

Attachment B: Human Services Funding Process Framework

Staff recommend updating Human Services Funding Process to reflect four potential changes:

1. Moving 4 agencies from the Human Services Funding Process (HSFP) to the process for Other Health and Welfare Agencies
2. Change to the timing of the funding process
3. Implementation of a matrix to determine staff recommendations for funding
4. Adopting a streamlined application process for requests of \$25,000 or less

Background:

For the past two fiscal years, applicants have been tiered into four categories guided by the 2023 Human Services Needs Assessment. The intent of the tiering is to allocate funding to services for the most vulnerable populations guided by the Human Services Needs Assessment, as follows:

- 1) Direct service and impact on basic needs and vulnerable populations,
- 2) important and critical services,
- 3) Positive impact and protective community factors, and,
- 4) Preventative community programs.

Consistent with current practice, staff recommend reviewing the programs in these tiers to reflect the priorities identified in the 2026 Human Services Needs Assessment, also on the Board's agenda for the July 15, 2026 meeting. For example, the 2023 assessment identified adolescent mental health as a priority and the 2026 assessment broadens mental health across all groups, so a mental health agency that serves more than adolescents would be prioritized higher than in prior years.

Proposals for Board Discussion:

1. Based on Board feedback during the FY 27 budget process, staff recommend moving 4 programs from the HSFP model to the model for "Other Health and Welfare Agencies. These programs are:
 - a. Foothills Child Advocacy Center
 - b. Piedmont Housing Alliance
 - c. Offender Aid Restoration (OAR) – Therapeutic Docket
 - d. Offender Aid Restoration (OAR) – Adult Recovery Court

Other Health and Welfare Agencies are groups that provide essential, unique community services which are not duplicated by operational programs within the County government and which the County might otherwise provide. In some cases, the amount of funding provided to a particular agency is determined based on a regional agreement or memorandum of understanding (MOU). For a complete list of programs that are considered "Other Health and Welfare

Agencies,” please refer to pages 172 and 175 of the [FY 27 Recommend Budget document](#).

2. Staff recommend that the Board decide between two options regarding the timing of the Human Services Funding process:

Option 1

The Human Services Funding Process (HSFP) begins immediately following the appropriation of the FY 28 budget. During the budget process, the Board of Supervisors would approve a total amount of funding that will be available to fund all HSFP programs. This change in timing would allow for:

- **Simplification of the Board’s review of the County Executive’s Recommended Budget.** During the budget process, the Board is required to make critical budget, tax rate, and policy decisions for a \$700 million+ total budget, including a \$500 million+ General Fund budget, over a period of about two months. This period includes an increased number of Board meetings and additional public engagement and hearings on the budget. The County’s FY 27 Recommended Budget document included 50 pages, or 15% of the total document, to outline the HSFP. In FY 27, the HSFP represented less than 0.3% of the General Fund Budget.

Rather than make decisions on individual proposals as part of the budget and tax rate adoption process, the Board would adopt a total amount in the budget for the HSFP, with the application, staff review, and Board approval process to follow.

- **Alignment of HSFP structure with other localities.** HSFP Program funds are set aside during the budget process, and Board approval of specific program awards will be done after the budget process. This is current practice in the counties of Fairfax, Alexandria, Loudoun, Prince William, Arlington, as well as the city of Richmond.
- **Alignment of the HSFP process with the County’s Affordable Housing Investment Fund process,** where the application window opens after the appropriation of the budget, followed by a staff review and recommendation for Board consideration. The current HSFP process calls for applications in October with recommendations made in February (in the context of the Recommended Budget), and awards are appropriated by the Board of Supervisors in April, effective July 1st.

The recommended process change would adjust this timeline as follows:

- April – County Budget Process Determining HSFP Allocation
- May – Development of Program Materials by Staff
- June – Solicit for Proposals from Non-Profits
- July- Proposal Evaluation & Ranking by Staff
- August – Board Review & Approval of Awards
- September – Awards issued

Human Services Funding Process award decisions and approvals would continue to remain solely with the Board of Supervisors.

Option 2

Keep the timing of the HSFP as is, with non-profits submitting applications in September, individual awards made through the County's budget process, and awards issued to non-profits beginning July.

