



STATE OF WASHINGTON  
DEPARTMENT OF COMMERCE  
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June 7, 2017

TO: Office of Homeless Youth grantees

FROM: Kim Justice, Executive Director, Office of Homeless Youth

SUBJECT: Policy changes to OHY programs and funding

Greetings:

The policies presented below have been informed by a [Joint Legislative Audit and Review Committee \(JLARC\) report](#) on unaccompanied homeless youth, recommendations in [OHY's 2016 Report](#), input on outcome measures received from a series of grantee calls, input from the Office of Homeless Youth advisory committee, and other learning and feedback received since OHY launched in 2015.

A memo was sent to all grantees on April 19, 2017 outlining the proposed policy changes and inviting comment by May 3, 2017. The Office of Homeless Youth did not receive any comments on the proposed policy changes.

We look forward to working with you in the coming months and years to refine our policies and make continual improvements to programs that serve youth and young adults who are experiencing homelessness.

## June 2017

### Contracting for 2017-19

Commerce will release a funding application for all OHY programs in June of 2017. This includes funding for HOPE Centers, Secure and Semi-Secure Crisis Residential Centers, Street Youth Services, the Independent Youth Housing Program, Young Adult Housing Program, and Young Adult Shelter.

Existing grantees must re-apply for funding. To allow time for the procurement process, the Department intends to amend current contracts to extend them through December 31, 2017. Funding for all programs except the Independent Youth Housing Program (IYHP) will be one-half the current funding amount. IYHP funding will be one-quarter of the original contract amount.

New contracts for applicants awarded through this procurement are intended to initiate on January 1, 2018 and be effective through June 30, 2019.

Funding availability is subject to final 2017-19 Biennial budget appropriations.

### January 1, 2018- June 30, 2019

Policy changes for contracts effective January 1, 2018 through June 30, 2019:

#### Outcome Measures

The OHY is moving towards a performance-based system to address youth homelessness. Shifting towards a focus on outcomes allows for continued improvement and progress towards program goals and system-wide goals to prevent and end youth homelessness. Additionally, there is a growing expectation to have clear outcomes for state programs and funding. A JLARC audit report recommended that Commerce develop program-specific performance measures and incorporate performance measurement into grant agreements beginning fiscal year 2018.

Implementation is planned as follows:

- Phase I- from Jan 1, 2018 to Dec 31, 2018: the OHY will measure data on a wide set of outcomes for each program. Draft outcome measures are included as an attachment with this memo. During this phase, OHY will share outcome data with grantees in order to address any data quality issues and better understand their performance in order to improve outcomes ahead of the second phase. This will be a “hold harmless” period during which grantees will not be liable for compliance to specific performance outcomes.
- Phase II: Beginning Jan 1, 2019: the OHY will evaluate outcome data collected during phase I and adopt a subset of measures to serve as performance standards. Contracts will be amended to include performance standards and compliance actions.

#### Changes to HOPE and S/CRC programs

- Modified grant awards: Funding for HOPE and S/CRC programs is shifting from a per-bed payment rate to a cost-reimbursement model. Under this model, Commerce will determine the total funding award amount based on an applicant’s proposed budget. Applicants for the June RFP will be instructed to submit one budget for the total number of beds they intend to fund, which can include a mixture of program types.
- Start-up costs: Applicants who propose to launch a new HOPE or S/CRC program may include start-up costs in their proposed budget.
- Reimbursable costs: Grantees will bill Commerce monthly, using an invoice that reflects costs accrued during the month. Reimbursable costs include: administration, capped at 15% of total reimbursed costs over the course of the grant period; program operations which includes salaries and benefits, equipment and supplies, office space, utilities, training, travel, insurance, and support services for clients; facility costs including leasing costs; and mortgage payments (includes interest/depreciation) and rehabilitation costs, capped at 10% of the total grant amount.

Mixed use of bed capacity: Grantees will be permitted to operate a mix of HOPE and CRC programs interchangeably in their facility. HOPE and CRC programs may operate within the same facility under a single contract, but all guidelines and competencies must still be met for each individual program model. Any co-location must meet licensing requirements.

For grantees that operate a mix of HOPE and CRC programs, the bed capacity can be used interchangeably between programs based on the program criteria and eligibility of youth who access the facility. Grantees may serve a HOPE or CRC client in any given bed, and the mix of clients in each program can vary at any point in time. For illustration, a grantee who operates 5 beds may have 4 HOPE clients and 1 CRC client at a given time, and 3 CRC clients and 2 HOPE clients at another time. Grantees must follow program guidelines consistent with the eligibility of each client. HMIS data entry must reflect the program type for each client.

### **Minimum standards for service models**

The Department is proposing that all programs be required to have competency in positive youth development, trauma informed care, and harm reduction. These approaches must be part of a program's training curriculum.

- Positive Youth Development is a philosophy and approach to working with young people that focuses on fostering a young person's innate resiliency through positive and supportive relationships with caring adults who have an unconditional belief in a young person's ability to succeed, as well as access to meaningful opportunities that build on young people's strengths, interests, and abilities. Positive Youth Development prioritizes young people's internal growth over their external achievements.
- Trauma-Informed Care is an approach to engaging people with histories of trauma that recognizes the presence of trauma symptoms and acknowledges the role that trauma has played in their lives. Trauma Informed Care is grounded in an understanding and responsiveness to the impact of trauma that emphasizes physical, psychological, and emotional safety for both providers and survivors, and creates opportunities for survivors to rebuild a sense of control and empowerment. Trauma informed services seek to integrate knowledge about trauma into organizational policies, procedures, and practices and in a way that actively resist re-traumatization.
- Harm Reduction is a set of practical strategies designed to improve health, safety, and self-sufficiency by reducing the negative consequences associated with drug use, including non-punitive abstinence, safer use, and managed use. These strategies meet drug users "where they're at", addressing conditions and motivations of drug use along with the use itself. In harm reduction settings staff must respond directly to unacceptable behaviors, whether or not the behaviors are related to substance use. The harm reduction model has also been successfully broadened to reducing harms related to health and wellness as well as many other issues.