

# ***Inquiry into***

## ***Funding Human Services Programs Through the Community Human Service Partnership Program***



Report # 0511

November 15, 2004

### **Request for Inquiry**

We are responding to a City Manager request to review the allocating and funding processes utilized by the Community Human Service Partnership (CHSP) Program and determine the adequacy of these processes. Specifically, this review was in response to an agency's charge that the process was unfair.

### **Summary**

We have reviewed the process utilized by the CHSP to determine the amount of funding for agencies (applicants) requesting monies, and have concluded that overall, the program provides:

- √ An adequate process of designating the amount of monies that will be available to specific groupings of agencies based on the type of human services programs provided.
- √ An adequate process of assigning community volunteers to the Citizen Review Teams responsible for determining the amount of monies to be awarded to each applicant.
- √ An adequate and fair process of evaluating the applicants' programs and awarding monies to the programs. For the 2004/05 evaluation process, 85% of those that responded to our survey felt that their programs were adequately evaluated and 82% of the respondents felt that the CHSP process was fair.

Overall, the CHSP evaluation and funding processes appear to be adequate and fair. The CHSP program has developed and implemented policies and procedures, and implemented a training program. Applicants and volunteers have expressed a high level of

satisfaction with the program and the training, and a high number of those surveyed feel that the CHSP process is fair.

To further enhance and improve the program, we have provided a few recommendations for consideration. These recommendations are in the areas related to:

- Methodology to determine the allocation of annual additional available funds to the human services area team;
- Composition of the Citizen Review Teams that evaluate the applicants' requests and determine funding amounts; and
- Documentation of the Citizen Review Teams' evaluations and results of their deliberations.

These recommendations are further described in the Recommendations Section of this report.

### **Specific Questions**

For this Inquiry, we sought to answer three (3) specific questions.

1. **Is the process for assigning the amount of monies that will be available for each specific grouping of human services programs logical and fair?**
2. **Is the process for assigning community volunteers to the Citizen Review Teams adequate to ensure that the Teams a) follow the CHSP's defined process; b) represent the diversity of the community; and c) do not include members that have conflicts of interest?**
3. **Is the process for awarding monies to the applicants logical, fair, and adequately documented?**

## Scope, Objectives, and Methodology

The scope of our work included a review of selected CHSP program documentation and records for Fiscal Years (FY) 2002/03, 2003/04, and 2004/05. The objective of this inquiry was to answer the above specific questions.

The methodology we followed to answer these questions included obtaining an understanding of and examining how: the CHSP program is funded; human services applicants are assigned to human services groupings (referred to as “teams”); monies are distributed to the human services teams; volunteers are assigned to Citizen Review Teams; Citizen Review Teams evaluate the programs within their assigned team; and, the CHSP program staff annually assesses and evaluates the effectiveness of the CHSP program.

In addition, we participated by coordinating, with CHSP staff, the CHSP program 2004/05 annual survey of volunteers and applicants regarding the effectiveness, fairness, and overall satisfaction of the CHSP program training, evaluation, and funding processes. Our involvement included reviewing and adding questions, and adding independence to the process by overseeing the distribution and receipt of the surveys to ensure the anonymity of the responses.

Our procedures were conducted in accordance with Generally Accepted Government Auditing Standards and Standards for the Professional Practice of Internal Auditing, as appropriate.

## Background

The CHSP was created in November 1995. The City of Tallahassee, Leon County, and the United Way of the Big Bend joined together to form this partnership to provide a more efficient and effective method for allocating human services grant funds. Prior to the development of the CHSP program, all three partners conducted separate grant review processes. Consequently, applicants had to participate in three different processes with different applications, presentations and lobbying efforts, funding amounts, and reporting requirements.

Today’s process of coordination and cooperation between the partners and

applicants affords easier recognition of duplication and gaps in service delivery, and provides the ability to target funds accordingly. To do this, The CHSP serves as a joint planning and funding distribution process utilizing community volunteers, a standardized funding application, site visit format, and review and recommendation process. This process is designed to allow the partners to make community funding decisions in a more informed and systematic manner.

