



The State Bar of California

**OPEN SESSION
AGENDA ITEM
MARCH 2022
LEGAL SERVICES TRUST FUND COMMISSION VII.B**

DATE: March 11, 2022

TO: Members, Legal Services Trust Fund Commission

FROM: Chris McConkey, Program Supervisor

SUBJECT: Recommended Changes to Homelessness Prevention Grant Reporting

EXECUTIVE SUMMARY

The State Budget Act of 2021 provides \$40 million in federal Coronavirus State Fiscal Recovery Funds (SFRF) for homelessness prevention grants to qualified legal services projects and support centers. This is the commission's third cycle of homelessness prevention awards (HP III grants). The process for distributing HP III funds began in August 2021. At about that time, the State Bar posted preliminary requirements for HP III reports pending guidance from the state Department of Finance (DOF). The preliminary requirements followed the commission's existing framework for homelessness prevention grant reporting.

DOF has since clarified its schedule and topics for SFRF reports to the U.S. Department of the Treasury (Treasury). This memo recommends conforming updates to HP III reporting. Additionally, it recommends strategic changes to both 2021-2023 homelessness prevention (HP II) and HP III reporting. These changes would, among other improvements, avoid foreseeable gaps in HP II and HP III data. The Homelessness Prevention Funds Committee considered these recommendations on January 28, 2022, and voted to advance them to the commission.

BACKGROUND

In 2020, California amended the Government Code to provide \$31 million for homelessness prevention legal aid and support center services.¹ This funding currently supports the HP II

¹ Please see Government Code section 12531.

grants, which run from 2021 through 2023. Although the HP II and HP III grants have separate reporting requirements, this memo recommends refinements to how the State Bar would collect both HP II and HP III data.

The State Budget Act of 2021 allocated an additional \$40 million for homelessness prevention legal aid and support center services. This \$40 million is the first installment of an expected \$80 million in funding over three years—from the 2021, 2022, and/or 2023 budget acts. After covering administrative costs, 75 percent of the funds must support formula grants and the remaining 25 percent is for competitive awards.² After communicating with DOF and the Legislature, the commission awarded the \$80 million through the HP III grants.

HP III grants use Coronavirus SFRF dollars and are therefore subject to federal requirements including reports to Treasury.³ DOF is managing California’s reporting to Treasury on the state’s use of SFRF funds, including for HP III grants. DOF, therefore, has established reporting deadlines and topics to which the Judicial Council of California and State Bar must adhere.

To comply with the budget act’s requirement that it administer most HP III funding “as soon as practicable”, the commission launched the application process for HP III grants in mid-August 2021 (for formula awards) and early September 2021 (for competitive awards).⁴ DOF, however, had yet to provide its confirmed schedule and topics for HP III reporting by then. The State Bar therefore communicated preliminary requirements—based on those for HP II awards—in guidance to applicants.⁵

DISCUSSION

DOF communicated its expectations for HP III reporting in mid-November 2021.⁶ Quarterly reports must include, *inter alia*, data about spending and the total number of people that programs served. Annual reports to DOF must include information about main benefits (i.e. outcomes) and legal resolutions (i.e. levels of service), among other information.⁷

In consultation with Judicial Council and State Bar staff, the committee recommends the updates to HP II and III reporting in the tables below. Table 1’s updates would align HP III reporting with DOF requirements. Table 2’s recommendations would make HP II and HP III data sets more complete and precise. Namely, the latter would reduce missing main benefits, main benefits where the connection to homelessness prevention might be unclear, and “other” legal resolutions—where the level of service is unclear.

² Please see item 0250-162-8506 of Section 2.00 of the Budget Act of 2021.

³ For more information about Coronavirus SFRF spending, please see assistance listing 21.027 on the System for Award Management website at <https://sam.gov/fal/873d18612d254b19b9a535ec6901b5a1/view>.

⁴ Please see item 0250-162-8506 of Section 2.00 of the Budget Act of 2021.

⁵ For HP III grants, the written guidance to programs primarily constituted the HP III Formula Grant Guidelines and Instructions and HP III Competitive Grant RFP. Both documents are available to programs on SmartSimple.

⁶ This refers to written guidance that DOF provided to Judicial Council staff titled “State Fiscal Recovery Funds Reporting Requirements Checklist”, dated November 15, 2021.

