



Monroe County Legislature

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Memorandum

To: Monroe County Legislature

From: Legislator Rachel Barnhart

Date: March 26, 2024

Subject: Community Resource Collaborative and ARPA

Colleagues, I have reviewed all the materials provided by County Executive Adam Bello in response to our questions about what led to the alleged mismanagement of American Rescue Plan Act funds by Community Resource Collaborative. This memorandum is my analysis of what we learned from these documents combined with what is already in the public record. It's imperative we perform our oversight duties on this matter, which includes making sure our tax dollars are protected and resources are directed appropriately to marginalized communities.

Introduction

On June 3, 2022, Monroe County issued a Request For Proposals [hereinafter RFP] for funding opportunities under the American Rescue Plan Act. The Bello Administration awarded a \$7,160,849.00 contract to a purported partnership between Community Resource Collaborative, Inc (hereinafter CRC), a New York registered non-for-profit, and the Neighborhood Collaborative Project (hereinafter NCP), an unregistered entity made up of consultants, nonprofits, and various community organizations.

On February 7, 2024, the Bello Administration, alleging mismanagement of funds, took the following action against CRC: "Immediate funding suspension of CRC's Grant Agreement, including but not limited to the reimbursement request dated January 15, 2024. Subsequently, on February 16, 2024, Deputy County Executive Jeff McCann stated that: "County Executive Bello has directed our administration to find other opportunities and possible solutions to help fill the pause in funding created by the forensic audit... Our entire administration is working collectively with a goal of communicating next steps back to you by the week of February 19, 2024."

On February 23, 2024, Monroe County issued a Request For Qualifications (hereinafter RFQ) to replace CRC, with a potential contract award of \$6,000,000. Considering the foregoing events, members of the County Legislature demanded answers regarding the demise of Monroe County's largest ARPA award, and its potential effects on community organizations. The Bello Administration rebuffed all attempts to examine the pertinent records under its control. Thus, a majority of the County Legislature reached consensus that, with no forthcoming data, subpoenas

were needed. Letters expressing this position were sent to County Executive Bello. Under threat of legal action, the Bello Administration began releasing information on March 22, 2024.

Neighborhood Collaborative Project was not a legal entity.

Andy Carey, a widely respected and popular homeless services advocate, came up with the Neighborhood Collaborative Project idea. His vision was that a collective of agencies would work together to provide services to marginalized populations through outreach like neighborhood walks and pop-up canopy events. He was already doing this work through the for-profit social work firm he co-founded, MC Collaborative. Carey helped gather the participating nonprofits.¹

NCP featured three anchor agencies – Father Tracy Advocacy Center, Cameron Community Ministries and SWAN. They would use funding to hire social workers, start vocational programs, and provide “wraparound services.” Six other nonprofits would perform other various support services.

Three for-profit firms formed the backbone of NCP. MC Collaborative would provide additional social work services and serve as a liaison to the Monroe County Department of Human Services. On the Ground Research would do data collection, marketing and serve as a project evaluator. C3 Consultancy would manage the entire project.

CRC would be the fiscal sponsor, or pass-through for funds. The *Democrat and Chronicle* reported that NCP chose to use a fiscal sponsor because:²

“Many of the member organizations were qualified to serve in that role and had done so in the past. But they decided from the beginning to choose an outside entity for two main reasons: to avoid disrupting the power dynamics among the 12 members, and to ensure the administrative burden of managing the grant didn't prove to be an obstacle.”

