

NORTHLAKE HOMELESS COALITION



ADVISORY SERVICES
PROCEDURAL REPORT
ISSUED OCTOBER 9, 2019

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Louisiana Legislative Auditor

Daryl G. Purpera, CPA, CFE

Northlake Homeless Coalition



October 2019

Audit Control # 70180070

Introduction

The Louisiana Legislative Auditor (LLA) performed certain procedures at the Northlake Homeless Coalition (NHC) to address the requirements of Act 774 of the 2014 Regular Legislative Session, as amended. The primary purpose of our procedures at NHC was to assist NHC in evaluating certain controls it uses to ensure accurate financial reporting, compliance with applicable laws and regulations, and overall accountability over public funds. Our procedures were more limited than an audit; therefore, we are not issuing an opinion on NHC's financial statements nor the effectiveness of NHC's internal control over financial reporting and compliance.

Background

NHC serves as Louisiana's Region IX Continuum of Care (CoC) organization for the U.S. Department of Housing and Urban Development (HUD). Region IX includes Livingston, St. Helena, St. Tammany, Tangipahoa, and Washington parishes. NHC is responsible for CoC planning, coordinated entry, monitoring and evaluation of projects, designating and operating a Homeless Management Information System and completion of the annual funding application for all agencies within the region. NHC receives funding from HUD and parish grants, as well as 2.1% of funding received by regional agencies under the CoC.

NHC is governed by a board whose members are elected by the Providers and Stakeholders Association (PSA). The PSA provides oversight of the board and consists of individuals and organizations within Region IX. All regional agencies that receive HUD funding under the CoC program are automatically allowed admittance into the PSA and may have representatives on the NHC board.

Results of Our Procedures

Failure to Comply with Audit Law

In late 2017, the LLA received an inquiry concerning NHC's reporting requirements under Louisiana Revised Statute 24:513, or the Audit Law. Based on our discussions with NHC's Executive Director, we sent an email to NHC on December 4, 2017, clarifying that NHC has a reporting requirement to the LLA. On July 30, 2018, we sent a follow-up letter to NHC noting

that we still had not received evidence that NHC had engaged with a Certified Public Accountant to provide financial reports for 2016 or 2017 calendar years. On August 17, 2018, the LLA sent a letter to HUD requesting that HUD withhold funding from NHC until it complies with its statutory reporting requirements.

As of the date of this procedural report, NHC still had not submitted its required financial reports to the LLA for 2016, 2017, or 2018. The 2018 financial report was due on June 30, 2019. Management provided a plan for corrective action (see Appendix A, page 1).

Project Scoring and Ranking Process

NHC uses a project scoring and ranking process known as the Community Benchmarks Scorecard (CBS) to determine the funding priorities for CoC projects. The funding priorities are then used in the preparation of the annual funding application to HUD, which is approved by the NHC board after PSA review. The CBS guide, available on NHC's website, includes up to 24 benchmark/sub-benchmark measures, depending on the nature of the project. Projects may be ranked as either Tier 1 or Tier 2, with Tier 1 projects having a greater likelihood of receiving HUD funding.

The McKinney-Vento Homeless Assistance Act (Act) establishes selection criteria for HUD to use in awarding CoC funding to applicants based on the performance of the applicants' homeless assistance systems. Most of the performance measures identified in the Act consist of multiple metrics that are used to measure an applicant's progress toward a desired outcome. NHC's CBS benchmark measures 1–7, including the sub-benchmarks, are system performance measures and metrics that are required by Section 427 of the Act. CBS benchmark measures 8–15, including the sub-benchmarks, are not mandated by the Act but are related to those requisite measures. CBS benchmark measures 16–20, including the sub-benchmarks, are bonus points available to each project based on services provided to prioritized populations such as veterans, youth, and victims of domestic violence.

All agencies under the CoC, including NHC and those agencies represented on the NHC board, may submit projects for scoring. Applicants are provided with their project scores prior to the submission of the funding application to HUD. Applicants may contest their scores with NHC and may appeal directly to HUD. Under the appeals process in 24 CFR 578.35, HUD may grant an applicant an award if HUD determines that the applicant was not permitted to participate in the CoC planning process in a reasonable manner or if HUD denied or decreased funding due to an error caused by HUD.

- **Procedure:** We evaluated the 24 CBS measures to determine compliance with the performance criteria required by the Act.

Results: Based on our evaluation, we determined that the CBS measures met the requirements of the Act and included additional measures that were related but not required by the Act or were based on services provided to prioritized populations such as veterans, youth, and domestic violence victims.

- **Procedure:** We discussed scoring appeals with NHC and HUD officials and reviewed documentation relating to appeals filed within the last three years to identify any modifications in project funding.
Results: Based on our procedures, we noted that the three appeals (2015, 2016, and 2017) that were ultimately submitted to HUD did not result in any modifications in project funding during the respective years.
- **Procedure:** We reviewed the portion of NHC’s governance charter relating to conflicts of interest and recusals for board members representing agencies that receive funding through the CoC. We also reviewed the provisions of 24 CFR 578.95(b), which stipulates that “*no Continuum of Care 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.*” Additionally, we reviewed the provisions of 24 CFR 578.95(c), which stipulates in part that “*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...objectivity in performing work with respect to any activity assisted under this part is or might be otherwise impaired.*”

Because NHC board members may represent organizations that receive funding through the CoC, and NHC itself receives funding through the CoC, we considered the provisions of 24 CFR 578.95 regarding conflicts of interest. We also considered whether those individuals who serve on the “Performance Measurement and Evaluation” committee would fall within the prohibitions under 24 CFR 578.95.

Results: It appears that NHC may not be in compliance with 24 CFR 578.95 relating to conflicts of interest based on NHC’s policy of allowing representatives of funded agencies to serve on the board of directors, which plays a role in the establishment of performance targets, eligibility, and prioritization criteria beyond minimum HUD regulatory requirements for recipients/sub-recipients of HUD-funded programs. Accordingly, we recommend that NHC consult with its legal counsel and with HUD to clarify its compliance under federal regulations.

Management responded that it believes NHC is in compliance with 24 CFR 578.95. However, management’s response only addressed the criteria for compliance, which we had already considered and management did not provide any additional evidence to support its compliance with 24 CFR 578.95. Therefore we continue to recommend that NHC consult with its legal counsel and with HUD to clarify its compliance under federal regulations (see Appendix A, page 1).

HUD Office of Inspector General Report

The HUD Office of Inspector General issued a report dated July 11, 2019, evaluating whether NHC administered its CoC in accordance with HUD and NHC program requirements. The

report noted that NHC did not always monitor its program partners, maintain adequate supporting documentation for disbursements, and follow procurement requirements. In addition, NHC did not always ensure that its board members executed code-of-conduct and conflict-of-interest forms, met monthly, maintained written documentation of board meetings, and updated its charters annually. The report concluded that NHC paid more than \$120,000 in questioned costs. A copy of this report may be obtained at the following link:

<https://www.hudoig.gov/reports-publications/report/northlake-homeless-coalition-mandeville-la-did-not-always-follow>

Under Louisiana Revised Statute 24:513, this report is a public document, and it has been distributed to appropriate public officials.

