Philadelphia HIV Integrated Planning Council
Finance Committee
Meeting Minutes of
Thursday, June 3, 2021
2:00-4:00 p.m.
Office of HIV Planning, 340 N. 12th Street, Suite 320, Philadelphia PA 19107

Present: Keith Carter, Alan Edelstein (Co-Chair), David Gana (Co-Chair)

Guests: Ameenah McCann-Woods (AACO)

Staff: Debbie Law, Julia Henrikson, M. Ross-Russell Ross-Russell, Sofia Moletteri

Call to Order: A. Edelstein called the meeting to order at 2:06 p.m.

Approval of Agenda: A. Edelstein presented the June 2021 Finance Committee agenda for approval. **Motion**: K. Carter, D. Gana seconded to approve the amended May 2021 agenda. **Motion passed**: 67% in favor, 33% abstaining. The amended June 2021 agenda was approved.

Approval of Minutes: A. Edelstein presented the May 6, 2021 Finance Committee minutes for approval. **Motion**: D. Gana motioned, K. Carter seconded to approve the May 2021 minutes. **Motion passed**: 67% in favor, 33% abstaining. The May 2021 meeting minutes were approved.

Report of Co-Chair:

No report.

Report of Staff:

No report.

Discussion Items:

—PC Budget—

M. Ross-Russell said that the Part A—formula and supplemental—budget was currently displayed on the screen. The code for formula was #813 while the code for supplemental was #8833. Highlighted were the CDC funds, represented by the code #8150. The latter was not included within the budget, because AACO's spending reports did not include CDC funds. They would review the budget with the exclusion of CDC funds since the Planning Council was only cited by HRSA on Part A funding. A. Edelstein asked if these were the accounting codes. M. Ross-Russell responded affirmatively, adding that they were from PHMC.

M. Ross-Russell explained that personnel and fringe were collapsed within the budget. Only total personnel was available. Also included in the budget was a consultant line which included B. Morgan for website development and IT when needed.

M. Ross-Russell explained that the direct rent was higher than what was shown since the budget only represented the Part A component. OHP's lease would end on December 31, 2021 for their current location. Whether OHP were to continue in the current space or not, moving forward, direct rent might be impacted. Within the current space, the property holders had performed renovations and improvements. Therefore, rent within the current space had a chance of increasing. If OHP were to move spaces, they would need to find a space that was conducive to community participation. A. Edelstein asked if they had discussed this with the landlord. M. Ross-Russell responded that she would first map out scenarios and solution—such as identifying alternative spaces—before such conversations would occur. This would need to be resolved by September 2021 at the latest. A. Edelstein asked about notice requirements for the lease. M. Ross-Russell reported that the lease agreement stated 90 days notice.

A. Edelstein asked what the beginning date for the lease was, and M. Ross-Russell explained that the office would have been in the building for 15 years, come January 1, 2022. Additionally, OHP ended up in their current location due to Convention Center expansion 15 years ago. They were removed from their space and given 60 days notice, so they had to identify a space quickly.

K. Carter asked about the maximum budget for rent. M. Ross-Russell said that, at the bottom of the sheet, there was an additional $22,000 that had not been expended—this could act as additional funds for rent. She noted that the numbers listed were estimates based on historic expenditures/trends. There would likely be more than $22,000 underspending due to staffing changes. The personnel line included TBD staff and did not take into account the vacant position. Some numbers would change and likely decrease, such as office expenditures or equipment. M. Ross-Russell recalled how the building, in the past year or so, installed a generator which blew out OHP's server. This blowout caused a significant dent in the budget. She did not predict such an expenditure in the future. Other costs for office equipment included a lease for the copier, subscriptions for software, etc.

A. Edelstein asked if OHP worked through the process themselves or if they worked with PHMC. M. Ross-Russell responded that as the fiscal agent, PHMC was expected to be involved. Thus far, PHMC was included in such discussions, along with Kathleen Brady. PHMC had told OHP that they needed to budget at least $100,000 for an architect. A. Edelstein asked why OHP needed an architect when acquiring a new space. M. Ross-Russell said it was to ensure OHP and HIPC could fit within the location. The architect, themselves, would be paid at least $60,000. Their prior space did not require an architect, and OHP simply worked with the building for a gut renovation.

