M E M O R A N D U M

November 13, 2018

TO: County Council

FROM: Carolyn Chen, Council Grants Manager/Legislative Analyst *CJC*
            Linda McMillan, Senior Legislative Analyst *LMcM*
            Linda Price, Legislative Analyst *LP*

SUBJECT: **Action: Resolution to Approve FY 2020 Council Grants Process**

            Discussion: FY 2020 Council Grants Process and Community Grants Process Beyond FY 2021

PURPOSE: Act on the County Council's FY 2020 Process for Grant Proposals from Non-Profit Organizations after a discussion of HHS/GO Committee recommendations

Expected Attendees:
- Cherri Branson, Director, Office of Procurement
- Victoria Buckland, Chief Operating Officer, Department of Health and Human Services
- Joshua Watters, Office of Management and Budget (OMB)
- Kristen Latham, Legislative Analyst, Office of Legislative Oversight

Council Grants Resolution

Each year, the Council adopts a resolution outlining the Council Grants process for the coming fiscal year. Attached resolution at ©1-3 established the process for FY 2020 and was introduced on October 31, 2018. The HHS and GO Committees discussed in depth on October 11 and 25, 2018 the Community Grants process and collaborating with the County Executive.

The Joint Committee recommended the Council approve changes to the FY 2020 application process, revise Council priorities for grant applications and to engage the incoming Executive and Executive staff for FY 2020, FY 2021 and beyond.

The two main clauses in the resolution that were recommended to be amended are #3 (©2) which revises the Council priorities for grant proposals and #10 (©3) which informs non-profit organizations that the Council will be engaging the incoming Executive on the FY 2020 grants process:

3. *For FY 2020, the Council is interested in proposals for programs and services that assist disadvantaged County residents and encourages coordination and collaboration that results in a single application by a lead agency for a group of organizations. The Council seeks proposals from organizations that exhibit cultural proficiency, use a racial equity lens in delivering services, and demonstrate commitment to organizational sustainability with diverse funding sources.*

   The Council is also interested in proposals for specific programs, including: before and after-school programs for youth (especially programs that serve disconnected youth, who do not qualify for extracurricular activities requiring academic eligibility at Montgomery County Public Schools); innovative programs that provide linkages between education and workforce; and programs addressing social isolation among senior populations. In addition, the Council is interested in proposals for programs that accelerate the County's greenhouse gas reduction goals.

10. *For FY 2020…The Council will engage in discussions with the incoming Executive about potential changes to the Community Grants process. The Council requests the Executive agree to the use of a common application and procedures that require non-profit agencies to submit one application to the both the Executive and Council. If the Executive and Council agree to any changes, updates will be posted on the Council Grants website and be broadly disseminated by press release and e-mail.*

Organizations applying for grants for arts and humanities and literacy (ESOL) programs will continue to be referred to the Arts and Humanities Council and the Montgomery Coalition for Adult English Literacy (MCAEL).

The Council issued a press release on October 4, 2018 seeking applicants for the Grants Advisory Group (©4-5) and on October 26, 2018 announcing grants information workshops for applicants (©6-7). The Grants Advisory Group will be appointed by resolution in December.

Community Grants Discussion

The Joint Committee reviewed Office of Legislative Oversight Report 2018-9, *Montgomery County Council Community Grants* (see Executive Summary ©8-9), discussed the testimony received at the October 9 Community Grants public forum, made specific recommendations for the resolution establishing the FY 2020 Council Grants process and discussed substantially reforming the Community Grants process starting in FY 2021.

For additional background information: October 11, 2018 HHS/GO Committee Packet and October 25, 2018 HHS/GO Committee Packet.

Joint Committee Recommendations for FY 2020 Council Grants Process

The Joint Committee made the following recommendations for the FY 2020 Council Grants Process that is outlined each year in a resolution. For more information, see the October 11, 2018 HHS/GO Committee Packet.

- State that the Council's preference is that all non-profit organizations apply to both the Executive and the Council. The Council will ask the Executive to work with the Council to have one application.

- Decrease the amount of documentation required with the online submission. Organizations will be required to attach a program budget, organizational budget, financial statement, Board of Director information, and plans for renovation or facility lease (for capital projects). Council will reserve the right to ask for additional information if needed.

- Inform non-profit organizations that Council staff will have flexibility to categorize grants by more than program area for review by Grants Advisory Group review teams.

- Inform non-profit organizations that the requirement for the Grants Advisory Group to hold a 15-minute in-person Q&A session for each proposal is being eliminated so that one session can be used for multiple proposals from a single organization.

- Eliminate the mid-year outcomes report but continue to require the end of year outcomes report. The mid-year outcomes report often does not have sufficient information. The full year report from the previous fiscal year is available for organizations that received money in the previous year.

Other existing parameters, such as allowing organizations to submit any number of applications, not limiting the dollar amount, encouraging but not requiring collaborative grants, and continuing to direct grants to the Arts and Humanities Council and MCAEL as appropriate, would remain in place for FY 2020.

Joint Committee Recommendations for FY 2020 Council Grants Process with incoming County Executive

The Joint Committee recommends that the Council and Council staff engage in discussions with the incoming Executive about potential changes to the Community Grants process for Fiscal Year 2020 that would include a single application to both the Executive and Council.

The Joint Committee believes there is potential to coordinate Executive and Council grants more effectively in FY 2020 and discussed the following:

- Require all applicants to apply to both the Executive and Council (as previously recommended).

- The Executive would include an appropriation for Community Grants in his/her Recommended Budget but would not make recommendations on specific grants.

- The Council would consider the Executive's recommended appropriation and indicate whether they are in agreement or would consider an adjustment.

- Council staff and Executive staff would work together to create a joint recommendation to the Executive and Council that would be available in early May and to coordinate decision to address operational impacts to contract execution. The Executive could participate in the Grants Advisory Group process or not depending on how he/she wants to review applications.

Joint Committee Recommendations for Community Grants Process Starting FY 2021

The Joint Committee recommends that the Council and Council staff engage the incoming Executive and Executive staff on option for substantially reforming the Community Grants process starting in Fiscal Year 2021, focusing on options that would move the awarding of individual grants out of the January to May operating budget cycle and would align Executive and Council priorities and look at options for two-year grant awards.

