New York City Department of Social Services

Oversight of Shelter Placements

Report 2021-N-5 | December 2022

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

Audit Highlights

Objective

To determine whether the New York City Department of Homeless Services is effectively placing clients into shelters or facilities that have the necessary services and supervision. The audit covered the period from January 2018 through January 2022.

About the Program

The Department of Homeless Services (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 the City and for providing fiscal oversight of the homeless shelters. Governed by a "right to shelter" mandate, the City provides temporary emergency shelter to every eligible person who requests services. When a single adult arrives at an intake/assessment shelter, staff work to identify the individual's needs and the type of shelter that would best facilitate their transition to more permanent housing. During the intake/assessment process, clinical providers conduct a comprehensive medical examination and obtain demographic information by interviewing clients. This is followed by a standardized mental health and substance abuse screening (psychosocial) assessment, which should be conducted within 48 hours of the client's arrival, as well as a comprehensive psychiatric behavioral health assessment, as needed. The screening results are entered into DHS' electronic case management system, Client Assistance and Rehousing Enterprise System (CARES), by the assigned caseworker. At the end of the process, the caseworker recommends the type of shelter in which the client should be placed, a case manager confirms the appropriateness of the proposed shelter assignment, and the client is generally placed into a general or specialized homeless shelter within 21 days of their initial assessment.

Specialized homeless shelters include mental health, substance abuse, employment, and elderly population shelters. On average, DHS provided emergency shelter to 18,000 single adults daily for City fiscal year 2021.

Following placement into a shelter, clients are asked to attend several individual meetings to discuss the reasons why they need shelter and determine the services from which they would benefit. With the assistance of their caseworker, each client will develop an Independent Living Plan (ILP) – a document that outlines specific and relevant goals to exit shelter and return to self-sufficiency, including applying for benefits, completing assessments, and applying for housing programs.

Key Findings

- Based on DHS records, there is limited assurance that clients were being placed in and/or transferred to a shelter that could best provide the services necessary to help the individual move forward to permanent housing, independent living, or further treatment in a more appropriate setting if necessary. For instance:
  - 795 of 3,022 clients (26%) who were diagnosed with a serious mental illness were not placed in a mental illness shelter.
  - 523 of 1,061 clients (49%) who were diagnosed with substance or alcohol abuse issues were not placed in a substance abuse or mental health shelter.

- DHS does not have adequate policies and procedures standardizing placement of clients in specialized shelters based on assessment results, diagnoses, and other factors.
- DHS does not fully utilize available client data, such as diagnoses, shelter incidents, non-compliance with ILPs, and other related factors, to help identify potential clients who may cause harm to themselves or others to determine whether any subsequent action is required.
- DHS does not keep track of the total population of homeless individuals who are not complying with their ILP's recommended services, medication referrals, and mental health and substance abuse assessments.

Key Recommendations

- Create, maintain, and implement DHS-specific standard operating procedures for client assessment and shelter placement to ensure homeless individuals are diagnosed, placed in, and/or transferred to the most suitable program shelter.
- Review clients with serious mental health and/or substance abuse issues and consider transferring them into the respective specialized shelter, as warranted.
- Analyze the individual client data available to DHS, such as diagnoses, shelter incidents, ILP non-compliance, and other related factors, to help identify clients who potentially may cause harm to themselves or others.
- Consider what actions to take for those clients who may cause danger to themselves or others and are likely to substantially interfere with the health, safety, welfare, care, or comfort of other residents.