⁷ HP III requirements extend to subgrantees pursuant to grantees’ agreements with the State Bar.

Attachments A and B propose updated language for grantees about HP III reporting and HP II reporting, respectively. For comparison convenience, both documents show redlined changes against the “reporting section” of their respective request for proposals. The redlines show how the reporting would change from what staff originally communicated to programs.

Table 1: Recommended Changes to HP III Reporting Only

Current Policy/Practice	Change	Rationale
<p>HP III Formula Grant Guidelines HP III Competitive Grant RFP</p>	<p>Note that HP III reporting topics and deadlines are subject to state and federal requirements for coronavirus SFRF, which might change over time.</p>	<p>Although staff does not anticipate changes to SFRF reporting requirements, this addition would notify grantees that these requirements remain subject to change by DOF and Treasury.</p>
<p>HP III Formula Grant Guidelines HP III Competitive Grant RFP Submit quarterly spending reports that compare spending to the approved budget.</p>	<p>Note that grantees must also report spending on full-scope representation in eviction proceedings. Staff would provide guidance on how to calculate this.</p>	<p>DOF is requiring data about spending on evidence-based practices. Full-scope representation in eviction cases is the distinct intervention that the Judicial Council and State Bar identified for this separate reporting requirement.</p>
<p>HP III Formula Grant Guidelines Submit “regular” reports with client-level data on demographics, main benefits, economic benefits, and legal resolutions.</p> <p>HP III Competitive Grant RFP Submit “quarterly” reports with client-level data on demographics, main benefits, economic benefits, and legal resolutions.</p>	<p>Require that grantees provide quarterly data on the total number of people served rather than data about each client. To avoid duplication across quarters, this refers to closed cases where there was attorney-client representation. It also includes recipients of non-representation services such as self-help clinic attendees, training attendees, etc. Specify that client-level data will instead be part of the annual report.</p>	<p>This change is to match DOF requirements. Additionally, the State Bar might need to report quarterly data by the 8th calendar day after each quarter. This leaves programs about 4-5 calendar days to report on the previous 3 months. This would be too little time to report data about each client individually.</p>

Table 2: Recommended Changes to Both HP II and HP III Reporting

Current Policy/Practice	Change	Rationale
HP II and III Formula Grant Guidelines HP II and III Competitive Grant RFPs Report main benefits “according to the codes and definitions in the California Legal Aid Reporting Handbook.”	Limit the main benefit codes to those that comply with the statutory restrictions for HP funding—that is, comply with the enumerated homelessness prevention activities. Staff is already identifying relevant codes in consultation with the Judicial Council.	This would avoid confusion in HP reporting. Removing extraneous codes would help programs to classify services by their homelessness prevention character and encourage them to focus on compliant activities.
CA Legal Aid Reporting Handbook “Report Main & Economic Benefits for both Limited and Extended Services if you can confirm the benefit was achieved.”	Require programs to select main benefit codes even when they are unable to confirm that they were achieved. Require programs to note, however, whether the main benefit is confirmed/verified.	This would avoid gaps in HP data. Collecting main benefits only when programs can confirm them results in a significant percentage of services where the goals—even the areas of law—are unknown.
CA Legal Aid Reporting Handbook Generally, report main benefits when the case has closed.	Note that programs should report on cases that are still open/pending at the end of the grant.	This would avoid gaps in HP data. HP II and HP III cases that are still open when the grant ends would be included in the final reports.
CA Legal Aid Reporting Handbook “The second [‘other services’] section of the report collects information on all other non-case services (no attorney-client relationship) by area of law.”	List only areas of law that correspond to statutorily authorized homelessness prevention activities. Staff is already identifying relevant areas of law in consultation with the Judicial Council.	This would avoid confusion in HP reporting. Removing extraneous areas of law would help programs to classify services by their homelessness prevention character and encourage them to focus on compliant activities.
(Practice) Allow grantees to report legal resolutions in the following categories (in approximately ascending	Eliminate “other” as an option. Of the remaining options, specify that grantees should choose the	This would avoid confusion in HP reporting. Nearly all levels of representation can fit in the remaining

Current Policy/Practice	Change	Rationale
order of depth): Counsel and advice, limited action, settlement without litigation, settlement with litigation, agency decision, court decision, extensive services, and other.	category that best describes the legal resolution.	categories. Furthermore, the “other” category is vague such that it is impractical to characterize in reports.