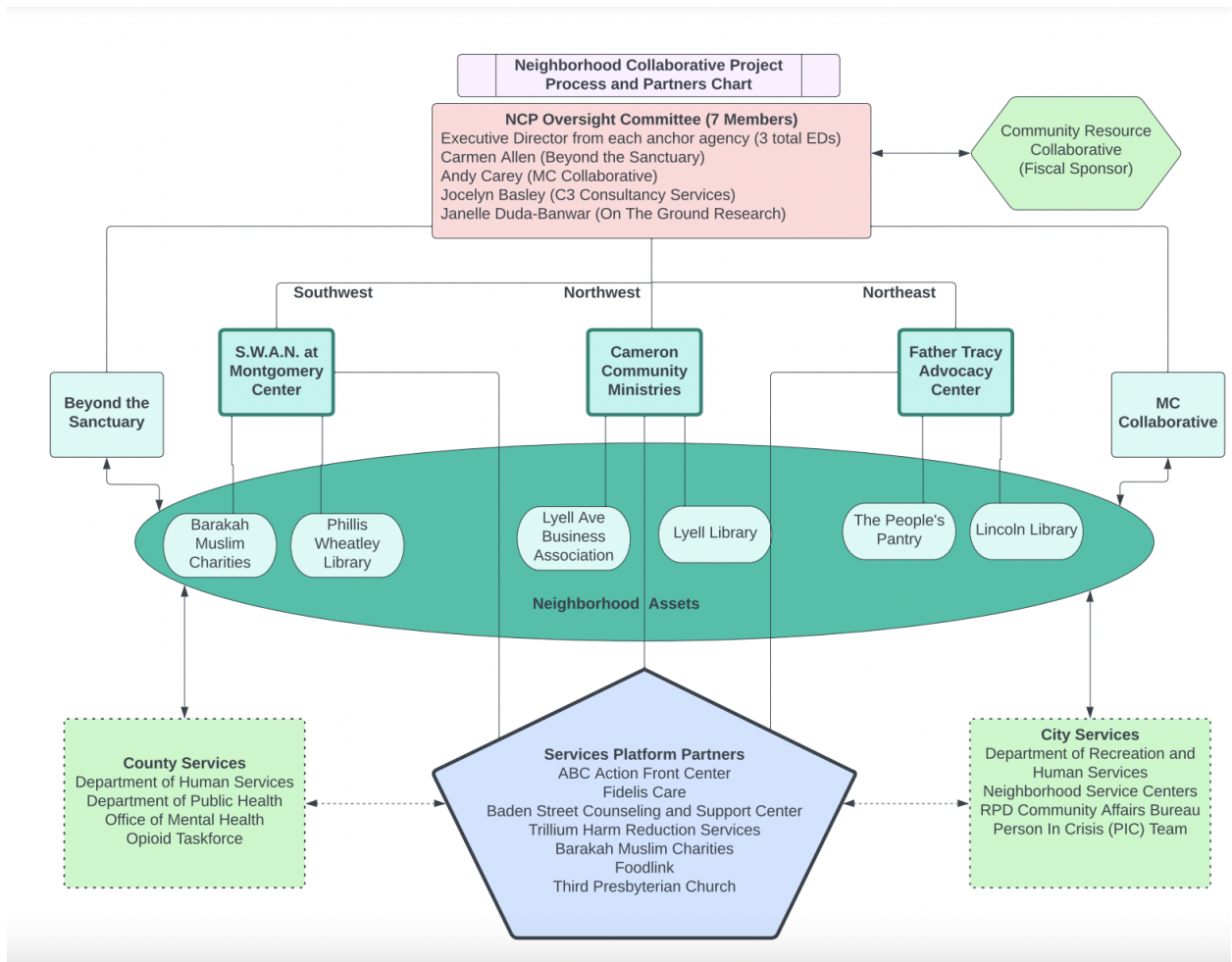
But there were other reasons NCP chose to use CRC beyond concerns about power dynamics: NCP wasn't a legal entity and could not apply for ARPA dollars. Nor could the three for-profit businesses, because ARPA awards could only go to nonprofits.

What follows will show that the lack of a governance structure allowed for complete management chaos between CRC and the NCP partners, as well as a total failure of oversight by Monroe County government.

¹ (2023, August 31). *What is the Neighborhood Collaborative Project?* Neighborhood Collaborative Project. <https://img1.wsimg.com/blobby/go/d9bf7e16-b1bb-4c16-8b9a-2e3083682a22/Research%20Paper%20%231%20template.pdf>

² (2024, March 27). Money shifting, excuses, head-scratching questions: The story behind CRC's fall. *Democrat and Chronicle*. <https://www.democratandchronicle.com/story/news/local/2024/03/07/community-resource-collaborative-rochester-ny-shifting-money-piles-of-questions/72712101007/>

No one was in charge at NCP.



The NCP funding application³ laid out the structure of the collective. This is largely an aspirational chart as it clearly fails to demonstrate management control by any individual or entity. Unlike a standard nonprofit board, NCP’s oversight board did not have external members and had no legal authority.

The NCP structure was never reflected in any legally enforceable agreement, as none of the constituent parties of NCP, save CRC, were accountable in the contract with Monroe County. In doing so, Monroe County inexplicably ignored the details of its own purported contract award as it solely entered into an agreement with CRC, and not NCP, or its sub-entities. These failures

³ ORG-ATTACHMENT - NCP Org Chart. Monroe County.
<https://www.monroecounty.gov/files/communications/CRC%20Documents/foi/Proposals/Community%20Resource%20Collab%20-%20behalf%20of%20NCP/ORG-ATTACHMENT%20-%20NCP%20Org%20Chart.pdf>

later allowed CRC's CEO Tina Paradiso to seize control of the NCP name and make it a d/b/a controlled by one of her for-profit companies.

Confusion persisted throughout the project's lifespan. For example, MC Collaborative's subcontract with CRC is titled, "Subcontractor Agreement with CRC and Neighborhood Collaborative Project."⁴ This raises questions about MC Collaborative's real and perceived role.

In planning the press conference to announce the ARPA award for NCP, Basley attempts to modify the County's language, which correctly identifies CRC as the grantee. She emails, "This should speak more to the Neighborhood Collaborative Project instead of CRC so folks are not confused. CRC does work with at-risk youth but their role for this funding is simply as the fiduciary agent."⁵

An alarming incident happened during the vetting process for the CRC contract, as Basley wrote to the ARPA Team asserting,⁶ "Clearly CRC is the Subrecipient on behalf of NCP."

