

Homeless Management Information Systems Budgeting and Staffing Toolkit:

Resource and Cost Planning for a
Sustainable HMIS Implementation

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Introduction

In 2001, the Department of Housing and Urban Development (HUD) made implementation of Homeless Management Information Systems (HMIS) an eligible expenditure of Continuum of Care (CoC) Supportive Housing Program (SHP) funds. Over time, many CoCs have applied for and been awarded grant funds for implementation of HMIS. While HUD has provided guidance on the use of funds, including eligible expenses (e.g., staffing, operations, purchase of hardware/software, and data analysis and reporting) and ineligible costs (e.g., planning costs and software development), HUD has also encouraged individual communities to assess their own needs and potential resources to meet local HMIS goals.

Costs for HMIS implementation will vary according to CoC size and geography; project scope, goals and objectives; implementation status; and a variety of other local community factors. There is no “one size fits all” staffing and budgeting model, and this document will not provide CoCs with the ultimate answer of “What does it cost?” Rather, it will guide a community through an examination of the array of costs and resource considerations that may be applicable to their implementation, both currently and into the future.

This document provides an overview of eligible activities that can be funded within SHP budget categories, presents a variety of funding strategies, and discusses alternative staffing models. Appendices (attached) also include an “HMIS Budgeting Analysis Tool” and an “HMIS Staffing Effort Analysis Tool” to assist communities in identifying the funds and staffing needed to support successful HMIS implementation.

I. Resource Identification and Diversification

Diversity of Funding

As HMIS implementations have matured, data collection and reporting requirements have changed and become more robust. As other federally-funded homeless programs have expressed interest in utilizing HMIS, communities have strategically begun to diversify their funding streams to ensure the continued availability and functionality of the HMIS for its stakeholders. Diversification of HMIS funding is critical to ensuring that HMIS implementations have sustainable resources to meet the operational demands of new programs (e.g., Homelessness Prevention and Rapid Re-Housing Program (HPRP), and the McKinney-Vento as amended by the HEARTH Act), and to reduce the risk of operational resource shortfalls resulting from potential decreases in funding. For example, many HMIS projects rely heavily upon SHP funds. Reliance on a single resource increases risk for HMIS viability if financial resources are reduced or lost and can put the CoC at-risk of non-compliance with HUD’s HMIS requirements.

Securing funding from diverse sources helps to strengthen the viability of an HMIS project and reduce risk. Planning for the long-term viability of operations for HMIS has become a priority for many communities that have begun to identify innovative HMIS financial sustainability strategies. With a reduction in HPRP funds anticipated and a shifting landscape under

implementation of the HEARTH Act, the need to review HMIS resource needs is critical to ensuring future viability.

II. Primary Funding for HMIS Implementation

Annually, HUD publishes guidance in the CoC Notice of Funding Availability (NOFA) on applying for grant dollars for HMIS implementation. There are multiple funding options that a community can employ to fund their HMIS. Below are examples of primary HUD-based sources that communities might consider.

HUD CoC Competitive Funds: The Bedrock of HMIS Funding

Coc competitive Supportive Housing Program (SHP) funding can be used to fund HMIS operations in two ways. It should be noted that these funding options are not mutually exclusive and communities should consider all of these methods, including:

- Dedicated HMIS SHP grant; and
- SHP Administration Funds.

Dedicated HMIS SHP grant: Nationally, this grant type is the predominant funding source for HMIS projects. Funding is renewable annually and requires a 20% cash match (a full description of eligible costs is presented in Chart 1, on the following page). In 2009, dedicated HMIS grant awards accounted for 3.1% of the \$1.147 billion awarded in SHP funding.

CoCs still in Preliminary Pro Rata Need (PPRN) status can use available Pro Rata Need to apply for a dedicated HMIS grant. In addition, both in the 2010 CoC competition and, presumably, moving forward, CoCs in Hold Harmless Need (HHN) status¹ are able to use the “HHN reallocation process” to re-allocate existing funding to support a new dedicated HMIS grant.

If a CoC already has a dedicated HMIS grant, but needs additional funds to cover increased HMIS costs (e.g., the addition of new participating agencies, or new activities, such as data analysis), the HMIS grantee can consider applying for an HMIS SHP expansion grant. To apply for an expansion grant, there must be funds available in the Pro Rata Need or through the HHN re-allocation process. In this scenario, the CoC would submit two HMIS

grant applications. The first would be a renewal application for the existing HMIS SHP grant, and the second for the expansion grant. The expansion grant is a separate, new application to request increased funds for HMIS activities. Key considerations in deciding the viability of an HMIS expansion grant application include both the challenge of meeting cash match requirements and competition with other new projects for limited funds.

Important Tip!

The number of years of funding actually applied for (1 or 2) should be based upon a balanced assessment of dollars needed per year versus the stability of a multi-year grant.

¹ Hold Harmless Need (HHN) occurs when the PPRN is less than the sum of the annual renewal amount.

Chart 1. HMIS Eligible Costs

HMIS Category	HMIS Activity
Equipment:	<ul style="list-style-type: none"> • Central Server: servers to run applications, host the live database, and backups • Personal Computers: computers, printers, scanners, surge protectors, etc. for HMIS staff • Networking: equipment for internet connectivity and networking for HMIS staff (routers, modems, switches, cabling) • Security: routers, switches and other hardware-based access controls, access tokens or locks, costs for locked and keyed entry to server location, physical location and alignment of personal computers, locked solutions for storing intake and other paper forms, video surveillance
Software:	<ul style="list-style-type: none"> • Software/User Licensing: licensing fees for security software (firewalls, encryption, virus protection, PKI) and HMIS software user licenses • Software Initial Purchase: initial purchase of security and HMIS software • Software Installation: installing and configuring software, consultant costs • Support and Maintenance: supporting and maintaining the software and hardware, consultant costs • Supporting Software Tools: purchase and ongoing licensing for supporting software tools (MS Office, operating system, external data analysis and reporting tools)
Services:	<ul style="list-style-type: none"> • Training by 3rd Parties: providing trainings on HMIS conducted by 3rd parties • Hosting and Technical Services: technical services of a 3rd party (other than the HMIS software solution provider), may include physical hosting of the central server and hardware on which the HMIS application resides and troubleshooting of central application being hosted, monitoring system performance, maintaining security, performing backups and restores • Programming- Customization: customization to the HMIS software, developing interfaces, either by the HMIS software solution provider or a 3rd party vendor • Programming- Data Conversion: conversion of data formats (i.e., CSV format to XML format) for system migration or integration • Security Assessment and Set-up: 3rd party assessment of and refinement to the HMIS security, including hardware and software assessment and policy and procedure development • Online Connectivity (Internet Access): initial and ongoing connection to the internet, other than hardware and software noted in Equipment and Software • Facilitation: facilitators to manage discussions between stakeholders • Disaster and Recovery: developing a disaster and recovery plan that is facilitated by a 3rd party
Personnel:	<ul style="list-style-type: none"> • Project Management and Coordination: FTEs associated with managing and operating the HMIS • Data Analysis: FTEs associated with data analysis and reporting • Programming: FTEs associated with internal programming • Technical Assistance and Training: FTEs associated with developing and conducting training as well as travel and registration expenses for attendance at HMIS related trainings • Administrative Staff Support: FTEs associated with support HMIS staff
Space and Operations:	<ul style="list-style-type: none"> • Space Costs: costs associated with the location of the central servers and HMIS staff • Operational Costs: ongoing operations, including staffing, hardware maintenance, electricity, software procurement, storage rental and security (operational costs are usually calculated quarterly or annually)

SHP Administration Funds: Each SHP grantee may use up to 5% of their grant for administrative costs, including the preparation of HUD reports, provided that the HMIS is used to collect the data necessary to complete those reports (e.g., Annual Performance Report, Annual Homeless Assessment Report). Use of SHP administration costs for HMIS typically need to be split between the project applicants and the HMIS grantee or administering agency. Grantees using this approach should discuss their plan with their HUD field office to ensure that administrative funds may be used for the particular HMIS costs and to validate that SHP administration funds are not used as cash match for the dedicated HMIS grant.

