

KC BOCC HAP Concerns Addressed by EnTrust Community Services.

April 18, 2013

1. What are the operational expenses identified as Rental/Lease agreement? Why does the rate increase from \$3,000 in 2012 to \$6,000 in 2013?

The cost to rent office space from the Housing Authority of Kittitas County previously cost \$300 per month and now costs \$500 per month to match the fair market value of the space provided. The additional \$3,000 listed as the in-kind contribution column for the 2013 budget refers to utilities and other associated costs.

Committee comment: The rental cost for 2012 was \$300/month to total \$3600. The increase in rent reflects the need for an additional \$2400 to cover the rent for 2013. The total needed for rent and utilities for 2013 is \$9000, \$6000 for the rent and \$3000 for the utilities. EnTrust is providing the utility cost as an in-kind contribution to the project. The Committee believes there is no error in accounting for these numbers. However, the numbers in the grant application did create some confusion. The grant request is a 60% increase over 2012, not a 100% increase.

2. What is the relationship between the \$5,500 needed for administrative costs in order to distribute the \$8,400 worth of Emergency Hotel Vouchers?

The \$5,500 serves as fees for the administration of housing fund. The description for application on page 13 is incorrectly worded and should read "The \$5,500 fee is to cover the cost of administrating ALL pass through dollars which include rental assistance public (56k) rent assistance ARM (12k) and emergency hotel vouchers (8400).

The \$5,500 should be considered an administrative fee to distribute \$76,400 in client assistance. This fee is necessary for EnTrust Community Services to cover the costs needed to administrate the fund. Fund management activities include management of bank accounts, reconciliation activities, check distribution, check stock, auditing fees, and any other oversight cost incurred.

Committee comment: We are satisfied with the clarification provided by EnTrust to this question. This administrative cost figures out to 7.2%, well within the requirements of the grant guidelines.

3. Adjustment of 24/7 hotline costs?

The \$4,620 is being increased to cover costs that were unanticipated from 2012. We have found that to serve the current numbers, an increase in staff costs is necessary to match the current need.

Because the Housing Authority is a public entity, they are not permitted to gift any time, wages, rent or anything else of monetary value. Therefore, any costs incurred by the 24/7 hotline staff must be compensated accordingly.

Committee comment: Three things happened in 2012 that contributed to what seems to be an enormous increase in staff costs: (1) more calls to the hotline required more staff time to deal with

callers, (2) Hotline staff received more calls after hours and on the weekends. These calls are paid as overtime and (3) the staff costs projections for 2012 were underbudgeted. The Committee is pleased that the Hotline is receiving an increased call volume. The downside is the increased costs needed to cover staff time. While the ratio of the costs to vouchers may seem out of proportion, what cannot be measured is the value of the referrals made through the Hotline to the agencies where these clients are plugged in and provided much needed services to get them and their families on the road to a better life situation.

4. HAP Service coordinator costs increased?

Increase is directly related to a 50% increase in projected numbers served and slight increases in cost of living for 2013.

Committee comment: The chart below chronicles the upward trend in client service experienced by EnTrust in the past five years. As you can see the service numbers to households have increased steadily every year since 2010. Based on their experience through three quarters of 2012-13 budget year, the projections for the next budget year are expected to run at similar increases. More clients mean require more staff time to provide services and support. More staff time results in increased staff costs.

Year	Head of Household	Total Household Members
2009	17	33
2010-11	19	44
2011-12	28	55
2012-13	23*	65*
Projected 2013-14	36	

*Based on 3 quarters to date.

5. Why does the Employment specialist require a match to satisfy her salary needs?

The total cost of the position is listed at 37,405. 50% of her time will be spent performing job development activities for HAP clients. The \$18,702 listed represents the time dedicated to job the development activity that will result in jobs for people being served by the HAP program. Employment services are identified in the 10-year plan as a critical element in the overall attainment of self sufficiency.

Committee comment: The salary amount requested for 2013, \$18,702, covers the cost of the Employment Specialist for her work with the HAP programs. She will be providing job training assistance and employment advocacy for EnTrust clients, for clients from the Hotline referrals, and for the ADDS clients who qualify for the ARM program. The other one-half of her work pertains to her involvement with the HEN program clients and is paid by that grant.

