



City of Seattle
Edward B. Murray, Mayor

Human Services Department
Catherine L. Lester, Interim Director

MEMORANDUM

To: Seattle City Council
From: Catherine L. Lester, Interim Director
Date: July 24, 2014
Subject: Briefing Memorandum – Outcomes Framework

This briefing memorandum provides an update on the Human Services Department's (HSD) Outcomes Framework, and specifically the food & meal and senior center investments in 2014. The Outcomes Framework is a new contracting approach that HSD is taking in order to increase results-based accountability and improve our ability to address disparities. There are three key objectives for this briefing:

1. Summarize the design work to date
2. Describe the 2014 implementation pilot
3. Highlight key considerations in shifting to a "results culture"

DESIGN PHASE

The mission of the Seattle Human Services Department is to ***"connect people with resources and solutions during times of need so we can all live, learn, work and take part in strong, healthy communities"***. The department's work is intended to meet the needs of the City's most vulnerable residents experiencing disparate impacts in relation to food, housing, healthy aging, domestic violence, youth education and poverty.

In 2010, HSD sought stakeholder feedback and did an internal evaluation of its structure, policies and procedures in order to improve how the department was operating. This feedback informed a collaborative planning process and the creation of the ***Healthy Communities, Healthy Families*** strategic plan. The purpose of the plan is to create a seamless service delivery system, restructure the department's funding and contracting processes, and develop a data-driven approach to ensure the department's investments are effective.

Historical Challenges:

The department has several challenges that have existed over the course of multiple mayoral administrations. Below are the six most important historical challenges.

1. Workforce capacity and performance: HSD has lacked the infrastructure needed to support setting clear expectations for staff and measuring performance against those expectations. This led to significant performance issues. Additionally, multiple staffing changes have had an impact on the department's ability to operate seamlessly.
2. Consistent funding and contracting practices: Until 2012 HSD lacked an investment strategy and practices that guide how dollars are procured. This led to the department's funding and contract processes being inefficient and fragmented. Common practice was to automatically renew contracts from one year to the next, which led to a lack

of innovation and competitive contracting. It also limited the use of best practices, or analysis of population and program data.

3. Fragmentation among HSD divisions: HSD has historically operated in siloes with limited integration among its divisions. Planning and funding efforts are often fragmented, reactive, and are not routinely integrated with best practices or with other divisions within the department.
4. Engaging communities of color and non-traditional partners: HSD's funding and contracting practices limit accessibility for community partners, especially smaller, grassroots organizations and organizations representing people of color.
5. Data systems and data collection: HSD's automated data systems do not allow for data to be readily accessible, therefore impacting the use of data by staff and providers to improve practice and investment decisions. Additional data capacity issues exist with staff and providers as expectations from public funders increase.
6. Collective impact: HSD has not consistently partnered with other public and private funders to align investment priorities, strategies, and performance measures. This has resulted in reduced collective effectiveness and impact, and may have contributed to duplication of services and investments.

Strategies for Process Improvement:

The department's *Healthy Communities, Healthy Families* strategic plan provides a broad, macro level roadmap for addressing its historical challenges. More recently, the department has been engaged in designing the operational strategies necessary to improve in how business is conducted. These process improvements can be grouped into three categories: 1) strengthening organizational capacity; 2) improving policy and procedures; and 3) creating a data-driven culture focused on results-based accountability and reducing disparities.

1. Strengthening organizational capacity: The department's organizational structure contributed to a fragmented system that operated in siloes. Additionally, HSD's ability to embody service excellence was limited by the absence of an employee performance management system, and of a training and development strategy. To address these challenges, the following actions were taken:
 - Department re-organization consolidating six service divisions down to three
 - Implementation of an employee performance management system
 - Development of employee orientation training
 - Development of supervisor and management training
 - Building additional staff capacity
2. Improving policy & procedures: The department's lack of consistent policies and procedures has contributed to practice and performance issues. To address these challenges, the following actions were taken:
 - Engaging staff in assessing current practices and identifying opportunities for process improvements.
 - Developing a series of policy manuals to guide practice. A Community Engagement and a Funding Processes manual have been completed and Contract Development and Monitoring manuals are in development.
 - Tailoring or creating staff training on these policy manuals to support practice changes. To date the RSJI Equity Toolkit training has been tailored and provided for staff, and training on the Funding Processes and Community Engagement manuals will occur over the summer.
3. Creating results-based accountability: Over the course of the past two years, the department has developed what we call our Outcomes Framework, a results-based accountability strategy to guide investments and ensure results. This framework was developed with extensive staff and stakeholder engagement, and is built on national models for

results-based accountability. Additionally, this strategy aligns with Resolution 31404 that was adopted by Seattle City Council, requesting departments to establish performance measurement and evaluation are part of the program design for city investments.