HUD HPRP Funds: Maximizing Use of Time-Limited Funds

The Homelessness Prevention and Rapid Re-Housing Program (HPRP), funded under the American Recovery and Reinvestment Act (ARRA) infused communities with much-needed funding for homelessness prevention and rapid re-housing activities. HPRP required the collection of client-level data in the local CoC's HMIS,² and allowed grantees to use HPRP funds to pay reasonable costs associated with data collection, data entry, data analysis, and reporting, as well as participation in HUD evaluations of HPRP. For a complete list of eligible and ineligible HMIS costs under HPRP rules, see the HPRP information posted at www.hudhre.info/HPRP/.

Important Tip!
Using HPRP funds for one-time fixed HMIS costs, such as purchasing a server or computers, can benefit the HMIS after the HPRP program ends.

While the supplemental HMIS funding available through HPRP may only cover HMIS costs resulting from expansion for HPRP-related activities (or starting an HMIS if the CoC does not yet have one), HPRP grantees and communities can seize this opportunity to strategically invest in capacity-expansion of the HMIS, if practical to do so. Expansion opportunities may include purchasing HMIS equipment (e.g., servers, routers, computers, etc.) and covering related connectivity needs, or developing report formats useful for ongoing data analysis, which will benefit the HMIS project and the community beyond the term of HPRP.

Many HPRP grantees budgeted for HMIS-related costs as an element of the required submission of Substantial Amendments to the Consolidated Plan in 2008. The process to alter the amount of funding devoted to Data Collection and Evaluation under the Substantial Amendment, following initial approval, depends on what the local Citizen Participation Plan has established as necessary. As in SHP, HPRP grantees should work closely with their HUD field office when considering shifting funds to ensure that proposed costs and activities are eligible.

Communities where HPRP funds are now supporting primary HMIS costs (e.g., staffing for data entry, data analysis, and reporting activities), should be planning for the expiration of HPRP funds after 2012. Especially in these circumstances, CoCs should explore other non-SHP funding options for HMIS to help transition these ongoing costs to new funding sources.

² Victim service providers are prohibited from entering Personal Protected Information into the HMIS per the Violence Against Women Act (VAWA) but are required to collect and report data to grantees from an HMIS comparable database for HPRP.

Other HUD Funding Options to Support HMIS Implementation

While SHP and HPRP have been the primary sources of HUD funding for HMIS, many CoCs have successfully tapped into other HUD funding sources to support HMIS implementation. Among these options are the following:

Emergency Shelter Grants (ESG) Program: While ESG historically has not required that its recipients participate in HMIS, the ESG Program has always allowed funding to be used to support HMIS. Under the McKinney-Vento Act as amended by HEARTH, the current ESG program has been renamed the Emergency Solutions Grant program. Under the new law ESG recipients (whether providing emergency shelter, rapid re-housing, or homeless prevention services) will be obligated to participate in the local CoC's HMIS. In this context it is appropriate for ESG funding – both under current rules and the new law -- to be used to support HMIS projects (<http://www.hud.gov/offices/cpd/homeless/programs/esg/>).

Housing Opportunities for Persons living with AIDS (HOPWA): HOPWA projects that target homeless persons are required to participate in HMIS. Because of this, HOPWA funds may be used to support the cost of HMIS participation for these projects (<http://www.hud.gov/offices/cpd/aidshousing/programs/>).

Community Development Block Grant (CDBG): These flexible funds can be used to pay for planning, implementation, and operations of a community's HMIS. Many communities use CDBG funds as the source of cash match for a dedicated HMIS SHP grant. CDBG funding decisions are made by the local or state entitlement jurisdiction responsible for developing and carrying out the HUD-required Consolidated Planning process (<http://www.hud.gov/offices/cpd/about/conplan/>). The CoC should engage the entitlement jurisdictions in their catchment area to ensure that the jurisdiction is prioritizing HMIS funding and that the interests of HMIS are represented annually in the community input process. For more information on the CDBG program, visit: <http://www.hud.gov/offices/cpd/communitydevelopment/programs/>.

Community Examples
ESG: The State of Indiana Housing and Community Development Authority allows grantees to include HMIS fees as an eligible expense in their ESG budgets.
HOPWA: The State of Georgia Department of Community Affairs allows HOPWA grantees targeting homeless persons to use HOPWA case management funds for HMIS fees, hardware, basic software and Internet service.
CDBG: In 2010, the City of Chattanooga awarded \$34,000 in CDBG funds to the Chattanooga Homeless Coalition to cover the annual cash match for the CoC HMIS grant.

Below (see Chart 2) is an example of a strategy that relies on diversifying funding to address increased HMIS operating costs or to replace funding that is ending.

Chart 2. Funding Diversification Strategy 1- Broaden Investment

Additional grants cover increased costs or replace time-limited funding: CoC expansion grant and federal sources replace HPRP funds and cover costs for adding ESG and PATH programs.

Current HMIS Annual Operations Budget		Planning phase to replace HPRP with new funds →	Future HMIS Annual Operations Budget	
\$100,000	CoC Grant 1		\$100,000	CoC Grant 1
\$50,000	HPRP Grant	\$50,000	County Match	
\$50,000	County Match	\$40,000	CoC Expansion Grant	
		\$10,000	PATH Funds	
		\$20,000	ESG Funds	
\$200,000	Total Budget	\$220,000	Total Budget	

Federal Sources Other Than HUD: Expanding HMIS Funding Opportunities

There are many federal programs outside of HUD that serve persons experiencing homelessness or other overlapping populations. Among these are:

- Department of Health and Human Services (HHS)
 - Substance Abuse and Mental Health Services Administration (SAMHSA)
 - Projects for Assistance in Transition from Homelessness (PATH)
 - Administration for Children and Families
 - Runaway and Homeless Youth (RHY)
 - Social Service Block Grant (SSBG)
 - Community Service Block Grant (CSBG)
- Department of Veterans Affairs (VA)
 - Veterans Affairs Homeless Funds
 - Grant and Per Diem Program (GPD)
 - HUD- Veterans Affairs Supportive Housing (HUD-VASH)
 - Supportive Services for Veteran Families (SSVF)

Integrating these programs into the HMIS not only provides more complete data for local planning and analysis, but can also lead to the streamlining of data collection and reporting requirements for local providers who use HUD funds in conjunction with their other activities. Each of these federal programs should be explored fully for potential expansion of funding to support HMIS operations.

Projects for Assistance in Transition from Homelessness (PATH): The PATH program funds community-based outreach, mental health and substance abuse services, along with case management and housing services, for persons who are experiencing homelessness in conjunction with serious mental illness or co-occurring disorders. PATH providers can use PATH funds to support HMIS to the extent that HMIS is used to meet data collection and reporting requirements for the PATH program. Although the use of HMIS is not yet required of PATH grantees, in December 2009, HUD and the Substance Abuse and Mental Health Services Administration (SAMHSA) jointly announced that both agencies are committed to:

- Aligning client-level data collection and reporting for street outreach programs;
- Providing technical assistance and training to facilitate the utilization of HMIS by PATH providers over the next several years;
- Utilizing revised HMIS Data Standards (March 2010) for client-level data collection; and
- Aligning HUD and PATH reporting requirements by establishing common outputs and performance outcomes.³

Community Examples
In the State of Vermont , the PATH program utilizes HMIS and provides PATH funds for the SHP cash match.
In Maricopa County, AZ , the HMIS is assisting PATH providers in the transition to HMIS by purchasing new hardware for them.
In the State of New Jersey , state "general funds" are being used to pay for HMIS, including PATH.
In the State of Iowa , 3 CoCs cover all costs for PATH provider participation in HMIS.

Many PATH providers already use HMIS for their SHP-funded programs. As more PATH providers seek to use HMIS as a means to streamline service delivery and decrease the burden of data collection and reporting, HMIS implementations will be able to look to PATH funds as a source of support for the implementation and reporting requirements for PATH grantees.

