



## FY2019 CoC-funding Process and Policies

### Western PA CoC

Each year, the Western PA Continuum of Care (CoC) applies to the U.S. Housing and Urban Development (HUD) for homeless assistance funding to address the needs of individuals and families experiencing homelessness throughout its 20-county region. The availability of funding is announced through HUD's CoC Notice of Funding Availability (NOFA), a national funding competition.

In response to HUD's CoC NOFA, the Western PA CoC will conduct a fair, transparent funding process, that complies with CoC Regulations, specifically § 578.95 Conflicts of interest, which covers CoC Board members, organizational conflicts and other conflicts.

#### Vision, Mission and Guiding Principles

Vision: Homelessness is rare, brief, and a one-time occurrence in our community.

Mission: The Western PA Continuum of Care will end homelessness in our region through a coordinated, community-based approach.

Guiding Principles: In order to fulfill our vision and mission, the following principles will guide the work of the Western PA CoC.

Our commitment for the people we serve is that:

- Ending homelessness is possible.
- Homelessness should not define those who experience it.
- Housing is essential to ending homelessness.

Our commitment for the community we serve is that:

- Our system uses data to support decision-making and enhance effectiveness across all 20 counties.
- We focus on building partnerships that will make our system sustainable, with enough resources to provide housing and services to those experiencing homelessness according to their individual needs.
- "The whole is greater than the sum of its parts."
  - We must work together as a cohesive system in order to reach our goal.
  - We must engage with the wider community.
  - We must be strategic in how we use our resources.

## Funding Allocations

The Western PA CoC includes two regions, Northwest (13 counties) and Southwest (7 counties). At the time the Western PA CoC was established, funding had been allocated separately to these two regions with 35% of the CoC's total funding allocated to the Northwest region and 65% of funding allocated to the Southwest region.

The ongoing commitment of the CoC Board is that every effort possible will be made to maintain the established funding allocation percentages. As such, in order to maintain consistent regional funding allocations, the CoC's Governance Charter includes guidance to follow during the annual CoC funding process. This includes:

- Variances in the Established ARD Percentages
  - Note: ARD refers to the "Annual Renewal Demand" or in this case, the established funding allocation. Annual Renewal Demand is a term used by HUD which they use to represent the amount of money required to renew all existing projects at their full budget.
- Process for Allocating Program Funding
- Reduction of a Specific Grant. Stated in the current Governance Charter as, *In the event that an individual grant no longer exists or for which funding must be reduced or reallocated, any remaining grant funds shall be reallocated to another project in the affected region, unless reallocating it to the other region would correct a variance of the established ARD and supports an identified need. If, based on the eligible use of funds, there are no qualified applications in the region, the remaining grant funds shall be made available to the other region.*

Based on the funding awarded by HUD during the FY2018 CoC NOFA competition, the CoC was awarded \$9,900,291. The current regional funding allocations are as follows: Northwest = 36.3% and Southwest = 63.7%.

## Roles and Responsibilities

As detailed below, the annual funding process is shared across many different entities within the CoC.

### Western PA CoC Governing Board

The Western PA CoC Governing Board is charged with fulfilling the mission of the CoC, as well as functioning as the designated primary decision-making entity to meet the duties and responsibilities of the CoC.

Responsibilities of the Governing Board, as they pertain to CoC funding:

- Design, operate, and follow a collaborative process for selecting and ranking project applications, in conjunction with the Funding Committee;
- Establish priorities for funding projects in the geographic area, with input from committees/workgroups, CoC members and other stakeholders;

- Approve the New Project Request for Proposals and Application, as drafted by the CoC Consultant;
- Provide input for the CoC Planning Grant funds to the Collaborative Applicant. (The CoC Planning Grant funds are used to provide ongoing support to the CoC and fulfill HUD requirements such as the point-in-time count and the CoC application.)
- Non-conflicted Board Members will review the annual allocation plan and decisions recommended by the CoC's Funding Committee. This workgroup is responsible for analyzing the recommendation of the Funding Committee and voting, by supermajority, to accept or reject the allocation plan/ funding recommendations.

