**NC BoS CoC Grant Transfer Workgroup Minutes**

**11/1/2017**

**Workgroup members present:** Destri Leger, Kristen Martin, Talaika Goss-Williams, Mike Bridges

**NCCEH staff present:** Nancy Holochwost, Brian Alexander, Ehren Dohler

Agenda:
- Current CoC grant transfer process
- Need for change
- Discuss new process
- Next Steps

**Current grant transfer process**

- Background:
  - CoC funding is tied to CoC performance
    - The NC BoS CoC submits an application each year for the full CoC – the score the CoC receives affects the likelihood of each project getting funded.
      - Each project's performance effects each other project's funding.
    - It is in everyone's best interest to have grantees that:
      - Have capacity to administer federal funds
      - Meet HUD and NC BoS CoC priorities
      - Run the most effective programs with best outcomes
  - One method to ensure high project performance is to evaluate and select projects to submit for funding
    - In the NC BoS CoC:
      - Scorecard Committee creates a scorecard to evaluate project apps
      - Project Review Committee scores applications and recommends project ranking
      - Steering Committee approves project ranking
      - CoC lead agency (NCCEH) submits full application to HUD
      - Projects go through intensive review and vetting to receive funding
  - Sometimes changes to grants need to be made for them to run effectively
    - Two types of changes:
      - Small change
      - "Significant change" (HUD terminology)
        - Change of recipient (grant transfer)
        - Changing or adding subrecipient
        - Change of project site

- - - Adding or eliminating budget line items
      - Shift of more than 10% of budget line item to another
      - Permanent change in subpopulation
      - Permanent reduction in number of units
  - NC BoS CoC has a policy addressing significant changes
    - Grantees must obtain Steering Committee approval for any significant change
      - Policy: www.ncceh.org/files/8504
      - This is because the Steering Committee approved the original project, so if the project will significantly change, the Steering Committee must approve this change as well.
    - Process: Grantees submit a form explaining change and this request is brought to Steering Committee, which votes for approval.
      - In the case of a grant transfer, there is currently no vetting for the receiving agency, the way projects are vetted originally during the application process.

**Need for change**

- Of all significant changes, transfers can have biggest impact:
  - Impact on participants
  - Impact on community system
  - Impact on grant spending & administration
  - Impact on CoC-wide performance and CoC's ability to receive future funds
- Who to transfer grant to has high stakes
- There will likely be more grant transfers in the near future
  - Upcoming changes to MCOs
  - MCOs hold over half of BoS grant portfolio – 17 grants that total about $5 million.
- More robust process needed to handle grant transfers
  - Goals for grant transfer process:
    - Increase transparency – open process for all interested parties
    - Find agency that is best fit for grants
      - Capacity & experience – especially since MCO grants are large, agency needs capacity to administer large grants
      - Mission alignment
      - Program design & philosophy
      - Most effective at operating the project
    - Close the loophole of agencies receiving grants without being evaluated like they would in the normal CoC application process

- HUD guidance provides a framework for transfers:
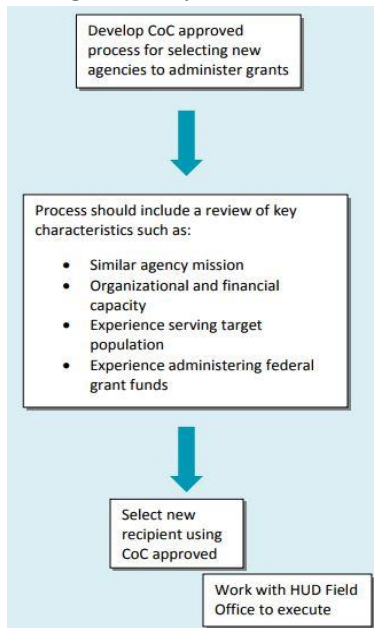


**Discuss new process**

- Process must include basic elements:
  - Open call to increase transparency
  - Submission of documentation to evaluate interested agencies
  - Impartial review to increase transparency and evaluate agencies
- Open call for interested agencies:
  - Options for method of call:
    - Email to main BoS contact list
    - Email to Regional Committee leads
    - Post on NCCEH website
    - Staff/current grantee engage potential agencies
    - Discussion:
      - Talaika: First three options will cast a wide net and reach the most agencies that are already tied into the system. Fourth option is okay as well.
      - Ehren question: would an email be enough to interest you?
        - Talaika: an email would make me investigate a bit more to contact BoS and talk to actual grantee.
          - Brian: so even if we do the first three, there should then be a personal conversation with the original grantee. Intent to apply process for CoC competition asks for people with intent, then CoC staff follows up after receiving interest.
        - Kristen: Email to Regional Leads is the most important option – RLs know the community culture and can deal with political issues. They can decide how to disseminate the information effectively to their regions.
        - Destri: RLs sending emails doesn't work – there needs to be personal engagement. Especially if you're looking at potentially transferring to an agency that

wouldn't look into it themselves. In the ESG process Kim Crawford having direct contact was really helpful.