Runaway and Homeless Youth (RHY): Currently, the Family and Youth Services Bureau (FYSB) at HHS requires their Basic Center (unaccompanied youth emergency shelter services) and Transitional Living Program grantees to submit data on runaway and homeless youth being served by their programs. RHY grantees have access to the Runaway and Homeless Youth Management Information System (RHYMIS), a stand-alone, individual PC-level database that shares many of the same data elements as HUD's HMIS. While RHYMIS offers free software, its utility is limited to the capture and transfer of data using a specific data transfer protocol, and it does not embody the robust case management and data sharing tools that are available through HMIS. Many Basic Center and Transitional Living Programs also participate in HMIS. Some grantees actually prefer to use HMIS for its case management capacity and to collect and report RHYMIS data, thereby avoiding duplicative data entry. FYSB has indicated to its providers that they can use any system they prefer, provided the RHY data can be exported in the proper, de-identified format for transfer to its national data warehouse. FYSB RHY program funds may be

³ U.S. Department of Housing and Urban Development. "Data Collection & Reporting Standardized for SHP and PATH." Online posting. 12/22/2009. Homeless-asst-listserv@hudlist.hud.gov.

used to support the costs of computer software, including HMIS licensing and support fees, as well as computer equipment, provided RHY data is being collected and reported from the HMIS (<http://www.acf.hhs.gov/programs/fysb/content/research/RHYMIS.htm>).

Community Services Block Grant (CSBG): The CSBG program, administered by the Administration for Children and Families (ACF) at HHS, supports the nation's network of Community Action Agencies (CAA), which have long provided a broad range of human services to low-income populations, including persons experiencing homelessness. CAAs are required to collect and submit data on clients served and to report on performance outcomes within the Results Oriented Management Accountability (ROMA) system. In many locales, CAAs also participate in the CoC and have CoC grants. CSBG funds can be used to support HMIS, particularly to avoid duplicative data entry, where the CAA is an integral member of the CoC.

Community Examples
CSBG: The Community Action Partnership of Solano, CA is the lead agency for the Solano CoC and the HMIS. The agency integrates CAA and HMIS data collection in one system and CSBG funds provide the cash match for an HMIS SHP grant.
SSBG: The State of Arizona Department of Economic Security directed SSBG funds to support the initial planning of HMIS.

Social Services Block Grant (SSBG): SSBG funding (also administered under HHS) is distributed to states and covers a broad and flexible range of social services. In many states, SSBG funds have been used to support HMIS activities. (www.acf.hhs.gov/programs/ocs/ssbg/index.html).

VA Homeless Funds: The U.S. Department of Veterans Affairs (VA) serves homeless veterans through many programs, including the Grant and Per Diem (GPD) program, domiciliaries, and, in partnership with HUD, the Veterans Affairs Supportive Housing (HUD-VASH) program. As HUD and the VA have jointly announced, the use of HMIS will be required for VA homeless assistance providers, beginning in 2011. ⁴ In accord with this announcement:

- VA-funded homeless assistance providers will begin participating in the local HMIS within each CoC;
- VA Grant and Per Diem (GPD) providers may be expected to begin HMIS participation no later than March 31, 2011; and
- Other VA-funded homeless assistance programs, such as HUD-VA Supportive Housing (HUD-VASH) and Supportive Services for Veteran Families (SSVF) will begin HMIS participation later in 2011.

It is also anticipated that these VA homeless programs will allow a portion of their funding to be used to support the costs of HMIS.

⁴ U.S. Department of Housing and Urban Development. "VA Initiates Participation in HMIS for VA-funded Programs." Online posting. 12/30/2010. Homeless-asst-listserv@hudlist.hud.gov.

State and Local Government Funds: Tried and True Partners

Many state and local governments have supported HMIS implementations and operations through varied and creative use of funding sources, including general revenue, mental health program, and bond funds. Several state governments have invested significant resources by spearheading statewide or regional HMIS implementations. In these cases, a state agency often provides financial and/or in-kind support to help plan, implement, and administer HMIS. Frequently, state or local governments also provide in-kind support, including staffing, technical system administration, equipment, and space for personnel and systems. Some have collaborated on cost-sharing formulas among governments within a geographic area covered by a single HMIS implementation.

Private Foundations: Tapping the Philanthropic Spirit

Private foundations interested in funding initiatives that address homelessness, systems integration, access to care, capacity building, and technology can also be viable funding sources. Private grants can be used for all phases of HMIS development and operation. One-time grants may be useful for targeted technical assistance and training for agencies; consumer initiatives to promote involvement; and capacity building, equipment, software, and database development costs. One-time or short-term grants are often easier to obtain from private funding sources than ongoing operational grants. Foundations that focus on using technology for social causes or services may be good sources for HMIS projects, especially those projects that need only one-time donations or funding -- for hardware, software, or research.

Community Examples

The **State of Minnesota** Interagency Task Force on Homelessness coordinates annual discretionary funding for the statewide HMIS from seven agencies: Education, Human Services, Veterans Affairs, Veteran's Home Board, Health, Corrections, and Housing Finance.

The **State of New Jersey** operates the statewide HMIS, has CoC grants, and secures match funds from two state departments—the Community Affairs and Human Services.

The **County of Santa Cruz, CA** and its four cities use a cost sharing formula based upon the U.S. Census data to determine the relative population of each participating jurisdiction.

III. Supplementary Funding Strategies

Sustaining a robust and responsive HMIS over time can be exceedingly difficult without tapping in to supplementary funds. The following sections highlight several ideas successfully being used by communities to augment their primary funding streams for HMIS operations.

Cost Sharing: Distributing the Load

Agency participation and/or user fees can be an effective strategy to cover all or a portion of ongoing operational costs. An HMIS fee structure will provide for direct payment to the HMIS administering agency from participating providers. An advantage to use of an HMIS fee structure is that it does not require cash match if HMIS fees are coming from non-SHP funds.

Charging fees allows HMIS implementations to fairly and equitably base a fee structure on the number of users or the level of effort required for HMIS staff to serve the needs of individual programs.

Important Tip!
Budget line items in non-HMIS SHP grants for HMIS activities cannot be used as cash match for the dedicated HMIS grant.

While cost sharing can be administratively burdensome, communities using this model have found that establishing a standardized fee structure and billing method can both ensure timely receipt of payment and create other real advantages including:

- Increased equity in participation (participants feel they pay a fair share, not covering the entire cost of the implementation);
- Enhanced stability of funding (losing one user or provider will not adversely affect continued operations); and
- Reduced financial burden on providers (sharing fees among participants minimizes the burden).

Community Example 2010 Cincinnati/Hamilton County, OH Sliding Scale Formula	
Agency Budget	Annual Fee
\$250,000 or less	\$475
\$250,000 - \$1,000,000	\$1,900
\$1,000,001 - \$5,000,000	\$2,850
\$5,000,000 or more	\$4,750
Non-HUD-funded agency	\$475

There are numerous ways a CoC can structure cost sharing. A few of the more common methods include:

- 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 SHP, PATH, HPRP, 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 (e.g., agency might pay \$500/year for each licensed user and an additional \$1,000/program/year for that program’s specialized data collection and reporting requirements);
- Sliding scale fee per agency based upon formula (agency pays an annual fee based upon the relative size of the agency’s annual budget, or other formula factor); and
- Agency-paid fee for specific ongoing project costs (e.g., annual HMIS user license fees, equipment maintenance costs, data entry costs, and/or connectivity costs).

Whatever fee structure is employed, the HMIS lead agency must be sure that the structure is both fair and reasonable. The basis for fees must also be well-documented and transparent.

Fees-for-Service: Growing Entrepreneurial

Another way to fill gaps in HMIS project revenue is to use a fee-for-service model -- charging fixed fees for specific services. Service fees may be linked to one-time activities (e.g., implementation of a new program in the system, or one-time analysis of a specific data set) or to ongoing services or benefits that the paying agency requests. This funding strategy provides support to unique and unmet costs. A fee-for-service structure requires careful attention to billing and follow-up. However, most services are likely to be ongoing and standardized, which will simplify the billing demands. Examples of fees-for-service being used by existing HMIS projects include:

- 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.

Chart 3 (which follows) illustrates how such a fee-for-services strategy can both ensure coverage for basic costs and expand operational funding.

Chart 3. Funding Diversification Strategy 2- Institute Fees

Current HMIS Annual Operations Budget			Future HMIS Annual Operations Budget	
CoC A			Planning phase to replace HPRP with user fees and fee for service (e.g., custom reports or added functionalities) 	CoC A
\$40,000	CoC Grant	\$40,000		CoC Grant
\$20,000	County Match	\$20,000		County Match
\$15,000	HPRP Grant	\$0		HPRP Grant
		\$12,000		User Fees
CoC B (Balance of State)		CoC B (Balance of State)		
\$40,000	CoC Grant	\$40,000		CoC Grant
\$25,000	State Match	\$25,000		State Match
\$15,000	HPRP Grant	\$0		HPRP Grant
		\$12,000		User Fees
		\$19,000	Fee for service	
\$155,000	Total Budget	\$168,000	Total Budget	

Planning for Funding Diversity

As previously noted, diversified funding can help ensure the long-term viability and success of an HMIS implementation. A lack of diversification can lead to funding shortfalls and, if the primary funding source is significantly reduced or eliminated, potential project failure. Diversified funding reduces these risks and lessens the burden felt by the CoC. Diversified funding also gives potential funders more confidence in the HMIS and creates the basis for long-term project growth and success.

