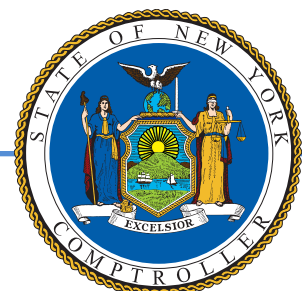


Metropolitan Transportation Authority New York City Department of Social Services

Homeless Outreach Services in the New York City Subway System

Report 2018-S-59 | January 2020

OFFICE OF THE NEW YORK STATE COMPTROLLER
Thomas P. DiNapoli, State Comptroller
Division of State Government Accountability



Audit Highlights

Objectives

To determine whether the Metropolitan Transportation Authority (MTA) and the New York City Department of Homeless Services (DHS) have appropriate oversight and monitoring controls over homeless outreach services in the New York City subway system and whether they have met their goal in reducing the number of homeless individuals in the subway system through placements. The audit covers the period January 1, 2015 through June 6, 2019.

About the Program

Within the MTA, New York City Transit operates the New York City subway system, the largest subway transportation network in North America. Its 472 stations serve a daily average of 5.6 million travelers throughout the Bronx, Brooklyn, Manhattan, and Queens. Many of the stations are open 24 hours a day, 7 days a week, and as such have increasingly become a place of refuge for homeless individuals – and a growing concern for the MTA on behalf of its customers and staff. In 2013, the MTA entered into a Memorandum of Understanding (MOU) with DHS to provide homeless outreach and placement services. In turn, DHS contracted with Bowery Residents' Committee (BRC), a non-profit provider of homeless housing and services, to perform these services.

DHS' three-year contract, effective June 2014 through June 2017, required BRC to reduce the homeless population residing in subways by two-thirds of the 2013 NYC homeless census count (from 1,841 to 626). In July 2017, DHS extended the contract for another three years, to 2020. At a cost of about \$6 million annually, funded equally each year by both DHS and the MTA, the contract is valued at about \$36 million for homeless outreach.

BRC is responsible for conducting regular visits to MTA subway stations to locate, identify, and engage with homeless individuals, with the goal of placing them. The contract established performance measures (e.g., frequency of station visits) for tracking BRC's success and outcomes and also required DHS to establish annual census reduction targets. BRC is required to document its activities through standardized reports (e.g., Daily Reports) related to performance measures. As the DHS-designated agent for homeless services in the subway system, BRC is also responsible for entering Daily Report data into DHS' homeless Client Assistance and Rehousing Enterprise System (CARES) or other databases identified by DHS such as StreetSmart, a client tracking and reporting system.

Key Findings

- BRC's outreach has failed to reduce the homeless population residing within the New York City subway system below the 2013 levels:
 - The homeless census count at the 2017 contract milestone was 1,812 – a decrease of only 29 from the 2013 count of 1,841 and short of the two-thirds reduction requirement.

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- The 2019 homeless census puts the count at 2,178 – an 18 percent increase since 2013.
 - DHS and the MTA have not lived up to their oversight and monitoring responsibilities, as outlined in the contract and MOU, respectively, in support of the outreach effort:
 - DHS did not establish annual census reduction targets for BRC, which would have provided additional insight on progress throughout the contract period, nor did the MTA ensure that DHS had established these targets.
 - DHS did not use the tools available under the contract to monitor BRC’s activities and track performance. For example, BRC was not submitting the required Daily Reports, which are critical for informed oversight, and officials were not aware they should have been receiving them.
 - While DHS touts BRC’s subway placement numbers – approximately 600 since 2016 as reported in CARES – the data is unreliable:
 - From a sample of 50 client placements reported in CARES, 20 clients (40 percent) either were not placed in the reported shelter or were not placed on the date reported – sometimes with significant discrepancies. For example, in one case, a client was not placed until over one year after being reported as placed. Additionally, this client was placed in a different shelter than what was reported.
 - As explained to us by DHS officials during the audit, for BRC reporting purposes, the definition of “placement” is broadly encompassing, to include not only actual placements in a shelter – as the general public would expect it to mean – but also potential placements, where homeless individuals have merely agreed to go to a shelter at a future time. (Officials later retracted this, indicating instead that placement is counted only when a homeless individual is actually placed in a facility.)

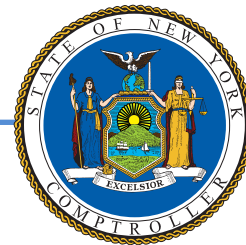
Key Recommendations

To DHS:

- Ensure outreach workers meet established performance measures.
- Monitor BRC outreach workers to ensure they are providing a sufficient level of outreach services in the New York City subway system.
- Enhance internal controls to ensure that BRC’s reported data in CARES is accurate and complete, and use the available data to make informed managerial decisions.

To DHS and MTA:

- Work together to develop and establish census reduction targets.



Office of the New York State Comptroller Division of State Government Accountability

January 16, 2020

Mr. Patrick J. Foye
Chairman and CEO
Metropolitan Transportation Authority
2 Broadway
New York, NY 10004

Mr. Steven Banks
Commissioner
New York City Department of Social Services
150 Greenwich Street, 42nd Floor
New York, NY 10007

Dear Mr. Foye and Commissioner Banks:

The Office of the State Comptroller is committed to helping State agencies, public authorities, and local government agencies manage their resources efficiently and effectively. By so doing, it provides accountability for the tax dollars spent to support government operations. The Comptroller oversees the fiscal affairs of State agencies, public authorities, and local government agencies, as well as their compliance with relevant statutes and their observance of good business practices. This fiscal oversight is accomplished, in part, through our audits, which identify opportunities for improving operations. Audits can also identify strategies for reducing costs and strengthening controls that are intended to safeguard assets.

Following is a report of our audit entitled *Homeless Outreach Services in the New York City Subway System*. This audit was performed pursuant to the State Comptroller's authority under Article X, Section 5 of the State Constitution, Section 2803 of the Public Authorities Law, Article V, Section 1 of the State Constitution, and Article III of the General Municipal Law.

This audit's results and recommendations are resources for you to use in effectively managing your operations and in meeting the expectations of taxpayers. If you have any questions about this report, please feel free to contact us.

Respectfully submitted,

Division of State Government Accountability

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Glossary of Terms

Term	Description	Identifier
BRC	Bowery Residents' Committee	<i>Contractor</i>
CARES	Client Assistance and Rehousing Enterprise System	<i>System</i>
DHS	New York City Department of Homeless Services	<i>Auditee</i>
DSS	New York City Department of Social Services	<i>Agency</i>
HOPE	Homeless Outreach Population Estimate	<i>Key Term</i>
HRA	New York City Human Resources Administration	<i>Agency</i>
MTA	Metropolitan Transportation Authority	<i>Auditee</i>
MOU	Memorandum of Understanding	<i>Agreement</i>
StreetSmart	StreetSmart Database System	<i>System</i>

Background

Within the Metropolitan Transportation Authority (MTA), New York City Transit operates the New York City subway system, the largest subway transportation network in North America. Its 472 stations serve a daily average of 5.6 million travelers throughout the Bronx, Brooklyn, Manhattan, and Queens. Many of the stations are open 24 hours a day, 7 days a week, and as such have increasingly become a place of refuge for homeless individuals – and a growing concern for the MTA on behalf of its customers and staff.

In 2013, the MTA entered into a Memorandum of Understanding (MOU) with the Department of Homeless Services (DHS) to provide homeless outreach and placement services in the subway system with the goal of reducing the number of homeless sheltering within it. DHS, an administrative unit of the New York City Department of Social Services (DSS), is the primary agency responsible for providing transitional housing and services for eligible homeless families and individuals in New York City. In turn, DHS has contracted with Bowery Residents' Committee (BRC), a non-profit provider of homeless housing and services, to perform these services. The contract, funded equally by DHS and the MTA, was for a period of three years beginning June 2014 through June 2017, totaling about \$18.5 million. In July 2017, DHS extended the contract for an additional three years, costing approximately \$6 million per year. In addition, a new MOU (effective July 2017) was entered into by both parties with similar requirements.

The contract required BRC to reduce the homeless population residing in subways by two-thirds of the 2013 homeless census count (from 1,841 to 626) by the end of the term. Accordingly, BRC is responsible for conducting regular visits to MTA subway stations to locate, identify, and engage with homeless individuals, with the goal of placing them. Among other specific provisions in the contract, BRC must:

- Develop an Outreach Plan for prioritizing subway stations for outreach, including a risk-based schedule of frequency; and
- Report daily outreach activities to DHS through standardized Daily Reports related to established performance measures and produce Round Table Reports by borough, for presentation to the MTA and DHS at Round Table meetings.

The contract also assigned BRC, as DHS' designated agent, other routine duties related specifically to the homeless within the subway system, such as:

- Entering Daily Report data into DHS' homeless Client Assistance and Rehousing Enterprise System (CARES) and other databases (e.g., StreetSmart) for outreach monitoring and homeless placement tracking;

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- Focusing intensively on the chronically homeless subway population by bringing them onto caseload (which will give them access to case management services); and
 - Responding to 311 complaint calls related to homeless individuals in the subway system within the required time frame.

