FY2024 TX-503 Continuum of Care Program NOFO: Review, Scoring, and Ranking Policy and Procedure

Changes from FY2023 Review, Scoring, and Ranking Policy and Procedure	
Section iii.4.	Project budgets are correctly calculated, requested budget items are eligible and reasonable, and the requirement match is satisfied.
Section iii.(c)	All applicants whose projects have identified curable deficiencies must be given at least until the end of business the following day to address and adequately resolve any deficiencies.
Section iv.	In accordance with the terms of the FY24 NOFO, YHDP projects including renewal, replacement and reallocation will be non-competitively renewed in the competition provided that they pass project eligibility and project quality threshold. HUD will either fund the YHDP application, or if there are issues with the application that must be resolved, HUD will provide technical support and then fund the application. Accordingly, no YHDP grant will be scored or ranked in this competition but will be forwarded to HUD for funding.
Section iv. (c)	Renewal Applications for Permanent Supportive Housing (PSH), Rapid Rehousing (RRH), and Transitional Housing (TH) will be scored based on their application for the Local Competition (composing 35% of the total score) and their average score from the previous year's four quarters of Quarterly Performance Scorecards (composing the remaining 65% of the total project score).
Section v.	During the FY24 CoC Program NOFO, Tier 1 is equal to 90 percent of the CoC's Annual Renewal Demand (ARD) as described in Section I.B.2.b.(1) of the NOFO minus the sum of all ARAs of non-competitive YHDP Renewal and YHDP Replacement projects. Tier 2 is the difference between Tier 1 and the maximum amount of CoC Renewal (including DV Renewal), CoC Reallocation, DV Bonus, DV Reallocation, and CoC Bonus funds that a CoC can apply for, but does not include CoC planning projects, or projects selected with DV Bonus funds.

Section v.	1) Non-competitively Ranked Projects
	    a) Projects eligible for renewal for the first time as part of the CoC Program NOFO will be non-competitively ranked above competitively ranked projects.
	    b) The Continuum of Care Board has deemed HMIS as critical to the infrastructure of the CoC and thus HMIS Renewal and Expansion Project applications will be non-competitively ranked above all ranked projects.
	
	 2) Renewal Projects
	    c) Renewal Projects with a FY23 Q1 – Q4 Quarterly Performance Scorecard score averaging 65% or above will be ranked above any New Projects.
	
	 3) New Projects
	    d) New Projects will be competitively ranked against Renewal Projects with a FY23 Q1 – Q4 Quarterly Performance Scorecard score averaging 64.9% or

	below.
	
	4) Transition Grants
	    e) Transition Grants which have been approved by Leadership Council and which have a FY23 Q1-Q4 Quarterly Performance Scorecard score averaging 65% or above will be ranked above any New Projects.
	    f) Transition Grants which have been approved by Leadership Council and which have a FY23 Q1-Q4 Quarterly Performance Scorecard averaging 64.9% or below will be competitively ranked against all other New Projects.

Section ix.b.i.	REMOVED: 4. Projects that are deemed to have an incurable deficiency.

i. Review, Score, and Ranking Policy

The Austin/Travis County Continuum of Care (CoC) will competitively rank projects based on projects' improvement of system performance. The Austin/Travis County CoC seeks to facilitate a coordinated, equitable, and outcome-oriented community process for the solicitation, review, ranking, and selection of project applications, and a process by which renewal projects are reviewed for performance and compliance with 24 CFR 578.[1]

ii. Background

Annually, the U.S. Department of Housing and Urban Development (HUD) holds a national competition for Continuum of Care (CoC) Program Funds through the CoC Program Notice of Funding Opportunity (NOFO). This competition procures funds into the Austin/Travis County area to provide housing and services to individuals and families who are experiencing homelessness. The Ending Community Homelessness Coalition (ECHO), the Collaborative Applicant for the Austin/Travis County Continuum of Care, has been appointed on behalf of the Continuum to complete and submit the Consolidated Application and facilitate the local competition for Continuum of Care funding, under the supervision of the Leadership Council, as the CoC Board of the Austin/Travis County CoC, or its representative. The Consolidated Application consists of the CoC Application, Priority Listing, and Project Applications.

For the FY2024 competition, New Projects may be created through reallocation and/or eligible bonus funding. The amount of bonus funds available to the Austin/Travis County community will be announced as a part of the FY2024 CoC Program NOFO.

Through reallocation or bonus funding, applicants may apply to operate New Projects or expand Renewal Projects as defined by the FY24 NOFO. New Projects which are aligned with the Austin/Travis County Continuum of Care Community Funding Priorities, as adopted by the Leadership Council, as the CoC Board, or its appointed representatives, and with HUD's Policy Priorities as determined in the FY2024 CoC Program NOFO will be prioritized for funding consideration.