Funding diversification is a process that requires commitment from key stakeholders, a proactive plan or strategy, and a commitment to the hard work necessary for achievement of the plan's goals. As funding diversification takes time, planning and development should occur long *before* there is a fiscal crisis in the HMIS implementation. The following approach describes key elements for any successful diversification strategy – including cultivation of stakeholder buy-in, proactive planning, and nurturing the commitment of cooperation needed to achieve established goals:

Step 1: Build stakeholder buy-in

- Build consensus among CoC leadership, HMIS project staff, and participating agencies that funding diversification is a key for continuing success.
- Consider forming an HMIS funding committee or sub-committee, composed of persons who can advise on – and assist in – funding strategies.

Step 2: Establish the need for funding diversity

- Establish a clear understanding of current funding sources for HMIS
 - What are they?
 - What/how much do they provide?
 - In what timeframe must funds be used?
 - What is the likelihood of continued availability?
- Develop a reasonable forecast of future funding needs
 - How much is needed?
 - What is needed and when?
- Compare current funding sources to future needs
 - Are there identified funding gaps?
 - Is there realistic risk of losing funding?
 - What would happen if a gap remained unfilled or significant funding was lost?

Step 3: Create a plan for improving the diversity of HMIS funding

- Identify key fundraising and funding diversity goals. Examples of such goals might include:
 - Increase annual operating funds from \$X to \$Y.
 - Replace \$X of HPRP funds (used for non-recurring costs) with revenue from other sources, replacing X% of HPRP funds.
 - Increase the number of distinct contributing funding sources from two to five.

- Examine carefully the funding sources that can be reasonably targeted within the timeframe that funds will be needed:
 - Which sources are most feasible (e.g., applying for a SHP expansion grant in next application cycle to increase data analysis)?
 - Which sources are not (e.g., HPRP funds are not available in 2013 and beyond)?
 - Which sources are most suitable for specific purposes (e.g., non-HUD funds that can be used for SHP match)?
 - Which sources are not (e.g., HPRP funds cannot be used to fund local research projects)?
- Prioritize and target identified sources based on feasibility and utility:
 - Carefully weigh the advantages and disadvantages of each potential funding source (some sources may not be worth pursuing).
- Set specific and realistic dollar objectives and identify lead personnel and timeframes for each funding target.
- Create a clear strategic vision that makes sense given the community's circumstances.

Step 4: Implement the plan

- Determine what exactly needs to be done to secure the targeted funding.
 - What action steps are needed?
 - Who should be contacted?
 - How should the request be made?
 - What buy-in will be needed?
 - Who is responsible for carrying out the action steps?
 - When should key action steps be accomplished (e.g., are there deadlines that must be met)?
- Monitor progress regularly to stay on track. Make adjustments to the plan as needed based upon changed circumstance or lessons learned.

Consolidating HMIS Implementations: Economies of Scale

“Economies of scale” refers to the concept that if the scale of production of a particular product is increased, the per-unit cost of production will go down. This results from efficiencies that are realized by spreading costs through the consolidation of operational requirements. For HMIS implementations, these efficiencies are found when two or more CoCs consolidate their individual HMIS implementations or staffing models into one. For instance, a combined HMIS implementation supported by multiple CoCs would allow for the reduction of staff, software purchase costs, hosting, etc. By consolidating or combining HMIS implementations among multiple CoCs, the HMIS can streamline and diversify cost requirements, enabling scarce resources to be better utilized. For instance, an HMIS consolidation may enable combined funding to support the ongoing operational costs of the HMIS and free financial resources to hire a Data Analyst, which neither implementation could afford individually prior to consolidation.

Important Tip!

Economies of scale can be realized by sharing costs for a particular activity. For example, developing a single custom community report can cost \$4,500 or more (\$75 per hour data analyst x 60 hours); if this cost is split among 25 CoCs, it amounts to only \$180 per CoC.

For some CoCs, the limited availability of funds makes an independent HMIS implementation too expensive to operate. For example, 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. Larger, multi-CoC HMIS implementations make sound fiscal sense because they are able to leverage resources and benefit from economies of scale that are unavailable to smaller implementations. For HMIS implementations that employ program or user fees, a larger, consolidated implementation often means lower per-agency or per-user costs. Chart 4 illustrates, in simplified form, how HMIS economies of scale can work (the costs listed in this example are for illustration purposes only and do not indicate the appropriateness of any of the costs listed for an HMIS implementation):

Chart 4. HMIS Consolidation- Economies of Scale

Independent/Separate HMIS Model		Consolidated HMIS Model	
Each CoC is responsible for all aspects of HMIS, with one FTE at each CoC carrying out all HMIS system administration functions. Model requires a total of 3 FTEs.		Central project meets HMIS requirements for CoCs. Model relies on only 2.5 FTEs in total, who share HMIS system administration functions	
Small CoC A: 1 county 5 agencies 10 programs 30 HMIS users	Single HMIS Budget: \$15,000 - Equipment \$10,000 - Software \$10,000 - Services \$60,000 - Personnel \$5,000 - Operations \$100,000 - Total	Small CoC A: 1 county 5 agencies 10 programs 30 HMIS users	Consolidated HMIS Budget: \$40,000 - Equipment \$30,000 - Software \$25,000 - Services \$150,000 - Personnel \$10,000 - Operations
Small CoC B: 1 county 6 agencies 12 programs 45 HMIS users	Single HMIS Budget: \$17,000 - Equipment \$12,000 - Software \$8,000 - Services \$60,000 - Personnel \$3,000 - Operations \$100,000 - Total	Small CoC B: 1 county 6 agencies 12 programs 45 HMIS users	
Rural CoC C: 8 counties 8 agencies 16 programs 50 HMIS users	Single HMIS Budget: \$15,000 - Equipment \$12,000 - Software \$13,000 - Services \$60,000 - Personnel \$5,000 - Operations \$105,000 - Total	Rural CoC C: 8 counties 8 agencies 16 programs 50 HMIS users	
	\$305,000 Total All		\$255,000 Total
			\$50,000 Cost Savings

There are now many examples of HMIS implementations achieving significant economies of scale by consolidating HMIS functions. For example, the Michigan Statewide HMIS serves 21 CoCs,⁵ over 600 agencies, and hundreds of homeless programs with 4.75 FTEs.⁶ While most of

⁵ 20 single CoCs and one Balance of State CoC consisting of 40 local CoCs

the participating CoCs carry out some HMIS activities locally, the statewide project creates real economies of scale in many ways, including:

- Discounted purchasing for bulk software and reporting tool licenses;
- Shared technology costs, including servers and back-up systems;
- Reduced training costs;
- Coordinated approach to development of privacy and operating procedures;
- Centralized generation of AHAR and PIT counts;
- Shared data analysis and report development costs; and
- Coordinated technical support.

In another example, the Napa County CoC in California was faced with the need to replace its HMIS software solution, but had only a \$19,950 dedicated HMIS SHP grant that covered a part-time HMIS staff person. After evaluating their options, the CoC determined that the most cost-effective solution was to pursue consolidation of its HMIS with neighboring Sonoma County CoC. Napa County CoC agreed to pay Sonoma County CoC for hosting services, HMIS licenses, and data management services. The benefits to the Napa County CoC included partnering with a functional HMIS with established HMIS assessments and procedures; while Sonoma County CoC benefited through a reduction in HMIS participation fees.

Chart 5 (below) provides an illustration of how the consolidation of resources can help to reduce costs for both software and services across multiple CoCs.

Chart 5. Funding Diversification Strategy 3- Consolidate Resources

Resources are leveraged via consolidation of software and services across multiple CoCs: CoC B joins the HMIS of CoC A. CoC A is able to reduce per agency/program participation fees due to increased number of agencies/programs (from CoC B).