Respectfully submitted,



Daryl G. Purpera, CPA, CFE
Legislative Auditor

DGP/aa

NHC 2019

APPENDIX A: MANAGEMENT'S RESPONSE

September 25, 2019

Ms. Judith Dettwiller, MBA, CPA
Senior Analyst II
Louisiana Legislative Auditor
P.O. Box 94397
Baton Rouge, LA 70804

Ms. Dettwiller,

I apologize for the late reply in response to the draft report you requested. We are in the midst of our annual Continuum of Care Application and as such, we missed the deadline to respond. It is my hope that you will be able to accept this response to the findings:

- **Failure to Comply with Audit Law:** The Northlake Homeless Coalition was unaware of the requirement to submit an audit to the Louisiana Legislative Auditor until December 2017. Since then, we completed an engagement with Brian Gallagher, CPA. Mr. Gallagher did not complete the reviews and we are in the process of finding another firm to complete our reporting requirements. The NHC no longer receives state funding but comply with the reporting requirements for 2016-2018 and hopes to have all reports submitted no later than December 2019.
- **Project Scoring and Ranking Process:** The Northlake Homeless Coalition contends that it is in compliance with the 24 CFR 578.95(b) which stipulates that “no Continuum of Care 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.” Funding decisions are not made by the Northlake Homeless Coalition Board, but rather a Community Evaluation, outlined in our Community Evaluation Policies and Procedures. NHC Board members do not participate in the Community Evaluation and everyone who participates in the voting is required to complete a conflict of interest form which is included on the Community Evaluation ballot. Further, the NHC contends it is in compliance with 24 CFR 578.95(c) which states “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...objectivity in performing work with respect to any activity assisted under this part is or might be otherwise impaired.” The NHC has a conflict of interest policy which requires all board members to identify conflicts of interest and to follow the conflict of interest recusal process as noted in both the NHC bylaws and the NHC Governance Charter. Please find attached the HUD guidance document *Establishing and Operating a Continuum of Care* which outlines the responsibilities and requirements of a Continuum of Care as well as those stakeholders who should be integrated into the Continuum of Care. Homeless service providers are recommended as a key stakeholder for the Continuum of Care and as such, are reflected within the board membership. As the collaborative applicant, the Northlake Homeless Coalition is responsible for operating the CoC and submits its governance charter and ranking and scoring process to HUD annually for review. No conflict of interest issues have been identified in our governance structure or the scoring process.

Enclosures:

- NHC Bylaws, Article VIII, page 6 Conflict of Interest
- NHC Governance Charter, Section II., page 4-5, Conflict of Interest and Recusal Process
- Code of Conduct Acknowledgment Form
- Confidentiality and Conflict of Interest Form
- NHC Community Evaluation Policy, Section II, page 2-3, Community-Driven, Transparent Process
- NHC Community Evaluation Ranking Tools with COI Disclosures
- HUD Guidance on Establishing and Operating a Continuum of Care

Should you require any additional information regarding this report, please do not hesitate to contact me at 985-626-6681 or amills@northlakehomeless.org

Sincerely,

Amanda Mills

Amanda Mills

acknowledge having read and understood the NHC Code of Conduct Policy by signing a certification which is kept on file for their duration of tenure with the organization.

Section II – Board of Directors: The Board of Directors are entrusted with specific responsibilities related to use of public funds invested in homelessness. Board Members are expected to observe the highest standards of ethical conduct in the execution of these responsibilities. In the performance of their duties, Board Members are expected to carry out the mission of the Coalition to the best of their ability, and to maintain the highest standards of integrity for actions with other Board Members, Coalition Members, service providers, and members of the public. Board Members are expected to conduct themselves with courtesy and respect, without harassment, or physical or verbal abuse.

Section III – Protection of Confidential Information: The Board and the Coalition Members have a responsibility to protect the security of any confidential information provided to, or generated by, the activities of the Coalition.

Section IV – Public Statements and Media Response: The Board and Coalition Members will make clear whether they are speaking in their own name or if the Board has empowered them to speak on the Coalition’s behalf when making public statements or speaking to the media.

Section V – Investigating Violations of the Code of Conduct: Any allegation of misconduct should be reported to an officer of the Executive Board. When an allegation of misconduct is received by the Executive Board, an Ethics Review Ad Hoc Committee will be assembled. The President will appoint persons to serve on the Ethics Review Ad Hoc Committee. If the allegation of misconduct presents a conflict of interest for the President, the Vice-President will appoint persons to serve on the Ethics Review Ad Hoc Committee. This Committee may not exceed 5 members, and must include a minimum of two Board Members. The Ethics Review Ad Hoc Committee will report its findings to the Executive Board. The Executive Board will make recommendations to remediate any findings of misconduct. The Board will vote to approve and implement the recommendations of the Executive Board.

ARTICLE VIII – CONFLICT OF INTEREST

The Board of Directors are required to acknowledge having read, understood and accepted the Conflict of Interest Policy by signing a certification which is kept on file for their duration of service on the Board. In any issue or matter in which a Board Member may have a conflict of interest, he/she shall abstain from voting on said issue or matter. The Member may still participate in the discussion if they fully disclose the nature of their conflict of interest and the majority present vote to allow their participation. Any Member with a conflict of interest may answer any questions posed during the discussion.

ARTICLE IX – COMMITTEES

The Board shall establish committees as deemed necessary. The Board President shall appoint all Committee Chairs. The composition of these committees shall reflect the composition of the Coalition. Committees will provide recommendations to the Board and keep the Coalition apprised of their progress.

	<p>lead for the CoC. The Capital Area Alliance for the Homeless provides HMIS staffing for the project via a contract with the Northlake Homeless Coalition. The NHC Board is responsible for designating the HMIS lead. The NHC participates in a statewide HMIS implementation, Louisiana Services Network Data Consortium (LSNDC).</p>
CoC Committees	<p>While decisions for the CoC will be made by the Board, the work of the CoC will generally be carried out by committees (standing committees listed above). Committees shall not make any policy or funding-related decisions. Committees may make recommendations and those recommendations are submitted for voting approval by the NHC Board. The Board will establish standing committees as necessary to ensure all CoC responsibilities are fulfilled according to HUD regulations. Each standing committee will be led by a Chair. Committee members may be members of the Board, Providers and Stakeholders Association and/or other stakeholders. Each standing committee will also have a staff liaison from the Northlake Homeless Coalition.</p>
CoC Lead Agency and Staff Support	<p>The Northlake Homeless Coalition was incorporated as an entity to fulfill the role of the CoC Lead Agency and provide staff support to the Board and committees that constitute the CoC. The lead agency performs a variety of necessary functions such as performance monitoring, engagement and education of stakeholders, and submission of the annual collaborative CoC program funding application. NHC manages all aspects of the CoC, including ensuring all federal CoC Program requirements are met.</p>

II. Code of Conduct, Conflict of Interest and Recusal Process

To maintain high ethical standards, HUD requires the NHC Board, the Board Chair(s), and any person acting on behalf of the Board to comply with a code of conduct and conflict of interest and recusal requirements. All Board members will annually complete and sign a Code of Conduct and a Conflict of Interest Form that identifies any conflicts of interest that a member has, including association with organizations that may have a financial interest in business items coming before the NHC Board.

