

# Review of the Community Action Fund (CAF)

## Final Review Report

**PREPARED FOR:** **Public Health Agency of Canada  
(PHAC)**

**PREPARED BY:** **Goss Gilroy Inc.**  
Management Consultants  
Suite 900, 150 Metcalfe Street  
Ottawa, ON K2P 1P1  
Tel: (613) 230-5577  
Fax: (613) 235-9592  
E-mail: [ggi@ggi.ca](mailto:ggi@ggi.ca)

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**GOSS GILROY INC.**

Management Consultants  
Conseillers en gestion

# Table of Contents

<b>List of Key Acronyms.....</b>	<b>ii</b>
<b>Acknowledgements .....</b>	<b>ii</b>
<b>1.0 Introduction .....</b>	<b>1</b>
1.1 Objectives and Scope of the Review.....	1
1.2 Methodology.....	1
<b>2.0 Description of the Community Action Fund .....</b>	<b>2</b>
2.1 Background.....	2
2.2 CAF Objectives and Priorities .....	3
2.3 Overview of the CAF Funding Solicitation.....	4
<b>3.0 Feedback and Lessons Learned.....</b>	<b>4</b>
3.1 CAF Design and Development .....	5
3.2 Funding Solicitation .....	7
3.3 Communications.....	16
<b>Appendix A: Summary of Survey Results .....</b>	<b>18</b>
<b>Appendix B: Overview of CAF Solicitation Process.....</b>	<b>22</b>

## List of Key Acronyms

CAF	Community Action Fund
CCDIC	Centre for Communicable Diseases and Infection Control
CGC	Centre for Grants and Contributions
Gs&Cs	Grants and Contributions
LOI	Letter of Interest
NACHA	National Aboriginal Council on HIV/AIDS
NCR	National Capital Region
PHAC	Public Health Agency of Canada
PT	Provinces and territories
STBBI	Sexually transmitted and blood-borne infections

## Acknowledgements

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# 1.0 Introduction

The purpose of this report is to summarize the findings and identify lessons learned from a review of the process used to develop and implement the HIV and Hepatitis C Community Action Fund (CAF). Goss Gilroy Inc. (GGI) was hired by the Public Health Agency of Canada (PHAC) to conduct this review in 2017-18.

## 1.1 Objectives and Scope of the Review

The objective was to conduct a review of the process used to develop and implement CAF with a view of providing PHAC with lessons learned for future grants and contributions (Gs&Cs) program development and implementation.

The scope of the review included the time period beginning in March 2012 when consultations were undertaken by PHAC to inform the development of CAF, to the funding solicitation<sup>1</sup>, and finally, the signing of contribution agreements. The review examined three areas specifically:

- Efficiency and effectiveness of the review and feedback process for the Letter of Intent (LOI) and full proposal process.
- Stakeholder Engagement in the development, design and implementation of CAF, including:
  - the extent to which stakeholders were engaged in the process; and
  - the extent to which PHAC was responsive to stakeholder feedback.
- Communications with external stakeholders including:
  - timeliness, frequency and clarity of communications.

## 1.2 Methodology

The review of CAF was conducted for the Centre for Communicable Diseases and Infection Control (CCDIC) at PHAC. CCDIC assisted in identifying stakeholders for the review, as well as providing documentation and data. The lines of evidence for the review included:

- **Review of documents and data:** In order to build an understanding of CAF, documents related to consultations and the funding solicitation were reviewed (e.g., webinar materials, application form, assessment form). In addition, other materials related to the solicitation including internal briefing materials and data were examined. Approximately 140 documents were reviewed.
- **A bilingual web-based confidential survey:** CAF external stakeholders were surveyed to gather feedback on communications and engagement during the development of CAF, the

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<sup>1</sup> Letter of Intent (LOI) and full proposal phase

funding solicitation and review processes. PHAC provided a list of external stakeholders including those who participated in webinar consultations during the development of CAF, successful and unsuccessful applicants, and external reviewers. In total, 131 individuals completed the survey, for a response rate of 41%. (See Appendix A for survey results).

- **Key informant interviews:** The purpose of the key informant interviews was to collect in-depth qualitative information on the consultation, solicitation and review processes and specifically to supplement evidence from the document review and the web-based survey. In total, 48 interviews were conducted with 69 individuals, including: PHAC National Capital Region (NCR) and regional managers and staff; applicants (successful and unsuccessful); and, external reviewers. Of the total number of interviews, 12 were conducted with PHAC representatives and 36 with external stakeholders.<sup>2</sup>

## 1.3 Study Limitations

Two limitations of this review should be noted. First, the scope (timeframe and resources) of the review did not permit a systematic examination of the many products of the solicitation – i.e., the content of LOIs, full proposals or feedback forms. Therefore, respondent perceptions could not always be validated against documentary evidence. Second, while a significant number of interviews and surveys were conducted, some respondents could not answer all questions because they did not participate consistently throughout the 4-year period. In the survey, the overall response rate was high, but the total number of cases did not allow for extensive sub-group analyses (e.g., by region).

## 2.0 Description of the Community Action Fund

### 2.1 Background

CAF is a PHAC Gs&Cs program that amalgamated funding under the Federal Initiative to Address HIV/AIDS in Canada and the Hepatitis C Prevention, Support and Research Program, which were previously managed separately. Launched in 2017, CAF provides funding to community-based organizations to support the domestic responses to HIV, hepatitis C and related sexually transmitted and blood-borne infections (STBBIs). In the delivery of this program, PHAC provides

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<sup>2</sup> In the analysis of key informant interviews, the following descriptive qualifiers are used throughout this report to indicate the frequency of responses: “all/almost all” – findings reflect the views and opinions of 75% or more of interviewees; “many/most” - findings reflect the views and opinions of at least 50% but less than 75% of interviewees; “minority/some” - findings reflect the views and opinions of at least 25% but less than 50% of interviewees; and “a few/several/small number” - findings reflect the views and opinions of at least two interviewees but less than 25% of interviewees.

\$26.4 million in funding annually through Gs&Cs to community-based organizations (including \$4 million in dedicated Indigenous funding).

The impetus to amalgamate funding for HIV/AIDS and hepatitis C originated with the 2008 publication of the Government of Canada *Report of the Independent Blue Ribbon Panel on Grant and Contribution Programs* that concluded there was a need for fundamental changes in the way the federal government understands, designs, manages, and accounts for Gs&Cs, and the need to simplify administration to ensure strengthened accountability. Other drivers for change included a directive in Budget 2012 to increase administrative efficiencies and accountability of Gs&Cs programs and an evaluation of the Federal Initiative to Address HIV/AIDS in Canada (2008-09 to 2012-13) that highlighted the need for increased coherence at national and regional levels and the need to better evaluate the impacts of investments.

