National data show vast racial disparities in who experiences homelessness and, in some instances, the outcomes within homeless systems. COVID-19 has amplified the historic and current racial biases and discrimination embedded in our systems, processes, and practices. A community's response to COVID-19—particularly the way they plan for and spend their Coronavirus Aid, Relief, and Economic Security (CARES) Act funding—is an opportunity to address the racial disparities in the homeless response system.

Jurisdictions should take steps at the beginning of the process to appropriately address racial inequities in planning and procurement. This document will provide recommendations on the changes jurisdictions can make to their procurement processes to expand or change the types of organizations involved in service delivery to include smaller community-based organizations and those led by people of color. Making these changes will:

✔ Reduce barriers reported by these providers in existing procurement processes, including smaller overall budgets, less access to funding, and less access to government grants;[1]
✔ Increase the availability of culturally appropriate services in areas of need; and
✔ Ensure services are delivered by organizations best equipped to meet the needs of marginalized populations and communities that have been disinvested in.

Set goals to increase equity in the procurement process

Setting goals explicitly related to increasing racial equity and identifying the metrics to evaluate progress should be part of the overall planning process in the community and not an afterthought. Implementation may fall primarily to state or local government staff but establishing goals and identifying strategies to help meet them can and should involve a wider array of stakeholders, specifically Black people, Indigenous people, and people of color experiencing homelessness. Communities should have a broad, inclusive planning body thinking through these questions. See Untapped Expertise: Strategies for Inclusive Stakeholder Engagement When Developing Your Coordinated Investment Plan.

The goals should be specific, measurable, attainable, and time-bound, and they should allow for evaluation. Ways to evaluate increased equity in the procurement process include measuring whether the community was able to:

✔ Expand contracts to a larger number and percentage of provider organizations led by, and specifically serving, communities that have been underrepresented or poorly served;
✔ Expand contracts to more programs located in, or deeply connected to, areas with significant populations of targeted racial or ethnic groups;
✔ Achieve equitable funding allocation to provider organizations led by, and specifically serving, communities that have been underrepresented or poorly served;
✔ Increase program enrollments from people in previously underserved racial and ethnic groups; and
✔ Improve performance outcomes for people from underserved or poorly served racial and ethnic groups.

Identify disparities and gaps in provider organizations and neighborhoods

Through an equity-focused data analysis you can discern which populations, based on race and ethnicity, you currently do not reach or serve well. The analysis can also identify whether there are geographic disparities or gaps in the locations where your system offers services as compared to those areas identified as being where people are not being reached or served well. To complete this step:

Use your local data

First, you should know which populations you currently do not reach or serve well. The HUD Continuum of Care (CoC) Analysis: Race and Ethnicity Tool (which looks at Census and Point-In-Time Count data) and Stella Performance (which looks at Homeless Management Information System [HMIS] data) can help you identify which racial and ethnic groups are over-represented in local homelessness and which racial and ethnic groups have poorer housing stability

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[1] "Nonprofit Executives and the Racial Leadership Gap: A Race to Lead Brief", 2019

outcomes or higher rates of return to homelessness. Using this information can help your community to see the disparity between the general population, people in poverty, and people experiencing homelessness.

Next, focus on geography. This will help you understand how well your system is currently set up to serve those most in need. In many communities, the majority of people newly entering homelessness come from specific low-income communities where poverty is concentrated. In contrast, homeless services are often concentrated in downtowns or other neighborhoods.

To determine if you have a geographic gap, look at homelessness, poverty, and eviction data by zip code and compare it to the programs you have in your Housing Inventory Count (HIC). Data sources to explore include:

✔ Reports from the Joint Center for Housing Studies on communities where people are severely rent burdened and where the lowest average household incomes are;
✔ Information from your Public Health Department to identify the most frequent race, ethnicity and geography where COVID-19 patients are coming from; and
✔ HMIS data on the zip code of last permanent address.

From the above steps, develop a list of the ethnic and racial groups you need to prioritize for outreach and a list or map of the geography you need to do a better job of covering.

Look at the composition and location of the organizations with which you currently contract

Now that you know who is being underserved or poorly served, you should see if the organizations you typically work with are well-equipped to serve those target populations and advance racial equity. It is especially important to determine if they have the trust and credibility with the community they intend to serve, and to identify what strategies are used to engage with the community.

To determine whether your contractors meet these needs well, you can assess currently contracted agencies for:

✔ Whether their organizational composition reflects the populations they serve in addition to those identified in your assessment, including the racial and ethnic makeup of the Board of Directors, staff (particularly at the leadership and management level), and of any community or other advisory boards;
✔ What their historic documents, mission statement, or website say about their connections to the communities you want to serve;
✔ The racial or ethnic historical outcomes the organization has achieved as evidenced by qualitative or quantitative data;
✔ What plans the organizations have to improve their diversity and representation; and
✔ How accessible the organization is to the community (including things like hours in operation, locations, staff capacity, and intake ability).