A. Edelstein asked if OHP preferred to relocate. M. Ross-Russell said yes, but if this was not possible, they would continue within the current office. Regardless, they needed to ensure that their decision made sense with their budget. A. Edelstein said that, in summary, the budget presented was based on historical amounts and that they expected this year, because of COVID-19, these numbers would fluctuate. Going forward, he figured the historical budget would return. They also had to consider changes in rent within the new lease for their current building or a new location entirely. K. Carter asked that OHP keep the committee updated.

M. Ross-Russell said that if she identified a place within reason, when OHP presented their next quarterly report, she would include the new rent/those prospective changes within the report. A. Edelstein reminded everyone that they were currently reviewing a budget, not a spending report. M. Ross-Russell said she did not have quarterly expenditures as of yet. The rate at which OHP was able to access their expenditures was dependent on invoicing from PHMC sent to AACO. A. Edelstein asked if PHMC did the accounting for OHP, and M. Ross-Russell said yes. She explained that OHP worked with a PHMC accountant, and OHP was able to track the budget and be kept aware of financial circumstances. OHP regularly had $50,000 in underspending, since they tried to do everything as economically as possible.

A. Edelstein asked about the process for writing checks, etc. M. Ross-Russell explained that D. Law received the bills and created the payment authorization forms. M. Ross-Russell would then sign off on the invoices that would then be sent to PHMC. A. Edelstein asked if PHMC cut and assigned the checks. M. Ross-Russell said yes. Additionally, if OHP needed to purchase anything, they would just receive a reimbursement from PHMC. A. Edelstein said it was more expeditious to follow this process. M. Ross-Russell agreed.

A. Edelstein asked about the budget that PHMC used and how frequently they sent expenditure reports to OHP. Typically, M. Ross-Russell received invoices two to three months out. PHMC had worked off an older OHP budget, since they only recently received the new award amount. She notified the account manager that she had updated the formula and supplemental budget and would send the budget tomorrow. She added that she received expenditure reports by request.

A. Edelstein asked if OHP had to present the invoice along with the budget, expenditures, etc. M. Ross-Russell said that once OHP submitted a payment authorization form, PHMC would receive the checks. This year, PHMC mailed out checks since there were limited or no people in-office. Under normal circumstances, OHP submitted the payment authorization forms and had a timeline with PHMC. PHMC would then cut the checks within a set time frame. D. Law would pick up the checks, copy them, and file them, attached to a copy of the payment authorization form. A. Edelstein asked if the hardcopy was a fiscal backup. M. Ross-Russell said yes.

A. Edelstein asked if there were any questions. K. Carter felt it was unreasonable to cite OHP for the budget since HIPC did not feel the need to hold the office accountable. A. Edelstein said that, going forward, it would help them understand the finances behind the process. The presentation was only a report and did not need approval. K. Carter said he was okay with this going forward. D. Gana agreed with A. Edelstein.

M. Ross-Russell said, as part of the process, the numbers would likely change based on historic spending trends. Some numbers would decrease while others may increase, especially considering other upcoming processes. For example, the Consumer Survey process was approaching, and they would likely need to distribute hardcopy surveys since they had better response rate than digital surveys. This meant that costs such as postage and courier services would increase substantially. Office and meeting supplies would also increase as they considered incentives for the surveys. D. Law had informed M. Ross-Russell that postage was $1.53/survey last time they distributed surveys. A. Edelstein added that this postage was likely more expensive now, and the cost would continue to increase. M. Ross-Russell agreed, saying they also had to consider return postage which was about $1,000 for the 300 surveys returned last round. A. Edelstein said the office would budget for this, and M. Ross-Russell confirmed.

D. Gana said if the office changed locations, there would also be relocation fees. M. Ross-Russell said that the City was likely aware that OHP could not pay for the moving expense out of RW Part A or CDC funds. Therefore, she figured the city anticipated that they would cover this expense.