DHS' contract established certain performance measures for BRC to track outreach success and outcomes and also required DHS to create annual placement and census reduction targets for BRC, as outlined in the MOU. While DHS is responsible for the oversight and monitoring of its contract with BRC, the MTA is responsible for ensuring that DHS complies with the terms of the MOU.

Audit Findings and Recommendations

Neither the MTA nor DHS have exercised sufficient oversight of outreach services to ensure that homelessness in the New York City subway system is being effectively addressed and alleviated. The most recent homeless census numbers bear this out: Rather than a decrease in the number of homeless individuals residing in the subway system, the 2019 census shows a significant increase – of nearly 20 percent, from 1,841 to 2,178.

Our audit identified many areas of deficiency on the part of BRC, in terms of both contract compliance and performance, that most certainly reflect on the latest census count. Not only did BRC fail to reduce the homeless population residing in the subway system below the 2013 levels, but it also did not meet critical performance measures established in the contract intended to support a successful homeless outreach effort.

That said, DHS is not providing the level of oversight and monitoring necessary to know if BRC is delivering outreach as stipulated in the contract and in BRC's own Outreach Plan and whether homeless outreach services are meeting expectations. DHS does not hold BRC accountable for meeting performance measures, for complying with reporting requirements, or for accurately reporting on its outreach. For example:

- Outreach workers did not follow BRC's schedule of subway station visits, nor did they meet the required number of visits as specified in the Outreach Plan. Gaps in coverage across stations increase the likelihood that homeless individuals are not being identified for outreach services and routinely engaged for placement.
- BRC did not submit Daily Reports to DHS, as required, nor did DHS officials know they were supposed to be receiving this information daily. Daily Reports not only are a key monitoring control, but help form the basis for DHS' informed decision making.
- DHS does not have an adequate process for verifying the accuracy of BRC-reported data in CARES and instead relies on BRC to accurately self-report. Our test of BRC's reported placements shows the data in CARES is unreliable. Of the 50 reported homeless client placements we reviewed, we determined that 20 clients (40 percent) were not placed in the reported facility or were not placed on the date that was reported. Without assurance of accurate data, DHS and the MTA cannot trust that homeless clients are being served as intended.

Contract Oversight

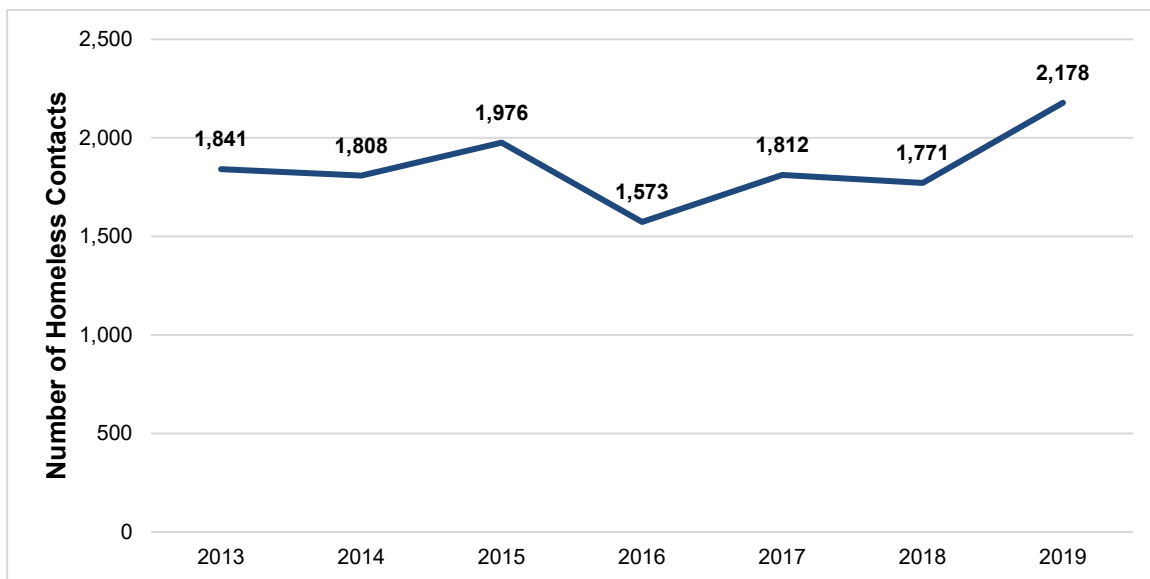
BRC Performance Measures

In support of the goal to reduce the number of homeless sheltering within the subway system, the contract established certain performance measures to track the outreach program's success and outcomes, including: annual percentage and numerical targets and a minimum number of subway station visits, a minimum percentage of homeless clients on caseload, and minimum response times for homeless-related 311 calls. Overall, BRC did not meet the required performance measures – sometimes with significant shortcomings.

Homeless Count Reduction

In 2013, the annual Homeless Outreach Population Estimate (HOPE), a census required by the U.S. Department of Housing and Urban Development, counted 1,841 homeless individuals residing in New York City's subway system. Using this HOPE count as a baseline, the contract required BRC to reduce the number of homeless individuals residing in the subway system by two-thirds, from 1,841 to 626, by the end of the contract term (June 2017). Not only did BRC fail to reduce the number of homeless individuals in the subway system by the required amount in 2017, but, as shown in the following graph of HOPE counts, the number of homeless individuals residing in the subway system has increased since then.

Homeless Outreach Population Estimate (HOPE) Count



In response, DHS officials stated that, at the beginning of the contract (in 2014), they needed metrics for performance. Unsure as to what would be a proper measure, they included the HOPE count. However, a subsequent DHS administration later determined that measures originally incorporated in the contract were inconsistent with later operational reforms announced by the Mayor and implemented by DHS between 2016 and 2019. Consequently, DHS never enforced the 2017 reduction goal, nor did it establish the required census reduction targets, as required by its MOU with the MTA.

DHS officials did not amend or modify the contract to reflect the altered directional change. DHS officials explained this as an oversight attributable to the large-scale management restructuring that was taking place at the time, which integrated DHS and the New York City Human Resources Administration (HRA) under DSS. This explanation notwithstanding, DHS officials also asserted that overall census reduction targets were not a meaningful tool for measuring outreach provider performance anyway because street and subway homelessness reflects larger structural economic factors beyond the control of an outreach provider, such as increased rents, loss of rent-regulated apartments, and the impact of deinstitutionalization from mental health facilities and reforms to the criminal justice system to stop mass incarceration.

DHS further pointed to BRC's reported subway placements in CARES – approximately 600 placements since 2016 – as a better indicator of performance. We note, however, that DHS does not have an adequate process to verify these data, and instead relies on BRC to accurately report.

To test the reliability of the BRC placement data, we judgmentally selected a sample of 50 reported homeless placements from January 2015 to June 2017 and visited the shelters. Of the 50 placements, we found discrepancies involving 20 (40 percent), where the client was either not placed in the reported shelter or was not placed on the date that BRC reported in CARES:

- 6 clients were never placed in a shelter.
 - 5 clients were only contacted by BRC outreach workers – and were not actually placed in a shelter.
 - BRC attempted to erroneously place a single adult client into a family shelter. CARES noted this client's outcome as "opened in error," because the client was not eligible for a family shelter. No further information on the placement attempt was provided in CARES.

We found discrepancies involving 20 placements (40 percent), where the client was either not placed in the reported shelter or was not placed on the date that BRC reported in CARES.

Consequently, the placement figures, which are also reported at Round Table meetings, appear to be unreliable.

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- 11 clients were not placed in the reported facility or on the reported date. For example, one client was reported as being placed at Pam's Place on May 30, 2016; however, according to CARES, this client was reported as being placed at Park Slope Women's Shelter on October 11, 2017 – more than one year later.
 - 3 clients were not placed in the reported shelter on the date indicated in CARES. For example, one client was reported as being placed on April 7, 2014; however, BRC reported the client as being placed on January 29, 2015 – nine months later.

Consequently, the placement figures, which are also reported at Round Table meetings, appear to be unreliable.

Based on information provided to us by DHS officials, we conclude that the discrepancies stem from several factors, not the least of which include the use of conflicting definitions of “placement” and an overall lack of monitoring. For instance, during the audit, DHS officials stated they consider a placement to have occurred if BRC outreach workers contact a potential homeless client, receive client information, enter this information into CARES, and convince the client to go to a shelter – and thus not a placement in the physical sense. Further, they advised us that outreach workers do not have to transport the potential homeless client to the shelter; rather, once the client agrees to go to the shelter, the client has a year to report to the shelter. However, in subsequent discussions, DHS officials reported a more narrow definition, stating placement occurs when a homeless client is actually placed in a facility by either BRC outreach workers or the New York City Police Department's Homeless Outreach Unit and/or Emergency Medical Services. DHS officials also advised us that the older records in CARES are less reliable, and they will update the functionality of StreetSmart (a client tracking and reporting system) to allow for enhanced auditing of shelter placement data and will perform monthly audits to reconcile the data in StreetSmart and CARES. DHS will also perform manual audits until StreetSmart is updated.

We note that MTA officials also did not ensure that DHS had established census reduction targets for BRC, an agreed-upon service in the MOU. In response, they advised us that they recognize the value in establishing census reduction goals within their transportation systems and will work toward this goal.