In 2014, PHAC transformed the management and delivery of Gs&Cs to adopt a centralized model for Gs&Cs administration with PHAC seeking to enhance efficiencies, harmonize funding practices and tools, and reduce the reporting burden on recipients. This change resulted in Gs&Cs program authorities and budgets shifting from individual PHAC regional offices to the NCR (CCDIC and the Centre for Grants and Contributions (CGC)).

## 2.2 CAF Objectives and Priorities<sup>3</sup>

CAF was intended to maximize efficiencies and increase the effectiveness of the community-based investment. Recognising the reality of common risk behaviours, transmission routes and at-risk populations, CAF takes an integrated, holistic approach to addressing HIV, hepatitis C, and other related STBBIs, and related aspects of health, including mental health, aging, and social determinants of health.

The CAF's objectives are to:

- Increase knowledge of effective interventions and prevention evidence
- Enhance knowledge application in community-based interventions
- Strengthen the capacity of priority populations<sup>4</sup> and targeted groups to prevent infection and to better health outcomes
- Increase uptake of behaviours that prevent the transmission of infections

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<sup>3</sup> Section adapted from the HIV and Hepatitis C Community Action Fund website: <https://www.canada.ca/en/public-health/services/funding-opportunities/hiv-hepatitis-community-action-fund-next-steps.html#s3>

<sup>4</sup> Priority populations include: Gay men and other men who have sex with men; people who use drugs; Indigenous people; ethno-cultural communities, particularly those representing countries with high HIV or hepatitis C prevalence; people engaged in the sale, trade or purchase of sex; people living in or recently released from correctional facilities; transgender people; people living with, or affected by, HIV and/or hepatitis C; women and youth among these populations, as appropriate.

- Increase priority population's access to health and social services.

Proposed activities are to focus on specific populations, supported by evidence of need. Priority activities eligible for funding included interventions directed at priority populations in order to prevent the transmission of new infections and to promote healthy outcomes; adaptation or creation of resources; capacity and skills building for priority populations; and knowledge synthesis, mobilization and exchange. Ineligible activities were specified as those outside the federal mandate (e.g., direct health service delivery activities) or outside PHAC's departmental mandate (e.g., activities on-reserve, pure research). The Agency was particularly seeking applications for projects that demonstrate sustainability and innovation, and address identified priorities (e.g., reduce the number of people who are unaware of their HIV or hepatitis C status, address stigma related to HIV or hepatitis C or populations affected by these infections).

## 2.3 Overview of the CAF Funding Solicitation

In addition to integration of the response, through this transformation, PHAC changed the way it administered this funding program. The solicitation process for CAF was for the first time in many years, implemented as an open competitive process. PHAC implemented a two-stage application process for CAF (see Appendix A for a visual depiction). The first stage of the solicitation involved a call for LOIs which required organizations to demonstrate certain mandatory requirements (Canadian not-for-profit, at least two years of experience both with STBBI related work and meaningful engagement of the priority population(s) identified in the proposed project) and to describe, using an evidence-based approach, how their projects would address CAF priorities, meet objectives, and impact the targeted health issue area.<sup>5</sup> No funding ceiling was identified for funding agreements and applicants could apply for a maximum of five years of funding.

LOI's were reviewed by both internal program staff and external reviewers and successful LOIs moved forward to the full proposal phase. All full proposals were funded, either as submitted, or with adjustments to budgets, workplans, evaluation plans, and/or project scope.

## 3.0 Feedback and Lessons Learned

The following section presents a summary of feedback gathered during the review as well as 15 lessons learned. The feedback is presented loosely in chronological order associated with the CAF solicitation process. The lessons are intended to inform the development and implementation of

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<sup>5</sup> An organization with less than two years of experience could apply as part of a community alliance, which was a newly introduced feature of CAF. The community alliance model involves a proposal where two or more organizations agree to work together to achieve the objectives of a single project in order to increase coherence of the response and reduce duplication and burden on organizations who may pool resources.

future funding opportunities at PHAC, and many are relevant to solicitations that introduce changes to a funding paradigm.

## 3.1 CAF Design and Development

### *Stakeholder Engagement*

To inform the design and development of CAF, PHAC developed a Stakeholder Engagement Strategy. Between 2014 and 2016, to implement this Strategy, the Programs and Partnerships Division of CCDIC consulted with stakeholders on the broad outline of the funding delivery model (first phase) and defining the funding priorities, eligibility of projects, and funding streams (second phase). Approximately 40 consultations were held that were tailored to different stakeholder groups:

- Nationally funded organizations, who participated in face to face meetings and teleconferences with PHAC.
- National Indigenous organizations and representatives from the National Aboriginal Council on HIV/AIDS (NACHA)<sup>6</sup> participated in a two-day in-person meeting that included a range of organizations. The Canadian Aboriginal AIDS Network was contracted to lead pieces of this engagement process.
- Provincial-level health agencies and departments participated in bilateral teleconferences and attended many webinars to discuss funding in their respective provinces.
- People with lived experience were engaged through teleconferences.
- Community-based organizations participated in interactive webinars, which were used to describe and gather feedback on CAF and the solicitation process, including the LOI process.

PHAC staff (i.e., NCR, regional, CGC, other areas) also participated in internal, face to face consultations, including discussions about regional allocations.

Most external stakeholders (59% of surveyed stakeholders) agreed that their organization had an opportunity to ask questions and/or to provide feedback on the design of CAF. Similarly, interviewees generally approved of PHAC's overall approach to consultations, stating that the materials were clear and appropriate. That said, some external stakeholders felt the consultation sessions were, at times, scheduled on short notice or were not sufficiently inclusive of key priority populations, and/or lacked cultural or regional sensitivity. Some also felt that the engagement strategy was not sufficiently driven by the regions.

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<sup>6</sup> National Aboriginal Council on HIV/AIDS (NACHA) is mandated to provide Indigenous-focussed, unbiased, non-partisan, evidence-informed and strategic expert advice to the PHAC on HIV/AIDS. Hepatitis C and related health factors such as sexually transmitted infections, tuberculosis, aging/seniors and mental health as they affect Indigenous Peoples.



In terms of the consultation channels, surveyed external stakeholders were as likely to agree (41% - 25% among unsuccessful applicants) as disagree (43%) that the methods of engagement were appropriate for their organization. Some stakeholders noted particular limitations with the webinar format (too many participants with diverse mandates, poor French translation, highly specific concerns of a few organizations that dominated discussions).