Think about what she's saying here – that CRC is a subcontractor to NCP, which is not a legal entity. This claim came as the ARPA Team was trying to confirm CRC had proper insurance coverage for the project, so Basley knew that CRC was assuming all the risk for the contract.

The ARPA Team answered Basley by saying, "They should consult with counsel for CRC. CRC will be legally obligated to the County under the agreement and should consider legally binding agreements with their sub-subrecipients."⁷

The legal department should have flagged Basley's claim because there was a discrepancy over who is responsible for the performance of the contract. This exchange should have prompted a meeting between the vendor, the vendor's lawyer, and the legal department.

At no point were the people performing the scope of services ever legally responsible to the County. They were only responsible to CRC, which was largely absent for the project, according to the documents provided by the County.

Project consultants didn't have to bid.

Under federal law:

- Subrecipients are the non-federal entities that receive a subaward from a pass-through entity to carry out part of a federal program; but do not include individuals that are beneficiaries of such a program.
- Contractors are entities that receive a contract, and those services must be competitively bid. They are considered "vendors."

⁴ *Contracts between CRC and the sub-recipients (the NCP member organizations)*. Monroe County. Pages 2-4.

<https://www.monroecounty.gov/files/communications/CRC%20Documents/q03/Answer.pdf>

⁵ *24-0354 Emails Part 1*. Monroe County. Page 197.

<https://www.monroecounty.gov/files/communications/CRC%20Documents/foil/24-0354%20Emails%20Part%201.pdf>

⁶ *Legislator Brew Question 1, Legislator Vazquez Simmons/Legislator Barnhart Questions 11, 12, Answer Part 2*. Monroe County. Page 67.

<https://www.monroecounty.gov/files/communications/CRC%20Documents/q01/Answer%20Part%202.pdf>

⁷ *Legislator Brew Question 1, Legislator Vazquez Simmons/Legislator Barnhart Questions 11, 12, Answer Part 3*. Monroe County. Page 72.

<https://www.monroecounty.gov/files/communications/CRC%20Documents/q01/Answer%20Part%203.pdf>

NCP nonprofits are likely subrecipients. The status of the for-profits – MC Collaborative, C3 Consultancy and On the Ground Research – is murkier. Whether or not someone getting federal grant money is a subrecipient or a contractor requires intense analysis; governments have created tools for this purpose. It's not clear if an analysis of each of their roles was ever made. Such analyses weren't included in the documents provided by Monroe County to the Legislature, though it would have been covered by our request. We require more information from the Bello administration to determine whether ARPA regulations pertaining to these for-profit businesses were followed.

It is in CRC's contract that they follow federal procurement guidelines.⁸ There are procurement guidelines⁹ to prevent people from giving federal grants unfairly to their friends. While we can't determine if they followed federal rules without more information, here's what we know: the for-profit businesses got these contracts because of their connections to each other.

Janelle Duda-Banwar's On the Ground Research is a consultant for Project Haven¹⁰, which is part of REACH Advocacy, on which she serves on the board along with MC Collaborative's Andy Carey who is a board officer.¹¹ The *D&C* reported that C3 Consultancy principal Jocelyn Basley brought in CRC through her relationship with Paradiso.¹² On the Ground Research and C3 Consultancy are both MWBE firms created after Congress passed ARPA.¹³

Whether or not they were supposed to be classified as contractors, the project budget may reflect the lack of competitive bidding.¹⁴ Here are the four-year allocations for the for-profit firms, which included a 10% indirect rate:

- MC Collaborative (consulting fees only): \$637,684
- On the Ground Research (consulting, software and supplies): \$541,092
- C3 Consultancy (consulting, supplies, software, neighborhood ambassadors): \$856,767

That's \$2,035,543 – 28% of the budget – for the for-profit businesses before you step inside the nonprofits themselves. Those NCP infrastructure costs did not include staffing and supply costs at the member nonprofits. Additional funds were budgeted to CRC for being a fiscal agent - \$341,000. Only two-thirds of funding were allocated directly to the nonprofit agencies.

Consider that the entire four-year project budgeted \$112,957 – 1.6% – for food pantry supplies and \$232,747 – 3.3% – for wraparound services, such as paying for rental arrears.

