



BOARD OF SUPERVISORS

SCOTT HAGGERTY
PRESIDENT
SUPERVISOR, FIRST DISTRICT



October 11, 2016

Honorable Morris D. Jacobson
Presiding Judge of the Superior Court
County of Alameda
1225 Fallon Street, Department One
Oakland, CA 94612


Subject: Alameda County Response to the 2015-2016 Grand Jury Final Report

Dear Judge Jacobson:

Section 933 of the California Penal Code requires the Board of Supervisors to formally comment on Grand Jury findings and recommendations which pertain to matters under the control and authority of the Board.

In accordance with this statutory directive, I am hereby formally submitting Alameda County's responses to the 2015-2016 Grand Jury Final Report addressing the following investigated areas: Oversight of County Funded Community Based Organizations and Constraints of the Measure A Oversight Committee. The County's response was approved by the Board of Supervisors at its meeting of October 11, 2016.

Very truly yours,


Scott Haggerty, President
Board of Supervisors

SH/SSM:LL:sh
Attachment

c: Other Members, Board of Supervisors
Susan S. Muranishi, County Administrator
Lori Cox, Director, Social Services Agency
Rebecca Gebhart, Interim Director, Health Care Services Agency
Timothy Jones, Foreperson, Alameda County Grand Jury
Chad Finke, Court Executive Officer

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ALAMEDA COUNTY BOARD OF SUPERVISORS MINUTE ORDER

The following action was taken by the Alameda County Board of Supervisors on 10/11/2016

Approved as Recommended

Other

Unanimous Chan: Haggerty: Miley: Valle: Carson: - 5

Vote Key: N=No; A=Abstain; X=Excused

Documents accompanying this matter:

Documents to be signed by Agency/Purchasing Agent:

File No. 29836

Item No. 10

Copies sent to:

Special Notes:



I certify that the foregoing is a correct copy of a Minute Order adopted by the Board of Supervisors, Alameda County, State of California.

ATTEST:
Clerk of the Board
Board of Supervisors

By: *Debra Campbell-Beltz*
Deputy

COUNTY ADMINISTRATOR



SUSAN S. MURANISHI
COUNTY ADMINISTRATOR

September 13, 2016

Honorable Board of Supervisors
Administration Building
Oakland, CA 94612

Received
Alameda County Grand Jury
Date October 12, 2016
Ack Sent?

Dear Board Members:

SUBJECT: ALAMEDA COUNTY RESPONSE TO THE 2015-2016 GRAND JURY FINAL REPORT

RECOMMENDATIONS

Accept and approve Alameda County's Response to the 2015-16 Grand Jury Final Report; and

Authorize the Board President to sign a letter on behalf of the Board of Supervisors formally transmitting Alameda County's Response to the Honorable Morris D. Jacobson, Presiding Judge, Superior Court, County of Alameda.

DISCUSSION

Section 933 of the California Penal Code requires the Board of Supervisors to formally comment on Grand Jury findings and recommendations which pertain to matters under the control and authority of the Board.

The 2015-2016 Grand Jury Final Report Response addresses the following investigated areas: Oversight of County Funded Community Based Organizations and Constraints of the Measure A Oversight Committee.

FINANCING

There is no financial impact associated with approval of the recommendations.

Very truly yours,

Susan S. Muranishi
County Administrator

SSM:LL:sh
Attachments

- c: Lori A. Cox, Director, Alameda County Social Services Agency
- Rebecca Gebhart, Interim Director, Alameda County Health Care Services Agency
- CAO Analysts

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**ALAMEDA COUNTY RESPONSE
TO THE
2015-2016 ALAMEDA COUNTY GRAND JURY
FINAL REPORT**

**PREPARED BY:
OFFICE OF THE COUNTY ADMINISTRATOR**

**APPROVED BY:
BOARD OF SUPERVISORS
OCTOBER 11, 2016**

Alameda County Response to the 2015-2016 Grand Jury Final Report

Oversight of County Funded Community Based Organizations

Finding 16-23: Some CBOs responding to an RFP have little or no outcome/output data. Others are renewed with no evaluation report and without a re-issued RFP. Decision makers are left without sufficient information to make sound judgments.

Response to Finding 16-23

Alameda County partially disagrees with this finding. Alameda County has been committed to improving our contracting systems with community-based organizations. The County Health Care Services (HCSA) and Social Services (SSA) Agencies have implemented processes to collect information to evaluate the performance of contracted services in order to provide information to decision-makers and make sound judgements.

