

## PROCESS FOR REALLOCATING FUNDS OF THE COC PR-502 FY 2017

The Federal Department of Housing and Urban Development (HUD) requires that the CoC establish a process for the reallocation of CoC funds in the case that it decides to reduce or eliminate funds from any project. According to the HUD guidelines, approved in September of 2014, on Reallocation, the following is established:

The projects to which reallocated funds are assigned must meet the priorities and requirements of HUD for new projects; The CoC must evaluate the compliance and effectiveness of the projects in reaching the goal of ending homelessness for persons served, in order to reallocate the funds; The CoC should assess the project's function in relation to the Strategic Plan and its Community Needs Assessment; Types of reallocation: (1) elimination or reduction of the total amount or part of the budget of a project that has obtained a score of 45% or less on the tool to measure performance, and which does not have an unexpended balance of grant funds of 10% or more in the prior 3 years, by reassigning funds to operate a new project to the same provider; (2) elimination of part or all of the funds of a project that has obtained a score of 45% or less on the tool to measure performance, to reassign funds for the operation of a new project to a new provider; (3) elimination or reduction of all or part of the funds of a project that has obtained a score of 45% or less on the tool to measure performance and that has an unexpended , that are reassigned for various new projects; (4) elimination or reduction of all or part of the funds of various projects that have obtained a score of 45% or less on the tool to measure performance, so as to reassign the funds for a new project or for various projects.

The Board of the CoC PR-502 approved the following processes and recommended the following:

1. To issue a Request for Proposals for planning funds granted to the Collaborative Applicant of the CoC to contract monitoring services through external resources with the approval of the Board.
2. Inform the CoC-funded organizations the dates of the monitoring visits.
3. Carry out the monitoring of the projects.
4. Present a report of the results to the Board of the CoC PR-502.
5. Send letters to the organizations with the results of the monitoring of their projects, requesting a Corrective Action Plan within 30 calendar days, as applicable. The Plan of Action should be approved by the CoC Board.
6. Carry out follow-up visits.

The CoC PR-502 will make the decision to reallocate funds in accordance with the performance of the projects, after giving due process to the organizations that are not in compliance through their submission of a corrective action plan and their fulfillment of the Plan.

Approved by the CoC PR-502 – Plenary Meeting August 3, 2017.