

Texas Balance of State Continuum of Care

The TX BoS CoC is Seeking Public Comment on

Significant Change Policy and Procedure for Continuum of Care Program Projects in the Texas Balance State Continuum of Care

The TX BoS CoC is seeking public comment on a proposed policy. A public comment period allows stakeholders to review proposed policy, procedure, and statutory compliance implementation and provide feedback based on experience and expertise.

The document(s) with proposed changes can be found here:

<https://www.thn.org/texas-balance-state-continuum-care/get-involved/texas-balance-of-state-public-comment-portal/>

An electronic public comment form can be found here: <https://forms.gle/AaqDUgcPqwEtLHdR6>

Comments received after 4:59pm CST on *Wednesday, March 29, 2023* will not be accepted.

Written comments may be submitted, in hard copy/fax or electronic formats to:

Texas Homeless Network
Attn: Jim Ward
3000 S. IH 35 Ste 100
Austin TX, 78704
Fax: 512-478-9077
Email: jim@thn.org

This Public Comment Period closes on *Wednesday, March 29, 2023* at 4:59 P.M.

Texas Balance of State Continuum of Care

Introduction:

THN, as Lead Agency for the Texas Balance of State Continuum of Care proposes to implement a significant change policy, that will provide structure and transparency to the process for a Recipient of Continuum of Care (CoC) Program funds to “Significantly Amend” a previously awarded CoC Program Grant.

Occasionally, Recipients of CoC Program Funding may believe they have identified a need to modify a CoC Grant from its current budget or scope. This policy and procedure will guide CoC Staff and CoC Recipients when considering this change. Ultimately, it is the responsibility of the CoC to ensure the funds are used for their intended purpose and that projects funded are consistent with HUD and COC priorities

Key Considerations

1. The CoC recommends project applications for an award based on specific characteristics. Changes to grant agreements could alter the project design from the original approved application.
2. 24 CFR 578.7(a)6 requires the CoC to monitor projects. This means the CoC must be aware of all changes to projects made after a recommendation and subsequent award for the CoC to monitor a project effectively.
3. Previously, THN staff worked with recipients on behalf of the CoC, when such support was required by HUD. This creates a single point of failure for the CoC. Changing this process is not intended to slow the amendment process down. Rather, this process will promote transparency in that decision-making process and provide a clear path for Recipients to make such requests to the CoC.
4. This policy adds multiple layers of review prior to the CoC providing its support
 - a. TX BoS CoC Staff
 - b. TX BoS CoC Community Investment Committee
 - c. TX BoS CoC Board of Directors

For questions about this public comment process, or for assistance with giving public comment, please contact the *THN Director of Planning* at jim@thn.org or (512) 861-2165

Texas Balance of State Continuum of Care

Significant Change Policy

This policy applies to all recipients of HUD Continuum of Care (CoC) Program funding in the Texas Balance of State Continuum of Care (TX BoS CoC).

Occasionally, Recipients of CoC Program Funding may believe they have identified a need to modify a CoC Grant from its current budget or scope. This policy and procedure will guide CoC Staff and CoC Recipients when considering this change. Ultimately, it is the responsibility of the CoC to ensure the funds are used for their intended purpose and that projects funded are consistent with HUD and COC priorities

Board of Directors Role

The TX BoS CoC Board of Directors approves CoC funding applications annually. CoC grants are recommended by the Independent Review Team, based on the content of the initial project application.

On occasion, a significant change may be necessary to continue to implement the grant effectively. Because significant changes represent a departure from the approved application and may substantially affect project implementation, or alter project design, these changes require approval from the CoC Board of Directors. Once the TX BoS CoC Board of Directors approves the significant change, the grant recipient may then request the change from the HUD Field Office.

In many instances, HUD will not approve a significant amendment to a previously awarded contract without a CoC's written approval. It is the responsibility of the Recipient requesting the change to determine when this approval is required. Therefore, any change considered a "significant amendment" by HUD will require the approval or consent of the Board of Directors.

Approving a significant change by the CoC Board of Directors does not mean that the proposed change complies with applicable regulations or program rules or that the HUD Field Office will approve the proposed changes. The TX BoS CoC Board of Directors will only consider these changes following a recommendation by the Community Investment Committee and TX BoS CoC Staff.

Significant Changes

The following are the significant changes that require Board of Director's approval:

- A change to the scope of the project
- A change of recipient to another eligible entity, or grant transfer
- A change to a subrecipient(s), e.g., the removal of a sub-recipient
- A budget amendment that is considered a "Significant Amendment" by HUD (>10% of the Budget Line Item)
- The addition or elimination of eligible costs approved for a project
- A permanent change in subpopulation target
- A permanent reduction in the total number of units funded under the grant
- Permanent closure of the project funded by the grant
- A voluntary release of grant funding

Process

An authorized representative of a CoC Recipient may initiate a request for approval of a significant change at any time by emailing txboscoc@thn.org attn. Jim Ward, Director of Planning.

Once the Director of Planning has received a request for approval of a significant change, the Director will

- a) Reach out to the person that initiated the process for more information about the request, and to discuss options other than a significant amendment.
 - I. Staff will develop a recommendation for or against the proposed significant change
- b) Schedule the request for discussion at the next meeting of the Community Investment Committee (CIC).
 - I. The CiC will develop a recommendation for or against the proposed significant change
- c) Schedule the request for discussion and action at a meeting of the CoC Board.
 - I. The CoC Board will consider the request, along with staff and committee recommendations at the next meeting of the board.

The CIC is a committee of the CoC Board. The CIC will hear requests for significant changes on an ad-hoc basis. The CIC must resolve the request before staff can move the proposed change to the Board of Directors. To resolve amendment requests the CIC may recommend the amendment, or the CIC may determine that the proposed change does not fit the goals or priorities of the CoC Program

The Board of Directors will consider the request, the recommendation of the CIC and Staff recommendations at a meeting of the full Board of Directors.

A simple majority vote in any meeting of the Board where a quorum is present will be sufficient to decide a request for approval of a significant grant change

The decision reached by the Board of Directors will be communicated in writing to the requesting representative by the Director of Planning promptly

The decision made by the Board of Directors is final.

Following the decision by the Board of Directors, the Director of Planning will coordinate any next steps directly with the Recipient and are situation-specific therefore, those next steps will not be detailed here, but may include, the issuance of a letter of support or denial, coordinating communication with the relevant HUD Field Office, issuing a Request for Proposals or Request for Qualifications, or provision of additional Technical Assistance.

Noncompliance with Policy

If a recipient agency requests a grant amendment from HUD or otherwise implements a significant change without first receiving approval from the TX BoS CoC, the Board of Directors has the discretion to determine the consequences, which may include a full or partial reallocation of funding in the next CoC competition.