The HCSA and SSA have a long history of collecting outcome and output data for contracted services due to state and federal mandates. Since 2013, both agencies adopted Results Based Accountability (RBA) for CBO contracted services and analytic framework. SSA strengthened partnerships between its contracts office, data team known as the Program Evaluation and Research Unit (PERU), and program staff and implemented a team-based approach for both procurement and contract management. This cross departmental team develops the request for proposal (RFP), discusses the performance of CBO contracts, and makes changes to programming as necessary. Given the staffing and the size of the task, SSA decided to phase in RBA language and performance measures when a new RFP is issued; all RFPs that have been issued since January 2014 have performance measures in the RFP as do the resulting executed contracts. Although an evaluation has been conducted in RBA format, SSA does not have the capacity to administer a full scope evaluation of all contracts.

Similarly, HCSA adopted RBA to improve contract accountability in 2014 by including effort, quality and impact performance measures into contracts with CBOs. In addition, HCSA has included specific outcome/output data; clear deliverables and goals and RBA expectations in formal RFPs are issued by the agency.

Contract renewal is based on a review of the CBO's ability to meet the contract deliverables and may not always require that a new RFP gets reissued after the contract period. Contracts with CBOs may be renewed following a formal RFP based on satisfactory contract performance. These agencies regularly re-issue RFPs to provide ongoing services. Given the large number of contracts and breadth of health care and human services, ongoing planning is required for HCSA to review the entire portfolio of contracts and plan and schedule RFPs to maintain existing services to align with staffing resources and agency priorities.

Finding 16-24: There are insufficient requirements in the RFP process to assess a CBO as to its staff training, development, and how people within the CBO are encouraged to innovate to accomplish the mission. This would ensure more confidence that the contracted CBO could efficiently and effectively fulfill its long-term goals and to adequately do the job.

Response to Finding 16-24

Alameda County disagrees with this finding. SSA and HCSA require RFP respondents to address training and development according to the services that are rendered. SSA and HCSA also request detailed information on staffing, professional qualifications, and experience. Both agencies issue RFPs that allow for innovation when appropriate.

Finding 16-25: The RFP process often limits the ability for CBOs to have innovative solutions for the provision of services.

Response to Finding 16-25

Alameda County disagrees with this finding. Innovation is encouraged within federal and state regulatory framework and with clearly defined outcomes and goals. Many RFPs request that providers research and incorporate innovative best practices in program design as they pertain to the service population and service process and type. For SSA, two recent examples of this are the RFPs for Independent Living Skills for foster youth and the Summer and After School Youth Employment Program. Both RFPs encouraged innovation by allowing contractors to propose their own program design to meet the performance measures and goals set by SSA for each population. Another recent example includes the HCSA Behavioral Health Care Services' Mental Health Services Act Innovation Grants Program, which specifically is designed to create innovative projects that address mental health issues for individuals at-risk of or living with serious mental illness and their families.

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Finding 16-26: The amount of funding and personnel devoted to the results-based accountability effort is insufficient for the scale of the task. The PERU group (Planning, Evaluation and Research Unit) reports on too few CBOs each year among all the CBOs under contract. When fully staffed, the group is only five people (out of the 2400 employees within SSA). A comparable group within HCSA is not yet fully operational. There are too few resources in both departments to effectively evaluate CBO performance.

Finding 16-27: Too few CBO contracts with Alameda County include results-based accountability requirements to measure effectiveness and to inform decision makers during the renewal process.

Response to Findings 16-26 and 16-27

Alameda County disagrees with these findings. The County has made progress and continues to take steps to evaluate contracts effectively and ensure that direct services are delivered. SSA and HCSA have already implemented effective measures to evaluate CBO performance. Currently, the responsibility for developing and monitoring RBA performance measures within SSA is a collaborative effort of PERU and Program staff. In 2014, HCSA invested an additional \$1 million to resource and launch its Project IMPACT initiative to implement the Results-Based Accountability (RBA) framework and form the Project IMPACT Workgroup to guide the expanded RBA across the agency. Currently, HCSA is focused on increasing staff training throughout the agency to increase the awareness of and capacity to use RBA to improve CBO contract performance oversight.