### **LESSON #1:**

***When undertaking consultations with stakeholders, employ multiple channels and various consultation approaches to ensure sufficient outreach to diverse communities to fully participate. Consider:***

- ***using knowledgeable/connected third parties to support engagement, as appropriate***
- ***leveraging networks at the regional and community level***
- ***addressing inherent limitations of webinars by structuring these consultations to focus on smaller groups and/or those with common interests***

### ***Responding to Stakeholder Feedback***

Based on the documents and staff interviews, PHAC held 14 consultations with stakeholders to share how stakeholder feedback was incorporated into the CAF design. These sources cite a number of examples of aspects of CAF that were adapted and/or added based on stakeholder feedback from the face to face and virtual roundtables with external stakeholders, such as implementing the two-stage solicitation process, expanding the breadth of priority populations from four to eight, incorporating the burden of infection as part of the funding formula and allowing for longer funding terms.

However, of the elements of the consultations that were examined, external stakeholders provided the weakest rating in relation to feeling their organization's views were heard by PHAC during the consultation process. Overall, 30% of stakeholders agreed that they felt heard; however, 46% of stakeholders disagreed that they felt heard (29% of successful and 80% of unsuccessful applicants disagreed that they felt heard). This sentiment was echoed in interviews, where some stakeholders said they didn't receive follow-up materials on the results or conclusion of the consultations (e.g., follow-up Q&A). PHAC interviewees noted that the length of the consultation period likely impacted these communications.

Some stakeholders expressed interest in understanding why some feedback offered during the consultations could not be incorporated into the design of CAF. According to PHAC program managers, suggestions that could not be incorporated were often proposed activities falling outside the federal mandate (e.g., permitting operational funding, direct health service activities). While there was no expectation among stakeholders that all feedback would be incorporated, in the absence of complete or consistently available responses to stakeholder input, they perceived the consultations as information sharing rather than meaningful engagement.

## **LESSON #2:**

***While recognizing that programming decisions must align with strategic priorities, and federal policies and guidelines, respond to consultation input/feedback (including details regarding whether (or not) input was/wasn't incorporated and why) in a consistent and timely manner.***

## 3.2 Funding Solicitation

### LOI Launch

Following the consultation period and finalized CAF design, the funding solicitation was launched in February 2016. Applicants had two months to submit their LOIs (mid-February to mid-April, 2016). The LOI was completed using an online platform and consisted of two parts - a cover letter where applicants were to address mandatory requirements (Part A) and an application form describing the project (Part B).

### ***Guidance and Support***

Guidance for applicants to prepare their LOI was provided through webinars,<sup>7</sup> which most applicants attended (83% based on survey responses), as well as a guidance document/fact sheet and content on the CAF website. Overall, applicants had mixed views about the support provided by PHAC during the solicitation process; one in three applicants surveyed (30%) agreed that PHAC guidance during the LOI solicitation was useful (responsive, clear, consistent), while almost four in ten (38%) disagreed. Applicants that proposed national projects, successful applicants and newly funded organizations provided a more favourable rating of the guidance provided.

Positive comments from applicants in the survey and interviews included that the guidance was helpful and that the changes that PHAC introduced in this call for proposals (e.g., that it was open and competitive, LOIs should be evidence-based, and demonstrate impact of project funding) were clearly communicated.

Others, however, perceived that some of the guidance during the solicitation was unclear, particularly around key concepts that defined the priority and eligibility of activities under CAF. While the LOI support materials included information meant to clarify activities that were eligible and not eligible for funding, questions received during the solicitation process and some LOIs that proposed activities that were found to be ineligible suggest there remained some ambiguity in the messaging or that messaging was not sufficiently understood by some applicants.

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<sup>7</sup> The webinars provided an overview of the funding opportunity and requirements for the LOI, and covered topics such as the priority populations and activities and provided a mock LOI response to illustrate the type of information expected in the LOI.

### **LESSON #3:**

***In the context of changing program direction, include strategies to:***

- ***maximize opportunities through continuous communications and various means to reinforce new concepts and drivers for change***
- ***ensure message clarity, precision and consistency to minimize uncertainty/maximize comprehension.***

### ***Responsiveness to Questions***

To encourage a fair and level playing field for the solicitation process and to support consistency in responses, applicants' questions about the LOI were directed to a centralized email address and replies were provided by national staff.

Feedback from some applicants in the interviews and survey suggest some challenges in receiving timely, clear and satisfactory responses to questions posed during the webinar and via the centralized email. While the PHAC service standard is 10 days to reply to questions during a solicitation, this is likely long in the context of an 8-week solicitation. Also, while PHAC reportedly increased staff resources for additional surge capacity to help respond to incoming questions, PHAC was not able to consistently meet the standard during peak periods.

The review found the issues with responsiveness of the centralized email system contributed to a gap in information and communications for some applicants during a time-sensitive period in the solicitation.

### **LESSON #4:**

***Given the time-sensitive nature of open and competitive solicitations, mechanisms to respond to applicant questions should balance the desire for fairness and consistency with having sufficient capacity to provide clear and timely responses to questions.***

## **LOI Submission**

### ***LOI Submission Form***

The review found that the LOI submission form was comprehensive, and most surveyed applicants agreed or were neutral (67-72%) that the form and its requirements were clear, easy to use and appropriate. Few additions to the LOI were proposed by stakeholders; the exception was the view of a few applicants that the track record of the organization in providing a community response to HIV/AIDS, hepatitis C or sexual health should have been a more important criterion for the selection process.

One reported challenge of the LOI submission form was the mandatory requirements which were expected to be demonstrated in the cover letter. While the mandatory requirements (i.e., the organizations' management and governance structure, and experience) were met by most

applicants, 45 LOIs (or almost 20%) were screened out because one or more these requirements were not adequately demonstrated (according to reviewers, some of the one in five applications that were screened out overlooked this requirement).

#### **LESSON #5:**

***To enhance the compliance and quality of applications, ensure that essential or mandatory information requirements are evident to applicants through:***

- ***the use of dedicated response entries in the application form***
- ***a checklist identifying required content and materials.***

### ***LOI Timelines and Level of Effort***

In terms of timelines for submission, 44% of surveyed applicants agreed that the time available to prepare their submission (about eight weeks) was sufficient (higher among larger organizations proposing national projects), while one in three applicants (33%) disagreed (higher among community alliance applicants). In the interviews, some applicants noted that the timelines were tight as the LOI was launched in the last quarter of the fiscal year (a busy time for community organizations).

The qualitative feedback from the interviews also suggested that, despite the two-stage solicitation, many organizations found the preparation of their LOI to be arduous (a few respondents indicated that the LOI represented 75-80% of the work of the full proposal). This was particularly the case for small, regional or volunteer-run organizations that lacked the capacity to produce the kind of evidence-based submission required by CAF, even at the LOI stage. This was confirmed by some external reviewers who observed that larger organizations with access to resources/staff to support a more complete, higher quality application were generally more successful in the LOI stage.

