



Balance of State Continuum of Care (CoC) Review, Scoring, Ranking and Reallocation Process for FY 2021 Renewal Projects *Approved 9/15/21*

Overview

The U.S. Department of Housing and Urban Development (HUD) releases the Continuum of Care (CoC) Program Notice of Funding Availability (NOFA) annually, to provide competitive funding to nonprofit organizations, states, and/or local governments to assist individuals and families experiencing homelessness. As of FY 2021, the CoC program provides approximately \$7.1 million dollars in funding for homeless services and housing assistance funding to the New Mexico Balance of State, through the BoS CoC, for permanent supportive housing (PSH), rapid re-housing (RRH), transitional housing (TH), joint transitional housing and rapid-rehousing (Joint TH & RRH) and supportive services (SSO) for CoC infrastructure projects like the NM Balance of State Coordinated Entry System (NMCES), NM Homeless Management Information System (NMHMIS) and Planning. As of 2020, the Youth Homelessness Demonstration Project from Northern New Mexico is part of the Balance of State CoC Competition. The NM Coalition to End Homelessness (NMCEH) is the designated collaborative applicant, and serves as the CoC Lead Agency for the BoS CoC and is responsible for coordination and submission of the annual BoS CoC Consolidated Application.

As part of the annual CoC competition process, HUD requires each Continuum of Care to review, score, and rank new and renewal projects according to funding priorities set by HUD and the Balance of State CoC, using a documented, objective methodology which considers past and current project performance. Ranked projects will be aggregated in the Consolidated Application in descending order, from highest to lowest funding priority. Once reviewed, scored, and ranked, project applications are submitted to HUD, along with a community-wide Consolidated Application that reflects the performance, activities, and priorities of the entire Continuum of Care.

HUD categorizes funding priority into two tiers. The projects that fall within Tier 1 are considered more secure than those that fall within Tier 2. Projects that fall within Tier 2 are considered at greater risk of not being included in the final award distribution by HUD. The purpose of the tiered system is to allow CoC's to indicate to HUD which projects are prioritized for funding. A certain portion of funding for the CoC will fall within Tier 1 and Tier 2. The exact portion of funding that will fall within each Tier is established by the NOFA. HUD will publish a report that lists each CoC's estimated Tier 1 amount, CoC Planning amount, and Bonus application amount.

Impartial Review Committee (IRC)

HUD requires CoC's to have a fair and impartial process for reviewing, scoring, and ranking renewal and new projects. The CoC Membership appoints an impartial review committee annually, referred to as the Impartial Review Committee (IRC). Members of the BoS IRC cannot be affiliated with an organization that receives CoC funding, or an organization that plans to apply for CoC funding in the current application cycle. This includes current staff or former employees who worked at the agency within the last 12 calendar months, board members, and clients of CoC-funded agencies.

The procedures outlined below are guidelines developed by the BoS IRC created with feedback from the CoC membership, and include the following contextual factors: programmatic design, how comparable programs in the Balance of State are performing, the severity of needs and vulnerabilities experienced by the program participants, and the service needs for specialized populations (including youth, victims of domestic violence, families with children, people experiencing chronic homelessness, veterans, and those with severe mental illness). These guidelines are updated annually and made public for review and comment before the IRC meets to select and prioritize renewal and new projects. Once the guidelines have been established for the FY 2021 CoC Consolidated Application, the IRC will only modify these guidelines if absolutely necessary, and based on either requirements or recommendations outlined in the CoC NOFO or recommendations made by representatives of the local HUD field office.

Meetings of the IRC are facilitated by the NMCEH, whose staff is responsible for ensuring the IRC follows the guidelines outlined in this document and that all decisions made by the IRC are recorded in minutes that are made public and accessible to applicants and community stakeholders in a timely manner.

Renewal Project Selection

The IRC will review projects seeking renewal funds, on a project-by-project basis, using the criteria listed in the attached, Appendix A, Threshold Criteria Chart and a summary of the threshold review that was completed for the prior year. Each threshold criteria establishes measures that the IRC will use to determine whether each project will be included or reallocated through the threshold criteria. NMCEH will collect required documentation from each project seeking renewal on behalf of the IRC for the review of threshold criteria.

