

**City of Fort Lauderdale
Community Services Board
July 8, 2013 – 4:00 P.M.
City Commission Chambers – City Hall
Fort Lauderdale, FL 33301**

MEMBERS		PRESENT	ABSENT
Richard Whipple, Chair	P	8	0
Wendy Gonsher, Vice Chair	P	8	0
Benjamin Bean	P	6	2
Margaret Birch	P	4	4
Ann Clark	P	6	2
Robert Ettinger	A	4	1
Mark Fillers	P	6	0
Wanda Francis	P	1	0
Helen Hinton	P	8	0
Jasmin Shirley	P	7	1

Staff Present

Jonathan Brown, Manager, Housing and Community Development
Mario DeSantis, Liaison and Housing Administrator
Marcia Gair, Administrative Aide
J. Opperlee, Recording Secretary, Prototype, Inc.

Communication to City Commission

None.

I. Call to Order / Roll Call / Pledge of Allegiance

- **Quorum Requirement: as of June 24, 2013, there are 10 appointed members to the Board, which means 6 constitutes a quorum**

Chair Whipple called the meeting to order at 4:00 p.m. Roll was called and all stood for the Pledge of Allegiance.

II. Welcome / Board and Staff Introductions

New Board member Wanda Francis introduced herself at this time. Ms. Francis was appointed to the Board by Commissioner Bruce Roberts.

III. Approval of Minutes – June 10, 2013

Mr. Brown noted a correction to Mr. Bean's attendance record.

Motion made by Mr. Fillers, seconded by Ms. Hinton, to approve [as amended]. In a voice vote, the **motion** passed unanimously.

The following Item was taken out of order on the Agenda.

V. Annual Action Plan Final Commission Approval FY 2013 / 2014

Mr. Brown advised that although the Annual Action Plan had appeared on the City Commission's July 2, 2013 Agenda, the Commission has deferred this Item until its special meeting on July 9. Once a final decision has been made by the Commission regarding the Plan, this decision will be communicated to the Board members. The Annual Action Plan must be submitted to the Department of Housing and Urban Development (HUD) by August 15.

He continued that the Board's recommendation regarding cuts to Housing Opportunities for Persons with AIDS (HOPWA) funding is still moving forward. No cuts to Community Development Block Grant (CDBG) funding for public service agencies are on the City Commission's Agenda; a definitive answer regarding this funding will be provided at the July 9 meeting.

IV. Vacation Schedule

Mr. Brown asked if the Board wished to meet during the month of August, or if they preferred to select different vacation dates in 2013. Chair Whipple recalled that the Board had elected not to meet in December 2012, and stated that he was not in favor of taking vacation time in December 2013, as that is when CDBG funding is typically advertised.

Mr. Brown stated that Staff wished to discuss the CDBG process with the Board so they may begin developing the information the members wished to see as part of the application process. This process will begin in January 2014. In addition, the current fiscal year ends on September 30: year-end figures and performance updates for both CDBG and HOPWA agencies should be available by approximately November.

Motion made by Ms. Birch, seconded by Vice Chair Gonsler, that the Board not meet in the month of August. In a voice vote, the **motion** passed unanimously.

The next meeting date for the Board was confirmed as September 9, 2013. Chair Whipple advised he would not be present for this meeting.

VI. CDBG Public Service Activity Scorecards

Mr. Brown referred the members to their information packets, explaining that there has been some difficulty in receiving information from two CDBG agencies.

These agencies, the Susan B. Anthony Recovery Center and Neighborhood Housing Services, have also not spent any of their funds thus far.

He added that the Broward Performing Arts Foundation is presently on target to meet its contractual goal for clients served. Once the program has concluded, it will be easier to determine the status of their performance indicators. Mr. Brown observed that it will be difficult to arrive at a conclusion of their performance until the end of the program year.