Frequency of Station Visits

The New York City subway system has a total of 472 stations. When BRC visits a station that connects multiple subway lines (e.g., Fulton Center station), they record it as one visit. As such, in recording subway visits, BRC

accounts for 428 stations, including 158 in Brooklyn, 123 in Manhattan, 79 in Queens, and 68 in the Bronx. BRC's Outreach Plan established a schedule of subway station visits based on risk classification, ranging from a minimum of once every six weeks for low-risk stations to twice weekly for high-risk stations (see Table 1). (Risk designation is based on homeless observations and therefore subject to change.)

Table 1 – Risk-Based Schedule of Subway Station Visits

Risk Designation	Average Homeless Observations per Visit	Minimum Number of Station Visits
High risk	≥ 4.5	Twice weekly
Medium risk	2–4.4	Once weekly
Low risk	≤ 2	Once every six weeks

To determine whether outreach workers visited the subway stations in accordance with BRC's Outreach Plan, we requested BRC's 2017 and 2018 Round Table Reports for Brooklyn, the Bronx, Manhattan, and Queens. Round Table Reports are prepared by BRC for discussion with DHS and MTA officials at their scheduled Round Table meetings (every two months for Queens and every three months for the remaining three boroughs). The Round Table Reports include various categories of homeless outreach activity data such as the number of homeless clients observed and placed and subway stations visited.

DHS was unable to provide us with complete reports for all boroughs for the two-year period, accounting for a total of 14 months of missing homeless outreach activity data, as follows: Brooklyn – 10 months; Manhattan – 3 months; and Queens – 1 month.

We also found that Round Table meetings were not always held as scheduled. As the forum for the dissemination of critical data, particularly for boroughs that tend to have more high-risk stations, these meetings are essential for continuity of joint management of the homeless issue, and we encourage the MTA and DHS to make them a priority.

Based on the Round Table Reports that were available, we reviewed the data to determine whether each station was visited as required. We determined outreach workers did not meet the required number of outreach visits specified in BRC's Outreach Plan, as shown in Table 2.

Table 2 – BRC Non-Compliance With Station Visit Frequency Schedule, November 2016–December 2018

Borough	Total No. Stations	No. Round Table Reports Reviewed	Percentage of Subway Stations Not Visited as Required		
			High Risk	Medium Risk	Low Risk
Bronx	68	8	56%	53%	16%
Brooklyn	158	5	33%	56%	20%
Manhattan	123	7	10%	25%	2%
Queens	79	11	21%	33%	9%

A further breakdown of the data by time period also identified substantial gaps in outreach activity:

- In the Bronx, 26 subway stations (38 percent) had no recorded visits over three time periods, including 16 stations in one period alone (see Exhibit A).
- In Brooklyn, 28 subway stations (18 percent) had no recorded visits over two time periods, including 26 in one period alone (see Exhibit B).
- In Queens, 40 subway stations (51 percent) had no recorded visits over five time periods, including 29 in one period alone (see Exhibit C). Additionally, 2 of these 29 stations were high-risk stations.
- Notably, for Manhattan, reports show that all subway stations had been visited at least once for outreach during each time period reviewed.

We conclude that DHS is not adequately monitoring the performance of BRC. DHS officials advised us that, although they monitor BRC activity through scheduled ride-alongs, they will resume unscheduled ride-alongs with the BRC teams to ensure outreach workers visit subway stations regularly and in accordance with the deployment schedule. Furthermore, they explained that their StreetSmart tool, which currently only tracks the number of times outreach workers engage with a client, is being updated to also record and track station visits, and gave a completion target date of January 2020. Until then, DHS will rely on BRC to accurately report monthly subway station visit data.

Caseload Percentage

BRC is required to focus intensively on the chronically homeless individuals in the subway system by bringing them onto caseload – that is, having an open case on file for each individual, which will give them access to case

management services, including placement into a more appropriate housing situation. According to the contract, BRC is required to maintain at least 65 percent of the overall subway system census on caseload and pre-caseload, with the majority being chronically homeless as defined in the contract. The current policy allows BRC to add clients to caseload when the outreach workers have made three or more contacts within a 30-day period.

We analyzed BRC's caseload data from January 2015 to April 2018 and determined approximately 59 percent of homeless in the subway system are on BRC's caseload. Conversely, approximately 41 percent of the homeless clients in the subway system have been observed and counted by outreach workers, but not contacted enough times to add to caseload. Consequently, it is less likely that these individuals will relocate off of MTA property and to a more appropriate setting.

DHS officials advised us they will require BRC to bring all verifiably homeless individuals onto caseload and will monitor BRC's compliance in moving persons onto caseload.

Response to 311 Complaint Calls

As the DHS-designated agent for homeless services in the subway system, BRC is responsible for responding to complaints made to New York City's 311 system regarding homeless clients in the subway system. The contract requires BRC to respond to these 311 system complaints within two hours and to submit a monthly report to DHS on its complaint activities in a format approved by DHS.

Based on our analysis of a judgmental sample of BRC's 311 system activity reports for July 2015 and February 2016, which accounted for a total of 121 homeless-related calls, BRC did not always meet contract requirements and DHS was not adequately monitoring its performance. Of the 121 calls, 34 (28 percent) were either not responded to at all (14) or were not responded to within the required two-hour time frame (20), as shown in Table 3.

Table 3 – Breakdown of 311 Complaint Call Responses

Period	Total Calls	Calls With Deficient Response	No Response	Late Response	Average Response Time	Range
July 2015	21	6 (29%)	3	3	3.03 hr	2.27–3.75 hr
February 2016	100	28 (28%)	11	17	3.90 hr	2.03–9.65 hr
Totals	121	34 (28%)	14	20		

We also note that, in 2017, the monthly 311 call reporting format changed, and the information is now presented in a way that does not allow an assessment of BRC's compliance with the two-hour response time requirement. Consequently, DHS has no way of determining whether this contract requirement is being met or, more importantly, whether customer complaints are being addressed.

DHS officials advised us that there are always outliers and unforeseen circumstances that can prevent an outreach team from responding within the required time frame, such as client emergencies that require waiting on-site until Emergency Medical Services or the New York City Police Department are able to respond, technological glitches involving connectivity underground, or traffic-related delays. DHS officials also advised us they are implementing a new tracking and monitoring process which will allow them to see when a 311 call was sent to the BRC outreach team, the time the BRC outreach team responded, and the outcome of the call. While we acknowledge that unforeseen circumstances can prevent an outreach team from responding within the required time frame, DHS needs to improve its monitoring of BRC's performance.

We also recommend that the MTA's Homeless Outreach Program office be kept apprised of 311 complaint calls that involve MTA property. Although not required by the MOU, we believe it is important for the MTA to ensure that such 311 calls are being appropriately responded to.

BRC Contract Requirements

Medically Vulnerable Client List

The contract requires BRC to maintain a list of medically vulnerable clients, which should be made available to DHS upon request. Based on our review of BRC's list for fiscal year 2018, we determined BRC did not always record sufficiently valuable information, even simply the client's name, to help workers find the client for subsequent follow-up. For example, three entries identified clients using indistinct, generic information that could provide no insight as to identity:

- “ ‘Waiting for the train’ at 47-50 Sts – Rockefeller Ctr B D FM”
- “ ‘I'M OKAY F Train Unknown’ at 14th Street-6th Ave F L M”
- “ ‘Multiple Backpack Lady’ at the 34th St-Harold Sq N Q R”

We determined that DHS did not adequately monitor the medically vulnerable client list. While we recognize that some homeless do not want to provide their names, we question the ability of outreach workers to follow up on

medically vulnerable clients, who have the highest needs level, with only random, vague, or generic descriptions to identify them.

DHS officials stated they developed the StreetSmart system to enable outreach workers to collect as much client-identifying information as possible – including partial names, physical descriptions, locations frequented, and photos. However, outreach workers were not adding the photos to StreetSmart; instead, they were kept in a binder maintained by BRC. DHS officials advised us that, going forward, they will require outreach teams to upload photos of the vulnerable population directly into StreetSmart so they can monitor it.

BRC Staff Certifications

According to the contract, all BRC staff must be certified in cardiopulmonary resuscitation (CPR) as well as Opioid Overdose Prevention. We reviewed the training records for 66 outreach workers on June 18, 2018 and determined that BRC was not in compliance, nor was DHS adequately monitoring BRC's training curriculum to ensure staff had the proper credentials.

Of the 66 outreach workers in our sample, we determined that 19 were not in compliance with training requirements. For example:

- 18 (27 percent) did not have Opioid Overdose Prevention training; and
- 8 (12 percent) did not have CPR training.

Further, 7 of the 19 outreach workers received neither Opioid Overdose Prevention nor CPR training.

When presented with a health crisis, unqualified outreach workers may not be able to provide the necessary life-saving assistance to homeless clients or could potentially jeopardize health through improper technique.

In response to our audit findings, DHS officials advised us that they have required BRC to revamp its training curriculum to ensure all new staff are trained in CPR and Opioid Overdose Prevention. In addition, as of September 2019, BRC's curriculum for new staff will include CPR and Opioid Overdose Prevention training within the first two weeks of hire. Furthermore, DHS stated it will also identify additional opportunities for training to ensure all current staff members are qualified to administer CPR and Opioid Overdose Prevention assistance, including DHS-hosted Opioid Overdose Prevention training.

