

GOVERNANCE RECOMMENDATIONS FOR THE IOWA BALANCE OF STATE COC

In mid-2018, the Iowa Balance of State Continuum of Care (CoC) sought out technical assistance from the Department of Housing and Urban Development (HUD) related to the governance structure of the CoC. It was particularly concerned with how the Balance of State CoC was interwoven with the Iowa Council on Homelessness (ICH) and whether a governance restructuring could improve the functionality of both entities.

HUD technical assistance providers from HomeBase worked closely with the ICH Chair, Executive Committee, and staff from Iowa Finance Authority to address these governance issues. In November 2018, HomeBase conducted a Governance Strategy Session for the Iowa Council on Homelessness/Iowa Balance of State Continuum of Care (CoC) to brainstorm ideas for how to improve the CoC's current governance structure. Following that session, HomeBase developed the below recommendations to address some of the ongoing concerns.

HUD REQUIREMENTS FOR COC GOVERNANCE AND STRUCTURE

In the CoC Program interim rule, HUD provides regulatory guidance about how a CoC should be organized and governed, the constituencies that should be integrated into the framework, and the responsibilities that need to be fulfilled. At a minimum, a CoC is required to:

- Adopt and annually update a governance charter establishing a board and appointing committees, subcommittees, and workgroups, as needed;
- Conduct systems coordination around areas including: prevention, outreach, engagement, assessment, shelter, housing, supportive services, and a coordinated entry process (CE);
- Conduct a Point-in-Time (PIT) count;
- Conduct an Annual Gaps Analysis;
- Coordinate with ESG recipients and subrecipients;
- Complete Annual Reporting;
- Operate an HMIS; and
- Prepare and submit an Annual Application for funding

While the regulations are specific about some governance matters, they leave considerable discretion to CoCs. With this flexibility, CoCs are given the opportunity to think beyond setting up a structure that is merely compliant with HUD regulations and strive for developing a process that assists the community in making decisions that are best for the community as a whole.

The CoC is required to establish a CoC Board, which acts as the primary decision-making body on behalf of the CoC, as well as identify entities to support the ongoing work of the CoC, such as the Collaborative Applicant, HMIS Lead, and Committees or Work Groups.

CURRENT GOVERNANCE STRUCTURE IN IOWA

The Iowa Council on Homelessness (ICH) acts as the CoC Board for the Iowa Balance of State CoC. This entity was established in 2008 and is governed by Iowa Code Chapter 16.2D.¹ All 38 members of ICH are appointed by the Governor, with 12 of those seats reserved for members representing relevant state departments. The remaining 26 seats are comprised of members from the general public who apply for appointment through the Governor’s office, with certain seats reserved for members who are homeless or formerly homeless and representative of the Iowa State Association of Counties and Iowa League of Cities.

ICH has several standing committees and numerous informal working groups focused on specific issue areas. The Continuum of Care Committee, one of the three formal standing committees, is tasked with “assist[ing] in the development and maintenance of a statewide continuum of care to end homelessness,” which includes developing the CoC’s Consolidated Application.

The Iowa Finance Authority (IFA) acts as the CoC’s Collaborative Applicant. A separate entity, the Institute for Community Alliances (ICA), acts as the HMIS Lead.

CURRENT GOVERNANCE STRENGTHS AND CHALLENGES

As part of the Governance Strategy Session in November 2018, CoC members in attendance had the opportunity to identify strengths in the current Iowa Balance of State CoC governance structure, as well as challenges that the CoC could address to improve its functioning. Below are some of the main themes that emerged under both of those categories.