Board members with actual or perceived conflicts of interest must also identify them as they arise. Board members shall report such conflicts of interest to the Board and recuse themselves from discussions or resulting decisions on issues where a conflict of interest exists. A board Member may participate in the discussion if they fully disclose the nature of their conflict of interest and the majority present vote to allow their participation. No member of the Board shall participate in or influence decisions concerning the award of a grant or other financial benefits to the member or the organization that the member represents. This includes all decisions with respect to funding, awarding contracts, and implementing corrective actions.

III. Compliance with CoC and HMIS Regulations

This Charter includes or references policies and procedures needed to comply with Subpart B of the Continuum of Care Interim Rule (24 CFR 578) associated with establishing and operating a CoC, and with Homeless Management Information Systems (HMIS) requirements prescribed by HUD. Detailed policies are outlined in the NHC CoC Policies and Procedures Manual, including:

- Protocols for full CoC meetings, including frequency of meetings and process for publication of agenda prior to the meeting;
- Minimum standards for inviting new members to join the CoC;
- The process for establishing committees, subcommittees, or workgroups to fulfill the CoC's responsibilities;
- Policies for monitoring CoC recipients' and subrecipients' performance and evaluating outcomes for the CoC and ESG recipients;
- A plan to coordinate the implementation of a housing and service system within the Florida Parishes Region;
- The process for conducting point-in-time (PIT) counts and housing inventory counts (HIC) of homeless persons and bed capacity; and
- The process for the development of the annual HUD CoC Program application, including the process for CoC approval of the submission of an application, priorities for funding projects, a process for establishing or revising adopted priorities, and use of planning funds.

IV. Approval, Annual Review, and Updates

In consultation with the Collaborative Applicant/CoC Lead Agency and the HMIS Lead Agency, this Charter shall be adopted by voting members of the NHC Providers and Stakeholders Association, following a special meeting to gather input and feedback from the full CoC membership, by a simple majority (at least 51%) affirmative vote of eligible members participating in the vote. The Charter will thereafter be reviewed annually and updated as necessary during the NHC Annual Meeting and may be amended by a simple majority (at least 51%) affirmative vote of the members present and determined eligible to vote. The Governance Charter may be fully revised to include agreed-upon changes, or an Amended Article may be added for insertion into the existing document.

All employees, officers, agents, volunteers and affiliates of Northlake Homeless Coalition are required to read and follow the Northlake Homeless Coalition Code of Conduct. The NHC Code of Conduct is included in the NHC Bylaws and the Governance Charter and may be viewed at <http://northlakehomeless.org/about-nhc>.

ACKNOWLEDGEMENT

I hereby acknowledge that I have read and understand the NHC Code of Conduct and will be responsible for obtaining all future amendments and modifications thereto.

I hereby acknowledge that I have read and understand Article VII - Code of Conduct in the NHC Bylaws and will be responsible for obtaining all future amendments and modifications thereto.

I hereby acknowledge that I have read and understand Section II – Code of Conduct in the NHC Governance Charter and will be responsible for obtaining all future amendments and modifications thereto.

I further acknowledge that I have read and understand all my obligations, duties, and responsibilities under each principle and provision of the Northlake Homeless Coalition Code of Conduct and Policies and will read and understand all my obligations, duties and responsibilities under all future amendments and modifications thereto.

I certify that this is a true and correct statement by my signature below:

Signature

Date

Name (please print)

Confidentiality

As a member of the Board of Directors, you recognize that you owe a fiduciary duty of care to the Northlake Homeless Coalition (NHC). This includes a duty of confidentiality. In connection with your Board service, you may be given or have access to confidential information of NHC or third parties. Confidential Information is all information that NHC considers to be confidential or proprietary information of NHC or third party sources. Confidential Information may include, but is not limited to, information regarding the organization, operations, programs, activities, policies, procedures, practices, financial condition, trade secrets, membership lists, and standards of NHC, its members, or third parties. Confidential Information also may include, but is not limited to, unpublished or pre-release versions of NHC standards, white papers, and other documents and information, or internal use only or limited circulation documents and information. You agree that you will not disclose or permit to be disclosed any Confidential Information, and that you will not appropriate, photocopy, reproduce, or in any fashion replicate any Confidential Information without the prior written consent of NHC. You agree that any disclosure of Confidential Information in violation of this agreement shall cause immediate and substantial damage to NHC and to any parties that provided the Confidential Information to NHC. You agree to use reasonable efforts to maintain the confidentiality of the Confidential Information. You also agree not to use any Confidential Information for your own benefit or that of your Employer unless authorized in advance in writing by NHC. Confidential Information shall not include information that you rightfully obtain from a third party without comparable restrictions on disclosure or use.

Conflict of Interest

Certain activities sponsored by NHC may pose a potential conflict of interest between a member's business or personal affiliations and his or her participation in the division. NHC Directors should use professional, ethical judgment to avoid any real or perceived conflicts of interest because they damage the credibility of the association.

Statement of Policy:

Board members must act at all times in the best interests of NHC and not for personal or third-party gain or financial enrichment. When encountering potential conflicts of interest, board members shall identify the potential conflict and, as required, recuse themselves from all discussion and voting on the matter. Board members may participate in the discussion if they fully disclose the nature of their conflict of interest and the majority present vote to allow their participation. Specifically, Board members shall:

- avoid placing (and avoid the appearance of placing) one's own self-interest or any third-party interest above that of NHC; while the receipt of incidental personal or third-party benefit may necessarily flow from certain NHC activities, such benefit must be merely incidental to the primary benefit to NHC and its purposes;
- not abuse their Board membership by improperly using their Board membership or NHC's staff, services, equipment, materials, resources, or property for their personal or third-party

gain or pleasure, and shall not represent to third parties that their authority as a Board member extends any further than that which it actually extends;

- not engage in any outside business, professional or other activities that would directly or indirectly materially adversely affect NHC;
- not engage in or facilitate any discriminatory or harassing behavior directed toward NHC staff, members, officers, directors, meeting attendees, exhibitors, advertisers, sponsors, suppliers, contractors, or others in the context of activities relating to NHC;
- not solicit or accept gifts, gratuities, free trips, honoraria, personal property, or any other item of value from any person or entity as a direct or indirect inducement to provide special treatment to such donor with respect to matters pertaining to NHC without fully disclosing such items to the Board of Directors;
- provide goods or services to NHC as a paid vendor to NHC only after full disclosure to, and advance approval by, the Board, and pursuant to any related procedures adopted by the Board;
- not persuade or attempt to persuade any employee of NHC to leave the employ of NHC or to become employed by any person or entity other than NHC; and
- not persuade or attempt to persuade any member, exhibitor, advertiser, sponsor, subscriber, supplier, contractor, or any other person or entity with an actual or potential relationship to or with NHC to terminate, curtail or not enter into its relationship to or with NHC, or to in any way reduce the monetary or other benefits to NHC of such relationship.

