



MEMORANDUM

AGENDA ITEM # IV.A.1

DATE: AUGUST 11, 2014

TO: COUNCIL MEMBERS

FROM: STAFF

SUBJECT: COMMUNITY-BASED GRANTS ISSUES – Letter from Ms. Erin Healy

This document serves to provide the Council with background information regarding staff's involvement with community-based grants as referenced in Ms. Healy's letter (Attachment A).

The Council received two grants in 2011 that provided staff the opportunity to assist community-based organizations in improving the health environment landscape within Miami-Dade County.

The first grant awarded was awarded to the Council on April, 2011 from the Miami-Dade County Health Department (MDCHD) to build the organizational capacity of the Miami-Dade Food Policy Council; assess the nutritional environment of priority areas in Miami-Dade County; disseminate the results of the study to the community; and identify and develop policies and incentives that improve healthy food access in Miami-Dade County. The MDCHD received grant funding from the Centers for Disease Control and Prevention to identify opportunities to increase community access to healthy foods by facilitating system, environmental, and policy change. The grant was amended in October of the same year to facilitate the implementation of Farmers' Markets and Community Gardens within Miami-Dade County, by six community-based organizations identified through the MDCHD's Community Mini-Grant Program. Youth L.E.A.D. was one of the six organizations that the Council entered into Professional Services Agreement to provide the services requested by the Health Department.

The Health Department had very stringent reporting requirements which entailed monthly submittal of binders containing monthly invoices, progress report of the work plan and supporting documentation for all work completed. Council staff received documentation from the community organizations each month and submitted all paperwork to the Health Department. Payment may have been delayed if the Health Department did not feel the submitted documentation was adequate. Council staff paid the community organizations upon receipt of payment from the Health Department and did not take full payment for the Council staff's work until the contract was completed. Council staff understands that these stringent reporting requirements may have caused in certain instances, a financial hardship on some of the smaller community organization, especially if they did not have alternative or supplemental sources of income. Once full payment was received from the Health Department all grantees were paid and the community portion of the grant was closed out in July of 2012.

During the same year, Council staff worked with Youth L.E.A.D. (YL) a Miami-based organization that worked with high school students to create youth leaders. Council staff assisted YL in the development of a grant proposal to the Environmental Protection Agency (EPA). YL proposed to conduct a 12-week afterschool training program in the fall of 2011 in three underserved communities and expose selected

students to food justice and environmental justice issues and effective solutions. Graduates of the training program were also expected to complete community-wide service learning projects. The Institute for Community Collaboration (ICC) submitted the grant as the applicant in March 2011, since YL was not a 501(c)3 organization as the grant eligibility required. Notice of the grant award was received in September 2011. The ICC entered into a Professional Services Agreement with YL. Council staff served as project manager and met its financial reporting obligations and requirements. ICC reporting requirements were even more stringent than EPA's due to certain internal procurement and documentation standards and to ensure YL's activities in the EPA grant were discernable from the activities in the Health Department grant. Council staff again recognizes that such requirements may have been financially challenging to smaller community organizations. All payments were made to YL and this grant was closed out in December 2012.

Staff strives to meet the needs of the communities in the region and be supportive of organizations that serve the communities, while ensuring grant funds are spent appropriately and the adequate documentation is provided.

South Florida Regional Planning Council Board of Directors

Attn: Commissioner Stacey Ritter, SFRPC Board Member

July 14, 2014

Dear Commissioner Ritter,

I am writing a formal letter of complaint against South Florida Regional Planning Council (SFRPC) to follow up on my phone conversation with you in June. I am asking the Board to seriously review the complaint and SFRPC's actions and treatment of their community partners and take appropriate action. The SFRPC should be concerned about the financial management of federal funds as well as their image in the community, especially since elected representatives serve on their Board of Directors. I am writing to you now, because SFRPC leadership and board members did not respond to my former attempts to discuss these complaints, and I was subsequently delayed with the closure of my nonprofit and the start of a new position.

