



DEPARTMENT OF
HOMELESSNESS AND
SUPPORTIVE HOUSING

HSH Grant Agreements and Contracts: HOC Review and Approval Process and Timeline

Homelessness Oversight Commission, October 5, 2023



Background

- HSH funds homelessness services through both City Grant Agreements and Personal Services Contracts (PSC). Agreements have a defined scope of work, performance measures, and annual budget.
- Agreements include the legal terms and conditions standardized by the City, such as SF Administrative Code requirements and other provisions (e.g. minimum insurance requirements)
- All HSH agreements operate on a cost reimbursement basis.
- HSH funds, administers, and monitors approximately 270 agreements annually with 85 unique vendors.
- Majority of funding goes to community-based nonprofit organizations (or CBOs) delivering direct homeless services and housing.

Definitions

- G-100: Denotes the City's standard template for grant agreements to nonprofits that HSH uses
- Grants are signed by Department Head or Designee, Grantee's Executive Director and Approved to Form by City Attorney's Office before final
- P-600: Denotes the City's standard template for Personal Services Contracts (PSC). Used for HSH's professional services (i.e. services on behalf of the Department) and require Office of Contract Administration approval. Other approval required by the Department of Human Resources if under 100k, or Civil Service Commission.
- All agreements have defined scope of work and budget. Agreements operate on a cost reimbursement basis with standard procedures for invoicing and invoice review.
- Agreements have a not-to-exceed contract amount that includes contract contingency, typically 15% to 20% contingency depending on the program.
- Contract contingency *is not budgeted* in HSH's annual budget or part of the grant or contract budget. It is a contract mechanism to address unforeseen circumstances to be able to add funds to the agreement without executing a formal amendment.

HOC's Role in Agreement Review and Approval

- Provide oversight to the Department ensuring adherence with established City and Departmental policies and procedures
- Provide greater public transparency into HSH's contracted services and outcomes
- Recommend approval of agreements of agreements that come before the Commission to the Department Head.
 - Department Head retains final contract approval and will continue to approve contracts that do not meet the HOC threshold or are for urgent/emergency situations

HOC Review and Approval Criteria

1. Grant and contract agreements with an annual budget amount more than \$500,000 excluding contingency;
2. Amendments to agreements not reviewed and approved under (1) that result in an annual increase than \$500,000 excluding contingency;
3. Agreements that require approval by the Board of Supervisors under the City Charter; and
4. Agreements for an entirely new program or service with an annual amount of more than \$100,000.

Implementation Timeline

- Program staff are undergoing training in early October from the Human Services Agency to prepare to present to the Commission
- Beginning in November 2023, HSH staff will begin bringing agreements before the Commission for review and approval that meet the HOC review criteria
- Agreements will be presented as action items on the monthly HOC agenda, accompanied by a copy of the contracted scope of work (Appendix A), the budget (Appendix B) and a summary memo as part of HOC packet.

HOC Meeting Presentation

- Program staff will provide a brief overview of the agreement and be prepared to answer Commissioners questions
- Overview will last 2-3 minutes per agreement and include
 - Brief description of the vendor selected to receive the grant/contract
 - Brief description of the services to be contracted
 - Explanation of how services will be provided, expected outcomes, and provider performance if agreement is for continuing services.

Timeline for Final Agreement Approval

- Effective date of agreement will be 1st of the month following HOC approval (if Board of Supervisors approval is not required)
- HSH expects Commission approval to add two weeks to the current 6-8 week timeline to draft, development and approval agreements.
- Longer timelines are anticipated if an agreement also requires Board of Supervisors approval; those agreements are for more than \$10 million or long than 10 years