



CoC NOTICE OF FUNDING OPPORTUNITY (NOFO) POLICY MANUAL 2021

Indianapolis Continuum of Care local competition policies:

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Approved by Blueprint Council: 10/18/2021



Conflict of Interest

The Indianapolis Continuum of Care will adhere to the CoC Regulations that govern funding decisions, specifically § 578.95 Conflicts of interest.

- **Continuum of Care Governing Board Members.** No Continuum of Care Governing Board Member may participate in or influence discussions or resulting decisions concerning the award of a grant or other financial benefits to the organization that the member represents.
- **Organizational Conflict.** An organizational conflict of interest arises when, because of activities or relationships with other persons or organizations, the recipient or subrecipient is unable or potentially unable to render impartial assistance in the provision of any type or amount of assistance under this part, or when a covered person's, as in paragraph (d)(1) of this section, objectivity in performing work with respect to any activity assisted under this part is or might be otherwise impaired. Such an organizational conflict would arise when a board member of an applicant participates in decision of the applicant concerning the award of a grant, or provision of other financial benefits, to the organization that such member represents. It would also arise when 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.
- **Other Conflicts.** For all other transactions and activities, the following restrictions apply: (1) No covered person, meaning a person who is an employee, agent, consultant, officer, or elected or appointed official of the recipient or its subrecipients and who exercises or has exercised any functions or responsibilities with respect to activities assisted under this part, or who is in a position to participate in a decision-making process or gain inside information with regard to activities assisted under this part, may obtain a financial interest or benefit from an assisted activity, have a financial interest in any contract, subcontract, or agreement with respect to an assisted activity, or have a financial interest in the proceeds derived from an assisted activity, either for him or herself or for those with whom he or she has immediate family or business ties, during his or her tenure or during the one-year period following his or her tenure.

The Continuum of Care will apply the conflict-of-interest policy to all voting decisions that can impact funding decisions, including the priority listing during the CoC NOFO competition, scoring criteria for new and renewal project applications, ranking criteria, policy amendments and other items that affect procedures undertaken by the Continuum of Care.



CoC Provider Input to the NOFO Non-Conflicted Workgroup

The NOFO Non-Conflicted Workgroup shall strive to include multiple members of the community and meet the diversity policy set by the Continuum of Care (CoC) Governing Board. This includes inviting members with lived experience, persons of color, and members of the LGTBQ community.

This group will undertake but not limited to the following activities:

- Amend and recommend the following CoC policies/documents:
 - Renewal Project Scoring Standards
 - Project Scoring, Reallocation, Selection and Ranking Process
 - New Project Solicitation(s)
- Complete and recommend the selection of new project applications.
- Complete and recommend the final scoring of renewal project applications.
- Complete and recommend the final ranking and tiering of all CoC-funded project applications.
- Recommend a list of projects to be fully or partially reallocated, reallocation amounts and reallocation appeals

In the interest of including service and housing provider feedback, particularly from those utilizing CoC, ESG and other funding, the NOFO Non-Conflicted Workgroup shall present work to a service provider input workgroup for feedback. After work is presented to the service provider input workgroup, the non-conflicted work group may make changes to the documents and present them to the CoC Governing Board for approval. Any recommendations from the NOFO Non-Conflicted Workgroup shall be reached by a consensus agreement before moving forward to the CoC Governing Board; dissenting opinions will also be presented to the Board for context.



Performance Scoring Policy

Applications for New and Renewal Projects will undergo a threshold review to ensure compliance with the HEARTH Act, the Housing and Urban Development (HUD) Continuum of Care (CoC) Program Notice of Funding Opportunity (NOFO) and the Indianapolis CoC Request for Applications. Any new or renewal project not meeting the threshold requirement will not be reviewed further and will not be considered for funding. Renewal projects that have previously passed HUD and Indianapolis CoC will likely continue to pass threshold review and only in very exceptional cases of changed HUD policies or program changes will they be at risk of not passing the threshold review.