3. For community non-profit organizations applying to the Human Services Funding process, staff recommend introducing a standardized funding matrix that outlines the maximum allowable grant amounts for applicants. This matrix would be published at the very beginning of the application cycle, providing greater transparency and clearer insight into how staff arrive at funding recommendations. The matrix would provide structure to how much funding an agency may be eligible to receive based on two major factors:
 - a. The program's priority tier (Tier 1, Tier 2, or Tier 3), which reflects the County's assessment of community need based on the 2026 Human Services Needs Assessment and alignment with strategic priorities; and
 - b. The total size of the organization's annual budget, ensuring funding levels are proportionate and that County dollars do not make up an outsized share of any single organization's overall financial resources.

Using this matrix as the guiding framework, funding recommendations would be developed in the following order:

1. Tier 1 programs (highest priority)

These programs would be reviewed and funded first. Because Tier 1 programs typically require higher levels of investment to meet the most critical community needs, they would collectively be eligible for up to 65 percent of the total allocation available in the Human Services Funding process. This cap helps ensure that Tier 1 programs can receive larger awards while also protecting a portion of the budget for lower tiers.
2. Tier 2 programs

After Tier 1 recommendations are completed, staff would move to Tier 2 programs. Within Tier 2, funding recommendations would begin with the highest-ranked programs based on scoring criteria such as alignment with community needs based on the 2026 Human Services Needs Assessment, program effectiveness, and financial stewardship. Awards would be made in order of score until either Tier 2 needs are met or available funds are exhausted.
3. Tier 3 programs

If there are remaining funds after Tiers 1 and 2 have been funded, staff would next review Tier 3 programs. Funding recommendations would again begin with the highest-scoring programs in this tier and continue in descending order until all available funds have been allocated.

This structured approach offers several benefits:

- It increases clarity and predictability for non-profit organizations by giving them an early understanding of the maximum funding they might be eligible to receive. This improves transparency and helps applicants prepare realistic budgets.
- It ensures that programs in the highest-priority tiers (those most closely aligned with the latest Human Services Needs Assessment and County goals) have access to larger potential awards than those in lower tiers. This directs the greatest share of resources to the greatest areas of need.
- It sets a cap on the proportion of an organization’s total annual budget that the County will fund for Tiers 2 and 3. This prevents the County from unintentionally becoming a dominant or primary funder for any community non-profit, supporting healthier financial sustainability and diversification for partner agencies.

If the sample funding matrix below was effective for FY 27 budget recommendations, it would have been applied to 21 funded programs totaling approximately \$912,000 with an average of \$43,000 per non-profit program. Currently, 19 out of 21 programs would align with this matrix, including all Tier 1 programs; meaning, their funding recommendations would remain the same under this new process.

Sample Human Services Funding Process Grant Recommendation Matrix

Program Impact Tier	Agency Total Operating Budget		
	<\$0.5M	\$0.5 - \$2M	\$2M +
<p>Tier 1 Direct service & impact on basic needs and vulnerable populations</p> <p><i>(total allocation capped at 65% of HSFP set-aside)</i></p>	\$80K	\$160K	\$320K
<p>Tier 2 Important and critical services</p>	\$20K or 10% whichever is less	\$40K or 5% whichever is less	\$80K or 2.5% whichever is less

<p style="text-align: center;">Tier 3 Positive impact and protective community factors</p>	<p style="text-align: center;">\$10K or 10% <i>whichever is less</i></p>	<p style="text-align: center;">\$20K or 5% <i>whichever is less</i></p>	<p style="text-align: center;">\$40K or 2.5% <i>whichever is less</i></p>
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- Staff recommend adopting a simplified application process for smaller funding requests of \$25,000 or less. Streamlining the application process for these lower-dollar proposals will reduce administrative burden for both applicants and reviewers, accelerate decision timelines, and make the funding more accessible to a broader range of organizations who meet the eligibility criteria. This approach supports operational efficiency, encourages greater participation from community partners (especially those with limited grant-writing capacity) and allows staff to focus more time and resources on reviewing larger, more complex applications.

Staff Review Process – Unchanged from Prior Year

Application review teams consist of volunteer residents and County staff members who use Board approved evaluating factors to assign a numerical ranking score to each proposal. Funding recommendations are not made by the review teams; their role is exclusively to review and evaluate the applications. Recommendations for funding amounts are formulated by County staff and are based upon program evaluation scores and the latest Human Services Needs Assessment prioritization.