



Best Practices for Oversight of Millennium Fund Programs

MILLENNIUM FUND COMMITTEE
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OVERSIGHT

This report provides some general best practices when distributing funds to a subgrantee to ensure that the funds are spent as intended. Most of the Millennium Fund distributions are made in advance of expenditures being incurred, which limits some practices. However, monitoring, and specific reporting requirements and performance objectives could help the committee determine if the distributed funds had the desired effect, or if a different direction is needed.

From discussions with staff in the Budget and Policy Division of the Legislative Services Office. Funds for the Community Based Recovery Centers have been distributed in a multitude of amounts and through different state and local agencies since 2016. This disjointed distribution process reduces the ability to monitor the program as a whole and to determine if program objectives related to the Millennium Fund participation are being met.

I have included some background and financial information related to Recovery Idaho, Inc., the non-profit organization that has been the latest recipient of these funds in fiscal year 2023. I reviewed not only distributions from the Millennium Fund to Recovery Idaho, Inc., but other payments made by State agencies, that occurred between fiscal year 2014 and fiscal year 2023. I also reviewed reporting information provided by the Executive Director of Recovery Idaho, Inc. to the committee last year. Based on that information, it appears that expectations and requirements are not precisely described when funds are allocated, but rather are more broadly expected to supplement the operating costs of the nine Idaho Recovery Community Centers. The report includes a statement that the centers used these funds for things like rent, facility lease costs, supplies, utilities, internet and phone, direct emergency expenses, and staffing, including staffing to expand operation hours and outreach to satellite locations.

Historically, the committee has functioned on an advance funding basis when receiving grant requests; allocating the funds, receiving reports describing what was accomplished, and then making future funding decisions. This process generally requires the least amount of additional oversight support, and usually works from the idea that if the recipient does not provide information that supports the goals of the committee, the committee can decide not to continue to fund that grant. However, it is worthwhile to consider if the committee would desire more specific objectives, timely monitoring, and additional reports that provide results-driven decisions for the Millennium funds.

The following areas should be considered to ensure funds are spent as intended, if greater oversight is desired by the committee:

- Assigning an oversight entity (state agency)
- Defining a distribution process specific to the grant
- Defining program objectives specific to the grant
- Designing reporting requirements

OVERSIGHT ENTITY

Designating an oversight entity that also distributes the funds to the recipient can provide an additional layer of monitoring. This could help ensure that funds are spent as intended and objectives are met. Typically, this would be best served by assigning distribution and oversight to an entity that has experience with the grant activities and knowledge of grant administration techniques.

- Experience managing grants including well-established monitoring procedures, such as reviewing expenditure support or performing site-visits

- The ability to gather appropriate information about program effectiveness and compliance with program objectives (through a grant agreement)
- The ability to provide useful reports to the committee to assist in future funding decisions

DISTRIBUTION PROCESS

The chosen distribution method can drive monitoring procedures to ensure funds are spent appropriately.

Advance funding (current method) can address needs quickly and, in some cases, provide start-up funding that may be critical in meeting the needs of the project. This process is often chosen in emergent situations or for one-time type grants. However, it carries greater risk of being misspent. Funds are distributed with the expectation that they will be spent appropriately and in compliance with the program requirements, but once distributed, especially to an entity outside of the State, access to records and recovery options can be limited.

Reimbursement funding is generally a slower process to provide funding but often works well when the recipient is already established, and this program supplements their current activities. Reimbursement funding also provides the benefit that the grantor/distributor can review expenditures and ensure they are for approved purposes prior to reimbursing (distributing to) the recipient.

PROGRAM OBJECTIVES

To ensure that the distributing agency and recipient grantee understands the requirements related to receiving the funding it is important to clearly define the purpose of the program, specific requirements such as allowable expenditures or reporting requirements, and any specific goals or objectives.

REPORTING REQUIREMENTS

The oversight agency could also include detailed budgets as well as financial and performance reports in the grant requirements that are submitted on a periodic basis (monthly, quarterly, etc). This reporting supports monitoring activities to ensure the funds are spent appropriately and to provide information back to the committee to support further funding decisions.

Historical Information about Recovery Idaho, Inc.

Between May and August 2013, the Idaho Department of Health and Welfare contracted with the Connecticut Community for Addiction Recovery (CCAR) to assist in the development of Idaho's Recovery Community Organization (RCO). This contract included training recovery coaches and conducting a Recovery Coach Ethics Training. The CCAR conducted an RCO workshop in Boise along with a site visit with interested Idaho Stakeholders.

The CCAR was established with seed money from Connecticut's Department of Mental Health and Addiction Services (DMHAS) in 1998 to bridge the treatment and recovery fields in the State. It continues to receive State funding and additional grants (e.g., through the Connecticut Behavioral Health partnership).