1. Renewal project applicants that pass all threshold criteria will automatically proceed to the scoring process.
2. Projects that are determined to “pass with comment” on any threshold criteria will be required to submit a written and timely response to the IRC outlining the reason that the threshold was not met and a performance improvement plan that explains how the project will be brought into compliance with the threshold criteria.
 - a. If the project provides a formal response that the IRC determines addresses their concerns, the project will proceed to the scoring process.
 - i. If the IRC determines the renewal project can proceed to the scoring process, and the project does not pass the criteria again at the next evaluation then the IRC may not pass the project on the criteria a second time.

- b. If the IRC determines that the project's response does not address their concerns, the project will be marked as failed for the threshold criteria and will not proceed to the scoring process and will not be eligible to submit a renewal application.
3. Projects that fail to meet any of the threshold criteria listed will have an opportunity to submit a formal response to the IRC outlining the circumstances that lead to the project not meeting the threshold criteria and a corrective action plan that outlines measures that will be taken to bring the project into compliance as quickly as possible.
 - a. The IRC may determine that, based on extraordinary circumstances, and with a clear and swift plan to either retool the project or bring the project into compliance, the project may still be eligible for renewal.
 - b. The IRC may also determine that the project should not move to renewal and therefore the grant funds would be reallocated.

Please see Appendix A, attached at the back of this packet, for the Threshold Criteria Chart.

Renewal Project Ranking Criteria and Ranking Process

All projects selected for renewal, will be scored by the IRC then ranked FY 2021 CoC Project Priority Listing in rank order from highest scoring to lowest scoring. All renewal projects will be ranked in the final FY 2021 CoC Project Priority Listing above any new project applications.

Renewal projects will be scored by the criteria described in the Project Scoring Chart. The scoring criteria describes the measure being reviewed. The scoring logic describes the report(s) and formula(s) used to calculate the points that will be awarded for each criteria. The points column indicates the total amount of points that a project can attain from the given criteria.

Projects will be provided a two-week window, prior to the data submission, to review data in HMIS for project level data entry errors. Data for the scoring process will be taken from the CoC APR for the date range of 03/01/2020 to 02/28/2021. Once data has been calculated by NMCEH for the purpose of scoring, programs may not contest scores based on program level data entry errors. Once the calculations are made public, projects will have two-weeks review and contest scoring based on errors made by NMCEH in calculating points derived from HMIS data.

Exceptions to the scoring logic are: new projects, that have an executed contract with HUD, and who have not completed a full operating year, will be placed at the bottom of Tier 1; Domestic Violence (DV) specific projects providers are required to use a database that is comparable to HMIS (which for the BoS CoC is Osnum), and may not be able to provide all of the data used to calculate ranking scores, therefore DV providers may receive full points on criteria that are not possible to calculate using a comparable system.

Please see Appendix B, attached at the back of this packet, for the Renewal Project Scoring Chart.

Supportive Services Only – Coordinated Entry System Projects (SSO-CES) and Homeless Management Information System (HMIS)

A Special Review Committee (SRC) comprised of representatives from agencies that fund or utilize the Coordinated Entry System (CES) and Homeless Management Information System (HMIS) will meet to evaluate the dedicated CES and HMIS renewal projects in the BoS CoC. The purpose and scope of the Special Review Committee (SRC) is described in the BoS CoC Governance Charter, along with the process for selecting committee members. The IRC will make final funding and ranking decisions regarding the dedicated CES and HMIS renewal projects after receiving the Special Review Committee's report.

Reallocation

Through the reallocation process, the BoS IRC ensures that projects submitted through the CoC Collaborative Application best align with the HUD CoC Program funding priorities and contribute to a competitive application that secures HUD CoC Program funding to address and end homelessness in the BoS CoC. The IRC will make decisions regarding reallocation based on compliance with HUD guidelines, and the BoS CoC Governance Charter.

Reallocation refers to three different processes:

- The first refers to the process whereby an existing project voluntarily chooses to change project component types, also known as **retooling** the project. An example of this type of reallocation would be a Transitional Housing project that converts to Rapid Re-Housing. This process involves the project voluntarily surrendering its renewal funds for the component type it no longer wishes to operate, and then reapplying for the same amount of funds as a new project within the desired new component type. Retooled projects will be ranked according to the scoring of the project that it replaces.
- The second refers to the process whereby the IRC reviews selection thresholds and expenditures of all projects and determines that a project, or projects, must involuntarily reduce the amount of funds that they are permitted to apply for, or where the IRC determines that a project, or projects, must involuntarily give up all funds. Projects that are reallocated by the IRC are not eligible to be retooled by the same agency, and all available reallocated funds will be re-distributed through the *FY 2021 Request for Proposals for a New Balance of State Continuum of Care Project*
- The third refers to the process whereby an existing project voluntarily chooses to relinquish their funds and no longer provide the CoC housing or support, they elect not to apply to renew the project. The funds for the project would then be included in the *FY 2021 Request for Proposals for a New New Balance of State Continuum of Care Project*.