The Leadership Council, as the CoC Board, or its designated representatives, approves all NOFO related

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[1] This adopted policy supersedes any other historical TX-503 Austin/Travis County Continuum of Care Review, Scoring, and Ranking Policies and Procedures.

policies and procedures, including this Review, Scoring, and Ranking Policy. The Leadership Council appoints an Independent Review Team (IRT) to review and objectively score all competitive Renewal and New Project applications.

iii. Review
All projects submitted to the Continuum of Care will be thoroughly reviewed at the local level. Deficient project applications prolong the review process for HUD, which results in delayed funding announcements, lost funding for CoCs due to rejected projects, and delays in funds to house and assist individuals and families experiencing homelessness. CoCs are expected to closely review information provided in each project application to ensure:

1. All proposed program participants will be eligible for the program component type selected;
2. The information provided in the project application and proposed activities are eligible and consistent with program requirements in 24 CFR part 578;
3. Each project narrative is fully responsive to the question being asked and that it meets all the criteria for that question as required by this NOFO;
4. Project budgets are correctly calculated, requested budget items are eligible and reasonable, and the requirement match is satisfied.
5. The data provided in various parts of the project application are consistent; and,
6. All required attachments correspond to the list of attachments in *e-snaps* and contain accurate and complete information.

To ensure that all projects submitted to HUD for funding consideration are of a high quality, ECHO staff will complete a Project Eligibility Threshold and Project Quality Threshold review of all project applications.

a. Project Eligibility Threshold Review
ECHO staff will review submitted applications to ensure all applications meet the requirements of 24 CFR 578.15 and any additional threshold requirements outlined in the FY2024 NOFO. Renewal projects are expected to pass threshold criteria as evidenced by their previous contracted award.

b. Project Quality Threshold Review
ECHO staff will review submitted applications to confirm all projects ensure:

1. All proposed program participants will be eligible for the program component type selected;
2. The information provided in the project application and proposed activities are eligible and consistent with program requirements at 24 CFR part 578;
3. Each project narrative is fully responsive to the question being asked and that it meets all the criteria outlined in Section V.C.1. of the FY24 NOFO;
4. The data provided in various parts of the project application are consistent;
5. All required attachments correspond to the list of attachments in *e-snaps* and contain accurate and complete information; and,
6. The project is fully compliant with the Austin/Travis County Continuum of Care's Written Standards for Program Delivery.

c. Deficiencies
As described in section I.B.1 of the FY24 NOFO, deficiency is used to refer to missing or omitted

information within a submitted application. Deficiencies typically involve missing documents, information on a form, or some other type of unsatisfied information requirement (e.g., an unsigned form, unchecked box, etc.). Depending on specific criteria, deficiencies may be either curable or non-curable.

Curable Deficiency – Applicants may correct a curable deficiency with timely action. To be curable, the deficiency must:
1. Not be a threshold requirement, except for documentation of applicant eligibility;
2. Not influence how an applicant is ranked or scored versus other applicants; and,
3. Be remedied within the time frame specified in the notice of deficiency.

Non-Curable Deficiency – An applicant cannot correct a non-curable deficiency after the submission deadline. Non-curable deficiencies are deficiencies that, if corrected, would change an applicant's score or rank versus other applicants. Non-curable deficiencies may result in an application being marked ineligible, or otherwise adversely affect an application's score and final determination.

All applicants whose projects have identified curable deficiencies must be given at least until the end of business the following day to address and adequately resolve any deficiencies. If deficiencies cannot be sufficiently addressed, the applicant cannot move forward in the process. Applicants can appeal the determination based on the appeal policy outlined below.

iv. Scoring

Scoring is the process of using subjective, objective, and performance-based criteria to evaluate the effectiveness of Renewal Projects and New Projects in reducing and ending homelessness. Scoring is conducted by the Independent Review Team (IRT) after the Project Applications have been reviewed for Project Eligibility Threshold and Project Quality Threshold by ECHO staff.

Independent review and scoring of project applications must be performed with individuals who are independent of CoC-funded programs, projects, or agencies. IRT Members must disclose any conflicts of interest prior to joining the IRT. The IRT ensures the highest level of objectivity when it comes to the scoring of project applications for CoC Program funding. Projects which are non-competitively ranked for funding, either through the FY24 NOFO or through Leadership Council Determination, will not be scored.