SSA has developed a systematic approach to embedding RBA measures when a new RFP is issued. RBA performance measures were added to some RFPs beginning in January 2013 and have been included in all RFPs since January 2014. Once all contracts have gone to RFP, all contracts will have formal RBA performance measures. In addition, some RFPs released prior to January 2014 collect outcome and output measures from providers but are not in the RBA framework. In SSA there are currently 213 CBO contracts. Seventy-seven percent (77%) of CBO contracts currently have outcome and output measures or an evaluation component to assess performance. During the FY 16-17 RFP cycle an additional 3% of CBO contracts will have measures developed. SSA, therefore, anticipates that 80% of all CBO contracts will have some framework to assess performance by 2017.

Similarly, HCSA formally adopted RBA in 2014 as part of its Project IMPACT goals and has since been integrating RBA performance measures and requirements as part of formal RFPs and contract scopes of work. In FY 15-16, HCSA revised the CBO Master Contract to include specific RBA language regarding effort, quality and impact performance measures as part of Exhibit A (Definition of Services). Beginning in FY 16-17, HCSA has started utilizing the Exhibit A to negotiate and execute contracts with CBOs.

Finding 16-28: Output data (number of people serviced) provided by some CBOs can be unreliable.

Finding 16-29: Many smaller CBOs lack infrastructure to innovate and adopt new reporting systems that could lead to both incomplete and inaccurate data being provided to the county.

Response to Findings 16-28 and 16-29

Alameda County agrees with these findings. County CBO partners can vary greatly in their capacity to track and report on key performance metrics. Many smaller CBOs do have the capacities and systems to report accurate performance data based on their contract deliverables and may not need to adopt new or different reporting systems. Similarly, numerous smaller CBOs have also successfully adopted new reporting systems in partnership with Alameda County. On the other hand, some smaller CBOs may have limited capacity to track and report on key performance measures but they have a unique expertise in serving certain populations. SSA and HCSA provide some level of support to CBOs on an informal basis.

To address the disparity of data reporting, in the 2015-2016 RFP cycle, SSA introduced questions to bidders on their existing data collection and quality assurance processes so that their capacity to provide reliable data can be assessed. It is important to keep in mind that this is only one aspect of serving our clients. In the RFP process, the experience and demonstrated ability in serving the target population must also be considered.

Since 2013, HCSA has piloted the implementation of RBA with a cohort of smaller CBOs that receive Measure A funding. During this period, HCSA has provided significant technical assistance, training and support to all these providers to successfully adopt RBA to improve the quality and reporting of data provided to the county. In addition, all of these CBOs

Alameda County Response to the 2015-2016 Grand Jury Final Report

in this pilot cohort have also adopted the web-based RBA reporting system called Results Scorecard to enter their performance measures. Since HCSA has initiated the training and roll-out of RBA across our many CBO partners, we have experienced that the majority of our CBOs—large and small—are able to adopt this new approach using their existing staffing and resources.

Finding 16-30: There are an insufficient number of on-site visits to CBOs during the term of the contracts limiting the ability of county officials to identify, evaluate, and address problems early on.

Response to Finding 16-30

Alameda County partially disagrees with this finding. SSA and HCSA have procedures for on-site visits and monitors CBOs. This framework helps the County identify problems early. SSA staff meets with CBO contractors on a regular basis during contract negotiations, implementation, and during the course of the contract that allows for staff to identify and address problems early on. Similarly, all HCSA contracts and RFPs contain provisions regarding on-site visits. HCSA also conducts on-site visits as needed and based on the current performance of the CBO as reported in regular progress reports. Conducting more frequent on-site visits with more of HCSA's CBO partners would require additional staffing time and resources.

Finding 16-31: There is political pressure from the Alameda County Board of Supervisors to retain some under-performing CBOs. This undermines confidence in the contracting process.

Response to Finding 16-31

Alameda County disagrees with this finding. The County has an obligation to provide health and human services to Alameda County residents. The populations that are served under contracts with CBOs are often difficult to serve due to challenging client life circumstances which can impact the performance of some CBOs. While the County is committed to providing results-based assessments, it is only one criteria by which CBOs are evaluated and selected. It is important to keep in mind that this is only one aspect of serving our clients. In the RFP process, the experience and demonstrated ability of the CBO in serving the target population must also be considered. Some CBOs have a unique expertise in serving certain populations.

Recommendation 16-19: Alameda County must ensure that all CBO contracts have outcome and output measures.

Response to Recommendation 16-19

The recommendation has not yet been implemented. While at this time not all County contracts with CBOs have outcome and output measures, the County is actively moving towards that goal. SSA will continue to add Results-Based Accountability (RBA) performance measures to all new RFPs and contracts. Once all contracts have gone through the RFP process, all contracts will have RBA performance measures. We project that 80% of all contracts will have measures by 2017.

