



DELAWARE
Continuum of Care

Continuum of Care Funding Competition

DE-CoC Funding Policies

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DEFINITIONS

HUD

Acronym used to refer to the federal Department of Housing and Urban Development that administers the Continuum of Care funding and program.

Continuum of Care Program (CoC Program)

A collaborative and strategic funding source from HUD that helps communities make progress towards preventing and ending homelessness in their communities. HUD also refers to the group of community stakeholders involved in homelessness as the “Continuum of Care”.

Continuum of Care Interim Rule

Published by HUD in 2012, the [CoC Interim Rule](#) focuses on regulatory implementation of the Continuum of Care (CoC) Program, including the Continuum of Care planning process.

Notice of Funding Opportunity (NOFO)

The HUD Continuum of Care Program Notice of Funding Opportunity (NOFO) establishes the funding criteria for the Continuum of Care (CoC) program. NOFO (formerly referred to as the NOFA) is a notice published each year for HUD’s Discretionary Funding Programs Continuum of Care Resources.

Collaborative Applicant

Agency or organization designated by the CoC Board to be the entity that coordinates and submits the annual CoC NOFO consolidated funding application to HUD on behalf of the entire CoC.

CoC Lead Agency (CoC Lead)

Agency that is designated to carry out the activities of the CoC including being the collaborative applicant and undertaking fiscal activities, compliance activities, and administrative duties on behalf of the CoC.

Annual Renewal Demand (ARD)

The sum of the annual renewal amounts of all projects within the CoC eligible to apply for renewal in that fiscal year’s competition, before any adjustments to rental assistance, leasing, and operating budget line items based on changes to the FMR.

Delaware Continuum of Care (DE-CoC)

The Delaware Continuum of Care is a community-based collaborative that ensures a responsive, fair, and just approach to addressing homelessness, and strives to achieve housing for all. The DE-CoC serves as the “Continuum of Care” for the state of Delaware and is governed by the [DE-CoC Governance Charter](#).

CoC Board

The primary decision-making group for the Delaware Continuum of Care, voted into their positions by the Delaware Continuum of Care membership.

Consolidated Application

The annual funding application submitted to HUD in response to the annual CoC NOFO by the Collaborative Applicant on behalf of the CoC. The app is made up of three parts: the CoC Application (system-wide), individual project applications, and the Project Priority Listing.

COC PROGRAM COMPETITION BACKGROUND

HUD requires CoCs to evaluate the outcomes of projects funded under the CoC Program and to design, operate, and follow a collaborative process for the development and submission of applications in response to the current FY Notice of Funding Opportunity. HUD requires CoCs to review all project applications submitted for inclusion in the CoC application and either accept and rank them or reject them.

The HUD CoC NOFO requires Collaborative Applicants to rank all accepted projects, except CoC Planning, in two tiers. Higher ranked projects are assigned to Tier 1 and lower ranked projects are assigned to Tier 2. Tier 1 is defined by HUD within each year's CoC Program NOFA but is typically less than the full ARD. HUD made 100% of ARD available to CoCs in FY21 pursuant to the [FY21 CoC NOFO](#).

DE-CoC FUNDING PROCESS OVERVIEW

Annually, HUD announces the CoC Program NOFO, a national funding competition, in which the DE-CoC applies for funding to address the needs of individuals and families experiencing homelessness throughout the state. In response to the annual NOFO, the DE-CoC seeks to conduct a fair, unbiased, and transparent funding process that complies with NOFO regulations.

This document includes the recommended policies developed by the CoC Funding Committee, in collaboration with the CoC Lead Agency, and approved by the non-conflicted CoC Board to guide that process. The DE-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
- Create new resources in order to respond to the increased needs identified in communities within the CoC
- Build upon the CoC's existing infrastructure by increasing capacity to quickly identify individuals experiencing homelessness, prioritize assistance toward those with the greatest needs, and rapidly connect 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 to select new projects. Priorities for new projects will be established by the Funding Committee to reflect HUD priorities, rules, and regulations, and CoC needs as identified through input and data regarding gaps and unmet needs. New project selection will be based on criteria outlined by the DE-CoC's new project solicitation policy.

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

ROLES AND RESPONSIBILITIES

CoC Funding Committee

The CoC Funding Committee is a non-conflicted group that convenes to help fulfill HUD's annual CoC Funding Competition requirements on behalf of the DE-CoC. In collaboration with the CoC Lead Agency (CoC Lead), the Funding Committee develops and implements an objective and transparent project review and ranking process to provide funding recommendations to the non-conflicted CoC Board. The Funding Committee shall strive to

meet the membership and diversity requirements of the DE-CoC, which includes encouraging participation from individuals with lived experience, persons of color, and members of the LGTBQIA+ community.

New Funding Committee members are required to attend a mandatory funding orientation, which is highly encouraged for returning members, prior to participating in CoC funding activities. Funding Committee members may choose to step down at any time. If a Funding Committee member chooses to step down, they are required to notify the CoC Lead Agency, Funding Committee Chair, and CoC Board chair within five (5) business days of their departure from the committee.