Current HMIS Annual Operations Budget		Planning phase to replace HPRP with user fees and fee for service (e.g., custom reports or added functionalities)	Future HMIS Annual Operations Budget	
CoC A (20 Agencies)				CoC A (20 Agencies)
\$100,000	CoC Grant	→	\$100,000	CoC Grant
\$50,000	County Match		\$50,000	County Match
\$50,000	User Fees		\$20,000	User Fees
			CoC B (8 Agencies)	
			\$40,000	City Match
			\$20,000	User Fees
\$200,000	Total Budget		\$230,000	Total Budget

It may also be useful to discuss the potential impact of economies of scale in terms of the varying levels of systems consolidation -- i.e., the more levels of a system that are consolidated, the greater the economies of scale may be achieved.

⁶ Though 4.75 FTE's is sufficient for Michigan it is not a HUD recommendation and it should be noted that HMIS is supported by the State of Michigan.

- Level 1 - Planning: Consolidated HMIS planning and policy development will result in low-level economies of scale;
- Level 2 - Resource Acquisition: Consolidated selection and bulk acquisition of software, hardware, HMIS planning and policy development, and other services will result in higher level economies of scale; and
- Level 3 - HMIS Implementation: Consolidated implementation, operation, staffing, and other services, including planning and policy development, will result in the highest level economies of scale.

Funding Strategies for Mature HMIS Implementations

A mature HMIS is characterized not so much by its age, as by its capacity to collect high-quality longitudinal data and to carry out advanced analysis and reporting. A mature implementation has the functionality to streamline service delivery and to generate reliable reporting that enhances understanding of the local nature and extent of homelessness, both as required by its funding sources and in accordance with the CoC's strategic plan for preventing and ending homelessness. Along with its technical aspects, a mature HMIS system also has distinct budget needs and requirements. A budget for a mature HMIS will reflect:

- Increased emphasis on staffing and reporting;
- Decreased emphasis on equipment and connectivity; and
- Stability among core HMIS implementation costs (e.g., software and licensing).

However, budget stability and resource availability is also dependent on properly identifying and anticipating HMIS needs, their related costs, and the time frames when resources are needed and available. (For tools to assist with HMIS Budgeting, see *Appendix A: HMIS Budgeting Analysis Tool*.) All of the earlier sections in this document offer communities ideas for funding their HMIS implementation. The following section outlines key components designed to ensure that an HMIS implementation is adequately managed and staffed.

IV. HMIS Staffing and Management

Commitment of adequate staffing resources for HMIS is essential for successful implementation of any HMIS solution seeking to fulfill both HUD requirements and community needs. Consider the growing number of responsibilities that HUD has established that require increasing HMIS functionality for data development and reporting:

- Annual Homeless Assessment Report (AHAR);
- Annual Performance Report (APR);
- Data Quality planning, report generation, and monitoring;
- HMIS grant management;
- Housing Inventory Count;
- HPRP Annual Performance Report (APR);
- HPRP Quarterly Performance Report (QPR);
- Integrating/standardizing data from federal programs (e.g., PATH, HUD-VASH, HOPWA, ESG);

- Monitoring HMIS security and privacy compliance;
- Monitoring program compliance with HMIS Data Standards;
- Performance and HMIS sections of the NOFA;
- Point-in-time (PIT) shelter counts; and
- Transitional Annual Performance Report (TAPR, for grants that end between July 1, 2010 and May 31, 2011).

In light of this increase in responsibility, CoCs and HMIS lead agencies should review both levels of HMIS staffing and investment in management resources.

HMIS Management Structures

There are various HMIS Management Structures that utilize either hired or contracted staffing models to oversee HMIS project activities. Chart 6 presents a variety of HMIS staffing and management structures in use by communities throughout the country.

Chart 6. HMIS Management Structures

Management Structure	Description
Project Management and System Administration by a Lead Agency, with Hosting by the Lead Agency or contracted HMIS solution provider:	<p>In this model, a lead agency assumes fiscal and operational responsibility for the HMIS implementation. The lead organization hires a project manager in-house to direct and oversee the implementation of HMIS. The project manager may hire one or more people to be responsible for system administration, technical assistance, or training. The technical infrastructure is supported by the lead agency.</p> <p>In HMIS solution provider hosting scenarios, the lead organization maintains local oversight of the project, but outsources the hosting functions to an outside vendor or partner. Often HMIS staff carry out administrative tasks directly; for example, user account management, database management tasks, application adjustments, and data integration tasks, while the HMIS hosting vendor performs system administration tasks, such as server and database administration, data back-up and recovery protocol.</p>
Contractual Project Management:	<p>In this model, the lead organization hires an individual or organization to take on all or parts of the management duties, including the relationship with the HMIS solution provider. By hiring a consultant, a community can bring in instant expertise in HMIS, limit the learning curve, and benefit from a neutral perspective. In many communities, this role is performed by state or regional homeless coalitions.</p>
Project Management through an HMIS solution provider partner:	<p>In some cases, the organization that develops the HMIS software also acts as the HMIS Lead Agency for the community.</p> <p>In instances where the HMIS solution provider partner and the HMIS Lead Agency are the same, additional protections and limitations must be incorporated into contracts to protect the CoC's interests in the event the HMIS solution is not satisfactory. For each contract, communities must clearly define in advance how decisions will be made; how policies will be developed, adopted, and enforced; and how data will be controlled and used.</p> <p>Communities should also consider that a primary role of the HMIS Lead Agency is to ensure a strong HMIS, make recommendations to deal with poorly functioning HMIS software solutions, and ensure access to data. A management structure where the HMIS solution provider fulfills both roles must be carefully evaluated due to the increased likelihood of conflicts of interest between what is best for the community and what is best for HMIS solution provider partner business preservation.</p>

Management models may vary greatly depending on the goals of the HMIS and CoC, the number of agencies in the system, the size of those agencies, the type of software being implemented, level of integration of data from different data systems required, the type of network utilized, the HMIS budget, the project's political support, individual and agency skill sets, the nature of the lead HMIS organization, and in-kind support available. Many HMIS implementations are under-resourced and, as such, may be operating without needed staffing

To decide on which management model to adopt, and within each model, which staff positions and services to hire or contract for, a community must think through the following questions:

- What do we expect to achieve with our HMIS?
- What tools and resources do we already have?
- What additional resources do we need to achieve our goals?
- What kinds of reports and analyses are we seeking to generate?

The HMIS management structure will affect the staffing for the HMIS Lead Agency; those who host their own HMIS will need more staffing and support than those who outsource it.

HMIS Staffing Structures

In considering core staffing for successful HMIS implementation, the following roles are most critical:

- HMIS Technical Staff
 - HMIS Project Manager
 - HMIS System Administrator
 - Help Desk Support
 - Trainer
- Data Analysis and Reporting Staff
 - Data Analysis Staff
 - Report Generation Staff

A matrix of specific skill sets that the CoC should consider when selecting an HMIS Lead Agency and staff is included in *Appendix B: HMIS Staffing Analysis Tool*.

HMIS Technical Staff

HMIS technical staff typically include the following four key roles: 1) HMIS Project Manager -- responsible for day-to-day oversight of HMIS staff; oversees planning, budgeting, and invoice approval processes; interacts with CoC Leadership; and sits on CoC Executive Board; 2) HMIS System Administrator -- oversees Help Desk Support, assists with planning, develops and provides training, and sits on CoC Data Committee; 3) HMIS Help Desk Support -- responsible for day-to-day support of end users; and 4) HMIS Trainers -- responsible for ensuring that end-users are fluent with the technical aspects of the HMIS software, as well as core policies and procedures (i.e., data collection, security and privacy). These roles may be fulfilled by separate staff persons in larger implementations, or may be covered in combination by one person in smaller implementations.

HMIS technical staff are responsible for keeping the HMIS running smoothly and ensuring its ease and utility for end-users. There is no established industry standard for HMIS technical

staffing levels, but as a general guideline. HMIS projects should have at least one full-time HMIS technical staff member for every 75 users, in addition to an HMIS project manager. With a ratio at this level, HMIS technical staff will be mostly occupied with basic systems maintenance and resolution of primary technical support. If an HMIS project manager is also serving as the help desk/end-user support staff, s/he is likely to become easily overwhelmed. One important, but often overlooked, variable for determining appropriate staffing levels will be an assessment of "How tech savvy are the users?"⁷ Less technically proficient users are likely to need more support, which, in turn, requires more staffing. Ultimately, the appropriate number of HMIS technical staff in any local implementation will depend on the level of service expected in each area of responsibility⁸ -- and the skillfulness that staff bring to their assigned tasks.