### Collaborative Applicant

The PA Department of Community and Economic Development (DCED), in their role as Collaborative Applicant, is designated by the Continuum of Care to collect and submit the CoC Registration, Grant Inventory Worksheet, and CoC Consolidated Application (which includes the CoC Application and CoC Priority Listing). In addition, DCED will apply for CoC Planning Grant funding, with input and approval from the CoC Board.

### Funding Committee

Due to the regulatory requirement that this Committee is limited to representatives that do not receive CoC funding (established in 24 CFR Part 578), the Funding Committee is comprised of a combination of non-conflicted Board members (those who do not receive CoC funding) and other members appointed by the Board.

The responsibilities of the Funding Committee include:

- Designing, operating, and following a collaborative process for selecting and ranking project applications, in collaboration with the Governing Board;
- Coordinating the annual project selection process, which includes the ranking of renewal and new projects as required by HUD;
- Establishing in advance the project ranking and tie breaking criteria in accordance with HUD guidance; and
- Ensuring the strategic use of HUD funds and other resources available to the CoC.

### Regional Homeless Advisory Boards (RHABs)

The CoC's two RHABs meet and conduct business throughout the year and coordinate with local providers to meet the CoC's goals.

Responsibilities of the RHABs, in relationship to the CoC NOFA, include:

- Providing input for the prioritization of the region's needs, including recommendations to the CoC Board for CoC funding;
- Identifying additional resources available for homeless households, as well as gaps in supports and services; and

- Providing input for consideration to the Funding Committee regarding the prioritization and need for new projects vs. existing renewal projects.

## Guiding Principles for 2019 Project Evaluation, Reallocation, Selection and Ranking

The CoC seeks to conduct a fair, unbiased process in which projects are selected and ranked according to project performance, CoC priorities and local need, and federal priorities.

### Guiding Principles for 2019 Project Evaluation, Reallocation, Selection and Ranking

The Western PA CoC seeks to achieve the following goals as part of the evaluation and ranking of CoC-funded renewal projects:

- Maximize funding available to end homelessness throughout the CoC;
- Prioritize available funding for projects that are most successful in ending homelessness;
- Create new resources in order to respond to the increased needs identified in many communities within the CoC;
- Build upon the CoC's existing infrastructure by increasing capacity to quickly identifying individuals experiencing homelessness, prioritizing assistance towards those with the greatest needs, and rapidly connecting households to permanent housing;
- Incentivize all CoC-funded providers to continuously monitor and improve their project performance, implement HUD policy priorities, and participate in the CoC meetings, committees and other initiatives.

Upon the availability of new or reallocated funds, the CoC will conduct a fair, open and transparent process regarding the selection of new projects. Priorities for new projects will be established by the CoC Board and will reflect CoC needs and HUD priorities. Project selection will be based on criteria outlined by the CoC through a new project solicitation process.

The CoC will also conduct a fair and transparent process regarding the ranking and tiering of projects to be included on the 2019 Priority List. Ranking and tiering decisions will be informed by CoC and HUD priorities, as well as local needs and project performance.

## 2019 Renewal Project Evaluation and Scoring Policy

On an annual basis, the Western PA CoC establishes scoring standards to evaluate and score HUD CoC-funded renewal projects in preparation for the ranking of projects for the NOFA. In order to determine whether renewal projects are performing well or underperforming, each project's performance will be evaluated in the following areas:

- HUD policy priorities, including vulnerability and housing first
- Performance outcomes, including exits to permanent housing, returns to homelessness, and increases in income
- Grant management, including unit utilization, percent of funds expended, and cost effectiveness

- CoC Participation, including attendance at CoC/RHAB meetings and training
  - Note: Coordinated Entry participation will not be a scored criteria in 2019, but may be in 2020
- HMIS participation, including data quality

### Process for Developing the 2019 Renewal Scoring Sheet

Renewal projects will be scored in accordance with the 2019 Renewal Scoring Sheet, which will be developed through the process described below:

- Solicit input from CoC-funded grantees on the criteria included in the 2018 renewal scoring sheet. Any type of feedback is permissible. Specific feedback desired includes: ways that the renewal scoring criteria may negatively impact a group/class of projects (e.g. projects with a small number of units). In addition, feedback is requested on alternate methodology for the following criteria: evaluation of housing first compliance; cost effectiveness; and the evaluation of application narrative.
- Analyze the 2018 point structure is conducted by the CoC's Consultant (DMA - Diana T. Myers & Associates, Inc.). The purpose of this analysis is to ensure adequate distribution of points on performance-related criteria. This will help to determine if the benchmarks are set to encourage strong outcomes, without favoring certain types of projects (e.g. projects with turnover that are serving the CoC's most vulnerable households vs. projects with no turnover that are serving more stable clients).
- Present the above information to the Funding Committee. This Committee will discuss, finalize and approve the 2019 renewal scoring sheet.
- Upon approval, final renewal scoring sheet and all related policies (e.g. appeal policy/process) will be publicly posted to the CoC's website and distributed to CoC-funded agencies via email.
- Scoring of renewal projects commences following the approval of the 2019 Renewal Scoring Sheet and associated policies.

### 2019 Renewal Project Scoring Process

Evaluation and scoring of CoC-funded renewal projects will inform project ranking and tiering for the FY19 CoC NOFA competition. With the exception of CoC-level infrastructure (e.g. HMIS and Coordinated Entry grants), the CoC will follow the below process for scoring renewal projects that have operated throughout the entire data lookback period:

- The CoC's Consultant (DMA) will distribute a Renewal Summary Form to all CoC-funded renewal project applicants, requesting data and information that is not available through the PA-HMIS (the CoC's Homeless Management Information System). This request will identify the data/information requested, the process for submitting that information, as well as the timeline/deadline.

- Projects operated by Domestic Violence organizations will be provided with an expanded Renewal Summary Form, as their performance data cannot be pulled from PA-HMIS.
- DMA will collect all information, enter it into an Excel file, and provide the information to the PA-HMIS IT Specialist at DCED.
- The 2019 Renewal Scoring Sheet will be provided to the PA-HMIS IT Specialist. The PA-HMIS IT Specialist will create a “Renewal Scoring Calculator”. The Calculator, an Excel Spreadsheet, includes one worksheet per scoring element, providing each projects outcome and the associated point value of the outcome. Data presented in the Calculator will include data from HMIS and collected through the Renewal Summary Form.
- Once the Renewal Scoring Calculator has been created, it will be circulated to all CoC-funded grantees. Grantees will be asked to review their data. Grantees should alert DMA of any errors associated with data reported on the Renewal Summary Form within the timeline indicated within the email. In addition, grantees can submit concerns/questions to DMA if there are questions/concerns with the data pulled from HMIS. DMA will serve as a liaison between grantees and the PA-HMIS IT Specialist, forwarding any potential programming or technical concerns with the data presented in the Calculator. DMA and the PA-HMIS IT Specialist will work together to address questions/issues identified.
  - Note: to assist grantees in understanding what HMIS-generated data points are driving their project performance, the PA-HMIS IT Specialist has created a “CoC Ranking HMIS Details Guide”, which will be circulated along with the Renewal Scoring Calculator.
- If an error on the 2019 Renewal Scoring Sheet is identified, DMA will work with the Funding Committee to resolve that error. In this situation, a revised Scoring Sheet will be circulated and posted on the CoC’s website.
- In the event that a grantee is not satisfied with the outcome of an issue raised, the grantee may opt to submit an appeal (see CoC’s attached appeal policy). All appeals will be discussed, deliberated and decided by the Funding Committee.
- At the conclusion of the renewal scoring process, each project will have a 2019 score. The average of each project’s 2018 and 2019 score will be used to inform the ranking and tiering process. Projects being competitively scored for the first time in 2019 will be ranked solely on 2019 score.
  - Note: projects that have been approved for consolidation by the HUD Field Office will be scored as a single project, using the data from each project to be consolidated.

## 2019 Renewal Project Reallocation

As stated earlier in this document, the Western PA CoC will use project evaluation and scoring to determine which projects should be allocated funds under the FY19 CoC NOFA Competition. The CoC will employ a reallocation policy aimed at the following:

- Determining which projects should continue to receive funding based upon performance, meeting CoC needs and furthering HUD priorities;

- Determining which projects are underperforming and whether funds allocated to underperforming projects may be better utilized if reallocated to another project;
- Determining whether projects are cost effective and, if not, should a project or a portion of a project be reallocated; and
- Identifying whether funds are fully utilized by each project. If there is a history of underspending, the Funding Committee will seek to determine whether a reallocation plan should be developed to ensure all funding awarded to the CoC is furthering progress to reduce and end homelessness.