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

December 1, 2022

Gary P. Jenkins
Commissioner
New York City Department of Social Services
150 Greenwich Street, 42nd Floor
New York, NY 10007

Dear Commissioner Jenkins:

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 *Oversight of Shelter Placements*. The audit was performed pursuant to the State Comptroller's authority as set forth in 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

Contents

Glossary of Terms

Term	Description	Identifier
DSS	New York City Department of Social Services	*Auditee*
ACT	Assertive Community Treatment	*Key Term*
CARES	Client Assistance and Rehousing Enterprise System	*System*
DHS	New York City Department of Homeless Services	*Division*
ILP	Independent Living Plan	*Key Term*
IMT	Intensive Mobile Treatment	*Key Term*
NYCRR	New York Codes, Rules and Regulations	*Law*
Registry	New York State's Sex Offender Registry	*System*
SOP	Standard operating procedure	*Key Term*
SPOA	Single Point of Access	*Key Term*

Background

The Department of Homeless Services (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 the City and for providing fiscal oversight of the homeless shelters. Governed by a “right to shelter” mandate, the City provides temporary emergency shelter to every eligible person who requests services and is responsible for the safety and well-being of all residents, including those struggling with serious mental health and/or substance abuse problems who could pose a threat to themselves or others. On average, DHS provided emergency shelter to 18,000 single adults daily for City fiscal year 2021.

Through its own staff and contracted providers, DHS operates three intake sites, six assessment sites, and 174 shelter sites to accommodate the needs of single adults requiring emergency shelter. When a single adult arrives at an intake/assessment shelter, staff work to identify the individual’s needs and type of shelter that would best facilitate their transition to more permanent housing. All single adult homeless individuals who are new to the DHS shelter system, or who have not resided at a DHS shelter for over 12 months, go through an intake and assessment process. Men start the intake at the 30th Street Intake Shelter and are then assigned to one of four assessment shelters. Women start both their intake and assessments at one of two combined intake/assessment centers – HELP Women’s Center and Franklin Women’s Shelter. Single adults returning to shelter within 12 months are assigned to their most recent shelter.

During the intake/assessment process, clinical providers conduct a comprehensive medical examination and obtain demographic information by interviewing clients. This is followed by a standardized mental health and substance abuse screening (psychosocial assessment), which should be conducted within 48 hours of the client’s arrival, and a comprehensive psychiatric behavioral health assessment, as needed. The screening results are entered into DHS’ electronic case management system, Client Assistance and Rehousing Enterprise System (CARES), by the assigned caseworker. At the end of the process, the caseworker recommends the type of shelter in which the client should be placed, a case manager confirms the appropriateness of the proposed shelter assignment, and the client is generally placed into a general or specialized program homeless shelter within 21 days of their initial assessment. General shelters offer shelter and services to those in need, but do not employ specialized staffing or offer specialized services. Specialized program homeless shelters include mental health, substance abuse, employment, and elderly population shelters (see following table). Additionally, DHS uses commercial hotels as general shelters or as shelters with specialized programs.

Shelter Types and Services Offered

Shelter Type	Specialized Staffing	Specialized Services/ Amenities Offered
General	None	None
Mental Health	Psychiatrists, social workers, peer specialists	Supportive services to reduce frequency and duration of psychiatric hospitalizations
Substance Abuse	Credentialed alcoholism and substance abuse counselors	Supportive services to reduce frequency and duration of drug/alcohol hospitalizations
Employment	Employment counselors	Employment services
Senior	None	Elevators, first floor placements

Following placement into a shelter, clients are asked to attend several individual meetings to discuss the reasons why they need shelter and determine the services, including referrals to services in the community, from which they would benefit. With the assistance of their caseworker, each client will develop an Independent Living Plan (ILP) – a document that outlines specific and relevant goals to exit shelter and return to self-sufficiency, including applying for benefits, completing assessments, and applying for housing programs. DHS' policy of Client Responsibility requires individuals in shelters to actively participate in this process and take strides toward independent living. As of October 25, 2021, there were 174 single adult shelters in the City with a population of 17,244 single adults registered in the system as active clients.

DHS officials advised us that, with the onset of the COVID-19 pandemic, they implemented precautions to ensure the health and safety of all DHS clients, guard against transmission, and promote recovery in isolation for those infected. In the interest of keeping clients safe, creative solutions were implemented systemwide to facilitate isolation, quarantine, and physical distancing as well as to limit unnecessary transfers. DHS officials advised us that, in some instances, these may have negatively impacted the results of our report.