BRC Reporting Requirements

BRC is required to submit Daily Reports to DHS as outlined in the contract. These standardized reports are critical to successful management of homeless outreach. Not only are they a means for DHS to monitor outreach activities and hold BRC accountable for performance, but they also provide insight into homeless trends to guide decision making.

During the course of our audit, we learned DHS was not receiving Daily Reports from BRC, nor were DHS officials even aware of this requirement. In addition, and as alluded to earlier, BRC also did not always submit all required Round Table Reports. By failing to enforce the reporting requirements in its contract with BRC, DHS is depriving itself and the MTA of valuable data that could potentially shape – or reshape – its decision making.

According to DHS officials, they are making upgrades to StreetSmart to automate BRC's daily reporting and improve DHS' access to the data, and gave a completion target date of January 2020. In the meantime, DHS will obtain the Daily Reports from BRC via email.

Homeless Outreach Performance and Observations

As emphasized by DHS, building trust with homeless clients is key to their successful placement – a gradual process that requires time and frequent engagement. Based on our observations and the data we compiled during 12 (7 announced and 5 unannounced) station visits to scheduled outreach assignments, however, BRC outreach workers' efforts fell short. Overall, outreach workers were not providing homeless outreach services to the extent possible under the contract – and, in some cases, no services at all. During four of our five unannounced observations, which included four stations designated as high risk, outreach workers were no-shows. As illustrated in the following narrative, their absence resulted in numerous missed opportunities to engage with homeless clients.

- March 1, 2019, Chambers Street (1/2/3) station and Fulton Center station (**High Risk**), 7:00 a.m.–2:00 p.m.: No outreach workers were present at either of these scheduled stations. Meanwhile, we observed four apparent homeless clients at Chambers Street station – one sleeping in a heavily traveled corridor (see Figure 1), and 12 apparent homeless clients at Fulton Center station. According to BRC officials, the scheduled outreach at these stations was canceled due to assigned staff calling in sick.



Figure 1 – Unserved Homeless Individual Observed at Chambers Street Station

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- March 20, 2019, Crown Heights/Utica Avenue (3/4) station (**High Risk**), 7:10–8:51 a.m.; Utica Avenue (A/C) station, 12:20–12:34 p.m.: Outreach workers were not present at either of these stations as scheduled. In the absence of their services, we observed numerous apparent homeless individuals, including three apparent homeless men sleeping on benches at the Crown Heights/Utica Avenue station – space intended for MTA customers in need of respite during transit – and an apparent homeless couple wandering the Utica Avenue station, with all their belongings and several large bags of empty cans and bottles in tow. Again, BRC officials explained that the scheduled outreach for these stations was canceled due to assigned staff calling in sick.
 - May 9, 2019, Jamaica Center Parsons/Archer (E/J/Z) station (**High Risk**), 7:15 a.m.–12:30 p.m.: In contrast to the Daily Report indicating BRC outreach activity from 10:10 a.m. to 10:21 a.m., we did not see any outreach workers during this or any part of the scheduled visit. During this time, we observed nine apparent homeless – and unserved – clients, three with carts filled with their belongings.
 - May 9, 2019, Sutphin Boulevard (E/J/Z) station (**High Risk**), 7:15 a.m.–12:45 p.m.: BRC outreach workers did not visit this station despite it being scheduled for outreach. We observed seven apparent homeless – and unserved – clients at the Sutphin Boulevard station during our visit, including one who was disabled, another who was creating disturbances with MTA customers, and one sleeping on the floor, posing a hazard to foot traffic (see Figure 2).



Figure 2 – Unserved Homeless Individual, Sutphin Boulevard Station

DHS does not conduct similar unannounced observations for a more objective picture of workers' actual, and in this case under-performance. Instead, a DHS Program Analyst performs announced ride-along visits with the BRC workers. However, we determined these visits to be deficient in terms of both frequency and cycle and unlikely to yield findings that reflect actual outreach conditions: During 2018, for example, only six such ride-along visits were conducted, including three done in one month. Absent stronger monitoring controls, DHS has no assurance that BRC outreach workers are providing services as scheduled and that high-risk stations are receiving prioritized attention.

DHS officials also stated the work of the outreach teams has to be flexible so they can address crisis situations that may arise, which can preempt subsequent visits, and gave the example of an individual who needs to be involuntarily hospitalized. In such situations, the outreach team would accompany the individual to the hospital and stay through the evaluation. However, upon reviewing the Daily Reports for the days in our prior examples, we saw no indication of any such emergencies. Absent stronger monitoring controls, DHS has no assurance that BRC outreach workers are providing services as scheduled and that high-risk stations are receiving prioritized attention.

DHS Invoicing

According to the 2013 and 2017 MOUs, DHS is responsible for submitting monthly expenditure reports (invoices) to the MTA within 30 days of receipt or within 30 days of the month expensed, respectively. Where reports are submitted late, MTA's reimbursements to DHS are likewise delayed, which can result in budgetary problems.

We selected a judgmental sample of 11 monthly expenditure reports and found that DHS did not submit the reports to the MTA within the required time frame – and in some cases the delay was significant. For example:

- The December 2017 invoice was submitted on April 29, 2019 – almost 15 months after the due date.
- All invoices for the 10-month period September 2016 through June 2017 were submitted within the 17-day period April 17, 2018 and May 3, 2018 – up to 17 months after the due date.

To compensate for the delayed reimbursement by the MTA, DHS has had to use other funds from the City's "coffers" to cover the contract's expenses – a practice that can create further accounting risks.

DHS officials advised us that, when DHS and HRA Finance Operations integrated and became part of DSS, some financial processes and functions were temporarily interrupted, resulting in an invoicing backlog. They stated that, as of July 18, 2019, the MTA has been invoiced for all expenses up to May 2019. During our subsequent follow-up with MTA officials on August 14, 2019, they informed us that the invoices DHS submitted, totaling \$6.7 million, were "unreviewable," incomplete, and not sufficiently supported.

Recommendations

To DHS:

1. Ensure BRC outreach workers meet established performance measures and comply with contract requirements and the Outreach Plan, including but not limited to:
 - Submitting Daily Reports each morning for the previous day's activity.
 - Making the required number of visits to each subway station.
 - Bringing the required percentage of overall subway system census onto caseload.
 - Ensuring staff are certified in CPR and Opioid Overdose Prevention.
2. Develop a monitoring process to determine whether BRC responds to all 311 calls within the required time frame.
3. Monitor the medically vulnerable homeless client list to ensure BRC workers are including sufficient client identifying information.
4. Enhance internal controls to ensure that BRC's reported data in CARES is accurate and complete, and use the available data to make informed managerial decisions.
5. Monitor BRC outreach workers to ensure they are providing a sufficient level of outreach services in the New York City subway system.
6. Submit monthly expenditure reports to the MTA within the required time frame.

To MTA:

7. Ensure that DHS complies with the terms of the MOU.
8. Monitor 311 complaint calls related to homelessness in the New York City subway system.

To DHS and MTA:

9. Work together to develop and establish census reduction targets.

Audit Scope, Objectives, and Methodology

The audit objectives were to determine whether the MTA and DHS have appropriate oversight and monitoring controls over homeless outreach services in the New York City subway system and whether they have met their goal in reducing the number of homeless individuals in the subway system through placements. Our audit covered the period January 1, 2015 through June 6, 2019.

To accomplish our objectives and assess the relevant internal controls related to the MTA's and DHS' monitoring of homeless outreach services in the New York City subway system, we interviewed key personnel from the MTA, DHS, and BRC. We also reviewed standardized progress reports (e.g., Daily Reports, Round Table Reports) to determine whether BRC was implementing the contract according to the agreed-upon terms. We conducted announced and unannounced visits to the subway system to corroborate BRC's efforts. To determine the accuracy of homeless client placement data, we selected a judgmental sample of 50 homeless client placements. To determine the frequency of subway station visits, we reviewed the available Round Table Reports for a two-year period. To determine whether BRC staff was certified in CPR and Opioid Overdose Prevention, we reviewed BRC employee training records. We also reviewed a judgmental sample of 11 monthly expenditure reports to determine whether DHS submitted them to the MTA within 30 days. A judgmental sample by definition cannot be projected to the population.

Statutory Requirements

Authority

The audit was performed pursuant to Article X, Section 5 of the State Constitution and Section 2803 of the Public Authorities Law and Article V, Section 1 of the State Constitution and Article III of the General Municipal Law.

We conducted our performance audit in accordance with generally accepted government auditing standards. These standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained during our audit provides a reasonable basis for our findings and conclusions based on our audit objectives.

As is our practice, we notified DHS officials at the outset of the audit that we would be requesting a representation letter in which DHS management provides assurances, to the best of their knowledge, concerning the relevance, accuracy, and competence of the evidence provided to the auditors during the course of the audit. The representation letter is intended to confirm oral representations made to the auditors and to reduce the likelihood of misunderstandings. In this letter, officials assert that, to the best of their knowledge, all relevant financial and programmatic records and related data have been provided to the auditors. DHS officials further affirm either that the entities have complied with all laws, rules, and regulations applicable to their operations that would have a significant effect on the operating practices being audited, or that any exceptions have been disclosed to the auditors. However, officials at DHS advised us that the New York City Mayor's Office of Operations has informed them that, as a matter of policy, mayoral agency officials do not provide representation letters in connection with our audits. As a result, we lack assurance from DHS officials that all relevant information was provided to us during the audit.