Discussion items that were included in the October 25, 2018 HHS/GO Committee Packet are included below:

➢ During the annual budget process, decisions on the total amount of funding (appropriation) for the coming fiscal year should be decided. Other decisions, such as priority areas for funding and any specific allocation for a policy area (such as innovation grants) could also be determined.

➢ The award process would then be completed through a series of solicitations that do not all need to occur at once. For example, solicitations for youth development programs or housing assistance programs could be tailored so that review of mission, budget, and outcomes can be more effectively reviewed.

➢ Timing for funding can be taken into account. For example, if there were a specific solicitation for summer youth programs, it could be completed in a manner that would allow contracts to be in place by April or May, before the school year ends. This can be difficult or impossible now when funds are not available until July 1.

➢ Creating a system with different grant cycles will make the grant program more manageable for staff and for non-profit organizations. The growth in the number of applications has made the scheduling of interviews by Grants Advisory Group teams and grants write-ups overwhelming for everyone.

➢ The incoming Council and Executive will have to consider whether there is a need to create a "grants office" or whether staffing can be organized through an existing department or other structure. This will be critical because Council staffs' recommendation is not to just create a program that is 100% executed by the Executive, but a program that has Executive and Council agreement on funding, priorities, and process.

➢ A process may need to be put in place to review "cost sharing" grants during the March to May budget process. These grants often leverage funds and are approved as a part of the capital budget.

➢ The Fairfax County model should be looked at in detail to see how it can be applied to Montgomery County and where a Montgomery County process should differ. The model is described on pages 22-24 of the OLO report (©10-12). An excerpt of the FY19-20 funding application package is attached at ©13-20. There is greater clarity about priorities and outcomes. It is interesting to note that the process combines Community Development Block Grant (CDBG) and local funds.

➢ The incoming Council and Executive should review and amend the procurement regulations to create a "grant" mechanism(s) for awards that are made through the community grants process. It should be separate from the standard non-competitive contract process and clarify when payments can be made in advance of services being provided and when a reimbursement mechanism should be used. There may be different requirements depending on the amount of the award. This could be done by exempting Community Grants from the Procurement Law/Regulations and establishing separate rules or amending the Procurement Law/Regulations. Either would require Council action.

➢ The incoming Council and Executive should consider limiting the number of years an organization may receive a grant for a certain purpose (as is the case with CDBG). This should be in conjunction with the development of criteria for whether a grant-funded program is now needed as an ongoing service. There should also be a process that clearly lets organizations know whether there would then be a competitive solicitation and an expectation that funding would be included in a department budget.

Community Grant Contracting/Procurement

The Joint Committee discussed the contracting and procurement process for Community Grants, specifically the time it takes to execute contracts and/or make payments and inconsistent policies regarding indirect costs for non-profit organizations in County contracts.

The Joint Committee recommends that Council staff and Executive staff review policies and include instructions on requesting indirect costs in the application and does not recommend changes to the procurement law or regulations at this time.

Council staff provided the following discussion items:

- Community Grants are executed as either a Direct Purchase or as a Non-competitive Purchase. There is no special category for a Community Grant.

- A Direct Purchase is used to secure goods, construction, or services, when the value is not greater than $10,000.

- The Department of Health and Human Services, and to some extent the Department of Housing and Community Affairs, have begun using a pre-approved contract template to simplify the award process for Community Grants under $30,000. The letter contract has standard language approved by the Office of Procurement and the Office of the County Attorney. Finance-Risk management still provide insurance requirements and ensure that requirement have been satisfied for contracts.

- A Non-Competitive Procurement may be made if it serves the public purpose and meets one of four criteria. Community Grants meet the criteria that the proposed contractor has been identified in a grant resolution approved by the Council. This is done through the Council's original approval of Section G of the Operating Budget Approval Resolution. This method is also used for many non-competitive awards that are **not** Community Grants.

- Organizations receiving a Community Grant must be registered as a vendor.

- Non-Competitive Procurements must meet applicable terms and conditions, including evidence of insurance. Organizations receiving a Community Grant for the first time, may not have some of the requirements in place. These contracts must receive procurement and legal review as is the case for other contracts.

- Unless otherwise authorized, payment can be made only after the contractor has incurred the cost and submitted an invoice. Certifying whether a payment is due is the responsibility of the Using Department.

- A contract may provide an advance payment if the Director of Finance and Director of Procurement determine that there is a unique circumstance and it is in the best interest of the County.

- The Council required the Executive to send a report on the status of Community Grant contract execution as of September 1 (attached at ©21-23) which has been updated as of October 24:

	As of September 1	*As of October 24*
Contracts Executed	295	340
Total Resolution Count	378	378
Percent Completed	78%	90%
Average Days to Complete	10	10

Reasons for the delay include the using department has not begun the contract process, contracts are en-route to Procurement or are being worked on and some departments are waiting until late 2018/early 2019 to coincide with current contract expiration date(s).

- Community Grants can have a contract period of 12 months (not just July 1 to June 30.) Each year there are some contracts that are not required to be renewed/executed by September 1. (The Joint Committee expressed an interest in models for two-year grants.)

COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND

Lead Sponsor: County Council

Subject: **County Council's FY 2020 Process for Grant Proposals from Non-Profit Organizations**

Background

1. For the past fourteen years, the Council has adopted resolutions to guide the Council's internal process for reviewing applications and awarding funds to non-profit organizations. In each year, the Council publicized the Council Grant application; held at least one community grants workshop; required all organizations to submit a Council Grant application form by a stated deadline; convened a Grants Advisory Group to provide non-binding comments on grant proposals; received recommendations from the Council Grants Manager; and made final funding decisions.

Action

The County Council for Montgomery County, Maryland approves the following resolution:

1. The Council affirms that partnerships with the non-profit community are critical to meeting community needs. These partnerships may come through competitive contracts and non-competitive contracts, and from proposals made directly from non-profit agencies to the County Executive or Council.

