

# The Southeastern Oklahoma Continuum of Care

*The Southeastern Oklahoma Continuum of Care is committed to prevent and end the tragedy of homelessness among individuals and families.*

Serving Atoka, Bryan, Carter, Choctaw, Coal, Haskell, Hughes, Johnston, Latimer, LeFlore, Love, Marshall, McCurtain, McIntosh, Murray, Muskogee, Okfuskee, Okmulgee, Pittsburg, Pontotoc, and Pushmataha Counties.

## Reallocation Process

### Purpose of this Document

This document is intended to set parameters for the Southeastern Oklahoma Continuum of Care reallocation process.

### What is Reallocation?

Reallocation refers to the process by which a Continuum of Care (CoC) shifts funds in whole or in part from existing CoC-funded projects that are eligible for renewal to create one or more new projects. CoCs can pursue reallocations through the annual CoC Program Competition. A reallocated project must be a new project that serves new participants and has either a rapid re-housing or permanent supportive housing program design. A new reallocated project may use resources from an existing project, including staff, but it is not simply a continuation of an existing project that serves existing participants.

### What Projects can be Reallocated?

CoCs can reallocate funding from any project eligible for renewal in a competition year. The annual CoC Program Competition Notice of Funding Opportunity (NOFO) dictates what types of projects may be created through reallocation in a given competition.

### Different Types of Reallocation

There are many approaches to reallocation. Although HUD may limit what types of new projects may be created with reallocated funds, it does not dictate to CoCs what types of renewal projects can be reallocated or how that process should occur.

There are many combinations of funding for projects that can be involved in a reallocation. Examples include:

- Funding from one project (or partial funding from one project) can be reallocated into a new project operated by the same provider;
- Funding from one project (or partial funding from one project) can be reallocated into a new project operated by a different provider;
- Funding from one project (or partial funding from one project) can be reallocated into many new projects;
- Funding from many projects (or partial funding from many projects) can be reallocated into one new project; and
- Funding from many projects (or partial funding from many projects) can be reallocated into many new projects.

The type of reallocations a CoC should pursue in a single competition depends on the CoC's individual circumstances. While reallocation can be complicated and does not come without risk, it is a necessary part of ensuring that a CoC's homeless assistance system meets the needs of people experiencing homelessness. Reallocations can only occur through the annual CoC Program competition.

## **Reallocation Process**

Each year, the Southeastern Oklahoma Continuum of Care (SEO CoC) shall review needs and service gaps to determine the types of programs reallocated funds may be used to create.

The SEO CoC shall reallocate funds as needed to more effectively resolve homelessness, help households achieve stable housing and improve CoC performance. SEO CoC program funds may be reallocated either by a voluntary process or by a competitive system transformation process.

### **Voluntary Reallocation Process**

SEO CoC grantees may choose to voluntarily reallocate their CoC-funded renewal grants to create new projects. A grantee seeking to reallocate funding through the voluntary process must do so in accordance with the timeline set by the SEO CoC in that year's application process and complete a new project application by the deadline set by the SEO CoC in order to be eligible.

The SEO CoC Consolidated Application Committee will review the applications and make determinations regarding the acceptance and ranking of the proposed project(s).

- If the new project meets HUD's CoC funding priorities, local needs, and is an eligible reallocation project type under the NOFO, the applicant will be given the opportunity to apply to HUD for the new project.
- If the new project does not meet HUD's CoC priorities, local needs, is an ineligible project type, or does not request the full grant amount awarded to the existing project, the funds either in total or in part not covered by the request, will revert back to the original grant or be released as new funds by the SEO CoC for proposal during the CoC competition.

### **Competitive Reallocation**

The SEO CoC may initiate a competitive reallocation process due to a renewal grantee ending a CoC program, or in order to increase CoC effectiveness by de-funding a project that does not meet CoC needs either because of program type or continual low performance. A determination of low performance shall be made based on an evaluation of the following criteria:

- Project performance, which takes into consideration exits to permanency, returns to homelessness, maintenance of permanent housing, increases in participant income, and linkages to mainstream resources;
- Utilization and effectiveness, which factors bed/unit operating capacity and utilization rates, and cost effectiveness relative to project type and population served;
- Extent of participation in HMIS, including, but not limited to, bed coverage and data quality; and
- Grant management, which takes into consideration underspending, timely draws, and recaptured funds.

If a project is deemed to be low performing, the SEO CoC shall initiate a process by which the low performing project works with the SEO CoC Executive Committee to develop a project improvement plan. If, in the timeframe outlined in the project improvement plan, the project has not made significant changes to improve its performance or meet set targets, the SEO CoC reserves the right to reallocate the project.

In the case of involuntary reallocation, the funds that were allocated to the project shall be released as new funds within the CoC, and agencies shall have the opportunity to apply for them through a competitive process to create Permanent Supportive Housing for the chronically homeless, PSH dedicated plus, Transitional Housing-Rapid Re-Housing, and/or Rapid Re-housing projects.

**Recusal Process**

The SEO CoC Lead Agency and/or Executive Committee members shall not participate in any discussion or deliberation about reallocation that may impact their CoC funding.