

**Meeting of the Homelessness Prevention (HP) Committee
of the Legal Services Trust Fund Commission (LSTFC)**

Meeting Summary and Action Items

Friday, November 20, 2020

9:00 a.m. – 12:00 p.m.

Zoom Conference

OPEN SESSION

Chair Christian Schreiber called the meeting to order at 9:01 a.m.

I. ROLL CALL

Roll was taken and quorum was established. All members were present on Zoom or by phone.

Committee Members

Chair Christian Schreiber
Banafsheh Akhlaghi (Absent)
Amin Al-Sarraf
Herman DeBose
Eric Isken
James Meeker
Richard Reinis
Kim Savage

Liaison

Reann Pacheco (LAAC)

State Bar Staff

Erica Carroll
Brady Dewar
Christine Holmes
Doan Nguyen

II. CALL FOR PUBLIC COMMENT

The Chair called for public comment. A staff member from Legal Aid Association of California (LAAC) introduced herself and indicated she was standing in for LAAC's liaison, Salena Copeland. No one else came forward to make a comment.

III. CONSENT

A. Approval of Meeting Summary and Action Items from October 27, 2020 Meeting

The Chair invited discussion of the notes from the Committee's last meeting on October 27. Hearing none, he invited a motion to approve the meeting summary and action items, which the Committee approved by unanimous roll call vote (Isken moved, DeBose seconded).

IV. DISCUSSION AND ACTION ITEMS

A. Review and Approve Redistribution Plan for Unspent 2019 Formula EAF Homelessness Prevention and 2020 EAF Homelessness Prevention Request for Proposal Grant Funds

Senior Program Analyst and Committee Coordinator Christine Holmes provided an overview of the grant cycle and reporting process for this grant. The statute authorizing this funding requires a complete spenddown by June 30, 2021; any remaining funds at the end of the grant period must be returned to the state. Given that the funds cannot be carried over or redistributed at the end of the grant period, State Bar staff wanted to develop a means of tracking expenditures during the life of the grant, leading to the mid-year expense report. Holmes stated that the original deadline for the mid-year expense report was August 31, 2020 but due to COVID, it was extended to October 2020.

Staff communicated to grant recipients that if the expense report revealed that the organization was unlikely to spend the full grant award, the anticipated unspent funds would be redistributed to other recipients at this juncture. Staff used a formula extrapolating from the most recent month of reported expenditures (September 2020) to determine whether an organization was on track to spend the full amount by June 2021. This also helped staff determine if an organization was in a position to accept additional funds through the redistribution process. If an organization disputed this method of calculating expenses, it was permitted to offer an alternative method and explanation.

Themes that emerged from these expense reports, as well as the budget revisions also on the agenda, were that many organizations received and prioritized spending Paycheck Protection Program (PPP) loans, had to pause or reduce services in response to COVID, experienced delays in hiring, and moved non-personnel items (like travel) into other parts of the budget, especially technology.

Two programs required updates that were not in the meeting materials: Legal Assistance for the Elderly (LAE) had not provided an explanation of its expenditures, but staff followed up and the organization revised its expense report to include information related to its PPP loan (which it spent first). Staff noted that the organization received approximately \$50,000 in funding, all for personnel expenses, and staff has no concerns about LAE's ability to spend the rest of the funds before the end of the grant period.

Legal Aid Society of San Diego (LASSD) also required follow-up, because it appeared to have funds to return for redistribution but also indicated it was able to accept additional funds. Staff explained that if the organization returned funds, it would be ineligible for any of the redistributed monies. LASSD revised its expense report after discussing with staff and now has no funds to return. This represents a slight change to the amount available for redistribution from what was listed in the meeting materials.

Holmes also noted that Legal Aid Society of San Bernardino's RFP award was previously rescinded, in the amount of \$250,000, which would be reallocated to RFP recipients.

Holmes described two methods for reallocating the RFP funds among eligible grant recipients. The Committee would need to choose one. (There was a clearer indication of how to implement the formula reallocation in the statute, and staff would act accordingly.) The two options for redistribution of returned RFP funds were the following:

1. Reallocate the organization's proportionate share of the RFP grant funds based on the original distribution. Staff recommended this option as it seemed more equitable.
2. Split the returned RFP funds evenly across eligible programs. Staff did not recommend this method because it did not take into account the size of the program/project or the needs of the communities served.