The CHSP is governed by a Joint Planning Board, consisting of six persons (two appointees from each of the three partners). The Board’s primary responsibilities are to: 1) establish policies and procedures for the overall CHSP process; 2) establish funding priorities; 3) make initial allocations to human services areas; and, 4) if needed, serve as members of the CHSP Appeals Committee. In the event that any applicant submits an appeal, an Appeals Committee is established and can consist of Citizen Review Team leaders, Joint Planning Board members, and any other volunteers as deemed necessary. Joint staffs provide technical assistance but are not actively involved in the Appeals Committee deliberations.

Day to day operations are conducted by a joint CHSP staff of three persons, consisting of one staff person from each of the partners. The staff’s prime responsibilities include, but are not limited to: 1) developing and distributing the CHSP application and other materials; 2) providing technical assistance and training to volunteers and applicants; 3) recruiting, assigning, and managing Citizen Review Team volunteers; 4) performing technical reviews of applications; 5) supporting the efforts of the Joint Planning Board, Citizen Review Teams, and the Appeals Committee; 6) facilitating the Citizen Review Teams’ evaluation and funding recommendation of applicant programs (staff are not actively involved in determining the results); 7) forwarding recommendations to governing bodies for final approval (including the City Commission, County Commission, and United Way Board); and 8) processing approved funding to the applicants.

### **CHSP Allocation and Evaluation Process**

Prioritization of community needs by human services areas is determined by surveying community leaders and organizations. Their

input is used, along with historical factors, to determine the funding priorities and the allocation of any new monies to the human services areas.

Human services agencies in our community then start the application process for the available funds. CHSP staff provides technical training sessions for applicants to assist in the completion of the applications.

CHSP staff also provides volunteer training for Citizen Review Team volunteers. During 2004, staff trained over 100 volunteers at six review training sessions. Sessions were offered for either first-time reviewers or experienced reviewers.

The volunteers are then assigned to one of the Citizen Review Teams that will be responsible for evaluating one human services area. Over the last three years, team sizes have ranged between five and 13 volunteers, with an average team size of 10. CHSP staff strives to assign volunteers to teams to achieve a diverse team that is representative of the community (race, gender, religion, age, disability, national origin, occupation, area of expertise), and includes no members that have an identified conflict of interest. To assist the staff, volunteers are asked on their applications to identify all agencies they may have a conflict of interest with that is "real or perceived, positive or negative, such as serve on Board of Directors, give volunteer time, related to staff, filed a complaint, disagreed with services provided, etc." After the Citizen Review Team rosters are determined, the rosters are sent to the applicants for review. Applicants notify CHSP staff of any members perceived to have a conflict of interest so changes can be made before the evaluation process begins.

Each Citizen Review Team reviews the applications in their assigned human services area and participates in a site visit at the applicant's facility or another site designated by the applicant. The team then meets and deliberates until they reach consensus regarding the applicant's rating and the recommended amount of funding.

The funding recommendations for each applicant in each human services area are then

provided to each partner's citizen-staffed committee (City of Tallahassee Community Improvement Advisory Council, United Way Community Investment Committee, and Leon County Human Services Grant Review Committee), and then to each of the partners for approval. The applicants receive the funding at the beginning of the fiscal year (October 1).

The CHSP is funded by contributions of the three partners. Table 1, on the top of the next page, identifies the amounts contributed by each partner during the three most recent fiscal years.

There are many factors that influence the amount of monies each partner contributes to the CHSP program annually. For each agency, the contribution only represents funds that are to be awarded to support the provision of direct human services as identified in the 13 CHSP human service areas.

The City's contribution only represents funds awarded to support the provision of direct human services. Funding comes from a portion of the Community Development Block Grant entitlement funds that can be used to fund public services programs and the City General Fund. For FY 2004/05, approximately 20% was CDBG funds and 80% was from the General Fund.

The County's contribution is based upon the previous year's amount and is funded from general revenue. The County also supports social services and cultural agencies and events outside of the CHSP process.

The United Way's contribution depends upon the amount of "undesignated" monies (not identified by the contributor to be provided to a specific agency) raised in the Leon County United Way campaign each Fall.

In addition, each partner funds other programs in the community outside of the CHSP program. Some funding is restricted by state or federal regulations, such as the City's Community Development Block Grant, (only 15% of these funds can be designated to support human services activities), while the remaining 85% of these funds can only be utilized to support housing and community development initiatives.