Disclosure:

To help avoid any conflicts of interest, on this form you are disclosing ownership or other proprietary interests, responsibilities, circumstances, or other reasons why you (or, by extension, any member of your family) might have an actual, perceived or potential conflict of interest with your duty to NHC, with respect to both conflicts prohibited above and any others. You hereby invite further review by NHC of any aspects of these circumstances that might be considered appropriate. In addition, you agree to take other steps, such as avoiding deliberation and resolution of certain issues or even withdrawing from your membership on the Board, if it is determined that such steps are necessary to protect the integrity of the Board and avoid the breach of your fiduciary duty to NHC. Finally, during such time as you continue to serve on the Board, you agree to notify the NHC Executive Director promptly if and when you determine that any additional actual, perceived or potential conflicts of interest with your duty to NHC arise subsequent to the execution of this form. Please check and/or complete the appropriate section below:

_____ Actual, perceived, or potential conflicts:

Confidentiality and Conflict of Interest Disclosure Form



_____ There are no actual, perceived, or potential conflicts.

Signature: _____

Name: _____

Title: _____

Date: _____

II. Transparent, Inclusive and Community-Driven Process

- A. All new and renewal project applications (except for the CoC Planning Project, the dedicated Coordinated Entry project and the dedicated HMIS project) will be ranked and evaluated utilizing the Community Benchmarks Scorecard and the NHC Community Evaluation Process.
- B. The Community Benchmarks Scorecard evaluates individual project performance in relation to the system performance measures as well as the following:
 1. Capacity/bed utilization;
 2. Housing First program model;
 3. HMIS data quality;
 4. CoC participation;
 5. Coordinated entry participation;
 6. Cost effectiveness;
 7. And prioritized/vulnerable populations
- C. The Community Benchmarks Scorecard includes targets for each of the measures and total points possible for each measure. The Scorecard and the accompanying targets are approved by the NHC Board annually, after the public has had the chance to review and submit feedback during a public comment period consisting of 21 days along with a public NHC Providers and Stakeholders meeting that is advertised on the NHC website, on the NHC mailing list and in the legal/public notices section of the newspaper. 80% of the project's total score will be generated from the scorecard.
- D. The remaining 20% of the project application score will be generated by the NHC Community Evaluation Process. The Community Evaluation occurs during a NHC Providers and Stakeholders Association Meeting that is open to the public and advertised on the NHC website, on the NHC mailing list, and in the legal/public notices section of the newspaper.
 1. The NHC will conduct a 1.5-hour Continuum of Care training for attendees and thereafter, each project sponsor will do a brief 5-minute presentation on their organization and program.
 2. CoC Evaluation Process attendees will receive a scorecard, a project overview compiled with information submitted in the project application in e-SNAPS, a conflict of interest disclosure form and a voter ballot.
 3. Each CoC funded agency may submit one vote per project in the CoC Evaluation process. A person will be considered an affiliate of a CoC-funded agency if they are an employee or board member of the organization OR if they are an immediate relative of an employee or board member of the organization. Immediate relatives are defined as a spouse, child, parent or grandparent for the purposes of this policy.
 4. The votes submitted for each project will be averaged to generate the Community Evaluation Process score, which accounts for 20% of the project application score.
- E. The resulting scores will be used to generate the CoC priority listing and ranking of the project applications. Projects that receive the same score will be prioritized by

percentage of vulnerable populations served as determined by Measures 16-21 on the Community Benchmarks Scorecard.

- F. For the Community Evaluation Process to be valid, there must be a minimum of 51% non-funded CoC agencies or independent community stakeholders participating in the process. If participation in the Community Evaluation is less than 51%, the community evaluation portion of the score will be discarded and the project scores will be determined solely by the Community Benchmarks Scorecard.

III. Data Driven, Community-Informed Decision Making

- A. The Community Evaluation Process and accompanying Community Benchmarks Scorecard (Section II.A – E) ensures that projects are reviewed per quantitative metrics aligned with system performance measures and community priorities with ample opportunities for feedback from a variety of stakeholders, including homeless and formerly homeless persons.
- B. Beginning in 2018, The Community Evaluation Process and Scorecard will implement a minimum threshold score that renewal projects must achieve to apply for renewal funding.
- C. Funding Reallocation Determinations: The NHC will reallocate CoC project funding in the following situations:
 - 1. The CoC funded agency determines to cease operations of the project and/or the organization. The agency will still be responsible for all obligations set forth in the executed grant agreement with HUD and should notify both HUD and the Northlake Homeless Coalition as soon as the decision is made to cease operations or 60 days prior to closure, whichever is greater;
 - 2. The CoC funded agency does not meet the minimum threshold score required to apply for renewal funding (2018 and beyond);
 - 3. The NHC will conduct a community assessment on at least a biennial basis to identify gaps in services, underutilization of services and capacity, progress on system wide performance measures, alignment with goals set forth in the strategic plan and barriers to entry into the homeless service system. The assessment will include focus groups with homeless and formerly homeless clients. This assessment will be a community process overseen jointly by the Coordinated Access and Assessment System (CAAS) Oversight Committee and the Strategic Planning Committee. The joint committee will present its findings and any recommendations for reallocation at a Providers and Stakeholders Association meeting. Community members will have an opportunity to respond to the joint committee recommendations prior to a vote by the NHC Board to accept any recommendations to reallocate funds. Once the NHC Board has decided to reallocate funds, the Monitoring and Evaluation Committee will oversee the process for evaluating project performance and determining which grants should be reduced and/or eliminated. The community assessments will occur in even numbered years and any reallocations based on this process will occur in odd numbered years, notwithstanding any HUD requirements that may necessitate for this process to occur on a more frequent basis. This will allow project sponsors ample time to ramp down any project affected by the reallocation.



