

Durham Continuum of Care

Policy & Procedures

Title:	Monitoring, Evaluation, & Ranking Policy for CoC Funding Requests	Effective:	<i>February 27, 2019</i>
		Last Reviewed:	<i>February 27, 2019</i>
References:	24 CFR part 578 : The Continuum of Care Interim Rule		
Monitoring, Evaluation, & Ranking Policies	<ol style="list-style-type: none"> 1. It is the policy of the Durham Continuum of Care (the CoC) to monitor the performance of CoC-funded projects regularly, to objectively evaluate the performance of CoC funded projects when they seek renewal project funding, and to rank funding requests according to the identified prioritized needs of the Durham CoC and objective standards that are publicly communicated to the CoC membership. 2. Projects that are deemed essential to the CoC but which would be at risk of loss of funding if placed in Tier 2, will be placed at the top of Tier One. These projects are not comparable to other new and renewal projects, can only be submitted by the entity designated by the CoC and, therefore, are not competitively evaluated. This currently includes the HMIS CoC renewal project and may include other CoC-funded non-housing projects. 		
Background:	<p>Annually, the U.S. Department of Housing & Urban Development (HUD) holds a national competition for Continuum of Care (CoC) Program funds. This competition awards funds to the Durham CoC to provide housing and services to people who are experiencing homelessness.</p> <p>This policy and associated evaluation and ranking procedures have been developed to accomplish two purposes:</p> <ol style="list-style-type: none"> 1. Provide guidance to the Homeless Services Advisory Committee (also known as and hereinafter “CoC Board”) and project applicants on whether CoC-funded renewal projects should be recommended for renewal funding, placed on probation for one year, or be reallocated in whole or in part in the next CoC competition. 2. Provide guidance on how CoC-funded renewal projects and new project applications seeking CoC funding should be ranked in any CoC competition. <p>HUD requires that CoCs rank projects in two Tiers. Tier 1 projects, provided that HUD has sufficient funds, are essentially assured of CoC funding. Tier 2 projects will be funded competitively on a national basis. Factors for awarding Tier 2 projects include: the score that HUD gives to the CoC’s Collaborative Application, whether the project proposes to follow Housing First practices, and the project’s rank order in comparison with other CoC-recommended project applications.</p>		

**Ranking
Procedures**

1. Durham’s Ranking Policies & Procedures may be amended regularly to align with HUD’s CoC policy priorities and to align with local CoC priorities and needs.
2. Permanent Housing (PH) renewal projects with less than two years of performance data as of December 31st annually will be ranked in Tier One after projects deemed essential to the CoC. Projects with 18 to 24 months of performance as of December 31st will be evaluated using the PH Renewal Evaluation Tool. Projects scoring less than 65% on the Evaluation Tool will not be placed on probation, but will be required to develop a Performance Improvement Plan (PIP), according to the procedures in #8-#9 below.
3. PH renewal projects with two or more years of performance data as of December 31st annually will be evaluated by a CoC Board-designated subcommittee by March 31st of the following year using the CoC-approved PH Renewal Evaluation Tool to determine whether the project:
 - a. Has outstanding or exemplary performance
 - b. Is performing satisfactorily
 - c. Is performing marginally well and should be placed on probation
 - d. Is performing poorly and may have funding reallocated
4. For the purpose of completing the evaluation described in #3 above, the performance of the PH renewal projects for the previous January 1 – December 31 calendar year, as reported on the CoC Annual Performance Report (CoC-APR), will be evaluated using the PH Renewal Evaluation Tool.
5. Projects must score at or above 90% overall and not score less than 70% on any one of the PH Renewal Evaluation Tool’s Component areas to be considered as having outstanding or exemplary performance.
6. In the first year of implementing these policies and procedures, if PH renewal projects score less than 65% of the score of the project scoring highest on the PH Renewal Evaluation Tool, they shall be placed on probation and shall have one year to improve their project performance.
7. After the first year of implementation, a satisfactory performance threshold shall be established and approved by the CoC Board by the end of the calendar year, taking into consideration the prior year’s performance results.
8. Projects placed on probation would be required to develop a Performance Improvement Plan (PIP) with the CoC Lead Agency within 45 days of being notified of this decision. The PIP should address the performance issues identified through the Evaluation. The PIP will be reviewed at the next regularly scheduled meeting of a CoC Board-designated subcommittee. If the PIP is not approved by a CoC Board-designated subcommittee, the committee may recommend to the CoC Board that some or the entire project’s CoC funds be reallocated in that

year's CoC competition.

