

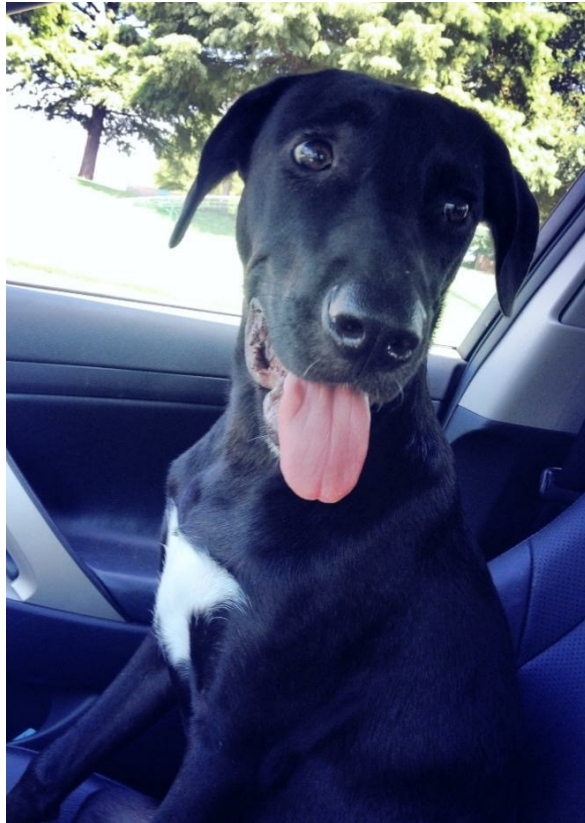
Local Government's Role in Auditing Homelessness

Western Intergovernmental Audit Forum
September 5, 2018

Holly Hart, CPA and Dan Genz, CIA
Assistant City Auditors
Office of the City Auditor
City of Dallas



Introductions



Introductions



Western Intergovernmental Audit Forum



City of Dallas

- Appreciate the importance of local government's role in addressing homelessness
- Understand a three-pronged approach to auditing homeless response system effectiveness
- Learn tips and resources available for auditing homeless response systems

Learning objectives



Homelessness is Rising Nationally in Large Cities

“This is not a federal problem, it’s everybody’s problem ...”

- U.S. Housing and Urban Development Secretary Ben Carson



Understanding Local Issues

“The impact of homelessness in Dallas is **severe** and **pervasive**. It wears on our neighborhoods, depresses our businesses, and **shocks our visitors when they see such extreme deprivation alongside extreme prosperity**. The human condition in our numerous tent encampments is deplorable, yet there is little excess shelter capacity, a lack of affordable housing, and no community-wide supportive housing plan to relieve the pressure on the system and move people experiencing homelessness into housing.”



Dallas Public Library	Dallas Police Department	Dallas Fire-Rescue	311
Code Compliance	Housing and Community Services	Park and Recreation	Mobility & Street Services
City Attorney's Office	Sanitation	Economic Development	Fair Housing

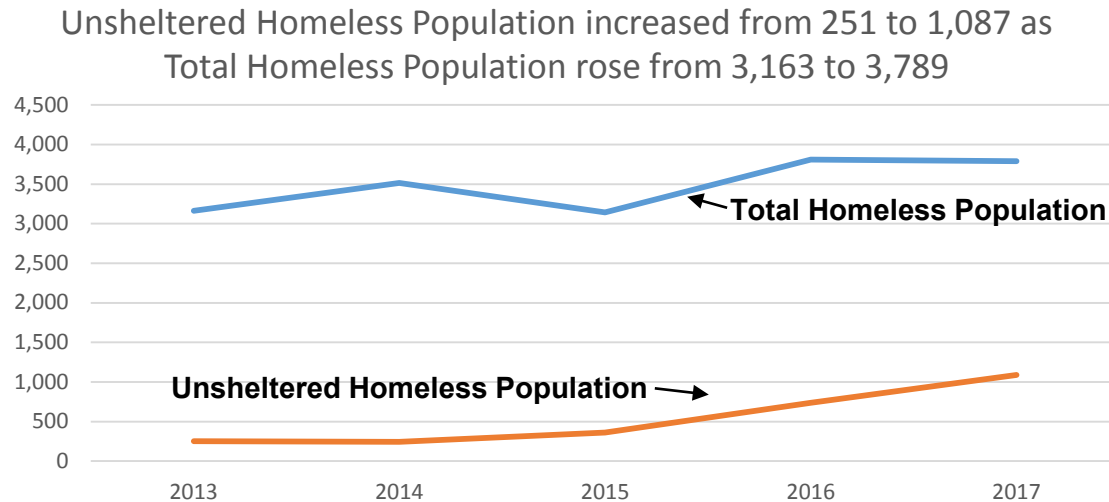
Homelessness is a Local Issue

Homelessness affects many aspects of city government



Homelessness is Rising in Dallas

The number of unsheltered homeless residents in the Dallas area increased sharply from 2013 to 2017 as the total homeless population increased more gradually.