Audit Findings and Recommendations

We found weaknesses in internal controls resulting from inadequate written policies and procedures to standardize and guide the assessment and placement process for clients in the shelter system. In addition, we determined DHS did not always sufficiently document the rationale for a shelter placement decision. Consequently, DHS has limited assurance that clients are adequately assessed, placed in the most appropriate shelter, and receiving the highest level of services tailored to their needs. Inconsistencies in assessments and placements have resulted in clients being placed in shelters not specialized to their needs. Recommendations, based on assessments and case notes, should dictate shelter placement, but DHS has let open beds – and at times client requests – dictate the placement of individuals.

Additionally, DHS is not using the demographic information it maintains to identify clients who need additional services or placement in a different shelter. This would give DHS an opportunity to identify clients who may be a risk to themselves or others prior to the occurrence of an incident. Further, DHS could do more to track the progress or status of clients in its shelters – including compliance with ILPs, attendance at meetings, and efforts to gain employment – so that it can provide additional assistance or bring in community-based treatment teams where needed. While we recognize these efforts are not always possible due to a variety of factors, we believe that they would help DHS achieve its ultimate goal of helping its clients transition to permanent housing.

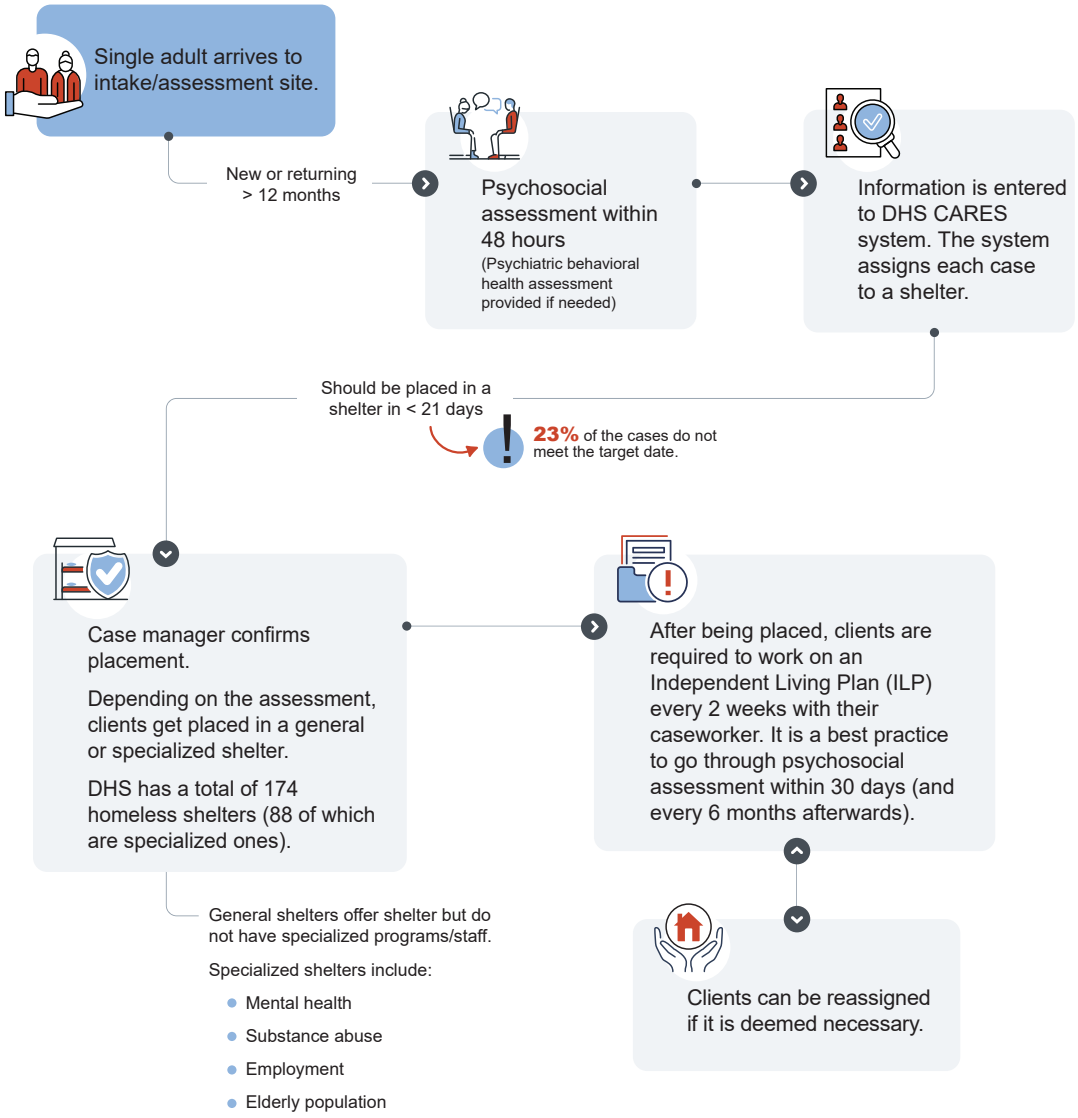
Assessment Process

Assessment is the critical step in the shelter placement process. We found inadequate standard operating procedures (SOPs) relating primarily to the processes by which incoming clients should be placed in specific program shelters based on assessment results, diagnoses, and other factors. In addition, DHS did not always sufficiently document the rationale for a shelter placement decision. Consequently, DHS has limited assurance that the shelter a client is placed in can best provide the services necessary to help the individual move forward to permanent housing, independent living, or further treatment in a more appropriate setting if necessary. In addition, self-reporting on mental health