

ASSESSMENT OF THE ADMINISTRATIVE MECHANISM

NORTH CENTRAL TEXAS HIV PLANNING COUNCIL

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INTRODUCTION

This year's Assessment of the Administrative Mechanism focuses on a problem that arose last year causing challenges for everyone involved in the "rapid distribution of funds to the areas of greatest need." The Evaluation Committee decided to survey participants from the Allocations Committee of the Planning Council, service providers and the staffs of the Administrative Agency and of the Planning Council to determine how the receipt of federal funds in increments affected the distribution of the funds and the provision of services to clients. The Evaluation Committee received eight responses to the survey. Attached in Appendix A is the survey instrument.

Last year, HRSA released four separate Notices of Awards for Part A funding and State Services funding was released in two parts. Overall, the respondents expressed frustration over the negative effects of this incremental receipt of funds on the planning, allocation, and distribution processes.

SURVEY RESPONSES

Many respondents stated that the incremental distribution of funds increased the work load on everyone. "Having the Part A funds show up in spurts and State Services show up in two blocks probably added an additional 25 hours of unnecessary time and worry to the staff schedule and an additional 10-12 hours of volunteer time from each of the Allocations members." Allocations Committee members felt unprepared and "left reeling with decisions we had no idea were on the horizon." This uncertainty made coordination with other funding streams difficult. Although the process was inconvenient and cumbersome, several respondents stressed that the process to allocate the funds progressed as usual and that the lateness did not change the priority of service needs or the allocation to services.

Agencies, however, felt negative impacts from the uncertainty. Because the original expectation was for level funding, and then there was a fear of a possible \$500,000 cut, agencies "plunged into a service cutting mode that did result in disruptions, wait lists and not

filling positions.” “Sub-grantees were unable to fill positions and/or were unable to effectively budget.”

Both Allocations Committee members and agency respondents expressed the opinion that the “rapid allocation of funds” was a misnomer last year. “You can remove the word ‘rapidly’ from the above question. It was not rapid. Having made allocation decisions in October 2010 and having to wait until August 2011 to finally get funds for that grant cycle distributed is far from rapid.” Another agency reported “we don’t see the process as rapid or expedited. It’s more of a ‘hurry up and wait’ process that is challenging, especially during the last year.”

In light of the challenging situation the area planners and providers faced, there were some changes to the process in attempts to increase the speed with which available funds could be distributed. The Administrative Agency, through Renee Castoreno (HIV Program Coordinator), kept information flowing on a timely basis and made sure that information about last minute redistributions/reallocations was available as quickly as possible. The Allocations Committee put in many extra hours and tried to expedite the process through e-mail votes when very rapid decisions were necessary. There was some concern about the e-mail votes reducing open discussion, but they did speed up the process when used appropriately.

Estimates had to be used and this resulted in “a revisit to the same process each time notification was received of a partial or adjusted federal funding award.” Timeframes were “inconsistent and/or rushed” and this resulted in problems for the providers. One person stated “Reducing the amount of budget revisions would be helpful.” This was especially problematic in providing medical services: “It is difficult to predict when a patient is going to have an excess of services/expenses . . . or . . . cancel an appointment. We do the best we can to forecast . . . needs based on past expenses and historical data, which is by no means a reliable method for tracking the infectious disease process.” Several respondents referred to the extra efforts on the part of the staff to ameliorate the effects of the uncertainty.

The survey also addressed the effectiveness of monitoring and reporting systems in the rapid distribution of funds. Needs Forms have been discussed in previous Assessments and are now widely used. The filing of updated Needs Forms by the providers keeps the Administrative Agency aware of ongoing needs. Then, the needs can be funded quickly when reallocations occur. Also, when agencies submit budgets, the Administrative Agency monitors them for accuracy so errors can be corrected quickly allowing contracts to be expedited to the Commissioners’ Court. Agencies expressed some concerns about excessive requests for information by the Administrative Agency and unrealistically short deadlines. “We are happy to cooperate with all requests, but sometimes do not feel that our time is respected due to the short deadline provided us.”