6. Why has the management oversight amount increased?

This increase is necessary due to the 60% increase in the overall size and scope of the program as well as a 50% increase in the staff management. Furthermore, this collaborative grant application has a third partner that requires increased partner oversight.

Committee comment: We are satisfied with this explanation.

7. Why was the amount of participant funds reduced by \$ 10K for EnTrust request?

The Homeless and Affordable Housing Committee reduced the amount requested by \$ 10k in direct service dollars to reduce the overall expense on the project in order to fund other RFP's. The Committee recognized that this reduction could result in a shortage of voucher funds toward the end of the 2013 grant cycle. Acknowledging this, it was agreed with EnTrust officials that, if this shortage should occur, they could come back to the Committee and request additional funds to complete the 2013 contract. The Committee is still in agreement about this reduction and the resultant agreement with EnTrust.

8. Why the travel increased?

The increase in staff travel from 1000 to 2000 is directly related to the inclusion of the upper county in the project, increases in fuel and vehicle maintenance costs, and the increase number of people served.

Committee comment: We are satisfied with this clarification.

9. Why has communication and software increased?

This increase in cost is due to the increased number of partners that will require the HMIS software training and access to HMIS and additional computer costs associated with the employment specialist.

Committee comment: We are satisfied with this clarification. We support getting as many agencies as possible on the HMIS database as this will take us one step closer to having a county-wide database of homeless clients (something expressed in the 10-yr. Plan and discussed by this Committee with the BOCC in the early stages of our work). EnTrust is systematically working toward this goal, and we applaud that effort.

Commissioner Jewell's query concerning HAP Accountability standards is addressed below:

The housing assistance program (HAP) helps its clients by developing individually based self-sufficiency plans using the Arizona Self-Sufficiency Matrix (ASSM). The ASSM evaluates 19 areas of self-sufficiency to determine the scope of their issues and is then used to develop specific strategies to mitigate those issues. These strategies become the accountability items that each client is required to complete to be compliant with the HAP program.

Areas evaluated include:

- Income
- Employment
- Shelter
- Food
- Childcare
- Children's education
- Adult education
- Legal
- Health care
- Life skills
- Mental health
- Substance abuse
- Family relations
- Mobility
- Community involvement
- Safety
- Parenting skills
- Credit history
- Veteran's status

These areas are evaluated at entry into the HAP program and at 6 months.

Individuals may be required to attend classes to develop soft skills, parenting skills, job skills or be required to get connected with required services such as veterans services, affordable childcare, etc.

On top of developing individually based self-sufficiency plans, each client is accountable for searching for their own apartment and each client is also required to develop a comprehensive household budget with EnTrust Staff.

- a. Participants receive no cash: all moneys go directly to Landlords or utility companies, which are in turn spent locally. Rental assistance fades over a 6 month period of time, which encourages the client to become accountable to their own rent
- b. Participants are one time recipients of funds
- c. Participants (all family member 18 years and older) sign a rental agreement which outlines their specific responsibilities while enrolled in the program
- d. Intensive Case Management encourages participants to discover their own financial and stability vulnerabilities through use of screening tool and connection to community resources for barrier reduction

ADDs policy concerns expressed by the Board of Commissioners:

In response to concerns expressed by the BOCC regarding the number of times county funds would support an individual staying in the ARM program, ADDS staff have provided the following policy statement:

“Any resident being discharged from treatment will be ineligible for funding and residence in ARM (ADDS Recovering Men’s program) for a minimum of 12 months” (ADDS letter dated April 18, 2013.

Committee comment: This statement is satisfactory to us. The HAHC further recommends the following language be included in the HAP contract where the ADDS rental assistance reporting is addressed:

Regular reimbursement requests (not more than one per calendar month and not less than one per quarter) are required. The reimbursement requests will be supported by detailed monthly breakdowns of activity, including the number of occupied bed nights for self-pay/other payment source individuals, the total amount of net rent collected for these individuals, and the total number of occupied bed nights for Homeless Fund supported individuals for each calendar month being reported.