HCSA launched its Project IMPACT in July 2014 to improve contract accountability throughout HCSA and ensure that contract staff use the RBA framework to develop and track performance measures in all CBO contracts. In 2015, HCSA revised the Exhibit A (Definition of Services) used in CBO Master Contracts to include RBA language and began utilizing this new contract template starting with FY 16-17. While all of HCSA's CBO contracts already include language regarding outcome and output measures, our goal is to have 80% adoption of the RBA framework in CBO contracts starting in FY 17-18.

Recommendation 16-20: Alameda County must ensure that no CBO contract be re-issued or extended without either a full report on its performance or results-based accountability analysis available to the decision makers.

Response to Recommendation 16-20

The recommendation has not yet been implemented. While at this time not all County contracts with CBOs have results-based accountability analysis, the County is actively moving towards that goal. The agencies are in different stages of implementation. In SSA, prior to reauthorization for funding all contracts are discussed in order to determine whether the contract will be renewed. All contracts with Results-Based Accountability (RBA) performance measures have performance dashboards that are reviewed quarterly and/or semiannually SSA is currently exploring software tools to enhance our ability to create dashboards and assess contract performance at regular intervals to enhance our ability to make data driven decisions about our contracts and funding strategies.

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HCSA has implemented the use of RBA to negotiate and integrate performance measures into all CBO contracts over the next three fiscal years. HCSA staff responsible for contract monitoring will review and use the RBA data to make recommendations for contract renewal. In addition, HCSA staff use site visits, data from contract progress reports, information from contracted service data systems, and feedback from consumers and advocates to make decisions about ongoing funding for contracts and programs.

Recommendation 16-21: Site visits by county evaluators must be required during the selection process of any CBO applying for a contract of over \$1 million. If the infrastructure does not yet exist, the site visit must occur within the first six months of the contract.

Response to Recommendation 16-21

The recommendation will not be implemented because it is not warranted or is not reasonable. SSA and HCSA follow current County procurement policies that include evaluations during the rating process. Currently there are not sufficient resources to guarantee site visits for all contracts over \$1M. To ensure the success of service delivery under contracts with CBOs, SSA and HCSA invest heavily in the start-up of new programs, meeting with program and fiscal staff to negotiate contracts and solve any start up issues with service provider. While HCSA does conduct site visits for some selection processes, additional staff resources and training would be needed to conduct visits for every large Request for Proposal (RFP).

Recommendation 16-22: The Alameda County Board of Supervisors must assign a full-time professional with sufficient supporting staff and budget to lead the countywide efforts on results-based accountability.

Response to Recommendation 16-22

This recommendation has not yet been implemented. The Board of Supervisors values results-based accountability in contract services and has been funding the implementation of RBA. SSA and HCSA will have at least 80% of CBO contracts include measures over the next three fiscal years.

Recommendation 16-23: As a test case, SSA and HCSA should provide a master contract to a well-established CBO that would then subcontract to a cluster of smaller CBOs that deliver comparable services. The CBOs with the master contracts would be responsible for the data collection and analysis of all subcontractors under its purview.

Response to Recommendation 16-23

The recommendation has been implemented. The County's Request for Proposal (RFP) boilerplate already includes language that promotes subcontracting for potential bidders. SSA has adopted this strategy for some contracts when appropriate and on case by case basis. Two recent examples include LEP (Limited English Proficiency) contracts and the CEC (Career and Employment Centers) contracts. The LEP contracts include two lead CBOs that together have 7 smaller subcontractors operating under the purview of the lead agents. The CEC contracts include two lead CBOs, one of which operates with a subcontractor for additional services within the lead contract. The County has found that in some cases there are more challenges in collecting accurate data and administration in this structure including potential conflicts with rules and regulations currently enforced by funders, such as Medicaid.

Recommendation 16-24: Alameda County, or those organizations with master contracts, must provide CBOs with sufficient administrative support/training for collecting, reporting, and analyzing performance data, and for employee development within those organizations.

Response to Recommendation 16-24

This recommendation has been implemented. The County provides CBOs with administrative support and training. SSA currently requests CBOs to describe their data collection, staffing plan, and data quality assurance processes to ensure that CBO's have identified a strategy to ensure accurate reporting of their performance measures. To build capacity for this new approach, SSA has delivered *RBA 101* training for CBOs and provides limited technical assistance with contractors on an as needed basis.

