

Strengthening Community Investments through Collaboration and Accountability

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EXECUTIVE SUMMARY

Introduction

The Alameda County Social Service Agency (ACSSA) has reformed its contracting processes. Taking a systematic team approach, the process is shared and integrated across divisions. To maximize effectiveness of services, Results-Based Accountability (RBA) is applied as a framework. This project explored ACSSA's performance-based, team approach, and considers how it might inform Sonoma County's Human Service Department (HSD) in business process improvement and increase the measurable impact of contracted services.

Findings

Four areas of reform were targeted by Alameda County SSA: ensuring contracted services are effective, improving monitoring systems, improving mechanisms for addressing weak contractor performance, and increasing consideration of the cost-benefit of services.

Over several years, Sonoma County HSD's Contracts Unit has implemented systems that have increased transparency and consistency in the

contracting process. However, divisions still tend to apply unique standards and procedures for measuring contractor performance. Most are required to report activities and outputs, yet providing minimal or no information regarding the actual impact of services. Roles and responsibilities in the process vary across HSD divisions.

Recommendations

Developing a team-based approach that clearly defines roles would systematize and streamline processes that are already working in HSD. Formally engaging the Planning, Research, Evaluation and Engagement Unit (PREE) presents an opportunity to strengthen the capacity and accountability of contractors through integration of an RBA model, thereby maximizing contractor impact. These sustainable improvements would require staff time over a one-year period, if the Alameda County process were to be replicated with adaptations, as well as an investment in an additional Planning Analyst position within the PREE Unit.

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I. Introduction: Utilizing a Results-Based Accountability (RBA) Framework for Collaborative Contract Procurement at Alameda County Social Services Agency

The Alameda County Social Service Agency (SSA) has successfully implemented a major reform of the agency's contracting processes for community-based services. Taking a structured and systematic team approach, the procurement process is shared and integrated across divisions. To maximize effectiveness in the contracting process and delivery of community-based services, Results-Based Accountability (RBA) is applied as a framework in all new Requests for Proposals (RFPs) and contracts. Alameda County SSA's PERU (Planning, Evaluation, and Research Unit) works with a centralized Contracts Office, the Finance Department, and program staff throughout the procurement process to assess, design, implement, and evaluate contracts. To support the success and sustainability of this approach, the agency built internal capacity to improve both process and technical skills sets, clarified internal roles across divisions, and created new standards for collaboration.

II. Background of Interest in the Topic

Sonoma County's Human Services Department established a centralized Contracts Unit in 2012 as an effort to establish more consistent standards and processes for contracting across divisions. Due to the proven staff capacity to process contracts,

the Contracts Unit was established within HSD's Employment and Training Division. The Contracts Unit has successfully implemented a centralized contracts database, documented detailed processes/procedures, and trained managers in all divisions. However, standards for contract outcomes measurement and accountability are still inconsistently applied across and within HSD divisions. Although HSD fiscal and program planners and managers are meaningfully engaged with the Contracts Unit, each division tends to apply unique standards, especially in the procurement and performance monitoring phases. While some contracts are monitored on client-level outcomes, more often contractors are only required to track and report activities and outputs, providing minimal information to the department about the actual impact of contracted services. Roles and responsibilities for RFP development, proposal review, statement of work (SOW) development, and monitoring contractor performance vary widely across divisions. Unlike Alameda's PERU, HSD's PREE is not involved in the service provider contracting processes. This project explored the ACSSA's performance-based, team contract approach with consideration for how its success might inform HSD in ongoing business process improvement.

III. Contract Reform in Alameda County SSA

In 2011, the Alameda County Grand Jury released a report that resulted in directive to the ACSSA from the Board of Supervisors to improve accountability

in its contracting processes. The agency spends over \$70 million annually on contracted human services. Four primary strategies were identified by ACSSA:

- Ensure that contacts effectively address programmatic needs
- Evaluate contracts regularly to monitor for program improvement needs
- Improve mechanisms for improving weak performance when it occurs
- Consider costs in relation to value/benefit of services

In 2013, SSA initiated an internal capacity-building process to address these strategic areas of improvement. A team approach was designed to clarify roles and create stronger partnerships between the finance division, contract office, Training and Consulting Team (TACT), policy office, fund development, evaluation team (PERU), and program staff, both in the procurement and management of contracts. The integrated team was charged with improving both process (planning, facilitation, communication) and technical procedures (procurement and contract development) that would result in mutual accountability to timelines and efficiency. The Results-Based Accountability (RBA) model was adopted as a framework for data-driven contracting.

The RBA framework ensures that performance measures for contractors are developed very early in the procurement process (prior to the development of RFPs) and that these measures are clearly defined when contracts are executed. It is important to note that performance monitoring is a distinctly different activity than in-depth, formal program evaluation. ACSSA recognized early in the process that many contractors do not possess the internal capacity for in-depth program evaluation. In order to intentionally engage contractors in the performance measurement process, ACSSA acknowledged these challenges early on in the re-design.