Effective traits to recruit for and cultivate in HMIS technical staff include:

- Customer support experience;
- Written and oral communication skills;
- Technical knowledge and experience;
- Task efficiency;
- Creativity, initiative, and flexibility in decision-making; and
- Skills supporting a culture of teamwork.

Data Analysis and Reporting Staff

While there is no standard for staffing levels for data analysis and reporting, the number of individuals needed to adequately support data analysis ultimately depends on what the community expects its staff to produce. The role of a data analyst is to make sense of the information embedded in the system and draw inferences and conclusions from it. Data analysis takes both time and specialized knowledge in the use of research software and the application of statistical techniques. As such, communities should carefully consider their needs and goals while making decisions about level of investment in data analysis staff.

The same is true for staff responsible for data reporting. Their job can be as important as the data analysis itself. Reporting is a critical factor in using data to make decisions and effect system change. The job of translating data into easily understandable formats and creating communications that effectively relay the community's messages to key stakeholders (e.g., legislators, general public, funding sources, and colleagues) is crucial.

Characteristics associated with effectiveness of data analysis and reporting staff generally include:

- Logical, problem solving skills;
- Ability to analyze large data sets;
- Ability to query data using SQL and other analysis tools, such as Excel or SPSS;
- Ability to present, interpret, discuss, or write about conclusions, inferences, and results gained from researching data;
- Ability to research concepts and issues using search engines and other web-based research tools;

⁷ Spiceworks Community, <http://community.spiceworks.com/topic/7870>

⁸ *How Many Administrators are Enough? Estimating IT Staffing / Factors that effect Scaling IT Staff*, Mark Verber, *Unix Review*, April 1991, minor update December 1, 2008

- Ability to report on data using enterprise, industry standard reporting tools like SQL Server Reporting Services, Crystal Reports and Business Objects; and
- Graphic design and data presentation skills.

Although data analysis and reporting staff will often be knowledgeable in information technology, they should not necessarily be expected to have the same kind or level of in-depth knowledge of the technology itself. Conversely, HMIS technical staff are likely to be able to produce data analysis and reports, but their skills will more importantly be focused on the technical aspects of running the system efficiently and assuring availability to end-users -- not on generating reports or providing data analysis and interpretation. For smaller HMIS implementations with few users to support, one or more of these functions may be combined in the same staff role, who then will need to have a multitude of these relevant skills. Larger HMIS implementations, however, should ensure adequate staffing to cover the distinct task and time requirements of the multiple staffing roles needed to achieve CoC goals, and must objectively consider level of commitment needed to avoid staff burnout and turnover

Developing a Staffing Plan

In order to effectively plan and budget for staffing, a best practice is to develop a staffing plan that helps advance the CoC's and HMIS's annual goals. Such a strategic approach will help ensure that adequate funding is available for staffing needed during each phase of the CoC's growth and to fulfill project goals and objectives.

The following design criteria should be taken into account in developing an effective staffing plan:

- Plan staffing based on the CoC's strategic or business plan;
- Hire pro-actively. based on anticipated needs and expected attrition;
- Apply pro-actively for funding resources to support planned staffing level increases;
- Maximize existing resources (focused on efficiency before hiring); and
- Determine the gaps in current resources and develop strategies to fill them.

Key questions in developing a staffing plan include:

- How many new employees will be needed during the coming year(s)?
- Why will those employees be needed?
- When will they be needed?
- How long will they be needed?
- How much will it cost to hire new staff?
- What value will new staffing bring to the CoC and HMIS?

In considering optimal staffing levels and commitments, the HMIS plan should also be attentive to:

- Cross-training -- which provides continuity during staff turnover;
- Internal staff development -- which creates loyalty, increases skills, and decreases turnover;
- Outsourcing -- which provides continuity during turnover and increases access to expertise; and
- Documentation -- which formalizes operational policies and procedures, data collection, and reporting while ensuring continuity in the event of staff turnover.

Further guidance in estimating HMIS staffing needs is available in *Appendix B: HMIS Staffing Effort Analysis Tool*.

V. Conclusion

This document provides a summary overview of key issues relevant for planning and management of HMIS project implementations, regardless of their size, maturity or status. In addition, it offers guidance on ongoing funding considerations, including issues such as:

- Can the HMIS project budget be better stabilized through funding and resource diversification?
- Are there other federal, state, or local funding sources for HMIS and data development that can be tapped for continuing operations and growth?
- How can cost-sharing and fee-for-service funding strategies be of benefit in an HMIS funding plan?
- Is there a benefit to collaborating with other CoCs in HMIS implementation?

Evolving HUD requirements for data collection (e.g., AHAR, PULSE, HIC, APR, *e-snaps*, etc.) and related CoC needs for data-informed planning and practice dictate that communities move beyond the basics of HMIS implementation to more aggressive focus on data reporting and analysis. As such, CoCs must evaluate if their investment in HMIS is adequate to meet growing demands for quality data, increased emphasis on community performance, and increasing challenges of integrated case management and data-sharing. These demands amplify the significance of assuring that HMIS implementations are adequately staffed and funded. In this context, both diversifying funding and ensuring adequate staffing to cover HMIS-related tasks will be necessary to assure long-term stability of HMIS operations and capacity to produce the kind of data necessary for a CoC's success in preventing and ending homelessness. This document, and attached appendices, will provide communities -- regardless of size and complexity -- with tools to support that success.

VI. Appendices

Two interactive tools have been developed in association with this document to help support HMIS budget development and staff planning. These include:

Appendix A: HMIS Budgeting Analysis Tool. This tool is designed to help CoCs plan for day-to-day expenses of operating an HMIS and related budget development. It will help in analyzing anticipated HMIS costs and the resources that are needed to cover them.

Appendix B: HMIS Staffing Effort Analysis Tool. This tool is designed to help CoCs plan for the day-to-day staffing needs of their HMIS operations and related budgeting issues. It will help in analyzing anticipated staffing costs and the resources needed to cover them.

Both tools include instructions, a sample completed document, and a functioning Excel-based spreadsheet. “Hard copies” of these resources are provided below, in .pdf format, to provide a helpful illustration of the specific issues that these appendices will help providers assess and explore.

Fully functional and interactive Excel-based versions of these two tools are accessible on the www.hmis.info website at:

Appendix A: <http://hmis.info/Resources/7569/HMIS-Budgeting-and-Staffing-Toolkit-Appendix-A-Budgeting-Analysis-Tool.aspx>

Appendix B: <http://hmis.info/Resources/7570/HMIS-Budgeting-and-Staffing-Toolkit-Appendix-B-HMIS-Staffing-Effort-Analysis-Tool.aspx>

Appendix A: HMIS Budgeting Analysis Tool

What is the purpose of this tool?

For Continuums of Care (CoC) to plan for the day-to-day and special project expenses of operating an HMIS, they must develop a budget that portrays anticipated costs within the scope of eligible expense categories. A CoC should develop a budget document that specifies, by HMIS activity, the cost, source (duration, limitation of funds, etc), and availability of funds. The HMIS Budgeting Analysis Tool provides a methodology for analyzing current and anticipated HMIS costs.

Identifying Costs and Resources

Please note, as an HMIS diversifies its operational resources, some resources may have restrictions, or eligible uses, that differ from HUD's published HMIS funding categories. The Budgeting Analysis Tool may be expanded to include other sub-categories within each of the primary categories prescribed by HUD.

How does the tool work?

- > Using the prescribed eligible activities for HMIS budgeting from the CoC NOFA, the user enters the estimated costs for each category and identifies: source, limitations, availability, etc.
- > For communities practicing multi-year planning, separate Budgeting Worksheets are provided for planning years 1, 2, and 3.

What is included in each tab?

The HMIS Budgeting Analysis Tool has five tabs: Instructions, Budgeting Sample Worksheet, and Budgeting Worksheets for years 1, 2, and 3.

- 1) The Instructions tab provides guidance on how to utilize the HMIS Budgeting Analysis Tool.
- 2) The Budgeting Sample Worksheet tab shows an example of a partially-completed Budgeting
- 3) The Budgeting Worksheet (Years 1-3) tabs are blank for community use.