Convening as needed during the annual CoC funding process, the committee is responsible for the following:

- Annually review the DE-CoC Funding Policies and provide recommendations to the non-conflicted CoC Board for adoption
- Create a local funding application, scoring tool, and appeals process in collaboration with the CoC Lead Agency
- Provide recommendations to the non-conflicted CoC Board on potential opportunities for increased funding as related to new CoC-funded programs
- In conjunction with the non-conflicted CoC Board and CoC Lead Agency, review and act on the annual funding allocations and reallocations
- Score and rank projects and provide the ranking recommendation to the non-conflicted CoC Board
- Establish performance targets in consultation with recipients/subrecipients and CoC Lead Agency
- Decide who to put on corrective action (Board reviews and approves the recommendation and the Lead Agency is responsible for creating and fulfilling the Quality Improvement Plans)
- Work with CoC Lead Agency and Board to complete project performance evaluation and monitoring of recipients/subrecipients, including an evaluation of outcomes for CoC Projects and report to HUD
- Analyze current federal, state, and local funding dedicated to the homeless system and provide recommendations to the CoC Board on potential reallocation of resources based on CoC strategic priorities, gaps (as informed by the CoC Lead), and system performance (as informed by the System Performance Committee)
- Evaluate the CI and HMIS Lead Agency annually

Non-Conflicted CoC Board

The non-conflicted Board refers to the collective members of the CoC Board who are not recipients/subrecipients of CoC funding, are not applying for CoC funding as a recipient/subrecipient, and have no other conflicts of interest concerning recipients/subrecipients of CoC funding. The non-conflicted Board is the designated primary decision-making entity charged with ensuring the DE-CoC meets all CoC funding requirements.

Convening as needed during the annual CoC funding process, the non-conflicted Board is responsible for the following:

- Annually review and approve Funding Committee membership
- Create an annual CoC funding application submission timeline, in collaboration with the CoC Lead
- Review and approve policies as recommended by the Funding Committee for the rating and ranking process for the CoC funding competition, taking into account CoC system needs, system gaps, system and project performance, strategic goals, HUD threshold requirements and regulations, and HUD and local policy priorities

- Review the recommended project ranking developed by the Funding Committee and approve the final project priority listing for submission with the annual consolidated application
- Review and approve the annual consolidated application to HUD for CoC Program funding
- Review and making final determinations on provider appeals in accordance with the CoC Appeals Policy
- Review and act on the annual funding allocations and reallocations, in conjunction with the Funding Committee and CoC Lead

CoC Lead Agency

The CoC Lead Agency (CoC Lead), as the Collaborative Applicant, is responsible for coordinating the annual CoC funding process on behalf of the DE-CoC. In collaboration with the non-conflicted Board and Funding Committee, the CoC Lead supports the development and implementation of an objective and transparent project review and ranking process, approval of the CoC Project Priority Listing, and submission of the DE-CoC Consolidated Application to HUD for CoC Homeless Assistance Funds.

During the annual CoC funding process, the CoC Lead is responsible for the following:

- Ensure the DE-CoC meets all of the requirements of the current fiscal year HUD CoC NOFO, in collaboration with the non-conflicted Board and Funding Committee
- Draft the annual CoC funding process timeline, including consolidated application submission to the Board for approval
- Collect and ensure the accuracy of all required CoC funding application information from all project applicants that the DE-CoC has selected for funding
- Coordinate and carry out all activities necessary for the successful submission of the annual consolidated application to HUD
- Submit a final draft of the annual consolidated application to the Board for approval prior to submission to HUD
- Submit the annual consolidated application to HUD for Continuum of Care Program funding
- Apply for Continuum of Care Planning dollars and provide the required local match (cash or in-kind)
- Administer Quality Improvement Plans for projects placed on Quality Improvement as a result of the current year funding process

CONFLICT OF INTEREST POLICY

The DE-CoC will apply the Conflict of Interest Policy to all decisions that can impact CoC funding, including the CoC NOFO priority listing, scoring criteria for new and renewal project applications, ranking criteria, CoC funding policies development and amendment, and other items that affect activities undertaken by the DE-CoC related to CoC funding.

HUD's Conflict of Interest rule prohibits any person from participating in discussions or influencing decisions concerning the award of a grant or other financial benefits to an organization in which they, an immediate family member, or business tie has an interest. HUD's Conflict of Interest rule does not define "Immediate Family" but the term can be understood to mean, at a minimum, a parent, spouse, domestic partner, child, or sibling. Therefore, any individual participating in or influencing decision-making must identify actual or perceived conflicts of interest as they arise and comply with the letter and spirit of this policy.

No CoC Board/Funding Committee member may participate in discussions and/or influence decisions concerning CoC funding or the award of other financial benefits to the organization that the member represents.

No CoC Board/Funding Committee member may participate in discussions and/or influencing decisions concerning any agency or organization with which they have a conflict of interest.