Source: Dallas City & County / Irving CoC Point in Time Counts 2013 through 2017. Note: Point in time counting methodologies improved during the period.

Homeless Response Systems are Complex



Homelessness Data is Critical and Complex

The U.S. Department of Housing and Urban Development (HUD) and other planners and policymakers use aggregate Homeless Management Information System (HMIS) data to better inform homeless policy and decision making at the federal, state, and local levels. HMIS can be used to:

- Count unduplicated persons experiencing homelessness
- Describe the nature and extent of homelessness regionally and nationally
- Identify patterns and measure program effectiveness



Homelessness Data is Critical and Complex

With enactment of the HEARTH Act, HMIS participation became a statutory requirement for recipients and subrecipients of CoC Program and Emergency Solutions Grants (ESG) funds. Low HMIS participation means less federal government funding for homeless programs at the local level.



Objective

Assess the effectiveness and/or efficiency of the City of Dallas (City) homeless response system which may include an evaluation of the contracting procedures for homeless services, including how contracted services meet assessed needs and are monitored for quality performance.



Planning is Key

Extensive planning helped Auditors identify three key areas to address during the audit:

What is the City doing to address homelessness?

- *City Homeless Services Effectiveness*
- *Data Adequacy*
- *Contract Management and Oversight*

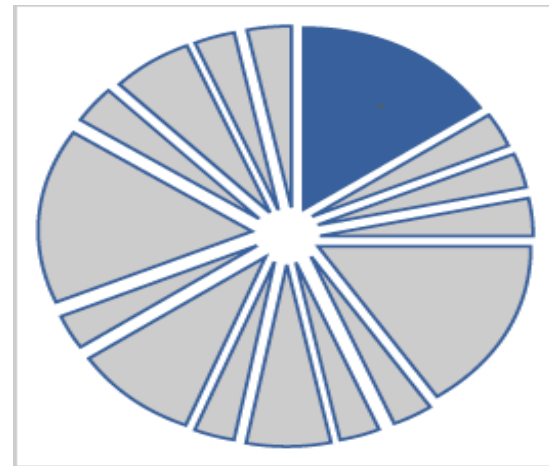
Other risks we identified we didn't pursue:

- *Vouchers / Affordable Housing*
- *Homeless Encampments*



Three-Pronged Approach

1. Survey those involved in the Homeless Response
2. Analyze oversight of two critical homeless services organizations
3. Analyze City Planning Efforts and Management of Homeless Services
 - *Strategic planning*
 - *Program Fragmentation*



