering of renewal projects:

- All projects funded by HUD as new in the immediate prior year of competition (meaning projects without a fully complete operating year) shall be ranked at the bottom of Tier 1, in the order in which those projects were ranked in the year prior;
- HMIS project(s) and CoC-dedicated Coordinated Entry System (CES) projects will be the last projects with full budgets ranked in Tier 1. The purpose of this is to ensure that projects with CoC-wide significance continue to receive CoC funding each year.

The ranking and tiering of new projects being submitted for the first time will be determined by the Independent Review Committee (IRC), which consists of 3-5 non-conflicted stakeholders recruited by MACCH. Names and professional affiliations of the IRC will remain anonymous during the open competition process to protect autonomy and prevent impropriety. Following the completion of the full competition, the names and professional affiliations of the IRC may be disclosed upon request. The IRC will also be responsible for making preliminary ranking and tiering decisions for all projects to be submitted in the annual NOFO competition. The IRC will designate a Chair at the start of the committee meeting, who will represent the IRC in the event of any appeals. MACCH will ensure detailed notes and documentation of individual reviewer scores are captured during the IRC meeting for internal records and in the event of any appeals. Following the IRC meeting and preliminary ranking/tiering recommendations, all project applicants will be notified of the preliminary decision. This will open the period for appeals, which will remain open for a minimum of 5 calendar days (see Appeals Process for additional details). If no appeals are filed, or following resolution of any appeals, the MACCH Board of Directors will vote on final ranking and tiering, as recommended by the IRC or Appeals Committee (if appeal(s) were filed). This vote may take place electronically or in-person. The MACCH Board of Directors will ensure the final ranking & tiering decision is made in advance of the deadline for public posting of final ranking & tiering and notice of acceptance/rejection to all applicants as set forth in the annual Notice of Funding Opportunity (15 calendar days before competition deadline for 2022).

Reallocation Process and Procedure

The CoC's Reallocation Policy and Procedure incorporates the following general objectives:

- To ensure the CoC's responsibility in submitting to HUD an application that is consistent with HUD guidelines, annual NOFO priorities, and the HEARTH Act;
- To further the CoC's efforts to end homelessness throughout the geographic area.

MACCH has reached a local CoC consensus that reallocation will not be an annual mandate, unless otherwise noted per the HUD CoC NOFO, but will instead only be used if reallocation would result in: improved outcomes and further reductions in homelessness; an increase in resources to respond to unmet needs; and/or an investment in more cost-effective strategies.

- **Voluntary Reallocation**

Currently-funded CoC project applicants interested in voluntarily reallocating all or a portion of their existing CoC funding should notify MACCH in writing of their intent by the due date of HUD's Grant Inventory Worksheet (GIW).

Organizations that voluntarily reallocate project funding in order to create new permanent housing will be given preference in the new project score card.

- **Involuntary Reallocation**

MACCH will consider whether involuntary reallocation is appropriate and/or necessary based on the language in the annual HUD CoC NOFO and/or the results of

the Project Renewal Performance Score Card. If reallocation is necessary, it will occur in a transparent, universal, and performance-based manner to ensure the ongoing success of our CoC's efforts to end homelessness.

Projects that score below the annually defined threshold will be notified and required to submit a plan of corrective action and improve project outcomes. Projects that did not meet the threshold in the prior year and that again do not meet threshold in the current year or successfully implement their corrective action plan may be subject to involuntary reallocation in the current year competition.

For purpose of the FY 2022 NOFO, MACCH is defining threshold as achieving 75% of available points per the Project Renewal Performance Score Card.

While the above described process will be followed in most cases, MACCH as the Collaborative Applicant retains the right to reallocate any project due to:

- Findings identified through the CoC's annual site-review;
- Non-compliance with HUD regulations;
- Non-compliance with CoC policies, including Standards of Administration of Assistance; and/or
- Fiscal non-compliance.