A Committee member asked about organizations returning a significant amount of money and their eligibility for reallocation. Staff clarified that those returning funds would not receive any of the redistributed grant money.

The Committee briefly discussed the possibility of extension requests or whether unspent funds could be rolled into the next round of HP funding, but Program Supervisor Doan Nguyen stated that the legislature has previously declined to consider extension requests. Currently, any remaining funding at the end of the grant period must go back to the state. Staff will not know if any funds remain between now and the end of the grant period, as no other reports are due. Staff will seek guidance from the Committee about whether to approach the legislature about possible extension requests closer to the end of the grant cycle, but if the amount is nominal, staff would not recommend seeking an extension. Staff has never had a grant with a hard deadline for complete expenditure of funds like this grant and will seek to provide that feedback to the legislature should future funding opportunities arise.

After discussion, staff recommended adoption of the following resolutions: “RESOLVED, due to the extraordinary challenges brought by COVID-19, the Homelessness Prevention Committee approves all narrative explanations of projected expenses for the remainder of the grant period,” and “FURTHER RESOLVED, the Homelessness Prevention Committee approves redistributing returned competitive grant funds based on a proportionate share of the competitive grant allocations.” Reinis moved to approve the resolutions as proposed by staff, Savage seconded, and the motion passed by unanimous roll call vote.

B. Review and Approve Budget Revisions Requests for 2019 Formula EAF Homelessness Prevention and 2020 EAF Homelessness Prevention Request for Proposal Grant Funds

Holmes reported that staff received several budget revision requests, but after analyzing them, a number were under 10 percent of the grant award (meaning they do not require approval), and many more were between 10 and 25 percent of the grant award, allowing the Office of Access & Inclusion to approve. This left only three requests in need of Committee and LSTFC review and approval.

Holmes stated that staff recommends approval of all three, underscoring the need for flexibility and the fact that hiring has been challenging in recent years, but most especially during the pandemic. Nguyen added that she was encouraged by the discussion at the last LSTFC meeting around ways to support sustainable hiring practices among grant recipients, which may help with this in the future.

The Chair had a question about Riverside Legal Aid’s budget revision request, which fell between 10 and 25 percent of the grant award but did not provide an explanation in the spreadsheet provided to the Committee. Staff reported that they were following up to obtain a detailed explanation of the budget revision request and could report back at a future meeting. Anything listed under the “Informational Purposes Only” section was provided in the spirit of transparency and to allow for discussion if the Committee had questions, but ultimately staff would be able to make the decision about whether to approve the budget revision. Nguyen said that if staff had a question or concern about approving the request, it would be raised to the Committee’s attention at the next meeting.

Staff proposed the following resolution: “RESOLVED, due to the extraordinary challenges brought by COVID-19, the Homelessness Prevention Committee approves all budget revision requests exceeding 25

percent of the total grant award.” Reinis moved and Al-Sarraf seconded adoption of this resolution; the motion passed by unanimous roll call vote.

C. Update on 2021 Request for Proposal Review Process

The Committee then turned to discussion of the ongoing 2021 RFP review process. Holmes reminded the Committee of its next meeting on December 3, and Nguyen reported that staff would have more data to share at that meeting regarding communities impacted during this crisis (e.g. rural communities experiencing a dearth of resources and urban communities seeing a spike in eviction proceedings).

The Committee discussed how to spend its time at the next meeting, whether to look at each proposal in detail or focus on the proposals likely to be funded. Staff reported that there is approximately \$7.4 million available for funding the RFPs and in total there were 39 proposals requesting approximately \$39 million in funding. Given that each working group reviewed different proposals, many Committee members felt it would be necessary to engage in comparison and discussion around how they utilized the new scoring rubric to ensure the criteria were applied consistently. For that reason, staff encouraged the Committee to consider the scores of the proposals as a starting point for discussion rather than serving as the only basis upon which a proposal might be funded.

The Chair observed, given that this is discretionary funding, that even with the scoring rubric the process may still be susceptible to subjectivity, and the Committee discussed the importance of ensuring their decisions are grounded in the proposals themselves. The Committee also discussed the possibility, in future iterations, of breaking some of the larger scoring criteria into smaller sub-categories, whether to treat some issues as binary or on a sliding scale, how to evaluate support center proposals versus legal services project proposals, and the like.

V. ADJOURN

After concluding discussion around the 2021 RFP review process, the meeting adjourned at 10:26 a.m.