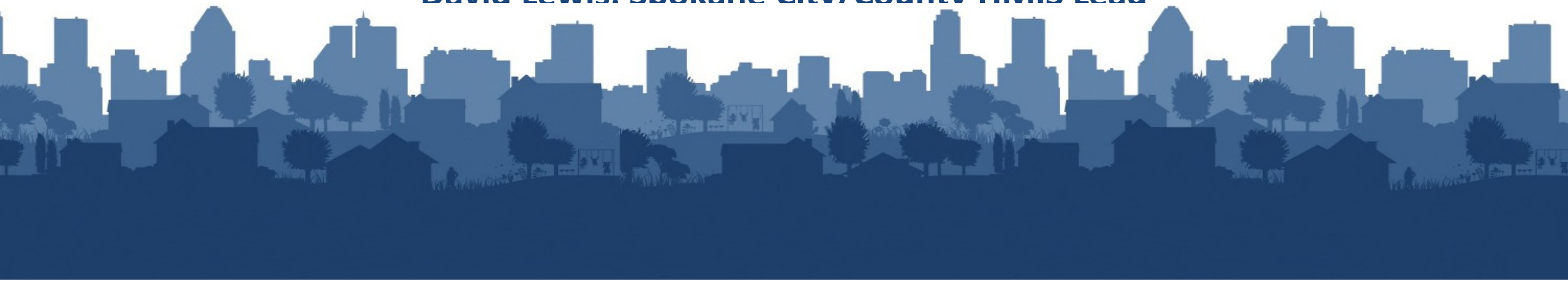# 1.10 HMIS Budgeting Strategies

May 2020

Mary Schwartz, Abt Associates
Eric Gammons, Technical Assistance Collaborative
David Lewis, Spokane City/County HMIS Lead

Webinar Instructions

- Webinar will last about 60 minutes
- Participants in 'listen only' mode
- Submit questions in Question and Answer box on right side of screen
- Webinar audio is provided through your computer speakers
- For technical issues, request assistance through the Question and Answer box
- Access to recorded version
- NHSDC will send evaluation after the webinar – please respond!

Learning Objectives

Learn how to:
- Use the Budgeting and Staffing Toolkit to develop HMIS Budgets (including software costs, staffing costs, etc.)
- Strategize for local/state funding, including writing legislation & lobbying your representatives
- Develop grant writing skills for private foundation funding

National Human Services Data Consortium

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

COMMUNITY PLANNING DEVELOPMENT

Characteristics of a Strong HMIS Lead

- Trusted by CoCs to manage HMIS vendor relationships

- Supported by CoC and the CoC's Data Committee

- Enables a CoC-wide culture of performance

- Enhances data literacy and data-driven planning

- Demonstrates technical proficiency and policy expertise

- Outcomes-driven and transparent

- Implements feedback loops to improve performance

Financial Characteristics of a Strong HMIS Lead

An HMIS lead agency must also demonstrate a resilient financial position by establishing and following financial policies and procedures that include:

- Accounting Procedures
- Internal Controls
- Revenue & Accounts Receivables
- Expense & Accounts Payables
- Asset Management

- **Financial Planning & Reporting**

Guiding Questions

Identify guiding questions to develop an appropriate
HMIS Lead Financial Planning & Reporting model:

o **What** is the vision and goal for HMIS in your community?
o **What** activities does the HMIS lead need to accomplish to support the CoC HMIS vision and goal?
o **When** should HMIS budgeting and performance assessment be completed?
o **How** much will these activities costs?
o **Where** does the funding and resources to make progress come from?

Budgeting

How many HMIS Leads budget according to their HUD CoC Funding?

Budgeting should focus on the CoC's HMIS vision and goals, considering types and quantity of HMIS Activities and balanced them with available resources.

A budget is an important tool for decision making, monitoring performance and forecasting income and expenditure. With proper budgeting, limited resources are managed efficiently.