#### **LESSON #6:**

***To ensure organizations with limited capacity are well positioned to fulfill solicitation requirements, consider streamlining the application process and providing opportunities for capacity development.***

### ***Community Alliance Stream***

Overall, the review found that the community alliance stream was viewed as promising by many stakeholders and as presenting potential benefits for the community response to HIV/AIDS and hepatitis C (e.g., scaling of activities to a broader population or region). However, community alliance applicants felt that there were also challenges in completing this more complex LOI and some PHAC staff observed a lack of community readiness for this more demanding delivery model. Compared to the individual organization stream, requirements for the LOI (and full proposal) for the community alliance stream were generally found to be less clear by these

applicants and by some PHAC staff as well. Convening partners and preparing the LOI was uniformly described as time consuming and difficult by applicants. Several applicants noted that their proposed community alliance was reconfigured during the full proposal stage for a variety of reasons.

**LESSON #7:**

***When introducing new and/or multi-organization models/approaches (such as the community alliance model), assess readiness of the community/PHAC and provide more flexibility to ensure there is sufficient time for coordination among applicants (e.g., capacity development, staggered deadlines with individual applications, clear expectations, processes/templates).***

## LOI Review

Once LOIs were submitted, the review phase commenced. PHAC received 232 LOIs. For the first year of CAF funding, funding requests valued at \$63 million a year were received, greatly exceeding the available funding envelop of \$26.4 million per year.

The review of LOIs proceeded on a number of tracks that included:

- PHAC's CGC reviewed the LOIs for completeness and eligibility;
- a group of external reviewers (from provinces and territories (PT), federal subject matter experts and persons with lived experience) (about 60 in total, including six persons with lived experience)) were provided with LOIs to review that were relevant to their region or area of expertise;
- 10 pods composed of PHAC (regional and NCR) representatives each reviewed a sub-set of randomly assigned LOIs, incorporating external reviewer feedback as available. The pods developed funding recommendations which were discussed among the pods and with the Oversight Committee during a two-day teleconference meeting; and
- a small Oversight Committee (consisting of two senior PHAC managers in the NCR) reviewed all LOIs and pod discussions to make the final recommendations for approval by the program director.

LOIs were not ranked by the pods or the Oversight Committee, but were rather assigned a code – recommended, recommended with changes or not recommended.

According to internal staff and external reviewers:

- some perceived there was insufficient time for a thorough review of LOIs and, among internal staff, a poor format (teleconference) for the pods to discuss the results of the review process and arrive at LOI funding recommendations; and

- a few found there was a lack of clarity or shared understanding about aspects of the solicitation (e.g., types of activities eligible under the federal mandate, responsibility for preparing feedback forms) or the review process (e.g., whether the pods were recommending funding or recommending LOIs to move onto a further competitive process, how the funding recommendations would be sensitive to regional contexts).

The review conducted by the pods (each reviewed a subset of the total LOIs submitted) led to 129 LOIs being recommended (more than could be funded). The assessment form and review format did not lend themselves well to discussion and prioritization of the LOIs recommended by the pods. The Oversight Committee's review of LOIs (based on alignment with priorities, eligibility criteria and available funding) resulted in final funding recommendations for 81 LOIs. The Oversight Committee met with regional directors to discuss funding recommendations, however, some pod reviewers indicated there was a lack of clarity about how the final list of recommended LOIs was determined, and were concerned about the potential for gaps across populations and regions in the final distribution of recommended projects.

### **LESSON #8:**

*To improve the solicitation and review process:*

- *ensure clarity/understanding of the reviewers' roles and responsibilities*
- *establish broad-based review body(ies) to make funding recommendations*
- *create tools/provide training for reviewers to support consistent and informed assessment of applications*
- *ensure sufficient time and appropriate format to facilitate discussions among reviewers around funding recommendations.*

Some applicant and staff interviewees raised questions about the effectiveness, consistency and transparency of the review process. As successful LOIs moved into the full proposal phase, the extent of the changes that were requested or permitted to some of the full proposals (described below) led some unsuccessful applicants to perceive unfairness in this process.

### **LESSON #9:**

*Ensure that the established parameters of the funding solicitation are applied in an objective and consistent manner.*

## LOI Review Criteria

Over half of surveyed applicants (54%) disagreed that the criteria and process that were used to assess LOIs were clear (successful applicants were more likely to say the criteria and process were clear), while 26% agreed.

With respect to the review criteria, the guidance for applicants explained that the LOIs would be reviewed based on quality, merit and relevance. On the CAF website, for instance, the material indicates that LOIs would be selected on the basis of having the greatest potential to make an impact on STBBIs. Priority was also to be given to those projects which included activities that demonstrate sustainability and scalability and that demonstrate originality and innovative approaches.

The review found that some of the selection criteria articulated on the web-site were not clearly featured in the LOI webinar materials or displayed prominently in the LOI submission form itself (e.g., the LOI form did not direct applicants to demonstrate sustainability, scalability, or innovation, although these criteria were used in the assessment).

For their review, pods and the Oversight Committee used an assessment form that paralleled the selection criteria in the guidance and web-site. The form initially included a 3-point scale to assess LOIs in terms of project relevance, involvement of priority populations, evidence-based need, project impacts, sustainability and scalability, originality and innovation, and attention to performance measurement and evaluation. The 3-point scale rating was abandoned during the LOI review process, thus limiting the ability for LOIs to be clearly prioritized or ranked. Many reviewers also suggested that the tools and supports required improvement to support consistency across the pods and between the pods and Oversight Committee in how they assessed the LOIs.

#### **LESSON #10:**

***Establish clear selection criteria that are communicated consistently during the solicitation and the review process.***

- ***To support funding recommendations, establish a clear framework to prioritize applications that are recommended for funding.***

### ***Timeliness of Funding Decision***

Following the review of LOIs, the recommendations for funding were prepared by the end of June 2016 (within two months after the close of the LOI phase). The decisions were not communicated until three months later. The delay in announcing the funding decisions was an issue raised by PHAC staff and many applicants (60% of applicants disagreed that the funding decisions were timely) (See Lesson #14). In interviews and the open-ended survey feedback, many applicants described the delays as stressful, frustrating and chaotic for their organization, with serious implications for staffing and planning. In recognition of the compressed timeframe for organizations that were no longer going to be funded under CAF to wind down their projects, it was announced that these organizations would receive transition funding for one year.



## LOI Feedback

A feedback form was completed for each application both to assist successful applicants to prepare their full proposal and for unsuccessful applicants to explain why their LOI was not recommended. Because of the recent changes to the program, internal staff reported that the feedback to CAF applicants departed from the standardized forms typically used by CGC to communicate funding decisions by providing more details and including reviewer feedback on the LOI strengths and weaknesses.

