

The Human Services Commission approved these minutes on October 15, 2019

CITY OF BELLEVUE
HUMAN SERVICES COMMISSION
MINUTES

September 17, 2019
6:00 p.m.

Bellevue City Hall
City Council Conference Room 1E-113

BELLEVUE COMMISSIONERS PRESENT: Chairperson Mercer, Commissioners Amirfaiz, Jain, Kline, Ma

COMMISSIONERS ABSENT: Commissioners Mansfield, Piper

BELLEVUE STAFF PRESENT: Alex O'Reilly, Dee Dee Catalano, Christy Stangland, Toni Esparza, Department of Parks and Community Services

REPRESENTING SAMMAMISH: Stanley Gunno, Joyce Bottenberg, Jodi Nishioka, Tom Ehlers, Rita Badh, Mike Sugg

REPRESENTING ISSAQUAH: Ana Jiménez-Inman, Loretta Jancoski, Sonia Sahay, Monica Negrila, David Fujimoto

REPRESENTING REDMOND: Janet Richards, Kristen Muscott, Shawn Roland, Anny Smith, Arjun Ram, Jacob Brown, Beverly Mesa-Zendt, Brooke Buckingham

REPRESENTING KIRKLAND: David Godfrey, Dianne Bell, Jonathan Stutz, Michelle Alten-Kaehler, Max Reisman, Melissa Bartoletti, Leslie Miller

GUEST SPEAKERS: Vu Le, Rainier Valley Corps

RECORDING SECRETARY: Gerry Lindsay

1. CALL TO ORDER

The meeting was called to order at 6:03 p.m. by Chair Mercer who presided.

2. ORAL AND WRITTEN COMMUNICATIONS – None

3. FOLLOW-UP FROM LAST JOINT COMMISSION MEETING

Ms. Rita Badh with Sammamish noted that the previous joint commission meeting was held in April. The focus was on how to have a more inclusive application process. By way of follow-up, a number of sit-down one-on-one interviews were conducted with different grassroots organizations, including those that are funded by the cities and those that have not applied for funding. Those that have not applied for funding often indicated they simply did not know about the application process, about funding in general, or in some cases that cities fund non-profit organizations. After having been told about and walked through the application, most indicated it is far too long and very overwhelming. Most non-funded organizations also noted they do not collect data, which is not in line with the very data-drive application.

It was discovered from the grassroots organizations that have applied for funding that most believe the application is too long, too difficult, and requires too much information. Many also expressed a need for funding a grant writer. They also indicated there are unclear and different expectations from the various cities. Some cited that technology is a barrier in submitting the application. Asked what resources they would like to see, the answers given ranged from more information as to how the whole system works to what a successful application looks like, a better understanding of the criteria on which applications are judged, and additional one-on-one help during the application process.

Ms. Badh said staff are planning an application 101 workshop for October. There will be outreach efforts to as many small non-profits as possible, with a particular emphasis on grassroots organizations. The workshop could be held in the springtime when the applications come out, but that may be too late for some.

4. VU LE, NON-PROFIT AF, E.D. OF RVC

Ms. Badh introduced Vu Le, Executive Director of Rainier Valley Corps. (RVC), the mission of which is to promote social justice by cultivating leaders of color, strengthening organizations led by communities of color, and fostering collaboration between diverse communities. She noted that Mr. Le is also the author of the humorous blog "Non-Profit AF."

Mr. Le said RVC was started to address two issues: the lack of people of color in the non-profit space, and supporting organizations led by people of color. He said only about 18 percent of professionals are people of color, and alarmingly in the last few years a large number of people of color have left their positions and even their sectors. Like AmeriCorps, RVC' main program is focused on finding leaders of color and giving them a job for two years before sending them to work at organizations led by and serving persons of color. In a follow-up exercise conducted a couple of years ago, organizations were asked how they were doing. The answer given most often was that they are exhausted with all they must address having to do with finance,

human resources and other issues. That made RVC realize that the way small grassroots organizations had been dealt with was not effective, particularly in expecting every organization to have a good handle on financing, human resources, fundraising and grant writing and do it all with just a half FTE. Organizations are punished by not being able to do all of those things perfectly.

Now instead of teaching organizations how to do all that they must do, the focus is on providing the needed services to the organizations. The approach has proved to be much more efficient for the 17 organizations currently in the alliance. A team is in place to handle all of the back office issues for those organizations.