Vouchers show that Duda-Banwar of On the Ground Research may have used ARPA dollars to start up her new business. On the Ground Research purchased conference tables and chairs, a printer, tablets, Qualtrics Survey, Microsoft Office, Adobe Acrobat, Adobe Illustrator software and PolicyMaps and New York Times subscriptions. On the Ground Research was billing more

⁸ (2024, February 23). *MONROE COUNTY REQUEST FOR QUALIFICATIONS [RFQ]*. Monroe County. Page 19. <https://webapps.monroecounty.gov/bid/list/dl/10520?k=4703148d65>

⁹ CFR § 200.320

¹⁰ *Project HAVEN*. On the Ground Research. <https://onthegroundny.com/current-projects/project-haven>

¹¹ *Meet Our Board*. REACH Advocacy. <https://reachadvocacy.org/board/>

¹² (2023, August 31). *What is the Neighborhood Collaborative Project?* Neighborhood Collaborative Project. <https://img1.wsimg.com/blobby/go/d9bf7e16-b1bb-4c16-8b9a-2e3083682a22/Research%20Paper%20%231%20template.pdf>

¹³ New York Department of State Division of Corporations

¹⁴ *BUDGET-NCP Budget - COMPLETE for Monroe County ARPA*. Monroe County. <https://www.monroecounty.gov/files/communications/CRC%20Documents/foil/Proposals/Community%20Resource%20Collab%20-%20behalf%20of%20NCP/BUDGET-NCP%20Budget%20-%20COMPLETE%20for%20Monroe%20County%20ARPA.xlsx>

than \$15,000 a month just for salaries, more than even MC Collaborative, which provided direct services.¹⁵

None of the documents provided by Monroe County indicate that the ARPA Selection Committee or the ARPA Team questioned the budget. One potential reason could be that at least one of the project leads had an ongoing relationship with Monroe County - MC Collaborative's Carey:

- MC Collaborative has an existing, \$230,000 contract¹⁶ with Monroe County for case management for people in temporary housing and had a previous contract with Monroe County at the time of the ARPA selection process.¹⁷
- Carey is the signatory on Monroe County's contracts with REACH Advocacy for emergency shelter placements, the first of which was executed prior to the NCP contract being signed.¹⁸

(Through NCP, MC Collaborative placed people in transitional housing. It's appropriate to ask what safeguards are in place to prevent conflicts when individuals and entities have multiple contracts with potentially overlapping interests.)

Without any competitive bidding, NCP paid for-profits a disproportionate amount of the funds – funds that could have gone to BIPOC and underinvested communities.

Monroe County missed red flags about Neighborhood Collaborative Project and Community Resource Collaborative.

In August 2022, Monroe County's American Rescue Plan Act Funding Opportunities RFP selection committee scored NCP a maximum 5 out of 5 points on "The Applicant(s) demonstrates the administrative and fiscal capacity to implement the proposed project."¹⁹

The ARPA Selection Committee missed obvious red flags:

- CRC had been in operation for less than a year and had revenue under \$50,000. CRC had no history managing federal grants.
- Two of the for-profit companies under the NCP umbrella were recent startups. C3 Consultancy started in 2021 and On the Ground Research formed in 2022.
- CRC may have made a misrepresentation on the application claiming it "represents over four years of nonprofit federal grant management."²⁰
- C3 Consultancy may have made a misrepresentation on the application claiming it "brings over 40 years of project/process management, federal, state, municipal and philanthropic grant management and program development experience and expertise."

¹⁵ *Forensic Review & Requested Documents Concerning Community Resource Collaborative*. Monroe County. Vouchers 1-9. <https://www.monroecounty.gov/crc-documents>

¹⁶ MCDHS Contract Log #254-23

¹⁷ MCDHS Contract Log #206-22

¹⁸ MCDHS Contract Log #138-23

¹⁹ *FOIL 24-0354: All Scoresheets*. Monroe County. Pages 41-42.

<https://www.monroecounty.gov/files/communications/CRC%20Documents/foil/All%20Scoresheet.pdf>

²⁰ *FOIL 24-0354: Proposals: Community Resource Collaborative*. Monroe County. Pages 3-4.

<https://www.monroecounty.gov/files/communications/CRC%20Documents/foil/Proposals/Community%20Resource%20Collab%20-%20behalf%20of%20NCP/1-Proposal-80-Print.pdf>

- CRC was co-located at the CEO’s printing business, Imprintable Solutions, an unusual situation.
- On the funding application the applicants state their intention to engage in misuse of ARPA dollars, stating, “Partners will provide their respective services to community members. For example, Imprintable Solutions will be contracted for any printed products.” Not only is this an obvious conflict of interest, but CRC would have had to engage in competitive bidding for any purchases over \$10,000.
- CRC was a fiscal agent, and incongruously, the prime contractor. CRC was responsible for the entire scope of services because NCP is not a legal entity. This is a huge problem because NCP could not be held responsible for deficiencies in the project.

Despite these red flags, Monroe County did not begin to formally assess the project’s risk until later that fall – after the awards were announced and presented to the Legislature.²¹

ARPA requires the County to do a risk assessment of each awardee and design a compliance plan accordingly. CRC scored a 67 out of 100 points (the higher the score the higher the risk), making it a high-risk vendor.²² The risk assessment showed “Community Resource Collaborative on behalf of the Neighborhood Collaborative Project” scored 5 out of 5 (with 5 being the worst) on having sufficient cash flow and internal controls and previous experience with federal grants.