National Human Services Data Consortium

COMMUNITY PLANNING DEVELOPMENT

Examples of Operating Costs

- Staffing
- Office Space
- Utilities
- Communications
- Insurance
- Travel
- HMIS Vendor

- Equipment
- Internet Service Provider(s)
- 3rd party contracting
- Repairs and Maintenance
- Software (Firewalls, antivirus, training software)
- Indirect Costs

Adjustable vs. Fixed

Costs can generally be considered adjustable or fixed

- **Adjustable Costs**
- Staffing
- Equipment
- Communications
- Travel
- HMIS Vendor
- 3rd party contracting

- **Fixed Costs**
- Office Space
- Internet Service Provider(s)
- Repairs and Maintenance
- Software (Firewalls, antivirus, training software)
- Insurance
- Utilities
- Indirect Costs

Performance Influences

HMIS Lead performance can be influenced by adjustable costs

- Staffing
- Equipment
- Communications
- Travel
- HMIS Vendor
- 3rd party contracting

National Human Services Data Consortium

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

COMMUNITY PLANNING DEVELOPMENT

Staffing

Staffing
- FTE positions with duties directly related to HMIS activities.

- Some CoC's assess ratios between users and staff

- Other staffing variables can include CoC geographic size, number of providers, number of persons experiencing homelessness, and number of CoC included in implementation.

- Staffing should be focused on meeting the CoC's HMIS Vision and Goals

13

Equipment

Equipment
- Computers/Tablets
- Servers
- Networking equipment
- Interactive whiteboards
- Video Conferencing

- Equipment should be focused on meeting the CoC's HMIS Vision and Goals

- HMIS Lead Agency's Financial Policies and Procedure should define equipment

Communications

Communications
- Phone Systems
- Cell Phones
- Team communication tools
- Email
- Video Services

- Communications should be focused on meeting the CoC's HMIS Vision and Goals

Travel

Travel
- Travel to providers
- Conferences and Trainings
- CoC Meetings

- Travel should be focused on meeting the CoC's HMIS Vision and Goals

HMIS Vendor

HMIS Vendor
- User Licenses
- Adhoc Reporting
- Community Services
- Data purge
- Training

- Costs should be focused on meeting the CoC's HMIS Vision and Goals

3rd Party Contracting

3rd Party Contracting
- Cross Data Matching/Data Conversion
- Data warehousing
- Training
- IT Support
- Data Analysis
- Adhoc Reporting

- Costs should be focused on meeting the CoC's HMIS Vision and Goals

Budgeting based on Data

The HMIS Lead and other HMIS stakeholders performance data:
- Longitudinal Systems Analysis (LSA)
- Annual Performance Report (APR)
- System Performance Measures
- Data Quality reports
- Housing Inventory Count (HIC)
- Performance and HMIS sections of the CoC Program application
- Point-in-time (PIT) sheltered homeless counts

CoC Vision and Goal: Reduce the length of time homeless

Data - System Performance Measures

Which of these HMIS activities would you adjust to improve system performance?

- Staffing
- Equipment
- Communications
- Travel
- HMIS Vendor
- 3rd party contracting

Increase bed utilization (Poll #2)

CoC Vision and Goal: Increase bed utilization in HMIS

Data – Housing Inventory Chart

Which of these HMIS activities would you adjust to improve system performance?

- Staffing
- Equipment
- Communications
- Travel
- HMIS Vendor
- 3rd party contracting

CoC Vision and Goal: Increase community utilization of HMIS

Data – Agency agreements, User Licenses, Housing Inventory

Which of these HMIS activities would you adjust to improve system performance?

- Staffing
- Equipment
- Communications
- Travel
- HMIS Vendor
- 3rd party contracting

Benefits

Benefits of budgeting based on HMIS Activity Costs
- Determine the actual cost of the HMIS Implementation
- Assist with decisions of who, how much, and when user fees will be to charge
- Helps determine what HMIS activities are financially feasible within the CoC
- Can help in determining surplus resources

Remember
- Access to the HMIS and the related services are a marketable product
- Pricing should be based on costs not mandates

Case Study

CoC Vision and Goal – Local Night by Night (NbN) is a contributor to the CoCs HMIS database

Issues
- NbN shelter lacks technology and is reliant on volunteers to supplement limited staff.
- NbN shelter current data capture is sporadic, lacks timeless, accuracy, and completeness

Goal: Add NbN Shelter to HMIS (Poll #4)

Task
Which of these adjustable costs in the HMIS Lead Budget would you evaluate and revise to help accomplish this CoC goal?