My complaints concern the SFRPC's fiscal sponsorship and management of two grants that directly impacted my nonprofit and livelihood as well as the community's serious concerns about former grants the SFRPC received but did not result in any positive impact on the community. I founded and ran a food justice organization for youth - Youth L.E.A.D. (YL) – for over four years in Miami. YL conducted afterschool programs, community outreach and research around food access, farmers' market and garden promotion, and youth peer education for healthier eating. The organization's budget never surpassed \$160,000, and I was only able to hire two part-time staff while I worked a separate full-time job to support this small start-up organization that was the only one of its kind in South Florida.

I met Karen Hamilton of SFRPC at a Miami-Dade County Department of Health coalition meeting. She later offered her support to help me grow my organization by acting as a fiscal sponsor for grants until I was able to recruit a full Board of Directors to apply for our own 501C3. SFRPC served as a fiscal sponsor for two of Youth LEAD's grants, both of which I wrote: the Environmental Protection Agency's Environmental Justice grant for \$25,000 and the Miami-Dade County Health Department's Farmers' Market Promotion Grant for \$34,999. SFRPC served as a pass-through for the Health Department for six CBOs in total for the latter grant. The Planning Council mismanaged these grants in multiple ways and severely damaged community relations in the process. In fact, YL and one other organization (Bochika) closed soon after. SFRPC withheld our reimbursement funds for up to six months at a time, delayed the signing of contracts and then broached those written and signed contracts on a monthly basis by delaying payments without cause, ignored our emails and calls to set up meetings to air our financial stress due to the delayed payments, and treated us with an alarming level of disrespect. I have outlined my complaints for each grant below:

EPA EJ grant: I received a letter from EPA, dated 9/30/11, which announced that YL was awarded an EJ grant and outlined the steps for beginning the contract and management process with EPA. I forwarded this letter to Karen Hamilton since our grant timeline started in September, however she subsequently ignored my follow up emails and calls for several months. I eventually involved the EPA Program Officer for help in releasing our funds. When I involved EPA, Karen admitted she had received the email but “thought it was spam” and disregarded. Karen Hamilton and Bob Cambric consistently told me I could not receive grant reimbursements, despite showing evidence of our completed work and receipts for expenses, until I had a signed contract, however they didn’t provided a draft until 1/10/12 - 3.5 months after the award letter and start of YL grant activities. The EPA Program Officer gave Karen a deadline of 2/10/12 to execute contract, but I didn’t receive an executed contract until the end of February. During this time, YL staff was implementing the program (starting September 2011) and reporting to the EPA without any reimbursement for expenses or receipt of salary. We didn’t receive our first payment until mid March 2012 for a program that began in September 2011. I spent many hours each month attempting to contact Karen and Bob to resolve these issues and scrambling to figure out how I could keep YL afloat during the time SFRPC withheld our funds. I had to borrow money to hire a lawyer to help me release funds from a grant I wrote for a program I designed.

Once the contract was finally signed, Karen continued to withhold our monthly reimbursements for up to several months at a time. Despite the inordinate amount of documentation and paperwork I provided to SFRPC for this small grant each month, according to what was outlined as requirements in our contract with SFRPC and with EPA, Karen continued to ask for several forms of documentation for each expense, no matter how small, and questioned each expense, even though they were outlined in the approved grant budget. It is important to note that what Karen asked for each month was not outlined in the contract and was far beyond the simple quarterly reports and budget forms required by the EPA. The time required to compile the additional paperwork and reporting that Karen required, outside of our written contract terms, was not accounted for in the budget I originally created for the grant, which only required quarterly reports, so I was not paid for this extra time. Despite having outlined a timeline for reporting and reimbursement in the contract, Karen would instead demand certain documents to be sent to her within 2-3 hours, and if I couldn’t meet that deadline due to previous work obligations, she would withhold our payment an additional month. These documents were often already submitted to her via email or Dropbox, but she would insist that I email them again at that moment. Karen and Bob were also consistently disrespectful to me and my staff, disregarding our attempts to schedule meetings or reach them by phone and telling funders very negative and untrue statements about me and YL in addition to scolding us each time we did speak. I tried to contact Mr. Murley many times to resolve these issues, but he never responded to me.