Community Evaluation Ranking Tool

Name _____

- 1 Are you a board member or employee of a funded agency
 Yes No
- 2 Are you a relative of a board member/employee?
 Yes No
- 3 Are you homeless/formerly homeless?
 Yes No

Grantee Name	Project Name	Grant Amount	Score	Rank
Northlake Homeless Coalition	NHC CAAS Project	\$ 240,323.00	N/A	N/A
Northlake Homeless Coalition	Northlake HMIS Data Project	\$ 95,650.00	N/A	N/A
Volunteers of America of Greater New Orleans	Project CH PSH Northshore	\$ 115,894.00	105	
Volunteers of America of Greater New Orleans	Project PHVA	\$ 45,093.00	104	
Volunteers of America of Greater New Orleans	Permanent Housing for the Homeless with Disabilities	\$ 172,266.00	103	
Volunteers of America of Greater New Orleans	PSH for Homeless Persons with Disabilities	\$ 121,316.00	103	
Volunteers of America of Greater New Orleans	Project CH TWSH	\$ 92,538.00	103	
Volunteers of America of Greater New Orleans	Project CH VOAGNO	\$ 248,866.00	103	
Volunteers of America of Greater New Orleans	Northshore Permanent Housing for Disabled Individuals	\$ 605,532.00	103	
NAMI St. Tammany	Hummingbird Apts	\$ 79,780.00	98	
St. Tammany Parish Government	Supportive Housing Program	\$ 124,764.00	98	
Southeast Spouse Abuse Program	SAFE RRH	\$ 247,699.00	93	
Safe Harbor	Safe Harbor Domestic Violence Program	\$ 108,954.00	93	
St. Tammany Parish Government	Transition to Housing	\$ 129,843.00	90	

Signature _____

Date _____



Community Evaluation CoC Bonus Project Ranking Tool

Proposal Scoring Sections	Points Possible	
Interest and Organizational Experience	15	
Experience operating TH and RRH Programs (8)		
Experience working with target population (4)		
External Accreditation (1)		
Experience with best practice interventions (2)		
Housing First/Low Barriers Approach	25	
Experience using the Housing First Program Model (15)		
Previous training using the Housing First model (6)		
Adequate plan in place to acquire additional training (4)		
Plan for Effective Case Management	25	
Demonstrated experience providing effective case management (7)		
Plan for crisis intervention/stabilization services (6)		
System for monitoring client progress (6)		
Dealing with challenging behaviors (6)		
Staff Experience	10	
Staff supervised by LCSW or equivalent (3)		
Staff has commensurate experience for project (2)		
Evidence-based practices and interventions used in project (3)		
Acquisition and maintenance of skills through training/supervision (2)		
Implementation Timeline	5	
Plan for full enrollment within 5 months of award (5)		
Financial Capacity	15	
Ability to operate on a reimbursement based payment system (10)		
Adequate match to support program activities (5)		
Cultural Competence	5	
Experience with serving diverse populations with sensitivity (3)		
Plan to meet the needs of clients with sensitivity (2)		
Underserved Region	5	
Project will operate in Livingston, St. Helena or Washington Parishes		
Underserved Populations	5	
Project will serve non-disabled single adults		
Program Enhancement	5	
What the program "brings to the table" (5)		
TOTAL	115	

- 1. Are you a board member or employee of a funded agency Yes
No
- 2. Are you a relative of a board member/employee? Yes
No
- 3. Are you homeless/formerly homeless? Yes
No

Name Date Signature



Community Evaluation DV Bonus Project Ranking Tool

Proposal Scoring Sections	Points Possible	
Interest and Organizational Experience		
Experience operating project component type (5)	10	
Experience working with target population (2)		
External Accreditation (1)		
Experience with best practice interventions (2)		
Safety Planning		
Quality of and experience using lethality assessment tool (5)	20	
Victim-centered approach (5)		
Conducted in a trauma-informed manner (10)		
Housing First/Low Barriers Approach		
Experience using the Housing First Program Model (10)	20	
Previous training using the Housing First model (5)		
Adequate plan in place to acquire additional training (5)		
Plan for Effective Case Management		
Demonstrated experience providing effective case management (5)	20	
Plan for crisis intervention/stabilization services (5)		
System for monitoring client progress (5)		
Dealing with challenging behaviors (5)		
Staff Experience		
Staff supervised by LCSW or equivalent (3)	10	
Staff has commensurate experience for project (2)		
Evidence-based practices and interventions used in project (3)		
Acquisition and maintenance of skills through training/supervision (2)		
Implementation Timeline		
Plan for full enrollment within 5 months of award (5)	5	
Financial Capacity		
Ability to operate on a reimbursement based payment system (10)	15	
Adequate match to support program activities (5)		
Cultural Competence		
Experience with serving diverse populations with sensitivity (3)	5	
Plan to meet the needs of clients with sensitivity (2)		
Underserved Region		
Project will operate in Livingston, St. Helena or Washington Parishes	5	
Underserved Populations		
Project will serve non-disabled single adults	5	
Program Enhancement		
What the program "brings to the table" (5)	5	
TOTAL	120	

- 1. Are you a board member or employee of a funded agency Yes
No
- 2. Are you a relative of a board member/employee? Yes
No
- 3. Are you homeless/formerly homeless? Yes
No

Name _____ Date _____ Signature _____

2012

Establishing and Operating a Continuum of Care



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1. THE CONTINUUM OF CARE (CoC) PROGRAM

The Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009 (HEARTH Act) amended the McKinney-Vento Homeless Assistance Act. Among other changes, the HEARTH Act consolidated the three separate McKinney-Vento homeless assistance programs (Supportive Housing Program, Shelter Plus Care program, and Section 8 Moderate Rehabilitation SRO program) into a single grant program known as the Continuum of Care (CoC) Program.

HUD published the [Continuum of Care Program interim rule](#) in the *Federal Register* on July 31, 2012. The rule was posted on HUD's website and now governs the CoC Program.

The CoC Program is designed to assist individuals (including unaccompanied youth) and families experiencing homelessness and to provide the services needed to help such individuals move into transitional and permanent housing, with the goal of long-term stability. More broadly, the program is designed to promote community-wide planning and strategic use of resources to address homelessness; improve coordination and integration with mainstream resources and other programs targeted to people experiencing homelessness; improve data collection and performance measurement; and allow each community to tailor its program to the particular strengths and challenges within that community.

Each year, HUD awards CoC Program funding competitively to nonprofit organizations, States, units of local governments, and/or instrumentalities of State or local government collectively known as **recipients**. In turn, recipients may contract or subgrant with other organizations or government entities, known as **subrecipients**, to carry out the grant's day-to-day program operations.

1.1 Overview of CoC Program User Guide Series

A series of user guides is being developed to help CoCs, recipients, and subrecipients administer CoC Program funds (see box on next page). Recipients and subrecipients are the primary audience for the user guide series. All user guides will be accessible on the [OneCPD Resource Exchange](#) when they are available.