The Ranking and Review Scoring Tool, New Project/Transfer Application, and Scoring Criteria are available on the Indianapolis CoC Website (indycoc.org). The NOFO Non-Conflicted Workgroup encourages and accepts comments on these tools and applications at service provider input workgroup meetings and at full CoC meetings. Scoring criteria will be based on HUD priorities, including targeting certain subpopulations such as youth, families, veterans, and chronically homeless individuals. These priorities may vary from year to year and will be updated on the CoC website each year. The Indianapolis CoC does not and shall not discriminate on the basis of race, color, religion (creed), gender, gender expression, age, national origin (ancestry), disability, marital status, sexual orientation, or military status, in any of its activities or operations.

Scoring of renewal projects is approved by the NOFO Non-Conflicted Workgroup through a process supported by the Coalition for Homelessness Intervention and Prevention (CHIP) Homeless Management Information System (HMIS) staff. It is based on data obtained from the most recent, completed calendar year (except for unspent funds which will use the last completed contract year), collaborative applicant data, Homeless Management Information System (HMIS) data, Annual Performance Report (APR), and other sources and comply with the HUD approved System Performance Measures.

The NOFO Non-Conflicted Workgroup will review, rate, and rank new project applications. After meeting the Indianapolis Request for Proposal (RFP), priorities, and program requirements, all New Projects are subject to the scoring outlined in the Indianapolis RFP and new project scoring criteria available on the Indianapolis CoC website. The NOFO Non-Conflicted Workgroup will utilize scoring to inform their recommendation of new projects. The Workgroup has the discretion to recommend one or more applications for the amount available for new projects. The workgroup may also negotiate with conditional new projects.

The NOFO Non-Conflicted Workgroup will rank applications after scoring all new and renewal projects within the CoC based on the Renewal Project Scoring and the New Project Scoring Criteria. This ranking will then be subject to final approval by non-conflicted members of the CoC Governing Board.



Ranking Policy

The U.S. Department of Housing and Urban Development (HUD) requires CoCs to rank all projects in two tiers. Tier 1 is defined by the HUD CoC Program Competition in the Notice of Funding Opportunity (NOFO) as a percent of the CoC's Annual Renewal Demand (ARD) approved by HUD on the final HUD-approved Grant Inventory Worksheet (GIW). Tier 1 projects are traditionally protected from HUD funding cuts. Tier 2 is the difference between Tier 1 and the CoC's ARD plus any amount available for the permanent housing bonus as described in the HUD NOFO. Tier 2 projects must compete nationally for funding.

Renewal projects will be scored and ranked according to the Ranking and Review Scoring Tool, available on the Indianapolis CoC website, except for first-time renewals or projects funded as part of the NOFO competition that have not been in operation for at least one year. The Indianapolis CoC reserves the right to place any renewal in Tier 2 based on community need and/or HUD priorities. Commonly, projects funded as part of the NOFO competition that have not been in operation for at least one year will be ranked in Tier 1 above the projects deemed essential listed below.

The Indianapolis CoC reserves the right to place any first-time renewal in Tier 2 based on community needs and/or HUD priorities. New projects will be scored based on the New Project Scoring Criteria and ranked by the New Project Review Committee. The NOFO Non-Conflicted Workgroup reserves the right to place new projects in either Tier 1 or 2 based on community needs, and to maximize funding available in the CoC Program Competition to give the Indianapolis CoC the greatest opportunity to receive the best mix of funding and housing.

Projects that are deemed essential to the CoC, but which would be at risk of loss of funding if placed in Tier 2, will be ranked at the bottom of Tier 1. This may include but not limited to Support Service Only projects providing Coordinated Entry and renewal HMIS projects.

Tier 2: Projects will be organized to best maximize the CoC Consolidated Grant Overall funding.

Planning Project: not ranked per HUD requirements.