- Staffing
- Equipment
- Communications

- Travel
- HMIS Vendor
- 3rd party contracting

National Human Services Data Consortium

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

COMMUNITY PLANNING DEVELOPMENT

Local and State Funding Strategies

Ideas for local HMIS funding:

- Cost sharing: distributing the load with a fee structure
- Fee-for-service: matching effort to cost
- HMIS consolidation – economies of scale

Ideas for state or other government funding:

- Write legislation (in partnership with lawmakers & advocates)
- Fees tacked onto real estate transactions to pay for homeless services
- Increasing budgets for state housing/homeless authorities
- Housing Finance Commission partnerships for tax credits
- ESG & CDBG grants are state grants – and HMIS is an eligible cost

Cost Sharing Examples

- Cost sharing examples
- ✓ Share technical staff with internal IT department
- ✓ Research local job descriptions/openings and do some outreach for shared IT support (help desk, training, etc.)
- ✓ Contract work (part time) addressing several needs across the data environment – dashboards, GIS insights, school district needs

National Human Services Data Consortium

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

COMMUNITY PLANNING DEVELOPMENT

Cost Sharing examples #2

- Cost sharing examples
- ✓ Single fixed fee per agency (agency pays an annual fixed fee, e.g., $1,000/year)
- ✓ Single fixed fee per program (agency pays an annual fixed fee, e.g., $500/year for each HMIS-participating program, such as PATH, VA, etc.)
- ✓ Single fixed fee per user (agency pays an annual fixed fee, e.g., $200/year for each licensed HMIS user)
- ✓ Single fixed fee with additional sliding scale fee based on the level of effort for specific added tasks needed by a program
- ✓ Agency-paid fee for specific ongoing project costs (e.g., annual HMIS user license fees, equipment maintenance costs, data entry costs)

National Human Services Data Consortium

COMMUNITY PLANNING DEVELOPMENT

Fee for Service Examples

- Fee for Service:
- ✓ Price out HMIS use/reporting per funder, and then charge against that funder for use/reporting; same for upgrades
- ✓ One-time fee for HMIS set-up when a new agency joins HMIS;
- ✓ Fees for adding customized fields or screens for agency-specific purposes;
- ✓ Fees for developing and/or generating custom reports for agency-specific use;
- ✓ One-time per agency or per user fees for training;
- ✓ Contract service fees for specific community reports (e.g., fee for PIT count or comprehensive community homelessness report);
- ✓ Hourly fees charged to agencies for data entry or data cleanup; and
- ✓ Fees for data conversion from a legacy system, or integration with another system.

Consolidation Examples

- HMIS consolidation: Partner up with another CoC (close by, same vendor, same size, etc.) for HMIS Administration, support, software costs.
- A small or rural CoC operating a stand-alone HMIS implementation is often unrealistic due to the costs associated with software, hardware, and staffing. In these cases, it is often more cost effective to join a neighboring, regional, or statewide HMIS implementation.

National Human Services Data Consortium

Local Funding Examples

- Legislation: Get your advocacy on! Link up with associations, networks, legislative staff to identify, write, and submit ideas to your local representatives for real estate transaction fees, tax levies, trust funds, etc.
- Several state governments have invested significant resources by spearheading statewide or regional HMIS implementations – producing more in-kind donations of office space, server space, etc.
- Reach out to ESG, CDBG & CSBG grantees at city/state and make sure HMIS is incorporated into the Consolidated Plan and prioritized for funding locally

National Human Services Data Consortium

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

COMMUNITY PLANNING DEVELOPMENT

Private Foundation Funding Opportunities

Topics related to HMIS that might be of interest to a Private Foundation with a grant opportunity:

- Ending homelessness
- System integration
- Access to care/coordination of care
- Capacity building
- Technology to solve problems
- Data dashboards & data analysis

- Charity.lovetoknow.com/Grant_Giving_Foundations
- Don't forget to check out local community foundations!

Private Foundation Ideas

- Grant writing 101
- What's in it for me? (WIIFM) (but, what's in it for them)
- Data partnerships? With the right privacy agreement, you could do research/analysis on your dataset (quasi-experimental, comparative analysis)
- Speak to larger goal of ending homelessness and how HMIS fits in
- HUSTLE!

