



PROCESS FOR REALLOCATING FUNDS OF THE CoC PR-502 FY 2019

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. reduction of the 10% of the budget of a project that has an unexpended balance of grant funds of 10% or more in the prior 2 years, by reassigning funds to operate a new project of the same provider or another provider;
 2. elimination of all of the funds of a project that has obtained a score of 69% or less on the tool to measure performance, to reassign funds for the operation of a new project to a new provider;
 3. elimination of all of the funds of a project that has obtained a score of 69% or less on the tool to measure performance and that has an unexpended , that are reassigned for various new projects;
 4. elimination of all funds of various projects that have obtained a score of 69% or less on the tool to measure performance, so as to reassign the funds for a new project or for various projects.

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.

Approved by the CoC PR-502 – Plenary Meeting August 9, 2019.