In addition to being the State Auditor, the Comptroller performs certain other constitutionally and statutorily mandated duties as the chief fiscal officer of New York State. These include operating the State's accounting system; preparing the State's financial statements; and approving State contracts, refunds, and other payments. In addition, the Comptroller appoints members to certain boards, commissions, and public authorities, some of whom have minority voting rights. These duties may be considered management functions for purposes of evaluating organizational independence under generally accepted government auditing standards. In our opinion, these management functions do not affect our ability to conduct independent audits of program performance.

Reporting Requirements

We provided a draft copy of this report to MTA and DSS officials for their review and formal comment. Their comments were considered in preparing this final report and are attached to it. In their responses, MTA and DSS officials generally agreed with our recommendations and indicated that they have already taken steps to address them. Our response to certain MTA and DSS comments is included in the report's State Comptroller's Comments.

Within 180 days after the final release of this report, as required by Section 170 of the Executive Law, the Chairman of the Metropolitan Transportation Authority shall report to the Governor, the State Comptroller, and the leaders of the Legislature and fiscal committees advising what steps were taken to implement the recommendations contained herein, and where the recommendations were not implemented, the reasons why. Additionally, we request that the Commissioner of the New York City Department of Social Services report to the State Comptroller, advising what steps were taken to implement the recommendations contained in this report, and if the recommendations were not implemented, the reasons why.

Exhibit A

Bronx Subway Stations Not Visited for the Time Periods Sampled

Station		December 2016– February 2017	March–May 2017	December 2017– February 2018
1	170th St (B/D)	X		
2	176th St (4)			X
3	183rd St (4)			X
4	Baychester Ave (5)			X
5	Eastchester-Dyre Ave (5)			X
6	Morris Park (5)			X
7	Pelham Parkway 5			X
8	Castle Hill Ave (6)	X		
9	Cypress Ave (6)	X		
10	Elder Ave (6)	X		
11	Middletown Rd (6)	X		
12	St. Lawrence Ave (6)	X		
13	Westchester Square-East Tremont Ave (6)	X		
14	Whitlock Ave (6)	X		
15	Zerega Ave (6)	X		
16	174th St (2/5)		X	
17	219th St (2/5)	X		X
18	225th St (2/5)	X		X
19	233rd St (2/5)	X		X
20	Allerton Ave (2/5)	X		
21	Bronx Park East (2/5)			X
22	Burke Ave (2/5)	X		
23	Gun Hill Rd (2/5)			X
24	Nereid Ave (2/5)	X		X
25	Pelham Parkway (2/5)	X		X
26	Wakefield-241st St (2/5)			X
Total Stations Not Visited		16/68 (23.53%)	1/68 (1.47%)	14/68 (20.59%)

Key: X = Not Visited; = Visited.

Exhibit B

Brooklyn Subway Stations Not Visited for the Time Periods Sampled

Station		November 2017– January 2018	February–April 2018
1	Lafayette Ave (C)	X	
2	Fulton St (G)	X	
3	Clinton-Washington Ave (G)	X	
4	Classon Ave (G)	X	
5	Bedford-Nostrand Ave (G)	X	
6	Utica Ave (A/C)	X	
7	Ralph Ave (A/C)	X	
8	Rockaway Ave (A/C)	X	
9	Van Siclen Ave (A/C)	X	
10	Hewes St (J/M)		X
11	Kosciuszko St (J)	X	
12	Gates Ave (J/Z)		X
13	Halsey St (J)	X	
14	Alabama Ave (J)	X	
15	Van Siclen Ave (J/Z)	X	
16	Cleveland St (J)	X	
17	Norwood Ave (J/Z)	X	
18	Crescent St (J/Z)	X	
19	Cypress Hills (J)	X	
20	Wilson Ave (L)	X	
21	Bushwick Ave-Aberdeen St (L)	X	
22	Atlantic Ave (L)	X	
23	Sutter Ave (L)	X	
24	Livonia Ave (L)	X	
25	East 105th St (L)	X	
26	Canarsie-Rockaway Parkway (L)	X	
27	Avenue H (B/Q)	X	
28	36th St (D/N/R)	X	
Total Stations Not Visited		26/158 (16.46%)	2/158 (1.27%)

Key: X = Not Visited; = Visited.

Exhibit C

Queens Subway Stations Not Visited for the Time Periods Sampled

Station		January-February 2017	March-April 2017	November-December 2017	January-February 2018	March-April 2018
1	Roosevelt Island (F)				X	
2	30th Ave (N/Q/W)				X	
3	36th Ave (N/Q/W)				X	
4	39th Ave (N/Q/W)				X	
5	Astoria-Ditmars Blvd (N/Q)				X	
6	21st St (G)				X	X
7	33rd St-Rawson St (7)			X		X
8	40th St-Lowery St (7)			X		X
9	46th St-Bliss St (7)				X	
10	52nd St (7)			X	X	
11	61st St-Woodside (7)			X		
12	82nd St-Jackson Heights (7)				X	
13	90th St-Elmhurst Ave (7)				X	
14	Hunters Point Ave (7)				X	X
15	Long Island City-Court Square (E/G/M/7)				X	
16	111th St (J)				X	
17	121st St (J/Z)				X	
18	75th St-Elderts Ln (J/Z)	X				
19	85th St-Forest Pkwy (J)	X				
20	Woodhaven Blvd (J/Z)		X		X	
21	Steinway St (M/R)			X		
22	Beach 25 St (A)				X	

23	Beach 36 St (A)				X	
24	Beach 44 St (A)			X	X	
25	Beach 60 St (A)			X	X	
26	Beach 67 St (A)			X	X	
27	Far Rockaway-Mott Ave (A)				X	
28	104th St (A)	X	X			
29	111th St (A)	X				
30	80th St (A)	X			X	X
31	88th St (A)				X	
32	Rockaway Blvd (A)					X
33	Beach 105 St (A/H)			X	X	
34	Beach 90 St (A/H)				X	
35	Beach 98 St (A/H)				X	
36	Broad Channel (A/H)			X	X	
37	Howard Beach - JFK Airport (A)				X	
38	Rockaway Park - Beach 116 St (A/H)				X	
39	Middle Village-Metropolitan Ave (M)	X				
40	Seneca Ave (M)	X				
	Total Stations Not Visited	7/79 (8.86%)	2/79 (2.53%)	10/79 (12.66%)	29/79 (36.71%)	6/79 (7.59%)

Key: X = Not Visited; = Visited; = High-Risk Station.

Agency Comments - Metropolitan Transportation Authority

2 Broadway
New York, NY 10004
212 878-7000 Tel

Patrick J. Foye
Chairman and Chief Executive Officer



Metropolitan Transportation Authority

State of New York

November 8, 2019

Mr. Brian Reilly
Audit Director
The Office of the State Comptroller
Division of State Government Accountability
110 State Street, 11th Floor
Albany, NY 12236-0001

Re: Draft Report #2018-S-59 (Homeless Outreach Services in the New York City Subway System)

Dear Mr. Reilly:

This is in reply to your letter requesting a response to the above-referenced draft report.

I have attached for your information the comments of Patrick Warren, MTA Chief Safety Officer, which address this report.

Additionally, I will be working with staff to ensure that management is following up on and enforcing the audit's recommendations, where appropriate, and requesting regular, interim reports to that effect.

Sincerely,

A handwritten signature in black ink, appearing to read "Patrick J. Foye".

Patrick J. Foye
Chairman and Chief Executive Officer

c: Helene Fromm, MTA Chief of Staff
Michele Woods, Acting Auditor General, MTA Audit Services

The agencies of the MTA

MTA New York City Transit
MTA Long Island Rail Road

MTA Metro-North Railroad
MTA Bridges and Tunnels

MTA Capital Construction
MTA Bus Company

Memorandum



Metropolitan Transportation Authority

State of New York

Date: November 7, 2019

To: Patrick Foye, Chairman and Chief Executive Officer, MTA

From: Patrick T. Warren, MTA Chief Safety Officer

Re: Response to the Office of the State Comptroller Draft Report of the Homeless Outreach Services in the New York City Subway System, OSC #2108-S-059

The Office of the State Comptroller (OSC) audit team issued a draft audit report, dated October 2019, on Homeless Outreach Services in the New York City (NYC) subway system. The service program is embodied in a contract for homeless outreach and social services between the NYC Department of Homeless Services (DHS) and the Bowery Residents' Committee (BRC), with an Memorandum of Understanding (MOU) between DHS and the Metropolitan Transportation Authority (MTA). BRC is an organization that has been providing housing and treatment services to homeless adults in NYC for many years. OSC has issued facts, commentary, findings and recommendations to the NYC Department of Homeless Services (DHS) and the MTA as part of their audit. MTA takes very seriously our commitment to our customers and the communities we serve. As part of that commitment, we look to help those in the communities that need the most support. MTA's Homeless Outreach Program is designed to move the homeless out of the MTA's transportation system by helping them find appropriate shelter and services to improve their level of safety and improve their lives.