and substance abuse assessments can be challenging if individuals are either unaware of issues they are experiencing or do not provide relevant information. Further, assessments are performed by caseworkers who are not required to be certified, licensed, or experienced in human services, which may lead to incomplete or incorrect assessments of clients. Although we have not established a causal relationship between shelter placement and client outcome, we found numerous instances where individuals who had known diagnoses but were not placed in a specialized program shelter ultimately caused injury or death to themselves or others. Placement in a specialized shelter – with qualified, licensed staff on site to assist these individuals – may lower this risk.

Without specific written policies and procedures to review regarding placement of clients based upon the assessment process, we interviewed DHS officials as well as officials from four assessment shelters to gain a better understanding of the process. During the intake/assessment process, clinical providers conduct a

comprehensive medical examination and obtain demographic information from clients. This is followed by a standardized psychosocial assessment, which should be conducted within 48 hours of the client's arrival, and a comprehensive psychiatric behavioral health assessment, as needed. Caseworkers enter the data from all these screenings and assessments into CARES and then recommend the type of shelter into which the client should be placed. CARES incorporates an automated workflow to guide staff through the assessment process. As part of this process, CARES also provides scores for mental illness and substance and alcohol abuse. Scores greater than six for mental illness require further evaluation. For substance and alcohol abuse, CARES identifies clients as having a low, medium, or high risk. A case manager then determines the validity of the proposed shelter assignment, and clients are assigned to either a general homeless shelter or a specialized homeless shelter and placed on the "ready to go" list (see Figure 1).

Figure 1 – Shelter Assessment and Placement Process



We obtained DHS' Client Demographic Report, which provides background information on all clients active in DHS' database at a given time, including results of the mental health and drug and alcohol screenings.