2. For FY 2020, the Council will continue to have a Council Grants process that will require non-profit agencies seeking funds to submit an online application. The Council will engage in discussions with the incoming Executive about potential changes to the Community Grants process. The Council requests the Executive agree to the use of a common application and procedures that require non-profit agencies to submit one application to the both the Executive and Council. If the Executive and Council agree to any changes, updates will be posted on the Council Grants website and be broadly disseminated by press release and e-mail. The application will be posted on the Council's website by December 5, 2018.

The deadline for applications will be January 15, 2019. No applications will be accepted beyond this date. While the Council is not interested in a burdensome application process, a common requirement for information enhances the Council's decision process and improves the County's accountability to taxpayers.

3. For FY 2020, the Council is interested in proposals for programs and services that assist disadvantaged County residents. The Council seeks proposals from organizations that exhibit cultural proficiency, use a racial equity lens in delivering services, and demonstrate commitment to organizational sustainability with diverse funding sources. The Council is also interested in proposals for specific programs, including: before and after-school programs for youth (especially programs that serve disconnected youth who do not qualify for extracurricular activities requiring academic eligibility at Montgomery County Public Schools); innovative programs that provide linkages between education and workforce; and programs addressing social isolation among senior populations. In addition, the Council is interested in proposals for programs that accelerate the County's greenhouse gas reduction goals.

4. The Council will reach out to non-profit agencies through existing contact lists, grant application workshops, regional Citizens Advisory Boards, and other communications to facilitate an open and fair process. These efforts will inform non-profit agencies about what they may seek funds for and what the requirements are to receive County funds through a non-competitive contract.

5. The Council is not placing limits on the amount that non-profit agencies may request or the number of applications submitted. Applications may be submitted for capital or operating funds. The Council encourages coordination and collaboration that results in a single application by a lead agency for a group of organizations. While this is encouraged, it does not prohibit any organization from individually applying for a Council Grant.

6. The Council will convene a Grants Advisory Group as a part of the FY 2020 process. The Grants Advisory Group will be asked to review and evaluate the applications. The Council will provide information on the evaluation criteria in the Council Grant application. Grants Advisory Group members will be informed that their recommendations are advisory and final decisions are made by the Council. The Grants Advisory Group will be asked to report to the Council by the end of April 2019. The Council will request panels from organizations with related expertise to review grant applications in areas such as workforce development, homelessness and housing programs, safety-net clinics, and food programs. Non-profit organization funding requests for County matching funds for State Bond Bills will be reviewed by Council Committees. The Council may modify the review process based on the number and type of grant applications received. For FY 2020, members of the Grants Advisory Group may serve on the board of an organization applying for a grant. Board membership will be disclosed and the Grants Manager will assign grant reviews in a manner that avoids conflicts.

7. As a part of the FY 2020 process, the Council will require non-profit organizations awarded funding as an Executive or Council Community Grant to submit a brief year-end report

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describing the results achieved with the funding. These Final Outcomes Reports are due to be received by the Council by September 12, 2019. The Council will continue to seek ways for the County to better evaluate outcomes, including outcomes from programs and services provided by the non-profit sector. The Council requests the Grants Advisory Group review the FY 2018 Outcomes Reports for any programs that seek continued funding for FY 2020.

8. Non-profit agencies seeking funds for arts and humanities should apply directly to the Arts and Humanities Council, and those seeking funds for literacy, including ESOL, should apply directly to MCAEL, the Montgomery Coalition for Adult English Literacy. If any Council Grant applications fall into these categories, the organization will be referred to the appropriate organization; such applications will not be reviewed by the Grants Advisory Group. The Council will make final funding decisions for the Arts and Humanities Council and MCAEL as a part of its overall budget process. For FY 2020, the Council intends that grant awards to community-based non-profits for arts and humanities or literacy and ESOL programs will be made through grant programs administered by the Arts and Humanities Council and MCAEL, respectively.

9. The Grants Advisory Group, Arts and Humanities Council, MCAEL, the Council Grants Manager, Council Committees, and the Council will make interim recommendations at various stages of the application review process. However, funding decisions are not final until the Council has completed its deliberations, reconciled expenditures and revenues, and acted on the County Government FY 2020 operating budget in May 2019.

10. The Council will engage the incoming Executive and Executive staff on option for substantially reforming the Community Grants process starting in FY 2021, focusing on options that would move the awarding of individual grants out of the January to May budget cycle and would align Executive and Council priorities and look at options for two-year grant awards.

This is a correct copy of Council action.

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Megan Davey Limarzi, Esq.
Clerk of the Council

Press Releases - County Council

Council Seeks Applicants for Grants Advisory Group (Application deadline is Nov. 2)

For Immediate Release: Thursday, October 4, 2018

ROCKVILLE, Md., Oct. 4, 2018 - The Montgomery County Council is seeking applicants for positions on its Fiscal Year 2020 Grants Advisory Group. The Council will appoint the volunteer community panel to review grant applications and advise it on proposals received from the non-profit community. Letters of interest with resumes from applicants must be received no later than 4 p.m. on Friday, November 2.

The Council believes that a strong partnership with non-profit organizations is critical in meeting the County's needs. The Council has established a grants process in which the Council accepts applications from non-profit organizations seeking funds, forwards proposals to the Grants Advisory Group for advice and comments and makes funding decisions during its spring budget deliberations.

The Grants Advisory Group will be appointed in December and be asked to report to the Council by the end of April 2019. The Council will designate the chair of the Grants Advisory Group. Panel members will need to attend training sessions and review relevant materials during late January and February. The application review process will take place between late February and April 15.

The Grants Advisory Group will be asked to provide the Council with written comments on each of the grant proposals. The workload will vary based on the number of applications received and panel members appointed. It is expected that each member will review approximately 20 - 25 applications. Panel members should anticipate approximately six to eight meetings between late January and early-April, with the potential for weekly meetings in March.

Applicants for the Grants Advisory Group may not be employees of a non-profit organization applying for Council grant funding. Applications will be accepted from board members and from members of panels reviewing Community Development Block Grants or Community Service Grants, as well as from other advisory boards or community groups.

Interested applicants living or working in the County should submit their letter of interest with a resume and include any non-profit board affiliations to: Council President Hans Riemer, Montgomery County Council, 100 Maryland Avenue, Rockville, MD 20850 or via email to County.Council@montgomerycountymd.gov.