The first step in this contract was to complete a site visit to CCAR. Some of you may have been on the team of key stakeholders that visited a CCAR. It consisted of the following people:

- Four employees of the Department of Health and Welfare
- Two County Commissioners
- Two State Legislators

- A Department of Health and Welfare Regional Advisory Committee (RAC) Chair and staff member/social worker
- A Manager of Behavioral Health and Quality Assurance at the Idaho Supreme Court
- The Executive Director of “Supportive Housing and Innovative Partnerships (SHIP),” a provider in the Idaho network
- The Director of Reentry Services at the Department of Correction

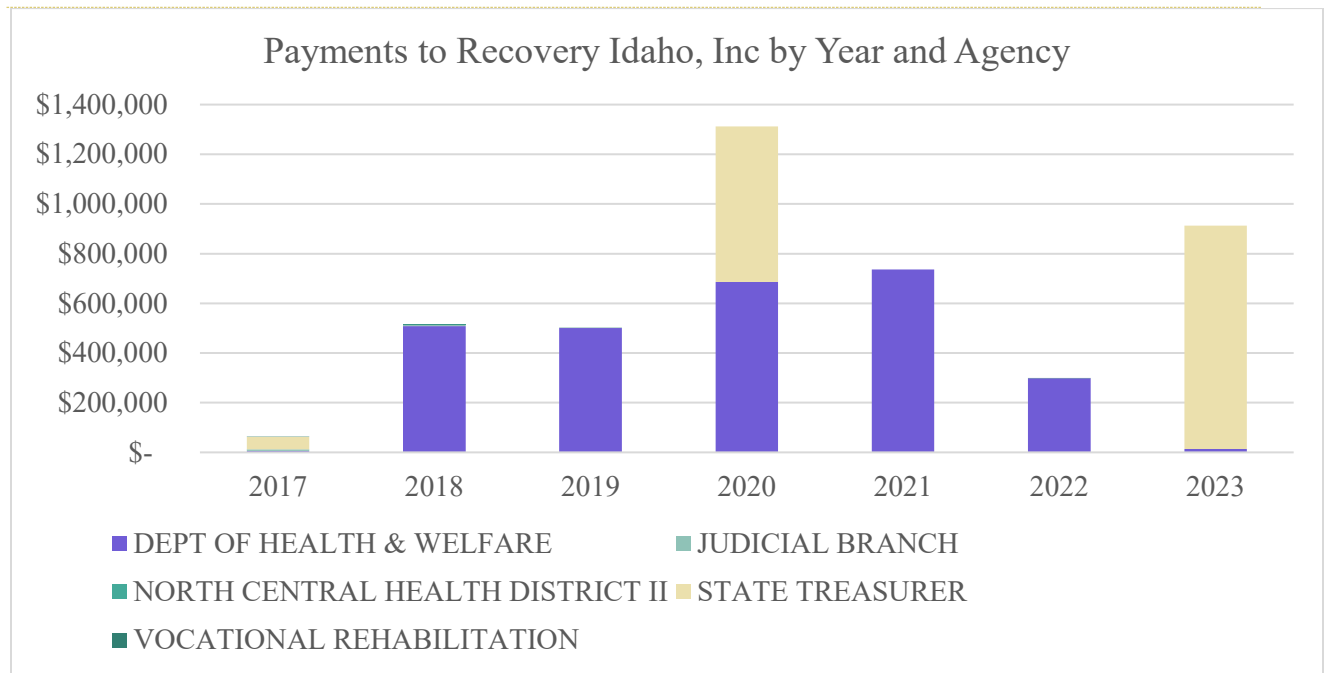
The CCAR visit included tours of the Willimantic and Hartford Recovery Community Centers and gave stakeholders an overview of CCAR’s history, core concepts, day-to-day functions, and operational structure.

In March 2014, the Department of Health and Welfare hosted a Recovery Community Organization (RCO) workshop in Boise, Idaho, and establishing the foundation of an RCO, Recovery Idaho, as a 501(c)3 corporation focusing on recovery from both mental illness and/or substance use disorders.

Recovery Idaho, on its website at www.recoveryidaho.org , states that its mission is to

- Provide training for individuals to become recovery coaches
- Support recovery efforts for men and women returning from prison
- Work toward expansion of accessible, quality recovery housing
- Encourage recovery support for veterans, service members and their families
- Celebrate with recovery recognition events such as Mental Health Month, Recovery Month, and Overdose Prevention Day
- Advocate for funding for recovery community centers and other recovery support activities across the state
- Sponsor opportunities for National community Service to support recovery activities

Payments made to Recovery Idaho, Inc.



Payments identified in STARS to Recovery Idaho, Inc between 2014 and 2023 total \$4,339,724. Of this amount, \$2,747,804 had been paid by the Department of Health and Welfare, primarily from federal programs for Opioid Response Grants and Substance Abuse Block Grants. **The State Treasurer made three distributions from the Millennium Fund to Recovery Idaho, Inc totaling \$1,576,500: one in 2017, one in 2020, and one in 2023.** The remaining payments were generally for training services in recovery coaching.

Additional funding was provided to the Community Based Recovery Centers since 2016 from the Millennium Fund, sometimes through the Department of Health and Welfare (2022), sometimes through the Association of Counties (2016, 2017). As mentioned earlier, the inconsistent approach to allocating these funds intended to support Community Based Recovery Centers also reduces the ability to ensure that the funds are spent in the most effective and appropriate manner.

If the committee intends the funding provided from the Millennium Fund for the Recovery Community Centers to be ongoing, it may be beneficial to identify a consistent entity, preferably a state entity, that is responsible for oversight and can provide parameters to aid distribution of the funds to the centers, what are allowable uses for the funds, and what information the committee would like included in reports to support the use of the funds.