National Human Services Data Consortium

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

COMMUNITY PLANNING DEVELOPMENT

Spokane – 'Keeping the Lights On'

- CoC HMIS project – distribution of HMIS specific funds amongst multiple CoC Program grant awards is a great way to have spenddown problems.
- Licensing model and fee schedules – most vendors offer either a fee per license or a concurrent licensing model, but what is best?
- The Power of Collaboration – the Spokane HMIS Team partners with other communities, that use the same HMIS platform, to jointly fund HMIS priorities.
- Advocacy matters – when making the argument for funding, we've always relied on the following formula: Strong HMIS = Better Business Intelligence = Better CoC Performance.
- Use your HMIS Committee!

HMIS or CMIS?

- Expanding beyond what is considered 'traditional' homeless projects opens up new opportunities for funding and can create opportunities to enhance the abilities of a CoC's HMIS that benefit all:
- Example – Zone Project: this two generation-based service model, funded by a private philanthropic organization, led to the development of greatly enhanced goal tracking and client self-assessment capabilities;
- Example – Youth and Veterans By-Name-Lists: through a partnership and funding from Away Home Washington the team is currently developing 100% HMIS-based, dynamic, by-name-lists.
- Example – Medical Providers: medical respite projects and partnerships with medical providers are a great way to fund HMIS enhancements and improve outcomes for clients.

Q & A
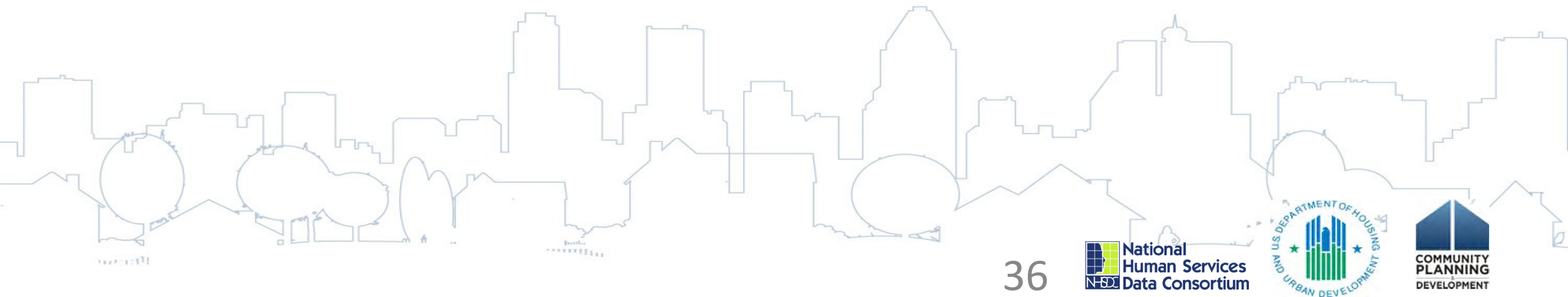
Regulations

HMIS Financial Regulations

CoC Homeless Assistance Program
- 24 CFR 578.57

Emergency Solutions Grants
- 24 CFR 576.107
- https://www.hudexchange.info/trainings/courses/covid-19-planning-response-office-hours-mega-waiver-and-cares-act/

Federal Funding
- OMB Super Circular 2 CFR PART 200 — Uniform Administrative Requirements, Cost Principles, and Audit Requirements For Federal Awards

Useful Tools and Products

- Other NHSDC Sessions (when available):
- ✓ Project Management & Annual Calendar of HMIS Expectations
- ✓ HMIS Lead Staffing
- Imminent: Updated HMIS Lead Staffing and Resourcing Toolkit
- The old one: https://www.hudexchange.info/resource/1710/hmis-budgeting-and-staffing-toolkit/
- http://www.ncset.org/publications/essentialtools/mapping/NCSET_EssentialTools_ResourceMapping.pdf
- SPM by Year & CoC: https://www.hudexchange.info/resource/5691/system-performance-measures-data-since-fy-2015/

Contact Information & Follow Up

Name	Email Address
Mary Schwartz	Mary_Schwartz@abtassoc.com
Eric Gammons	egammons@tacinc.org