Projects subject to reallocation will be provided with an opportunity to submit an appeal, as indicated within the CoC's appeal policy.

### Reallocation of Underperforming Projects

Low performing projects will be considered for reallocation and projects scoring the least number of points for three consecutive years (2017, 2018 and 2019). A project is considered to be low performing when the project's score places the project in the bottom 10% of the projects scored. To be considered for reallocation, a project would need to have operated long enough to be competitively ranked for three years. Note: The Funding Committee will not be required to reallocate projects each year; only if warranted based on historic underperformance.

### Reallocation of Projects Based on Cost Effectiveness

The CoC's renewal scoring process includes the evaluation of a project's cost effectiveness. If it is determined that a project's budget exceeds the typical costs of similar projects, additional information to explain the higher costs may be requested from the grantee. In some circumstances, the Funding Committee may determine that a partial reallocation of CoC-funds is appropriate.

### Reallocation for Other Reasons

The Western PA CoC will also consider reallocation of projects for other reasons, including:

- Lack of need within the CoC for the project
- Funds needed to respond to an urgent/emerging issue within the CoC
- Monitoring indicates serious problems with the project, which could include a lack of compliance with CoC policies such as housing first and following Coordinated Entry policies/procedures
- Voluntary reallocation or project convert from one project type to another. Providers who are in good standing with the CoC (e.g. those with strong performance, history of strong grant management, etc.) and interested in voluntary reallocation should contact the Funding Committee Chair and CoC Consultant (Kim Stucke, [kmstucke@stairwaysbh.org](mailto:kmstucke@stairwaysbh.org) and CoC Consultants, [westerncoc@pennsylvaniacoc.org](mailto:westerncoc@pennsylvaniacoc.org)). The CoC has historically allowed providers voluntarily reallocating projects to repurpose the same level of project funding and in some cases to maintain the rank position where the renewal project would otherwise be ranked.

## New Project Selection

As part of the annual CoC NOFA Competition, the Western PA CoC may identify funds available for new projects. The CoC is committed to ensuring an open and transparent process for the selection of new projects. As such, where funding availability permits, the CoC will issue a new project solicitation for new projects to be distributed widely to interested parties.

### New Project Priorities

In order to determine priorities for new projects, the CoC's consultant (DMA) analyzed data from the Coordinated Entry Prioritization List, the Point-in-Time count and the CoC's Housing Inventory Chart. This information was presented to the Governing Board on **July 23, 2019**.

The Governing Board came to consensus around the following general recommendations for the 2019 CoC NOFA competition:

- All new project applicants must use data to substantiate the need for a new project and why these needs cannot be met based on existing inventory
- New projects should include all household types – singles, couples and families
- Projects covering a single county, multi-county, RHAB-wide, and CoC-wide, using data to demonstrating need
- While there is a larger need for Rapid Re-Housing projects, any project type will be considered, with compelling data and a description of local circumstances that explain the requested approach
- Joint TH/RRH Component projects will be considered only from the three remaining CoC-funded Transitional Housing projects
- The cost of each unit of housing funded through the CoC cannot exceed Fair Market Rent, regardless of the type of housing to be provided
- The DV Bonus funding would be used to create a new DV Coordinated Entry position, with the Coordinated Entry Lead Agency applying for the funding
- The remaining DV Bonus funding would be used to create a new DV Rapid Re-Housing project. Applicants must agree to operate the project either RHAB-wide or CoC-wide
- There will be two RFPs, one for the CoC Bonus and any reallocated funding, and the second for the DV Bonus funding

### Distribution of New Project Solicitations

DMA will draft the new project solicitation based on priorities identified by the Governing Board. Once completed, the CoC will release a new project Request For Proposal (RFP) to the public. The CoC will work to identify multiple outlets for distribution of the solicitations, including through the CoC's website and email distribution list, as well as those of related and partner organizations throughout the region and the state.



## Review of New Project Pre-Applications

New project solicitations will request that those interested in applying submit a pre-application for CoC review. The information to be included in the pre-application will be detailed in the new project solicitation.