No CoC Board/Funding Committee member or employee, owner, fiduciary, agent, consultant, board member, officer, elected/appointed official, or supplier/recipient of goods or services of a recipient or subrecipient of CoC funds who meeting the following criteria may participate in DE-CoC funding-related discussion or activities:

- Is in a position to participate in a decision-making process or gain inside information with regard to CoC funding
- May obtain a financial interest or benefit from a CoC-funded activity
- Has a financial interest in any contract, subcontract, or agreement with respect to a CoC-funded activity

This excludes representatives from federal, state, or local funders of Homeless Assistance Services who provide grant funding to CoC recipients or subrecipients, in particular the Emergency Solutions Grants (ESG) Program. HUD requires CoCs to coordinate with ESG recipients and subrecipients to align priorities and resource allocation, establish project performance targets, evaluate project outcomes, develop and implement a coordinated intake/assessment system, and create written standards for the provision of CoC & ESG assistance.

No CoC Lead Agency staff may participate in discussion or decision-making directly related to their CoC-funded projects (CoC Planning, HMIS, Coordinated Entry). The Funding Committee Chair, in collaboration with the Funding Committee, the non-conflicted CoC Board, and consultants (when applicable), is responsible for coordinating the funding process as it relates to the CoC Lead's funded projects.

Conflict of Interest Disclosure

All CoC Board/Funding Committee members are required to complete the [CoC Conflict of Interest form](#), at least annually, but mandatorily prior to participating in any CoC funding activities. Conflict of interest forms are managed by the CoC Lead Agency, which is responsible for notifying the DE-CoC Board of any and all disclosed conflicts of interest.

To ensure compliance with HUD's Conflict of Interest Rule, the DE-CoC Board is responsible for reviewing all conflicts of interest to assess the extent to which it affects the member's ability to objectively and impartially participate in CoC funding activities and to determine if/when the conflicted member's recusal is required.

A CoC Board/Funding Committee member's conflict of interest status may change over time. If a CoC Board/Funding Committee member develops a conflict of interest, that member must disclose their conflict of interest immediately and submit a new CoC Conflict of Interest Form. Disclosed conflicts will be reviewed by the non-conflicted DE-CoC Board following the process above.

Any individual with a conflict of interest who will be voting on the Board or within a Committee is required to recuse themselves from discussion and voting on any issue in which they may have a direct, indirect or perceived conflict. An individual with a conflict of interest, who is a committee chair, shall yield that position during discussion and abstain from voting on the item. Board or Committee members will not be permitted to participate in any discussion and/or vote without a current statement on file.

Common Conflicts of Interest

- A CoC Board/Funding Committee member is receiving housing assistance from a CoC-funded project.
- A CoC Board/Funding Committee member is employed by an agency that receives or is seeking to receive CoC funds as a recipient, subrecipient or contractor.

- An employee of a recipient or subrecipient participates in making rent reasonableness determinations under § 578.49(b)(2) and § 578.51(g) and housing quality inspections of property under § 578.75(b) that the recipient, subrecipient, or related entity owns.
- A Board member of a CoC applicant participates in discussion and decision-making concerning the award of a grant, or provision of other financial benefits, to the organization that such member represents.
- A CoC Board/Funding Committee member is employed by an organization that has a financial investment in one or more CoC-funded projects that result in financial gain or benefit (e.g., a government agency or intermediary organization that provides Capital funding or tax credit syndication).
- The spouse of a CoC Board/Funding Committee member provides consulting services to or is on the Board of an agency that is seeking CoC funds.
- The child of a CoC Board/Funding Committee member is receiving services from a CoC-funded project.
- A CoC Board/Funding Committee member owns property that receives rental payments from a CoC recipient.
- The sibling of a CoC Board/Funding Committee member owns a business that provides goods or services to a CoC-funded project.

RENEWAL PROJECT APPLICATION, EVALUATION, & SCORING POLICIES

The CoC Funding Committee creates a local application that establishes standards to evaluate and score HUD CoC-funded renewal projects in preparation for project ranking required by the annual CoC NOFO. To determine whether renewal projects are meeting standards, each project application will be evaluated on, including but not limited to, the following areas:

- Threshold Requirements
- HUD and CoC Policy Priorities
- Performance Outcomes
- Compliance with HUD and CoC Rules, Regulations, and Standards
- Financials & Grants Management
- CoC Participation
- HMIS Participation

Each project type (TH, RRH, PSH, SSO, and HMIS) will be evaluated and scored on general criteria and criteria specific to their project type. Additional areas may be added as needed.

Scoring Tool Development

The Funding Committee uses a Scoring Tool to detail the scoring criteria used to evaluate and score renewal project applications. This Tool includes the annual criteria, as well as the data source and point structure for each criterion. Renewal projects will be scored in accordance with the Scoring Tool, which is developed through the following process:

1. CoC Lead will review CoC Grantee Debriefs from the prior year for input on the criteria included in the prior year's scoring metrics. 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, specific project types, projects that serve specific subpopulations/household types, etc.).
2. CoC Lead will analyze prior year point structure to ensure adequate distribution of points, particularly related to 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).