Source: GAO. | GAO-15-49SP

Audit Results



Source: The Bridge Steps

Need for Better Information

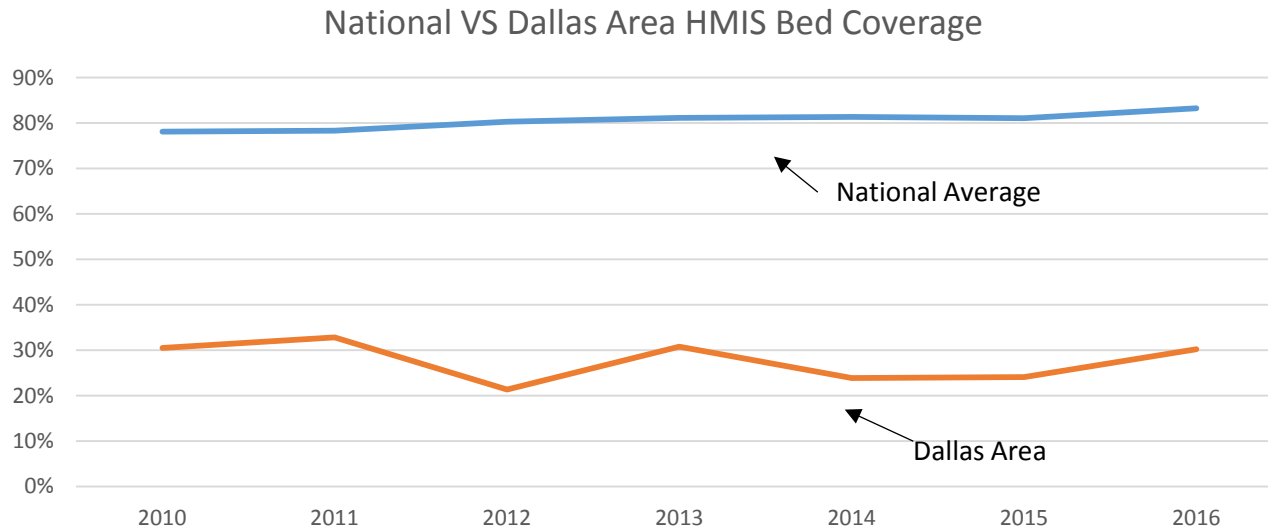
Our Overall Conclusion

The City of Dallas cannot tell how well the homeless response system is performing and needs to improve oversight of the nonprofit organizations and The Bridge and how the City evaluates, coordinates, and monitors homeless services.



Better Data Needed to Determine Effectiveness

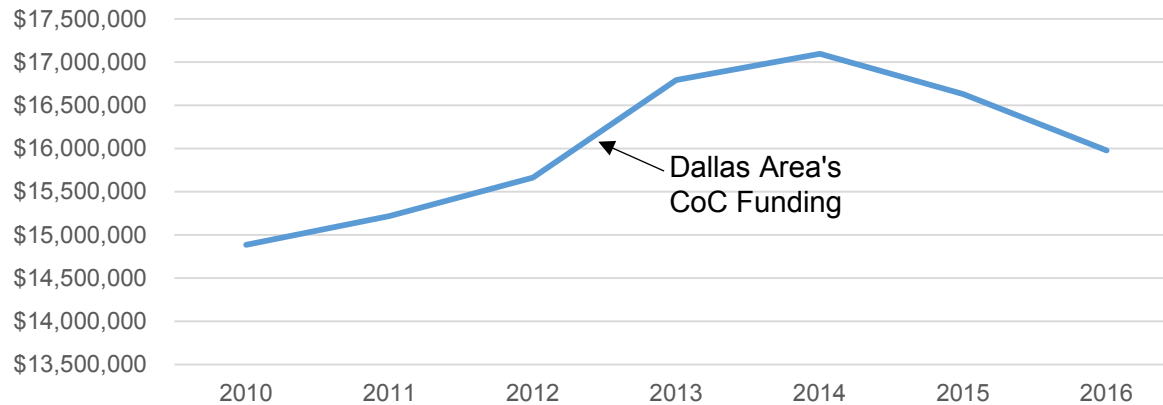
The Dallas area consistently lagged nationwide in the percent of homeless beds captured in the HMIS



Source: National Homeless Information Project report, 2010 through 2016

Better Data Needed to Determine Effectiveness

Dallas Area's Federal CoC Funding Declined from 2014 to 2016



Source: Metro Dallas Homeless Alliance Documents

Inadequate Planning, Coordination, and Implementation of HMIS

The implementation of the HMIS did not meet the needs of The Bridge and other large homeless emergency shelters





Inadequate Planning, Coordination, and Implementation of HMIS

HMIS Implementation Challenges:

- A non-competitive process selected a vendor without previous HMIS experience and did not comply with Federal Requirements
- The City did not adequately oversee the HMIS procurement and launch of the HMIS



Inadequate Planning, Coordination, and Implementation of HMIS

Survey Results and Best Practices Emphasize Homeless Emergency Shelter Involvement in System Development

- Extensive consultation and customization to make the system work for shelters
- Incentivizing the use of the HMIS through reduced or subsidized license fees or costs
- Emphasizing benefits of HMIS participation



Inadequate Oversight of the City's Homeless Assistance Center

- *Efforts to require The Bridge to fully report in HMIS without proper planning pushed the shelter to the brink of closure*
- *The City's monitoring of The Bridge Management Contract is inadequate*



Evaluation of the Effectiveness of Homeless Services

- *The City's planning for homeless services has significant gaps*
- *Fragmentation and insufficient coordination and monitoring of homeless services*
 - Fragmentation in case management
 - Inadequate monitoring of homeless services program performance



Other Key Survey Results

- *Few other cities surveyed employed City staff to provide homeless services*
- *Other cities had greater oversight and input on their CoC, but with varying degrees of influence*
- *Other cities had significant diversity in funding for homeless services*



Audit Impact



Source: DallasCityNews.net





Tone at the Top

“From my understanding of previous audits, and not just in the homeless area, it’s clear we don’t always cross our t’s and dot our i’s and our policies and processes are sometimes lacking. I look forward to implementing the things that were recommended and we agreed to, and working more closely with our providers and our own internal departments to do a better job at how we deal with homelessness in this community.”