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Letters of interest with resumes must be received no later than 4 p.m. on Friday, November 2. Questions regarding the Grants Advisory Group should be directed to the Council Grants Manager at 240-777-7935 or council.grants@montgomerycountymd.gov.

Community Grants

For more information about the Community Grants Program and to access previous Grants Advisory Group reports and lists of awarded grantees, please visit the Council Grants website at https://www.montgomerycountymd.gov/COUNCIL/grants/council_grants.html.

Sign-up to receive email updates about the Community Grants Program or visit the Council Grants website and select the email subscription link.

 # # # Release ID: 18-249
Media Contact: Sonya Healy 240-777-7926

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Press Releases - County Council

Montgomery County Community Grants Information Workshops

For Immediate Release: Friday, October 26, 2018

Non-profit organizations serving County residents are encouraged to attend a workshop on grant funding

ROCKVILLE, Md., Oct. 25, 2018— The Montgomery County Community Grants Program is holding three information workshops to launch the fiscal year 2020 (FY20) grants application cycle. Workshops are free, open to the public and identical in content. Representatives from the County Executive, County Council and Health and Human Services will be presenting important information on how non-profit organizations serving County residents can apply for grant funding.

Register online to reserve your space at one of the workshops below:

COMMUNITY GRANTS INFORMATION WORKSHOP #1 - Rockville
Wednesday, November 28, 2018
6:00 PM - 8:00 PM
Council Office Building - 3rd Floor Hearing Room
100 Maryland Ave, Rockville, MD 20850

COMMUNITY GRANTS INFORMATION WORKSHOP #2 - White Oak
Thursday, November 29, 2018
2:00 PM - 4:00 PM
White Oak Community Recreation Center - White Oak Social Hall B
1700 April Lane, Silver Spring, MD 20904

COMMUNITY GRANTS INFORMATION WORKSHOP #3 - Germantown
Wednesday, December 5, 2018
2:00 PM - 4:00 PM

UpCounty Regional Services Center - Conference Room A
12900 Middlebrook Rd, Germantown, MD 20874
Community Grants

For more information on the Community Grants Program, please visit the County Executive Grants website and the County Council Grants website and sign-up to receive email updates about the Community Grants Program.

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The County Council and County Executive provide funding to non-profit organizations in the County each year through non-competitive "Community Grants" to provide health and human services and community services to Montgomery County residents. The purpose of this OLO report is to review the current Council community grants program and to identify opportunities to improve the accountability, transparency, accessibility, and fairness in the grants processes.

<div align="center">Community Grant Process</div>

Both the County Executive and Council believe that a strong partnership with local non-profit organizations is critical to meeting the needs of County residents. Annually, each award community grants to address needs in a variety of program service areas such as youth development, mental health, or economic development. Both the Executive and the Council designate organizations in the budget – at their discretion – to receive grant funds. Currently, non-profit organizations can apply for a community grant from the Council, from the Executive, or from both.

Applications to the Council's community grants program are due in January of each year. Once received, applications are reviewed and interviews are conducted by a volunteer Grants Advisory Group of County residents, which then makes recommendations on grant awards. The Council Grants Administrator organizes and consolidates the Group's recommendations, which is officially presented to the Council a few days before budget adoption. The Council Grants Manager will then meet to with Councilmembers or their representatives to discuss and finalize the grants list. The final grant award list is at the discretion of the Council, although historically, the Council has approved the Grants Manager's recommendations along with adding additional proposals to the final list.

The Executive grants selection process includes a review of all applications by Office of Management and Budget staff, numerous meetings during which OMB staff and a Special Assistant to the Executive make funding recommendations, and a final meeting with the County Executive. The Executive's recommended community grants list is included in the annual Recommended Operating Budget. While the Council is not required to approve the Executive's recommendations, historically, the Council has approved all recommendations, with a few rare exceptions.

There is some collaboration and similarities between the Council and Executive grant programs:

- Council and OMB staff conduct joint workshops to provide information on the process to applicants;
- Each program requires applicants to apply online;
- Grants in each program are for one year only, although organizations may reapply for a grant every year;
- There is no limit on the number of grants or amount of funding an organization can apply for each year.

One difference between the two programs is the documentation required to apply. While the two applications are very similar, the Council requires organizations to submit additional documentation with their applications, including budget information, financial statements, and board of directors' information while the Executive does not. For applications that were applied for and recommended by the Executive but did not apply to the Council, a designated Citizen Advisory Group panel requests and reviews the additional information that is required for Council grants.

<div align="center">Grant Models in the County and Other Jurisdictions</div>

The County currently administers several other competitive grant programs, all of which utilize a combination of County staff and community volunteers to review applications and make award recommendations. Some unique aspects of the various programs include: the Community Development Block Grant is limited to three years and both the Montgomery Coalition for Adult English Literacy and the Arts and Humanities Council have several grant cycles annually.

Several other local jurisdictions also have similar grant programs, including Rockville, Gaithersburg and Fairfax County. All of the jurisdictions use staff and citizen volunteer panels to review grant applications and make grant recommendations. The City of Gaithersburg and Fairfax County have made significant changes in recent years to their grant programs – establishing two-year grants, removing procurement from the grant processes, issuing grant solicitations based on set priorities, and diminishing the role of politics in the selection process.

Grant Data

Over the past five fiscal years, the number of grant applications funded, and the amount of funding awarded annually has increased (see table). While organizations can apply for community grants from the Executive, the Council, or both, between 77% and 87% of grant applications submitted to the Council were also submitted to the Executive from FY15 to FY19.

While the annual budget describes both programs as one-time grants, OLO found that many grant programs have received funding for multiple years. A total of 134 organizations received community grants at least four out of the five years from FY15 to FY19. In comparing annual data on grant funding for specific programs, OLO identified 114 projects that received Council or Executive community grant funding for at least four years during FY15-FY19.

Further, the Council has final authority to approve grant awards as discussed earlier, so the process allows Councilmembers to add organizations to the list for funding even if the organization is not recommended for funding through the application evaluation process. OLO found that, annually, Councilmembers added an average of 31 grants and $765,000 to the list of organizations recommended for funding.