Governance Strengths	Governance Challenges
<ul style="list-style-type: none"> ▪ Strong ability to complete “essential” tasks (i.e. CoC Program requirements) ▪ High data quality ▪ Broad stakeholder representation ▪ Volunteer support ▪ Strong use of available data for CoC-related activities 	<ul style="list-style-type: none"> ▪ Stretched administrative/staff capacity ▪ Unclear vision/little strategic planning ▪ Lack of clear structure ▪ Overemphasis on CoC-related activities ▪ Limited training/knowledge-building opportunities ▪ Conflict of interest in funding decisions

¹ The state code does briefly mention the Continuum of Care competition in Section 9(c): “The council shall assist in the completion of the state’s continuum of care application to the United States department of housing and urban development.”

GOVERNANCE PRIORITIES

In addition to identifying current strengths and challenges, the CoC developed and worked to reimagine the CoC governance structure using these priorities as a framework:

- Maintain Ability to Complete HUD/CoC work
- Increase Administrative Capacity
- Expand Strategic Planning/Visioning
- Increase Stakeholder Engagement
- Enhance Monitoring/Program Accountability
- Strengthen Regionalization
- Minimize Conflict of Interest

GOVERNANCE AND STRUCTURE RECOMMENDATIONS

The recommendations included below focus on how to improve the governance structure and operations of the Balance of State CoC. However, as noted above, because the ICH currently acts as the primary-decision making body for the CoC, they may have broader implications than just on the functioning of the ICH.

1. DESIGNATE A NEW PRIMARY DECISION-MAKING BODY FOR THE COC

Currently, the Iowa Council on Homelessness (ICH) takes on the sole responsibility of two very important functions in ending homelessness in Iowa: it acts as the primary-decision making body for the Balance of State CoC *and* as an interagency council on homelessness for the state. Both roles carry with them many duties and responsibilities, and currently the ICH is unable to fulfill all the duties assigned to it. Because the ICH was originally intended to act as the state interagency council on homelessness, it is our recommendation that the CoC-related role be separated from ICH's main responsibilities and for the CoC to designate another entity to act as its primary decision-making body.

There are two ways this recommendation can be accomplished. Both options are discussed below for consideration by the CoC, along with the potential advantages and disadvantages of each.

A. Establish a new, separate entity to act as the CoC primary-decision making body

Under this option, the CoC would create a new entity to take on the primary-decision making role for the CoC that is completely separate from ICH. This new entity would act as the CoC Board, and would need to comply with all HUD requirements as well as take on the associated responsibilities.

There are various examples of how Balance of State CoCs configure their governance structures to have boards that exist outside of its state interagency council.² The most pertinent example may be from the Missouri Balance of State CoC, which recently went through a process of disentangling the CoC and interagency council duties by creating a new, separate CoC Board.

Advantages of this approach:

- More autonomy and flexibility to develop a structure that best meets the needs of the Balance of State, including the composition of the CoC Board.
- Increased clarity on the role both the CoC Board and ICH play in the effort to end homelessness in Iowa
- Improved functionality for both the CoC Board and ICH; allows ICH the opportunity to spend more time on more state-wide strategic planning and driving policy and the CoC to focus on the needs of those communities within the Balance of State and meeting HUD requirements.
- Provides ICH the ability to more fully capitalize on the diversity of expertise of the Council members to holistically address the issue of homelessness throughout the state.

Disadvantages of this approach:

- Can be a lengthy and time-intensive process; may require additional staffing and increased time on behalf of CoC volunteers to lay the groundwork to develop stakeholder buy in, design a new system, draft related governance documents, recruit CoC Board members, etc.
- Makes the role of Collaborative Applicant less clear; Iowa Finance Authority (IFA) is tasked by state statute to staff the ICH, but is not similarly required to act as the Collaborative Applicant for the CoC. Current staffing structures may not be able to support two separate entities.
- Increased time commitment for individuals who need or wish to participate in both the ICH and newly-formed CoC Board.

B. Delegate CoC decision-making responsibilities to an already-existing ICH committee

Under this option, the Balance of State CoC could revise its governance charter to formally delegate additional decision-making authority on CoC-related issues to an already existing committee, such as the CoC Committee, within the ICH structure. This may require a reconfiguration of the Committee membership and meeting format, but it would allow the CoC to maintain connection to the ICH.