This user guide provides an overview of how to establish and operate a CoC, focusing on CoC governance and responsibilities.

Overview of Forthcoming CoC User Guide Series

Establishing and Operating a CoC: This user guide outlines how to create an effective and representative Continuum of Care in order to fulfill the roles and responsibilities set out in the CoC Program interim rule.

Introduction to Unified Funding Agencies (UFA): This user guide discusses the process for becoming a UFA and the roles and responsibilities that accompany it.

Determining and Documenting Homeless and At Risk Status, Income, and Disability: This user guide discusses the criteria used to define homelessness and at risk of homelessness, including income, disability, and associated recordkeeping requirements.

CoC Program Components and Eligible Costs: This user guide reviews the five CoC program components and the costs that recipients and subrecipients may incur in administering and operating CoC projects.

CoC Program Funding for Homeless Management Information System (HMIS): This user guide reviews the role of the HMIS within the CoC and the differences between eligible HMIS costs incurred by recipients as part of a project and eligible costs incurred by the HMIS lead in establishing, operating, and overseeing the use of the CoC's HMIS.

CoC Program's High-Performing Community: This user guide discusses how CoCs may become a high-performing community (HPC) and provide homelessness prevention assistance. It also outlines the populations that may be served, the specific activities that may be funded, and the additional requirements associated with administering the activities.

Project Administration and General Program Requirements: This user guide describes project administrative costs and general program requirements applicable to the CoC Program—regardless of which components are carried out—such as match, calculating rents and occupancy charges, timeliness standards, and terminations.

Grant Administration: This user guide reviews the standards for administering a CoC grant, including recordkeeping requirements and how to make project changes.

1.2 Citations within the Guides

Throughout this guide, you will see references to specific provisions of the McKinney-Vento Homeless Assistance Act as well as references to the Code of Federal Regulations (CFR). You may locate the relevant areas in the Act by visiting www.onecpd.info/resources/documents/HomelessAssistanceActAmendedbyHEARTH.pdf.

To locate particular regulations, visit <http://www.ecfr.gov> and select Title 24 for the HUD regulations. You may then select the particular part by number that you want to read.

2. ESTABLISHING A CONTINUUM OF CARE

At its simplest, a Continuum of Care is established by representatives of relevant organizations within a geographic area to carry out the responsibilities set forth in the CoC Program interim rule.

HUD developed the concept of the CoC in 1995 through its annual competition for homelessness assistance grants. The CoC was envisioned as a local network that plans and coordinates funding for services and housing to assist homeless individuals and families. The HEARTH Act amendments to the McKinney-Vento Homeless Assistance Act codified in law the role and functions of the CoC; thus each community **must** establish a CoC in compliance with the new CoC Program interim rule. In some communities, very little will have to change to be in compliance with the requirements of the interim rule, but the rule gives CoCs more ability to formalize and change to better achieve the goals of the CoC Program. In other communities, more structure and formalization will need to be implemented to be in compliance with the program requirements.

Examples of CoC Representatives

- Nonprofit homelessness assistance providers
- Victim services providers
- Faith-based organizations
- Governments
- Businesses
- Advocates
- Public housing agencies
- School districts
- Social services providers
- Mental health agencies
- Hospitals
- Universities
- Affordable housing developers
- Law enforcement
- Organizations serving veterans
- Homeless or formerly homeless individuals

When establishing a CoC, communities must bear in mind that CoCs are designed to:

- Promote a community-wide commitment to the goal of ending homelessness
- Provide funding for efforts for rapidly re-housing homeless individuals and families
- Promote access to and effective use of mainstream programs
- Optimize self-sufficiency among individuals and families experiencing homelessness

The composition of each CoC is expected to be tailored to its unique community circumstances, to the extent possible involving all of the players required to further local efforts to end homelessness. The purpose of requiring stakeholder representation from a wide range of organizations within the CoC's geographic area is to ensure that all community stakeholders participate in developing and implementing a range of housing and services.

2.1 Community-wide Commitment

A CoC is expected to address homelessness through a coordinated community-based process of identifying needs and building a system of housing and services that addresses those needs. While the CoC's function is not new one, the CoC Program interim rule designates the CoC as the community planning body that addresses the needs of persons who are homeless or experiencing a housing crisis. Accordingly, the CoC must move beyond the evaluation and prioritization of specific projects to a system-wide evaluation of the community's response to homelessness.

2.2 Geographic Representation.

A CoC must determine the geographic area (one or more metropolitan cities, urban counties, and other counties) that it will cover with its housing and service plan for homeless persons and persons experiencing a housing crisis. The CoC membership should comprise representatives of relevant organizations within the given geographic area. The text box above lists examples of membership representatives.

A list of existing CoCs, the geographic areas encompassed by each, and the funding amounts that they may apply for is available on the [OneCPD Resource Exchange](#).

3. CoC RESPONSIBILITIES

The CoC Program interim rule formalizes the composition and responsibilities of the CoC and establishes minimum requirements for its operation and management. Formalizing the responsibilities of the CoC accomplishes several goals. First, it provides the framework for a comprehensive, well-coordinated, and clear planning process. Second, it allows CoCs to measure their effectiveness in reducing homelessness at both a system and project level rather than just at the level of individual projects funded by the CoC, and change strategies if they are not effective. Finally, it strengthens coordination between CoC-funded activities and other HUD-funded activities directed at ending homelessness, such as activities funded through the Emergency Solutions Grant (ESG) program.

3.1 Operating the CoC

The CoC Program interim rule establishes seven responsibilities that must be carried out by the CoC. Many CoCs already fulfill these responsibilities since previous CoC Homeless Assistance Grants competitions included them as scoring criteria. In addition, CoCs may choose to adopt other responsibilities to more effectively operate the CoC. The CoC is responsible for carrying out all activities specific in the interim rule, but may choose to assign the responsibilities to the CoC board, another organization, or another CoC work group. All responsibilities must be thoroughly documented in the CoC's governance charter. These responsibilities include the following:

1. **Regular meetings.** Hold meetings of the full membership, with published agendas, at least semiannually. CoCs may conduct membership meetings more often for purposes of activity planning, ongoing communication, staff training, etc.
2. **Invitation for new members.** Issue a public invitation for new members from within the CoC's geographic area at least annually.
3. **Board selection.** Adopt and follow a written process to select a CoC board to act on behalf of the CoC. The CoC must review, update, and approve the selection process at least once every five years. The CoC board must meet all requirements as specified in 24 CFR part 578.5(b) and as discussed in more detail in Section 4.1 of this user guide. Many of the operating responsibilities of the CoC may appropriately be assigned to the board.
4. **Additional committees.** Appoint additional committees, subcommittees, or work groups as needed.
5. **Governance charter.** In consultation with the collaborative applicant and the Homeless Management Information System (HMIS) lead, develop, follow, and update annually (1) a governance charter that includes all procedures and policies needed to comply with 24 CFR part 578.5(b) and with HMIS requirements as prescribed by HUD and (2) a code of conduct and recusal process for the board, its chair(s), and any person acting on behalf of the board.