5. OPEN FOR QUESTIONS AND DISCUSSION

Commissioner Kline asked how RVC gets compensated for the services it provides. Mr. Le said RVC takes 10 to 14 percent of the expenses of the organizations it fiscally sponsors. If an organization has \$300,000 in expenses, RVC takes about \$30,000. It costs RVC about \$50,000 per organization per year to provide the back office services, thus the organization is currently heavily subsidized by the Gates Foundation, the Satterberg Foundation, other foundations and individual donors. The approach is, however, far more efficient than giving each organization \$10,000 per year to fund their own half-time bookkeeper. RVC has a centralized grant writer on the team to assist organizations in drafting grants. Organizations continue seeking more and more support in terms of assistance in writing grants. There are some 40 organizations RVC works with, and each needs help with fundraising. It is clear the way funders go about distributing grant dollars is vastly inequitable and it is in fact driving leaders out of the sector. Everyone talks about equity but continues down the path of inequality, assuming that everyone has the same resources to write grants. That approach will ensure that the larger mainstream organizations will continue to receive most of the available grant dollars.

For the last two decades, 90 percent of all funding has flowed into white-led organizations, with less than ten percent going to organizations led by people of color. The large white-led organizations with grant writing prowess and skills get the funding, but they often do not have the connections to the needs on the ground, so they trickle tiny amounts of money down to smaller grassroots organizations that ultimately do all the work. The cycle perpetuates inequity.

Mr. Le said in many ways RVC is a funding organization in that it takes funding and distributes it back in the form of back office support. In the beginning there was an application process utilized that included scoring and site visits. It was clear the organizations visited were terrified of being too honest. To move away from a system of inequity, the philosophy of the organization became to target those that need support, primarily organizations that are led by people and serving people of color in

the geographic area. The application process was eliminated in favor of simply having a conversation.

Mr. Le encouraged those around the table to move away from the equality mindset that is too often focused on leveling the playing field when the reality is the playing field will never ever be level. Organizations do not and will never have the same level of resources in terms of grant writing, language skills, English skills or technology skills. There are also implicit biases in which people tend to gravitate toward those who are similar to them.

Small non-profits are too often treated the way society treats poor people. The funders say they want to help the grassroots organizations, but also say they do not trust the organizations with money and thus will restrict what they can spend money on. The call is always for the organizations to find sustainable ways of operating by pulling themselves up by their own bootstraps.

Mr. Ehlers asked how RVC follows up with the organizations it helps in terms of seeking assurance that they are doing what they are expected to do. Mr. Le said where organizations are trusted to do their work, stronger relationships are built. The grant application process gives the sense that funders are being objective, but it does not in any way build real partnerships. The application process too often serves as a wedge between funders and those in need of funding, and keeps organizations from being totally honest when asking for funds for fear of being turned down. There should be more conversations, more transparency, and along with it more accountability. Newer organizations are often only awarded funding for one or two years as a way of helping them get on their feet, when in fact is three years is the minimum time needed for organizations to become stable. It should be decided what effectiveness looks like, and organizations should be funded so long as they are effective.

Mr. Ehlers pointed out that inevitably it will not be possible to continue funding everyone and it will be necessary to face the blowback from groups that are told they will lose their funding. Mr. Le said the key is in being very transparent with the funding criteria. RVC currently targets the communities that are most affected by injustice, and while some may be angry at the loss of their funding, the majority will say they understand. There is a clear need to move away from the issue of fairness because fairness and equity are not the same thing. If there are three kids and three sandwiches, the fair thing to do is to give each kid one sandwich. If it is known, however, that one of the three kids has not eaten in three days, and another of the three kids just returned from a party and is completely full, the right approach would be to give the hungry kid all three sandwiches. People looking in and not knowing the circumstances might claim the act of giving all three sandwiches to the one kid is unfair. Equity is not and cannot be about fairness.

Ms. Richards asked if there are some grassroots organizations RVC works with that have found innovative and creative ways to break through some of the hurdles. Mr. Le answered that often funders think it is the responsibility of organizations to break through. The system is designed that way, but that is not equitable. All organizations are doing innovative work and they should not constantly have to think about how to break through, rather they should focus on doing what they are good at. It is the responsibility of those in power to restore the balance and change the system.

Ms. Sahay observed that the suggestion of RVC was that all funders and those asking for funding should change their behaviors. She asked Mr. Le if he had seen the approach start to succeed, and what tools were needed to effect the change. Mr. Le said there is a movement called trust-based philanthropy that has been catching on. It is, obviously, based on trust, whereas the current grant system starts with distrust. The Whitman Institute in the Bay area has been advancing the concept. One of the key principles is having the funders do the homework rather than the non-profits. The current approach has non-profits translating the same information into different formats based on the whims of funders. It makes sense to shift the onus of doing the research onto the funders and away from the non-profits.