Recommendation Comments

Recognizing the importance of helping transition homeless from the inadequate shelter of the MTA transportation system to appropriate shelters that provide security and social services, the MTA has renewed its drive to provide improved homeless outreach. Together with the DHS and other stakeholders, the MTA is implementing a plan to improve management and oversight of the Homeless Outreach Program. This new plan includes reassessing and amending performance metrics, rebalancing resources, and introducing a heightened level of command and control over the various elements of the homeless outreach program.

Recommendation 7:

Ensure DHS complies with the terms of the MOU.

MTA Response:

Concur: In-Progress. MTA participates in routine, periodic meetings with the DHS to establish outreach priorities and evaluate progress towards goals, as outlined in the DHS contract with BRC and the MOU. Further, MTA, as part of its organizational transformation, is establishing a Homeless Program Office which will be responsible for monitoring MOU compliance.

Response to Comptroller Draft HOP report
November 7, 2019
Page 2

Recommendation 8.

Monitor 311 complaint calls related to homelessness in the New York City subway system.

MTA Response:

Partially Concur: 311 calls are currently forwarded to the New York City Police Department, MTA Police Department and BRC for homeless related issues. MTA does not recognize the value in having the MTA Homeless Outreach Program office monitoring 311 calls, other than to periodically validate that the police or social services agents are responding to the 311 calls in an appropriate manner.

[Comment 1](#)

Recommendation 9.

Work together [with DHS] to develop and establish census reduction targets.

MTA Response:

Concur: MTA recognizes great value in establishing census reduction goals within its transportation system and is working with DHS towards achieving this goal.

Agency Comments - NYC Department of Social Services



**Department of
Social Services**

Human Resources
Administration
Department of
Homeless Services

W-2-570
11/17

Office Of Audit &
Quality Assurance

November 07, 2019

Steven Banks
Commissioner

Mr. Joseph F. Smith
Audit Supervisor
Office of the State Comptroller
59 Maiden Lane, 21st Floor
New York, NY 10038

Molly Murphy
DSS First Deputy
Commissioner

Saratu Ghartey
Chief Program
Accountability Officer

**Re: Response to the Draft Report – Audit of Homeless
Outreach Services in the New York City Subway
System 2018-S-59**

Maria Ciniglio
Deputy Commissioner

Dear Mr. Smith,

150 Greenwich Street
New York, NY 10007

929 221 7126

We have received the draft report for the Audit of the Homeless Outreach Services in the New York City Subway System 2018-S-59. We were pleased to note that the additional information submitted post-exit conference has been evaluated and has resulted in modifications to the draft report. We appreciate the efforts your team has taken to understand the nature of our operation and the many challenges inherent in addressing homelessness in the subway system.

Please find enclosed our response in the form of a corrective action plan which identifies the actions already taken and that will be taken in accordance with the plan to address the recommendations noted in the report. While the agency disagrees with some of the report's findings and conclusions, we agree with the overall spirit of the recommendations, and we are committed to holding BRC accountable for newly enhanced and meaningful performance metrics through an effective quality assurance program.

The agency places great importance on measuring the level of outcomes achieved for clients who have been brought in, and remain, off the streets and subways. The metrics incorporated in the BRC CAP reflect these measures, rather than an overall census reduction target. As previously stated, we do not believe an overall census reduction is a meaningful tool for measuring individual outreach provider performance. This is because street and subway homelessness reflect larger structural economic factors – such as steep increases in rents, the lack of increases in household income, the loss of rent regulated apartments, the lack of low-rent apartments, and the impact of deinstitutionalization and criminal justice system discharges – which are beyond the control of a single Outreach provider. BRC will instead be held accountable for meeting permanent, transitional and other client placement targets and for maintaining clients in permanent housing after a twelve-month period.

As more fully outlined in the enclosed corrective action plan, crucial steps have already been taken and others are underway to bring BRC into compliance and to significantly improve our processes. These include, but are not limited to, the following:

- BRC was placed on a Corrective Action Plan (CAP) in August of this year (see attached). This requires BRC to (among other things) submit Daily Activity Reports to DHS, comply with its station visits schedule, track redeployments, bring the required percentage of the overall subway system census onto caseload, upload photographs of all clients on the medically vulnerable list, and ensure staff are certified in CPR and Opioid Overdose Prevention;
- A program of scheduled and unannounced ride-a-longs and station visits is being implemented to monitor outreach worker activity during the day and overnight;
- A new RFP for subway outreach services incorporating new contractual performance measures which focus on outreach outcomes for clients has been issued;
- Monthly audits comparing StreetSmart shelter placement data to CARES shelter placement data have begun manually, and improvements to StreetSmart will facilitate this process moving forward; and
- We have hired an additional Program Manager dedicated to the Outreach Program to increase performance management and oversight resources.

Since our 90-day review of homeless services in 2016, the Agency has continually redoubled its homeless outreach efforts, doubling the number of outreach staff, opening new and operating existing drop-in centers 24 hours a day, and tripling the number of Safe Haven and stabilization beds to bring people off the streets and out of the subways. Since the launch of the HOME-STAT program in April 2016, HOME-STAT Outreach teams have helped more than 2,200 homeless New Yorkers off the streets, including 600 individuals off the subways, who have remained off the streets and subways. Agency personnel have an ongoing quality control process in place for this top- level data.

We are confident that our progress and our response to this audit demonstrate the agency's commitment to continually improving our operations. Should you have any questions regarding the enclosed, please contact Sonia Lamrhari, Director of the DSS Bureau of Audit Coordination at 929-221-5724.

Sincerely, PP.


Maria Ciniglio

Enclosures

This Corrective Action Plan dated August 24, 2019 (this "CAP") is by and between the New York City Department of Social Services (DSS or the "Department") and Bowery Residents' Committee, Inc. (BRC), a not-for-profit corporation organized under the laws of the State of New York, having its principal offices in New York, New York. BRC and DSS shall be collectively referred to herein as the "Parties."

WITNESSETH:

WHEREAS, the Department awarded contract actions to BRC to provide shelter and social services to homeless individuals, as well as agreements to provide outreach support and related social services to various vulnerable populations (hereinafter referred to as the "Agreements"); and

WHEREAS, the Department has a continued need for the services which BRC provides to homeless individuals and seeks to enter into various Agreements and contract actions; and

WHEREAS, BRC serves one of the City's most economically vulnerable communities and is relied upon by a wide range of clients for services that are critical for their well-being, providing such programs as outreach services for the chronically street homeless; and

WHEREAS, upon review of the matters set forth herein, the Parties agree that the continued operation of BRC as a service provider funded by DSS remains in the best interests of the City, BRC, and the clients it serves on behalf of the City; and

WHEREAS, BRC was reviewed by the New York State's Comptroller's Office (the "Review"), which Review raised concerns about BRC's performance as a provider of Homeless Outreach services; and

WHEREAS, the Parties now mutually desire to address the findings of the Review and the performance of BRC to support the Department's determination that BRC remains a viable vendor to provide services under New York City contracts,

NOW, THEREFORE, the Parties hereby agree as follows:

1. **Compliance with Homeless Outreach Program CAP.** This CAP hereby incorporates the 15 corrective actions delineated in the CAP dated August 29, 2019 (See Attachment A – BRC CAP), all of which address specific performance measures and quality assurance controls regarding BRC's work under the Department of Homeless Services' (DHS) Homeless Outreach Program with the Metropolitan Transit Authority (MTA). BRC agrees to comply with each of the 15 corrective actions contained in Attachment A.
2. **Continued Review.** BRC agrees that it shall deliver, on a quarterly basis and in a format designated by the Department, a report detailing its implementation of the requirements of this CAP to DSS.

3. No Waiver /Impairment

Nothing in this CAP shall impair or waive any existing rights of the City to audit, investigate, and evaluate past, current or future acts of BRC. BRC agrees to cooperate fully with any audits or investigations commenced by the City with respect to BRC's operations.

4. Miscellaneous

- A. This CAP shall apply to the successors and assigns of BRC and to any entity with which it may merge or may be acquired.
- B. Any written notification or report required by or made pursuant to this CAP shall be made, mailed, sent by express carrier or hand-delivered as set forth below:

To the City:

Vincent Pullo
Agency Chief Contracting Officer
New York City Human Resources Administration / Department of Social Services
150 Greenwich Street, 37th Fl.
New York, NY 10007

To BRC:

Bowery Residents' Committee, Inc.
Mr. Muzzy Rosenblatt
President & CEO
131 West 25th Street
New York, NY 10001

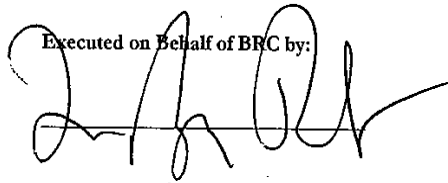
C. The term of this CAP shall run for five (5) years from the date of its execution or until the end of BRC's contract for the DHS Homeless Outreach Program, whichever is shorter.

D. This CAP, including all exhibits hereto, embodies the entire understanding and agreement of the Parties with respect to the subject matter herein and merges and supersedes all prior representations, agreements, understandings, whether oral or written, between the Parties with respect to the subject matter herein, without limitation, all prior drafts of this CAP and any and all written or oral statements or representations by any official, employee, agent, attorney, consultant or independent contractor of the Parties.