- T.C. Broadnax, December 2017

Source: Dallas Morning News



Tone at the Top



What's Has the City Done So Far?

- *Renegotiated a contract to increase accountability and oversight*
- *Increased oversight on Dallas area CoC Board of Directors*
- *New Office created to reduce fragmentation*
- *Direct incentives to HMIS participation for Dallas shelters*

Office of Homeless Solutions Audit and Management Report

Human and Social Needs Committee
January 16, 2018

Charletra Sharp
Interim Managing Director
Office of Homeless Solutions



What's Under Way?

- ***A four-track strategy on homelessness was presented to the City Council on August 1, 2018. This strategy is a work in progress.***
- ***A new strategic plan will be presented to the Human & Social Needs Committee later this year***

TRACK 1

INCREASE SHELTER CAPACITY

Expand capacity of existing providers through contracted pay-to-stay shelter beds.

TRACK 2

TEMPORARY HOMELESS CENTERS

Provide shelter and support services for up to 90 days in the 4 quadrants of the city simultaneously.



TRACK 4

NEW DEVELOPMENTS

Funding for permanent supportive housing targeting chronic homeless; rapid rehousing addressing the elderly, disabled, families with children and young adults; Day Centers for seamless wrap-around services.

TRACK 3

MASTER LEASE/LANDLORD INCENTIVE

Provide security deposits, rent, utilities, and incentives to tenants as well as incentives and risk mitigation services to participating landlords.



Lessons Learned



Auditing a Moving Target



Take Advantage of Continuing Education

- Qualitative Analysis for Survey Results
- Agile Project Management



Themes	Instances (out of 102)	# of Respondents (out of 6)
Lack of housing availability/ high rental costs	9	3
lack of coordination & collaboration with MDHA/Pieces Tech	12	4
lack of system components/capability	12	4
lack of time or funding for HMIS/ double entry	10	3
Waste of resources/ transparency/accountability	2	2
lack of supportive services/ resources for homelessness	3	2



Tools, Resources, & Criteria



Criteria

*Practices for
Effective Agency
Strategic Reviews –
Government
Accountability Office
(GAO) July 2015*

*Homelessness –
Fragmentation and
Overlap in Programs
Highlight the Need to
Identify, Assess, and
Reduce Inefficiencies –
GAO May 2012*

Resources from the
National Alliance to
End Homelessness and
National Homelessness
Information Project



Tools and Resources



KING COUNTY AUDITOR'S OFFICE

Homeless Crisis Demands Unified, Accountable, Dynamic Regional Response



JUSTIN ANDERSON
MEGAN KO
KAYVON ZADEH
BEN THOMPSON

MAY 1, 2018

EXECUTIVE SUMMARY:

King County, the City of Seattle, and All Home have taken steps to align the regional homeless response system. However, diffuse authority for homeless response, and the low vacancy and high cost of private market housing, have reduced the efficiency and flexibility of the system to house the growing number of people experiencing homelessness. We make recommendations focused on further aligning regional funding decisions, reducing unsuccessful housing referrals, addressing racial disparities, and enhancing measurement of rapid rehousing performance.

King County

Austin

City of Austin
Office of the City Auditor

Audit Highlights
November 2017

Homelessness Assistance Audit Series: City Policies Related to Homelessness



City and
County of
Honolulu



Office of the City Auditor



City and County of
Honolulu
State of Hawai'i

Audit of Housing
First, Community
Assistance Program,
and Hale Mauliola
Homeless Programs

Report to the Mayor
and the
City Council of Honolulu

Report No. 17-05
September 2017

Western Intergovernmental Audit Forum



City of Dallas



Tools and Resources

[Audit of Homeless Response System Effectiveness](#)

GAO Resources on [Fragmentation](#) and [Strategic Planning](#)

Audits from [King County](#), [Austin](#), [Honolulu](#), and [Denver](#)

[Alliance to End Homelessness](#)

[National Homeless Information Project](#)





Questions?



Local Government's Role in Auditing Homelessness

Western Intergovernmental Audit Forum
September 5, 2018

Holly Hart, CPA
Holly.Hart@dallascityhall.com

Dan Genz, CIA
Daniel.Genz@dallascityhall.com