M. Ross-Russell noted that RW funds could not be used for construction or relocation. She said that repairs necessary for the facility to continue were covered under RW Part A and CDC dollars, but building out was not an allowable cost. A. McCann-Woods agreed that this boiled down to allowable and unallowable costs. M. Ross-Russell noted that construction was typically included in rent, so this would solve barriers around building out.

M. Ross-Russell said that sometimes, PHMC collapsed certain line items. Therefore, she would continue to have conversations with PHMC to get more detail into how everything was broken down. Then, she could offer a proper expenditure report to the Finance Committee. It would be as detailed as possible, and she would make them aware of any barriers to completing the report.

—Monitoring the Administrative Mechanism—

A. Edelstein reported that the need to Monitor the Administrative Mechanism for Rapid Distribution of Funds was mentioned during the HRSA Site Visit. He further explained that this was in relation to the procurement process. M. Ross-Russell directed attention to the form, pointing out how every component listed was for HIPC to consider according to HRSA mandates. A. Edelstein asked if the form was a replica of a HRSA document. M. Ross-Russell explained that some language was borrowed from targetHIV, a HRSA website. The form also took into consideration the language for OHP policy around monitoring rapid distribution of funds. The form was more generic than the policy, but it was ultimately a combination of policy and targetHIV language. A. Edelstein asked her to walk the committee through the form.

M. Ross-Russell looked at the first item listed under “Procurement.” She explained that the last time there was an RFP, it was for Case Management services. AACO presented to HIPC, offering a brief presentation on the model, the RFP process, anticipation for review, etc. The first part of the form was a prompt asking if the presentation around RFPs was applicable and/or if the grantee fulfilled their role. If there was no RFP, this would be a non-applicable item. The group responsible portion was left blank, as they would have to fill out who was responsible for monitoring the item e.g. if it was Executive Committee, HIPC, Finance Committee, etc. A. Edelstein suggested that the Executive Committee discuss which entity within the HIPC would be the best entity to monitor this process. They could decide that the Finance Committee would be best, but he felt it important to run this through the Executive Committee to make the final decision.

A. Edelstein said, if the Finance Committee ultimately took responsibility, they would also need to figure out how they would report back. K. Carter asked if the first item on the form meant that HIPC would manage contracts in place of AACO. A. Edelstein said this is not the case, it was just to ensure that HIPC was being offered the information and “kept in the loop.” M. Ross-Russell said there was conflict in the first item, since there were providers within the council. Offering providers information on an RFP before it was public would give advance notice to some and ultimately be unfair to others. Therefore, this first item is meant to ensure the checks and balances by making HIPC a part of the review process without running into conflict.

M. Ross-Russell, referring back to K. Carter’s point, explained that monitoring subrecipients was AACO’s responsibility. Alternatively, reviewing an RFP to ensure that it is fair and consistent with HIPC allocations, would be a responsibility for HIPC. For example, if a service was RFPed in order to accommodate a HIPC directive, HIPC should know this and ensure that their intent behind the directive was included. A. Edelstein said this made sense, adding that this process was not for approval, just for monitoring. This form, essentially, was to ensure that the recipient was acting in a way that was consistent with HIPC decisions and intent.

To clarify, M. Ross-Russell said, with the past Case Management RFP, AACO presented on the RFP before it was completed. They reported on their intent and the reasoning behind any intended changes. They also asked for input, concerns, and suggestions for HIPC. A. Edelstein said AACO would also present on the completed RFP and how it was in compliance with HIPC. He asked if they had access to existing criteria for assessment of the RFP process. M. Ross-Russell said she would look for a bulleted list of items to possibly create a checklist to measure the efficiency of the RFP. A. Edelstein added that HRSA likely cited them because other EMAs were doing this well and HIPC was not. He asked that OHP look into and send the Finance Committee examples of RFP reviewal. M. Ross-Russell said she would look into this. K. Carter said, within the Planning CHATT Learning Collaborative, other PCs seemed to struggle more so and might not have such comprehensive lists.