Of the applicants who responded to the survey, a minority agreed that the feedback accurately reflected their proposal (26%) or was clear (20%) or comprehensive (20%). Expectedly, dissatisfaction with the feedback was more prevalent among unsuccessful applicants although among organizations that were funded, views about the LOI feedback were also mixed. In some instances applicants indicated that the feedback did not reflect the content or ideas that were proposed in their LOI or questioned how positive and negative feedback was reconciled, both of which created confusion about the decision for some.

From the perspective of some of the LOI reviewers, the quality of the content of the LOIs was perceived to be mixed. Internal and external reviewers observed that organizations had varying levels of understanding of the LOI submission requirements, the priorities and selection criteria. Whereas many LOIs were clear and offered innovative and evidence-based projects, some reviewers also noted instances where applications were not well written, lacked substantiation of need or effectiveness of the intervention, were not able to clearly articulate their activities or goals and/or included proposed activities that were not aligned with the federal mandate.

### **LESSON #11:**

***Feedback to applicants should be based on a standardized format that:***

- ***clearly explains why the application was not successful referencing the selection criteria (unsuccessful applicants); or***
- ***provides clear direction on recommended changes, including a funding ceiling for full proposals (successful applicants).***

## Full Proposal Submission, Review and Contribution Agreement

In total, 82 LOIs were approved to move forward to the full proposal stage and 85 projects were ultimately approved (some LOIs were split into separate projects). The full proposals required that applicants elaborate in more detail on their project, including a detailed workplan, objectives, budget and evaluation plan. In terms of assisting successful LOI applicants to prepare their full proposal, applicants had feedback on their LOI and PHAC hosted webinars and provided templates for key requirements. A tip sheet on preparing a workplan was developed and circulated in response to questions from applicants. As this phase of the solicitation process was



not competitive, applicants had greater access to PHAC regional and national program consultants to seek clarification which was appreciated by a number of applicants. The full proposal submission had a deadline and, upon submission, were assessed, first, by CGC to ensure adherence to budget and expenditure eligibility criteria<sup>8</sup> and then by the pods and Oversight Committee. Some proposals were shared with PT representatives for feedback.

### ***Timelines for Full Proposal Submission***

Similar to the LOI phase, some applicants (particularly those involved in community alliance proposals) felt that the timeline to submit their full proposal (8 weeks between launch and deadline) was too compressed and that PHAC was not prompt in providing information or clarification in response to questions about the requirements such as the SMART<sup>9</sup> objectives which were not well understood. Affected applicants were aggravated when delayed or inconsistent feedback from PHAC compressed their own timelines. Some organizations experienced further delays in the release of funds (only one in four applicants (21%) agreed the release of funds was timely). (Refer to Lessons #14) It should be noted that during this time period, PHAC was experiencing capacity constraints due to the announcement of transition funding and the resulting need to amend existing contribution agreements, as well as responding to a high volume of correspondence from unsuccessful applicants.

### ***Guidance/Support during the Full Proposal Phase***

Among the various aspects of the full proposal phase that were examined, applicants again had mixed views on the guidance and support provided by PHAC during this process, with similar proportions agreeing (38%) and disagreeing (43%) that the guidance was clear and useful. Organizations that were newly funded by CAF had more favourable opinions of PHAC's support during the process.

According to internal interviewees, in order to improve the effectiveness of projects, a priority for PHAC was to ensure that organizations clearly mapped their planned intervention workplans with well-articulated outcomes. As mentioned above, PHAC's expectations for these revisions were supported by webinars, templates/resources, and feedback from PHAC staff. The vast majority of surveyed applicants who prepared full proposals (n=55) were requested to revise their SMART objectives (91%) and their workplan (84%).

Preparing the workplan, budget, SMART objectives and evaluation plan were found to be complex and demanding by most successful applicants. The process to finalize the contribution agreement was described by some as confusing and heavy handed, with 'changing goal posts' and inconsistent messaging (which a few attributed to changes in personnel) that was not sufficiently documented. According to these applicants, the revisions ranged from excessive wordsmithing

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<sup>8</sup> Examples of ineligible expenditures include capital costs, rental charged, non-project related organizational costs.

<sup>9</sup> Specific, Measurable, Achievable, Results Based, and Time-Bound

(e.g., to align text with SMART objectives) to revisions that were perceived to be highly prescriptive. Some applicants felt that their proposal changed considerably from the priorities and evidence of need originally outlined by the organization in the LOI and were also quite protracted.

According to internal interviewees, some organizations lacked readiness for this stage and they noted as well that many iterations of the full proposal were required for some applicants to prepare a full proposal that met the Agency's requirements (e.g., revisions were required to remove ineligible activities, ensure workplans and budgets conformed to requirements).

#### **LESSON #12:**

***To finalize full proposals in a timely fashion, provide clear guidance and consider simplifying workplan/evaluation plan requirements, while respecting Government of Canada requirements, policies/guidelines.***

### ***Final Funding Commitment***

As mentioned above, the annual CAF budget is \$26.4 million per year. Within the budgeted amount, there are national, regional and Indigenous funding allocations to be adhered to. During the full proposal phase, staying within the funding allocations was challenging as a number of applicants submitted higher budgets in their full proposal compared to their LOIs (which may have been in response to suggestions in their LOI feedback to add components or because applicants underestimated the costs of their project at the LOI stage). For this reason and others, almost all organizations (91%) were asked to make subsequent adjustments to their project budget in order to align with the program budget allocations and/or to remove ineligible expenditures.

At the conclusion of the CAF solicitation, most of the CAF funding was committed for the next 3 years, making it difficult for organizations that did not receive funding to re-apply from this source or for PHAC to respond to emerging issues.

#### **LESSON #13:**

***To minimize potential impacts to organizations that were not successful in the solicitation and address potential gaps in the community response, consider building in time for organizations to find alternative funding sources and/or stagger funding calls.***

## **Two-stage Solicitation**

The two-stage LOI and full proposal solicitation was new to the CAF 2016 funding call, instituted to deal with an anticipated higher volume of applications with the new open and competitive format and to be less burdensome for applicants. The two-stage process was also meant to reduce duplication and lessen the review process.

Overall, both internal staff and applicants were receptive to the two-stage model. However, as mentioned above, some PHAC staff and applicants noted some confusion during the solicitation about whether the full proposal phase was competitive. Early communications about the solicitation indicated that being successful at the LOI stage did not guarantee funding at the full proposal stage. This was interpreted by some staff and applicants to suggest that the full proposal phase would be competitive.