HCSA also provides significant technical assistance, training, guidance and support to CBOs to understand the contract development, reporting and invoicing processes. For example, program staff with HCSA's Center for Healthy Schools and Communities and Measure A provide extensive training to ensure CBOs are able to enter performance data into the various

Alameda County Response to the 2015-2016 Grand Jury Final Report

data collection systems (e.g., Efforts-to-Outcomes, Results Scorecard) used to report data to the County. Behavioral Health Care Services Information Systems, Provider Relations, Quality Assurance and Workforce Education and Training units all provide free and ongoing trainings to contracted providers on a wide variety of issues that enable quality services and contract compliance.

Recommendation 16-25: As a pilot project, and whenever allowable by funding sources, an RFP should define the problem and allow a CBO the latitude to propose using best practices and innovative approaches for the provision of services.

Response to Recommendation 16-25

The recommendation has been implemented. Although federal and state mandates require some parameters as to how services are provided, SSA and HCSA encourage innovation through the RFP process when appropriate. Two recent examples of this are the Summer After School and Youth Employment Program and the Independent Living Skills RFPs that were issued in the FY 15-16 RFP cycle. Both of these RFPs allowed bidders to design their program and encouraged bidders to use innovative methods to achieve the intended results for the target population.

One of the key goals for HCSA includes providing quality services to the community that focus on best practices. To this extent, HCSA develops RFPs that clearly state the health issue, target population and desired services to be provided and solicits proposals that include innovative service delivery models. In addition, HCSA has issued RFPs under the Mental Health Services Act Innovation Grants Program that specifically invites fresh or new ideas for projects to address the mental health needs of county residents.

Alameda County Response to the 2015-2016 Grand Jury Final Report

Constraints on the Measure A Oversight Committee

Finding 16-32: The Measure A Oversight Committee is reactive, not proactive. It is limited by legislation that restricts it from making recommendations regarding the efficiency of programs funded, or how the funds should be expended.

Response to Finding 16-32

Alameda County agrees with the finding. The current statute limits the role of the Measure A Oversight Committee to focus on the review of the expenditures and to ensure that they conform to the allocation criteria set forth in the statute.

Finding 16-33: The Grand Jury finds that both the Health Care Services Agency and the Measure A Oversight Committee are underfunded for administrative staff needed to oversee the effective use of public funds distributed to the widespread range of community based organizations.

Finding 16-34: The Measure A ordinance so limits the Measure A Oversight Committee that its current role is insufficient to assure taxpayers that the funds are providing the services that are needed.

Response to Findings 16-33 and 16-34

Alameda County agrees with the findings. The current statute limits the role of the Measure A Oversight Committee to focus on the review of the expenditures and to ensure that they conform to the allocation criteria set forth in the statute. HCSA currently provides sufficient funding to support the Measure A Oversight Committee to perform its statutory role in ensuring that the expenditures conform to the criteria in the ordinance.

Recommendation 16-26: The Alameda County Board of Supervisors must expand the role of the Measure A Oversight Committee to include its input into the decision-making of funding allocations. While the Measure A ordinance specifies the role of the Oversight Committee, the Board of Supervisors could expand that role, or appoint a separate committee with the same membership to undertake the task.

Response to Recommendation 16-26

The recommendation will not be implemented because it is not warranted or is not reasonable. Measure A was approved by the voters in its current form. Expanding the role of the Measure A Committee beyond the role delineated in the statute would require taking a revised Measure A to the voters for approval.

Recommendation 16-27: The Alameda County Board of Supervisors must provide the Health Care Services Agency with sufficient funding that will allow for additional staff to oversee the collection and analysis of both outcome and output data on those receiving Measure A funds.

Response to Recommendation 16-27

This recommendation will not be implemented because it is not warranted or is not reasonable. The Board of Supervisors continuously reviews the funding plan for Measure A and the need for direct service planning and administration and direct services. The Board of Supervisors strives so that the majority of Measure A revenues support the provision of essential health services directly to county residents. In addition, the Board of Supervisors approved \$1M in Tobacco Master Settlement Funds to launch Project IMPACT to improve contract accountability and the current use of General Funds to provide staff to oversee contract administration and staff the Measure A Citizen Oversight committee. Additional funding would be needed to expand any additional efforts to significantly improve the evaluation of all programs funded by Measure A.