Get feedback from the field

If you find that the organizations that you contract with are not reflective of the populations and geography you need to be serving, you may want to find out why that is. Reach out to organizations that have not applied or have ceased to apply for funding to determine:

✔ If they know about the opportunities to apply;
✔ If potential applicants find your process difficult;
✔ If they know about the opportunities to apply;
✔ If you have lost potential contractors in the past;
✔ Whether your ranking and rating criteria create structural barriers and promote implicit bias to accessing these funds; or
✔ Whether the makeup of your ranking and rating committee supports inclusion of smaller community-based organizations led by non-white leaders.

Answers to these questions will help you to see where specifically the local process puts up barriers or creates obstacles for organizations that serve the communities you need to better address.

Expand the pool of potential subrecipients

Many communities have a small or consistent group of vendors that they typically work with which does not change much from year to year. HUD has allowed additional time for recipients to obligate ESG-CV in order to identify organizations with the experience to address the impact of COVID-19, including organizations new to receiving ESG funding (Section III.B.1). However, simply posting to a website and sending out emails to the usual vendor list will not result in an inclusive outcome reaching a broader group of organizations.

To ensure a diverse and robust group of vendors to partner with, consider implementing a policy change that supports your commitment to using the broadest list that you have access to and highlights your efforts to reach new partners.

Below are some examples of how to expand your outreach but you should ***use the expertise of your local planning group to help you identify other venues and organizations***.

Seek out new organizations and potential partners

Seek out community organizations providing mutual aid resources and direct cash assistance in response to COVID-19 and the current employment crisis. Seek out wisdom and collaboration from organizations and individuals who are bridging the gap due to loss of employment and income, addressing the mental health and well-being of community members, coordinating elder supports, and creating new forms of community due to physical distances.

Examples of organizations that can help you connect to organizations that you do not yet know, or reach communities you want to ensure are accessing opportunities for engagement, include:

- ✔ Chapter organizations such as the Urban League, NAACP, and the YWCA;
- ✔ Black, Hispanic, and community Chambers of Commerce;
- ✔ Community newspapers;
- ✔ Associations of Faith Communities;
- ✔ Black, Latinx, and other professional and industry organizations; and
- ✔ United Ways, Community Foundations, and other Philanthropies.

You can ask these community partners for help with reaching new players by:

- ✔ Requesting access to their mailing lists, or asking their leaders to send out notices on your behalf;
- ✔ Posting notices to their websites as well as your own;
- ✔ Asking them to co-host your events; or
- ✔ Asking to include these organizations in your list of recipients for newsletters.

Learn from people with lived experience

Another way to learn about potential organizations to include in your outreach is from people with lived experience of homelessness. Ask members of your advisory group or hold focus groups with people with lived experience that address:

- ✔ Where they go for help; and
- ✔ What community organizations they value or trust, and why.

Attract new applicants including subrecipients/subcontractors

To bring in new vendors and contractors, you will need to not only expand the pool of potential applicants but attract bids and applications.

Avoid jargon in describing services

Make your process welcoming and attractive to new players. One strategy is to avoid jargon or bureaucratic words that may be barriers. Community organizations may already provide similar services or support for what you need, but it may be difficult to see the fit. Describe the services that you want in terms that resonate with people who may not yet be familiar with HUD and the homeless system terminology. For example, you may want to describe your prevention programs as programs "to help people stay in their homes" or rapid re-housing as programs that "support families and individuals to move into housing."

Also, remember there are fewer requirements with the CARES Act funding, so things that may have been a barrier in the past may not apply. For example, there are no match requirements, so organizations applying to provide services will not need to secure other resources in order to participate in this opportunity. Be sure your materials reflect this clearly.

Break services apart to attract new players

Federal requirements for being a recipient or subrecipient can be difficult for organizations to meet the first time. To attract a larger applicant pool, you may want to break some services apart so smaller and nontraditional contractors can be successful bidders and help you meet your goals. For example, if you are contracting for rapid rehousing using CARES Act Emergency Solutions Grants (ESG-CV) funds, you may want to seek a range of organizations that provide the services for client households and identify a central administrator for the rental assistance funds.

Hold open pre-application meetings and bidders' conferences

Hold bidders' conferences that expand beyond laying out the application requirements and that also include time for an overview of the program types, discussion, and questions. If meetings are being held in person, hold them in places that are accessible to the communities you want to serve (e.g. large public spaces like a school, church, or

community center). For meetings that are held virtually, ensure they are well advertised and provide directions (and training if necessary) on how to access the platform. Also ensure that you work with platforms that do not require a login/account, and that the meetings/conferences are recorded and distributed widely afterwards.

Encourage subcontracts

Another way to bring in new applicants is to encourage subcontracts. Larger, more established organizations can be encouraged to subcontract for specific services or to serve certain groups. For example, a large organization that conducts street-based outreach could subcontract with a smaller organization for work with a certain target population or in specific neighborhoods. The subcontracted services could include less paperwork and could be designed to build on the provider's current relationships.

