Social Services Reset Update

Austin Audit & Finance Committee | November 18, 2026

Agenda

1. Background
2. Stakeholder Engagement
3. Agreement Structures
4. Solicitations
4. Timeline and Next Steps

BACKGROUND

Resolution Overview

- **Resolution** 20260226-056 calls for a rubric to evaluate social services funding decisions, and funding source evaluation, and community and vendor engagement.
- **Resolution** 20260812-022 calls for an evaluation of social services agreements going into FY27 to assess the need for changes and/or reductions.
- **Resolution** 20260812-014 calls for an evaluation and reset of the social services issue areas, partnerships, agreement structures, funding, and reporting to be implemented beginning in FY28.
- **Resolution** 20261022-046 calls for contract-level geographic analysis of services outcomes and participants, to the greatest extent feasible.

Prioritization Rubric

Dimension	Max	What It Measures	Key Sources
D1. Community Need	25	Prevalence, severity, equity gap	2025 Community Health Assessment; American Community Survey; Homeless Management Information System; Continuum of Care Point-in-Time
D2. Need Trajectory	15	Trend direction, funding gap risk, growth pressure	American Community Survey year-over-year; Homeless Management Information System trends; Supplemental Nutrition Assistance Program data
D3. City Strategic Role	15	Citywide strategy alignment, unique City funder role, cost avoidance for other City systems	Citywide Strategic Plan; Resolution 20260226-056
D4. Investment Efficiency	10	Provider track record and external funding leverage	Contract performance data; federal and state match structures
D5. City Council and Community Direction	10	Inclusion in City, Council, and B&C strategic direction	Citywide Strategic Plan, City Council Resolution, Joint Inclusion Committee
TOTAL	75		

Social Services Strategic Reset

- Resolution 20260812-022 calls for a social services strategic evaluation including needs assessment, regional collaboration, city role, funding models and policy options, performance, reporting, accountability, and agreement structuring.
- Working groups led by the City Manager's Office and departments with social services funding:
  - Issue Area definition, level of need / gaps, City role, intervention strategy, services portfolio, best practices (sub-groups for each Issue Area)
  - Contract/grant structure, performance measures, and reporting
  - Stakeholder engagement
  - Governance and partnerships
- Work groups complete by end of December 2026, results will inform leadership direction on services portfolio, funding levels, partnerships, and agreement modifications and solicitations ahead of FY28.

Stakeholder Engagement

Engagement focus

- **Prioritizing** opportunities for community and stakeholder input to meaningfully inform outcomes while avoiding repeated requests for feedback.
  - Includes opportunities for ongoing engagement on the social services portfolio.
- **Working** with Austin Communications & Engagement to co-design the survey approach and identify effective outreach.
- **Coordinating** with other work groups to identify where additional feedback would be most helpful and which questions should be prioritized.

Engagement – Existing Feedback

- Staff is building on existing feedback to inform the engagement approach, identify key issues, and avoid duplicating efforts.
- Existing feedback includes:
  - Staff Survey: Extensive staff feedback has been collected through a survey.
  - Vendor Listening Sessions: Feedback from vendors during the recent budget cycle is available to help identify key issues and inform additional engagement.
  - One Voice Meetings: Monthly meetings with One Voice leadership to provide updates and receive feedback.

Engagement – Two Surveys

Two Survey Opportunities

- *Existing and Potential Vendors:* current and former City-funded social service providers, and organizations interested in future contracting opportunities.
  - Topics may include performance expectations, contracting processes, support needs, and barriers.

- *Community Needs and Service Priorities:* for community members, individuals with lived experience, advocates, frontline service providers, and other community stakeholders.
  - Topics may include unmet needs, access barriers, priorities, and geographic service gaps.