Re-Allocation Policy

Any funds reallocated as part of recapturing **unspent funds, voluntary or involuntary reallocation** will be made available to create new projects during the local solicitation process.

Unspent Funds

Projects that are not fully expending or underspending their grant awards are subject to the re-allocation process. Projects that have not spent their drawdown goal may be reduced and those funds will go to reallocation for New Project(s). Drawdown goals in table by size are below:

Project Size	Involuntary Reallocation	One-Year Improvement Period	Drawdown Goal
Over \$750,000	Below 88%	94.1% to 96.9%	95%
\$400,000 to \$750,000	Below 87%	91.9% to 93.9%	94%
Under \$400,000	Below 85%	87.1% to 91.9%	92%

For example: A project that is \$400,000 or less, then 85% of the grant must be spent or all the unused funds below 85% will be involuntarily reallocated by the NOFO Non-Conflicted Workgroup. Drawdown rates between 85% and 90% (note higher goals listed above by size) of the grant will not be involuntarily reallocated in the first year. The grantee will have one year to achieve the 90% goal. If the 90% goal is not met by the next year, all the unused funds below 90% will be involuntarily reallocated. The contract year will be used as the time period for this policy. This example applies to the other project sizes with the numbers listed above. The NOFO Non-Conflicted Workgroup may request that agencies that do not meet drawdown requirements submit a performance improvement to help inform the decision on whether project funds will be reallocated. A template plan will be provided to the agency. The grantee may appeal the decision of the NOFO Non-Conflicted Workgroup to the Appeals Committee (see page 10).

Voluntary Re-Allocation

As part of the local solicitation for inclusion in the HUD CoC Program application, providers are asked whether they wish to voluntarily re-allocate some or all their funding. Such re-allocated funds are pooled for re-allocation to New Projects.

Involuntary Re-Allocation

Projects with poor performance, not serving the intended population or with significant, unresolved HUD or CoC issued findings may be subject to re-allocation.



Minimum Performance Standards for Renewals

Each year the NOFO Non-Conflicted Workgroup establishes minimum performance standards and evaluation criteria for renewing projects (projects must receive a **minimum score of 70 out of a possible 100** to be considered satisfactory). Grantees will be asked to submit and verify data accuracy.

Projects scoring below the minimum scoring standard must submit a corrective action plan, and will be provided with a template by the NOFO project managers. Agencies in the corrective action process will be reviewed bi-annually by the NOFO Non-Conflicted Workgroup to determine funding eligibility for new projects. Projects in corrective action status may be at risk of losing their funding involuntarily and having those funds reallocated to a new project.

Determination of any conditions for renewal will be made at least 30 days ahead of the NOFO due date. Any required Performance Improvement Plans or plan that demonstrates that the project's intention to improve expenditures must be submitted for approval for the non-conflicted work group at least 20 days ahead of the NOFO due date, so that a final determination can be made as to whether the project goes forward for renewal.

The Priority Listing of new and renewal projects will be presented to the CoC Governing Board for approval and posted on the Indianapolis CoC Website (indycoc.org). Per the Blueprint Council policies, only non-conflicted members can vote on the Priority Listing.

Applicants may appeal the decision, and the appeal must be considered by the Appeals Process of the Indianapolis CoC (see page 10 of this document).

Project Application Policies

As a part of the NOFO process or during the ongoing administration of a grant, an agency may decide it would like to consolidate two or more projects, or expand an existing project. Agencies with existing projects may also decide to apply for new projects through the NOFO. The following policies provide guidance on appropriate steps and review of these actions.

Consolidation Policy

Agencies must provide notification of interest to consolidate grants to the non-conflicted work group 30 days prior to submission to Collaborative Applicant. In the notice of interest, the agency must articulate the benefit and risk to the client, agency, city and community. A NOFO Non-Conflicted Workgroup will provide a written recommendation to the Collaborative Applicant based upon their assessment of the guidelines set forth in this policy.¹

The Continuum of Care has established the following guidelines for grant consolidation:

- Performance must have average or above average performance.
- Intra/internal consolidation of grants: all grants must be in the top half of performance.
- Inter/between agency grant consolidation at least one or more grants must be in the top half of performance.