The ARPA Selection Committee consisted of top Monroe County officials, including Deputy County Executive Jeff McCann, Deputy County Executive Corinda Crossdale, Department of Human Services Commissioner Thalia Wright, Director of Finance Robert Franklin, Director of Planning Ana Liss, Deputy Director of Planning Rebecca Caico, Director of Public Safety Richard Tantalo, Director of Environmental Services Mike Garland, and M/WBE Coordinator Matt Burrell.

The risk assessment was performed by the ARPA Team with members from the County Planning, and Finance Departments, as well as, the County Internal Audit, and County Law Departments.

Monroe County proceeded with executing the contract with the high-risk nonprofit.

The Bello Administration demanded approval of a flawed ARPA proposal while using vulnerable nonprofits to improperly lobby members of the County Legislature.

The Bello Administration pressured the County Legislature into accepting an unjustifiably risky contract with CRC. It failed to properly assess the many risks created by the confusing management structure and ignored many red flags about CRC.

On November 14, Dr. Faye Pelow of the Monroe County ARPA Team informed the ARPA grantees that the Legislature would not be voting the following day on the awards as expected. She said it would delay the finalization of the contracts and the start of any services. In the email,

²¹ *Legislator Brew Question 1, Legislator Vazquez Simmons/Legislator Barnhart Questions 11, 12.* Monroe County. Pages 33-45.

<https://www.monroecounty.gov/files/communications/CRC%20Documents/q01/Answer%20Part%201.pdf>

²² *Legislator Brew Questions 13, 14, 15.* Monroe County. Pages 14-15.

<https://www.monroecounty.gov/files/communications/CRC%20Documents/q13/Answer.pdf>

she said, “Should you have concerns, questions, or would like to present to the Legislature tomorrow evening during the regular meeting, please feel free to contact David Grant, Clerk of the Legislature at 585-753-1950 or dgrant@monroecounty.gov.”²³

The following day, the Deputy Director of Planning and Development Rebecca Caico sent an email to award recipients:

As you are aware, the Monroe County Legislature does not plan to vote on the ARPA Referral this evening. The County Executive will be holding a press conference this afternoon at 3:30 at the County Office Building calling on the Legislature to bring this matter to a vote today. I know this is very last minute, but if you are able/interested in standing with the County Executive during this press conference today, you are invited and welcomed. We believe your voices and presence can only help to communicate to our partners in government the importance of the work we are trying to collectively accomplish. Please let me know if you plan to attend or have any questions I can answer. Thank you all for your continued hard work and commitment to our community.²⁴

Bello, sometimes joined by Congressman Joe Morelle, had already been holding press conferences announcing the ARPA awards, including an event for NCP. Now he was implementing a pressure campaign on the Legislature using the nonprofits that were desperate for funding. Bello was making it difficult for the Legislature politically to continue to delay the vote and do due diligence on the projects.

County Executive Adam Bello personally helped CRC get a grant from Excellus utilizing false information.

On December 20, 2022, Basley emailed the ARPA Team, and copied in Paradiso, asking for a statement from Monroe County saying, “the budget and proposal submitted and awarded was for the Neighborhood Collaborative Project (NCP) and that the Community Resource Collaborative has been identified solely as NCP’s pass-through fiscal agent.”²⁵

The issue was CRC was seeking a grant from Excellus, which didn’t want to give money to a nonprofit that received a \$7.2 million grant.

(It is worth noting that here Basley is doing work for CRC outside the scope of her work for NCP, but Basley by this time was also on the CRC board.)

The ARPA Team suggested Paradiso draft a letter for the County legal team to vet and approve, which Paradiso provided.

On December 23, the ARPA Team provided Basley with a letter signed by County Executive Adam Bello. It reads:

²³ *Legislator Brew Question 1, Legislator Vazquez Simmons/Legislator Barnhart Questions 11, 12, Answer Part 1.* Monroe County. Page 7.

<https://www.monroecounty.gov/files/communications/CRC%20Documents/q01/Answer%20Part%201.pdf>

²⁴ *FOIL 24-0354, Part 1.* Monroe County. Page 192

<https://www.monroecounty.gov/files/communications/CRC%20Documents/foil/24-0354%20Emails%20Part%201.pdf>

²⁵ *Legislator Brew Question 1, Legislator Vazquez Simmons/Legislator Barnhart Questions 11, 12, Answer Part 1.* Monroe County. Pages 24-31.

<https://www.monroecounty.gov/files/communications/CRC%20Documents/q01/Answer%20Part%201.pdf>

“This is a letter from Monroe County (the “County”) in connection to the County’s American Rescue Plan Act (“ARPA”) funding awards. Community Resource Collaborative Inc. (CRC), a 501(c)(3), is the fiscal sponsor of the Neighborhood Collaborative Project (“NCP”). CRC’s role is to distribute County ARPA funding in accordance with the grant guidelines to the entities participating in NCP. CRC will not receive its own ARPA funding from the County.”