We found the following issues with the assessment process:

- Answers to mental health and substance abuse screening questions are self-reported by the client; therefore, it is possible that clients may not provide or be unaware of a diagnosis, which will affect their shelter placement. DHS officials informed us that it would be helpful if they received client data from other City agencies (e.g., New York City Health and Hospitals Corporation, New York City Department of Health and Mental Hygiene) that may maintain information on clients in their systems. In many cases, this information that may impact placement/transfers is currently unavailable to them. However, while we understand DHS' position as well as the potential benefits, disclosure of this data must comply with all applicable laws and regulations.
- Clients' self-reported answers to assessment questions may not always reveal the true situation; therefore, caseworkers' judgment factors significantly into screening and assessment results. Additionally, the lack of standardization in the assessment process can lead to a disconnect between the screening scores, caseworkers' notes on potential mental illness, shelter type recommendation, and the actual shelter type placement. We found that clients were scored and/or assessed inconsistently with the information documented by caseworkers, impacting their placement. For example:
  - One client was assessed with a low risk of mental illness based on his mental health screening score (greater than six is the bar for receiving a professional mental health evaluation). The client denied having any mental illness during his assessment; however, his caseworker documented the possibility of one. Nevertheless, the score and subsequent placement into a general shelter/commercial hotel did not reflect this judgment. A few months later, when the client was arrested for arson, he was reported as having a history of schizophrenia.
- DHS' informal policy calls for clients to be placed within 21 days of being assessed. We found that 83 of the 359 clients (23%) staying at assessment shelters on October 25, 2021 had been there longer than 3 weeks while waiting for placement. Moreover, 10 of the 83 clients remained at their assessment shelter for more than 9 months.

DHS officials disagreed with our findings and stated that their almost complete reliance on client self-reporting of mental health and substance abuse conditions is appropriate and expected. Additionally, they stated that individual adults do not require a health screening but should be referred for appropriate medical or clinical services if the person is determined to need treatment for physical or mental health issues. DHS officials stated they complete the screenings as a best practice. Officials further claimed that the assessment and placement process is quite complex and requires considering a multitude of factors, including "approved reasonable accommodation needs, proximity to community-based supportive services, safety

needs, client right to self-determination, and availability of bed space at the time of assessment completion." Moreover, officials noted that the psychosocial evaluations used during the assessment phase are a point-in-time reflection of client self-reported information, and subsequent placement or transfer recommendations may not be tied to responses on these screenings at all but, instead, be based on updated or new information that is captured in stored documents and case notes. These point-in-time placement recommendations are then matched with point-in-time vacancies across the system to determine the actual placement that will be secured and offered to the client. With new clients entering assessment every day and unpredictable fluidity in bed availability across the system, matches are made daily in accordance with the best understanding of client needs and capacity.

We agree that the assessment and placement process is complex and requires considering a multitude of moving factors. This makes it even more essential to document standardized procedures to guide the assessment process – and the subsequent decision making on the placement of clients, including decisions on when it is appropriate to override placement based on a service need with any other need or preference. Additionally, if a bed is not initially available in a specialized shelter, DHS should make all attempts to move the client once a bed opens in the most suitable shelter. However, DHS officials told us that if it is not deemed that a shelter transfer would impact their ability to get into housing, then a change is not generally made. DHS also claims that services are entirely voluntary and that "the services offered are of no benefit whatsoever if the client does not agree to accept them." While services are voluntary, DHS' policy of Client Responsibility states that individuals in shelters must actively participate in this process and take strides toward independent living. Moreover, program shelters should have resources in place to help staff determine the barriers that prevent clients from accepting services and, when feasible, assist in lowering those barriers. Further, the individual client data available to DHS, such as diagnoses, shelter incidents, ILP non-compliance, and other related factors, should be further analyzed to help identify potential clients who may be a risk to themselves and others and require more intensive services. Although there currently may be limited alternatives to helping these clients, it would at least provide DHS information to help them determine a future course of action. By analyzing the correlation of various risk factors to client behavior, DHS would be better positioned to develop standardized procedures in their shelter placement process. For example, identifying clients with a low permanent housing success rate and correlating with information including initial placement, services received, shelter incidents, and length of stay, etc. to determine whether any subsequent action, such as a new shelter or recommendation to a psychiatric facility, is the best course of action to improve outcomes.