The Continuum of Care may consider one or more of the following in determining the appropriateness of the proposed consolidation:

- Impact of the consolidation on the NOFA and Tier II.
- The size of the grant after consolidation to Tier II.
- How will this impact grant performance?
- How will the agency track grant performance?
- Allow projects with above average performance to consolidate with another project of the same type with less than one year of operation, and therefore not have a score yet.

Expansion Policy

To be considered for an expansion project, the current grant/project must have average or above average performance and must have been in operation for one full year or more. If the grant has not been in operation for one full year, agency experience with the same project type grant can be used to demonstrate above average performance.²

The NOFO Non-Conflicted Workgroup will utilize a two-year rolling average score to determine above average performance for CoC funded projects. The two-year average performance of the agency will be measured against the two-year average score of the CoC. If the agency's two-year average is equal to or above the CoC two-year average, it may be considered for an expansion project.³

¹ COVID-19 Addendum: Consolidation policy and average performance exception noted in COVID-19 addendum.

² COVID-19 Addendum: Expansion policy and average performance exception noted in COVID-19 addendum.

³ COVID-19 Addendum: Three-year rolling average exception noted in the COVID-19 addendum.



If an agency has at least one year of CoC funded experience and has less than two years of CoC funded experience to be considered for the two-year rolling average, the NOFO Non-Conflicted Workgroup will utilize the data available. For example, if there is only one year of data for a project, the one-year performance score will be measured against the one-year average for the CoC.

The NOFO Non-Conflicted Workgroup will provide a written recommendation to the Collaborative Applicant based upon their assessment of the guidelines set forth in this policy. The workgroup may consider one or more of the following in determining the appropriateness of the proposed expansion:

- Impact of the expansion and possible future consolidation on the NOFO and Tier II.
- Project ability to meet the CoC designated priorities.

New Project Policy

To be considered for a new project the proposing agency must have average or above average performance in at least one project of the same project type that has been in operation for one full year or more.

The NOFO Non-Conflicted Workgroup will utilize a two-year rolling average score to determine above average performance for CoC funded projects. The two-year average performance of the agency will be measured against the two-year average score of the CoC. If the agency's two-year average is equal to or above the CoC two-year average, it may be considered for a new project.

If an agency has at least one year of CoC funded experience and has less than two years of CoC funded program experience to be considered for a rolling average, the NOFO Non-Conflicted Workgroup will utilize the data available. For example, if there is only one year of data for a project, the one-year performance score will be measured against the one-year average for the entire CoC.

If the agency has not had a project in operation previously, this requirement is waived.



Appeals Policy

All Continuum of Care (CoC) Notice of Funding Opportunity (NOFO) Program Competition application proposals submitted that meet threshold requirements will be reviewed, scored and ranked by the NOFO Non-Conflicted Workgroup. This appeals process includes new and renewal projects.

Upon completion, this information will be posted to the Indianapolis CoC website and all contact persons noted on the application will be notified by e-mail. Appeals will only be considered in cases where applicants have material concerns specific to the scoring of any section of their application, or the policy of the CoC was incorrectly applied by the NOFO Non-Conflicted Workgroup (Please see Performance Scoring Policy). All appeals must be based on the information submitted by the application due date. No new or additional information will be considered. Omissions to the application cannot be appealed. Appeals specific to the ranking or funding recommendation will not be considered.

The Appeals Workgroup will be made up of the individuals appointed by the chair of the Blueprint Council and one (1) non-voting member of the NOFO Non-Conflicted Workgroup. The voting members of the Appeals Workgroup will not have reviewed the proposals seeking appeal or have a conflict of interest with any of the agencies or proposals applying for HUD CoC funding. The role of the Appeals Workgroup is to read and review only those areas of the application that are being appealed. The decision of the Appeals Workgroup will have full endorsement of the Governing Board and will be final.