In accordance with the terms of the FY24 NOFO, YHDP projects including renewal, replacement and reallocation will be non-competitively renewed in the competition provided that they pass project eligibility and project quality threshold. HUD will either fund the YHDP application or if there are issues with the application that must be resolved, HUD will provide technical support and then fund the application. Accordingly, no YHDP grant will be scored or ranked in this competition but will be forwarded to HUD for funding.

a. **Noncompetitively Ranked Projects**
   Per Leadership Council designation, any HMIS Project applications, including New Project applications, will be non-competitively ranked and therefore will not be scored. Any projects eligible for Renewal for the first time as part of the FY2024 CoC Program NOFO will not be scored and will be non-competitively ranked above competitively ranked projects.

b. **New Projects**
New Projects are defined as projects created through CoC Bonus, DV Bonus, or Reallocation. New Projects, including Expansion and Transition Projects, will be scored based on alignment of local funding priorities, efforts to address racial disparities, utilization of best practices for the intervention type, and comparable cost per client by interventions of the type applied.

100% of the scoring for new projects will be based upon the applicant's answers to the Local Competition Application and *e-snaps* new project application.

c. **Renewal Projects**
Renewal Projects will be scored based on their historical performance outcomes, efficient utilization of funds, alignment with community standards for service delivery, the utilization of best practices, and compliance with the Continuum of Care Program Regulations, 24 CFR 578.

Renewal Applications for Permanent Supportive Housing (PSH), Rapid Rehousing (RRH), and Transitional Housing (TH) will be scored based on their application for the Local Competition (composing 35% of the total score) and their average score from the previous year's four quarters of Quarterly Performance Scorecards (composing the remaining 65% of the total project score).

The Quarterly Performance Scorecard will review project performance concerning the following criteria:

1. Data completeness (1.1) (8 pts) and timeliness (1.4) (6 pts) in HMIS (Data Quality)
2. Timely submission of APR to HUD (1.2) (6 pts) and Data Quality Reports to ECHO (1.3) (6 pts)
3. Annual Assessments (1.5) (6 pts) Were required assessments completed on time?
4. Successful housing (2.1) retention or permanent housing exits (12 pts)
5. Returns to homelessness (2.2) after exiting program to permanent housing destinations (12 pts)
6. Income growth (2.3 and 2.4) for clients active in the project (8 pts) and who have exited (8 pts)
7. Bed utilization rate (2.5) (8 pts) Is the project using all beds funded?
8. Coordinated Assessment utilization rate (2.6) (12 pts)
9. Housing First policies (2.7) (8 pts) The program does not screen clients out for having too little income, active or history of substance use, criminal records, or having experiences with domestic violence.

d. **First Time Renewal Projects**
Any projects eligible for Renewal for the first time as part of the FY2024 CoC Program NOFO will not be scored and will be ranked above competitively ranked projects.

e. **Special Considerations**
Special Considerations are a method by which the Austin/Travis County CoC can encourage and incentivize recipients to align with local funding needs, serve a specifically vulnerable community, or support the reinvestment of funds.
1. Special consideration in the form of bonus points will be given to Renewal Projects

which voluntarily reallocate between 5% - 9.9% of their Annual Renewal Amount during the CoC Grant Inventory Process. These points will be added to their Local Competition Total Score.

- Voluntary Reallocation of 5 – 9.9%: 7 pts

2. Special consideration in the form of bonus points will be given to New Projects that do not have subpopulation specific eligibility criteria beyond those required in the NOFO.
- No subpopulation targeting: 10 pts

v. Ranking Policy

During the FY2024 CoC Program NOFO, HUD will continue the Tier 1 and Tier 2 funding selection process. HUD will establish each CoC's Tier 1 and Tier 2 amounts based on the total amount of funds requested by eligible Renewal Project applications on the Renewal Project Listing combined with the eligible Renewal Project amount(s) that were reallocated as listed on the reallocation forms in the CoC Priority Listing.

During the FY24 CoC Program NOFO, Tier 1 is equal to 90 percent of the CoC's Annual Renewal Demand (ARD) as described in Section I.B.2.b.(1) of the NOFO minus the sum of all ARAs of non-competitive YHDP Renewal and YHDP Replacement projects. Project applications in Tier 1 will be conditionally selected from the highest scoring CoC to the lowest scoring CoC, provided the project applications pass both project eligibility and project quality threshold review, and if applicable, project renewal threshold. Any type of New or Renewal Project application can be placed in Tier 1, except CoC Planning & YHDP projects.

Tier 2 is the difference between Tier 1 and the maximum amount of CoC Renewal (including DV Renewal), CoC Reallocation, DV Bonus, DV Reallocation, and CoC Bonus funds that a CoC can apply for, but does not include CoC planning projects, or projects selected with DV Bonus funds. Project applications placed in Tier 2 will be assessed for project eligibility and project quality threshold requirements, and if applicable, project renewal threshold requirements.
Funding will be determined using the CoC Application score as well as the factors listed in Section I.B.3.h. of the NOFO.