Agreement Structures

Types of agreements

- **Contracts** – for services the City must provide.
  - contractor is providing work the City is legally responsible for either by ordinance or municipal code.
  - Examples:
    - Operating a City-owned facility or asset (e.g., a City-owned shelter)
    - Providing legally mandated services (e.g., court interpretation)
    - Providing essential services as defined by City HR policy (e.g., storm debris collection)
- **City grants** – for services the City chooses to provide.
  - Examples:
    - Distributing food to individuals who are food insecure
    - Outreach to individuals experiencing homelessness
- Both types include accountability and reporting structures that ensure transparency, performance, value, and services for residents.

Performance in agreements

- Most current agreements are **reimbursable -** vendors are reimbursed for cost incurred
- Options for incorporating performance:
  - Performance incentives – additional payments/incentives available for exceeding targets on predetermined metrics.
    - APH/HSO 2022-2023 Pilot with Rapid Rehousing Programs which resulted in bonus payments to six vendors.
  - Performance-based renewals – agreement renewal is based in vendor meeting performance targets.
  - Deliverable-based agreement – paid per item delivered (e.g. paid for each meal provided) instead of reimbursed for the service (e.g. reimbursed for expenses for operating a food bank during agreed upon hours).

Solicitations

Overview of Solicitation Types

- **Request for Application (RFA):** a solicitation method used to acquire social services from a nonprofit entity to address community needs, resulting in a grant agreement for services.
- **Request for Proposals (RFP)**: a formal solicitation method to acquire goods and/or services when a clearly defined scope of work or specification is not available, when the government seeks to engage in negotiations and/or allow the Offerors more latitude to meet the government's needs. Proposals are evaluated based on criteria, including price. Contract(s) are awarded to the Offeror submitting the Proposal representing the best value based on the Solicitation's criteria.

Solicitation Overview

- Social Services solicitations are shaped using community priorities, local data, and needs, and are aligned with strategic goals.
- Solicitations are currently conducted for either new funding or on a cadence of at least every 3-5 years.
  - Cross-functional teams develop and finalize the solicitation.
  - Solicitation open periods (between 4-8 weeks) for maximum vendor participation.
  - Applicant support is provided through a variety of information sessions.
- Trained City and community evaluators independently score proposals (using a rubric), participate in a consensus session, and follow conflict of interest and confidentiality requirements.
- Department leadership utilizes a funding recommendation rubric to finalize allocations to top scorers.
- Awardees are notified promptly; non-awardees are notified when the City Council agenda (that includes the awardees) is posted, and evaluation summaries are available upon request.

Solicitation and purchasing

- Purchasing social services
  - Whole-portfolio solicitation – Seeks proposals for many of the services at one time. Last done in 2014. The entire Life Continuum tied to Self-Sufficiency Goals - $13.8M
  - Issue Area solicitations – Seeks proposals for services, programs, or interventions addressing a common issue or population need. *Examples: Early Childhood, Basic Needs*
  - Service solicitations – Seeks proposals for distinct services, typically due to new funding. *Examples: Aging Services, Substance Misuse*

Timeline and Next Steps

Policy Areas

- Contract Structure
  - Percentage of City funding that makes up program/agreement
  - Percentage of City funding that contributes to an organization's total budget
- Allowable costs
  - Indirect / Administrative rates
- Performance structures
  - Agreement renewals based on performance targets
  - Agreement paid per deliverable
  - Pay for performance

Timeline


Sept 2026
Oct 2026
Jan 2027
Apr 2027
July 2027
Oct 2027
Process
Issue area definition, services and partnership strategy, agreement structure, and funding level determinations
Contract/grant modifications and solicitations developed and issued
New agreements take effect
Engagement
Community, vendor, partner, Committee, Council engagement
Budget process engagement
Vendor notifications
Budget
FY28 budget proposal and adoption process

Next Steps

- Complete **Issue Area definition**, gap and services analysis, partnerships, funding, and agreement structure determinations.
- Confirm **structure and governance** changes for portfolio and agreements.
- Continue **engagement** with vendors, staff, community, and leadership.
- **Prepare for procurement process** in early 2027. Solicitations will occur in FY27 with all agreements effective by FY28.

Thank You

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