

August 5, 2019

Eileen Richardson
Executive Director
Downtown Streets, Inc.
1671 The Alameda, Suite 301
San Jose, CA 95126

Project: Work Experience Program, Encampment Abatement Program, and Monterey Rd. Pilot Program

Dear Ms. Richardson:

This letter confirms the results of the Work Experience, Encampment Abatement, and Monterey Road Pilot Project programmatic and financial monitoring conducted by Shirlee Victorio, Gabriel Borden, Vanessa Beretta and Leif Christiansen on May 31, 2018 & May 21, 2019. The intent of the monitoring visits was to review Downtown Street Team's management of the programs and determine compliance with the City of San José (City) contracts. The monitoring review was based on guidance provided in the U.S. Department of Housing and Urban Development Community Planning and Development Monitoring Handbook 6509.2 Rev-6 dated April 2010. In addition, monitoring staff reviewed contract numbers CPS-16-017B, GF-16-01B, GF-18-003 and related quarterly performance reports and monthly reimbursement requests. The monitoring was completed as part of Downtown Street Team's contractual agreements with the City of San José for Fiscal Years 2017-2018 and 2018-2019.

Based on City staff's review of the financial documentation, no financial concerns were identified.

However, based on City staff's review of the programmatic documentation, the following programmatic findings and concerns were identified:

CPS-16-017B – Work Experience Program

Finding 1: Failure to provide documentation of Verification of Homelessness and Employment Services to program clients in accordance with the City Contract Performance Measures Section 1.03 Outcome Statement and Measurement Methodology.

City staff was provided a roster listing of all program clientele. Upon cross-referencing the list to case folders, staff was not able to find case files for certain clientele. Additionally, staff was unable to locate a verification of homelessness that is required for client eligibility.

Recommendation: At a minimum, Downtown Streets Team must have the following organized and available at all times for each client:

- Evidence of eligibility, the standard being the Homelessness Verification Form with third part verification.
- Case management files with case notes or employee specialist notes that record the success of participants in maintaining employment.
- Evidence of employment development services provided.
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Downtown Streets Team must have auditable records demonstrating compliance with Scope of Services and Performance Measures.

Finding 2: Failure to provide accurate supporting documentation for submitted quarterly performance measures in accordance with the City Contract Performance Measures Section 1.01 Unduplicated Participants.

51 unduplicated participants were reported in the FY 2017-18 Quarter 2 Report submission. When City staff asked for a program roster to verify the 51 unduplicated participants reported, the roster provided listed 47 unduplicated participants. While the differential may be due to reasons such as participants leaving or graduating the program, there was no notation or indication of these reasons readily available to staff.

Recommendation: Downtown Streets Team must maintain accurate records of performance measures, including accurate documentation showing evidence of participant departure and reasons for that departure.

GF-16-01B – Encampment Abatement Project

Finding 1: Failure to verify client homelessness in accordance with the City Contract Scope of Services Section 1.04 Eligibility.

In the files reviewed during FY 17-18, there were case files where the following forms were not included: (1) City of San José Housing Department Release of Information Form and (2) Homelessness Verification Form. In three of the files reviewed, there was evidence that the client was housed.

Recommendation: Downtown Streets Team needs to provide evidence of eligibility, the standard being to ensure the 1) City of San José Housing Department Release of Information Form and (2) Homelessness Verification Form are complete. Downtown Streets Team must collect completed forms for all clients served in the FY 17-18 & 18-19 and continue to do so in FY 2019-20.

Finding 2: Failure to verify that clients are residents of San José in accordance with the City Contract Scope of Services Section 1.04 Eligibility.

In the files reviewed, City staff could not identify any notation of residency of clientele.

Recommendation: Downtown Streets Team must notate where client was met or where the client states they are from. Downtown Streets Team must determine residency for all clients served in the 17-18 & 18-19 FY and continue to do so in FY 19-20.

Based on City staff's review of the programmatic documentation, the following concerns were identified:

Concern 1: Evidence for outcome measures reported on in quarterly reports in accordance with City Contract Performance Measures Section 1.03 Outcome Measures #1-3.

During the monitoring visit, City staff requested list of participants that contributed to the reported outcome measures of FY 18-19 Quarter 2. Amongst the participants on the list provided by the grantee, the majority did not have evidence of their claimed increase in income or achievement of permanent housing in their case file. However, the grantee was able to describe the process for determining and calculating the outcome measures submitted.

Recommendation: For participants that contribute to performance measures submitted in quarterly reports, evidence of achievement should be incorporated into participant's case file. See recommendation for the General Concern #1 for documents the City recommends to include in client files.

While the EAP grant will not be continuing after FY 18-19, the recommendations outlined for the program can and should be applied to similar grants such WEP and the Monterey Rd. Pilot Program.