The Austin/Travis County CoC will rank all projects which have passed Threshold and Project Quality Review by ECHO staff and scoring by the IRT on the Priority Listing in the following manner:

1) Non-competitively Ranked Projects
   a) Projects eligible for renewal for the first time as part of the CoC Program NOFO will be non-competitively ranked above competitively ranked projects.
   b) The Continuum of Care Board has deemed HMIS as critical to the infrastructure of the CoC and thus HMIS Renewal and Expansion Project applications will be non-competitively ranked above all ranked projects.

2) Renewal Projects
   c) Renewal Projects with a FY23 Q1 – Q4 Quarterly Performance Scorecard score averaging 65% or above will be ranked above any New Projects.

3) New Projects

    d) New Projects will be competitively ranked against Renewal Projects with a FY23 Q1 – Q4 Quarterly Performance Scorecard score averaging 64.9% or below.

4) Transition Grants

    e) Transition Grants which have been approved by Leadership Council and which have a FY23 Q1-Q4 Quarterly Performance Scorecard score averaging 65% or above will be ranked above any New Projects.

    f) Transition Grants which have been approved by Leadership Council and which have a FY23 Q1-Q4 Quarterly Performance Scorecard averaging 64.9% or below will be competitively ranked against all other New Projects.

5) Austin/Travis County Community Prioritization

The Leadership Council, as the CoC Board of the Austin/Travis County CoC, has identified the following priorities for applications submitted for consideration during the FY24 CoC Program NOFO, in alignment with HUD's Homeless Policy Priorities and Program Highlights of the FY24 CoC Program NOFO. The Leadership Council has directed the Collaborative Applicant to review, score, and rank all applications based on these priorities. These priorities will be evaluated in addition to project performance metrics that contribute to the community's System Performance Measures:

    a. **Furthering Racial Equity**
        HUD charges CoCs with reviewing local policies, procedures, and processes to determine where and how to address racial disparities affecting individuals and families experiencing homelessness. In addition to other community activities to increase racial equity within the Austin/Travis County CoC, the Leadership Council will prioritize CoC recipients whose staff, leadership, and board are representative of the racial composition of people experiencing homelessness within the community. Priority will also be given to CoC recipients who create measurable improvements in program delivery and service provision to ensure racially equitable outcomes, and to those who conduct equity trainings for all staff including leadership and front-line staff.

    b. **Authentic Engagement of People with Lived Experience**
        HUD recognizes that programs in the HRS will be most effective when they authentically engage program participants and hire people with lived expertise into leadership positions. Therefore, in addition to other community activities to integrate lived expertise into governance activities and program delivery, the Leadership Council will prioritize CoC recipients who implement measurable programmatic changes in response to feedback solicited from people with lived experience. Priority will also be given to CoC recipients whose staff and leadership have lived expertise of homelessness.

    c. **Using Emerging Data to Inform Program Design and Growth**
        HUD supports CoCs to use outcome measures related to CoC system performance measures in the local review, selection, and rating process. Leadership Council will

prioritize CoC recipients who engage performance data, at least annually, to inform program design, staff development, and areas for service improvement through continuous quality improvement.

d. **Retaining a Competitive Workforce**
HUD expects CoCs to review all projects eligible for renewal in FY2024 to determine their performance in serving people experiencing homelessness. Program performance measures must incorporate an agency's retention of a competitive workforce. Leadership Council will prioritize CoC recipients who have demonstrated an ability to recruit and retain skilled and diverse candidates to improve project outcomes.

e. **Demonstrating Fiscal Responsibility and Grant Management**
HUD requires all CoC recipients to spend grants reasonably and judiciously on eligible costs that best support high performance in their programs. Cost effectiveness must be measured alongside project performance to ensure responsible management of HUD funds. Leadership Council will prioritize CoC recipients who have demonstrated fiscal responsibility, and an ability to spend down their grants effectively.

The Austin/Travis CoC will prioritize CoC Program funding as outlined above. The CoC Board may approve selective restructuring of a project's final location within the Priority Listing to best maximize the CoC Consolidated Application's overall score and potential for funding.