E. No provisions of this CAP nor any exhibit to this CAP shall be amended otherwise modified, in whole or in part, except by a written instrument, duly executed by the Parties.

REMAINDER OF PAGE LEFT BLANK

Executed on Behalf of BRC by:

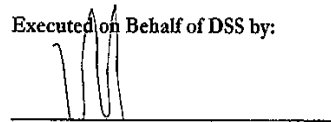


LAWRENCE "MUDDY" ROSENBLATT
CEO & PRESIDENT
BMC

8/30/19
Date

Date

Executed on Behalf of DSS by:



Vincent Pullo
Agency Chief Contracting Officer
Department of Social Services

8/30/19
Date

Attachment A – BRC Corrective Action Plan for DHS Homeless Outreach Project
August 29, 2019

Number	Corrective Action to be Taken by Provider	Target Date	Deliverables
1	<p>BRC shall conduct Quality Assurance reviews and submit reports to DHS, as indicated below:</p> <ul style="list-style-type: none"> • Submit monthly visit logs (see item 2) • Randomly select and review 10 percent of visit logs for accuracy (see item 8) • Review and submit proof that existing staff are trained in CPR and Opioid Overdose Prevention on a quarterly basis (see item 4) • Review and submit a quarterly report on placement data (see item 6) • Monitor submissions of the daily report (see item 7) • Monitor compliance with the updated performance metrics (see item 11) • Monitor monthly reporting on calls received via 311 or the BRC hotline. (see item 12) 	45 days	Provide documentation demonstrating BRC's compliance with this corrective action.
2	<p>BRC shall maintain logs of subway station visits by Outreach workers until StreetSmart, which is the system of record, is updated so that BRC can make direct entries of the visit log information into it. The logs must include:</p> <ul style="list-style-type: none"> • Each station that BRC Outreach Workers visited, with the date, time, conditions observed and persons engaged as well as whether DHS staff were present. • Each instance when BRC Outreach Workers were scheduled to visit a station, but did not visit such station, and for each such time, the reason the Outreach Team did not visit the station. 	30 days	Provide visit logs on a monthly basis to DHS.
3	DHS staff will accompany BRC's teams on unannounced ride-alongs. Visits involving DHS staff shall be distinctively recorded in the teams' visit logs.	30 days	Provide visit logs on a monthly basis to DHS, including the visits involving DHS staff.
4	BRC shall ensure that all existing staff are trained in CPR and Opioid Overdose Prevention. After the initial report is submitted to DHS, BRC shall provide a monthly report demonstrating BRC's continued compliance with this corrective action.	30 days	Provide documentation demonstrating BRC's compliance with this corrective action within 30 days of the execution of the CAP, monthly thereafter.
5	BRC shall create a full training curriculum for new staff that will include CPR and Opioid Overdose Prevention training. Trainings shall be conducted within the first two weeks of hire.	Plan to revise curriculum must be presented within 20 days and curriculum must be developed within 60 days	Provide a copy of the full training curriculum by November 2019.

6	BRC shall perform a quality assurance review and training to ensure that placement data is properly entered into StreetSmart and/or CARES. After the initial report is submitted to DHS, BRC shall provide a quarterly report demonstrating BRC's continued compliance with this corrective action.	30 days	Provide a copy of the results of the quality assurance review and training materials within 30 days of the execution of the CAP, quarterly thereafter.
7	BRC shall provide daily reporting that captures by shift and team the locations visited (time in/out), general observations, clients observed, outreach activities, and joint outreach activities.	30 days	Provide daily reports by October 1, 2019.
8	BRC shall randomly select and review 10% of visit logs on a monthly basis, and compare them to other reports, such as the daily report, to ensure Outreach Teams are conducting assigned site visits or are logging a valid reason for not visiting scheduled sites. Consistent with legal requirements and its collective bargaining agreement, BRC is to take disciplinary action against employees who do not perform their assigned visits and do not record a valid reason for not conducting the visits. Consistent with legal requirements and the collective bargaining agreement, BRC shall submit a monthly summary of such review which shall include: <ul style="list-style-type: none"> Where applicable, the names of Outreach Team employees who did not make scheduled visits, and did not have a valid reason for not making such scheduled visits, and the disciplinary actions taken. Any and all instances where recorded visit logs were found to have inaccuracies. BRC will, as it has in the past, continue to submit their invoices to DHS within the required time frame.	45 days	Provide a monthly summary report with the results of this review, listing the name(s) of the employee(s) found at fault and actions taken by BRC.
9		Ongoing	Timely submission of invoices.
10	BRC shall develop a plan describing the protocol BRC will follow to monitor and ensure Outreach Teams are conducting assigned site visits or are logging a valid reason for not visiting scheduled sites. Consistent with legal requirements and the collective bargaining agreement, BRC shall take disciplinary action against employees who do not perform their assigned visits and do not record a valid reason for not conducting the visits.	45 days	Provide a copy of the plan to DHS.
11	BRC shall monitor its compliance with updated performance measures, including: <ul style="list-style-type: none"> Placing all individuals who are verified to be unsheltered in the subway by BRC on the DHS By-Name List (DHS will closely monitor the prospect client list to ensure that BRC is adding all unsheltered individuals onto the By-Name List). Maintaining a minimum number (based on the average number of placements over the previous two fiscal years) of permanent, transitional and other placements.* Maintain 90% of verified/known unsheltered clients placed in permanent housing remaining in permanent housing after 12 months. 	45 days	Provide documentation demonstrating BRC's compliance with this corrective action on a monthly basis.

12	BRC shall upload all photographs of individuals on the vulnerable client list to StreetSmart	45 days	Upload all photographs of individuals on the vulnerable client list to StreetSmart and, thereafter, add all new photographs of clients on the vulnerable list to StreetSmart within 48 hours of taking such picture.
13	BRC shall provide monthly reports on when a call (via 311 or the BRC hotline) was sent to BRC Outreach Team, the time the BRC Outreach Team responded, the station name and the outcome of the call.	30 days	Provide a monthly report on BRCs response to services calls.
14	BRC shall apply to the Department of Social Services for supportive housing resources to expedite housing placements for subway clients in the subways, safe haven beds, and stabilization beds.	30 days	Provide documentation of such application.
15	If awarded such resources pursuant to an application submitted pursuant to Item 14 above, and permitted under the terms of such award, BRC shall apply such additional supportive housing resources to expedite housing placements for subway clients in the subways, safe haven beds, and stabilization beds.	30 days following the award of any such additional resources	Provide a plan to expedite permanent housing placements

* See Document: Performance Metrics for BRC CAP

PERFORMANCE METRICS FOR BRC CAP

The following is a set of the new performance metrics that are being implemented as part of the BRC CAP. Additional performance metrics will be incorporated in the upcoming Request for Proposals. Both baseline data and targets will be reviewed on a monthly basis. DHS expects all providers to make every best effort in their control to meet performance targets, recognizing that homelessness is driven by a range of citywide, statewide, regional, national, and global factors, including economic factors, such as rents outpacing wages, socio-political factors, such as broader deinstitutionalization at every level of government, as well as nationwide mental health and substance use challenges.

Outcome 1: Verify Street/Subway Homelessness and Bring Individuals Experiencing Verified Street/Subway Homelessness onto By-Name List

- **Metric 1: All verified unsheltered in the subway individuals on By-Name List**
 - **Metric 1a Target Methodology:** All individuals who are verified to be unsheltered in the subway by BRC must be added to the By-Name List. DHS will closely monitor the prospect client list to ensure that BRC is adding all unsheltered individuals onto the By-Name List. Individuals on the By-Name List who are actively receiving case management will be considered on caseload.

Outcome 2: Move Verified/Known Unsheltered Clients (on Caseload/By-Name List, with last known location On Street or In Subway) off of the Subway by Placing Clients in Transitional or Permanent Housing

- **Metric 2: Number of Caseload Clients placed** – The number of Verified/Known Unsheltered Clients (on Caseload/By-Name List, with last known location On Street or In Subway) placed, disaggregated by permanent, transitional and other placements.
 - **Metric 2A Target (Permanent):** 106
 - **Metric 2B Target (Transitional):** 702
 - **Metric 2C Target (Other Settings):** 354
 - **Metric 2 Target Methodology:** Targets for placements are based on the average number of placements over the previous two fiscal years.