Ms. Smith suggested the least commissioners can do is expend more of their time during the short review process doing homework. The current approach forces commissioners to work as quickly through their stack of requests and come to funding decisions. That generally precludes digging deeper into the work of non-profit organizations. It is true that the larger organizations churn out applications like it is no big deal, and it comes across in what they submit that they know they will be receiving funds and are just going through the motions. The question is how to adjust the review process to avoid giving an advantage to the large organizations. The smaller non-profits find it difficult to collect data, but funders need data in order to understand who is being benefited. It should be the commissioners putting the time into the process of allocating funding so as to avoid leaving anyone out. Mr. Le said the paradox is that organizations need a lot of data in order to get money, and they need a lot of money in order to get data. Data is important but funders shy away from accepting qualitative and anecdotal data in their call for quantitative data. That approach punishes organizations. Funders should shift their view of data. It should be incredibly important that organizations reflect the people that they serve. Representation should be an important element of the data relative to effectiveness.

Ms. Jimenez-Inman asked if on the horizon there could be a way to have the questions in the grant application written by commissioners, funders and service providers. She said adding more cumbersome language to the application will only make it difficult for some organizations to answer and the gaps will not be closed. Mr. Le said his preference would be not to have an application process at all. He stated, however, that the application process could be used to shift toward a more equitable stance. The questions should be clear and simple to answer. There should be a focus

on making sure the makeup of the organization reflects those being served by the organization.

Chair Mercer pointed out that often there are multiple organizations that address the same issue in the community, such as rental assistance, each targeting different populations and taking different approaches. The challenge for the commission is that there is only a certain amount of the budget that will be allotted to rental assistance and without delving into what each organization does, simply giving each organization a set amount of money would not be the right approach. That could mean paying too much for overhead for some organizations. There is a lot of background work needed to get the right cross section of communities and the right cross section of which organizations are actually effective. It takes data to make those determinations. Mr. Le allowed that his approach could be deemed to be fairly radical. The trust-based model is not new and has in fact been used by conservative funders for decades. Those on the progressive side tend to intellectualize helping low-income and disenfranchised people. The focus is on logic models, theories of change, metrics and outcomes. Conservative funders seek philosophical alignments and over time have proved to be very effective in taking that approach. The focus needs to shift to values that are believed in. One closely held belief is that the amount of funding is limited. Foundations only give out five percent of their funds, saving the rest for a rainy day. There are also wealthy individuals focused on avoiding taxes who could do more than just sit on their funds or use them for pet projects. The way fundraising is done is completely inequitable with its focus on rewarding rich people and making them feel good.

Commissioner Ma noted that the trust-focused approach is not in line with the government-based system with its requirements for accountability and reporting outcomes. At the end of the day, the focus should be on what is effective, even if it takes more time to make funding decisions. Mr. Le said the system he supports does not seek to avoid measures and outcomes. The issue that the measures and outcomes communities want to measure do not always match with what those with money and power feel are good outcomes. Some outcomes do not make any sense at all. There is a need to agree to certain outcomes.

Mr. Roland commented that Redmond has shied away from having a minimum allocation amount on the strength of the argument that \$500 to a grassroots organization can have a huge impact. He noted his support for the trust-based approach and agreed steps should be taken to change the status quo. He pointed out that those in the room were the system and as such are responsible for changing it. Mr. Le cautioned the commissioners to avoid setting minimum allocation thresholds. The tendency is to give small grassroots organizations only small grants and to give the large mainstream organizations the big grants. The approach is inequitable. Small grants to small organizations can be very helpful. The Best Start for Kids model is very interesting. It is very focused on equity and gives out as much as \$250,000 per year to organizations that have never had grants of even \$10,000. Many of the small organizations cannot handle grants that large, which is where RVC has stepped in

with help. Many of the organizations have used the funding to hire full time workers, thus creating stability that creates a positive cycle. The cities should consider thinking outside of the box.