2014 IMPLEMENTATION PILOT

In 2012, the department convened an internal data workgroup to begin its work on the Outcomes Framework. The objective of the framework is to help HSD *define* results for department’s investments, *align* the department’s resource to those results, and *monitor* progress on the result to ensure a return on investment. The internal workgroup was tasked with reviewing key data points, and identifying service gaps. They also helped to embed the work of data-driven and result-based planning throughout the department, and began to build the capacity of staff. The data workgroup has evolved into a launch team to oversee the shift to the implementation phase, beginning with a 2014 pilot focusing on food & meal and senior center investments.

The following service division goals and the results that would indicate success have been established in the Outcomes Framework based on identified community values:

HSD Service Division	Goal	Results
Youth and Family Empowerment	<i>Children and youth are prepared for school and life</i>	<ul style="list-style-type: none"> • Children and youth achieve academic success • Children and youth are healthy (physical, social, emotional) • Youth effectively transition to adulthood • Families are strong, healthy and stable
Community Support and Assistance	<i>Our community is safe, stable and self-reliant</i>	<ul style="list-style-type: none"> • Individuals and families are safe, have healthy relationships • Individuals and families are financially stable • Individuals and families have stable housing • Individuals and families have access to healthy food
Aging and Disability Services	<i>Our community promotes healthy aging and lifestyle</i>	<ul style="list-style-type: none"> • Vulnerable adults have affordable, quality healthcare • Vulnerable adults have their basic needs met • Vulnerable adults improve or maintain their health • Vulnerable adults remain independent.