According to some internal staff and applicants, the disadvantage of the two-stage solicitation is the longer solicitation period (two submissions, two review periods). As has been mentioned above, there were various stages in the solicitation when delays were introduced (release of LOI decisions, signing of contribution agreements and release of funds). The final CAF contribution agreement was signed in March 2018, almost a full year after the initially proposed timeline.

#### **LESSON 14:**

***In planning the solicitation process, develop contingency plans to limit the impact of challenges related to internal processes and capacity shortfalls in order to mitigate delays.***

## 3.3 Communications

One of the objectives of this review was to examine the clarity, timeliness and frequency of communications throughout the CAF solicitation process. A frequent thread in the feedback discussed above has been related to communications. There are several examples of communications that PHAC implemented with an ambitious number and diversity of stakeholders in a highly challenging period of change. A list of 4,000 stakeholders was compiled and notified of key elements of CAF (e.g., launch of the solicitation). During the solicitation phase, there were a variety of channels used to communicate about the solicitation (webinars, web-site, templates, resources) and multiple contacts within PHAC – national, regional, CGC – involved in the solicitation.

However, in terms of clarity of communications, the review suggests a number of key elements of the CAF solicitation where stakeholders did not have a sufficiently clear or precise understanding of the changed vision for CAF. Although communicated on a number of occasions by PHAC, particularly challenging was conveying the meaning of the federal mandate in public health, and the important implication for the activities that were eligible for funding under CAF. This change was not well-understood or underestimated by some organizations (and even by some reviewers). In other cases, there appeared to be some gaps in clarity around operational aspects of the solicitation; whether the full proposal stage of the two stage solicitation was competitive is an example.

In terms of frequency and timeliness of communications, there were some reported challenges in responsiveness to questions during the LOI solicitation and full proposal stage. Finally, some applicants felt that communications around the LOI feedback and feedback on full proposals were inconsistent.

It should be noted that during the data collection, the consultants encountered many strong views about the CAF solicitation on the part of both internal and external stakeholders. CAF introduced important modifications to a funding model that had been unchanged for a number of years, and aspects of the CAF solicitation and review processes and some of the funding decisions triggered a vocal and critical reaction among some HIV/AIDS organizations. Some organizations felt a loss of trust and confidence in the solicitation process and in communications about CAF which has not yet been fully restored.

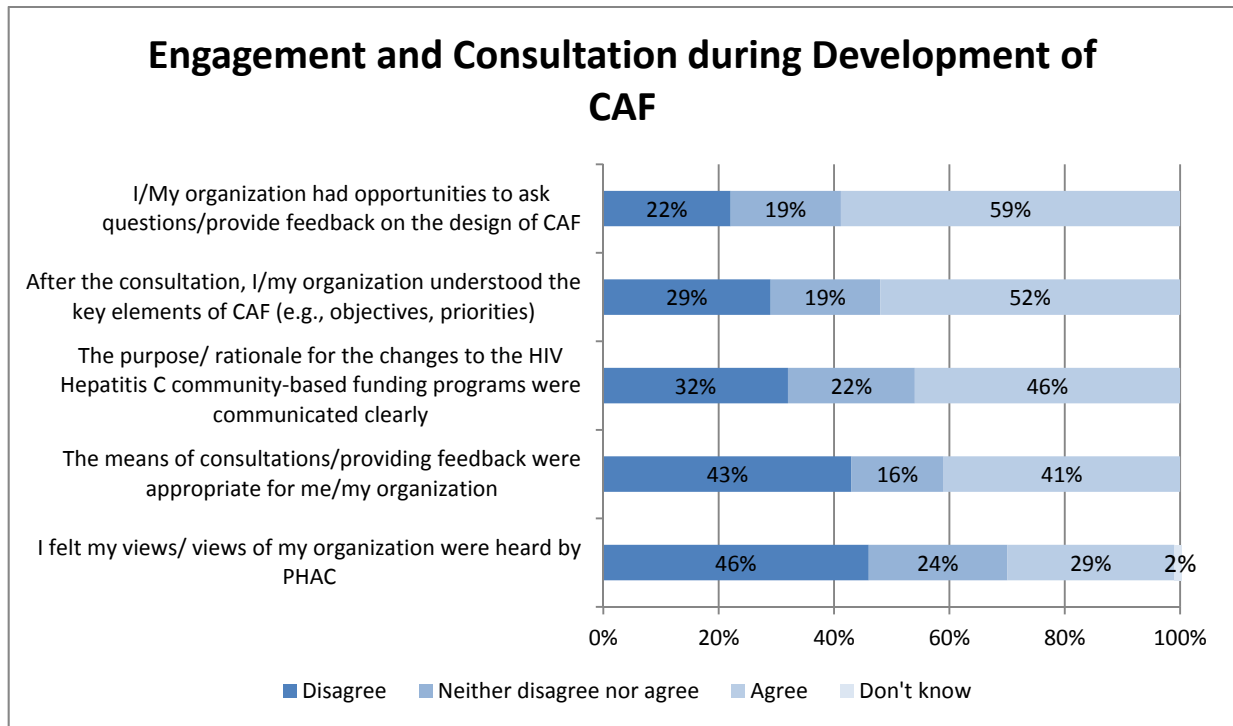
#### **LESSON #15:**

***Communications related to funding solicitations should be based on an approach that:***

- ***ensures consist messaging that is readily accessible to applicants;***
- ***prioritize continuity in contacts with applicants;***
- ***use precise and plain language, and focus on critical aspects of the solicitation;***
- ***communicate frequently with stakeholders on status of the solicitation, particularly when delays are encountered;***
- ***devote attention to record keeping and documenting decision***

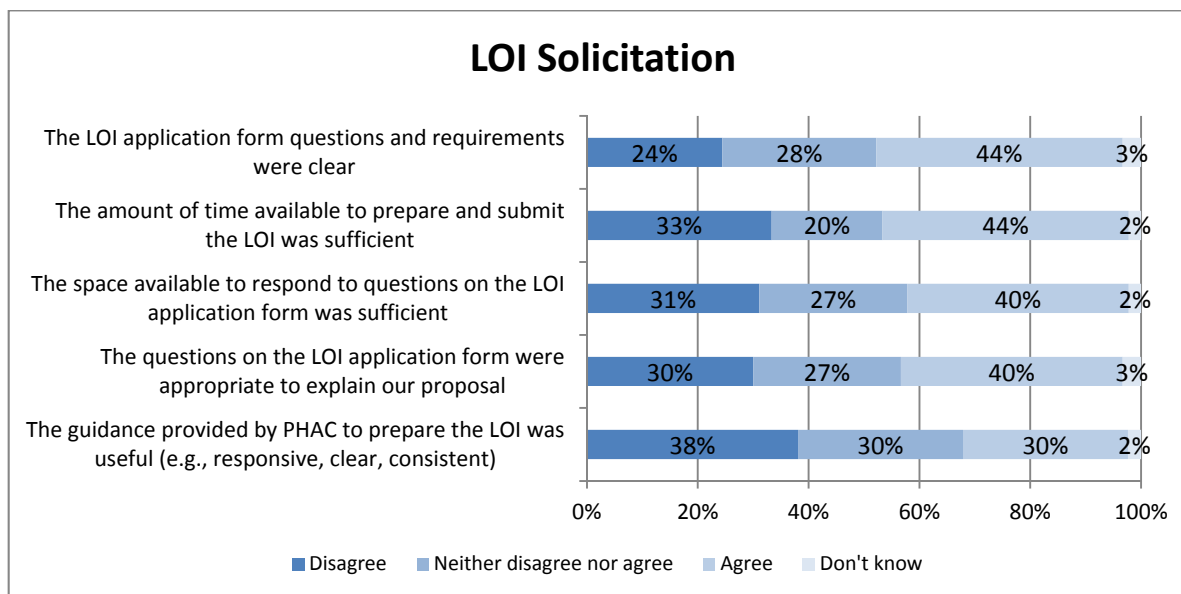
## Appendix A: Summary of Survey Results