How do I use these tabs?

The Instructions Tab

Read through the instructions/explanations before attempting to complete the Budgeting Worksheet tabs.

The Budgeting Sample Worksheet Tab

Review the Budgeting Sample Worksheet tab to understand the potential ways to answer the questions.

The Budgeting Worksheet Tabs

- > Step 1. Estimated Cost/Value: Enter estimated costs for each category. Expand detail under cost categories as needed for each anticipated costs. Note, expanded detail may be hidden at a later time.
- > Step 2. One-Time Expense: For each cost category, identify if the cost is a one time expense. Answer "Y" for Yes and "N" for No.
- > Step 3. Ongoing Expense: For each cost, identify if the cost is an ongoing cost. For multi-year planning, include a percentage for potential increases in cost. For example, licensing fees could potentially experience a small, incremental increase every year. Answer "Y" for Yes and "N" for No.
- > Step 4. Funding Source: For each cost, identify the name of the entity that is providing the funding/resource. Appropriate answers would include the agency/program names of the grantees/sub-recipients (SHP and other federal funding streams), the names of businesses, State Agencies, etc.
- > Step 5. Fund Restrictions/Limitations: For each cost, identify if there are any restrictions to eligible uses. For example, donated funds, services, and materials may be restricted to a particular activity, while others may be used without restriction. SHP funds are restricted to use as prescribed by the eligible activities outlined in the CoC NOFA.
- > Step 6. Availability of Funds: For each cost, identify if the funding/resource must be used within a particular timeframe. For example, donated services or materials may need to be obtained/utilized within 60 days of approval. SHP funds and associated cash match must be used within the appropriate fiscal year.
- > Step 7. Existing: For each cost, identify if the funding/resource is known to be available. For example, SHP funding would be indicated as "Existing" if the CoC has been awarded an HMIS grant. Answer "Y" for Yes and "N" for No.
- > Step 8. Needed Column: For each estimated cost, identify if the funding/resource needs to be found. For example, funding or resources to implement Skancard technology may not be existing and may need to be found. Answer "Y" for Yes and "N" for No.

What do I do with this information?

Developing a Budget

- > Once Estimated Costs and their associated funding and resource streams have been identified, then they can be entered into a budget document.
- > Activities can begin to secure funding/resources for those Estimated Costs identified as "Needed".

What should I do about costs for which I can't identify a potential resource?

- > In multi-year planning, a CoC may have sufficient time to secure funding/resources for Estimated Costs identified as "Needed." If an Estimated Cost continues to be identified as "Needed," the CoC will have to rethink its planning regarding HMIS and special projects.
- > Share this information! Present stakeholders with information on planned activities that will require the support or growth of HMIS, including potential budget shortfalls.

Budgeting Worksheet Sample

HMIS Costs	Estimated Cost/Value	One-Time Expense	Ongoing Expense	Funding Source	Fund Restrictions Limitations	Availability of Funds	Existing	Needed
Equipment								
Central Server								
Personal Computers and Printers	\$ 3,000.00	Y	N	State Agency	none		Y	
*Scan card scanner, laminator	\$500.00	Y		Best Buy Non-Profit Support	Can only be used to purchase the scanner and the ID card laminator	Must be purchased within 30 days of Best Buy approval	Y	
Networking	\$ 1,000.00	N	Y	Agency 1	None	Must be used within granted FY		
Security								
Subtotal:	\$ 4,500.00							
Software								
Software/User Licensing	\$ 3,000.00	N	Y	Emergency Shelter 1	Cannot build new software	Must be used within granted FY	N	Y
*Software initial purchase	\$ 27,000.00	Y	N	Emergency Shelter 1	Cannot build new software	Must be used within granted FY	N	Y
Software Installation								
Support and Maintenance								
Supporting Software Tools	\$ 500.00							
Subtotal:	\$ 30,500.00							
Services								
Training by Third Parties	\$ 3,000.00							
Hosting/Technical Services	\$ 1,200.00							
Programming: Customization								
Programming: System Interface								
Programming: Data Conversion								
Security Assessment and Setup								
On-line Connectivity (Internet Access)	\$ 300.00							
Facilitation	\$ 2,000.00							
Disaster and Recovery								
Subtotal:	\$ 6,500.00							
Personnel								
Project Management/Coordination	\$ 9,000.00							
Data Analysis								
Programming								
Technical Assistance and Training								
Administrative Support Staff								
Subtotal:	\$ 9,000.00							
HMIS Space and Operations								
Space Costs								
Operational Costs								
Subtotal:	\$ -							
Totals	\$50,500.00							
Total HMIS Budget								

Budgeting Worksheet: Year 1

HMIS Costs	Estimated Cost/Value	One-Time Expense	Ongoing Expense	Funding Source	Fund Restrictions Limitations	Availability of Funds	Existing	Needed
Equipment								
Central Server								
Personal Computers and Printers								
*Scan card scanner, laminator								
Networking								
Security								
Subtotal:								
Software								
Software/User Licensing								
*Software initial purchase								
Software Installation								
Support and Maintenance								
Supporting Software Tools								
Subtotal:								
Services								
Training by Third Parties								
Hosting/Technical Services								
Programming: Customization								
Programming: System Interface								
Programming: Data Conversion								
Security Assessment and Setup								
On-line Connectivity (Internet Access)								
Facilitation								
Disaster and Recovery								
Subtotal:								
Personnel								
Project Management/Coordination								
Data Analysis								
Programming								
Technical Assistance and Training								
Administrative Support Staff								
Subtotal:								
HMIS Space and Operations								
Space Costs								
Operational Costs								
Subtotal:	\$ -							
Totals	\$ -							
Total HMIS Budget								

Budgeting Worksheet: Year 2

HMIS Costs	Estimated Cost/Value	One-Time Expense	Ongoing Expense	Funding Source	Fund Restrictions Limitations	Availability of Funds	Existing	Needed
Equipment								
Central Server								
Personal Computers and Printers								
*Scan card scanner, laminator								
Networking								
Security								
Subtotal:								
Software								
Software/User Licensing								
*Software initial purchase								
Software Installation								
Support and Maintenance								
Supporting Software Tools								
Subtotal:								
Services								
Training by Third Parties								
Hosting/Technical Services								
Programming: Customization								
Programming: System Interface								
Programming: Data Conversion								
Security Assessment and Setup								
On-line Connectivity (Internet Access)								
Facilitation								
Disaster and Recovery								
Subtotal:								
Personnel								
Project Management/Coordination								
Data Analysis								
Programming								
Technical Assistance and Training								
Administrative Support Staff								
Subtotal:								
HMIS Space and Operations								
Space Costs								
Operational Costs								
Subtotal:	\$ -							
Totals	\$ -							
Total HMIS Budget								

Budgeting Worksheet: Year 3

HMIS Costs	Estimated Cost/Value	One-Time Expense	Ongoing Expense	Funding Source	Fund Restrictions Limitations	Availability of Funds	Existing	Needed
Equipment								
Central Server								
Personal Computers and Printers								
*Scan card scanner, laminator								
Networking								
Security								
Subtotal:								
Software								
Software/User Licensing								
*Software initial purchase								
Software Installation								
Support and Maintenance								
Supporting Software Tools								
Subtotal:								
Services								
Training by Third Parties								
Hosting/Technical Services								
Programming: Customization								
Programming: System Interface								
Programming: Data Conversion								
Security Assessment and Setup								
On-line Connectivity (Internet Access)								
Facilitation								
Disaster and Recovery								
Subtotal:								
Personnel								
Project Management/Coordination								
Data Analysis								
Programming								
Technical Assistance and Training								
Administrative Support Staff								
Subtotal:								
HMIS Space and Operations								
Space Costs								
Operational Costs								
Subtotal:	\$ -							
Totals	\$ -							
Total HMIS Budget								

Appendix B: HMIS Staffing Effort Analysis Tool

What is the purpose of this tool?

For Continuums of Care (CoC) to plan for the day-to-day and special project staffing needs of operating an HMIS, they must estimate the staffing needed to support anticipated activities. This tool will assist a CoC to identify staffing needs by outlining required HMIS roles, responsibilities, and activities. This tool is designed to document staffing needs and inform cost estimates. It is recommended this tool be used to inform staffing projections in the HMIS Budgeting Analysis Tool.