Shelter Placement

The initial assessment process should dictate the placement of clients; however, DHS has let open beds and client requests dictate placement. Shelter placement has also been prioritized based on non-standardized judgment and client requests over results of the assessments. Clients have been placed in general shelters

when they were in serious need of the specialized staffing and services available at mental health and/or substance abuse shelters. Conversely, clients without diagnosed mental health and/or substance abuse issues have been placed in shelters specializing in these services, potentially taking space that is needed by other clients. Moreover, DHS did not always sufficiently document the reason for a placement decision.

Clients are most commonly placed in a general shelter, which is not dedicated to any specific population and has no specialized staffing. There are also 88 specialized shelters, including mental health, substance and alcohol abuse, employment, and senior populations, that have specialized staff who are trained to maximize clients' well-being as well as engage with residents and encourage them to participate in services and programs. These specialized shelters make up 51% of all the shelters.

Although not documented, DHS officials advised us that they have a process to place each of their clients into shelter systems deemed most suitable for their needs. They also stated they rely on the individual shelter contracts with providers as well as other internal and external documents, such as the Shelter Assessment Manual, to guide their shelter placement process. These, along with supervisory- and managerial-level staff, all with many years of experience and practice wisdom, direct the placement process. However, DHS should not rely on staff who may not always be there or available. We acknowledge that the contracts may include general frameworks of operation; however, DHS' actual processes are more involved and tailored and thus warrant customized SOPs.

We reviewed DHS' Client Demographic Report, which provides background information on all clients active in their database at any given time. On October 25, 2021, there were 17,244 homeless individuals assigned to single adult shelters. We identified the following data in the report to be relevant in determining the information DHS was aware of for each client: current shelter/program assignment; length of stay at current facility; assessment screening scores (e.g., mental health, substance abuse, alcohol abuse); and medical diagnosis.

Based on DHS records, we found there is limited assurance that homeless clients were placed in and/or transferred to a shelter that could best provide the necessary services, as follows:

- 795 of 3,022 clients (26%) who were diagnosed with a serious mental illness (e.g., schizophrenia) were not placed in a mental illness shelter.
- 523 of 1,061 clients (49%) who were diagnosed with substance or alcohol abuse issues were not placed in a substance abuse shelter or a mental health shelter.
- 2,407 of 3,202 clients (75%) placed in an employment shelter were not employed.
- 667 of 1,546 seniors (43%) were placed in general shelters.

See Figure 2 for shelter placement statistics from October 25, 2021.

Figure 2 – Shelter Placement Statistics for October 25, 2021

Shelters for Clients With a Mental Illness

According to DHS officials, mental illness homeless shelters are intended for "persons who have no place to live and have a mental health diagnosis requiring care and support services." Single adult mental health shelters employ specialized staff on site, including psychiatrists, social workers, and peer specialists. The staff are specifically trained to engage clients and treat mental health and behavioral issues. DHS mental health shelters provide on-site behavioral health and medical services, as well as linkages to off-site care in the community. Behavioral health services include psychiatric assessment, ongoing medication management,

individual and group therapy related to mental illness and substance abuse, and psychoeducation related to trauma.

Of the population of 17,244, we identified 3,022 clients who were diagnosed with one of three serious mental illnesses (schizophrenia, schizoaffective disorder, bipolar/manic depression) that should have qualified them for placement in a mental health shelter. We found that 795 of the 3,022 (26%) clients with a mental illness were placed in 104 non-mental health shelters (i.e., general shelter, employment shelter, or commercial hotel). We determined there are insufficient records documenting the rationale for placing clients with mental illness in non-mental health shelters.

We reviewed a sample of 10 high-profile incidents that had been reported in the news involving homeless individuals that ended in harm either to the individual or a member of the public. We found that three clients diagnosed with a serious mental illness experienced psychotic episodes while in a general shelter. Two of three clients were involved in a suspected homicide and the other client committed suicide.