Figure 1: Stakeholder Engagement during the Development of CAF



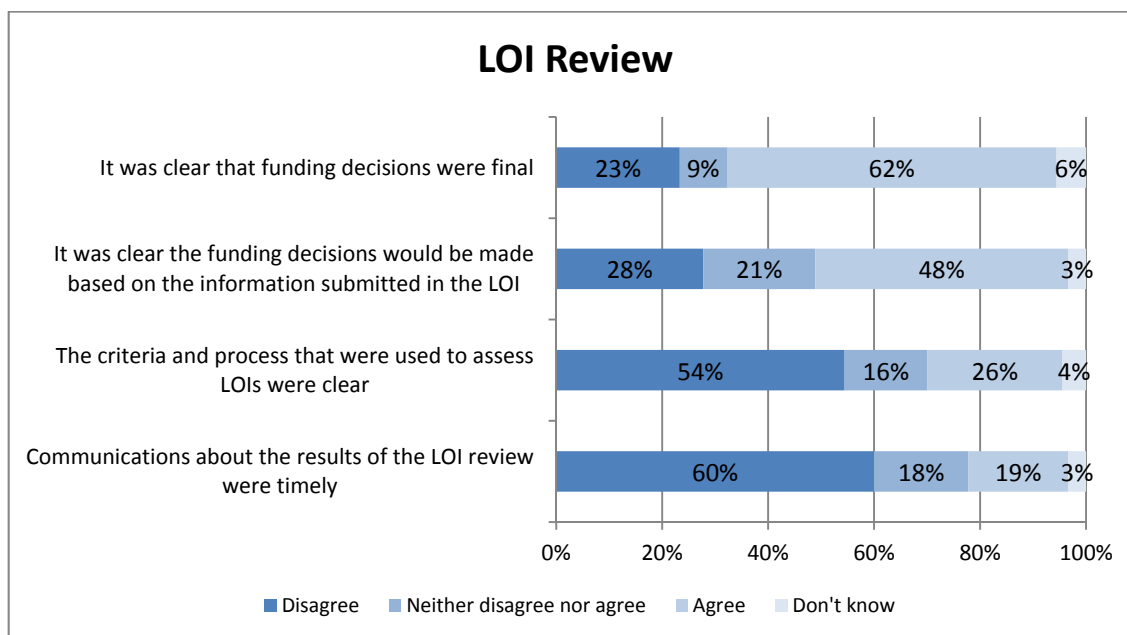
**Source:** Survey of CAF Stakeholders, 2018 (n = 68)

Figure 2: Feedback on LOI Solicitation



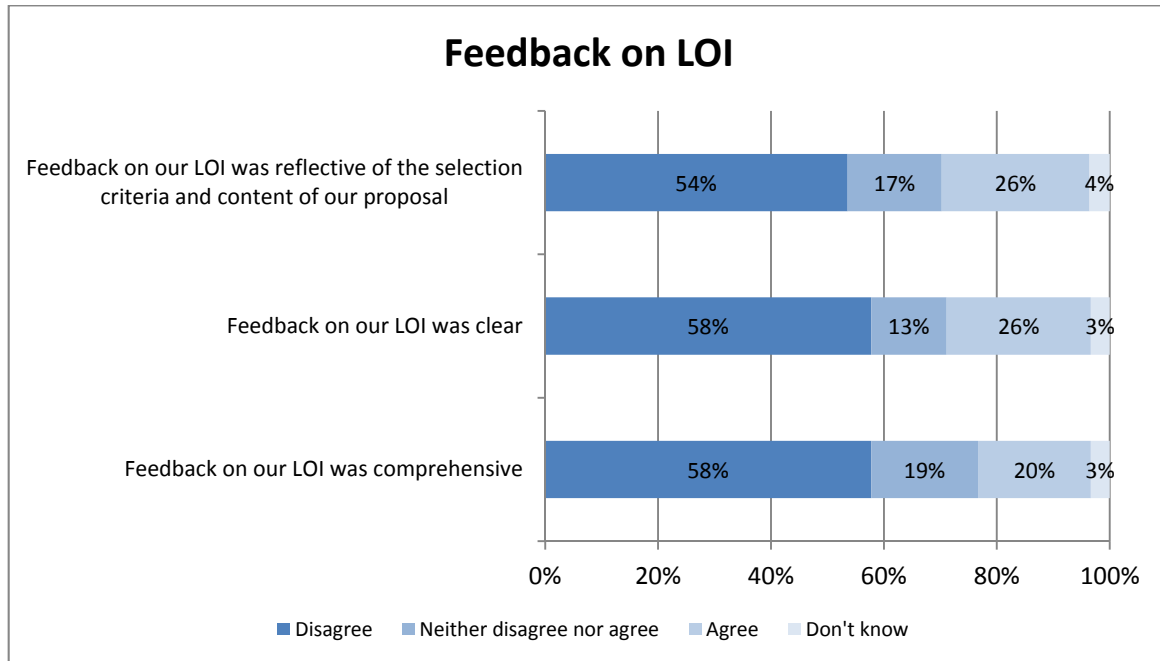
**Source:** Survey of CAF Stakeholders, 2018 (n = 84 to 90)