CONCLUSION

The recommendations in Tables 1 and 2 would promote grantee, State Bar, Commission, and Judicial Council compliance with federal requirements for HP III awards. The recommendations in Table 2 would also improve the completeness and precision of HP II and HP III data and by extension reports to the Legislature and public. In turn, these reports could make a stronger case for future funding for homelessness prevention legal aid.

RECOMMENDATION

Should the commission concur with the committee’s proposals, passage of the following resolutions is recommended:

RESOLVED, that the Legal Services Trust Fund Commission approves the changes to 2021-2023 Homelessness Prevention (HP II) grant reporting and 2021/2022-2024 Homelessness Prevention (HP III) grant reporting as described herein; and it is

FURTHER RESOLVED, the commission delegates to State Bar staff the authority to update HP III reporting topics and deadlines when necessary to comply with state and federal requirements for Coronavirus State Fiscal Recovery Funds. Major substantive changes will be made in consultation with the Homelessness Prevention Funds Committee Chair.

ATTACHMENTS LIST

- A. Updated HP III Grant Reporting Language for Programs (Redline Version)
- B. Updated HP II Grant Reporting Language for Programs (Redline Version)



The State Bar of California

2021/2022–2024 Homelessness Prevention (HP III) Grant Reporting Requirements

(With redline changes to the HP III competitive grant request for proposals section on “reporting requirements.”)

Reporting Requirements

Appropriations for HP III grants comes from federal Coronavirus State Fiscal Recovery Funds. HP III awards, therefore, have unique reporting requirements set by the U.S. Treasury and/or state Department of Finance. Additionally, HP III reporting topics and deadlines are subject to change when necessary to comply with state and federal guidance.

Demonstrating effective use of these funds is critical to supporting future funds. Grantees must, therefore, report quantitative and qualitative data describing the clients they served and activities they performed. This data includes outcomes (main and economic benefits) tied to individual characteristics that demonstrate the impact/value of these grants.

HP III grants will comply with the existing framework for Equal Access Program reporting except where necessary to meet state or federal requirements. These requirements are generally subject to future guidance from the Department of Finance and other agencies. As such, some requirements might become known to the State Bar at a later date. At this time, reporting requirements for HP III formula and competitive awards include:~~Reporting requirements will include:~~

1. Quarterly Expenditure Reports

~~Since 2022–2024 HP competitive grants are supported by federal dollars, o~~rganizations will have to submit quarterly spending reports that compare expenditures to the approved budget. Additionally, programs must report their quarterly spending—if any—on full-scope representation in eviction cases. Grantees must report budget variances ~~of that exceed~~ 10 percent ~~or more~~ to the State Bar as soon as possible.

2. Quarterly and Annual Services/Case Reports

Grantees will have to submit quarterly reports on the total number of persons they served with HP III funds. This includes total cases closed where there was an attorney-client relationship. It also includes total participants of other—e.g. information-only—services from self-help clinics, trainings, outreach events, and hotline calls. Grantees will ~~also~~ have to submit quarterly annual reports with client-level data on at least the following:

- A. Main benefits for all cases according to the see codes and definitions in the *California Legal Aid Reporting Handbook* that are relevant to HP III funds.
Programs will specify whether the main benefit is anticipated or verified.
- B. Geographic and demographic data, tied to anticipated or verified outcomes, for all clients.
- C. Economic benefits for cases that resulted in an award for or savings to the client.
- D. Highest levels of service for all cases where there was an attorney-client relationship and aggregated data about all other services (e.g. trainings).
- D.E. Any other data necessary to comply with state and federal reporting requirements.

As of January 2022, HP III grantees have to report data through the immediately preceding month/quarter. Due to very short timelines for reporting, however, the State Bar and Judicial Council of California are seeking permission from the Department of Finance for grantees to report one quarter in arrears. The State Bar will notify programs if this becomes an option.