6. **Monitoring.** Monitor recipient and subrecipient performance, evaluate outcomes, and take action against poor performers.
7. **Evaluation.** Establish performance targets appropriate for population and program type in consultation with recipients and subrecipients, then monitor recipient and subrecipient performance, evaluate outcomes, and take actions against poor performers.
8. **Centralized or Coordinated Assessment.** Establish and operate a coordinated assessment system, in consultation with the recipients of Emergency Solutions Grants program funds.
9. **Written Standards.** Establish and consistently follow written standards for providing CoC assistance, in consultation with the recipients of Emergency Solutions Grants program funds.

Governance Charter

The governance charter should detail the functions of the CoC board, the CoC's committee structure and roles, staff roles, and the process for amending the charter. Some CoCs may already have bylaws in place that are similar to a governance charter.

Coordinated Assessment

In consultation with recipients of ESG funds within the CoC's geographic area, the CoC must establish and operate, or designate, a centralized or coordinated assessment system that provides an initial, comprehensive assessment of the housing and services needs of individuals and families within the CoC's area. Further, the CoC must develop a policy that guides consistent operation of the centralized or coordinated assessment system, with respect to how the system will triage and address the particular safety needs of individuals and families who are experiencing homelessness. In addition, the policy must state how the system will address the needs of individuals and families that are fleeing or attempting to flee domestic violence, dating violence, sexual assault, or stalking.

Some communities created coordinated assessment systems as part of the implementation of the Homeless Prevention and Rapid Re-Housing Program (HPRP), while other communities' systems pre-date HPRP. Whether a community is creating a new system or relying on an existing system, the coordinated assessment system must demonstrate compliance with the following minimum requirements:

- Cover the geographic area served by the CoC
- Be easily accessed by individuals and families seeking housing or services
- Be well advertised
- Include a comprehensive and standardized assessment tool

Written Standards

The CoC must establish and consistently follow written standards for providing assistance. The coordinated assessment system must incorporate these standards when evaluating and referring potential program participants. At a minimum, the written standards must include the following:

- Policies and procedures for evaluating individuals' and families' eligibility for assistance under the CoC Program

- Policies and procedures for determining and prioritizing which eligible individuals and families will receive transitional housing assistance
- Policies and procedures for determining and prioritizing which eligible individuals and families will receive rapid re-housing assistance
- Standards for determining what percentage or amount of rent each program participant must pay while receiving rapid re-housing assistance
- Policies and procedures for determining and prioritizing which eligible individuals and families will receive permanent supportive housing assistance
- If the CoC has been designated a High Performing Community (HPC), policies that address standards for high-performing communities, as described in the Emergency Solutions Grants program rule at 24 CFR part 576.400(e)(vi) through(e)(ix)

3.2 CoC Planning

The CoC is responsible for coordinating and implementing a housing and service system to meet the needs of the homeless population and subpopulations within its geographic area. Many of the planning activities set forth in the CoC program have been part of the CoC Homeless Assistance Grants competition application for many years as scoring criteria; therefore, many CoCs already have completed a plan to guide their activities. The CoC Program interim rule formalizes these planning responsibilities and specifies new responsibilities related to coordination with ESG recipient(s). CoC planning activities must adhere to the requirements established in the [CoC Program interim rule](#), in addition to the requirements and directions of HUD's Notices of Funding Availability (NOFAs).

The CoC's responsibilities related to planning are described below.

System Coordination

The CoC is responsible for coordinating and implementing a comprehensive system to address the needs of the homeless population and subpopulations and persons experiencing a housing crisis within its geographic area. While each community may develop its own approach to address identified needs, each community's system should at a minimum encompass the following:

- Outreach, engagement, and assessment
- Shelter, housing, and supportive services
- Homelessness prevention strategies

Given that funding under the CoC program is not sufficient to support a comprehensive system for addressing homelessness, additional funding from dedicated homeless programs, including ESG, and mainstream resources is needed to carry out a CoC's homelessness activities. Coordination of these funding streams and related services leads to a stronger community response to homelessness. The next page includes a discussion of the requirements for CoC coordination with ESG and mainstream resources.

Point-in-Time Count

At least biennially, or as required by NOFA, a CoC must plan for and conduct a point-in-time count of homeless persons within its geographic area. The count must:

- Identify the number of homeless persons who are living in a place not designed for or ordinarily used as regular sleeping accommodations for humans (unsheltered homeless persons)
- Identify the number of homeless persons living in emergency shelters and transitional housing projects (sheltered homeless persons)
- Identify other requirements established by HUD by Notice, including the annual FY CoC Program NOFA

Annual Gaps Analysis

A CoC must conduct an annual gaps analysis of the homeless needs and services available within its geographic area, which includes a housing inventory.

Consolidated Plan Information

A CoC must provide the information required to complete the Consolidated Plan(s) for its geographic area.

ESG Consultation

A CoC must consult with State and local government ESG recipients within its geographic area with respect to the plan for allocating ESG funds and reporting on and evaluating the performance of ESG recipients and subrecipients.

3.3 Designating and Operating an HMIS

A Homeless Management Information System (HMIS) is an invaluable tool for communities and HUD to develop better information on the nature of homelessness, the number of people experiencing homelessness, the existing patterns in housing programs and services, and the effectiveness of programs and services in addressing homelessness. An HMIS must be used by the CoC and all recipients of CoC and ESG program funds to meet HUD's data collection, management, and reporting standards. Recipients and subrecipients are required to collect data on individual clients and the provision of housing and services to homeless individuals and families, and persons at risk of homelessness.

The CoC is accountable for the HMIS, even if another organization is designated to operate it. The CoC is responsible for the following HMIS functions:

- **HMIS.** Designating a single HMIS for its geographic area.
- **HMIS lead.** Designating a single eligible applicant to serve as the HMIS lead to manage the HMIS. Eligible applicants include nonprofits, State or local governments, or instrumentalities of State or local governments.
- **HMIS Compliance.** Ensuring that the HMIS is administered in compliance with requirements prescribed by HUD.
- **Privacy, security, and data quality.** Reviewing, revising, and approving an HMIS privacy plan, security plan, and data quality plan.
- **HMIS participation.** Ensuring the consistent participation of recipients and subrecipients in the HMIS.

For more information, see the user guide on [CoC Program Funding for HMIS](#).

3.4 Preparing the Application for CoC Program Funds

A major function of the CoC is to prepare and oversee the development and submission of an annual application for CoC program funds. The process must involve the steps described below.

