

### COUNCIL ACTION FORM

**SUBJECT:**                    **APPROVAL OF FY 2025/26 ASSET CONTRACTS FOR  
YSS, HIRTA AND NAMI**

**BACKGROUND:**

The City Council approved 22 of 25 Analysis of Social Services Evaluation Team (ASSET) contracts for FY 2025/26 at the May 27, 2025, meeting.

The three agencies that were not included in the May approvals are:

1. National Alliance on Mental Illness (NAMI)
2. Heart of Iowa Transit Agency (HIRTA)
3. Youth and Shelter Services (YSS)

The contracts for these three agencies were not presented to Council in May because in January 2025, the ASSET Board recommended either a partial or full sequestration of FY 2025/26 funds for these agencies. The Board requested that Funder staff work with the agencies to resolve the concerns of the Board.

Since January 2025, ASSET Funder staff have met with each of the agencies to work towards acceptable resolutions in order to unsequester funds. Below is a status for each agency:

**1. HIRTA** - HIRTA has agreed to proactively and adequately provide any data reporting as required by the ASSET process. HIRTA has also restated its commitment to attending all mandatory ASSET meetings/events. Therefore, City staff is recommending approval of its contract. However, funds will be released quarterly upon meeting participation expectations. Funds will be released in equal parts per quarter when compliance is satisfactory. **HIRTA's total contract to provide transportation services in Ames from the City is \$49,359, so \$12,339.75 can be drawn down quarterly in the following months: September, December, March, and June.** The other ASSET funders collectively are purchasing additional services from HIRTA in the amount of \$136,750 at the cost per unit rate of \$21.30.

**2. NAMI** - After meeting with NAMI staff, the organization has submitted an updated budget. **Therefore, staff is recommending unsequestering the funds and approving the City contract.** The services that will be purchased, the total amount to purchase, and the cost per unit is provided below:

SERVICE	COST PER UNIT	UNITS	AMOUNT
Activity and Resource Center	\$422.21	29	\$12,400
Advocacy for Social Development for Family and Peer Support	\$283.14	1	\$550
Public Education and Awareness	\$8.02	1,670	\$13,400

Advocacy for Social Development: Family and Peer Education	\$359.46	3	\$1,200
		<b>GRAND TOTAL</b>	<b>\$27,550</b>

The other ASSET funders collectively will be purchasing additional services from NAMI for a total of \$36,792.

**3. YSS** - There were two primary concerns with YSS the ASSET Board conveyed:

- a. Towards the end of the fiscal year, for the last few cycles, YSS has requested from more than one funder (including the City) that unspent funds be transferred to another service(s), which could mean that during the budget request process YSS was over-projecting the budgetary need for the services where funds were unspent.
- b. The Mental Health Outpatient Treatment service YSS provided through its crisis therapy appointments were being underutilized by the community, which raised questions about the need for offering the service as it is currently structured. The inability to use the crisis slots also meant there were unspent funds that were being requested by the agency to be shifted to other service area(s) as the end of the fiscal year approached.

The main concern with shifting funds is that ASSET is not intended to be an agency funding method. The ASSET process is meant for funders to purchase specific units of a particular human service for the community and therefore dollars are allocated specifically for that service need. If funding is being requested to be shifted even within an agency, the service being purchased could vary as much as funding that was supposed to go towards addressing mental health needs to providing youth afterschool programming. For FY 2024/25, the Council approved shifting funds. However, staff has communicated this type of request will not be honored going forward without a significant reason for the change.

**After discussions with YSS staff, City staff has requested YSS reexamine its FY 2025/26 budget request and provide an updated and more appropriate projection of budgetary needs. Attachment A highlights the new recommended contract amounts. It should be noted that the overall total City amount towards purchasing services from YSS does not change (\$224,893), but the amounts per service may have changed from the original ASSET Board recommendation.**

**ASSET funders reserve the right to adjust contracted amounts as needed. The updated proposed budget with YSS was shared with the ASSET Administrative Board members on June 2, 2025, who agree the updated requests are more appropriate. Therefore, staff is recommending unsequestering the YSS funds for FY 2025/26 and adjusting the amounts to the new proposed amounts.**

The other ASSET funders collectively will be purchasing additional services from YSS for a total of \$568,832.

## **ALTERNATIVES:**

1. Approve FY 2025/26 ASSET contracts with:
  - a. National Alliance on Mental Illness (NAMI) for a total of \$27,550
  - b. Heart of Iowa Transit Agency (HIRTA) for a total of \$49,359
  - c. Youth and Shelter Services (YSS) for a total of \$224,893
2. Do not approve the FY 2025/26 ASSET contracts with NAMI, HIRTA and YSS

## **CITY MANAGER'S RECOMMENDED ACTION:**

Collectively for FY 2025/26, the City of Ames, Story County, United Way of Story County and Iowa State University Student Government is committed to purchasing approximately \$5 million dollars of human services to meet the needs of the community ([see the ASSET Board Funding Recommendations](#)). **YSS, HIRTA and NAMI provide critical services for the wellbeing of residents of Ames and Story County. It is important to continue to support these agencies and their missions by purchasing their services for those who need them. After additional conversations with each of the agencies, City staff is agreeable that the funds can be unsequestered and the contracts should be approved.** Therefore, it is the recommendation of the City Manager to approve Alternative No. 1, as described above.

## **ATTACHMENT(S):**

[Attachment A: YSS FY2025-26 Proposed Adjustment.docx](#)