**Table 1 – CHSP Partners and Funding Sources**

<b>Funding Sources</b>	<b>FY 02/03</b>	<b>FY 03/04</b>	<b>FY04/05- Proposed</b>
City of Tallahassee	\$ 1,043,640	\$ 1,065,510	\$ 1,093,936
Leon County	\$ 610,400	\$ 610,400	\$ 610,400
United Way	\$ 2,818,785	\$ 2,853,882	\$ 3,010,087
<b>Total Funding Awarded</b>	<b>\$ 4,472,825</b>	<b>\$ 4,529,792</b>	<b>\$ 4,714,423</b>
<b>Total Funding Requested</b>	<b>\$ 6,735,302</b>	<b>\$ 6,551,936</b>	<b>\$ 6,893,161</b>

Note: Subsequent to the FY 04/05 CHSP evaluation and funding processes, the County contributed an additional \$60,600. The County’s Human Services Grant Review Committee utilized the CHSP rankings and allocated the additional monies to those agencies being funded with County monies.

Each year the funding requests have been much greater than the funds available to be awarded. Table 1 shows that the requests are at least \$2 million greater than funds available for each of the three represented fiscal years. The shortage of available funds increases the competition among applicants to receive desired funding to support their programs.

Emphasis also is placed on performance results. Applicants are required to demonstrate how the program is benefiting its participants (program outcomes), and how they will measure their program’s performance during the year.

Table 2, below, shows the funding allocations for each human services area for the three represented fiscal years.

**Table 2 – CHSP Human Services Area Funding Allocations**

<b>Human Services Areas</b>	<b>FY 02/03</b>	<b>FY 03/04</b>	<b>FY04/05- Approved</b>
Children’s Services	\$ 510,485	\$ 513,811	\$ 540,000
Community Support	\$ 258,963	\$ 262,072	\$ 361,247
Disabled Services	\$ 210,000	\$ 224,596	\$ 251,068
Emergency Services (1)	\$ 380,444	\$ 398,283	\$ 434,683
Family Support	\$ 453,196	\$ 467,792	\$ 523,745
Physical Health	\$ 535,215	\$ 622,478	\$ 610,451
Senior Services	\$ 328,587	\$ 346,426	\$ 352,645
Substance Abuse	\$ 409,979	\$ 404,059	\$ 402,341
Youth Leadership	\$ 668,940	\$ 674,414	\$ 690,959
Youth Education	\$ 302,952	\$ 307,916	\$ 364,906
Basic Needs	\$ 143,993	\$ 151,974	\$ 182,374
Employment & Training (2)	\$ 164,864	\$ 155,973	\$ -
Mental Health (2)	\$ -	\$ -	\$ -
<b>Total Funding by Year</b>	<b>\$ 4,367,618</b>	<b>\$ 4,529,792</b>	<b>\$ 4,714,419</b>

Notes:

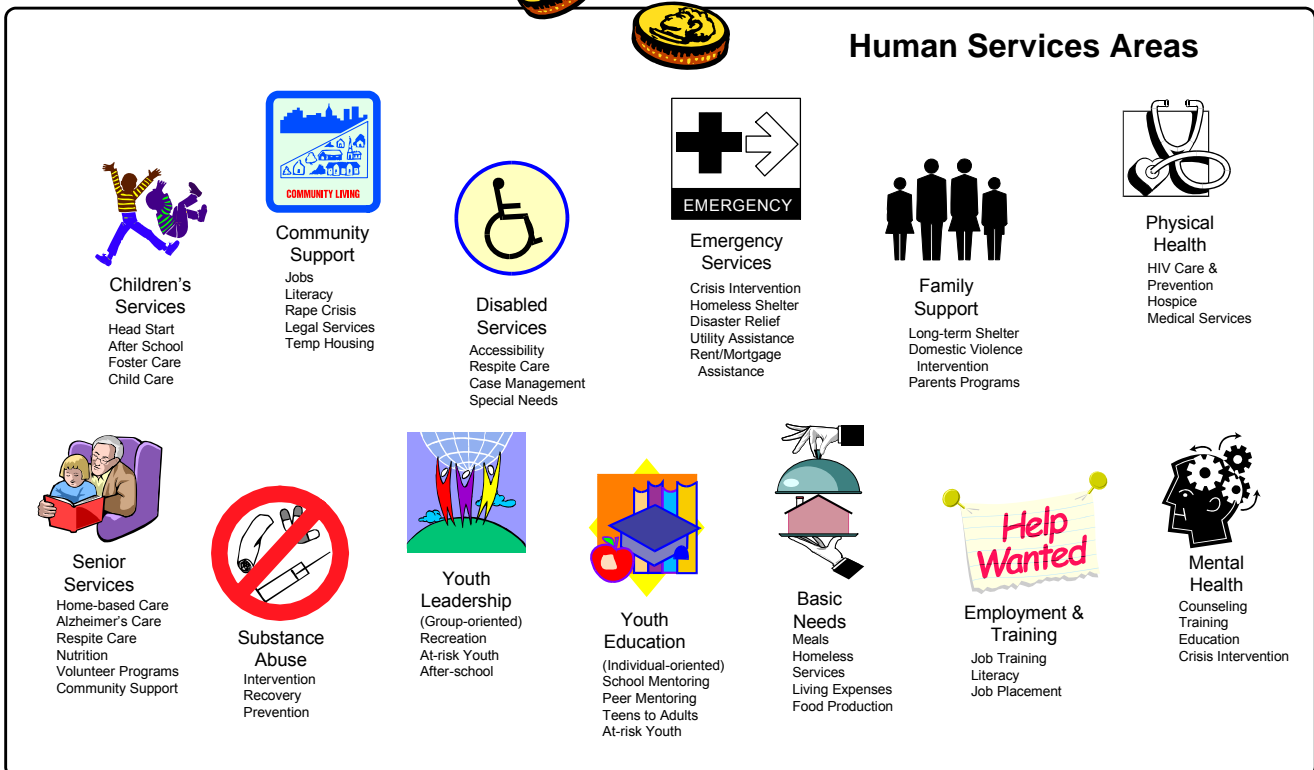
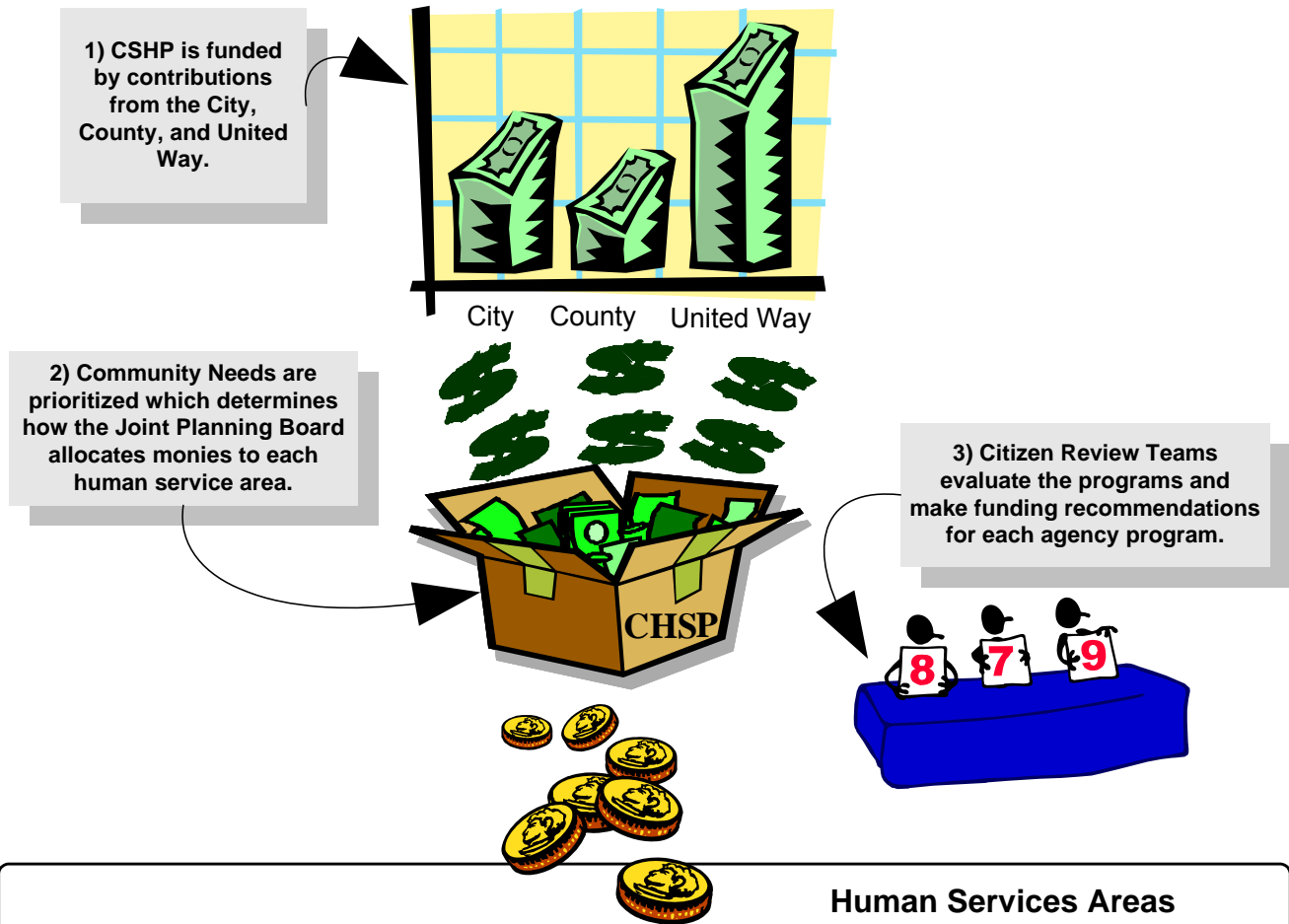
(1) FY 2002/03 includes a one-time donor-designated funding related to Disaster Relief after 9/11.