Funding Priorities

A CoC must establish priorities for funding projects in its geographic area. The selection process must be transparent and inclusive and based on the standards indicated in 24 CFR part 578.19(b).

Collaborative Application Process

A CoC must design, operate, and follow a collaborative process for developing applications and approving the submission of applications in response to a NOFA published by HUD in concert with the funding priorities and plan adopted by the CoC. The CoC should also ensure that all project applications are submitted by eligible applicants.

HUD may only award CoC funds to nonprofit organizations, States, units of local governments, and/or instrumentalities of State or local government, collectively known as **recipients**. In turn, recipients may subgrant with other nonprofit organizations, States, units of local government, and/or instrumentalities of State or local government—known as **subrecipients**—to assist in the day-to-day operations of the CoC program. A recipient is an applicant that signs a grant agreement with HUD. Eligible applicants include public housing agencies, as such term is defined in 24 CFR 5.100, without limitation or exclusion.

The Collaborative Applicant

A CoC must designate an eligible applicant to serve as the collaborative applicant. If the CoC is an eligible applicant, it may designate itself to be the collaborative applicant. If the CoC chooses to apply for CoC planning funds, the collaborative applicant is also the only eligible applicant able to apply for these funds on behalf of the CoC.

The collaborative applicant is the entity that submits the annual CoC Consolidated Application for funding on behalf of the CoC. In CoCs where the CoC does not also designate the collaborative applicant to apply to be a Unified Funding Agency, as is discussed below, the annual CoC application may include requests for project funding from more than one eligible applicant. If more than one project is applying for funding, then the entity designated by the CoC as the collaborative applicant is charged with collecting and combining the application information from all applicants for all projects within the CoC's geographic area.

The CoC retains all of its responsibilities, even if it designates one or more eligible applicants other than itself to apply for funds on behalf of the Continuum. This includes approving the application for funds.

Unified Funding Agency

The CoC may designate the collaborative applicant to seek Unified Funding Agency (UFA) designation. A collaborative applicant may request UFA designation through the annual CoC Program Registration process. HUD will inform the collaborative applicant and the UFA if it meets the required criteria.

If approved by HUD, the UFA must carry out all of the responsibilities of the collaborative applicant as well as additional requirements that are set forth in the CoC Program interim rule. In order to be considered for UFA designation, collaborative applicants are required to:

- Represent a CoC that meets the requirements in 24 CFR part 578.7 of the CoC Program interim rule
- Have financial management systems that meet the standards in 24 CFR part 84.21 (for nonprofit organizations) and 24 CFR part 85.20 (for States)
- Demonstrate the ability to monitor subrecipients
- Demonstrate and/or address any additional criteria that HUD may require by NOFA

If, after reviewing information submitted by the collaborative applicant addressing the above requirements, HUD designates the collaborative applicant as a UFA, the collaborative applicant has the following additional responsibilities:

- Apply for funding for all projects within the geographic area and enter into a grant agreement with HUD for all of the projects.
- Enter into legally binding grant agreements with subrecipients, and receive and distribute funds to subrecipients for all projects within the geographic area
- Require subrecipients to establish fiscal control and accounting procedures necessary to assure proper disbursement of and accounting for federal funds in accordance with the requirements of 24 CFR parts 84 and 85 and corresponding OMB circulars
- Obtain approval of any proposed grant agreement amendments by the CoC before submitting a request for an amendment to HUD

The CoC retains all of its responsibilities, even if it designates a UFA other than itself to apply for funds on behalf of the Continuum. This includes approving the application for funds.

4. OVERVIEW OF CoC GOVERNANCE AND STRUCTURE

At the core of the CoC responsibilities described earlier is the mission of leading the community in finding solutions for preventing and ending homelessness. The CoC needs to create a structure to fulfill this and the other duties referenced in Section 3 of this user guide. While each community may bring different players to the table to participate in and lead the CoC, HUD expects participation of representatives from all relevant organizations (as discussed in Section 2 of this guide), requires each CoC to establish a board, and provides flexibility to CoCs to establish additional committees or workgroups to help carry out its planning and operations responsibilities. This section of the guide details the requirements for CoC governance and structure as described in 24 CFR part 578.5.

4.1 CoC Board Requirements

Given that a CoC consists of many community stakeholders, each CoC must establish a board that is selected in compliance with the process approved by the CoC. The process is established as a requirement at 24 CFR part 578.7(a)(3). The Board must comply with the conflict of interest requirements at 24 CFR part 578.95(b).

The CoC Program interim rule establishes two characteristics of board composition. According to the rule, the board must:

- (1) Include at least one homeless or formerly homeless individual
- (2) Represent the relevant organizations and projects serving homeless subpopulations, such as persons with substance use disorders; persons with HIV/AIDS; veterans; the chronically homeless; families with children; unaccompanied youth; the seriously mentally ill; and victims of domestic violence, dating violence, sexual assault, and stalking.

One board member may represent the interests of more than one homeless subpopulation, and the board must represent all subpopulations within the CoC to the extent that someone is available and willing to represent that subpopulation on the board.

In order for the CoC board to carry out activities, the CoC must assign responsibilities to the board, which may include some of the requirements discussed in Section 3 of this User Guide. All roles and responsibilities must be reflected in the governance charter, along with a code of conduct and recusal process for the board, its chair(s), and any person acting on the board's behalf. The governance charter must be reviewed and updated, annually.

The CoC must comply with the requirements related to establishing the board and its composition by August 30, 2014, two years from the effective date of the CoC Program interim rule. It is possible that, in some communities, a board already meets the requirements described above. In that case, the CoC needs to ensure that it has reviewed and approved the written process for selecting the board in the last five years and followed that process when selecting the current board.

4.2 CoC Subcommittees and Work Groups

The CoC may appoint additional committees, subcommittees, and work groups as needed to carry out its work. Each CoC is responsible for determining the most effective committee structure for its community. The following are examples of some areas that may fall under the purview of committees and work groups:

- Application Review
- Point-in-Time Count
- Centralized Intake
- HMIS
- Performance Measurement
- Discharge Planning

All committees, subcommittees, and work groups responsibilities' must be documented in the governance charter that is reviewed and approved annually by the CoC.

5. FUNDING FOR ELIGIBLE COC PLANNING COSTS

One of the major changes under the CoC Program interim rule is the availability of funding to support CoC planning costs. This section considers the amount of funding available and eligibility to apply for these funds.

5.1 Amount Available

Up to 3 percent of a CoC's Final Pro Rata Need amount, or a maximum amount established by NOFA, will be available for CoC planning activities. Each year HUD will announce the exact percentage and maximum amount available for planning activities.

5.2 Eligible Applicants for CoC Planning Funds

Only the designated collaborative applicant may apply for and receive CoC planning funds, which may be used to complete any of the activities described in Section 3 of this user guide and outlined at 24 CFR part 578.39.