The development of a team-based approach was essentially a formalization of processes that were already working. The goal was to systematize how the contractors, PERU, and finance units interact

and overlap to move the planning, procurement, contracting, and monitoring processes forward. An essential component of this approach was developing consistent and structured systems for communicating and working with CBO contractors. In order for a truly integrated team approach to work well, each unit required clarity around who would be responsible for each activity in the process and “early warning” systems to troubleshoot before problems occur.

To gain leadership buy-in and to lay solid groundwork for success of the reforms, intentional efforts were undertaken to train key management and leaders in skill sets essential for meaningful collaboration, group facilitation, and the RBA framework. These efforts included an internal series of trainings with UC Davis consultants, involving co-developed curriculum and co-training of staff. Over a 12-month period, units worked together to develop and plan processes, clarify roles and responsibilities, and apply learning to real projects.

IV. Results-Based Accountability 101

Alameda County SSA has implemented the RBA model for contract development and monitoring because it is a relatively simple, research-based, common sense, and data-driven framework for improving services and communicating results. The key focus of the RBA model is on using performance measurement to *improve performance*, while *proving performance* is secondary. This approach differs from traditional models of contract management and monitoring, in that contractors report data in regular intervals to provide evidence that they are achieving positive outcomes. By utilizing RBA, Alameda is better able to understand on an ongoing basis whether clients are being helped, contracted services are making an impact, and support organizations are making improvements in service delivery when necessary.

Performance accountability is a measure of how well an organization, individual program, or service system is working. In RBA, there are three critical areas of performance measurement:

1. **Output measure:** “How much did we do?”
Ex: # of clients served, # of service activities
2. **Process measure:** “How well did we do it?”
Ex: % of services provided meeting a professional standard or fidelity to model
3. **Outcome measure:** “Is anyone better off?”
Ex: # and/or % of change in client skill, attitude, behavior or circumstances

V. Applying RBA and Team Approach to Contract Development

Alameda County utilizes a systematic timeline and process for integrating RBA into contracting. Roles in the process are clearly defined throughout the contract cycle and specific personnel are assigned to ensure all procedures are followed and necessary communication occurs across the team. The cross-departmental team has a shared responsibility for ensuring contracts move forward, supervisors and upper management are kept informed, and issues are troubleshoot as they arise. If a delay or problem arises, the group develops a process for resolving the issue, and determines whether it needs to be escalated to upper management. Due to the interconnected nature of the work, it is critical that all team members stay on task and hold others accountable. (See *Figure 1*.)

VI. Recommendations for Sonoma County

As described above, Sonoma County HSD has made strong efforts to increase the consistency of business processes across the department, as related to contracts. Managers see the Contracts Unit as a critical partner in the process because it provides expertise and responsive support related to the technical aspects of transparent procurement and acts as a liaison with County Council, Risk Management, and County Purchasing. HSD’s contracting process has improved significantly since the unit was established. Given these successes, several opportunities exist to build on HSD’s improvements by adapting some of the reforms that Alameda County has put into place.

Recommendation #1: Centralize the Contracts Unit in the Office of the Director

The Contracts Unit, currently functioning as part of the Employment and Training Division, has created policies and procedures that have been adopted within divisions to varying degrees. In order to achieve a higher level of consistency, it may be effective to centralize the unit in the Office of the Director. Adjusting the organizational structure to house the Contracts Unit under the same umbrella as other administrative functions (including PREE) would serve as a leverage point to increase consistency in processes across the service divisions. Centralizing Contracts in administration would also provide more opportunity to align systems with fiscal staff involved in the contracts process. Contracts Unit and fiscal staff work more closely than in the past with Sonoma County Purchasing, due to the new Enterprise Financial System (EFS), which requires that contractors provide their fiscal information far earlier in the procurement/contracting process.

To sustain positive relationships with community-based contractors, it is critical that the contracting process continue to include subject matter experts, in both the program services and the evaluation and performance measurement. Regardless whether the Contracts Unit becomes centralized as part of HSD administration, program staff should maintain a key role. Program managers are critical liaisons for maintaining open and transparent communication with community-based partners and providing them with technical support.

Recommendation #2: Apply an RBA Approach to Maximize Impact of Contracted Services

HSD has a significant opportunity to increase contractor accountability and cost-benefit of services through more consistent and meaningful performance monitoring. Using an RBA approach would be a “good fit” for HSD, given that HSD provides the backbone support to the Upstream Investments Policy initiative and is seen as a major force in moving community organizations toward outcomes-driven