3. CoC Lead will review and analyze evaluation period system data against prior year scoring metrics to inform current year benchmarks.
4. CoC Lead will present the above information to the Funding Committee for discussion and finalization of the current year Scoring Tool.
5. Upon approval, the final Scoring Tool 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 by the CoC Lead.
6. The Renewal Project evaluation and scoring process will commence following the approval of the Scoring Tool and associated policies.

Renewal Project Evaluation & Scoring

Evaluation and scoring of renewal project applications will inform project ranking and tiering for the CoC Program NOFO competition. With the exception of CoC-level infrastructure (e.g., HMIS and Coordinated Entry grants), the CoC Funding Committee will follow the below process for the review, evaluation, and scoring for individual renewal projects that have operated throughout the full evaluation period:

1. In advance of and/or in tandem with the renewal project application submission period, Grantees will be provided with their renewal project performance data for the full evaluation period, including instructions on data cleanup as needed. The CoC will aim to provide grantees with 2-4 weeks for review and cleanup of project data, however, this is not guaranteed as grantees are expected to maintain high quality, accurate CMIS data throughout the year and are engaged in an on-going quarterly technical assistance and evaluation process (QTE) to ensure CMIS data accuracy for renewal project scoring.
 - a. Grantees are encouraged to reach out to the CoC and CMIS Leads with questions or issues related to their renewal project data.
 - i. Projects are expected to address all data concerns, including visibility issues, during the data clean up period.
 - ii. The CoC Lead will inform grantees of the date on which renewal project APRs, that will be used for renewal project application and scoring, will be run by the CMIS or CoC Lead.
 - Data from the APRs generated on this date by the CMIS or CoC Lead will be used for renewal project applications and scoring. APR data run on this date is final for the purposes of renewal project applications and scoring and project data updated by the grantee after this date will not be used for application and scoring purposes.
2. All grantees applying for renewal project funding will be required to attend a Renewal Project Application meeting to review the DE-CoC Funding Policies, the renewal project application, and the renewal project scoring tool. This meeting signals the kick off of the renewal project submission period. The CoC Lead will provide Grantees with their final renewal project APRs, which Grantees are required to use to complete the renewal project application.
3. Grantees will have a designated length of time to submit their renewal project applications to the CoC Lead. The CoC Lead provides organizations with the required application materials, makes them publicly available on the [CoC website](#), and provides technical assistance in completing the application materials as needed.
 - a. If a project has not been in operation for a full program year, as confirmed by the eLOCCS operating start date, that project will not be subject to the performance evaluation portion of the renewal project application.

4. Submitted applications are first reviewed by the CoC Lead to establish the extent to which the renewal project meets threshold requirements. If a project does not meet a threshold requirement, the threshold issue is documented and this information is provided to the Funding Committee with all relevant renewal project application materials.
 - a. Threshold Requirements are the minimum requirements that a Grantee is expected to meet to apply for CoC funds in Delaware. If threshold requirements are not met by a Grantee, reallocation and/or placement on a Quality Improvement Plan (QIP) may be considered in accordance with the Reallocation and/or the Quality Improvement Policy. Threshold Requirements include but are not limited to:
 - i. Application Submission
 - Grantee meets all submission deadlines for application materials, supporting documentation, and any other required materials.
 - All project application materials are complete and meet all application requirements for each individual project submission.
 - ii. Financials & Grants Management
 - Grantee submits an agency audit that does not contain significant and/or unresolved findings. If there are findings, the agency reports its plan to address them, and this plan is determined to be sufficient and comprehensive by the CoC Funding Committee.
 - Grantee demonstrates the ability to properly manage federal HUD CoC grants with no more than 3% of funds recaptured by HUD.
 - iii. Compliance
 - Grantee complies with all relevant CoC Interim Rule and HEARTH Act laws and regulations.
 - Grantee submits all renewal project's HUD monitoring materials, if one occurred within the last two years, and there are no significant and/or unresolved findings. If there are significant and/or unresolved findings, the agency reports its plan to address them, and this plan is determined to be sufficient and comprehensive by the CoC Funding Committee.
 - Grantees should re-submit HUD monitoring materials submitted previously if the monitoring occurred within the prior two year period.
 - Grantee satisfied all Quality Improvement Plan requirements, if placed on a Quality Improvement Plan in the prior funding year.
 - b. Project applications, for which the CoC Lead is the recipient, will be reviewed as directly by the Funding Committee.
5. All renewal project applications are forwarded to the Funding Committee for review, evaluation, & Scoring. The Funding Committee meets to discuss outcomes and to determine:
 - a. If any renewal projects should be recommended for reallocation, in accordance with the Reallocation Policy.
 - b. If any renewal projects should be placed on a Quality Improvement Plan, in accordance with the Quality Improvement Plan Policy.
 - i. The Funding Committee will review any renewal projects that were previously placed on a QIP. The Committee will review the outcomes of the QIP and the agency's ability to meet the expectations and requirements of CoC funding; this information will be used to inform ranking decisions.