Mr. Brown continued that Hope South Florida's contract states they plan to serve 35 clients; they have provided documentation from January through May 2013 to show they have served 18 clients thus far. Their performance indicator to meet the immediate needs of families is currently at 100% over a goal of 90%. During the month of April, the agency assisted 12 families. He concluded that he was confident this agency will meet their target number of clients served.

He moved on to Luz Del Mundo, which contracted to serve 29 clients and have currently served 43 clients that are CDBG eligible. Mr. Brown pointed out that this agency is a clinic, which means both existing and new clients are eligible; of the 43 clients served, 13 are new. He advised that the Board will need to decide if only the 13 new clients, as well as two clients who were re-certified, would be counted toward the agency's goal, and whether or not the agency is on target. He recalled that Luz Del Mundo also received CDBG funding the previous year. All their clients are CDBG eligible.

Ms. Shirley observed that because the clinic is funded on a year-by-year basis, they could have several clients carry over each year. Mr. Brown noted that this meets HUD regulations.

Vice Chair Gonsher commented that this issue reflects a discrepancy between the funding requested in the agency's application and the actual services provided by the clinic. She recalled that the request had been for funding to purchase new medical equipment and add a new staff member; however, the performance indicators reflect the number of clients served, which was easier to document. She concluded that in the future, the scorecards should show whether or not funds were used to purchase the equipment the agency needed, as this cannot be shown by the number of clients.

Mr. Brown explained it was likely that Staff had pointed the agency toward an easier way to document eligibility and expenditures. In the case of disposition of equipment, the agency will be required to report on this equipment until the end of its useful life. This is significantly more challenging for a public service agency.

Mr. Fillers stated that any expense can be quantified, and he did not feel the "disconnect" between performance indicators and expense of funds was

necessary. Mr. Brown said if a piece of equipment is purchased by a nonprofit agency, its use must be tracked until the end of its useful life, whether or not CDBG funds were used to make the purchase. If the agency disposes of this equipment without following HUD guidelines, either the City or the nonprofit agency is responsible for repaying the cost of the equipment. In order to avoid this issue, the expense is directed toward a one-year staff monitoring process, as opposed to monitoring the useful life of the equipment.

Mr. Fillers said if it is difficult to track expenses related to the purchase of equipment, the agency should not be guided to use CDBG funds to buy that equipment. If they are using funds to complete a service, it should be possible to track the delivery of that service using performance indicators.

Mr. Brown explained that different rules apply to the tracking of equipment: in order to give the agencies the best chance for success, Staff did not “layer on” additional CDBG requirements, as none of the agencies have a specialist on staff to track CDBG funds. Mr. Fillers said if an agency applies for funds to purchase equipment, this purchase should be measurable through the guidelines for this category, just as if they were measuring other uses of funds, such as staffing hours.

Mr. Bean asked if it was significantly more difficult for an agency, and possibly the City, to track the use of a piece of purchased equipment over time as opposed to tracking the number of clients served. Mr. Brown said the number of clients will always have to be tracked, but the ongoing monitoring associated with a one-year grant could stretch into multiple years of monitoring for the use of equipment. Mr. Bean agreed that if funds are requested to purchase equipment, an agency should report on this use rather than on other uses not related to the equipment. He felt the difficulty is in ensuring that the agency spent the CDBG funds as they said they would.

Mr. Brown clarified that while the agency may have included the prospective purchase of equipment in its original proposal, the proposal presented to the Board would state that the use of funds would be broken down into staff costs. This is because Staff has seen agencies struggle with how they planned to use CDBG funds, and wished to put a process in place that would allow the agencies to be reimbursed and avoid any auditing issues for the City. Staff typically steers agencies in a direction that will ensure they are reimbursed.

Vice Chair Gonsler commented that as long as an agency spends its funds on eligible expenses, and provides the service it assured the Board it would provide, she did not feel it should matter to the Board how the money was spent. Mr. Fillers did not agree, pointing out that Mr. DeSantis has worked with agencies receiving HOPWA funds to ensure the accuracy of reports, but there is no similar audit process for CDBG agencies.

