

Attachment A- 11

**Continuum of Care (CoC)
Section 8 Moderate Rehabilitation Single Room Occupancy (SRO)**

Competitive Risk Analysis Worksheet

Part I – To Be Completed by CPD Evaluator

Name of Grantee: _____ **Fiscal Year Review:** _____

Name of HUD Evaluator: _____ **Date:** _____

Risk Criteria considerations include:

- Risk exposure to the Department;
- The likelihood that a program participant has failed to comply with program requirements; or
- The participant has performed unacceptably.

Recipient/Recipient Risk is assessed to:

- Determine Recipient/recipients that pose the highest risk to the Department;
- Identify Recipient/recipients to be selected for monitoring; and
- Determine the most effective means to identify and carry out actions to increase recipient effectiveness.

If a recipient has been awarded funds under more than one HUD competitive program (Continuum of Care (CoC) Program or Section 8 Single Room Occupancy Moderate Rehabilitation (SRO)), a separate worksheet should be completed for each competitive program carried out by the recipient. In this scenario, separate worksheets must be completed, one for each of the HUD programs. If a recipient has multiple grants under one HUD program, use one worksheet per HUD program only. This worksheet has been designed for evaluating CPD's competitive programs. Although factors and subfactors are consistent for all competitive programs, rating criteria may differ in some cases for recipients.

In completing this worksheet, the Evaluator should consider the total number of all active grants funded under each program. The Evaluator will provide an assessment of the recipient, using three of the four standard factors selected by the Department to determine the level of risk a recipient may pose to a HUD program. The factors include: Grant Management, Financial Management, and Services & Satisfaction. Listed under each factor is a set of subfactors. Each subfactor identifies a set of criteria that will define a numeric value based on risk level. The Evaluator should choose the appropriate risk level based on the definition provided and assign the numeric value that is indicated. One score should be assigned for each subfactor that best represents your assessment of the factual information available on this recipient. This score should be indicated in the Evaluator's Rating Box. The Evaluator's comment box must be completed with a description that can be clearly understood by an independent reviewer. For those assessment indicators readily available through current reporting

systems, the criteria are auto-populated with scores and comments. The evaluator may accept these auto-populated fields or edit as appropriate. If editing an auto-populated field, the Evaluator must document their determination in the Evaluator’s Comments field.

FACTOR 1 – GRANT MANAGEMENT

Factor Definition: Extent to which the program participant has the capacity to carry out HUD competitive programs according to established requirements.

Rating Considerations: The basis for the Evaluator’s rating under this factor is derived from sources including, but not limited to, consideration of the knowledge, skills, and ability of program staff, and the recipient’s administrative capacity to manage the grant, including: the eligibility of activities and recipients; or problems such as the lack of progress in implementing a project; rapid staff and/or board turnover; major changes in the agency’s mission or direction; lack of experience with Federal grants or project activities; and the frequency and level of technical assistance required by the recipient before and during a project. Additionally, Office of Inspector General (OIG) audits, any fair housing planning performed by the recipient to support its obligation to affirmatively further fair housing as defined at 24 C.F.R. §5.151, HUD Environmental Review Online System (HEROS)/Request for Release of Funds and Certification 7015.15, and related reporting systems such as IDIS, e-SNAPS, and LOCCS may be considered. The Evaluator should consider any existing or previously identified problems with the physical assets and the extent to which problems have been or are likely to be corrected; whether HUD funds are used for acquisition, construction, or rehabilitation activities; the number of sites at which HUD-funded physical assets are located and the activities supported by the physical asset and the extent of any previous monitoring.

The Evaluator will award point values to subfactors B. Choose only one risk score for the subfactor from the point values listed below and enter the associated comment(s) if appropriate. The scores and comments for the remaining subfactors are auto-populated.

