



Reallocation Policy and Procedures* **Midlands Area Consortium for the Homeless**

Background

Collaborative Applicants have the ability to reallocate SSO, TH, or PH projects to create new permanent supportive housing, rapid re-housing, or HMIS projects. Through reallocation, CoCs can create new, evidence-informed projects by eliminating projects that are underperforming or are more appropriately funded from other sources. Reallocation is particularly important when new resources are scarce. Therefore, MACH has created the following policy to align with HUD and HEARTH Act policy guidance; to be performance-based as specified with the annual HUD NOFA; and finally, based upon performance metrics of existing projects. Just as HUD's guidelines determine the program focus targeted in each CoC competition, MACH's reallocation decisions will similarly be driven by this focus, with additional emphasis on local needs, data and use of a common assessment tool.

Reallocation Process and Procedure

The MACH Ranking Committee understands and acknowledges that through the reallocation process very valuable projects may be defunded. Also, the MACH Ranking Committee desires to have a reallocation process that will ensure that projects submitted in the CoC Consolidated Application best align with the HUD CoC funding mechanism's priorities and contribute to a competitive application that collaboratively secures these dollars to improve our community. The MACH Ranking Committee seeks to make data-driven decisions based on information gathered from the common assessment tool and other HUD-recommended data tools. This does not mean that the MACH Ranking Committee does not value reallocated projects or the diversity of programs in our community. Rather, the MACH Ranking Committee anticipates that most reallocated projects will seek funders with priorities better suited to cultivate the unique contributions these projects make to our community that HUD's CoC funding mechanism is not designed to recognize. There will be two ways that currently-funded NOFA projects will be reallocated: Voluntary Reallocation or Involuntary Reallocation.

Voluntary Reallocation

Currently-funded NOFA project applicants interested in voluntarily reallocating should notify the MACH Ranking Committee in writing of their intent by the due date of HUD's Grant Inventory Worksheet (GIW). The GIW will serve as MACH Ranking Committee's tool to identify Project Applicants' intent to reapply for CoC funding.

For purpose of voluntary reallocated project funding, strong preference will be given to those organizations that voluntarily apply to reallocate projects, and especially for those within a compliance period.

Involuntary Reallocation

The MACH Ranking Committee will consider involuntary reallocation as appropriate and as necessary per results of the MACH Board approved Grantee Evaluation Process. The MACH Ranking Committee will establish a threshold percentage of project scoring reflected in the MACH Grant Evaluation Instrument. Project Applicants who do not meet threshold for the year will be notified that they will be responsible for completing a Corrective Action Plan. In addition, those who do not meet threshold will

*Portions of this document were adapted from the Austin/Travis County Continuum of Care Reallocation Policy and Procedure



be reviewed by the MACH Ranking Committee for determination on reallocation. The MACH Ranking Committee shall seek feedback from MACH staff, explore previous years' performance, interview project staff, and seek guidance from HUD when making the decision to involuntarily reallocate a project.

Summary

The reallocation process will occur in a transparent, universal, and performance-based manner. This Reallocation Policy and Procedure incorporates the following general objectives:

- To ensure the CoC's responsibility in submitting to HUD an application that is consistent with HUD guidelines and the HEARTH ACT;
- To ensure the amount to be reallocated is sufficient to fund effective PH program(s);