Community Grants, FY15-FY19 ($ in millions)						
Council Grants	FY15	FY16	FY17	FY18	FY19	% Change
# of Grant Requests	219	274	322	345	365	+67%
# of Grant Awards	90	103	122	138	134	+49%
% of Applications Funded	*41%*	*38%*	*38%*	*40%*	*37%*	
Funds Requested	$13.4	$15.0	$17.5	$19.8	$19.9	+49%
Funds Awarded	$2.9	$3.1	$3.1	$3.2	$3.5	+20%
% of Requested Funds Awarded	*22%*	*20%*	*18%*	*16%*	*18%*	
Executive Grants						
# of Grant Requests	306	335	338	371	381	+25%
# of Grant Awards	153	177	198	221	231	+51%
% of Applications Funded	*50%*	*53%*	*59%*	*60%*	*61%*	
Funds Requested	$17.5	$20.3	$22.0	$21.5	$29.5	+68%
Funds Awarded	$5.5	$5.9	$7.5	$7.8	$8.7	+58%
% of Requested Funds Awarded	*31%*	*29%*	*34%*	*36%*	*30%*	

Stakeholder Feedback

There were two consistent points of feedback that OLO heard across all stakeholder groups:

- Representatives from non-profit organizations and volunteers on the Council Grants Advisory Group expressed confusion about the purpose, goals and relationship of both grant programs. They view the Council grants as funding for non-related programs with no cohesive priorities or comprehensive plan.
- While referred to as "grants," funding is awarded via non-competitive contracts and awardees are subject to County procurement requirements for contracting, billing, and reporting. County staff and most non-profit organizations reported that the execution and monitoring of community grants contracts is burdensome and challenging.

Report Recommendations

Clarify/Define the Purpose and Goals of the Council Community Grants Program and Implement Changes to the Process in Alignment with those Goals. The goals of the program are not clearly defined for applicants, including whether they are one-time grants, alignment with department goals, and relationship to other grants. Once defined, the Council can discuss and implement changes to the process that align with the stated goal.

Implement Changes to the Council's Community Grants Selection Process to Improve Accountability and Fairness. OLO recommends the Council implement the following changes to its grants process: (1) combine the Council and Executive application; (2) pre-screen applications; (3) publish a summary and timeline of the process; (4) recruit a more diverse volunteers; (5) provide a guideline for requesting indirect costs; (6) discuss the inclusion of department staff in the process.

Request an OLO Follow-up Report that Examines Contract Execution, Payment Policies, and Monitoring of Council Community Grant Contracts. While not the focus of this report, most interviews with stakeholders criticized the challenges of contract execution and monitoring processes for Community Grants. As a result, OLO recommends that the Council request a future OLO report to review and analyze current Community Grants contract processes and policies.

Fairfax County. Fairfax County's Consolidated Community Funding Pool (CCFP) is a competitive funding process available to non-profit and community-based organizations for human services programs to augment human services programs available to County residents. Fairfax County awards two-year grants to organizations through contracts – receiving around 165 applications each cycle and issuing approximately 110 contracts every other year. In FY19, Fairfax County appropriated approximately $13.1 million in CCFP grants.

The County established a Consolidated Community Funding Advisory Committee (CCFAC) to oversee the CCFP program policy, planning, and development of priorities and proposal evaluation criteria. The Committee is appointed by the County Executive and is comprised of representatives from nine Fairfax County human services boards and commissions and several community sectors. The Contracts and Procurement Management Division in Fairfax County's Department of Administration for Human Services (DAHS) provide staff support for the CCFP program during the creation of grant solicitations, selection of grant awards, and monitoring of contract performance.

For FY19-FY20, the CCFAC updated the process for setting program priorities to align better with existing human services efforts and community input. Based on community feedback, supportive data, and human services outcome data, the CCFAC identified and developed new CCFP priority categories and outcomes statements, shown below.

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[11] http://www.gaithersburgmd.gov/services/community-services/gaithersburg-grants-portal

Priority	Outcome Statement
Housing	Families and individuals of all ages and abilities — including those at risk of homelessness, people with disabilities, older adults and individuals in the local workforce — can afford safe, stable, healthy, and accessible living accommodations along with other basic necessities and will have access to affordable, accessible housing with the supportive services necessary to live as independently as possible in a community setting.
Literacy/Educational Development and Attainment	Families and individuals of all ages and abilities will have the ability to read, write and speak English effectively, manage finances, and attain employment goals through academic and vocational achievement. Children and youth will have access to quality early care and education and support to develop employment and independent living skills.
Financial Stability	Families and individuals of all ages and abilities will have the ability to possess and maintain sufficient income to consistently meet their basic needs — with no or minimal financial assistance or subsidies from private or public organizations.
Health	Families and individuals of all ages and abilities will have access to primary, specialty, oral and behavioral, and long-term health care, particularly prevention services. Families and individuals of all ages and abilities will develop the knowledge and resources to practice healthy behaviors and to take action to prevent and manage disease and adverse health conditions. Children will have access to supplemental food year-round, seven days a week.
Support/Community/Social Networks	Families and individuals of all ages, abilities and income levels will have access to local services, including community-based transportation and childcare and the ability to establish and maintain communal and social relationships.
Positive Behaviors and Healthy Relationships	Families and individuals of all ages, abilities and income levels will develop positive behaviors and healthy relationships that are safe and free from abuse, neglect and trauma and promote physical, emotional, mental and social well-being.

Fairfax County issues an RFP for its CCFP funding in early fall. The CCFP Funding Application Package includes two primary documents: (1) the CCFP Funding Application Resource Manual includes a glossary of terms, answers to frequently asked questions, online resources with descriptive data about Fairfax County, and general terms and conditions of a County contract; and (2) the CCFP Funding Application Package includes the request for proposal, including a description of funding priorities and outcome measures and application instructions. The County offers a one-time Pre-Proposal Conference in October to brief applicants and answer questions and County staff are available to answer questions during the application cycle.