Appeals to IRC Decisions

Please see the “Appeals and Grievance Process for the Albuquerque and Balance of State Continuums of Care” as developed and approved by the Balance of State CoC Board and the Albuquerque Strategic Collaborative to End Homelessness. This process is maintained in a separate document since it is not developed or approved by either CoC's IRC.

Renewal Process Procedures

NMCEH will collect all information and data on behalf of the IRC for the review, scoring, and ranking of renewal projects. NMCEH will provide projects with adequate notice and deadlines to submit all information, including threshold criteria materials, data clean up and report submission for scoring and ranking of projects that pass the threshold criteria, and all responses to the IRC when necessary.

Appendix A- Threshold Criteria Chart

#	Area of Focus	Criteria Reviewed	Pass	Pass with Comment	Fail
1	HUD Review	Any Outstanding HUD compliance issues as reported by HUD to NMCEH for the purpose of the IRC review.	No known unresolved compliance issues.	Compliance issues that are unresolved, but do not put the project at imminent risk of losing funding.	Compliance issues that are unresolved and put the project at imminent risk of losing funding.
2	Environmental Review	Project's most recently completed environmental review.	Environmental review that has been completed within the past 12 calendar months.	Expired environmental review, where the project is able to immediately take corrective action	Project is unable to comply with the required environmental review
3	Fiscal Stability	The agency's two most recently completed financial audits.	No findings on the most recently completed agency financial audit.	Unresolved findings, material weaknesses, or significant deficiencies identified during the most recently completed financial audit.	Unresolved findings, material weaknesses, or significant deficiencies identified during the most recently completed financial audit that are repeated from the previous financial audit and/or are significant enough in volume or nature that the IRC determines that the lack of financial stability puts the agency at risk of being unable to execute and/or operate the project.
4	Monitoring Visit Findings	The project's most recently completed monitoring reports from HUD, MFA and NMCEH.	No unresolved findings, concerns, or corrective actions.	Findings, concerns, or corrective actions listed in monitoring reports that are unresolved.	Findings, concerns, or corrective actions listed in monitoring reports that are unresolved and significant enough in nature that the IRC determines the project is at risk of being unable to operate the project in compliance with HUD regulations and would put the project at imminent risk of losing funding.
5	Unexpended Funds*	Project's current LOCCS drawdown reports showing expenditures for two most recently completed operating years, as well as the drawdowns for the current operating year.	Project has expended a minimum of 90% of the project funds for the most recently completed operating year and are within 30% of expected drawdowns for the current operating year.	Project has expended at least 90% of project funds for one of the two most recently completed operating years, but is not within 30% of expected drawdowns for the current operating year.	Project has expended less than 90% of project funds for the two most recently completed operating years, and is currently not within 30% of the expected drawdowns for the current operating year.**
6	Annual Progress Reports (APR)*	APR submissions in SAGE database and any additional correspondence with HUD surrounding the APR, if applicable.	Project submitted their most recently completed APR on time and with no outstanding and	Project did not submit their most recently completed APR, or any required corrections, by the HUD required deadline.	Prior to the final ranking decision being made by the IRC, the project has not submitted an APR, and the HUD deadline for response has passed; or has not submitted required corrections, and the HUD deadline for response has passed.

			overdue HUD required corrections		
7	HMIS	Project confirmation that they have an active HMIS administrator and HMIS user on staff.	Project has a registered HMIS administrator and user.	Project does not have a registered HMIS administrator and user, but is willing and able to send a staff member to the next available HMIS training.	Project is unwilling or unable to have an active HMIS administrator or user.
8	CES	Project confirmation that they have at least one current staff member who has been trained in conducting the VI-SPDAT.	Project has at least one current staff member trained in conducting the VI-SPDAT.	Project does not have a current staff member trained in conducting the VI-SPDAT, but will send a staff member to the next available training.	Project is unwilling or unable to have a current staff member trained in conducting the VI-SPDAT.
9	Project Policies	Project confirmation that their policies and procedures include the following HUD required policies: Nondiscrimination and Equal Access, Child School Enrollment, VAWA, and Affirmative Marketing	All required policies are adopted by the project.	Project is in the process of adopting some or all of the listed policies.	Project is unwilling or unable to adopt the required policies.

