

San Bernardino County Continuum of Care (CoC) New, Renewal, and Reallocation Policies and Procedures

Background

The U.S. Department of Housing and Urban Development (HUD) states that one of the primary responsibilities of the CoC is to develop a new, renewal and reallocation process for selection and ranking criteria of projects for CoC Program funding.

In addition, HUD states that communities should have a mechanism for ranking and selecting projects that demonstrate decisions based on pre-established selection criteria. Criteria may include capacity to implement and manage the proposed project, experience working with the target population, cost effectiveness, etc. Communities should emphasize and rank projects based on the project's ability to articulate achievable outcome measures as emphasized by HUD and local priorities. This is especially important as projects come up for renewal funding and communities must assess project performance.

A. New Program Review Policy

If new funds are made available through reallocation or the HUD CoC Notice of Funding Availability (NOFA) competition, a Request for Applications (RFA) will be released from the CoC lead agency, Office of Homeless Services (OHS), at the request of the local Interagency Council on Homelessness (ICH) which serves as the CoC's governing board. Projects responding to the local RFA must meet minimum project eligibility, threshold requirements, capacity, and performance standards identified in the RFA and NOFA or they will be rejected from consideration for funding. Projects that pass project eligibility, threshold requirements, capacity, and performance standards will be presented to the ICH for final review, approval, and recommendation to HUD for funding.

B. Renewal Review Policy

HUD notes that it is important that renewal projects meet minimum project eligibility, capacity, timeliness, and performance standards identified in the annual HUD CoC NOFA or they will be rejected from consideration for funding. When considering renewal projects for award, the CoC will review information in the Line of Credit Control System (LOCCS), Letter of Intent to Renew (LOI), System Performance Measures (SPMs), Annual Performance Reports (APRs); and information provided from the local HUD/Community Planning and Development (CPD) Field Office, including monitoring reports and A-133 audit reports as applicable, as well as performance standards on prior grants, and assess a project on the following criteria using a pass/fail basis:

- 1) The project applicant's performance compared to plans and goals in the initial application;
- 2) Project applicants must demonstrate all timeliness standards for grants being renewed, including that standards for the expenditure of grant funds have been met;
- 3) The project applicant's performance in assisting program participants to achieve and maintain independent living and record of success, except Homeless Management Information System (HMIS)-dedicated projects are not required to meet this standard; and
- 4) Evidence that a project applicant has been unwilling to accept technical assistance, has a history of inadequate financial accounting practices, has indications of project mismanagement, has a drastic reduction in the population served, has made program changes without prior HUD approval, or has lost a project site may result in a rejection of the application from the competition

HUD reserves the right to reduce or reject a funding request from the project applicant for the following reasons:

- 1) Outstanding obligation to HUD that is in arrears or for which a payment schedule has not been agreed upon;
- 2) Audit finding(s) for which a response is overdue or unsatisfactory;
- 3) History of inadequate financial management accounting practices;
- 4) Evidence of untimely expenditures on prior award;
- 5) History of other major capacity issues that have significantly impacted the operation of the project and its performance;
- 6) Timeliness in reimbursing sub-recipients for eligible costs. HUD will consider a project applicant as meeting this standard if it has drawn down grant funds at least once per month; or
- 7) History of serving ineligible persons, expending funds on ineligible costs, or failing to expend funds within statutorily established timeframes.

HMIS Data Quality. The CoC evaluates all programs on their HMIS quality for the operating year. It is expected that programs will have no greater than 5% of missing values for any of the universal data elements; programs are able to correct incomplete data to improve the percentages. Data quality outcomes will be collected via the monthly Performance Report Cards and Annual Performance Reports generated for each project.

San Bernardino County Strategy to Prevent and End Homelessness. Performance measures are used to assess alignment of projects with the priorities noted in the CoC's Strategy to End Homelessness in San Bernardino County. In alignment with *Opening Doors: The Federal Strategic Plan to Prevent and End Homelessness*, our community revised and updated its strategy entitled, *Recalibrating for Results*:

A Three-Year Evaluation of the 2009-2019 San Bernardino County Strategy to End Homelessness goals are as follows:

- 1) Housing First Model
- 2) End Homelessness among Veterans.
- 3) Prevent and End Homelessness for Families, Youth, and Children.