Fairfax County uses different applications for organizations requesting $50,000 or less per year and those applicants requesting more than $50,000 per year and it does not limit the number of requests from an organization. Applicants must submit information on:

- Program narrative;
- Demonstration of need;
- Organizational capacity;
- Program outcomes;
- Cost proposal;
- Program budget and budget justification;
- Program personnel budget;
- Estimated program revenues; and
- Current board of directors.

⑪

To select organizations for awards, the County Executive appoints a Selection Advisory Committee (SAC) comprised of volunteer Fairfax County residents and a Technical Advisory Committee (TAC) comprised of Fairfax County staff with expertise in human service and housing development disciplines. The SAC reviews, rates and recommends proposals for awards based on the evaluation criteria, outcome area funding priorities and target percentages as established by the CCFAC. The TAC reviews proposals for technical requirement compliance.

The SAC includes two subcommittees each with two teams responsible for reviewing different applications. Each member of the SAC will score each proposal based on criteria listed in the Resource Manual, including the demonstration of need, outcomes, approach and organizational capacity. A cost review is only completed for those applications with the highest preliminary ratings.

Each SAC subcommittee will meet to decide on funding recommendations, followed by a review of the full SAC. The SAC then makes funding recommendations to the Board of Supervisors for approval. Applicants that receive funding are informed in late April and County staff negotiate contracts. Contract awards begin on July 1st of the funding cycle and end two years later on June 30th.

⑫

FAIRFAX COUNTY, VIRGINIA

CONSOLIDATED COMMUNITY FUNDING POOL

FY 2019–FY 2020

COUNTY

RESIDENTS

WORKING TOGETHER

COMMUNITY

FUNDING APPLICATION PACKAGE

for

July 1, 2018 – June 30, 2020

RFP# 2000002372

FAIRFAX COUNTY CONSOLIDATED COMMUNITY FUNDING POOL

RFP# 2000002372

FISCAL YEARS 2019–2020

INTRODUCTION

This Request for Proposal is to solicit applications from eligible programs and services offered by Community-Based Organizations (CBOs) to provide health, housing and human services to residents within one or more regions of the County of Fairfax for the Consolidated Community Funding Pool (CCFP).

Funding in the CCFP is available from a combination of local, state and federal sources:

- Federal and State Community Services Block Grant (CSBG) *(approximately 6% of total funds)*

- Federal Community Development Block Grant (CDBG) *(approximately 15% of total funds)*

- Fairfax County General Fund *(approximately 79% of total funds)*

Contracts will be awarded for a two-year period, beginning July 1, 2018 through June 30, 2020. An estimated $12 million will be available for each of the two fiscal years. The final amount will be determined upon the Board of Supervisors' approval of the Fairfax County Fiscal Year 2019 and Fiscal Year 2020 budgets.

BACKGROUND

In 1997, Fairfax County, Virginia developed and implemented a new competitive grant process for funding human services programs developed by non-profit agencies. In 1998, the Board of Supervisors established the Consolidated Community Funding Advisory Committee (CCFAC) to oversee the county's Consolidated Plan and Consolidated Community Funding Pool (CCFP) policy, planning and development of priorities and proposal evaluation criteria. The committee is comprised of representatives from nine (9) Fairfax County Human Services Boards and Commissions and several community sectors. The committee works in partnership with the Community Action Advisory Board to determine the program areas for CCFP awards funded through the Community Services Block Grant (CSBG) allocation to Fairfax County, and collaborates with the Fairfax County Redevelopment and Housing Authority (FCRHA) to allocate non-CCFP funding in the County's Consolidated Plan.

Throughout the CCFP's history, the CCFAC have strategically adjusted the priorities to meet the county's changing needs and to recognize the changing nature of community-based providers. For FY 2019-2020, the CCFAC decided to revamp the priority setting process to ensure that the approach was more aligned with existing human services efforts and reflected community input. This decision to overhaul the priority setting process also supports the recommendations of the CCFP Steering Committee. In order to achieve this, Fairfax County staff hosted various community engagement sessions throughout the county to gather input about the priorities as well as emerging needs.

Based on the community feedback, supportive data, and human services outcome information provided by staff, the CCFAC identified and developed new CCFP priority "categories" and outcomes statements. These new priorities represent the existing

and emerging needs noted by the community and align with health and human services determinants that will result in positive and equitable outcomes and **are not** in any specific priority or ranking order.

To determine how CCFP funds should be used, the CCFAC:

- Reviewed human services needs and program utilization data from county agencies and other sources, including existing CCFP programs; and

- Conducted community engagement sessions, utilized social media outlets to derive feedback, and invited all interested parties to present their comments on the proposed priority areas.

For the FY 2019-2020 funding cycle, the CCFAC organized the Funding Priorities according to six priority areas listed on pages 5–7 under Proposal

Guidelines of this RFP. The Fairfax County Board of Supervisors approved the Funding Priorities on June 20, 2017. The funding pool Priorities and its requirements reflect the county's emphasis on outcome accountability based less on what is done for clients and more on how the lives and conditions of clients are improved as a result of the programs.

The Board Action Item to approve the Priorities and a description of them are found in the Fiscal Years 2019 and 2020 Consolidated Community Funding Pool RFP Funding Application Resource Manual (hereafter called the Resource Manual), which provides guidance for all applicants.

This Request for Proposals is the thirteenth since the creation of the CCFP. For information on previously funded programs, please visit www.fairfaxcounty.gov/ccfp.

HOW TO APPLY

This Request for Proposal includes **two submission formats** for Applicants who are requesting $50,000 or less per year (pages 20–23) and those Applicants requesting more than $50,000 per year (pages 13–18). There are instructions on how to apply for both funding levels. Applications may be submitted by mail or delivered in person. All applications must be received **by December 4, 2017, at 2:00 p.m. at the following location:**

**Fairfax County Department of
Procurement and Material Management
12000 Government Center Parkway, Suite 427
Fairfax, Virginia 22035**

BASIS FOR AWARDS

A Selection Advisory Committee (SAC) comprised entirely of Fairfax County residents, is appointed by the County Executive to recommend proposals for awards. Individuals on the SAC serve on a volunteer basis and must reside in Fairfax County. SAC members may not be a current officer, employee, or Board member of an Applicant's

agency, a current County employee or member of the Consolidated Community Funding Advisory Committee (CCFAC).