How does the tool work?

- > Using the roles and responsibilities outlined in CoC HMIS governance documents, the user enters the roles, responsibilities, and activities needed to conduct the day-to-day operations of an HMIS, including special projects, data analysis, and reporting under each category (general activities are already provided). For each activity, the user identifies current staffing (i.e., who is responsible), gaps (i.e., what is needed), and anticipated FTEs (centralized or outsourced) to conduct the activities.
- > For communities focused on multi-year planning, a separate Staffing Effort Worksheet can be completed for each planning year. Activities and staffing for special projects and for HMIS growth can be planned for within an annual structure.

What is included in each tab?

The HMIS Staffing Effort Analysis Tool has three tabs: Instructions, Staffing Effort Worksheet Sample, and Staffing Effort Worksheet

- 1) The Instructions tab provides guidance on how to utilize the HMIS Staffing Effort Analysis Tool.
- 2) The Staffing Effort Worksheet Sample tab shows an example of a partially-completed Staffing Effort.
- 3) The Staffing Effort Worksheet tab is blank for community use.

How do I use these tabs?

The Instructions Tab

Read through all the instructions and explanations before attempting to complete the Staffing Effort Worksheet tab.

The Staffing Effort Worksheet Sample Tab

Review the Staffing Effort Worksheet Sample tab to understand the potential ways to answer the questions posed in each column.

The Staffing Effort Worksheet Tab

- > Step 1. Roles & Responsibilities: If needed, expand roles and responsibilities with additional requirements or needs.
- > Step 2. Existing: Who Does It?: Identify, if existing, the name of the person/entity that is responsible for the role or responsibility.
- > Step 3. Gap: Potential Solution: Identify, if a role or responsibility is not covered by an existing staff resource, a potential staff person, or new position.
- > Step 4. FTE: Identify the percentage of time of an FTE staff person that would likely be required to complete the role or responsibility. To fully understand the staff capacity needed, determine percentages based on actual effort needed to complete the role/responsibility. For example, many CoC underestimate the amount of time necessary to review, update, or add new policies and procedures to the HMIS Policy and
- > Step 5. Centralized: For each role or responsibility, indicate if the staff resource will be internal to the HMIS Lead Agency or CoC. Centralized is characterized by locating the staff resource within the HMIS Lead Organization or CoC.
- > Step 6. Outsourced: For each role or responsibility, indicate if the staff resource will be outsourced to private contractors and consultants. Outsourced is characterized by locating the staff resource in an entity outside the HMIS Lead Organization or CoC (for example contractors and consultants).

What do I do with this information?

Developing a Budget

- > Once the estimated staffing level of effort is calculated, this data, in combination with actual or estimated salary rate information, can be entered into a budget document.
- > Activity can be undertaken to secure funding/resources for those staff resources identified as "Gaps."

Staffing needs for which I cannot identify a potential resource?

- > In multi-year planning, a CoC may have sufficient time to secure funding/resources for staffing identified as "Gaps." If a staffing need continues to be identified as "Gaps," the CoC will have to rethink its planning regarding HMIS and special projects.
- > Share this information! Present stakeholders with information on planned activities that will require the support or growth of HMIS, including potential budget shortfalls.

Staffing Effort Worksheet Sample

Roles, Responsibilities, and Activities	Existing: Who Does It?	Gap: Potential Solution	Estimated FTE	Centralized	Outsourced
Project Management					
Provides leadership and guidance for day-to-day operations of the HMIS	Joe Doe, HMIS Project Mgr		0.5	x	
Supports HMIS functionality	CoC Data Committee		Committee	x	
Conducts HMIS planning, budgeting, and invoice approval activities	Joe Doe, HMIS Project Mgr & CoC Data Committee		0.1	x	
Facilitates application and reporting requirements for funding resources for HMIS	Joe Doe, HMIS Project Mgr & CoC Data Committee		0.1	x	
Develops and maintains HMIS policy and procedures, including the Data Quality Standard and Compliance/Monitoring Plan	Joe Doe, HMIS Project Mgr & CoC Data Committee		0.1	x	
Establishes/reviews/monitors guidelines and procedures for HMIS security and confidentiality	Joe Doe, HMIS Project Mgr		0.1	x	
Oversees HMIS contractors	Joe Doe, HMIS Project Mgr		0.1	x	
Provides ongoing outreach to agency and community leadership to cultivate and maintain support and understanding of HMIS	CoC Data Committee		Committee	x	
System Administration	Who does it?	Potential Solution	Estimated FTE	Centralized	Outsourced
Provides data hosting: storage, back-up, and security of community's HMIS data	HMIS Solution		Contract		x
Provides administration of the central server (hardware)	HMIS Solution		Contract		x
Configures and provides management of user accounts, access levels, and passwords	Jerry Vague, HMIS Sys Admin		0.2	x	
Provides operation, security, maintenance, system performance auditing, and technical support of HMIS Central hardware, software, and connectivity	HMIS Solution Provider		Contract		x
Provides operation, security, maintenance, record access auditing, and technical support of HMIS Software	Jerry Vague, HMIS Sys Admin		0.3	x	
Conducts security testing		Joe Doe, HMIS Project Mgr	0.1	x	
Training and Technical Support	Who does it?	Potential Solution	Estimated FTE	Centralized	Outsourced
Provides technical and end-user support for HMIS software	Jerry Vague, HMIS Sys Admin		0.1	x	
	Jerry Vague, HMIS Sys Admin		0.1	x	
Supports end-users' use of HMIS software	Jerry Vague, HMIS Sys Admin		0.1	x	
Develops and coordinates regular end-user meetings to discuss software updates, data entry problems, and troubleshooting	Jerry Vague, HMIS Sys Admin		0.1	x	
Develops and coordinates regular end user meetings to discuss privacy and confidentiality	CoC Data Committee		0.2	x	
Data Analysis/ Reporting	Who does it?	Potential Solution	Estimated FTE	Centralized	Outsourced
Monitors integrity of data collected (Data Quality Standard)	CoC Data Committee		Committee	x	
Monitors data collection practices	CoC Data Committee		Committee	x	
Conducts data analysis and interpretation	Susan Sharp, Data Analyst		Contract		x
Generates program, agency, and/or CoC level reports	Susan Sharp, Data Analyst		Contract		x
Designs community reports		ABC Graphic Design	Contract		x
Approves and disseminates community reports	CoC Executive and Data		Committee	x	

Staffing Effort Worksheet

Roles and Responsibilities	Existing: Who Does It?	Gap: Potential Solution	Estimated FTE	Centralized	Outsourced
Project Management					
Provides leadership and guidance for day-to-day operations of the HMIS					
Supports HMIS functionality					
Conducts HMIS planning, budgeting, and invoice approval activities					
Facilitates application and reporting requirements for funding resources for HMIS					
Develops and maintains HMIS policy and procedures, including the Data Quality Standard and					
Establishes/reviews/monitors guidelines and procedures for HMIS security and confidentiality					
Oversees HMIS contractors					
Provides ongoing outreach to agency and community leadership to cultivate and maintain support and understanding of HMIS					
System Administration	Who does it?	Potential Solution	Estimated FTE	Centralized	Outsourced
Provides data hosting: storage, back-up, and security of community's HMIS data					
Provides administration of the central server (hardware)					
Configures and provides management of user accounts, access levels, and passwords					
Provides operation, security, maintenance, system performance auditing, and technical support of HMIS Central hardware, software, and connectivity					
Provides operation, security, maintenance, record access auditing, and technical support of HMIS Software					
Conducts security testing					
Training and Technical Support	Who does it?	Potential Solution	Estimated FTE	Centralized	Outsourced
Provides technical and end-user support for HMIS software					
Provides and coordinates ongoing training and technical support for the system					
Supports end-users' use of HMIS software					
Develops and coordinates regular end-user meetings to discuss software updates, data entry problems, and troubleshooting					
Develops and coordinates regular end-user meetings to discuss privacy and confidentiality					
Data Analysis/ Reporting	Who does it?	Potential Solution	Estimated FTE	Centralized	Outsourced
Monitors integrity of data collected (Data Quality Standard)					
Monitors data collection practices					
Conducts data analysis and interpretation					
Generates program, agency, and/or CoC level reports					
Designs community reports					
Approves and disseminates community reports					