(2) Each area must have at least three applicants to be allocated monies. If not, the applicants in those areas will be re-assigned to another human service area, along with their originally allocated CHSP funding. If an applicant assigned to a particular area does not reapply for funding, the prior year’s allocated monies to that applicant will be re-allocated through the prioritization process of new monies.

Figure 1, on the next page, shows the CHSP funding and evaluation process in a pictorial

fashion, along with a brief description of the types of agencies that are in each human services area.

**Figure 1**  
**CHSP Funding and Evaluation Process**



Source: Developed by Audit Staff

## Volunteer and Agency Survey Results

Annually, the CHSP staff conducts a survey of all applicants and volunteers. Staff analyzes the feedback and has consistently made changes over the years to enhance the program and improve the application and evaluation process. The Office of the City Auditor participated in this year's 2004/05 survey process by reviewing questions and adding a few satisfaction-oriented questions, and providing independence to the process by overseeing the distribution and receipt of the surveys to ensure the anonymity of the responses.

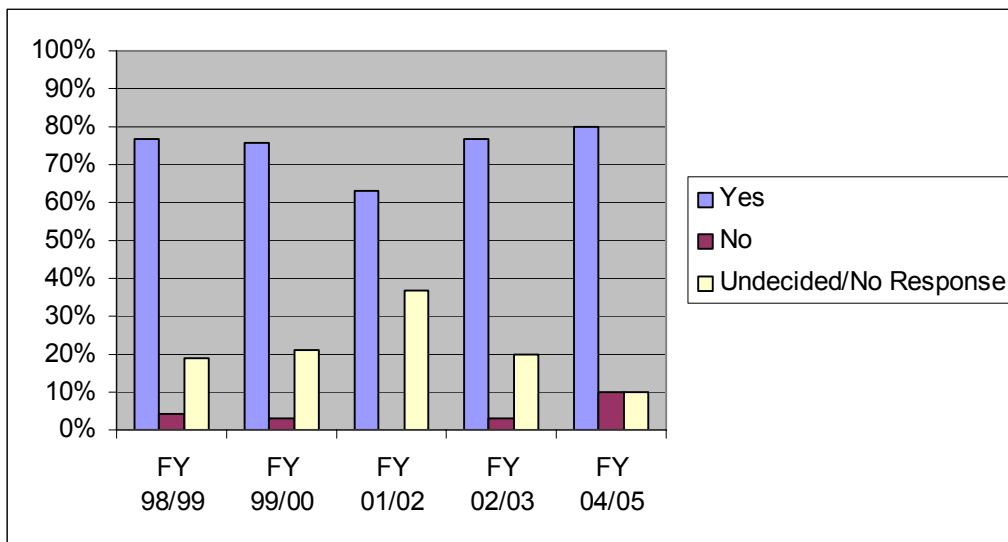
The FY 2004/05 surveys consisted of 27-30 questions, and were mailed with a cover letter and a self-addressed, stamped envelope. We received responses from 40 of 68 applicants (59%) and 66 of 116 volunteers (57%). This is higher than the last survey conducted in FY 2002/03; where the response rate for applicants was 49% and volunteers was 44%. All human services areas were represented by applicants and volunteers on the Citizen Review Teams. Some significant results included:

- 82% of the applicants responding felt that the CHSP process was fair, and were either "very satisfied" or "somewhat satisfied" with the CHSP funding process.

- 85% of the applicants responding felt that the Citizen Review Team adequately evaluated their agency's programs, and 90% felt that the team was a diverse representation of the community.
- 100% of the applicants responding indicated that the mandatory workshops thoroughly explained the CHSP application process; and 95% felt that the workshops adequately described the CHSP award process.
- 94% of the volunteers responding felt the CHSP process was fair and having the Citizen Review Teams determine funding was "very effective" or "somewhat effective".
- 92% of the volunteers responding felt that they were provided adequate information for them to understand and evaluate the programs.
- 89% of the volunteers responding felt they received adequate training to be a reviewer.

Figure 2 below provides applicants' responses to the question, "Is the CHSP process fair?" for the prior and current years when surveys were conducted.

**Figure 2**  
**Applicants' Responses to "Is the CHSP Process Fair"?**



Note: CHSP staff received community feedback indicating that the decline in satisfaction in FY 01/02 was attributable to uncertainty and dissatisfaction regarding proposed changes in the CHSP agency eligibility requirements. Those proposed changes were not implemented.

## Answers to the Inquiry Questions and Recommendations

Below are the answers to each of the Inquiry questions and related recommendations for consideration to further enhance the CHSP funding and evaluation process.

### 1. Is the process for assigning the amount of monies that will be available for each specific grouping of human services programs logical and fair?

Our review of the process used by the CHSP staff to allocate dollars to the human services areas over the past three fiscal years indicated that the process was logical and appeared to be applied in a methodical manner. During the final step of allocating new monies, a judgmental, instead of quantitative, method is used to allocate the percentage of new available monies to the human services areas.

During our review, we recalculated the allocations based on a solely mathematical method and compared our results to the judgmental method used by CHSP staff. Our quantitative calculations were not significantly different from the staff's judgmental amounts, so this did not appear to be an issue for the allocations we examined.

For future allocations of new monies, we recommend that the CHSP staff and the Board consider utilizing a quantitative method so that the process could be perceived to be "more fair".

### 2. Is the process for assigning community volunteers to the Citizen Review Teams adequate to ensure that the Teams a) follow the CHSP's defined process; b) represent the diversity of the community; and, c) do not include members that have conflicts of interest?

When assigning volunteers to the Citizen Review Teams, CHSP staff strives to create a team for each human services area that:

- Is composed of at least seven volunteers:
- Includes a diverse mix of volunteers, including race, gender, and occupation to represent the diverse community;
- Includes a mix of first-time volunteers and experienced volunteers; and,
- Does not include anyone with a real or perceived conflict of interest.

We reviewed the assignment of volunteers to Citizen Review Teams for the past three fiscal years, including 35 teams and 246 volunteers.

We noted that there was diversity of race and gender on every team (some more than others), and a mix of first-time and experienced volunteers on each team.

We did note eight instances (3% of the total volunteer placements) where there could have been a potential conflict of interest. We determined that a potential conflict of interest included a volunteer assigned to Citizen Review Teams reviewing a human services area that included:

- An applicant identified by the volunteer as a conflict of interest;
- A volunteer without an application, and therefore, unknown conflicts of interest; and/or
- A City of Tallahassee Neighborhood and Community Services employee.

While we noted 3% of the volunteer placements that could have a potential conflict of interest, we also noted that 97% of the volunteer placements appeared to be appropriate.

We also noted that there has been a vacancy on the Joint Planning Board since March 2003. The former City Commission member was not reelected to office and a replacement has not been named.