This line is false: *CRC will not receive its own ARPA funding from the County.*

The same legal department that prepared this letter is the same legal department that several months later told Basley CRC oversaw the project. In addition, CRC was getting ARPA funding, whether you count the entire \$7.2 million or its 5% administrative fee.

The EFPR review shows that CRC received a \$5,000 grant from Excellus. This letter from Bello could have been used to obtain other grant money or loans.

Monroe County’s monitoring of the project too-heavily relied on self-reporting.

Community Resource Collaborative was a high-risk vendor, so it had to undergo monthly “desk reviews” with the ARPA Team.

The desk review included the following:²⁶

- What percentage of your entity’s overall budget does the ARPA award comprise?
- Does your entity have sufficient cash flow to carry out performance and delivery of contract terms?
- Does your agency have a financial management system in place that provides records that can identify the sources and application of funds for subaward funded activities?

The desk review process required CRC to self-report the answers.

It does not appear that anyone from the ARPA Team asked to see bank statements or lines of credit or any evidence that financial management systems were in place. Had they done so, CRC’s problems would undoubtedly have come to light sooner. For example, the County would have seen CRC’s loan from ESL that was secured by equipment from her printing business. The County would have found out that CRC was not making payments on the loan. It’s not clear if the ESL line of credit ever went to the nonprofits, but the County could have determined that as well.

A local accountant who reviewed the material provided by the County said, “I would want to see the bank statements, and proof of payment of prior vouchers to the subrecipients. Proof could be ACH or negotiated checks front and back. I would also want to see payroll records if they are seeking reimbursement of their own time at CRC. I would like to see profit and loss statements, balance sheets, accounts payable, accounts receivables statement and statement of cash flows.”

The County does not appear to have asked for any of those things.

²⁶ *Voucher 6. Monroe County. Pages 13-14.*

<https://www.monroecounty.gov/files/communications/CRC%20Documents/q01/Voucher%206%20Oct.pdf>

In approving the vouchers submitted by CRC, there was a strange incident that should have triggered deeper questions about the organization's understanding of regulations. Barakah Muslim Charities submitted a \$14,601.50 voucher to have its parking lot paved.²⁷ The ARPA Team said funds can't be used that way but suggested that Barakah could charge a usage fee for the lot. Basley proposed that the usage fee be \$1,200 a month. The ARPA Team said the fee should be more like a daily rate of \$15 for when it's in use.²⁸

Neighborhood Collaborative Project should be ended or undergo big changes.

The entire premise of the NCP proposal was that high poverty rates are a result of people lacking access to services in the identified neighborhoods. In its funding application, NCP asserted there was research to back up this premise but did not provide any. In addition to NCP member agencies, there are already a number of food, housing and behavioral health services in these areas, per the [MyWayfinder website](#) operated by the United Way.

What is preventing people from using these services? Without evidence, NCP assumes people simply don't know about them or need to be connected through personal contact. The NCP model proposed generating referrals to services through walking events, canopy events, community meetings and old-fashioned marketing. The services would either be provided at NCP umbrella organizations or through referrals to other organizations, what NCP calls "warm handoffs." The goal was to reach 5,200 people over the four-year life of the grant.

If you want to know what services would be offered or even why the anchor agencies could not perform all of this without the help of the NCP umbrella, that's not answered in the NCP application.

The application was so thin on details, the ARPA Team had to press the project's principals for deliverables and measurable outcomes. At one point, the ARPA Team asked what actual programs are going to be provided, emailing:

"Please indicate...the total number of residents you plan to serve...We also need to know about the specific programs and services you plan to offer and when you plan to offer them. Beyond engagement walks and pop-up events-if you are planning to address food insecurity, behavioral health services, etc. please indicate how you plan to do this and what services you will be offering to the community in the action item sheet. Legal will want this clearly defined in your contract."²⁹

²⁷ *Voucher 7, Part 1.* Monroe County. Pages 9, 16-18, 20.

<https://www.monroecounty.gov/files/communications/CRC%20Documents/q01/Voucher%207%20Nov%20Part%201.pdf>

²⁸ *Voucher 7, Part 2.* Monroe County. Pages 4, 9, 14, 26.

<https://www.monroecounty.gov/files/communications/CRC%20Documents/q01/Voucher%207%20Nov%20Part%202.pdf>

²⁹ *Legislator Brew Question 1, Legislator Vazquez Simmons/Legislator Barnhart Questions 11, 12, Answer Part 1.* Monroe County. Pages 53-70.

<https://www.monroecounty.gov/files/communications/CRC%20Documents/q01/Answer%20Part%201.pdf>

It's astonishing none of those details were provided in the original funding application. Subsequent reporting documents make it clear that NCP built the plane while flying it – after being awarded \$7.2 million.