- Brian: doesn't have to be just one method – we can do more than one.
- Nancy: we can do broad outreach and add a direct outreach component
- Kristen: need HUD field office to direct grant transfers back to CoC staff

o Options for content
- Description of available grants (type, location, budget, target population, etc.)
- Method & deadline for indicating interest
- Others?
- Discussion:
  o Mike Bridges: important to know the timing of the grant transfer and what is the current grantee willing to do with the transfer. History of performance.
  o Kristen: How many households are currently housed in relation to how many the grant is supposed to house?

o Submission of documentation for interested agencies
- Need to maintain balance between overly burdensome process and getting what the CoC needs to make an informed decision
- Information to consider
  o Eligibility for CoC funds
  o Capacity/experience
  o Meeting thresholds (same as CoC competition scorecard)
  o Meeting standards (same as CoC competition scorecard)
  o Others?
  o Discussion:
    - Talaika: depends on whether new or current grantee. For new grantees we need to ask more information. Capacity is especially important.
    - Kristen: Putting thresholds and standards out there will help self-select agencies who can do it.
    - Ehren: put information out to allow for self-vetting
    - Mike: financial assessment is very important
      • Submit description of best practices
- How to submit documentation
  o One option is to adjust CoC application process:
    - Current CoC application process: early deadline that asks for threshold information. Second deadline for full application and documents.
    - Make short form asking basic questions & threshold information. All agencies would submit at a first deadline
    - Ask non-grantees or CoC grantees that aren't running same type of grant for additional information at second deadline
  o Talaika: would agencies be notified to submit for the second deadline?
    - Nancy: probably the opposite – we would only notify if they don't meet thresholds.

- o Destri: It's good to have different process for current grantees and new grantees.
  - ▪ Nancy: description of process would be included in initial information about the transfer so everyone knows what the process will be
  - o Destri: Make sure thresholds/standards are included in initial call for interest
- ▪ Impartial review:
  - o Options for responsible party:
    - ▪ Project Review Committee (change to a standing committee)
    - ▪ Funding & Performance Subcommittee
      - • Falls under their purview but a new committee
    - ▪ Create a specific committee for transfers
    - ▪ Others?
    - ▪ Discussion:
      - • Destri: makes sense to get PRC to take it on
      - • Talaika: agree – keep it with PRC
      - • Brian: we would have to make clear to PRC that it's a more standing commitment
      - • Destri: grant transfers don't sound like such a big commitment as the normal CoC competition – probably wouldn't scare anyone away
- ▪ Method of review:
  - o Options:
    - ▪ Scorecard based on CoC application scorecard
    - ▪ Scorecard just for transfers
    - ▪ Discussion:
      - • Destri: how much additional info is needed for transfers compared for regular CoC app?
      - • Nancy: Standards and thresholds still included, but potentially take about half the scorecard off
      - • Kristen: for consistency, it makes sense to adjust the CoC scorecard rather than make a new one. Adjust scores and put N/A for parts not being asked
      - • Mike: is there a way to capture how they would run the grant, since it's not theirs?
      - • Nancy: Maybe in the questionnaire we send we could ask for some of this information
      - • Mike: there are a lot of contingencies in the grant transfer process. We should work to not have the transferring agency just drop the grant.
      - • Ehren: There needs to be a way to capture the administrative needs of transferring the grant and negotiate those needs between agencies. This isn't a good scorecard piece. But need to facilitate.
        - o Can we capture some of these issues early? Ask from current

grantee, and ask potential transferees to respond.
- Brian: but some things always come up. Need some inherent flexibility.
- Mike: when does the negotiation happen? For transparency, negotiation shouldn't happen until after the vetting process.

**Next steps**

- Documents to create:
  - Summary of process
  - Open call template
  - Template forms for interested agencies to submit
  - Scorecard
- Who should do it?
  - Staff will draft, send out before next meeting
- Next meeting: Wednesday 11/15, 10am – 11am