² For more information on how other Balance of State CoCs have structured their governance system, please refer to the separate document, “Balance of State Continuum of Care (CoC) Governance Examples.”

If this approach is selected, the CoC will need to be very clear in its governance documents about how decisions will be made. This should include outlining the various specific decision types that the CoC is tasked with, which entity has the authority to make recommendations and which entity has the authority to make final decisions for each decision type, and describe the process for how recommendations and decisions are ultimately made.

Advantages of this approach:

- Less time-intensive than creating a separate body to govern the CoC. However, it will take staff and CoC member time and energy to redraft governance materials to adjust for the shift in responsibilities.
- Allows CoC to maintain its relationship with the ICH and alleviates Collaborative Applicant/staffing concerns noted under Option 1 above.

Disadvantages of this approach:

- May be difficult to build sense of empowerment in the designated subcommittee. This is not entirely dissimilar to the current structure, where certain decisions are made at the committee level.
- If delegation and decision-making authority are not clearly defined, the CoC may continue to face many of its current concerns.

Overall Considerations for Governance Restructuring

Regardless of the option the CoC chooses, there are a few things to consider when designing or modifying the governance structure:

- **Maintain the broad experience and inclusive nature of the current structure.** The ICH has representatives from a vast array of stakeholders and systems of care. When considering a new structure, the CoC should be mindful to keep this aspect intact, as it is a best practice supported by HUD and allows the CoC a diversity of perspectives and experience that is valuable in its efforts to prevent and end homelessness.
- **Be mindful of the size of the decision-making body.** The CoC should strive for adequate representation from across the Balance of State geography and populations. It should also strive to maintain a balance between CoC-funded agencies and other stakeholders such as state or local government officials, advocates, or other nonprofits. However, the CoC does not want the size of group making the decisions on behalf of the CoC to get so unwieldy that decision-making is delayed.
- **Plan for and address potential conflict of interest issues:** One of the concerns the ICH and its subcommittees have faced in making CoC-related decisions is actual or perceived conflict of interest. The CoC should strive to continue to keep CoC-funded agencies involved; the CoC should strive to allow them to talk openly about their conflicts without being removed from the entire process. Regular review and discussion of the CoC's conflict of interest policy will help ensure it is followed.

2. OUTSOURCE CERTAIN COC-RELATED RESPONSIBILITIES

To receive CoC Program funding, CoCs are expected to complete many activities that are both time-consuming and require specific knowledge of HUD regulations. CoCs that have limited staff time and capacity can help ease the burden of meeting many of these requirements by outsourcing them to a third party or consultant. We recommend that the Balance of State CoC hire or subcontract with a consultant to undertake some CoC Program-related responsibilities.

At this time, a large proportion of the required CoC duties are assigned to the Collaborative Applicant, Iowa Finance Authority (IFA). While current staff has done a commendable job completing the required responsibilities, the time and commitment it takes leaves little time for other work, including some of the big-picture, strategic planning that is important to help end homelessness. If IFA continues to act as the Collaborative Applicant for the CoC and staff the ICH, the CoC will need to add staffing capacity to meet basic CoC Program requirements.

There are several additional aspects of the CoC's responsibilities that can be delegated to a third party. Below is a list of duties, in relative order of priority (highest to lowest), that could be outsourced to a consultant or third party:

1. ***Preparing the CoC Program Application:*** This could include some or all aspects of the application process, including convening a Rating and Ranking process for projects, drafting the application, assembling the required attachments, etc. Because of the time and energy the CoC application process requires of current staff, as well as the availability of qualified external consultants, the CoC will likely receive the most return on its investment for outsourcing this responsibility.
2. ***Facilitating a process to create a strategic plan:*** CoC leadership and members alike have expressed great interest in developing thoughtful strategic plans for the CoC and state as a whole. However, the extent and urgency of other tasks assigned to current staff has made developing and facilitating such a planning process difficult. The CoC could benefit significantly from outsourcing this responsibility to an outside consultant. This could even be done on a one-time basis – once the CoC and/or ICH has a plan in place, the CoC can take on responsibility for monitoring progress on the plan.
3. ***Providing ongoing training to ICH/CoC Board members and funded agencies:*** Keeping CoC members up-to-date and/or orienting new members to the CoC Program is important to ensure the CoC is following HUD requirements and recommended best practices. (See also recommendation below related to enhancing orientation/training.) Developing the materials for and facilitating these ongoing trainings can easily be done by an external party.
4. ***Other ongoing CoC responsibilities:*** CoCs are required to perform many responsibilities, many of which can be supported by an external third party. For example, the CoC could hire

a consultant to assist in the regular maintenance and updating of CoC governance documents or drafting/revision of written standards.

Funding Options for Outsourced Work

There are several ways the CoC may fund this outsourcing. If the CoC remains connected to the ICH through delegating authority to one of its subcommittees, the CoC may be able to use some of the annual \$50,000 state appropriation to that body to assist with some of these duties, especially if they serve the needs of the both ICH and the CoC.

Alternatively, the CoC receives a \$224,470 planning grant (FY 2017 award) from HUD to support the planning activities of the CoC. While some of this money currently supports the work of completing the CoC Program application and general administrative coordination, the vast majority is earmarked to support the development of the Coordinated Services Regions by providing direct funding to developing regions to support their planning efforts. While this work is important—and continuing to build the regionalization of the CoC is recommended—there may be room to use some of that funding for other purposes. The CoC may be able to work with the local HUD Field Office to amend its current planning grant to support eligible outsourced activities. The CoC can also consider funding these activities when applying for Planning funds in the future.

3. DELEGATE INCREASED AUTHORITY TO THE COORDINATED SERVICE REGIONS

Balance of State CoCs face unique challenges in addressing homelessness because of the large geographic areas, often with varied population densities and types of communities, that they cover. Dividing such a large CoC into regions can help make governance more manageable. HUD has increasingly endorsed the strategy of building strong regions within a Balance of State CoC with increased decision-making and system-planning responsibilities and authority.

The Iowa Balance of State CoC has already begun to develop a regional structure within its CoC with the development of Coordinated Service Regions. To date, the primary role of these regions is to coalesce different areas within the CoC to facilitate implementation of the HUD-mandated coordinated entry system. As these regions continue to grow their capacity, the Balance of State can empower the regions to support the work of the overall CoC. This can be done in many ways, such as including representatives from the regions on the CoC Board or Committees or tasking some CoC-related work to those at the regional level.

When adapting the governance structure to support increased capacity at the regional level, the CoC's governance documents need to reflect the CoC's expectations for the regions so that they can effectively contribute to the overall planning work of the CoC. To accomplish this, the regions can be built to essentially function as mini-CoCs, and be required to meet on a regular basis, involve a diverse array of stakeholders, and coordinate with the larger CoC and other regions.

Similarly, the governance documents should reflect the role the regions can play at the central leadership level. This can include having designated regional representation on the CoC Board or committees or delegating aspects of CoC duties and responsibilities to the regions.

4. ENHANCE ORIENTATION MATERIALS AND DEVELOP ONGOING TRAINING SCHEDULE FOR BOTH COC BOARD MEMBERS AND COC-FUNDED AGENCIES

The CoC Program and its requirements are complex and making decisions on CoC-related issues requires a certain base knowledge that not every member of the CoC Board may have. We recommend that the CoC enhance its orientation materials and trainings for existing and new board members to ensure that those making decisions on behalf of the CoC have a strong and consistent understanding of the intricacies of the Balance of State structure, CoC Program regulations, existing homeless system response systems, and any existing strategic plans and goals.

In addition to augmenting materials to help orient new members, the CoC should consider creating an annual calendar of ongoing trainings on relevant topics to keep members informed on emerging and best practices.