So how did NCP perform during its existence? NCP was required to report data on the people it served, and services provided. The information provided by Monroe County was extremely difficult to read, as it was presented on PDFs that were split among pages. It was impossible to track a person's unique ID across all the categories. The Quarter 4 report, however,³⁰ appears to indicate about 500 people were served in the first 9 months. Fifty-four people received employment services and it does not say how many received help with finances, housing or food. Previous quarterly reports show most, but not every person reported, received assistance. Outcomes for how these individuals are faring today is not available.

The vocational programs appear to have been a big success. SWAN's security guard program and Cameron's barbershop program were points of pride for the organizations, as detailed in quarterly reports.

The limited data makes it hard to evaluate the program fully and objectively. But it's fair to ask what the NCP umbrella provided that was worth \$2 million over four years for the consultants. Couldn't collaboration and "warm handoffs" take place for free or a heavily reduced cost? By diverting the overhead to the agencies, they could hire more of their own staff, including social workers, pay for their own outreach events, and set aside more for rental assistance and other direct aid to residents. This would allow more resources to go directly to BIPOC neighborhoods and residents, including more funds for rental assistance.

Rental assistance is a huge and underfunded need.

NCP discovered quickly that a main service residents needed was eviction prevention, but the budget did not have a line item for "rental assistance." Instead, Beyond the Sanctuary was responsible for "wraparound services" with an allocation of \$232,747 over four years. There was also a line item called "Credibility/Trust" for \$225,915. Vouchers indicate these funds were often used for emergencies that included paying rental arrears for clients, though it does not appear there was a contractual obligation to use the money for that purpose (we don't have Beyond the Sanctuary's contract, however).

In a quarterly report to the County, NCP writes, "During this quarter, and similar to last quarter, the most pressing need continues to be housing assistance. The need is so high, that we did not have the capacity to help everyone. In fact, we made the decision to pause new referrals for the month of October so that we can catch up on the current caseload. As a collaborative, we are very concerned about the impending housing crisis."³¹

To further address rental assistance, NCP took \$35,000 that was supposed to be spent by C3 Consultancy on neighborhood ambassadors and reallocated the money to Beyond the Sanctuary.³²

Baden Street Settlement, which had a contract to do community outreach, ended up spending just about all the money NCP budgeted for the agency in 2023 on rental assistance, which came to

³⁰ *Quarter 4*. Monroe County.

<https://www.monroecounty.gov/files/communications/CRC%20Documents/q04/Quarter%204.pdf>

³¹ *Quarter 3, Part 1*. Monroe County. Page 133

<https://www.monroecounty.gov/files/communications/CRC%20Documents/q04/Quarter%203%20Part%201.pdf>

³² *Voucher 8*. Monroe County. Page 11

<https://www.monroecounty.gov/files/communications/CRC%20Documents/q01/Voucher%208%20Dec.pdf>

just under \$27,000.³³ Baden did not charge an administrative fee. Spending dollars this way is a good thing, but rental assistance appears to be outside the scope of services for Baden, and it's not clear who approved this change.³⁴

In total, NCP spent \$101,919 on rental assistance, an impressive figure and far more than was budgeted. It's a good thing that NCP recognized the need, took money from wasteful budget lines, and adjusted accordingly. NCP acknowledges, however, that this wasn't close to enough help for people facing housing instability.

Next steps for NCP

The failings of Monroe County's approach to addressing poverty are on full display in the NCP project. The problem NCP needs to solve is not lack of *access*, it's lack of *resources*. People go to agencies all the time asking for help with basic needs; there's just not enough resources or there's a ton of red tape.

More than 20,000 people *accessed* the Department of Human Services last year and submitted applications for public assistance— they just couldn't obtain the service. Monroe County has the highest denial rate – 80.5% – among the state's urban counties.³⁵ It's so bad that Monroe County okayed using ARPA dollars to pay a for-profit social work company to be a liaison to...itself.

NCP created a model of prioritizing referrals to “services,” without enough funding for those actual services. Consultants, however, got paid.

There is good news in all of this: the NCP member nonprofits do good work. Monroe County should consider directly funding them going forward, which would provide a higher percentage of project dollars. If the NCP member organizations value their collaboration, they can maintain their network.

But if the County Executive presents the Legislature with a new contract for NCP, we should demand major changes in the budget, structure, oversight, and procurement process. NCP's nonprofits are victims of mismanagement by CRC – and Monroe County, which failed to protect their interests. The Legislature must ensure this never happens again.

Monroe County funded projects that are not sustainable.

Community Resource Collaborative was not the only high-risk vendor with which Monroe County executed a contract for ARPA dollars. RAWNY's Reentry One-Stop scored a 78 out of 100 - a worse risk score than CRC.³⁶ That's likely because though RAWNY had been in existence for some time, it had never handled revenue of more than \$50,000 prior to the ARPA award. (Ironically, CRC CEO Tina Paradiso was their board treasurer at the time of the award selection, but we have no idea what role, if any, she played in the process.)

³³ *Voucher 8*. Monroe County. Page 25.