Mr. Brown said the performance indicators and outcomes listed in the agencies' applications are measured; regarding audits, Staff audits the agencies and HUD audits Staff. There are also single auditors who monitor how Staff audits agencies. In 2013, there were no CDBG findings related to public service agencies. He concluded that Staff puts processes in place to ensure compliance, as the City is ultimately responsible for the HUD funds that go to the agencies.

Chair Whipple observed that agencies must provide very detailed information when submitting expenses for reimbursement; however, all information is not necessarily reflected on the scorecards. Mr. Brown emphasized that an agency will not be reimbursed without the appropriate documentation of clients served, as well as copies of receipts, invoices, and other proof that payments have been made.

Ms. Birch asked if the clinic had already purchased the equipment noted in its application. Mr. Brown said he did not know if this purchase had already been made, but explained that the City will be provided with a receipt if they are reimbursing for that item, and the equipment must be tagged. He advised, however, that Staff would have attempted to dissuade the agency from including this equipment in their budget.

Chair Whipple noted that Luz Del Mundo's CDBG application requested \$10,000 for the purchase of equipment to be used for visual exams. Ms. Shirley said the clinic should be able to list the eligible clients who have received this exam. Mr. Brown reiterated that while the agency's goal may have been to purchase this equipment, he would have recommended that they "do something else" to reflect the expenditure of funds.

Chair Whipple asked how the agency could be perceived as meeting their goal if they have not yet purchased the equipment listed in their proposal. Mr. Brown pointed out that the clinic's agreement with the City could reflect a different budget for how CDBG funds would be used.

Vice Chair Gonsler observed that this has been a recurring issue regarding the use of CDBG funds, and that the use of funds for more easily monitored activities has always been recommended by the City. She asked if the Board should be concerned that funds are used in another way as long as the agency is continuing to provide services. Mr. Fillers agreed that as long as the agency's paperwork is in order and they are providing their stated service to the community, he did not have an issue with this expense.

Ms. Shirley asserted that Staff should not dissuade an agency from purchasing equipment as long as they can document that the equipment was purchased and the clients were served. Mr. Brown said his concern was that an agency may

have a receipt for the equipment, but may have used the equipment on only one client; if this is the case, the City becomes responsible for the agency's failure to serve sufficient clients with the funds. This is why agencies are typically encouraged to report activities that occur on a regular basis, as this would not set them up for failure.

Ms. Shirley said in the case of a medical clinic, she felt the equipment could be used on every client that is served. This would mean every client should be given an eye exam using the equipment listed in Luz Del Mundo's application.

Vice Chair Gonsler pointed out that in the case of the Broward Performing Arts Foundation, the performance indicators will be available at the conclusion of the program, which she did not believe was allowed of any other agency receiving CDBG funding. She recalled a conversation with the agencies that discussed how performance indicators could be provided on an ongoing basis, and advised that there is no reason they should wait until the end of the service to do so.

Chair Whipple asked for information on the other agencies that have not yet provided information to Staff. Mr. Brown replied that these agencies have not spent their funds and have not responded to any of Staff's requests for information. The only agency not present that has not yet provided any information to Staff is the Jack and Jill Children's Center; however, he expected to receive their documentation within the next two weeks. Neither Neighborhood Housing Services nor the Susan B. Anthony Recovery Center is known to be actively working their CDBG grant, although Jack and Jill Children's Center should provide their information shortly.

Chair Whipple asked that the Board be kept aware of the agencies that have not yet provided their documentation. Mr. Brown said they would.

Mr. Fillers asked how the agencies are monitored, such as on a monthly or bimonthly basis. Mr. Brown said Neighborhood Housing Services and the Susan B. Anthony Recovery Center are the only two agencies that have not submitted paperwork to show they are engaged in serving clients. He noted that even when an eligible expense is recorded, an agency must also show that the clients benefiting this expense were eligible for the use of CDBG funds: depending upon the type of service provided, some agencies may not be able to show eligible clients every month.