Transitions, Expansion, Consolidation, or other special projects will be ranked according to the directions in the FY2024 CoC Program NOFO, Community Funding Priorities, and HUD Funding Priorities. The CoC Board, or its representatives, may need to hold a special session to rank special projects.

viii. Ranking Procedure

Once the final scores are received from the IRT, ECHO will average the IRT scores for a given project and convert the raw score to the percentage score using the following formula:

(Application Score awarded by an IRT Member + Application Score awarded by other IRT Members)/(total number of IRT members reviewing the same application)= Average Score
((Average Score + Performance Score)/Total Possible) x 100 = Percentage Score

ECHO Staff will then populate the Priority Listing using the Ranking Policy above to calculate Project Percent Scores. Using an Excel calculator to determine the Tier 1 lower threshold and the mathematical advantage of a given ranking scenario, ECHO Staff will create several scenarios with similar mathematical advantages for consideration to the CoC Board to approve or reject.

ix. Project Ranking Appeals
   a. Project Ranking Appeal Policy
      The TX-503 Austin/Travis County CoC is dedicated to facilitating a coordinated, equitable, and outcome-oriented community process for the solicitation, objective review, ranking, and selection of project applications, and a process by which Renewal Projects are reviewed for performance and compliance with 24 CFR 578 regarding the CoC Program NOFO. The Project Ranking Appeals policy contains the following guidelines:
         1. An appeal can only be made by an applicant regarding the scoring of their own application.
         2. Any discrepancies or errors found by applicants must be reported to the Collaborative Applicant and such corrections will not constitute an appeal, unless the discrepancy or error is deemed an incurable deficiency resulting in exclusion of the project application from consideration.
   b. Eligible Appeals
      i. Appeals can be requested by any agency which has a project submitted for participation in the FY24 CoC Program NOFO in the Austin/Travis County CoC geographic area. Example of appeals include:
         1. Projects that are not funded or receive less funding than the amount in the application.
         2. Renewal projects that are ranked in Tier 2 of the CoC application (in which the applicant's funding may be at risk).
         3. Projects that fall into the bottom portion of Tier 1 that equals the Tier 2 amount.
   c. Appeals Procedure

i. Applicants must follow the following process to submit appeals:
1. Applicants will have four (4) business days to appeal after being notified by email of the final ranking by Leadership Council, or its appointed representative.

   An appeal must be in the form of a letter on the applicant agency's letterhead and must clearly state the reasons for the appeal and specify all issues being contested. The appealing agency must specify facts and evidence sufficient for the CoC Board, or its representative, to determine the validity of the appeal. The CoC Board, or its representative, will review and adjudicate all appeals.
2. Agencies will receive, in writing, the appeal decision before the CoC Collaborative Application submission deadline. ECHO will be responsible for ensuring that projects have received proper notice of all final funding decisions.
3. As prescribed by HUD in the CoC NOFO, applicants may appeal the local CoC competition decision to HUD if the project applicant would like to further appeal the CoC Board's decision.
4. Applicants may ask ECHO for summary scoring information prior to the submission of the appeal letter. Individual IRT member scores will not be released to applicants.

x. Independent Review Team (IRT)
Members of the Independent Review Team (IRT) will provide objective review and scoring of all ranked projects submitted for consideration as part of the FY2024 CoC Program NOFO. The IRT will be composed of no more than 16 non-conflicted individuals from CoC stakeholders with at least the following representation present:
- Person(s) with Lived Experience
- Leadership Council Representative

Each Project Application will be reviewed and scored by at least three (3) separate IRT members, and the final score for the application will be the average of the scores. IRT members who have lived experience of homelessness will be compensated at a rate of $75 per application scored.

Leadership Council will approve the final slate of IRT members. To be considered as a member of the IRT, a nominee must maintain:
- A commitment to racial equity and reducing racial disparities in the population experiencing homelessness.
- A commitment to the fair and sufficient distribution of HUD CoC funding to local homeless-serving agencies.
- Availability to participate in the review of at least 5 - 6 project applications.
- Ability to participate in a fair and equitable process without agency or programmatic preferences.
- Ability to participate in a respectful, consensus-driven and problem-solving process.
- Significant knowledge of issues and services related to solutions to homelessness.

Individuals who are employees, contractors, or board members of service providers that receive HUD CoC funding are not eligible to serve on the IRT. Members of the CoC Lead Agency are eligible to serve on the IRT so long as:

The CoC Lead Agency does not submit any applications that are competitively scored and ranked.

1. Members of the CoC Lead Agency do not make up more than ¼ of the total IRT membership.

Clients of programs that receive HUD CoC funding <u>are</u> eligible to serve on the IRT. Clients of agencies that submit applications to the Local Competition will not score applications from those agencies that they receive services from.

All IRT members will be required to sign the Conflict of Interest and Confidentiality policies annually to help ensure the integrity of the IRT review process. IRT representatives may serve up to three years, with an annual review of their commitment.