

Cleveland/Cuyahoga County CoC FY 2021 NOFO Competition Project Rating and Ranking Procedure

Purpose

On an annual basis, the Cleveland/Cuyahoga County Continuum of Care is required to rate and rank all new and renewal projects submitted to HUD for funding in an order that reflects the CoC's needs and priorities. Additionally, HUD requires CoCs to review the performance of all funded projects and seek to reallocate funding away from low performing projects or those providing services that are of a lower priority in preventing and ending homelessness.

The Cleveland/Cuyahoga County CoC is seeking to accomplish the following in the ranking and reallocation of projects:

- Incentivize all providers to focus on outcomes and to seek to achieve the performance targets specified by the CoC in order to improve the performance of the CoC as a system.
- Encourage providers to adopt evidence-based practices including Housing First to more effectively employ CoC resources.
- Replace projects that are not high performing, cost effective, or following evidence-based practices with new projects that follow CoC and HUD priorities.

Policy

All new and renewal projects will be ranked by the CoC. The primary factor controlling the ranking of projects will be the rating scores assigned to renewal and new projects. Scoring is based on project performance, severity of need of population served, grant management, system outcomes, cost-effectiveness and adherence to policy priorities. Grantees are required to participate in HMIS and the Coordinated Entry system, accepting new participants based on priorities established by the CoC.

Projects will be ranked, in part, based on their participation in coordinated entry and admitting participants based specific needs and vulnerabilities including chronic homelessness and victimization, and other barriers to housing such as substance use, criminal backgrounds, no credit, and eviction history.

Except as specified below, projects will be ranked in the NOFO competition by the scores assigned to renewal or new projects.

There are two categories of projects that will not be ranked according to performance scores:

- Projects that are essential to the operation of the CoC. This includes funding for HMIS and Coordinated Entry. These are unique projects focused on CoC operations and that cannot be readily evaluated or compared to other CoC funded projects. Failure to renew this funding would have negative consequences for the CoC and jeopardize future funding opportunities.

- First time renewal of newly funded grants. HUD requires newly funded one-year project grants to be renewed in the competition. In most instances, these projects will not be able to report on a full year of operations in the APR.

The two project types identified above will not be assigned scores. These projects will be ranked by the CoC to assure – to the maximum extent possible – that they will be funded in the competition. Subject to review based on the actual NOFA, these projects will be ranked below other renewal applications but above the new applications.

All other CoC projects will be ranked according to scores

- Renewal projects that qualify for renewal based on the renewal performance evaluation will be ranked above new projects. The scoring criteria for the renewal projects are attached to this document. Because of the unprecedented impact of the COVID-19 pandemic the CoC decided to review renewal grants based on their performance in CY 2019. There was no competition last year and these grants were not evaluated in 2020. Because COVID had such a significant impact on overall operations, it was determined to evaluate performance based on the last full year without any COVID impact.
- New projects will be ranked according to scores below the renewal projects. The new projects will be rated using the new projects rating tool found on the CoC competition website.

Reallocation Policy

Current CoC grantees may elect to reallocate some or all of the funding associated with their project. These reallocated projects will be scored as new projects and ranked according to score the same as all new and renewal projects. CoC grantees in good standing (no outstanding HUD or CoC monitoring findings and no open audit findings) may voluntarily reallocate their funding and will not have to compete with other organizations for that funding.

The minimum score for automatic renewal of CoC funded projects is 65% of the highest scoring project.

The Project Improvement Plan must specify how the project will improve performance and meet standards in the upcoming year. If the CoC board accepts the Project Improvement Plan, the grantee will be allowed to apply for renewal funding.

Any legal applicant for CoC funds can apply for new projects from the bonus pool or the uncommitted reallocation pool. The CoC will only rank new projects for which there is sufficient funding in the bonus or reallocation pool to fully fund the project.

Policy on Expenditure of Grant Funds

Funds unexpended at the completion of the grant term are recaptured by HUD. In some instances, these funds are then allocated to other CoCs or in other cases are returned to the federal treasury. The Cleveland/Cuyahoga CoC seeks to minimize this recapture of funding and to the maximum extent possible ensure that homeless assistance funding allocated to the CoC is used to support homeless people in the County.

Under expenditure policy

It is the policy of the Cleveland/Cuyahoga CoC that CoC funds granted to an applicant agency will either be fully expended to assist eligible homeless people or the CoC will recapture the unspent funding and add it to the pool of resources available for reallocation.

CoC grantees that expended less than 90% of their funding in the most recent grant year will face recapture of unexpended funding that exceeds 10% of the grant funds. If, for example, the CoC grant was for \$100,000 and \$85,000 was expended, the grantee would see \$5,000 in funding recaptured. Recapture of unexpended funding that exceeds 10% of the total grant will be automatic. Grantees may prevent this automatic recapture by submitting an appeal to the Advisory Board of the CoC. The appeal will need to: explain the reason for the under-expenditure and provide a plan for fully expended the grant in the current cycle. The Board may approve the request at its discretion. However, if the funds are restored and under-expended in the subsequent grant cycle funding will be recaptured as indicated above. All CoC board decisions can be appealed but a second appeal would require extraordinary circumstances to be approved.

Renewal Performance Standards

The Renewal Performance Standards are found in the Cleveland/Cuyahoga County CoC – Performance Standards 2021 document.