He continued that Staff has reached out to these agencies, and has learned that Neighborhood Housing Services is helping another agency spend its grant funds and has not yet begun working on its CDBG grant. In the case of the Susan B. Anthony Recovery Center, this agency has been going through a number of changes and has not yet been able to spend CDBG funds. Mr. Brown noted that

the Recovery Center has served clients who were found not to be from the city of Fort Lauderdale.

Mr. Fillers asked what procedure was followed regarding clients who did not submit their bills: for example, if money was retained for this agency throughout the entire fiscal year, or if these funds could be freed up to go to other eligible programs. Mr. Brown said the City typically signs a one-year contract with the agencies. He observed that it would be possible to include milestone dates in this contract, which could allow the City to discontinue the agreement if they are not met. However, he cautioned that it would be difficult to identify another public service agency halfway through the year that could accept these funds and have sufficient opportunity to spend them.

Ms. Clark asked what became of unspent CDBG funds. Mr. Brown said any public service grant funds not used in a given year are used the following year, at the City Commission's discretion. No more than 15% of CDBG funds may go toward public services, which means the Commission would not recommend the use of rolled-over funds for these services.

Vice Chair Gonsler stated that new contracts should advise if monies have not been spent on appropriate services within a certain time frame, the agency will lose their allocation and funds would be redirected. She declared that there are too many public service needs to allow funds to go unspent. Mr. Brown said this could be included, but asked how it would be put into practice: for example, whether another RFP would be sent out for the allocation process, or if the funds would be awarded to other public service agencies. The City Commission's approval would also be required for this change.

Chair Whipple asked when this issue could be discussed in greater depth. Mr. Brown said this could be added to the next meeting Agenda if the Board wished. He added that the 15% allocation to public services is a maximum percentage: if the City Commission wished, no funds could be allocated to public services.

Ms. Shirley asked when, historically, agencies have become able to provide invoices, as project funding begins in October but most agencies cannot immediately provide documentation. Mr. Brown said these are typically provided in December or January, as the City Commission and City Manager do not receive copies of the executed agreement with HUD until this time. He was not certain if it is possible for the City to advance funds to the agencies prior to the receipt of this agreement. The agencies are informed, however, that the City will reimburse them for expenses dating back to October 1.

VII. CDBG Application Process FY 2014 / 2015

Mr. Brown asked what documentation the Board wished to see in order to determine how the CDBG process would be conducted in the future. This includes determining what categories the Board wished to see within the public service category, how scoring points will be assigned, whether or not there are additional categories to be considered, and whether existing categories should be removed. He explained that his intent was to hear the Board's input on what type of documentation would be helpful to the overall process.

Ms. Clark requested a master list of the current categories. Mr. Brown said this list would be sent to the Board members. Ms. Shirley asked for an outline of the existing service providers, the amount of money requested, and the service that the agencies intended to provide. Mr. Brown suggested that the members might also wish to review the existing scorecards and determine potential changes to their format.

Vice Chair Gonsler recalled that the Board had previously discussed the idea of requiring a cover sheet to the application booklets. This would serve as a reminder to the Board members from the time they first reviewed the applications to the time, some months later, when they were discussed in greater depth. Mr. Brown replied that this could be done.

Vice Chair Gonsler continued that she also felt the Board should consider the content of applications, such as the targeted population and their needs, separately from the application process, such as determining whether or not late applications are accepted and if the appropriate format was followed by all applicants. Mr. DeSantis recommended that the Board assess points to different aspects of the application process rather than refusing to view applications outright: for example, if an applicant did not provide a binder for its application, that applicant would be penalized but would still be reviewed for consideration.

Ms. Shirley pointed out that there is no section in the application guidance that includes "fatal flaws," such as the way an application package is presented. This criterion would need to be added. Ms. Birch added that allowing applications to be submitted after the deadline places the Board members in the position of feeling rushed, as the review process is very time-consuming.