*New projects that have not completed a full operating year will automatically “pass” this measure.

**If a project receives a “fail” for this measure, the IRC will consider the viability of the project continuing operations, if the portion of funds not being expended is reallocated. The amount reallocated will be calculated based on the current amount that the project is behind in expending funds, rounded to the nearest \$10,000 increment. If the project is considered eligible for renewal through a “pass with comment.” If the project is not considered viable at the listed amount, the entire amount for that project will be reallocated.

Appendix B- Renewal Project Scoring Chart

#	Scoring Group	Scoring Category	Reporting Logic	Scoring Calculation	Available Points	Max Points
1	HMIS Data Quality (DQ)	DQ: Timeliness	Source: CoC APR-2019 (6e) Calculation: Sum of records entered from 0-6 days (a) divided by total number of records, 6e (b)	$(a/b) \times 5$	5	20
		DQ: Personally Identifiable Information “% of error rate”	Source: CoC APR-2019 (6a) Calculation: 100 minus the overall % of error rate score, 6a (a) divided by 100	$((100 - a) / 100) \times 5$	5	
		DQ: Universal Data Elements “% of error rate”	Source: CoC APR-2019 (6b) Calculation: 100 minus the sum of all % of error rate, 6b (a) divided by 100	$((100 - a) / 100) \times 5$	5	
		DQ: Income and Housing “% of error rate”	Source: CoC APR-2019 (6c) Calculation: 100 minus the sum of all % error rate, 6c (a) divided by 100	$((100 - a) / 100) \times 5$	5	
2	Housing Placement and Retention	Maintaining Housing and Exits to Permanent Housing Destinations	Source: CoC APR-2019 (5a), and (23c) Calculation: “total number of persons exited to positive housing destinations”, 23c (a) plus “total number of stayers”, 5a (b) divided by the “total number of persons served”, 5a (c) minus “total persons whose destinations excluded them from the calculation”, 23c (d)	$((a + b) / (c - d)) \times 20$	30	30
3	Utilization	Utilization of the number of units (households) project is contracted to serve	Source: CoC APR-2019 (8b) and FY2019 CoC Application (4b, total units) Calculation: The average of the quarterly points in time in 8b (a1, a2, a3 and a4) (average = b) divided by the total units in FY2019 application, 4b (c)	$(a1 + a2 + a3 + a4) / 4 = b$ $(b / c) \times 20$	20	20
4	Income Increase and Retention	All adult stayers that increased or maintained income	Source: CoC APR-2019 (19a1) Calculation: number of adults who “retained income and had same \$ at assessment” (a) plus “retained income and increased \$ at assessment” (b) plus “did not have income and increased \$ at assessment” (c) divided by “total adult stayers (including those with no income)” (d)	$((a + b + c) / d) \times 10$	15	30
		All adult leavers that increased or maintained income	Source: CoC APR-2019 (19a2) Calculation: number of adults who “retained income and had same \$ at exit” (a) plus “retained income and increased \$ at exit” (b) plus “did not have income and increased \$ at exit” (c) divided by “total adult leavers (including those with no income)” (d)			
Total Scoring Points					100	

#	Scoring Group	Scoring Category	Reporting Logic	Scoring Calculation	Available Points	Max Points
5	Bonus Points	Timely and Complete Responses to IRC Requests	Projects that provide all materials and responses to IRC by requested deadlines for the purpose of evaluation, selection and ranking of renewal projects for the FY 2021 CoC Application will receive 5 bonus points.	N/A	5	5
Total Available Points					105	
6	Length of Time to Housing**	Length of time from eligibility determination (entrance into program) to securing a lease/housing (move-in date)	Source: CoC APR-2019 (22c) Calculation: Average length of time to housing (a)	a	N/A	N/A
<p>*Calculation for Housing Placement and Retention (#2) excludes destinations that are determined by HUD in the data standards to not be included as a positive or negative destination (ie. death).</p> <p>**NMCEH will facilitate all document and response requests on behalf of the IRC via email and with clear deadlines.</p> <p>***Calculation for Length of Time to Housing is included on the chart with no score for FY2021 to serve as a data collection measure for the current year, with the intention of it being weighed in the scoring in coming years.</p>						