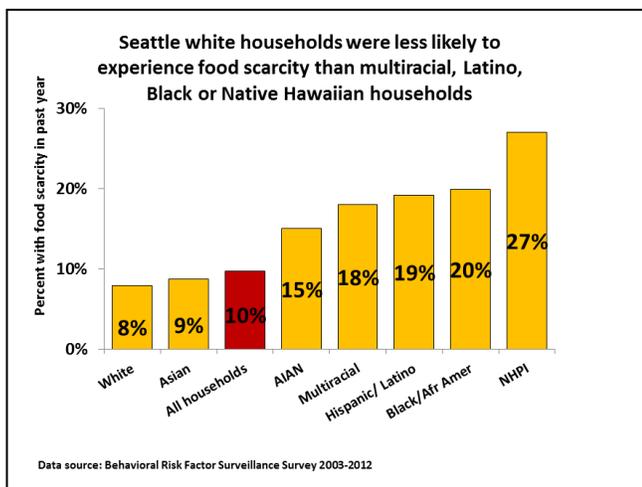
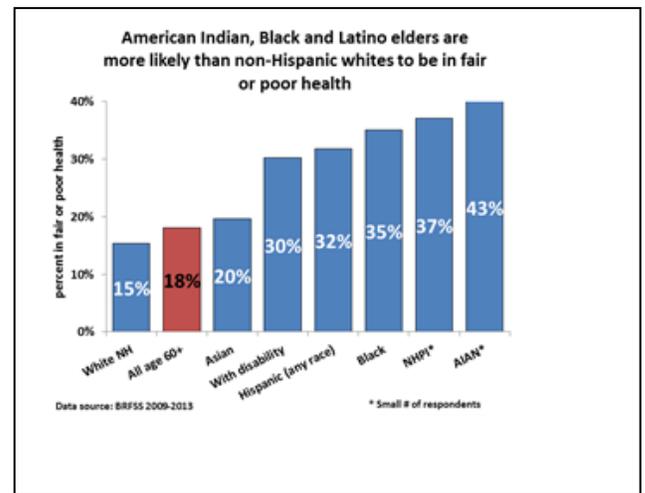
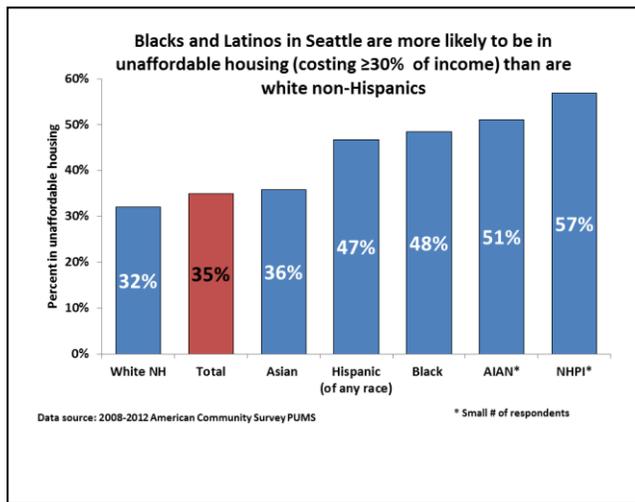
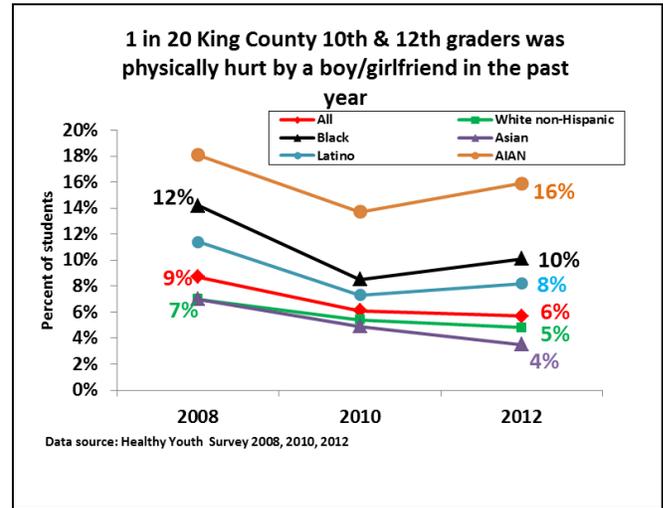
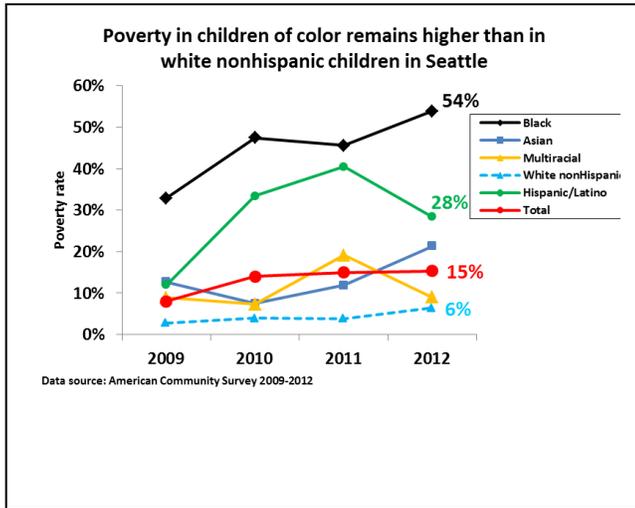
HSD’s **Theory of Change** ensures that data informs our investments – particularly around addressing disparities – and shows the logical link between the desired results, indicators of success, strategies for achieving the desired results, performance measures and equity targets. All investments resulting from HSD’s funding opportunities will demonstrate alignment with HSD’s theory of change.



Using population-level data, HSD has developed procurement processes that will begin to align the department’s resources to the desired results. The 2014 pilot includes procurement processes for food & meal services and senior center investments. Using the theory of change, the planning for these two procurement processes will focus on a measureable impact on the disparities that exist in our community. Below are some key data points and graphics on whole population level data in Seattle.

- Poverty in children of color remains higher than in white, non-Hispanic children in Seattle.
- The prevalence of reported violence amongst young people with an intimate partner is on the rise.
- Blacks and Latinos are more likely to be in unaffordable housing than Whites.

- Seattle White households were less likely to experience food insecurity than multi-racial, Latino, Black or Native Pacific Hawaiian Islanders.
- American Indian, Black and Latino elders are more likely than non-Hispanic whites to be in poor health.



2014 NOFA Pilot:

With the support of Mayor Murray, HSD released its first ever Notice of Funding Availability (NOFA) in June (<http://www.seattle.gov/HumanServices/funding/docs/NOFA2014.pdf>). The NOFA represents a new approach that HSD is taking to contracting for services in order to advance the Outcomes Framework.