CONCLUSIONS AND RECOMMENDATIONS

The incremental arrival of federal funds caused confusion and uncertainty which, in the end, resulted in agencies being unable to use the funds at maximum efficiency. Positions could not be filled when the agencies were unsure whether they would be funded for an entire year. Thus, funds that had been requested and allocated were returned, resulting in more confusion, numerous reallocations, and a great deal of extra work for the Allocations Committee members, and the staffs of the Planning Council, Administrative Agency and providers.

Communication

Frustration ran high and at every level, respondents to the survey hoped for improved communication. Respondents noted, "The most frustrating thing was lack of communication from HRSA on direct questions. Even if they had not known exact funding amounts or the exact dates . . . communication. . . would have reduced the anxiety and unnecessary confusion clients and agencies felt due to mixed messages of reductions of services." "We have two points of contact for the allocation and issuance of contracts, the AA and the Planning Council/Allocations. We have made our concerns . . . known to both, but to no avail. . . We are unfamiliar with what the issues are that can/cannot be resolved to alleviate these issues in the future." "The Planning Council staff (should) work closer with the AA staff when allocating services from each grant to make sure we were not creating gaps in services." "If the AA want us to track information off grant and/or fiscal year cycle, it would be more prudent to have that knowledge up front rather than last minute." Providers felt that the Administrative Agency requested a burdensome amount of data and that deadlines were too short. Overall, communication improvements at all levels would reduce stress and improve efficiency.

Open Discussion and E-Mail Votes

There was also concern about transparency and the availability of open discussion when time constraints forced quick decisions. E-mail votes are going to continue to be a necessary and efficient method of dealing with fast approaching deadlines, but they should never constrain discussion or input. Training within the committees about e-mail votes should guarantee that members understand that an e-mail vote should be considered just as seriously as any other vote and that members are free to question and discuss through e-mail and even

to call for a face-to-face meeting if they feel one is warranted. It also needs to be understood that e-mail votes are only to be used when other meeting methods are impractical.

Contingency Plans

Contingency plans need to be considered since unexpected events like those of last year could happen again. The funds administered by the Administrative Agency are intended to be payer-of-last-resort monies and “we may need a cautionary program to providers to prepare themselves for future events so that they have a better chance of reaching out to their spheres of influence to cover potential shortfalls should they arise again.” The Allocations Committee needs to continue to prepare contingency plans for reallocations, too. “Immediate reallocations were made from one funding source to another to cover any funding gaps that occurred due to not receiving full funding.” The Allocations Committee also needs to look at trends for under-utilized or returned funds in certain service categories and use that information in their contingency planning (but the trends should be considered over several grant cycles since last year’s returned funds could have stemmed from the uncertainty and the incremental receipt of the money).

Rapid Response

In addition to planning for contingencies, every organization involved in the process needs to be aware of the need to act rapidly. Agencies must notify the Administrative Agency as soon as they expect to have to return funds. They also need to keep their Needs Forms updated so the Administrative Agency and Allocations Committee can make rapid reallocations and redistributions. One respondent stated that the Administrative Agency policy on redistribution seemed effective in reducing the negative impact of the return of funds. It is also important for all participants to understand that there will always be a lag time before funds can be distributed because of bureaucratic constraints. The Administrative Agency, the Allocations Committee, and the providers must act as efficiently as possible to move funds to areas of greatest need.

Advocacy

Advocacy, within the constraints of HRSA guidelines, is also needed to stress to the funders how negative the impact of this uncertainty was. Some programs that were expected were shelved because funding could not be guaranteed. Clients were worried and the Administrative Agency, the Planning Council Staff, and the Allocations Committee exhausted

valuable man-hours to deal with the situation. Making elected leaders aware of problems and presenting a united front might make a difference. “While the PC understandably stays . . . away from political action . . . sometimes we find ourselves in need of rallying the troops . . . We weren’t prepared for that this year and need to think through a process that has us at the ready for future issues.” “The least we can do is already have allies created, rather than starting to create those relationships when we need them . . . Those allies (elected officials and others) should be in our loop constantly anyway. Maybe an annual state of the HIV community sit-down office visit by PC leadership and an AA rep is a good idea.”

Conclusion

Continued cooperation, preparation, and communication among all of the stakeholders will help reduce the negative impacts of a similar situation should one arise in the future.