Figure 3: Feedback on Reviews of LOIs



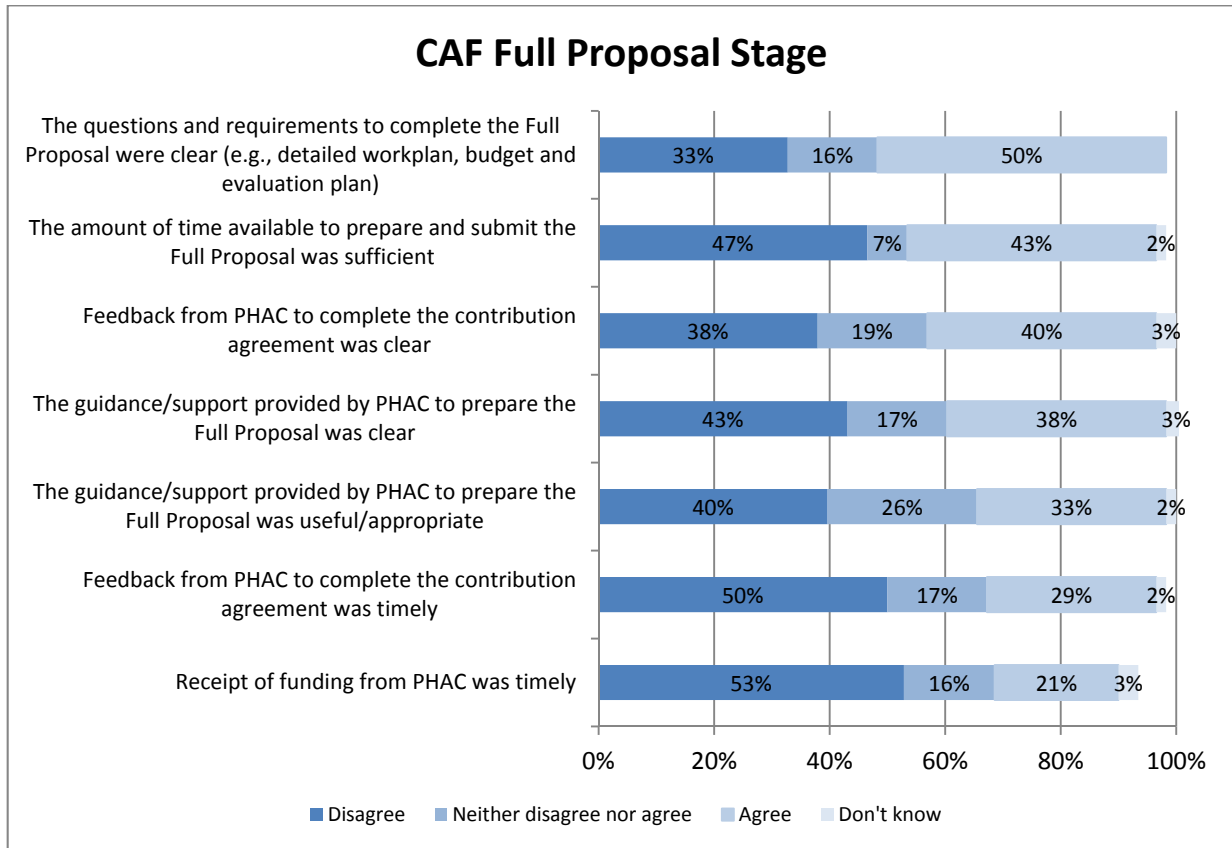
**Source:** Survey of CAF Stakeholders, 2018 (n = 90)

Figure 4: Stakeholder Views on Quality of LOI Feedback



**Source:** Survey of CAF Stakeholders, 2018 (n = 84 to 90)

Figure 5: Stakeholders Views on Full Proposal Stage

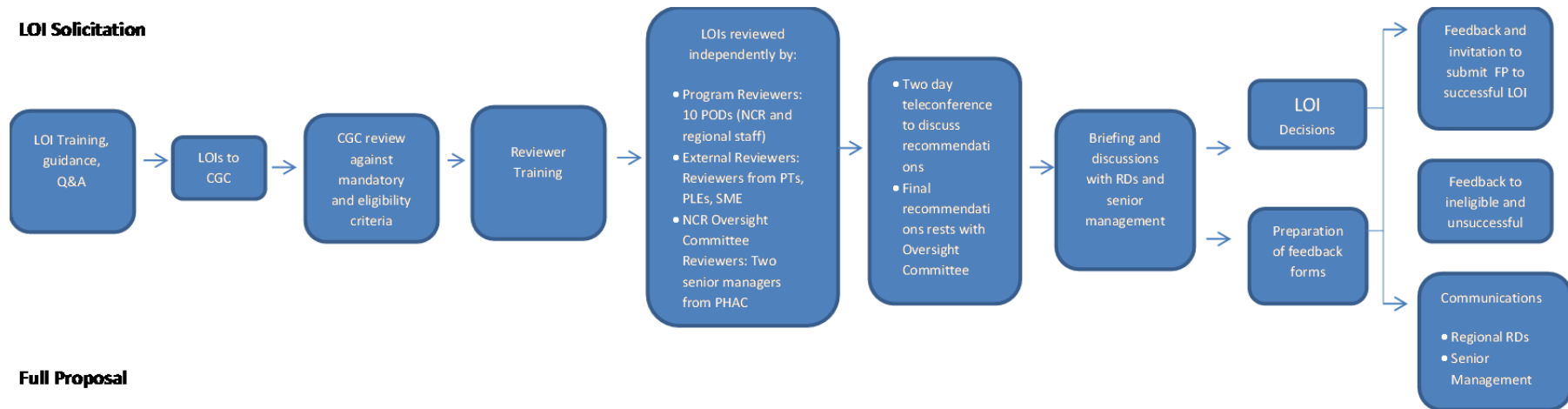


**Source:** Survey of CAF Stakeholders, 2018 (n = 58 to 70)

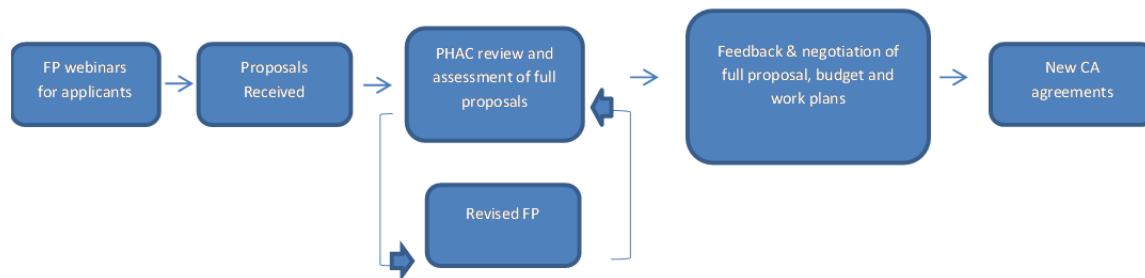


## Appendix B: Overview of CAF Solicitation Process

### LOI Solicitation



### Full Proposal



### Transition Funding

