

Once you have identified qualified, compatible agencies to provide services for your program, you and each of your new partners will need to make a series of decisions about how you will arrange your collaboration. These include:

- *Legal Relationship.* You may structure a formal legal relationship with a service provider through a contract or other legal agreement. A contract spells out:
 - The terms of your agreement;
 - The scope of services to be delivered;
 - The obligations each party has to the other in the delivery or receipt of services;
 - The method of remuneration or payment;
 - The circumstances under which parties to the contract may terminate the contract; and
 - Any other conditions that can impact on the relationship.

A contract is a formal legal document usually reserved for situations involving the sharing of funding or payment for services. If you plan to use these agreements, we recommend that you seek the services of an attorney to assist you in drafting the agreement to decrease the chance of misunderstandings.

If you will be referring tenants to another service without payment, you may still want to design a written agreement which details the referral process, service and expectations of accessibility or capacity to respond as referrals are made. This type of written agreement is sometimes called a “memorandum of understanding” or MOU. Unlike a contract, an MOU is not legally enforceable but it is an important tool for defining roles and responsibilities when multiple organizations are collaborating in service delivery.

- *Location.* Will the services be provided on- or off-site? This decision will impact on your facility needs. Your housing may or may not include common space for services. Some services may require a special off-site facility, such as a health care clinic. You should also consider the resident’s history when making this decision. If the resident is fresh from an extended period of chronic homelessness and crisis, on-site services associated with the most common critical needs may be the most beneficial. In this example, individuals may be used to functioning in the immediacy of the moment and may easily get lost in the system if required to travel from one service to another.
- *Cost to Your Program.* You and the other agency will need to negotiate a cost per tenant or other method of compensation calculation for the service. You may refer tenants to another agency on a case-by-case basis, or you may enter into a contract with an agency to provide services for your program’s general participation. The cost-effectiveness of each option may depend on the number of tenants using the service. If only a few tenants will need a service, referrals are probably the less expensive option. If most tenants will use a service, it may be less costly to enter into a contract with the community provider. If you do contract with a provider, then the location of services also will affect the costs. If the service will be provided on-site, the agency may need to hire new staff to send to the site, thus increasing costs. If

the provider can accommodate tenants at its primary (off-site) location, then the cost of the service may be lower, although your program's transportation costs may increase.

Source: *Not A Solo Act*, Corporation for Supportive Housing, 2001