All pre-applications submitted by the deadline stated in the new project solicitation will be reviewed by the Funding Committee. The Funding Committee can request additional information from the applicants where clarification would be helpful in the decision-making process. For each pre-application submitted, the Funding Committee will make a recommendation as to whether or not the project should be included with the CoC's funding request through the FY19 CoC NOFA Competition.

All agencies submitting pre-applications will be notified in writing via email regarding the CoC's decision to include their proposal among ranked projects within the CoC's funding request to HUD. In addition, the CoC will publicly post a list of new project pre-applications received, noting which were selected for inclusion on the Western PA CoC FY19 Priority List.

Upon selection, new project applicants must submit a new project application through the HUD e-snaps system in a timely manner and within the deadline established by the CoC.

## Ranking of Projects for the Priority List

### Project Ranking

The 2019 CoC Competition NOFA will require the CoC to rank all projects being submitted for funding on the 2019 Priority List. As part of this process, the CoC anticipates that projects will be sorted into either Tier 1 or Tier 2. In past CoC Competitions, projects placed into Tier 2 have been individually scored by HUD in order to determine if they will receive funding.

The CoC's ranking "rules" over the last several years have included the following principles:

- Renewal projects that have not operated throughout the entire "look back" period (CY2018) will not be competitively ranked; instead these projects will be ranked at the bottom of Tier 1.
- Projects that support CoC infrastructure and operations will be ranked at the bottom of Tier 1. This includes HMIS and Coordinated Entry funding. Planning grants are not ranked.
- Based on the CoC priorities set by the Governing Board, regional priorities identified by each RHAB, and the quality of new project applicant, the Funding Committee will determine how to incorporate the new projects into the overall ranking. The Funding Committee reserves the right to rank new projects in Tier 1 and/or Tier 2. In addition, the Funding Committee reserves the right and has discretion to make changes to the ranking in an attempt to preserve the CoC's overall funding allocation.

In addition to the above "rules", the CoC will incorporate the following into the 2019 ranking process:

- All renewal projects will be ranked in their descending score, based on a two-year average (2018 and 2019), as determined through the annual renewal scoring process. This is a change from ranking solely based on the current year's scoring.
- In the event that a tie breaker is needed in order to complete the ranking, the two-year average based only on the project's performance related criteria will be used.

### Applicant Notification & Public Posting

All applicants will be notified of the results of the ranking process according to the deadline established in the 2019 CoC Competition NOFA. Applicants will be notified regarding the project's rank order on the 2019 Priority List, project placement into Tier 1 or Tier 2, or the rejection of their project for inclusion on the Priority List. The CoC will provide notification in writing via email. The CoC will also publicly post information on ranking and tiering of projects and the list of projects accepted or rejected for inclusion on the 2019 Priority List on the CoC's website.

### Policy Approval & Adoption

This policy document was submitted to the Western PA CoC Governing Board for approval and adoption on August 14, 2019.

## WESTERN PA CONTINUUM OF CARE POLICY FOR APPEALING COC FUNDING DECISION

The Western PA CoC will follow the procedure below to provide organizations applying for CoC funding with the opportunity to appeal the CoC's funding decision. This policy is effective for the FY19 CoC funding cycle and is relevant to renewal projects and new project applicants.

### Data Review Process – Renewal Project Applicants:

The CoC will collect information from PA-HMIS and a Renewal Summary Form to evaluate each renewal project. Once this data is collected and compiled into a single document, the "Renewal Scoring Calculator", will be distributed to grantees for review. Grantees will have a period of time to review the data for accuracy.

The procedure and timeline for submitting questions and corrections to the CoC Consultant will be described within the communications sent to grantees along with the Renewal Scoring Calculator. The period of time during which grantees can make corrections to their data and submit questions to the CoC will be no less than one week. Requests submitted after the indicated deadline will not be considered. Additional documentation may be requested from grantees in order to make corrections to the data.