- c. Information in supplemental narratives and attachments are considered part of each project's application materials. As such, the Funding Committee shall take this information under consideration when making final scoring and ranking recommendations.
6. The Funding Committee forwards their recommendations to non-conflicted Board for renewal project reallocations, renewal project scores, and new and renewal project ranking. Non-conflicted CoC Board members review the recommendations and make final decisions.
 - a. Renewal project review and scoring may occur prior to project ranking. Ranking may not occur prior to the review and scoring of both new and renewal project applications.
7. Grantees are notified of scoring and ranking decisions by the CoC Lead Agency via email. Scoring and ranking decisions are also publicly posted on the [CoC's website](#).
8. Renewal projects may submit appeals in accordance with the Appeals Policy, which includes additional steps in the event of an appeal.

Consolidation & Expansion

As a part of the CoC Program NOFO process or during the ongoing administration of a grant, a Grantee may decide it would like to consolidate two or more projects, or expand an existing project by applying for a new project through the CoC Program NOFO if new project funds are available. The following policies provide guidance on appropriate steps and review of these actions.

Consolidation

Grantees must provide notification of interest to consolidate grants to the CoC Lead with their renewal project applications. In the notice of interest, the Grantee must articulate the benefit and risk of consolidation to the client, agency, city and community. The CoC Lead will review the consolidation request based upon their assessment of the guidelines set forth in this policy and forward the information to the Funding Committee for review. The DE-CoC may consider one or more of the following in determining the appropriateness of the proposed consolidation:

- Impact of the consolidation on Tier 2 competitiveness.
- The size of the grant after consolidation.
- Expected impact of consolidation on grant performance.
- Grantee's ability to track grant performance after consolidation.
- Projects with above average performance may consolidate with another project with less than one year of operation, even if the newer project has yet to have a performance evaluation score.

Expansion

Grantees interested in expanding a renewal project grant with reallocated or new bonus funds may do so by participating in the new project solicitation, evaluation, and selection process as detailed below.

NEW PROJECT SOLICITATION, EVALUATION & SELECTION POLICIES

Over the past several years, the HUD CoC Program NOFO has allowed CoCs to apply for new projects funded through Reallocation, Regular Bonus funding and the DV Bonus. Eligible projects have included Rapid Rehousing (RRH), Permanent Supportive Housing (PSH, not eligible for DV Bonus), Joint TH/PH-RRH, Supportive Services Only for Coordinated Entry, and Homeless Management Information System. The following section describes the process for soliciting, evaluating, and selecting new project applications for inclusion in the current year NOFO Priority Listing.

New Project Solicitation

As part of the annual CoC NOFO Competition, the DE-CoC may identify funds available for new projects. The DE-CoC is committed to ensuring an open and transparent process for the selection of new projects. As such, where funding availability permits, the CoC Lead will issue a New Project RFP to be distributed widely to interested parties.

The CoC Lead will draft the New Project RFP(s) and new project scoring tool in accordance with the current year NOFO, HUD CoC and local priorities. The CoC Lead will release the New Project RFP(s) to the public through multiple distribution methods/mediums including but not limited to the CoC's website and email distribution list, as well as those of related and partner organizations throughout the state.

The CoC Lead will host a CoC Program NOFO Public Meeting which will include a review of the New Project RFP and New Project application submission materials and requirements. All parties interested in applying for new project funding are required to attend the CoC Program NOFO Public Meeting to be considered for funding.

New Project Evaluation & Scoring

The DE-CoC will conduct a local competition for new projects. To be considered for new project funding, organizations are required to attend the CoC Program NOFO Public Meeting and submit all application materials to the CoC Lead by the established due date. The CoC Lead will distribute all New Project RFPs, new project application materials, and provide technical assistance to new project applicants as needed. New projects will be evaluated utilizing a new project scoring tool.

New Project evaluation factors will include but are not limited to the following:

- The extent to which the proposed project meets an unmet need in Delaware and/or fills a gap in housing and/or services
- The quality of the organizational and management plan to administer the project
- The organization's capacity to operate the project type using best practices
- Experience and/or organizational capacity to successfully administer a federal grant, or a grant with similar administrative requirements
- Ability to move individuals quickly into permanent housing using a Housing First approach
- Other factors identified in the RFP

New project evaluation and scoring will proceed as follows:

1. Submitted applications are reviewed by the CoC Lead to establish whether each application is eligible for consideration as outlined in the RFP. All new project applications will be forwarded to the Funding Committee with notes regarding whether the application met eligibility requirements, and if not, which requirements were not met.
2. All applications that meet eligibility requirements will be independently reviewed and scored by the Funding Committee utilizing a new project scoring tool developed by the CoC Lead with the New Project RFP.
3. The Funding Committee will meet to review new project applications and make new project selection decisions.
4. New project applicants will receive notice regarding whether their project application was selected for funding and inclusion in the CoC's Priority Listing. Projects that are not selected will be provided with a letter stating the reason(s) that the project was not selected.

5. The Funding Committee will send its recommendations regarding new project funding and ranking to the non-conflicted Board for review and final decision. The recommendation will include the list of new projects for inclusion in the CoC's Priority Listing and project rank.
 - a. New project review and scoring may occur in tandem with or prior to project ranking. Ranking may not occur prior to the review and scoring of both new and renewal project applications.
6. Rejected applicants may appeal the decision in accordance with the Appeals Policy, which includes additional steps in the event of an appeal.