GF-18-003 – Monterey Rd. Pilot Program

Concern 1: Evidence for outcome measures reported on in quarterly reports in accordance with City Contract Performance Measures Section 1.03 Outcome Measures #1.

During the monitoring visit, City staff requested list of participants that contributed to the reported outcome measure of FY 19-20 Quarter 2. Amongst the case files of the participants on the list provided by the grantee, the majority did not have evidence of the referrals that the grantee reported were provided. However, the grantee was able to describe the process for determining and calculating the outcome measures submitted.

Recommendation: For participants that contribute to performance measures submitted in quarterly reports, evidence of achievement should be incorporated into participant's case file. For documents the City recommends to include in client files, see the recommendation below for the General Concern #1.

All Programs

General Concern 1: Failure to administer best practices associated with documentation of client progress in each of the grantee's programs in accordance with the Performance Measure sections of each contract.

In the files reviewed, details of consistent case management meetings were intermittent. Some client case management logs had evidence of weekly meetings, whereas some clients only had evidence of annual, monthly, or otherwise intermittent meetings.

Recommendation: Downtown Streets Team should require or encourage consistent and recurring case management meetings or otherwise state why specific case management meetings were not able to occur, detailing the attempt made to meet the client and the date for the next scheduled meeting. Further, it is recommended that each case file have a clear, concise, and structured file system that includes each of the following, at minimum:

1. Case notes for every meeting detailing the outcomes of the meeting and goals for the next meeting (case notes must be documented but the method of documentation, whether in HMIS or typed up and placed in case files, is up to each provider)
2. Individualized Service Plan (ISP) with action items and documentation of progress. For example, the plan can include the following:
 - i. Documented employment searches
 - ii. Housing Search Plans
 - a. We recommend the National Alliance to End Homelessness' Rapid Rehousing Toolkit as a resource which includes Housing Plan and Client Budget templates.
3. Housing and employment acceptance/denial letters.
4. Certificates or letters detailing client acceptance and graduation to and from DST program.
5. Evidence of increase in income.

General Concern 2: Failure to create a structured file system that is sufficient to comply with the audits detailed in each contract's Records, Reports and Audits section.

During the monitoring visit, City staff found that there was not a uniform organization of client's electronic files. In addition, most client electronic files were difficult to navigate chronologically. Although there was an effort to separate files by calendar year, this effort was intermittent. Moreover, there were certain forms that were included in some client case files, while others had none of those forms or clear reasoning why those forms were not included.

Recommendation: If Downtown Streets Team is to continue using electronic records, then Standard Operating Procedures (SOPs) need to be created detailing the organizational electronic file structure each client folder is to follow and guidelines detailing how an auditor is to find the information needed per the respective contract. Upon initial examination of each client file, it should be clearly apparent when the client entered the program, where they are in their progress of the program, and when the client is forecasted to graduate from the program.

General Concern 3: Insufficient documentation of client progress in achieving programmatic goals of employment, housing, and general self-sufficiency.

During the monitoring visit, City staff found that Downtown Street Team's internal Goal Sheet form was insufficient in demonstrating clientele progress. In the files reviewed, goals often lacked detail with no notations on progress of achieving those goals.

Recommendation: Downtown Streets Team should incorporate SOP that details a way for case managers to notate detailed goals with follow-up on progress and action items.

General Concern 4: Unsatisfactory client to case manager ratio.

During the monitoring visit, City staff were briefed on Downtown Streets Team's current case manager vacancy, leaving the organization with one case manager for all San José programs. While the City understands that vacancies may occur over the course of Downtown Street Team's programs, allowing a scenario where one case manager is responsible for 138 potential participants (50 unduplicated participant goal for the EAP program, 8 for the Monterey Rd. Pilot Project, and 80 for WEP) is unsatisfactory.

Recommendation: Downtown Streets Team should aim to follow best practice within the homelessness services field, which is 20 participants to 1 case manager. Moving forward, in contractual discussions with the City for future contracts or amendments, the City expects to work with Downtown Streets Team to ensure that an adequate number of case management positions are funded at a salary level that is competitive in San José.

Downtown Streets Team will need to submit a written response to the findings and concerns outlined above within thirty (30) days of receiving this letter. City staff will return during FY 19-20 to ensure that the findings and concerns are being addressed.

We thank Downtown Street Team's staff for the assistance and coordination provided during the monitoring visit and for your continual efforts to provide services to the community. Please feel free to contact Gabriel Borden at (408) 975-2650 or gabriel.borden@sanjoseca.gov should you have any questions.

Sincerely,



Robert Lopez
Development Officer
City of San José
Housing Department

Cc: Elfreda Strydom
Maureen Damrell