Outcome 3: Reduce the number of clients returning to the street

- **Metric 3: Percentage of Verified/Known Unsheltered Clients placed in permanent housing who remain in permanent housing after 12 months** – The percentage of Verified/Known Unsheltered Clients (on Caseload/By-Name List, with last known location On Street or In Subway) placed into permanent housing more than 12 months ago who have not returned to the Street/Subway or transitional housing within 12 months.
 - **Metric 3 Target:** 90%
 - **Metric 3 Target Methodology:** based on previous citywide analysis

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Date: November 07, 2019

Auditor Recommendations	Agency Response	Responsible Unit	Agency Corrective Action	Target Date
<p>Recommendation 1:</p> <p>Ensure BRC outreach workers meet established performance measures and comply with contract requirements and the Outreach Plan, including but not limited to:</p> <p>A. Submitting Daily Reports each morning for the previous day's activity.</p>	<p>Agree</p> <p>DHS believes that enhanced performance measures must be implemented and met. The focus of the new enhanced metrics will be on client outcomes. DHS has already placed BRC on a Corrective Action Plan (CAP) focused on specific performance metrics, as well as quality assurance controls (Please see attached BRC CAP).</p> <p>A new RFP for outreach work that will strengthen oversight by outlining meaningful and measurable metrics has been issued. These new enhanced metrics will then be incorporated into the next round of contracts beginning in July 2020 when the procurement process is complete.</p> <p>DHS has also committed to updating its system of record, StreetSmart. This will allow us to capture additional data, automate some of our reporting and better monitor BRC.</p> <p>A. Agree</p> <p>The BRC CAP requires submissions of the Daily Reports and BRC has been supplying them since August of 2019.</p>	DHS Program	<p>Place BRC on a Corrective Action Plan.</p> <p>Issue new RFP.</p> <p>Complete StreetSmart Enhancements.</p> <p>A. Ensure BRC submits Daily Reports.</p>	<p>Completed-August 2019</p> <p>November 2019/July 2020</p> <p>June 2020</p> <p>A. Completed August 2019, ongoing</p>

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<p>B. Making the required number of visits to each subway station.</p>	<p>B. Agree</p> <p>DHS agrees that BRC should comply with its station visit schedule unless otherwise redeployed by DHS and/or the MTA. Appendix B, Section 10a of our Contract states that “[t]he outreach plan shall include a strategy ensuring that all subway stations are visited by outreach workers at least once every six weeks, unless otherwise requested by [DHS] or MTA,” (emphasis added). We are tracking requests for redeployments in order to better monitor station visits. Additionally, DHS will continue to review monthly visit logs received from BRC as outlined in the BRC CAP. When StreetSmart is enhanced, these reports will become electronic.</p>	<p>B. Track Redeployment requests made to BRC and monitor BRC station visit activity regularly.</p> <p>Enhance StreetSmart to capture station visits.</p>	<p>B. December 2019</p> <p>June 2020</p>
<p>C. Bringing the required percentage of overall subway system census onto caseload.</p>	<p>C. Agree</p>	<p>C. Ensure BRC achieves the goal of placing 65% of census on caseload.</p>	<p>C. January 2020</p>
<p>D. Ensuring staff are certified in CPR and Opioid Overdose Prevention.</p>	<p>D. Agree</p> <p>The BRC CAP, mentioned above, includes a requirement that BRC document that staff is certified in CPR and Opioid Overdose Prevention.</p>	<p>D. Ensure BRC maintains Staff Certification in CPR and Opioid Overdose Prevention.</p>	<p>D. Ongoing</p>

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<p>Recommendation 2:</p> <p>Develop a monitoring process to determine whether BRC responds to all 311 calls within the required time frame.</p>	<p>Agree</p> <p>As part of the CAP, mentioned above, BRC is required to submit reports monthly on 311 calls which include when a 311 call was sent to BRC, when BRC responded and what the outcome was.</p>	<p>DHS Program</p>	<p>Monitor regular 311 Reports from BRC.</p>	<p>Completed - Ongoing</p>
	<p>DHS will review this report and conduct quality assurance by cross checking a portion of the calls with other documentation to ensure accuracy.</p> <p>Under current City protocol only a portion of the 311 calls for homeless individuals in the subway actually go to BRC; the rest are routed to 911 instead.</p>		<p>Implement a quality assurance process which will cross check BRCs reports against the daily report.</p>	<p>November 2019</p>
<p>Recommendation 3:</p> <p>Monitor the medically vulnerable homeless client list to ensure BRC workers are including sufficient client identifying information.</p>	<p>Agree</p> <p>As part of the CAP, DHS has required BRC to upload all photographs they have of individuals on the vulnerable client list to StreetSmart.</p>	<p>DHS Program</p>	<p>Ensure BRC uploads all photographs they have on a regular basis.</p>	<p>Completed - October 2019</p>
	<p>DHS will conduct a monthly Quality Assurance Check on the Photos in StreetSmart.</p> <p>In addition, the DHS Program Analyst and/or the Program Manager will conduct at least 3 unannounced ride-a-longs per month, one of which must be on the overnight shift; and at least 3 announced ride-a-longs per month, with every other</p>		<p>Conduct regular Quality Assurance reviews to ensure photos are uploaded in StreetSmart.</p>	<p>December 2019</p>
			<p>Conduct 6 Ride-a-longs per month.</p>	<p>November 2019</p>

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<p>Recommendation 4: Enhance internal controls to ensure that BRC's reported data in CARES is accurate and complete and use the available data to make informed managerial decisions.</p>	<p>visit happening during the overnight hours. This will allow the Analyst and/or Administrator to ensure that Outreach Teams have sufficient identifying information to identify clients.</p> <p>Results from the ride-a-longs will be shared regularly with BRC and corrective actions outlined, as needed.</p> <p>Agree</p>	<p>DHS Program</p>	<p>DHS will update StreetSmart to enhance auditing of shelter placement data.</p> <p>DHS will perform manual monthly audits comparing StreetSmart shelter placement data to CARES shelter placement data.</p>	<p>November 2020</p> <p>Completed - October 2019, ongoing</p>
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Recommendation 5:		DHS Program	
<p>Monitor BRC outreach workers to ensure they are providing sufficient level of outreach services in the New York City subway system.</p>	<p>Agree</p> <p>See Response to Recommendation 1.</p> <p>DHS has hired an additional Program Manager to oversee the BRC Contract exclusively. The Program Manager will conduct twice monthly contract oversight meetings with BRC.</p> <p>DHS is requiring the Program Analyst and/or the Program Manager to conduct at least 3 unannounced ride-a-longs per month, one of which must be on the overnight shift; and at least 3 announced ride-a-longs per month, with every other visit happening on the overnight hours.</p> <p>As described above, DHS has put BRC on a Corrective Action Plan focused on specific performance measures, as well as quality assurance controls. The CAP requires BRC to:</p> <ul style="list-style-type: none"> Place all individuals who are verified to be unsheltered in the subway on the By-Name List Over the course of a year, place 106 clients in permanent placements, 702 clients in transitional placements and 354 clients in other placements. Maintain 90% of clients placed in permanent housing after 12 months. <p>However, overall census reduction targets are not a meaningful tool for measuring individual Outreach provider performance because street and subway homelessness reflects larger structural economic factors beyond the control of an individual</p>	<p>Conduct twice Monthly Meetings with BRC.</p> <p>Conduct regular Ride-a-Longs.</p> <p>Monitor BRC's compliance with its August 2019 Corrective Action Plan.</p>	<p>November 2019</p> <p>November 2019</p> <p>Completed - Ongoing</p>

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<p>Recommendation 6: Submit monthly expenditure reports to the MTA within the required time frame.</p>	<p>outreach provider, including the fact that rents have increased nearly 19% and incomes have increased less than 5% and there has been a loss of approximately 150,000 rent regulated apartments over the last several decades; there is currently a vacancy rate of 1.1% for apartments renting at or below \$800/month; and the impact of deinstitutionalization and criminal justice system discharges. The best tool to measure outreach provider performance is the level of outcomes achieved for clients who have been brought in off the streets and subways and then remain off the streets and subways.</p>	<p>Agree</p>	<p>Two years ago, DHS and HRA Finance operations integrated and DSS was formed. As with any integration, some processes and functions were temporarily interrupted in the transition of duties among newly merged staffing. Consequently, a backlog occurred in the MTA invoicing process. However, as of October 30, 2019 the MTA has been invoiced for all expenses listed in HHS Accelerator up to August 2019.</p> <p>On a monthly basis, the Program Manager and/or Analyst will check to make sure all required documentation has been uploaded into Accelerator. They will then report to Finance that the documents are there.</p> <p>DSS Finance will submit monthly expenditure reports to the MTA within 30 days of the month the expenses are incurred.</p>	<p>DSS Program DSS Finance</p>	<p>DHS will ensure all expenditure reports are provided to Finance monthly.</p> <p>Finance will submit expenditure reports to the MTA monthly.</p>	<p>November 2019</p> <p>Ongoing</p>
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<p>Recommendation 9: Work together to develop and establish census reduction targets.</p>	<p>Partially Agree</p> <p>DHS agrees to work together with the MTA to develop new performance measures.</p> <p>DHS disagrees that the performance metrics should be based on census reduction targets. Overall census reduction targets are not a meaningful tool for measuring individual Outreach provider performance because street and subway homelessness reflects larger structural economic factors beyond the control of an individual Outreach provider. The best tool to measure Outreach provider performance is the level of outcomes achieved for clients who have been brought in off the streets and subways and then remain off the streets and subways.</p>	<p>DHS Program OPPM</p>	<p>Develop Performance Metrics.</p>	<p>January 2020</p>
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[Comment 2](#)

State Comptroller's Comments

1. As stated on page 15 of the report, we believe it is important for the MTA to ensure such calls are being appropriately responded to.
2. As stated on page 10 of the report, the contract required BRC to reduce the number of homeless individuals residing in the subway system. If they wish to make a directional change, DHS officials need to amend or modify the contract to reflect these changes.

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