<https://www.monroecounty.gov/files/communications/CRC%20Documents/q01/Voucher%208%20Dec.pdf>

³⁴ *Contracts between CRC and the sub-recipients (the NCP member organizations)*. Monroe County. Page 19.

<https://www.monroecounty.gov/files/communications/CRC%20Documents/q03/Answer.pdf>

³⁵ (2024, March 19). *Monroe County Leads in Benefits Denials*. Rachel Barnhart. <https://rachbarnhart.com/wp-content/uploads/2024/03/MONROE-COUNTY-LEADS-IN-BENEFIT-DENIALS.pdf>

³⁶ *Legislator Brew Questions 13, 14, 15*. Monroe County. Pages 31-32.

<https://www.monroecounty.gov/files/communications/CRC%20Documents/q13/Answer.pdf>

Despite these obvious red flags, the RFP selection committee rated RAWNY a 5 out of 5 on fiscal capacity and a 4 out of 5 on whether the project would be possible without ARPA funding.³⁷

In its risk assessment, RAWNY indicated that 95% of its funding would come from Monroe County, and it would have no funds until it gets an advance payment from the County.³⁸

Now, less than a year later, RAWNY is struggling. Emails provided by Monroe County show that RAWNY could close its doors at any time, less than one year into the ARPA project. On December 13, CEO Ann Graham emailed the ARPA team saying they were seeking another line of credit at ESL, and if that didn't work, they would have to close their doors on December 23.

Graham said that they were owed vouchers dating back to April. The April to August vouchers alone totaled nearly \$200,000. She wrote, "We are simply at your mercy...we need funds to make payroll and to pay our clients' landlords who won't hesitate to start eviction proceedings if they aren't paid."³⁹

Monroe County knew that RAWNY could not be sustainable without timely reimbursements yet executed the contract and delayed reimbursements.

If Monroe County was committed to funding reentry services, it could have issued an RFP for this purpose. There are existing, stable organizations that undoubtedly would have responded. Instead, the County funded a start-up, with money going to infrastructure including office space and executive staff. This approach ended up not being sound, because if RAWNY closes permanently, the taxpayer investment in the brand-new Reentry One-Stop is lost and clients and subcontractors will be left in the lurch.

It does not appear Monroe County turned over all documents requested by Legislators.

Audits, financial reports, and vouchers for all ARPA recipients were not provided in full. The County indicated that providing all vouchers would require hundreds of hours of staff time, and vouchers for specific projects are available upon request.

The Community Resource Collaborative (CRC) subcontracts for Father Tracy Advocacy Center and Beyond the Sanctuary were not provided. For Cameron Community Ministries, SWAN, Barakah Muslim Charities and MC Collaborative the Scope of Services/Program Work Plan and Budget are missing. For all subcontracts, the Fiscal Agreement is missing. It's not clear if Monroe County has these remaining documents on file. According to the "desk reviews" Monroe County performed with high-risk subrecipients, however, CRC was required to have all subcontracts uploaded into the county's portal.

EFPR, which performed a review on behalf of Monroe County, requested the subcontracts between CRC and Neighborhood Collaborative Project organizations. EFPR said CRC did not

³⁷ FOIL 24-0354: All Scoresheets. Monroe County. Pages 25-26.

<https://www.monroecounty.gov/files/communications/CRC%20Documents/foil/All%20Scoresheet.pdf>

³⁸ Brew Question 13, 14, 15, page 65

<https://www.monroecounty.gov/files/communications/CRC%20Documents/q09/Answer.pdf>

³⁹ FOIL 24-0354 Part 1. Monroe County. Pages 17-21.

<https://www.monroecounty.gov/files/communications/CRC%20Documents/foil/24-0354%20Emails%20Part%201.pdf>

provide the agreements.⁴⁰ The question is why Monroe County did not at least provide what it had on file to EFPR.

The complete resumes of the principals of the for-profit subcontractors to CRC are missing, as is the resume of CRC's CEO.

The review of the documents provided point to the need to examine the County's agreement and communications with the federal government regarding its oversight of ARPA dollars.

Conclusion

Thank you for taking the time to read through this narrative and analysis. I believe we all agree that addressing poverty is a priority in Monroe County. We all value the services provided by our local nonprofits, whose staff work tirelessly to meet the needs of our community.

There is still a lot we don't know about why Monroe County officials selected high-risk projects and repeatedly ignored or did not detect red flags. I don't believe we will get the full picture unless the Legislature continues to demand answers.

As troubling as these developments are, we have an opportunity to make improvements to ensure future grantees and the people they serve are protected and can thrive.

Sincerely,



Rachel Barnhart – Legislator District 17

⁴⁰ (2024, March 20). *Forensic Review of Community Resource Collaborative and the Financial Administration of Monroe County/American Rescue Plan Act Funds*. Monroe County. Page 4.
<https://www.monroecounty.gov/files/communications/CRC%20Documents/forensic/EFPR%20-%20Community%20Resource%20Collaborative%20-%20Forensic%20Review%20Report%20-%202023-20-24.pdf>