REALLOCATION POLICIES

HUD allows CoCs to use a reallocation process to fund new projects by shifting funds in whole or part from existing CoC-funded renewal projects to create one or more new projects. HUD determines eligible new project types in which reallocated funds may be used in the CoC Program NOFO each year and new project applicants must meet all HUD threshold requirements to be considered for the use of reallocated funds.

Voluntary Reallocation

Grantees applying for renewal project funding may request to voluntarily reallocate (fully or partially) CoC renewal project funds. A renewal project applicant seeking to voluntarily reallocate funding must do so in accordance with the timeline set by the CoC Lead in the current fiscal year's application process.

Notification must be sent to the CoC Lead in writing and include:

- the reallocation amount
- the reasoning for reallocation
- whether the applicant wishes to use the funds for other eligible activities
- whether the applicant wishes to reallocate even in the event that reallocated funds are not returned to the applicant

The CoC Lead will provide all information about voluntary reallocation requests to the non-conflicted Board. The non-conflicted Board will review and determine the outcome of all voluntary reallocation requests.

Involuntary Reallocation

The CoC Funding Committee may recommend the involuntarily reallocation of funding from renewal projects on the following basis:

- Failure to Meet CoC Threshold Requirements
 - The renewal project is non-compliant with HUD and/or DE-CoC regulations or requirements and the compliance issues are so significant that they are unable to be addressed through a Quality Improvement Plan.
 - The renewal project was previously on a Quality Improvement Plan and failed to meet one or more of the requirements contained therein.
 - The renewal project has significant and/or unresolved financial audit findings and the submitted plan to address the findings is deemed insufficient and/or has not demonstrated the ability to properly manage and administer a federal CoC grant.
 - The renewal project has significant and/or unresolved HUD monitoring findings and the submitted plan to address the findings is deemed insufficient.
- Poor Performance
 - The renewal project performed at or below the lowest benchmark for one or more performance metric as determined by the scoring tool.

- The renewal project's overall score, as determined by the scoring tool, is significantly lower than that of other renewal projects of the same project type.
- Does not meet the established needs and/or priorities of the DE-CoC and/or HUD
- It is determined that the project type is no longer the best approach to meeting the needs of those being served by the CoC and/or is not aligned with HUD/DE-CoC priorities.
 - It is determined that the project is no longer needed and/or is not meeting the needs of the subpopulation served by the project.
 - It is determined that the housing or program model used by the project is no longer the best approach to meeting the needs of those being served by the CoC and/or is not aligned with the CoC's or HUD's priorities.

Projects renewing for the first time are not eligible for reallocation in accordance with HUD CoC NOFO regulations unless otherwise specified in the current year NOFO.

The Funding Committee may recommend the reallocation of renewal project funding on one or more of the reasons above in accordance with the following process:

1. The CoC Lead will complete a first review of all renewal project applications and document the extent to which each meets CoC threshold requirements. All renewal project applications and first review documentation will be provided to the Funding Committee.
2. The Funding Committee will convene to review all renewal project applications and determine if any renewal project meets the basis for involuntary reallocation. The committee will refer the list of renewal projects recommended for reallocation, the reason(s) for reallocation, and the recommended reallocation amount for each project to the non-conflicted Board for final reallocation decisions.
 - a. The reason(s) for reallocation must provide an explanation for why the project is being recommended for reallocation, including the specific threshold requirements not met by the project(s) and/or the CoC/HUD needs and priorities not met by the project as applicable.
3. A meeting of the non-conflicted Board will be held to review the recommendations from the Funding Committee and determine whether funds should be reallocated following the process below:
 - a. Due to the time constraints involved in grant applications, voting may be handled via conference call, email, or other online medium such as Survey Monkey.
 - i. Any member of the Board who is conflicted as described in the Conflict of Interest Policy shall recuse themselves from the Board deliberation process.
 - ii. CoC Lead staff will recuse themselves during deliberation or discussion of reallocation regarding their CoC-funded projects.
 - b. The CoC Board will make the final decision regarding whether to reallocate funds from renewal projects that do not meet the minimum threshold requirements and/or no longer meet the needs or priorities of the CoC and/or HUD.
 - c. The CoC Board will determine the amount of the reallocation for each project subject to reallocation.
 - d. All Board deliberations will be documented in meeting minutes.
 - e. Renewal projects may appeal reallocations in accordance with the Appeals Policy.

Use of Reallocated Funds

The non-conflicted Board reserves the right to decide whether the reallocated renewal project funding will be made available for new projects through a competitive process or will be made available to the applicant from which the funds are being reallocated.

The non-conflicted Board will make decisions as follows:

- In the case of a voluntary reallocation, the Board may opt to reserve the reallocated funds for the same agency for another use. If this decision is made, the agency must complete a new project application by the deadline set by the CoC Lead to be eligible and considered for inclusion on the CoC's Priority Listing.
- In the case of involuntary reallocation, reallocated funds will not be reserved for use by the same agency, reallocated funds will be released as new funds and agencies operating in DE will have the opportunity to bid for them. Reallocated funds use the same bidding process used for CoC new funds or through a separate bidding process. The non-conflicted Board may opt to allow (or not to allow) the agency in which the funds were reallocated to participate in the bidding process.