3. Final Evaluation Report

In addition to the regular activity/services reports, organizations will have to submit a final evaluation about the following outputs and outcomes, among others:

- A. Service population: How did this project impact the people it served? What changed for them, or what negative outcomes were prevented?
- B. Community impact: Describe whether and how this project has changed the community it serves.
- C. Evaluation/Assessment: Describe the processes used to assess the effectiveness of this project and any lessons learned regarding the project itself or the community it serves.
- D. Reports: Upload any report completed regarding the evaluation or assessment of this project or demonstrating the effect of services rendered (e.g., client satisfaction survey results, pre and post test results, number of cases in which stipulations were reached, number of trials, outcome of trials, etc.).
- E. Other impacts: Will this project have any immediate or long-term impacts that are not already captured in main benefits reporting?

- F. Continuation of the project: Describe any plans to continue the project after the grant period.
- G. Publications: Describe any future publication or distribution plans for materials resulting from grant activities; provide the URL for online resources related to this project (web sites, resource libraries, etc.).
- H. Impact work and materials:
- Overview of impact litigation cases: For any grant-funded impact cases your organization litigated as part of this project during the grant period, whether open or closed, report the case name, number of individuals estimated to be impacted, date filed, venue, and any partners or co-counsel also participating.
 - Overview of public policy advocacy activities: Describe any grant-funded public policy advocacy activities, such as regulatory advocacy, your organization engaged in during the grant period. Remember that the legislature prohibited using these funds for legislative advocacy.
 - Training and support activities: Describe any grant-funded training or other support activities not identified above. For support centers, use this space to provide quantitative and qualitative data about trainings, convenings, research, and other support for QLSPs.



The State Bar of California

2021–2023 Homelessness Prevention (HP II) Grant Reporting Requirements

(With redline changes to the HP II competitive grant request for proposals section on “reporting requirements.”)

Reporting Requirements

The addition of \$31 million for homelessness prevention provides an excellent opportunity for legal services programs to demonstrate the efficacy of their work in addressing one of the most intractable problems in California. Demonstrating effective use of these funds is critical to supporting continued and/or additional funds for such purposes in the future. Grantees are required to report both quantitative and qualitative data describing the clients served and the work performed including outcomes achieved (main and economic benefits) tied to individual characteristics to demonstrate the impact/value of these additional funds.

I. Financial Reporting Requirements

Organizations are required to submit an annual Expenditures Report, comparing project expenditures to the approved project budget. Variances exceeding 10 percent over budget must be reported to the State Bar as promptly as possible. In addition, a final Expenditures Report will be due after the close of the grant period.

II. Evaluation

Organizations are required to submit an annual Evaluation Report including the following:

- A. What impact did this grant have in the community and for the people served? Describe the accomplishments in both quantitative and qualitative terms.
- B. Was a separate evaluation of the project performed? If so, please describe the results of the evaluation and your assessment of the project. Include both the weaknesses and the strengths of the project (a discussion that includes how problems were dealt with will be more helpful than one that focuses exclusively on the project's successes).
- C. What immediate (not already captured in main benefits reporting) and long-term impacts will result from the project?

- D. Describe any plans to continue the project after the grant period.
- E. Identify and provide the products produced during the project. This includes representative samples of completed work like training materials, copies of any mailing, fliers, newspaper releases, articles, or other media coverage. Also describe any future publication or distribution plans for materials resulting from grant activities. Provide the URL for websites.
- F. Identify and provide materials that document impact and outcomes of the project, including data demonstrating the effect of services rendered (e.g., client satisfaction survey results, pre and post test results, number of cases including number of cases in which stipulations were reached, number of trials, outcome of trials, etc.).
- G. If applicable, a report on any impact litigation and advocacy work including:
 - 1. Total number of impact litigation cases (include partner/co-counsel cases) both open and closed.
 - 2. Total number of advocacy activities both completed and ongoing.
 - 3. Narrative summary for individual cases and activities.

III. Data Report

In addition to the qualitative information organizations are required to submit ~~an annual~~ an annual Benefits Report including the following:

- A. All benefits (outcomes) ~~achieved~~ for all cases according to those main benefit codes/definitions in the California Legal Aid Reporting Handbook that are relevant to HP III funds. Programs will specify whether the main benefit is anticipated or verified.
- B. Demographic data of the clients served.
- C. Economic benefits for any main benefit code that resulted in an award recovered for the client or savings for the client.
- D. Activities and services provided that are not specific to an individual client but rather a large group of individuals.
- E. Case summary on all cases (attorney-client relationship) and other services (no attorney-client relationship) during the grant period.