FACTOR 1 – GRANT MANAGEMENT	Risk Category	Risk Score	Evaluator’s Rating	Evaluator’s Comments	Auto-populated? Yes/No
1.A. Reporting (CoC Program) Risk is based on the recipient’s accuracy and timeliness of Annual Performance Reports (APRs), considering the last three grant years. This score is auto-populated.					Yes
i. Recipient submitted a report that is untimely (submitted after the due date) AND was inaccurate or incomplete (due to errors).	High	8			
ii. Recipient submitted a report that was untimely (submitted after the due date) OR was inaccurate OR incomplete (due to errors).	Medium	5			
iii. None of the above conditions exist.	Low	0			
1.B. Staff Capacity (excluding Financial Staff) (CoC Program and SRO) Risk is based on recipient’s current staff capacity and its ability to ensure compliance with the program/cross-cutting regulations, fulfill all recipient obligations, and design a program appropriate to the level of its capacity. Staff capacity issues may include under-staffing, vacancies, lack of experience					No

<p>relative to project/activity complexity, undertaking new activities, or unresponsiveness. Consider staff with assigned programmatic management and administrative responsibilities. This score is manually selected.</p>				
<p>i. <u>Significant</u> staff capacity issues. Considering <i>current</i> staff capacity, any of the below conditions exist:</p> <ul style="list-style-type: none"> • The recipient’s program is more complex than the capacity, experience, or programmatic knowledge of its staff, <u>as evidenced through violations or failure to meet program requirements</u>; OR • A key position vacancy has existed for <u>more than 6 months</u>; OR • Staff is regularly unresponsive (e.g., often fails to respond timely to CPD outreach/inquiries/requests); OR • Staff capacity is unknown. 	High	10 - CoC 25- SRO		
<p>ii. <u>Moderate</u> staff capacity issues. Considering <i>current</i> staff capacity, any of the below conditions exist:</p> <ul style="list-style-type: none"> • The recipient’s program is more complex than the capacity, experience, or programmatic knowledge of its staff and negatively impacts performance, though <u>no violations or failure to meet program requirements have occurred</u>; OR • A key position vacancy has existed for <u>less than 6 months</u>; OR • Staff is <u>occasionally</u> unresponsive (e.g., on occasion fails to respond timely to CPD outreach/inquiries/requests). 	Medium	7 – CoC 10- SRO		
<p>iii. <u>No</u> staff capacity issues. None of the above conditions exist.</p>	Low	0 – CoC 0- SRO		
<p>1.C. Monitoring / Audit History and Findings (includes CPD, OIG, DEC) (CoC Program and SRO) Risk is based on prior CPD monitoring / OIG audits / DEC Reviews of the grantee’s program, the grantee’s performance regarding open monitoring and OIG findings, and other imposed sanctions. Include monitoring history and findings for programmatic, cross-cutting, and financial compliance. This score is auto-populated.</p>				Yes
<p>i. Any of the below conditions exist for the recipient:</p>	High	12 - CoC		

<ul style="list-style-type: none"> • <u>Not</u> monitored by CPD or subject to a DEC review (last 3 federal fiscal years); OR • Subject to an OIG audit (last 3 federal fiscal years); OR • Has <u>two or more</u> findings that are still open (from any year); OR • Has open OIG audit findings that are overdue (from any year); OR • Sanctions have been imposed that are still in place. 		25- SRO			
ii. Any of the below conditions exist for the recipient: <ul style="list-style-type: none"> • Has <u>one</u> finding that is still open (from any year); OR • Has open OIG audit findings (from any year) that are not overdue; OR • Sanctions were imposed in the last 3 federal fiscal years but have been removed. 	Medium	8 – CoC 10- SRO			
iii. None of the above conditions exist.	Low	0 – CoC 0- SRO			
1.D. Program Complexity (CoC Program) Risk is based on recipient’s ability to administer complex program activities, as measured by overseeing multiple subrecipients (considering the last three grant years). This score is auto-populated.					Yes
i. Recipient funds and oversees four or more subrecipients.	High	12			
ii. Recipient funds and oversees one to three subrecipients.	Medium	8			
iii. Recipient funds and oversees no subrecipients.	Low	0			
1.E. Physical Assets (CoC Program) Risk is based on the recipient’s award for the use of leasing and/or rental assistance. This score is auto-populated.					Yes
i. Recipient’s total program funds for leasing and/or rental assistance is either equal to or exceeds \$400,000.	High	6			
ii. Recipient’s total program funds for leasing and/or rental assistance is less than \$400,000	Low	0			
Subtotal for Grant Management (Max. CoC 48 pts./SRO 50 pts.)	Subtotal				