9. Projects placed on probation for one year that have not improved project performance by at least 30% after following an approved PIP for one year may be subject to reallocation in the following year's CoC competition. For example, a project that had a score of 50% on the Evaluation Tool in Year 1, would be expected to improve project performance by at least 30% of 50% in Year 2 or 15%, i.e. the project would need a score of 65% in Year Two. If a project improves performance by the required 30%, but remains at the "marginal performance level," i.e. its score remains less than 65%, the project remains on probation.
10. Projects would have a maximum of two years to improve performance to the "Satisfactory Performance" level.
11. Any recommendations for reallocation must be approved by the CoC Board. CoC Board funding recommendations to HUD are subject to appeal, and, if unresolved, may be submitted to HUD, per the process outlined in the annual CoC Notice of Funding Availability (NOFA).
12. PH renewal projects subject to performance review will be ranked in the annual CoC competition according to scores of the projects' performance for the 12-month period beginning on April 1 of the previous year, as reported on the CoC Annual Performance Report (CoC-APR) using the PH Renewal Evaluation Tool.
13. Organizations that have one or more CoC-funded projects "on probation" will not be eligible to apply for a new CoC-funded project until all existing projects are "performing satisfactorily" or better.
14. New project applications will be scored based on the New Project Scoring Tool. New project applications will be ranked after all renewal projects.
15. Projects seeking to expand an existing CoC-funded project or to expand an existing non-CoC-funded project must submit a New Project Application. Such applications will be scored and ranked based on the New Project Scoring Tool.
16. Only projects that are judged to be "performing satisfactorily" or better on the evaluation described in #3 above shall be eligible to apply to expand the CoC-funded project.
17. In order to maximize the CoC's ability to distribute CoC funds to organizations that are not currently receiving CoC funds, the New Project Scoring Tool shall award at least ten percent of the total points available to project applications from organizations that are not currently receiving CoC funds, except that organizations that had CoC projects reallocated in previous competitions and no longer receive any CoC funding only will be eligible for this "new organization bonus" in the third year after the organization's last CoC project was reallocated. Such organizations may submit new project applications during the

intervening two years, but would not receive the “new organization bonus.”

18. The New Project Scoring Tool shall be designed to rank new project applications according to HUD’s priorities, as outlined in that year’s NOFA and according to the CoC’s local priorities and needs as evaluated and established by the COC BOARD annually.
19. An organization desiring to voluntarily reallocate an existing project to a new project operated by the same organization must inform the CoC Lead Agency of its desire by December 31st and have the reallocation approved by the CoC Board by March 31st of the following year. With the CoC Board’s approval of the reallocation, the funds associated with the reallocation will be designated for the organization’s new project and not subject to distribution to other organizations’ new projects.
20. All organizations interested in submitting a full project application must submit a pre-application to determine whether they meet eligibility thresholds. Pre-applications that do not meet the following threshold criteria may not be approved for submitting a full project application:
 - a. The organization has a valid 501(c)(3) status, or is a Public Housing Authority or an instrumentality of state or local government
 - b. The organization has an active unique entity identifier (currently a DUNS number) and active registration in the System for Award Management (SAM)
 - c. The project pre-application was received by the CoC Lead Agency by the published deadline
 - d. The proposed project is consistent with the Consolidated Plan
 - e. If a nonprofit, the organization has a current Charitable Solicitation License from the NC Secretary of State’s office
 - f. The organization has no outstanding City of Durham, HUD or Office of the Inspector General (OIG) findings for which no corrective plan has been approved
 - g. The pre-application includes a copy of an audit for a fiscal period that ended no more than eighteen months before the date of submission or a Financial Statement prepared by a Certified Public Accountant
 - h. The proposed project complies with 24 CFR 578, the CoC Interim Rule
 - i. The organization is an active participant in the Durham Continuum of Care
 - j. The organization is currently participating satisfactorily in Durham’s HMIS, or is exempt from HMIS participation, or agrees to participate in the HMIS, if its new project is awarded CoC funds
 - k. The organization has a Board of Directors that meets at least quarterly and at least one of the Board members is a homeless or formerly homeless representative

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| | <ul style="list-style-type: none">l. The organization’s Board of Directors has adopted a Conflict of Interest Policym. The organization has an active Applicant Profile in e-snaps, HUD’s online CoC application portaln. The pre-application includes a signed “Grants Management Agreement”o. The pre-application includes the project’s rules and policies that address the CoC’s established standards for the applicable project type <p>21. Organizations that are approved during the pre-application phase for submitting a full project application must submit all required documents by the published deadline in order to be considered for funding. Late applications will not be considered if the CoC Lead Agency has received eligible project applications for an amount at least equal to what the CoC is eligible to apply for in that year’s competition. Full project applications will include at least the following:</p> <ul style="list-style-type: none">a. A copy of the project application from HUD’s e-snaps CoC application website.b. For PH renewal projects with at least two years of performance data as of December 31st of the previous year, a copy of a CoC-APR for the period ending April 30th of the current year.c. A letter on organizational letterhead addressed to the current HUD Secretary confirming the required match contribution, per that year’s NOFA, signed and dated by the organization’s Executive Director or Board Chaird. A letter on organizational letterhead addressed to the current Durham CoC Board Chair confirming that that applicant has read the CoC Interim Rule, the current year’s HUD NOFA, and the Durham CoC Governance Charter, signed and dated by the organization’s Executive Director. |
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