**Tri-County Homeless Interagency Council**

**NC-506 Continuum of Care**

**FY 2021 CoC Rating, Reallocation, and Ranking Policy**

It is the goal of the Tri-County Homeless Interagency Council to implement a Rating, Ranking and Reallocation Process that responds to needs of the homeless community, relies on objective performance measures to evaluate success, and supports organizations and projects with experience in effective service delivery and stewardship of funds. The Tri-HIC values efforts of organizations to change, grow, and incorporate new models of best practice as the needs of the homeless service system change. The Tri-Hic encourages creative, innovative, low barrier and housing first project proposals as well as new project applications from new grantees and organizations. The Tri-HIC is adopting the following policies to create a CoC rating, ranking and reallocation process that is reflective of those goals.

CoC NOFA Committee

The CoC NOFA Committee is responsible for collaborating and coordinating with the Collaborative Applicant on the CoC NOFA competition process. The Collaborative Applicant in conjunction with the CoC NOFA Committee will create a NOFA schedule which will include timelines for establishing meetings, reviewing the collaborative application and disseminating the appeal process.

Community Priorities

Prior to each competition, the Tri-HIC will identify priority populations and/or project types within the annual Comprehensive Data Analysis report or comparable data. Priorities will be set based on community need as demonstrated by annual population data. New project applications that meet a community need will be prioritized through the scoring process.

Rating Policy

The Tri-HIC believes that projects should be rated based on objective factors related to local and national standards. For data-based factors, data will be pulled for each renewal project with at least one full year of data in an APR-format report out of HMIS. Projects serving survivors of domestic violence that are not permitted to enter data into HMIS must provide an APR-style report from their comparable database.

The Ranking Committee has CoC-approved, separate scorecards for new projects, renewal projects and projects with less than 1 year of data. The CoC believes that only projects with at least one year of full operation should be scored based on project performance, data quality and eLOCCS draw-down history. Those projects will utilize the renewal scorecard, with a limited set of questions that allow for measurable elements.

The score used for ranking will be a percentage, calculated by dividing the total points earned into the maximum available points based on the scorecard that is assigned to the project.

The Tri-HIC also acknowledges that with changes in the HUD NOFA Competition, there are projects that were funded in the previous competition that are beginning services as the next competition commences. Those projects must apply for renewal funding without a years’ worth of performance data related to participants’ level of service or utilization of the project. Therefore, the Tri-HIC will allow those projects to compete based on a weighted scoring system where they have the capacity to earn the same point value as renewal projects based on measurable performance criteria.

Reallocation Policy

The Tri-County Homeless Interagency Council is supportive of voluntary reallocation, as it allows projects to change project type to meet community needs. Community needs are defined by analyzing local data and projects that utilize best practices such as Housing First. The Tri-HIC will support high performing projects that wish to reallocate some or all of their funds in order to meet an unmet need.

The Tri-HIC believes that money should be moved away from consistently underperforming projects. It is also aware that factors outside of an organizations control may produce project performance outcomes for one year that are not indicative of the project’s history of or capacity for positive performance overall. An example includes units damaged and non-operational due to natural disaster. Projects that are under performing are encouraged to reallocate.

Therefore, the policy of the Tri-HIC related to the capacity for reallocation from a lower performing project type is:

* A renewal project does not meet the minimum threshold for positive performance if:
  + They fall in Tier 2 in the preliminary ranking; **or**
  + They have extensive or highly concerning financial audit or HUD monitoring findings that they have not taken adequate steps to resolve; **or**
  + They receive 20 points or fewer in the Housing First category.
* If the Ranking Committee determines that a project falls below this threshold, it will provide notes to the project specifying the reasons. Projects that fall below this threshold will have an opportunity to provide a written narrative of no more than 500 words providing additional context and explanation for the specific deficiencies identified by the Ranking Committee.
* Before considering reallocation, the Ranking Committee must review three past years of performance outcomes for each project, including score card data and position on the ranked list in the three most recent completed competitions.
* The Ranking Committee must consider the following when making a decision to reallocate all or part of a renewal project:
  + The size of the gap in performance outcomes between the low-performing project and other similar projects;
  + Whether three years of historical data show a trend of under-performance, a decline or improvement in performance, or any other discernable trend;
  + The applicant’s explanation of the project’s low performance;
  + Whether new project applications have been submitted that have the potential to improve system performance, to which the reallocated funding could be allocated.
* Based on this review and analysis, the Ranking Committee may recommend reallocation of all or part of the renewal project’s grant.

Reallocated amounts will be made available for new projects. Amounts that are voluntarily reallocated prior to the local application process will be added to the total available funding for new project applications. Amounts that are reallocated during the scoring process should be allocated to partially-funded or unfunded new project applications, based on:

* Their position in the project rankings;
* Their alignment with community needs, as identified in the Comprehensive Data Analysis report;
* The likelihood that they will be funded by HUD.

Ranking Policy

The Tri-HIC will all rank projects according to project application score from highest to lowest based on their respective scorecard. The tie breaker for project applications will be the cost per participant; total funding request/households served.