FACTOR 2 – FINANCIAL MANAGEMENT

Factor Definition: Extent to which the recipient accounts for and manages financial resources in accordance with approved financial management standards and the amount of potential monetary exposure to the Department. The recipient upholds generally accepted conflict of interest policies.

Rating Considerations: The basis for the Evaluator’s rating under this factor is derived from information that could be obtained from, but not limited to, financial management under applications submitted in response to NOFAs, approved or amended grant/recipient agreements, audit management systems, assessment of recipient’s drawdown history (i.e., IDIS/LOCCS/PAS), the submission of required documents, timeliness standards and expenditure rates as they relate to financial management and history of financial activities, Headquarters (HQ) reporting systems, recipient performance reports and any on-site or remote monitoring information as available.

The Evaluator will award point values to subfactors A. Choose only one risk score for the subfactor from the point values listed below and enter the associated comment if appropriate. The scores and comments for the remaining subfactors are auto-populated.

FACTOR 2 – FINANCIAL MANAGEMENT	Risk Category	Risk Score	Evaluator’s Rating	Evaluator’s Comments	Auto-populated? Yes/No
<p>2.A. Audits required by 2 CFR § 200.501 (CoC Program) Risk is based on the submission of audits required under 2 CFR § 200.501 for recipients of federal funds that expend \$750,000 or more during the non-Federal entity’s fiscal year in Federal awards, with special emphasis placed on whether or not the recipient received a finding subject to a management decision letter. Audit deadlines are specified in 2 CFR § 200.507(c)(1) (for program-specific audits) and 2 CFR § 200.512(a)(1) (for single audits). This score is manually selected.</p>					No
<p>i. In the last three program years, the recipient met the audit threshold and: failed to submit or was not timely in submitting audits required under 2 CFR § 200.501; OR received <u>one or more</u> audit finding(s) subject to a management decision letter.</p>	High	8			
<p>ii. In all of the last three program years, the recipient did not meet the \$750,000 threshold to require Single Audit submission.</p>	Medium	4			
<p>iii. None of the above conditions exist</p>	Low	0			
<p>2.B. Grant Amount (CoC Program) Risk is based upon the total amount of the recipient’s grant awards, considering the total sum of projects awarded is in</p>					Yes

the top 10% of program funding for the most recent competition year. This score is auto-populated.					
i. Recipient's grant awards are either equal to or exceed \$2,170,000.	High	10			
ii. Recipient's grant awards are less than \$2,170,000.	Low	0			
2.C. Slow Spender / Timely Expenditures (CoC Program) Risk is based upon the terms and conditions for timely expenditures for the competitive program(s) being assessed can be referenced by the program's grant/recipient agreement and/or operating instructions for that program. Timely expenditure of funds means funds are spent in proportion to the timeliness standards found in the NOFA for the year the grant was funded, the grant agreement, or in the program regulations. This score is auto-populated.					Yes
i. Recipient's draws from eLOCCS were after the required quarterly deadline and/or were 90 days after grant expiration.	High	10			
ii. Recipient's draws from eLOCCS were by the required quarterly deadline and by 90 days after grant expiration.	Low	0			
2.D. Staff Capacity for Financial Compliance (CoC Program) Risk is based on the current financial staff capacity of the recipient to ensure financial practices are compliant with the program regulations as confirmed through financial monitoring (considering the last 3 federal fiscal years). This score is auto-populated from GMP data.					Yes
i. Recipient received financial monitoring findings in last 3 federal fiscal; OR HUD has not conducted a financial monitoring in the last 3 federal fiscal years.	High	12			
ii. Recipient received no financial monitoring findings in the last 3 federal fiscal years.	Low	0			
Subtotal for Financial Management (Max. CoC 40 pts./SRO 0 pts.)	Subtotal				