The SAC evaluates proposals according to the funding priorities and established evaluation criteria. The SAC will conduct a preliminary evaluation and rating of the technical information in each proposal on the basis of the criteria listed on page 9, including the Demonstration of Need, Outcomes, Approach and Organizational Capacity. The cost information will be evaluated and rated only for the proposals with the highest preliminary ratings. Affordable Housing Capital Projects will be evaluated on three additional criteria.

The SAC will make funding recommendations to the Board of Supervisors for approval. Applicants will be notified of the recommendations and action by the Board of Supervisors in late April 2018. Approved programs will be awarded funds through a contractual agreement with the County, subject to negotiations of final terms and conditions conducted in May and June of 2018. The terms of the contract will begin July 1, 2018. Unsuccessful applicants may request a meeting to receive feedback on proposals after awarded contracts have been signed, usually after July 1.

All proposed programs should address no more than two of the funding priorities listed below. In the case of programs for which multiple organizations are collaborating on a joint proposal, the proposal may target up to a maximum of three priority areas. *Service examples may include but are not limited to the examples listed in each priority area below.*

PRIORITY	OUTCOME STATEMENT	SERVICE EXAMPLES
I. HOUSING	Families and individuals of all ages and abilities — including those at risk of home-lessness, people with disabilities, older adults and individuals in the local work-force — can afford safe, stable, healthy, and accessible living accommodations along with other basic necessities and will have access to affordable, accessible `housing with the supportive services necessary to live as independently as possible in a community setting.	• Housing modifications for ADA accommodations, enable seniors to age in place and other housing rehabilitation projects. • Provision of temporary or emergency shelter and supportive services to homeless individuals and families, including homeless youth. • Services to support housing stability and to maximize tenants ability to live independently (e.g., case management, mental health, alcohol and substance abuse, independent living, home health visits, vocational, health, furniture and other household goods, peer support and social activities). • Acquisition, preservation, rehabilitation, and construction of affordable, accessible, safe, healthy, and stable housing with accessible supportive social services. • Services to assist individuals transitioning from institutional to home or community-based care. • Services to assist individuals and families to locate housing.
II. LITERACY/ EDUCATIONAL DEVELOPMENT/ ATTAINMENT	Families and individuals of all ages and abilities will have the ability to read, write and speak English effectively, manage finances, and attain employment goals through academic and vocational achievement. Children and youth will have access to quality early care and education and supports to develop employment and independent living skills.	• Early Childhood development services • Employment training/job skills/ awareness of economic opportunities. • Adult education • English proficiency services • Supportive employment

16

PRIORITY	OUTCOME STATEMENT	SERVICE EXAMPLES
III. FINANCIAL STABILITY (Financial Assistance to Financial Empowerment)	Families and individuals of all ages and abilities will have the ability to possess and maintain sufficient income to consistently meet their basic needs — with no or minimal financial assistance or subsidies from private or public organizations.	• Financial literacy/management training and counseling to foresee and prevent financial crises • Utility payments • Rental assistance • Financial counseling • Financial asset formation
IV. HEALTH	Families and individuals of all ages and abilities will have access to primary, specialty, oral and behavioral, and long-term health care, particularly prevention services. Families and individuals of all ages and abilities will develop the knowledge and resources to practice healthy behaviors and to take action to prevent and manage disease and adverse health conditions. Children will have access to supplemental food year-round, seven days a week.	• Healthcare affordability and accessibility services, particularly oral and behavioral services • Health fairs and health screening clinics, dental clinics, inoculations, nutrition education • Primary medical/dental services • Healthy choices programs • Emergency and/or supplemental food programs (weekend backpack programs) • Nutrition education programs
V. SUPPORT/ COMMUNITY/ SOCIAL NETWORKS	Families and individuals of all ages, abilities and income levels will have access to local services, including community-based transportation and childcare and the ability to establish and maintain communal and social relationships.	• Courses that teach language or culture to help groups interact positively • Mentoring programs for youth, adults, and families • Language and cross-cultural assistance • Transportation to provide access to existing programs, services and/or medical appointments • Social environments for isolated individuals • Respite services to help caregivers • Childcare to help parents stay employed

17

PRIORITY	OUTCOME STATEMENT	SERVICE EXAMPLES
VI. POSITIVE BEHAVIORS AND HEALTHY RELATIONSHIPS	Families and individuals of all ages, abilities and income levels will develop positive behaviors and healthy relationships that are safe and free from abuse, neglect and trauma and promote physical, emotional, mental and social well-being.	• Counseling services for individuals and families • Conflict resolution and anger management training and counseling • After-school or other programs that provide positive alternatives to risky behavior • Services to victims of domestic violence and their families • Services to assist with trauma recovery

18

1. ELIGIBLE APPLICANTS:

a. Organizations with nonprofit 501(c)3 tax exempt status, or organizations that have established their 501(c)3 tax-exempt status by July 1, 2018, including faith-based or religious organizations. If funded, proof of 501(c)3 certification will be required.

b. Applicants may be based in jurisdictions other than Fairfax County provided that the proposed program exclusively benefits eligible residents, depending on the funding source, as defined below:

   i. Programs funded through the **Fairfax County General Fund** may only serve residents of Fairfax County or the Towns of Clifton, Herndon or Vienna.

   ii. Programs funded through the **Community Services Block Grant** may serve residents of Fairfax County or the Towns of Clifton, Herndon or Vienna and may also serve residents of the Cities of Fairfax and Falls Church. Awards funded through the CSBG must benefit residents at CSBG income levels referenced in the Resource Manual, page 39. Awards made with CSBG funds may be designated for housing, education, employment, childcare and emergency programs.

   iii. Programs funded through the **Federal Community Development Block Grant** funds may serve residents of Fairfax County, the City of Fairfax, or the Towns of Clifton, Herndon or Vienna. Applicants for new housing construction must be Community Based Development Organizations (CBDO's) as defined in the Resource Manual, Frequently Asked Questions, page 47. Awards for Capital Projects will only be made for projects that result in the production or preservation of affordable housing located in Fairfax County or the Cooperating Jurisdictions of the City of Fairfax and the Towns of Clifton, Herndon and Vienna. Affordable Housing Capital Project awards must comply with CDBG regulations and guidelines.

c. Organizations that are in receivership status or debarred by the U.S. Government and/or Fairfax County are not eligible.

d. Organizations whose county contract award has been terminated for cause within the last two years are not eligible.