C. Reallocation Policy

Through the reallocation process the CoC ensures that projects submitted with the CoC Collaborative Application best align with the HUD CoC funding priorities and contribute to a competitive application that secures HUD CoC dollars to address and end homelessness in San Bernardino County. The CoC will make decisions based on alignment with HUD guidelines, performance measures, and unspent project funds. Reallocated projects will be encouraged to seek funders that will support the contributions these projects make to the CoC.

Each year all renewal projects are considered for possible reallocation or reduced funding by the CoC and ICH. Each renewal project is reviewed by the CoC and ICH and the final determination is based on any one of the following HUD criteria:

- 1) Outstanding obligation to HUD that is in arrears or for which a payment schedule has not been agreed upon;
- 2) Audit finding(s) for which a response is overdue or unsatisfactory;
- 3) History of inadequate financial management accounting practices;
- 4) Evidence of untimely expenditures on prior award;
- 5) History of other major capacity issues that have significantly impacted the operation of the project and its performance;
- 6) Timeliness in reimbursing sub-recipients for eligible costs. HUD will consider a project applicant as meeting this standard if it has drawn down grant funds at least once per month; or
- 7) History of serving ineligible persons, expending funds on ineligible costs, or failing to expend funds within statutorily established timeframe.

D. New, Renewal and Reallocation Procedures

1) New Project Applicant Procedures

- The OHS releases a local RFA based on the new project requirements noted in the NOFA.
- The OHS will conduct a cursory review of each application that responded to the local RFA to determine if the project meets eligibility and threshold requirements as established by the HUD in the annual NOFA.
- The OHS will present all applications that meet the eligibility and threshold requirements to the local ICH.
- The ICH determines the rank and funding levels of all projects considering all available information. OHS staff will provide technical assistance by responding to questions of the ICH.
- The ICH will review and determine which project(s) will be invited to submit a full proposal for the HUD CoC funding.
- All project applicants are notified of the results of the ICH decision electronically and in a formal letter outside of e-snaps.

2) Renewal Project Applicant Procedures

- Immediately after the release of the HUD CoC Program Competition the lead agency in the CoC, Office of Homeless Services (OHS), develops and disseminates a LOI to Renew Survey. The LOI Renew Survey is based on the Project Quality and Renewal Threshold Requirements noted in the CoC NOFA. Agencies s are required to complete and submit the LOI to the CoC lead agency for analysis.
- A LOI is required for all projects to be considered for submission in the 2019 CoC application to HUD but is not a guarantee of funding or inclusion in the application submitted by the local CoC.
- The CoC analyzes the responses in the LOI which include; information in the LOCCS; SPMs, APRs and information provided from the local HUD/Community Planning and Development (CPO) Field Office, performance Outcomes as reported in HMIS, including monitoring reports and A-133 audit reports as applicable, as well as performance standards on prior grants .

- The CoC ranks and prepares a formal recommendation to the local ICH which serves as the CoC Governing Board. The formal recommendation and agency ranking are posted prior to the monthly ICH meeting per Brown Act requirements. The recommendations are also disseminated via the ICH and Homeless Service Provider listserv. The recommendation will include an overview of the CoC's analysis for each program. The projects are ranked and considered for reallocation or partial reallocation based on their alignment with HUD's established goals and performance measures. The ICH will vote to approve, deny, reallocate, or conditionally approve the OHS recommendation.
- Agencies are notified of ICH's decision electronically and in a formal letter outside of e-snaps.

3) **Reallocation Procedures**

- After reviewing the LOIs for the CoC funded renewal projects, the ICH may determine that whole or partial reallocation should be considered for low performing projects.
- If reallocation is approved by ICH, the agency or agencies are formally notified outside of the ICH meeting by OHS via email and in a formal letter. A local RFP, which will include any new and reallocated funds, is released by OHS based on HUD and local CoC priorities.
- The OHS will conduct a cursory review of each application that responded to the local RFA to determine if the project meets eligibility and threshold requirements as established by the HUD in the annual NOFA.
- The OHS will present all applications that meet the eligibility and threshold requirements to the local ICH.
- The ICH determines the rank and funding levels of all projects considering all available information. OHS staff will provide technical assistance by responding to questions of the ICH.
- The ICH will review and determine which project(s) will be invited to submit a full proposal for the HUD CoC funding.
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