Be sure to be clear about the difference between a subrecipient, which typically carries all the federal requirements, versus a contractor from whom you are "purchasing" distinct services. (For more information, see this SNAPS-shots brief regarding using contractors in the ESG and CoC programs.)

If you encourage the use of subrecipients or subcontracting, make sure both parties understand this is intended to be a path to eventually be able to apply for more roles or to act as a lead contractor in the future.

Some organizations that already contract with you may feel that a requirement to subcontract puts them at risk or in a role that is challenging for them to support. Supporting both parties by offering a greater share of administrative dollars may encourage these partnerships to form and be successful.

Reduce barriers in the selection process

The bidding/application and selection process is designed to help you determine if the proposers can deliver what you need. You may need a variety of information to make decisions and conduct a fair process but be certain that the process you typically use is not unnecessarily burdensome.

Reduce reliance on proposal writing to assess

For example, sometimes long proposals with many questions, narratives, and complex assembly steps are burdensome, especially for smaller organizations that do not employ full-time development staff or grant writers. Do not make it a proposal-writing contest. Reducing the length of the application and using other methods to learn about the organization may help. Another way to reduce barriers is to limit the amount or type of experience an organization must have to apply. Allow for different but similar experience to count, or the experience of board members and leadership staff.

Allow for interviews and discussion

Most communities convene a review panel or board to review applications and make recommendations. Ensuring that the panel is representative is critical. The panel can review the proposals and also interview the bidders. Some of the content can come out in discussion. For example, some communities in the Youth Homelessness Demonstration Project (YHDP) have had youth advisory boards interview applicant organizations as a key part of the selection process.

Support success of new subrecipients or subcontractors

Once you have paved the way for new partners and organizations to apply and be awarded, you want to make sure that they are successful.

Establish clear and frequent communication

Onboarding of funded partnerships with newer providers can and should include additional training and support of administrative requirements (e.g. record-keeping, reporting and audit requirements) and related legislative guidance. Offer a kick-off meeting, one-on-one if possible, for any new contractor that includes participants chosen by the organization's leadership. Review the contract expectations not only for services, but for documentation, reporting, and billing.

Let them know you are delighted to be working with them and what is most important to you in maintaining the relationship in terms of expectations, documentation, and communication frequency and methods. Emphasize that questions or concerns are welcome throughout the process, and that your intent is to offer support where needed. Listen to any concerns they have about working with you and provide requested information. You may also want to plan a periodic check-in during the first period of the contract.

Consider creating dedicated capacity within your agency or in the homeless response system for training and to help organizations with monitoring and reporting. You may want to establish a "help desk" that can respond to questions or concerns, either within the ESG contracting organization or by a third party.

Partner with other community groups who can help build capacity

Partner with a local community foundation, an anchor university, or other philanthropy that can provide additional infrastructure support to allow a smaller organization to focus on community engagement and service delivery.

Some community foundations may make resources available to help build the capacity of new or emerging organizations, or they may agree to do so for organizations that are receiving new contracts or new opportunities. Anchor institutions and universities may also support capacity building or host conversations about how to support the building of strong community-led organizations. It can take time to build these relationships, but starting with community groups who may already provide community support and sharing your goals can help you get there faster. Ask your community foundation or local university:

✔ If they provide any technical assistance to community organizations and, if so, what organizations or types of organization can they support; and
✔ Whether they can offer technical assistance to organizations that receive CARES Act funding.

A note on "capacity": Frequently, the assessment of capacity refers to an organization's ability to follow administrative requirements and participate in the "business as usual" process and activities compared to existing contracted organizations that are typically larger, white-led, and well-resourced. When determining assessment, the intention should be to prioritize organizational capacity to deliver the funded service in a culturally responsive and competent way. Additionally, any identification of resources through partnership or subcontracting options should complement the organization's strengths and credibility with the targeted community.

Prepare in advance for monitoring

At some point in the contract you will need to monitor the performance of your subrecipients or subcontractors. Provide clear expectations, including what you will be looking for when you monitor. For example, share your monitoring tool and provide a self-review checklist. You can encourage the provider to raise any concerns that emerge in a self-review with you in advance so that you can help suggest solutions and responses. Consider hosting a training on the process to explain the rationale for the monitoring visit in the big picture, how to prepare for the monitoring visit, how to leverage the checklist, why items on the checklist are included, what the monitors will be looking for, and what happens in the event there are findings. Increased transparency and rationale ensure a more inclusive and successful process.

You may also want to conduct an earlier site visit or rehearsal monitoring before scheduling a formal one. Let the subrecipient know what you will be looking for and how organizations typically prepare for monitoring. In most cases, if there are concerns during a monitoring you can allow for corrective action to be taken before making any findings.

Conclusion

Broadening the range of organizations that you contract with can help your community meet goals for increased equity and reduction of disparities. As you work to secure CARES Act funding to support those most in need, you can simultaneously make progress in expanding the organizations you work with and, therefore, the amount of people you are able to reach.