This unnecessary and overly burdensome management by SFRPC of a small \$25,000 grant to a small and under-resourced CBO resulted in me and my 2 part-time staff working an inordinate amount of hours each week on extra reporting, rather than being able to focus on program implementation. I lost staff who did not appreciate how we were being treated by SFRPC and who didn’t want to wait to be paid or be asked to conduct extra work beyond the original scope. During this time, Karen’s micro-managing of

the grant pulled me away from other fundraising and organizational management tasks, which ultimately thwarted YL's growth and led to eventual closure.

This is not "building capacity" as Karen promised nor is it developing good partnerships in the community. The SFRPC's behavior resulted in a loss of quality programming and a much-needed organization in South Florida, and it destroyed Karen's and Bob's relationships among community partners, who are essential for collaborative grants. I am deeply upset that SFPRC - a well-funded, large, and public agency - treated its community partners the way they did. I spoke to other Board members who never responded to my former requests to seriously handle this complaint. I did not understand why the Board and SFRPC Director never found it important enough to abide by their written contracts with community partners, pay them on time for their work, and improve their relationships.

Miami-Dade County Department of Health Framers' Market Promotion Grant:

YL was one of five community grantees (CBOs) who received \$34,999 each from Miami-Dade County Public Health Department (MDCPHD) from the \$14.7 million "Communities Putting Prevention to Work" grant from the Center for Disease Control.

MDCPHD contracted SFRPC to manage the grants made to the community organizations, citing only a "legal challenge" with disbursing funds directly to grantees. The SFRPC had also received \$500,566 from MDCHD through the same funds, which posed an obvious conflict of interest and a potential illegal use of federal funds (MDCPHD denied grantees' request to see the original grant and contract between CDC and MDCPHD). Earth Learning, one of the community-based organizations also received a second grant from the same funds, without any formal bidding process, required by law, by SFRPC or the Dept of Health.

As with the EPA grant, SFRPC consistently breached the signed contracts with grantees by withholding our reimbursements without cause and continuously requiring grantees to provide additional data, information, human resources, and program implementation that was not required or outlined in our contracts. Examples of this extra work that was required of YL but not listed in our scope of services or contract include: conducting hundreds of extra community surveys beyond our target number, redoing 200 community surveys that met the grant criteria, writing and editing long research analysis reports not listed in the contracts or grant RFP (SFRPC and MDCHD later paid an outside consultant a very large sum of money to write a similar report while YL was not paid for our time in writing the initial report), attending multiple meetings that were not specified in the expectations, and conducting completely new activities and programs not listed in the contracts. These additional requests were also far beyond what small, community organizations could provide with limited resources while they were being tasked with completing 3 years' worth of work in less than 6 months without reimbursements (MDCHD didn't release the funds for the 3 year grant until 6 months before all activities had to be completed so deliverables meant for 3 years were packed into 6 months).

When grantees complained or inquired about these additional requests, we were threatened to have the funds, which we had already spent and were awaiting reimbursement, withheld unless we abided by the additional requests that were not part of our contracts. Grantees consistently asked to see the reports from MDCHD to CDC, which should have been public information, but these requests were ignored. The Directors of each agency denied our requests for meetings or calls. During this time,

grantees were unable to pay staff, who were simultaneously tasked with the extra duties not included in the grantees' contracts. Two organizations – Bochika and Youth L.E.A.D. – closed soon after the completion of the grant due to loss of reimbursement, revenue, staff, and time needed for organization operations as a result of SFRPC's and MDCHD's management of the small \$34,999 grants with us. Some organizations were never fully reimbursed, and two organizations hired lawyers. The media coverage links listed below cover this story.