FIGURE 1
Summary of ACSSA Contract Development Timeline & Roles

Timeline	Contracts	Programs	PERU	Finance
Annually	Create a schedule of all upcoming contracts.	ID needs for new and continuing contracts.	Assigns staff leads.	Assign analysts.
6-12 months prior to contract	Convene quarterly meeting for designated Program, PERU, Contract, and Finance leads. Disseminate existing contracts and monitoring documents.	Define desired outcomes and ideal provision of services	Review past eval. findings. Research best practices. Update demog. and other data. Recommend outcome metrics.	Identify funding source, allocations accounting string and CFDA#.
2-6 months prior to contract	Draft initial RFP and send for review to Program, Finance and PERU; integrate SOW and evaluation plan into final RFP. Release RFP, convene bidders conferences, issues Notices of Intent to Award Appeals, BOS approval obtained.	Draft SOW and eval. criteria, submit to the contracts staff. Meet with PERU and Contracts to develop data collection tools. Recruit review committees and coordinate proposal reviews. Program lead will attend bidders conferences with PERU, develop details of program monitoring and tracking plans.	Draft RBA plan for outcomes evaluation measurement. PERU lead attend bidders conferences with Programs, develop details of program monitoring.	Work with Program and Contracts to develop RFP costs / budget. Confirm accounting string, allocations (Fed., state, county) and CFDA #.
1 Month prior to contract	Negotiate final contracts. Execute contracts.			
Contracted period	Receive invoices and program monitoring reports.	Receive, analyze, and approve required invoices and program monitoring reports.	Facilitate data collection, focus groups, surveys, analysis of info systems data. Write monitoring and evaluation reports.	Pays invoices
Quarterly check-ins	Contracts office convenes quarterly meetings with Program, Finance & PERU to review and discuss contractor expenditures, performance, progress reports, and data submitted.			

programming. The core competencies of the PREE Unit are far under-utilized in the development of measurement plans, RFPs, and other contracting components that could be strengthened by stronger subject matter expertise in research, evaluation, and planning. This is a missed opportunity for HSD given that the PREE Unit houses much capacity and expertise related to performance-based and data-driven program planning and implementation, as well as experience providing technical assistance to a broad, cross-sector community of Sonoma County community-based organizations. Engaging PREE in HSD's contracting process presents an opportunity to further strengthen the capacity and accountability of contractors through supporting integration of an RBA model into procurement, contracts, and monitoring processes.

That being stated, it is critical that the department balance any increased contractor requirements for outcome measurement with technical support. This is especially important for small, underfunded organizations that provide unique services in the community. Although Sonoma County has many non-profit organizations, there is still a limited pool of providers for some service areas such as specialized services to support the health and well-being of older adults.

Alameda County does not currently engage CBOs in the planning and development of scopes of work. However, working collaboratively with contractors is a proven strength of HSD and a cultural aspect of Sonoma County's service provider community. These strengths could be maximized by leveraging the expertise of PREE/Upstream in the contracting process. As the Upstream Investments initiative successfully evolves, HSD is becoming known for providing excellent technical support to providers related to improved capacity to evaluate programs. This perception and capacity could be leveraged to enhance the department's relationships with contractors.

Recommendation #3: Develop a Structured Team Contracting System and Timeline

Finally, HSD could streamline and strengthen the contracting process by developing a more structured system regarding roles, responsibilities, and communication flows integrated into the timeline for procurements. This would be especially important if PREE staff become engaged in the process. PREE "embedded" analysts are already engaged in division-specific evaluation work and some are even co-located. Integrating embedded analysts (as well as other specialists on the PREE team) into the contracts process would strengthen the ability of divisions to maximize effectiveness of contracted services.

The Alameda County model for a team approach is described in the table, "Summary of ACSSA Contract Development Timeline & Roles." Although the timeline itself is heavily adaptable depending on the contracting needs, volume, and necessary compliance issues, the roles and responsibilities are very clear and could be easily adapted for HSD.

VII. Conclusion

Alameda County's SSA's contract process reforms were born out of a very public community concern related to transparency, fairness, and cost-effectiveness. Although this level of public scrutiny is not currently an issue in Sonoma County, ensuring that public dollars are spent in an ethical and responsible manner is always at the forefront of our work.

Contracting is a key vehicle for ensuring that the efforts of HSD and our community partners are making a real and sustainable impact on the issues and challenges of people in need of support services. By strengthening transparency in procurement, increasing clarity of desired outcomes, holding our contractors accountable to those outcomes, and providing them with the appropriate levels of support, HSD can maximize impact and ensure the best cost-benefit for tax dollars.

If the Alameda County process were to be adapted and replicated, the initial implementation of these recommendations would require an estimated one-time cost of approximately 100-120 hours of management staff time over a one-year planning period to provide leadership and coordination to manage a major change in business process. If HSD were to engage the UC Davis consultants that supported Alameda County in the process, costs may possibly be subsumed within HSD's existing contract with UC Davis, depending on the current scope of its work.

As RBA and a systematized team approach were to become institutionalized, it would be necessary to increase analyst staff time within PREE to ensure smooth and consistent processes continue to bring strong performance outcome evaluation expertise as a key role in the RBA contracting process. Over time, it is predicted that these investments would result in savings due to increased systemization and efficiency. The most significant savings over the long-term would be the reduction in costs for services due to increased client well-being resulting from the focus on outcome measurement in the contract monitoring process.

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