PRIORITIZATION & RANKING POLICY

The DE-CoC expects that the upcoming CoC NOFO will require the CoC to rank projects included on the CoC's Priority List. As part of this process, the CoC anticipates that projects will be sorted into Tier 1 and Tier 2. In past CoC Competitions, projects placed into Tier 2 have been scored by HUD to determine if they will receive CoC program funding.

Project Ranking Factors

Project ranking and placement of each project into Tier 1 or Tier 2 will be determined by several factors:

- Renewal Projects
 - Renewal project threshold review, scores as determined by the renewal project scoring tool, prior or current Quality Improvement Plans, and assessment of alignment with CoC priorities/local need.
 - Consideration of overall competitiveness for CoC funding based on HUD performance measures and policy priorities as outlined in the HUD CoC NOFO.
 - Projects that are renewing for the first time and/or have not been in operation for a full year are not eligible for reallocation and will be ranked in Tier 1.
- New Projects
 - New project threshold review, scores as determined by the new project scoring tool, and assessment of alignment with CoC priorities/local need.
 - Ability to pass HUD's new project quality threshold review outlined in the current year NOFO
 - Consideration of overall competitiveness for CoC funding based on HUD performance measures and policy priorities as outlined in the HUD CoC NOFO.
 - New project applications will be most competitive if they align with HUD policy priorities, demonstrate the organization's capacity to administer federal grant funds, demonstrate a clear understanding of best practices in the delivery of the program model, adopt a housing first model of service delivery and meet local need.
- Projects that support HMIS and Coordinated Entry activities, which the CoC is required to operate through the HEARTH & the CoC program regulation, will be ranked in Tier 1 because these activities are federally required and the primary funding source for these projects is HUD CoC funding.
 - This includes the following project types:
 - HMIS: Homeless Management Information System
 - SSO-CE: Supportive Services Only - Coordinated Entry
- The CoC Funding Committee and the non-conflicted CoC Board will review various ranking/tiering scenarios to determine the most competitive scoring options for projects placed into Tiers 1 & 2.

- Additional factors, detailed in the New and Renewal Project Evaluation & Scoring sections, may be considered by the CoC Funding Committee and non-conflicted CoC Board in project ranking determinations.
- **The Funding Committee and non-conflicted Board reserve the right to make ranking decisions as needed to ensure compliance with and competitiveness for HUD CoC funding.**

Project Ranking Process

The process for determining project ranking and tiering will include the following:

1. Once all project applications have been selected for inclusion on the Priority List or rejected (including selection of projects for reallocation and new project selections), final project ranking and tiering decisions will be made.
2. The CoC Lead Agency will develop various project ranking and tiering scenarios for review by the CoC Funding Committee that are aligned with the current year CoC Program NOFO's ranking and tiering rules, the CoC's Project Ranking Factors as outlined in this document, and any additional considerations requested by the Funding Committee.
3. The Funding Committee will review various project ranking and tiering scenarios and recommend a preferred project ranking and tiering scenario to the non-conflicted CoC Board for approval and adoption.
4. The non-conflicted Board will review the project ranking/tiering recommendation(s) of the Funding Committee and approve/adopt a scenario that will be utilized for the DE-CoC's consolidated application project priority listing.

Applicant Notification & Public Posting

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

APPEALS POLICY

The purpose of the appeals policy is to settle disagreements between a project applicant and the DE-CoC as quickly and fairly as possible. Appeals must proceed in an equitable and fair manner; however, appeals must be processed and settled quickly and efficiently to ensure they do not impact the timely submission of the DE-CoC's funding application to HUD.

Grantees applying for renewal project funding may file an appeal related to:

- Project scoring errors
- The reallocation of CoC funding (partial or full)
- Improper application or interpretation of HUD or CoC rules and regulations concerning the participation of the applicant in the CoC Application process

Rejected New Project Applicants may file an appeal related to:

- Project Rejection

- Any appeals filed by rejected new project applicants must provide a factual rebuttal of the reasons for rejection, as provided by the CoC in the rejection letter.

All appeals must be filed in writing to the DE-CoC within three (3) business days of the Grantees' or New Project Applicants' notification of the decision against which it is filing the appeal following the process below:

1. Appeals must be submitted to the CoC Lead and the CoC Board Chair (required to be a non-conflicted CoC Board Member) utilizing the CoC Appeals Form.
2. All CoC project applicants will be notified if/when an appeal has been submitted.
3. Submitted appeals will be provided to the non-conflicted members of the Board, who have seven (7) business days from appeal submission to investigate, contact the applicant organization if necessary, and make a determination.
 - a. Given the need to be timely, non-conflicted members of the CoC Board may conduct discussions and votes electronically.
4. Project applicants will be notified in writing of the status of their appeal within three (3) business days of the CoC Board's appeal determination, after which, the CoC Lead will notify all project applicants of the conclusion of the appeals process. **CoC Board appeal determinations are final.**
5. In the event an appeal determination affects the final project ranking & Priority listing:
 - a. The CoC Lead will notify all project applicants of a potential ranking change as a result of an appeal at the time of appeal determination notification.
 - b. The CoC Lead will develop various project ranking and tiering scenarios for review by the non-conflicted Board that are aligned with the current year NOFO's ranking and tiering rules, the DE-CoC's Project Ranking Factors above, and any additional considerations requested by the non-conflicted Board.
 - c. The non-conflicted Board will review scenarios, select, and finalize an updated project ranking and priority listing.
 - d. The CoC Lead will notify all applicants of an updated project ranking/priority listing via email and public posting to the DE-CoC website. The CoC Lead will notify individual project applicants if their rank was directly affected.
 - e. Changes to rank due to the result of an appeal are final and not subject to appeal through the DE-CoC.
6. If the applicant organization is not satisfied with the determination of the DE-CoC Board, the applicant organization can appeal directly to HUD pursuant to the current fiscal year CoC Program NOFO.

QUALITY IMPROVEMENT POLICY

A Quality Improvement Plan (QIP) documents and implements a clear plan to address threshold and/or performance issues identified by the CoC Funding Committee. The purpose of Quality Improvement Plans are to maintain the DE-CoC's current level of HUD CoC funding, increase competitiveness for new funding to the highest extent possible, and to ensure projects are best serving/meeting the needs of the most vulnerable populations.

The DE-CoC considers a project to be competitive for CoC funding when the project meets all threshold requirements, is compliant with all HUD CoC and DE-CoC rules/regulations/standards, performs highly as determined by the renewal project scoring tool, and meets HUD/DE-CoC needs and priorities. The CoC Funding Committee determines which projects will be placed on a Quality Improvement Plan after reviewing renewal project applications during the annual CoC funding process.

Projects placed on a QIP are required to implement the changes and/or action items outlined within the CIP to address the issues identified by the Funding Committee. The CoC Lead is responsible for developing and administering the Quality Improvement Plan with the project's leadership and for monitoring progress on completion. Placement on a QIP and QIP outcomes may affect a project's score and ranking during subsequent CoC funding competitions. Failure to meet one or more of the requirements in the QIP may result in the partial or full reallocation of CoC project funds.

The Quality Improvement Plan process is as follows:

1. Agencies with projects placed on QIP will be notified of the CoC Funding Committee's decision, in writing, by the CoC Lead.
2. The CoC Lead will develop the written QIP and distribute it to the agency.
3. QIPs will include the following content:
 - a. Clearly identified threshold or performance issues(s)
 - b. Clearly defined improvement goal(s)
 - c. Detailed description required changes or action items to address issue(s) to achieve the defined goal(s)
 - d. Deadlines for completion of required changes or action items
 - e. Parties responsible for the successful completion of the required activities or action items
4. The CoC Lead will meet with project or agency leadership to discuss QIP content, answer questions, and finalize deadlines.
5. The CoC Lead may offer technical assistance or refer projects to the Department of Housing & Urban Development for further technical assistance resources.
6. The CoC Lead may offer regular check-ins with agency leadership and project staff to provide support and feedback as needed. This may occur as part of the quarterly technical assistance and evaluation process or more frequently if needed.
7. The extent to which the project meets the requirements of the QIP will be reported to the Funding Committee and will be used to inform funding decisions in subsequent funding competitions.

Failure to meet one or more QIP requirements may result in the partial or full reallocation of CoC project funds.

REVISION POLICY

The CoC Lead Agency, CoC Funding Committee, and non-conflicted CoC Board reserve the right to request changes or updates to the DE-CoC Funding Policies, as needed, throughout the funding process. Changes/updates to the DE-CoC Funding Policies after review and approval by the non-conflicted Board for the current fiscal year must be justified under one of the following conditions:

- To ensure compliance with HUD rules/regulations.
- To ensure competitiveness for HUD CoC funding.
- To ensure the timely and successful submission of the DE-CoC Consolidated Application.

Requests for changes/updates to the DE-CoC Funding Policies after approval for the current fiscal year must be approved by the non-conflicted CoC Board. Grantees, new project applicants, and all other interested parties will be notified of any and all changes/updates to the DE-CoC Funding Policies upon or immediately prior to approval. The most updated version of the policies is available on the DE-CoC website.

Revision History

Reason for Revision	Date Revised
Original Reallocation Policy updated	May 2012
Revised to include updated language	February 2015
Revised to reflect FY15 CoC NOFA	October 2015
Revised based on CoC Scoring Cmte. feedback	April 2016
Revised based on CoC Scoring Cmte. feedback	June 2017
Approved by CoC Funding Committee	June 2018
Revised and Approved by non-conflicted CoC Board	June 2020
Revised for FY 2021 CoC NOFO	May 2021
Approved by CoC Funding Committee	May 2021
Approved by non-conflicted CoC Board	June 2021
Revised for FY22 CoC NOFO	April 2022
Approved by CoC Funding Committee	May 2022
Approved by non-conflicted CoC Board	May 2022