If an applicant's appeal is denied and that applicant chooses to withdraw from the Indy CoC application process in favor of applying directly to HUD as outlined in the NOFO and meets the requirements therein, it is recommended the applicant report their intention to do so to the CoC System Leads (Chelsea Haring-Cozzi, CHIP and Rodney Stockment, City of Indianapolis) for the purpose of a more coordinated community-wide effort.

Appeals Process

Within one week of receipt of the HUD CoC Program Competition NOFO, the NOFO project manager(s) will inform the Blueprint Council chair requesting the creation of the committee. The appointed individuals will be advised that they will be contacted with the timeframe at which they will be asked to serve as the Appeals Workgroup, with a minimum of one alternate member meeting the criteria set forth above. Meeting(s) of the Appeals Workgroup will be scheduled (to be used if needed) at the time of selection to ensure an orderly process and meet all the deadlines of the NOFO.

1. A preliminary scoring of the NOFO applications will be posted to the Indy CoC website within 60 days of the official NOFO announcement. The appeals process will also be listed with the time, date, and deadline to submit an appeal.
2. An e-mail will be sent to all persons identified on each submitted application advising that the scores have been posted.
3. All notices of appeal must be submitted electronically to information@indycoc.org. A return receipt will be sent electronically to notify receipt of the appeal.



4. The notice of appeal must include a written statement specifying in detail each one of the grounds asserted for the appeal. The appeal must be signed by an individual authorized to represent the sponsor agency (i.e., Executive Director) and must include (highlight and cite) the specific sections of the application or policy on which the appeal is based. The appealing agency must specify facts and evidence sufficient for the Appeals Workgroup to determine the validity of the appeal. That is, the notice of appeal must have attached the specific areas of the application or policy being appealed and must also clearly explain why the information provided is adequate to gain additional points.
5. All valid appeals will be read, reviewed, and evaluated by the Appeals Workgroup and the agency making the appeal will be invited to represent their appeal in front of the Appeal Workgroup.
6. The Appeals Workgroup will deliberate and inform the Governing Board and the NOFO project manager(s) as to the outcome of the appeals process. If the appeal is successful, the finding of the Appeals Workgroup will go back to the Strategy & Alignment workgroup for consideration to make any needed changes to the ranking and priority listing for the NOFO application.
7. The Final Funding List will be submitted for consideration and approval of the Governing Board by the NOFO Non-Conflicted Workgroup and will be posted to the Indy CoC website upon approval.
8. Agencies will receive, in writing from the collaborative applicant, the appeal decision prior to CoC Program Competition NOFO application submission.



Covid-19 Addendum:

In response to COVID-19, the following policies were updated for the 2021 CoC NOFO Competition. Expansion and Consolidation Exceptions will be active until Nov. 16, 2021, and the three-year rolling average will be active until program year 2019 is no longer part of the 3-year lookback:

- 1) Expansion: due to impacts of the COVID-19 pandemic, projects do not need to have above average performance to expand.
- 2) Consolidation: due to impacts of the COVID-19 pandemic, projects do not need to have above average performance to consolidate.
- 3) Three-year rolling average for project expansion: It is the intention of the NOFO Non-Conflicted Workgroup to return to utilizing a 3-year rolling average once the non-competitive year (program year 2019) is no longer a part of the 3-year lookback.

Questions or Concerns:

Please contact the following individuals if you have questions or concerns about the 2021 NOFO policies:

Alicia Vaughn (Contracted with Collaborative Applicant, NOFO Project Manager):

alicia.vaugh@cityconsultantsllc.com

Rachael Sample (CHIP, CoC Lead Entity): rsample@chipindy.org

Kirk Taylor (CoC volunteer and homeless advocate): ktaylor@indy.rr.com

General Inquiries about the CoC NOFO

information@indycoc.org