D. Gana said that once an RFP goes out, HIPC could then verify if it covered its goals. A. Edelstein expressed concern with a comprehensive reviewal process, given the great detail within an RFP. Additionally, M. Ross-Russell said this went back to their initial concern. She explained that if a Case Manager reviewed the content of the RFP, this would cause conflict. D. Gana said they would review it after it went out. A. Edelstein said they needed to review it before it came out since they were to review the process. He asked for more clarification around the RFP review. M. Ross-Russell said that HIPC was supposed to know about the content, meaning the intent of the RFP but not the details. K. Carter said it would still leave some at an advantage, and M. Ross-Russell added that HIPC and AACO would need to figure out how to separate out information depending on whether it would lead to conflict or not.

As an example of an RFP presentation from AACO, M. Ross-Russell recalled the overall message from the last Case Management RFP presentation: AACO reported that, based on their experience and feedback, the acuity system needed to change for Case Management services so a certain group of individuals received a service one way while another could receive the service an alternate way. This generic conversation was acceptable, especially because HIPC could challenge the intent if they did not agree or felt it matched with their allocations/directives. Then, they could ask to alter the RFP. AACO would need to re-review it, change it, and bring it back to HIPC once again.

K. Carter asked if the last Case Management RFP implemented the two-tier model. A. Edelstein and M. Ross-Russell said it did. M. Ross-Russell said they RFPed the whole system so they *could* implement the two-tier model. She added that, based on the form, the efficiency and effectiveness of procurement was essentially asking HIPC to report on whether: it was efficient, it was reviewed, it went quickly and smoothly, etc.

A. Edelstein said AACO would report only on information such as the number of applicants, how many were accepted, etc. They would not include the names of agencies or other such details. It was important for HIPC to avoid conflict and intrusion while still taking note of any serious, overarching issues where they could intervene if necessary. M. Ross-Russell said yes, for example, AACO could list the number of agencies that applied and how many could ultimately provide services in accordance with the RFP.

K. Carter asked if smaller organizations were provided assistance to reach accordance with an RFP, and M. Ross-Russell said yes. She explained that program analysts and administrators could offer information on how to correct outstanding issues and in what timeframe. This, ultimately, was the reasoning behind monitoring providers. The purpose of Site Visits/ongoing monitoring were to help organizations to provide services in accordance with required language.

D. Gana said that, returning to the procurement process and the topic of contract, there was a separate category on the form that addressed contracting. Each category on the form could answer the questions of what HIPC was and was not responsible for.

A. Edelstein suggested that the Executive Committee make the final decision about the responsible party. They needed to discuss whether the Finance Committee or another committee should be involved and how the reporting/monitoring should go. Additionally, he suggested the recipient also have a say, given that they are the ones being monitored on their reports. M. Ross-Russell said that this was still a draft form, and A. Edelstein said it was a great starting point.

A. Edelstein said the form would be reviewed within the Executive Committee. M. Ross-Russell said however this worked out, HIPC would perform the final review.

M. Ross-Russell noted that for the contracting portion of the form, this was for HIPC to ensure that contracts went out within 90 days. HIPC typically guaranteed this by approving a level funding budget plan for continuation of funds in the case of a partial award. A. Edelstein agreed, saying that AACO input was vital. M. Ross-Russell noted that many of the list items were already achieved and monitored by HIPC.

A. Edelstein asked if these items were currently a Finance Committee response. M. Ross-Russell confirmed. A. Edelstein said, then, that this form was a way to formalize their current monitoring process. He reiterated that the Executive Committee would review the form. He asked that AACO also review the form before final approval.

Other Business:

None.

Announcements:

None.

Adjournment: A. Edelstein called for a motion to adjourn. **Motion**: K. Carter motioned, D. Gana seconded to adjourn the June 3, 2021 Finance Committee meeting. **Motion passed**: All in favor. Meeting adjourned at 3:20 p.m.

Respectfully submitted:

Sofia M. Moletteri, staff

Handouts distributed:

- June 2021 Finance Committee Meeting Agenda
- May 2021 Finance Committee Meeting Minutes
- Monitoring the Administrative Mechanism Form
- Planning Council Support Staff Budget