FACTOR 3 – SERVICES & SATISFACTION

Factor Definition: Extent to which recipients effectively and efficiently deliver services to intended beneficiaries/clientele and clients or beneficiaries express satisfaction or dissatisfaction with the delivery of program services.

Rating Considerations: The Evaluator should consider the planned program support and how it is appropriately being carried out to address the intended range of housing needs and related supportive services issues, including any specialized efforts for sub-populations of homeless program participants in serving the proposed number of participants or moving homeless program participants to permanent housing as well as considering information that could be obtained from, but not limited to: Freedom of Information Act (FOIA) requests, applicable NOFAs, approved grant amendment requests, annual performance plans, correspondence, release of funds requests, local-, HQ-, or recipient-generated automated reports or spreadsheets, correspondence or other communication to HUD, the recipient’s or other parties with respect to the project and any written or other responses by the recipient, any recent problems, such as citizen complaints, newspaper articles, internet postings, Congressional inquiries, and other forms of correspondence, the recipient/project sponsor’s/subrecipient’s response/failure to submit reports or respond to inquiries, and the loss of community support. The Evaluator should also include other functional issues related to carrying out and impacting on overall program activities, which include environmental and wage requirements, flood insurance protection compliance as well as compliance with relocation and acquisition policies.

The Evaluator will award point values for Subfactor A. Choose only one risk score for the subfactor from the point values listed below and enter the associated comment.

FACTOR 3 – SERVICES & SATISFACTION	Risk Category	Risk Score	Evaluator’s Rating	Evaluator’s Comments	Auto-populated? Yes/No
<p>3.A. Citizen Complaints / Negative Media Exposure / Responsiveness (CoC Program and SRO) Risk is based on citizen complaints (received through such sources as citizen letters, phone calls, hotline complaints, etc.) or on negative media exposure (included in newspapers, internet postings, etc.) involving CoC/SRO funding, negative impacts related to perceived fraud or conflict of interest, any harm to persons involved, or any activities opposed by stakeholders and the recipient's timely and effective response to these issues. This score is manually selected.</p>					No
<p>i. <u>Significant</u> concerns. In the last 3 federal fiscal years, any of the below conditions exist:</p> <ul style="list-style-type: none"> • The recipient received <i>significant</i>, valid citizen complaints, issues, or negative media exposure related to its CoC/SRO program; OR • The recipient failed to respond timely or effectively to complaints, issues and/or inquiries within the HUD prescribed timeframes. 	High	12 – CoC 50- SRO			

ii. <u>Moderate</u> concerns. In the last 3 federal fiscal years, the recipient has had <i>moderate</i> , valid citizen complaints, issues, or negative media exposure related to its CoC/SRO program, but the recipient has responded timely and effectively to the complaints, issues and/or inquiries within the prescribed timeframes.	Medium	6 – CoC 15- SRO			
iii. <u>No</u> concerns. In the last 3 federal fiscal years, no negative local issues, media exposure, or valid complaints have been received related to its CoC/SRO program.	Low	0 – CoC 0- SRO			
Subtotal for Services and Satisfaction (Max. CoC 12 pts./SRO 50 pts.)	Subtotal				

Overall Risk Assessment – Total Score

FACTOR	CoC MAXIMUM SCORE	SRO MAXIMUM SCORE
1. Grant Management	48	50
2. Financial Management	40	0
3. Services & Satisfaction	12	50
Total	100	100