In addition to the violations apparent in this grant management, MDCPHD's and SFRPC's treatment of these community-based organizations and the communities they served resulted in irreparable damage to community relations and even caused two successful, innovative organizations that were providing services to low-income communities to close. SFRPC staff would make promises in public meetings (e.g. we will reimburse everyone by X date) but then never follow through on their promises after the meeting, they spoke to grantees in a blatant condescending and dismissive manner, and they never listened to our concerns.

Negative media coverage of SFRPC

In addition to the events described below, I have included several newspaper articles that discussed the health department's and planning department's mismanagement of various federal funds. The media coverage provides proof of the level at which the community and organizations complained about the misuse and mismanagement of these funds:

- ☞ <http://blogs.miaminewtimes.com/riptide/2012/02/obamas-stimulus-bill-brings-1-o.php#more>
- ☞ <http://causeofaction.org/cronies-putting-politics-to-work/>
- ☞ <http://www.miamiherald.com/2012/05/20/v-fullstory/2841329/the-problems-with-food-deserts.html>
- ☞ <http://blogs.miaminewtimes.com/riptide/2012/03/cecilia-hollomans-real-legacy.php>
- ☞ <http://www.miaminewtimes.com/2012-02-16/news/farmers-market-fiasco-miami-dade-health-department-squanders-15-million/>

Other unsuccessful projects run by SFRPC in the community

SFRPC received \$125,000 from the Department of Health, in addition to the funds it received to act as a pass-through for grantees listed above, to conduct community research and create a food policy council. It is important to note that the SFRPC never informed or involved the food advocates and residents, including myself, who were already meeting on a weekly basis to create this food policy council. While SFRPC staff were paid for their time attending meetings and writing a report, which was never used or implemented, other food council members were not offered any compensation nor any chance to voice their opinions and concerns about the council. SFRPC was provided \$125,000 to attend a few meetings and conduct 30 surveys – much less burdensome than the deliverables and reporting required of the small under-resourced grantees listed above. Despite \$125,000 paying Karen and Bob, SFRPC never contributed anything to the food council. After their money was exhausted and they stopped attending

meetings, there was still no structure in place, no elections held for leadership positions within the council, no adopted bylaws, and no set agenda for the council.

LEGACY JOLI Grant: SFRPC served as a fiscal sponsor to LEGACY for a \$436,502 JOLI grant in 2009-10 that was supposed to provide jobs to low-income people through community gardens and healthy cooking initiatives in Liberty City. However, community members complained publicly that they were not paid nor provided jobs, and I can attest to the fact that there were NO gardens or cooking classes at the sites LEGACY claimed to be conducting grant-related activities. Two media articles also investigated this:

http://blogs.miaminewtimes.com/riptide/2012/03/cecilia_hollomans_real_legacy.php

<http://www.miamiherald.com/2011/03/31/2144244/miami-commissioner-dunn-denies.html>

<http://www.acf.hhs.gov/programs/ocs/joli/funding.html#2010>

The 2-year grant funds were expended within 6 months the LEGACY Director, Ceci Holloman, could not be found after she received her funds from SFRPC. SFRPC was the fiscal agent and therefore was responsible for how funds were spent, and Karen Hamilton was the grant manager. What is most shocking is that SFRPC did not properly oversee almost half a million dollars in federal funds but then micro-managed a \$25,000 grant to a start-up organization with no full-time staff.

In addition to my written complaint provided to you, I am happy to put you in contact with the other grantees who were also exploited by SFRPC and food policy council members who consistently voiced their displeasure with SFRPC's performance. I look forward to hearing from you, and I sincerely hope that the Board will properly oversee SFRPC's grant management and community relations in the future so that South Florida does not continue to lose its young leaders and the positive and impactful services and programs they bring to the communities they serve.

Thank you,
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