If the grantee raises an issue that cannot be resolved with the CoC Consultant and/or PA-HMIS IT Specialist, the grantee may request to have the CoC's Funding Committee consider their specific situation. Examples may include: loss of points due circumstances very specific to your project type, outcomes typical of projects operating within their first full year, outcomes typical of projects with specific subpopulations, etc. Any grantees wishing to appeal to the Funding Committee must make their request within the timeline specified by the CoC. To submit an appeal, send an email to [westerncoc@pennsylvaniacoc.org](mailto:westerncoc@pennsylvaniacoc.org) and [westernpacoc@gmail.com](mailto:westernpacoc@gmail.com) with the subject line, "Western PA CoC: Appeal to Funding Committee". The appeal request should be submitted on the CoC's Appeal Form, which asks the appellant to describe the specific situation, reference the relevant scoring criteria and provide compelling information and/or documentation for consideration. The Funding Committee will evaluate any requests received during their next scheduled meeting, and grantees will be informed by email about the outcome of their appeal.

### Project Selection – Renewal and New Projects:

In order to maximize the impact of CoC funding, the Funding Committee will allocate funding to renewal projects that achieve strong performance outcomes and are responsive to HUD and CoC policies, procedures and priorities. In addition, the CoC will solicit new projects in order to improve system-level outcomes, respond to unmet needs throughout the CoC's 20-county geography, pursue the goals and objectives within the CoC's strategic plan, and respond to changing policy priorities.

In the selection of new projects, the CoC reserves the right to request changes to the project prior to its approval. Changes may include, but are not limited to, an increase or decrease of the amount of funding requested, removal of and/or modifications to specific budget line items, revisions to case management ratio, project type, etc.

The CoC's Funding Committee will use a standardized scoring tool to review and select new project applications. New projects selected for inclusion as part of the CoC's Consolidated Application will be informed and provided with additional instruction for completing the HUD e-snaps application. Projects not selected will be notified in writing of this decision.

The CoC will distribute a list of renewal and new projects to be included to HUD as part of the CoC's Consolidated Application no less than 15 days prior to the NOFA deadline.

### Appeal to CoC Board:

Any project applicant that is not selected for funding and/or is selected contingent upon changes made to the project may submit an appeal to the non-conflicted members of the CoC's Governing Board (Board members who are not competitively ranked through the CoC's ranking process). This includes:

- Renewal projects partially or fully reallocated.
- New project applicants not selected for inclusion in the CoC's Consolidated Application to HUD.
- New project applicants approved, contingent upon changes to the proposed project application.

All appeals must be submitted within one business day of receiving a reallocation or project selection notification. To submit an appeal, send an email to [westerncoc@pennsylvaniacoc.org](mailto:westerncoc@pennsylvaniacoc.org) and [westernpacoc@gmail.com](mailto:westernpacoc@gmail.com) with the subject line, "Western PA CoC: Appeal to CoC Board". The email should provide any relevant rationale or documentation for consideration.

The appeal will be reviewed and discussed by the non-conflicted members of the CoC Governing Board. Following this discussion, non-conflicted CoC Board members will vote to determine if the decision stands or is overturned. The outcome of the appeal will be communicated via email to the appellant within 24 hours of the final decision.

The CoC's final ranking will then be posted on the CoC website. No additional changes will be made to the final ranking unless an internal error is identified.

### Appeal to HUD:

If the grantee or project applicant is not satisfied with the outcome of their appeal, the HUD CoC NOFA provides project applicants an opportunity to appeal to HUD. This appeal is limited to "eligible project applicants that attempted to participate in their CoC planning process and believe they were denied the right to participate in a reasonable manner".

In order to ensure that all project applicants have the opportunity to participate in the CoC's planning process and to provide input in the CoC's funding process, the CoC has/will provide the following opportunities:

- Circulation of the 2018 Renewal Scoring Sheet, with an opportunity to provide feedback and input on scoring criteria.
- The CoC's ranking criteria will be distributed prior to project scoring.
- Project applicants will have the ability to review and question the data to be used for project evaluation and scoring (the "Renewal Scoring Calculator").

- The CoC will provide a new project application and scoring criteria in order to score all new project applications in a consistent and transparent method.
- Updates will be provided by the CoC during in-person CoC meetings, during RHAB meetings, and via written and electronic communications.
- The CoC provides an appeal policy for any project applicant not selected for funding.

To submit an appeal to HUD, follow the instructions as indicated in the HUD CoC NOFA, which is available at <https://www.hudexchange.info/programs/coc/>.