To help prevent the appearance of real or perceived conflicts of interest during the evaluation process, we recommend that all volunteers have an application on file, and that the Citizen Review Teams not include City of Tallahassee Neighborhood and Community Services employees or volunteers with an identified conflict of interest. We also recommend that the City consider appointing a commissioner to the Joint Planning Board so that the City is fully represented.

### 3. Is the process for awarding monies to the applicants logical, fair, and adequately documented?

As noted above, 94% of the volunteers and 82% of the applicants responding to the survey indicated that they felt that the CHSP process was fair. During our review, we also concluded that the process is logical and fair. However, we also concluded that the results of the evaluation process could be better documented.

During our review, we analyzed the monies distributed to the applicants over the past three fiscal years, the final ranking for each applicant's programs, and individual Citizen Review Team members' Agency Program Rating Forms. We were, however, unable to review individual team

member ratings determined during the Citizen Review Team's deliberations to support the final ranking because they were not available. After the Citizen Review Team reaches a consensus regarding the ranking of each program on their assigned team, CHSP staff deletes the individual team member's ranking, and display's only the final overall group rankings.

In addition, the Citizen Review Teams were not documenting their evaluation of the applicant's ability to obtain other funding. This is one of the criteria used to determine the amount of funding to be awarded to the applicants.

Related to documenting the evaluation results, we recommend that: 1) the Agency Program Rating Form be revised to include all the criteria used by the Citizen Review Teams during their deliberations; and 2) the individual and summarized results from each Citizen Review Team be retained, in an anonymous manner, to support the final rankings and amounts awarded to each applicant.

## Conclusions

Overall, the CHSP evaluation and funding processes appear to be adequate and fair. The CHSP program has developed and implemented policies and procedures, and implemented a training program. Applicants and volunteers have expressed a high level of satisfaction with the program and the training, and a high number of those surveyed feel that the CHSP process is fair.

To further enhance and improve the CHSP program, we have provided a few recommendations for the partnership to consider as related to calculation of the allocation of new monies to the human services areas, composition of the Citizen Review Team, and documentation of the evaluation process.

We would like to thank the CHSP staff from the City of Tallahassee, United Way of the Big Bend, and Leon County, volunteers, and applicants for their assistance and input during our review.

## Appointed Officials Response

**City Manager:** We appreciate the extensive review of the CHSP program conducted by your office.

This is a very important program that impacts the lives of thousands of our citizens.

We are particularly pleased with the results from the anonymous surveys, indicating 94% of the volunteers and 82% of the applicant agencies responding to the survey felt that the CHSP process was fair. Furthermore, 85% of the applicants felt that the Citizen Review Team (CRT) adequately evaluated their agency's programs, and 90% felt that the team was a diverse representation of the community. While these are important benchmarks, we concur with the recommendations outlined in this report, which will further enhance this program. In response to your recommendations, in FY 2005/06, the following action steps will be immediately implemented: in determining how to allocate new monies, quantitative calculations will be applied to each step in the equation; City staff will secure an additional representative to serve on the Joint Planning Board; the evaluation instrument will be modified to include all significant criteria considered by the CRT; and the individual and summarized results from each Citizen Review Team will be retained for three years in accordance with the City's record retention policy.

Furthermore, the CHSP staff will be facilitating two special review committees. The first committee, the Application Review Committee, will specifically focus on reviewing and streamlining, if appropriate, the CHSP Grant Application. The Application Review Committee, comprised of CHSP applicants and staff, will meet in November 2004. Recommendations from this committee will be forwarded to the second committee, the CHSP Focus Group, whose mission is to review the overall CHSP process and make appropriate recommendations for improvements, including time frames for implementation of those recommendations. The precise composition of the Focus Group will be: two (2) members from each partners citizen-staffed committee (specifically, the City of Tallahassee Community Improvement Advisory Council, United Way Community Investment Committee, and Leon County Human Services Grant Review Committee); and three (3) applicant agencies (representing both adversely and positively impacted agencies).

Copies of this Inquiry may be obtained at the City Auditor's web site (<http://talgov.com/citytlh/auditing/index.html>) or via request by telephone (850 / 891-8397), by FAX (850 / 891-0912), by mail or in person (City Auditor, 300 S. Adams Street, Mail Box A-22, Tallahassee, FL 32301-1731), or by e-mail ([auditors@talgov.com](mailto:auditors@talgov.com)).

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