Ms. Nishioka said Sammamish has a very small human services budget which the commission has allocated to five different service areas. The idea of giving points where an organization's board reflects the people the organization serves is something tangible that can be done in the short term. Changing the whole system is something that will take much longer. She asked what other short-term steps could be taken. Mr. Le suggested that while difficult, getting rid of the application would be one step. Other steps could involve organizations thinking about language skills and taking it upon themselves to find and pay the necessary translators to translate applications and required steps. Some small organizations may not have leadership with computer skills, so hand-written navigation materials. Funders should also take the time to visit with organizations one-on-one to see and better understand their programs and avoid judging them based on typographical errors or not quickly responding to emails.

Ms. Jancoski said her organization engages in site visits, but only about once every five years. She agreed there is a need to trust organizations but suggested there is also a need for commissioners to get to know the organizations they work with and stay in regular contact with them throughout the year, obviating the need to depend on a written report submitted by the organization. An organization like RVC could provide training for commissions so that when they do step out to work with organizations they will have a sense of what to look for. Mr. Le agreed. The grant application is in many ways preventing funders from having real relationships with organizations. It is in private one-on-one conversations where organizations can openly share and explain why their numbers are up or down, what they have learned from their failures, and what their plans for the future area.

Commissioner Amirfaiz emphasized that outcomes must be applicable to every agency, both small and large. She pointed out that there were outcomes required as part of the Ten Year Plan to End Homelessness. Millions of dollars were spent on it, but the large agencies involved were allowed to get away with a lot of things. It is not the case that small non-profits cannot deliver on outcomes. All non-profits should be held to the same standard when it comes to outcomes. Funding should be set aside specifically to aid in capacity building, raising the capacity of small non-profits and improving service delivery in the community. Mr. Le commented that capacity building efforts have not always worked, largely because there are misconceptions about capacity building. On its face, the practice is aimed at helping organizations put in place the infrastructure they need to be successful. The problem is that funders are prone to changing what elements of capacity building they want to focus on when in fact what is needed is every element. The RVC model is very expensive. To build up an organization, a full-time person is sent in at a cost of \$70,000 annually, and backup support is at a cost of \$50,000 annually. The coaching program costs another \$10,000 per year. Grant writers can cost another thousand dollars. The cities should

understand that to truly bring an organization up to a level where they can be successful will cost up to \$150,000 per year. Funding \$5000 here and \$10,000 there will not achieve the desired outcome. Consultants cannot be sent in if a non-profit has no one to implement anything the consultant talks about. There is very little recognition of the fact that non-profit boards are affected by members with PTSD issues, gender dynamics and religious beliefs, many of whom stay on long past the time when they should move on, allowing for the board to be refreshed by bringing on new members. There needs to be trained culturally competent staff and stable geographic spaces for non-profits, all of which is vital to capacity building.

Commissioner Amirfaiz asked Mr. Le why he was planning to leave his position. Mr. Le explained that he has been an Executive Director for 13 years working with small grassroots organizations. It has been a bit like having a baby who is constantly awake and hungry and having to always worry about whether or not it will grow. He said he was in need of a sabbatical in order to spend time with his kids. Leaders often suffer from exhaustion, often as a result of the system that is in place. Non-profits are constantly having to seek funding and too often play the Hunger Games, fighting for what they want, instead of choosing to work together with other organizations for the greater good of the community. All missions are interrelated but are mostly treated as they are individual things.

Answering a question asked by Ms. Miller about the kinds of decisions city representatives should be considering, Mr. Le proposed targeting the communities that are most affected by injustice. In many ways the application process allows putting the burden on the non-profits to prove they are affected by injustice. Commissioners should take on the responsibility by making site visits and talking to people directly to determine who is most affected by injustice, and then providing them with funding sufficient to address the issues.

Ms. Nishioka suggested that the communities most affected by injustice are communities of color. Mr. Le agreed and said it is particularly true of the African-American and indigenous communities.

With regard to non-profit boards, Mr. Le said a large number of them are largely ineffective bodies. Some are even destructive to their organizations. Non-profits are required to have boards with at least three persons who meet a minimum of once per year and file Form 990. They are only in place because of tradition. The same is true of grant writing. No one legally says it must be done as it is being done. There are some things that must be done by way of accountability, but everything else is negotiable.

6. TABLE DISCUSSIONS

The groups met as commissions to discuss the takeaways from the presentation and how to implement them in the future.

7. REPORT OUT – None

8. ADJOURNMENT

A motion to adjourn was made by Commissioner Ma. The motion was seconded by Commissioner Kline and the motion carried unanimously.

Chair Mercer adjourned the meeting at 8:01 p.m.

Secretary to the Human Services Commission

Date

Chairperson of the Human Services Commission

Date