2. PROGRAM AWARD PROVISIONS:

a. All awards are subject to the County of Fairfax General Conditions and Instructions to Bidders found in the Resource Manual, page 27 and Special Provisions also in the Resource Manual, page 4.

b. All programs receiving funds from the Community Services Block Grant and Community Development Block Grant will be subject to all Federal and State laws, regulations and guidelines governing those grants. Awards utilizing these federal funds may result in a subrecipient designation and as such must comply with Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

c. Each organization awarded a contract for FY 2019-2020 will be required to implement a quality assurance plan for identifying and correcting deficiencies in the quality of services before the level of performance becomes unacceptable and/or the county staff identifies deficiencies.

d. An emergency preparedness plan to include continuity of operations, succession of responsibility and preparation of staff must be provided upon contract startup date.

T he SAC will use established evaluation criteria to rank each proposal submitted. Each criterion element is rated separately. Proposals may receive up to the maximum points allowed based on the response to each criterion element. A detailed description of each criterion is included in this RFP. Collaborative proposals[1] are highly encouraged.

Funding allocations are based on the Applicant's ability to adequately address the following:

ALL APPLICATIONS
will be considered on the following criteria:

TECHNICAL PROPOSAL:		Maximum Points
Criterion A	Demonstration of Need	15 points
Criterion B	Outcomes	25 points
Criterion C	Approach	20 points
Criterion D	Organizational Capacity	20 points
COST PROPOSAL:		
Criterion E	Budget and Budget Justification	20 points
	TOTAL	100 points

APPLICATIONS FOR AFFORDABLE HOUSING
will also be considered on the following additional criteria:

TECHNICAL PROPOSAL:		Maximum Points
Criterion F	Consolidated Plan Priorities	15 points
Criterion G	Impact on Affordable Housing Stock	15 points
COST PROPOSAL:		
Criterion H	Project Financing & Operating Budget	10 points
	SUBTOTAL	40 points
	TOTAL	140 points

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[1]Collaboration is defined as two or more organizations joining together through written agreement to provide services based on common goals and shared funding. Partners agree to pool resources and jointly plan, implement and evaluate new services and procedures. They also agree to delegate individual responsibility for the outcomes of their joint efforts. Only one of the organizations would submit a proposal on behalf of the collaboration.

20

Isiah Leggett
County Executive

MEMORANDUM

October 4, 2018

TO: Hans Riemer, President
          County Council

FROM: Isiah Leggett, County Executive

SUBJECT: Fiscal Year 2019 (FY19) Community Grants Report

In accordance with County Council Budget Resolution No. 18-1144, I am transmitting the attached FY19 Community Grants Report from the Office of Procurement. This report includes information on community grants in FY19, including:

1. The total number of community grants placed on the County Council Resolution;

2. The total number of community grants contracts (new and renewals) received in the Office of Procurement as of September 1, 2018, and executed, including those valued under the direct threshold using the pre-approved grants template;

3. The average number of days for the Office of Procurement to execute community grants (new and renewals) by department and overall; and

4. Community grants not received and their status.

To support our ongoing sustainability efforts, instead of printing the report for each Councilmember, I direct your attention to the website at which the Office of Procurement posts its reports; http://www.montgomerycountymd.gov/pro/PRONumbers.html.

c: Timothy L. Firestine, Chief Administrative Officer
     Cherri Branson, Director, Office of Procurement

Overview

As required by the County Council Resolution No. 18-1144, the Office of Procurement must transmit a report on the status of Community Grant awards as of September 1, 2018. This report summarizes the status of non-competitive contracts for County Executive and Council Community Grants for the Fiscal Year 2019 (FY19) The report provides a synopsis of the average number of days taken to execute Community Grant Contracts by the Office of Procurement. The report is displayed in a table that includes:

1. The total number of community grants placed on the County Council Resolution;

2. The total number of Community Grant contracts (new and renewal) received and executed by the Office of Procurement as of September 1, 2018, including those valued under the direct threshold and using the pre-approved grant template;

3. The average number of days for the Office of Procurement to execute Community Grants (new and renewal) by using department and overall.

As of the date of this report, 81% of Community Grants were received in the Office of Procurement and have been executed. This includes an additional 14 Community Grant actions since September 1, 2018. An additional six Community Grant actions were recently submitted and are being processed. Sixty-three Community Grants from the County Council Resolution list have not been submitted to the Office of Procurement for execution from several Departments, including: Department of Health & Human Services (52); Department of Housing and Community Affairs (5); Department of Finance (3); Department of Recreation (1); the Office of the County Executive (1), and the Community Engagement Cluster (1).

Moreover, it is important to note that Community Grant contracts with fiscal funding were not legally available until July 1, 2018, the beginning of a new fiscal year. However, the Oracle Enterprise System allows departments and Procurement staff to begin preparing actions and funding documents as early as June. The average processing days listed in this report were based on a process date of June 5, 2018 or

later. For FY19, June 5, 2018, was the earliest that a using department or Procurement staff could approve an FY19 funded requisition or purchase order for FY19 contracts, including community grants, although funding could not be released before the beginning of a new fiscal year on July 1, 2018.

Department	Total Resolution Count	PRO Total	Avg. Days to Complete*
Community Engagement Cluster	6	5	2
Correction and Rehabilitation	2	2	11
County Executive	2	1	6
Environmental Protection	6	6	15
Finance	5	2	2
Health and Human Services	259	188	11
Housing and Community Affairs	36	30	14
Human Resources	2	2	2
Police	1	1	1
Recreation	42	41	8
Sheriff	15	15	9
Technology Services	2	2	1
TOTAL	**378**	**295**	**10**

*Does not include resolution items with a $10,000 or lower value processed directly by the Using Department with a template.

Office of Procurement
255 Rockville Pike, Suite 180
Rockville, Maryland 20850-4166
Telephone: (240) 777-9900
Fax: (240) 777-9952
www.montgomerycountymd.gov/pro

23