Mr. Brown recalled that a late application was previously allowed because the agency petitioned the City Commission for inclusion in the process: the application in question had not been accepted by Staff. Ms. Hinton asserted that the Commission should not continue to make decisions of this nature, as it could ultimately result in losing Board members. She suggested that the Board discuss this with the City Commission. Ms. Shirley agreed, pointing out that the City would not accept a late RFP. Mr. Brown concluded that he felt the Board could make these changes to the process as long as they provided the City Commission with notice of the changes.

Mr. Fillers requested a copy of the master checklist for the application process so the criteria could be fully reviewed. Vice Chair Gonsler said she would like to see copies of CDBG applications from at least two major cities in the state of Florida. This would allow the Board to review how other municipalities require their applications to be formatted. Chair Whipple recommended that these applications come from cities of similar size to Fort Lauderdale. Mr. Brown said he would reach out to other communities for examples, although he cautioned that every community would have differences in their priorities.

Chair Whipple requested that the review process continue at the October meeting, as he would not be in attendance in September. He advised that he would email his thoughts on the process to Staff.

VIII. Good of the Order / Public Comments

a. Letter from Susan B. Anthony

Mr. Brown stated that the Susan B. Anthony Recovery Center wished to inform the City that their CEO has resigned; they are presently in search of a new CEO. The agency still plans to be a part of the City's public service programs.

Ms. Birch commented that the letter did not mention funds provided to the agency. Mr. Brown advised that the agency had opted not to accept CDBG funds in 2013-14. Ms. Shirley noted that they are still using their 2012-13 funds as eligible clients from Fort Lauderdale seek services.

Chair Whipple asked if Staff had received any communication from Broward House regarding that agency's HUD findings, as discussed at the May meeting. He noted that these findings had not been included in the agency's proposal for HOPWA funds. Mr. Brown said Staff has not officially received any documentation, although they have discussed the issue with HUD, as the City had filed a public records request. HUD has replied that they were working with Broward House to "cure" the findings by providing the necessary documentation or repayment. There has been no official response in writing.

Ms. Birch asked if Broward House would be eligible to receive HOPWA funds in fiscal 2013-14, as they may potentially be facing a fine. Mr. Brown said if the City Commission approves their application, the agency would receive funds for the coming fiscal year. While the Commission is aware of the issue, Mr. Brown explained that open findings with HUD are not related to HOPWA funding.

Mr. DeSantis explained that while both the HOPWA program and the HUD program related to the finding serve the same clients, Broward House answers to the Board for HOPWA funding, but answers directly to HUD regarding the other

grant program. Chair Whipple asked if the finding was related to spending HOPWA money for non-HOPWA clients. Mr. Brown said he would review the HUD letter to Broward House in order to clarify the issue.

Pablo Calvo, representing the Broward Health Planning Council, asked if Staff has finalized the format for performance indicators in the reports to be presented to the Board, or if there have been additional changes from the previous format. Mr. Brown said this has not yet been finalized, but Mr. DeSantis would reach out to all the agencies once finalization is complete. Mr. Calvo explained that there is a wide variety of clients, some of whom have very challenging needs, and the Council hoped to describe the population of its clients so the Board would have sufficient context.

Vice Chair Gonsler recalled that the City Commissioners had asked for performance indicators, as the second year of HOPWA grants is underway; it was explained that it is too soon for these indicators to be provided, but they will be closely reviewed once the Board has access to them. Mr. DeSantis added that Staff had shared the performance indicators it has received thus far with the Commission.

Mr. DeSantis returned to discussion of the Broward House issue, noting that if an agency does not share its findings with the Board, these findings may come to light in the future. He pointed out that this would result in the false submission of an application, which is a very serious issue.

IX. Items for Next Agenda

Ms. Hinton requested that the Board should follow up with the City Manager regarding the budgeting of public service funds. Mr. Brown said he would follow up on this item and provide a response to the Board at or before their next meeting.

X. Communications to City Commission

None.

XI. Adjournment

There being no further business to come before the Board at this time, the meeting was adjourned at 5:33 p.m.

[Minutes prepared by K. McGuire, Prototype, Inc.]