The NOFA will give interested providers an overview of HSD's guiding principles, investment priorities, qualitative and quantitative data, and our theory of change. It ensures that all of our contracts are more accountable and support the outcomes we seek. This approach also gives providers clear guidelines and a more consistent contract award and monitoring process. Below are some details that may be helpful in understanding the 2014 NOFA implementation pilot:

- The NOFA serves as the announcement for HSD's funding opportunities, and lays out the standard submission requirements for agencies interested in applying for funding.
- Two funding processes (Request for Investment) were released on July 21, 2014. These funding processes will be aligned with the outcomes outlines the department's overarching Outcomes Framework.
- Issuing the NOFA prior to the release of the funding processes allows interested agencies to review HSD's investment priorities, including a summary of key data points including population and program level data, information from stakeholder engagement, and a synthesis of best and promising practices.
- The NOFA structure allows the department to standardize its internal processes, and supports an intentional focus to define desired results, align resources to those results, and ensure consistency of expectations for monitoring investments.

There are several benefits of an annual NOFA cycle. First, it creates predictability and consistency with how the department issues funding processes and establishes contracts. Second, this it improves accessibility for communities of color and other non-traditional partners in becoming part of the city's investment portfolio. And third, the NOFA cycle enables the department to collaborate with other funders in having a deeper collective impact around results and addressing disparities.

This year's timeline is very condensed. In future years, HSD will issue an annual NOFA early in the calendar year, allowing for funding processes to be released and decisions made in advance of the city's annual budget process. The following is a timeline for the 2014 NOFA pilot:

Issue Notice of Funding Availability (NOFA)	Monday, June 16, 2014
Funding Opportunities Released <ul style="list-style-type: none">• Food & Meal Request for Investment¹• Senior Centers Request for Investment²	Monday, July 21, 2014
Information Session #1	Tuesday, August 5, 2014 from 1:00 p.m. to 4:00 p.m. Northgate Community Center – 10510 5 th Avenue NE, Seattle WA 98125
Information Session #2	Wednesday, August 6, 2014 from 9:30 a.m. to 12:30 p.m. 2100 Building – 2100 24 th Avenue S, Seattle WA 98144
RFI Application Deadline	Monday, September 15, 2014 by 12:00 p.m.
Anticipated Award Notification	Friday, November 14, 2014
Contract Start Date	Thursday, January 1, 2015

¹ http://www.seattle.gov/HumanServices/funding/docs/RFI/2014_Food_and_Meal_RFI_Guidelines_and_Application.pdf

² http://www.seattle.gov/HumanServices/funding/docs/RFI/2014_Senior_Centers_RFI_Guidelines_and_Application.pdf

STEADY STATE CONSIDERATIONS

The department is primed to be a premier public human services organization. Full implementation of the Outcomes Framework has the potential to support the department in completely addressing the historical challenges noted earlier in this memorandum.

The recommendation is for the department to shift to a standard annual NOFA cycle at the start of each calendar year beginning in 2015. As previously noted, an annual NOFA process will help to standardize the department’s funding and contracting practice, and should position the department to address other historical challenges such as improving efforts to engage communities of color and non-traditional partners, aligning with other funders for a deeper collective impact, and reducing siloes and a fragmented approach to planning. Below is the proposed timeline for the annual NOFA cycle.

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan
Issue NOFA													
Release funding opportunities													
Information sessions													
Application deadlines													
Award notifications													
Contract starts													

There are some considerations that will require ongoing discussion in order to support the department’s work to fully evolve to a culture of results.

Capacity needs: The first key consideration is around capacity needs for staff. Making a successful shift to results-based accountability requires that staff within the city as well as in provider agencies, are well prepared to assume new skills and technologies for working in a results focused environment. One specific example of a capacity need is around data. A fully activated “results culture” will require an adequate data infrastructure for collecting, analyzing and reporting both quantitative and qualitative sets of data.

Leveraging resources: The second consideration is to use the framework as a budget filter to allow the city to invest around results and align with other funders for a collective impact. By focusing on population-level data and knowledge of local and national best practices, the Outcomes Framework can be a strategy for establishing priorities and making decisions for how public resources will be invested.

Aligning stakeholder interests: The third consideration is about the importance of aligning the interests of internal and external stakeholders to support a new culture and technology for delivering services. It will be especially important to have high alignment with elected officials and other key decision makers to ensure that the change process inherent in any culture shift is both intentional and strategic.