- One client went through the intake and assessment process in March 2017 and was diagnosed with schizophrenia and bipolar disorder. Despite being recommended for a mental health shelter by his caseworker, the client was placed in a general shelter. From July 2018 through November 2021, the client was moved to three different non-mental health shelters/commercial hotels following violent incidents. Further, the client's ILPs consistently stated that he was not taking his prescribed medication or keeping medical appointments. Following multiple psychotic and violent incidents, the client left the shelter with an exit reason registered as "unknown" and was charged with murdering a person in a robbery about 6 weeks later.
- Another client went through the intake and assessment process in August 2021 and was diagnosed with schizophrenia but placed in a general shelter. Despite documented incidents of the client having psychotic episodes and not taking his prescribed medication, there was no change in his shelter placement. A few months after his placement in a general shelter, the client was found dead from probable suicide.
- Another client went through the intake and assessment process in February 2000 and was diagnosed with schizophrenia and, although initially placed in a mental health shelter, was transferred multiple times to various shelters (seven general, three mental health, two substance abuse) despite numerous violent incidents. He ended up in a general shelter in August 2020 and several months after that transfer was arrested and charged with murder.

DHS officials advised us that mental illness, as well as substance abuse, are extremely complex, and neither mental health nor substance abuse shelters are hospitals or rehabilitation centers. DHS relies on community-based clinical providers, hospitals, and psychiatric institutions to attend to the complex needs of clients in shelter. DHS officials also claimed that any client can receive recommended services at any site; however, we strongly believe that clients with a serious mental illness

should be given consideration for placement at sites that offer the highest level of supervision, services, and specialized staff, including psychiatrists, social workers, and peer specialists. Services, such as therapy and medication, are not mandatory for clients, so the involvement of psychiatrists and social workers at mental health shelters can be beneficial to work with and encourage these 795 clients. DHS officials do not believe that there is a causal factor between shelter placement and client outcome. However, if the goal is to provide clients with the highest level of service to improve outcomes, in these cases that did not occur.

Additionally, DHS officials told us that there were not enough beds to place all mentally ill clients in mental health shelters. However, we noted that DHS does not have a system in place that prioritizes the assignment of serious mentally ill clients into mental health shelters. Moreover, we found that there were 537 vacant beds at mental health shelters as of October 25, 2021; therefore, it is likely that clients with a mental illness placed in other shelters could have been placed or moved to the mental health shelters. DHS claims that vacant beds were attributed to density reduction measures taken during the pandemic. While it is appropriate to implement measures to facilitate physical distancing during unforeseen circumstances, DHS has not analyzed the potential effects of the mental health population not residing in the most appropriate shelter, which we believe to be significant. We recommend DHS ensure that clients are in a shelter that can best provide the necessary services even as they implement pandemic density reduction measures. We further noted the following:

- 896 clients had a mental health score greater than six in CARES; however, they were not initially placed in a mental health shelter.
- 69 documented psychotic response incidents involved clients with a serious mental illness who were not living in mental health shelters. Mental health shelters have clinical staff who are specifically trained to engage and treat mental health issues. Shelter staff also maintain a list of community and hospital resources and can advocate for services.
- DHS cannot measure whether clients are getting adequate treatment at non-mental health shelters because they do not track ILP compliance or service success rates.

Shelters for Clients With a Substance and/or Alcohol Abuse Issue

DHS' substance abuse shelters have clinical staff (credentialed alcoholism and substance abuse counselors) to engage and treat clients. Of the total population of 17,244, we identified 1,061 homeless individuals who were diagnosed as having a substance and/or alcohol abuse issue.

We found that 956 (90%) of these 1,061 clients were not placed in a shelter that was designated as a substance abuse shelter. We determined there are insufficient records documenting the rationale for placing these clients diagnosed as having a substance abuse and/or alcohol abuse issue in non-substance abuse shelters.

- 523 were placed in an employment shelter or general shelter/commercial hotel, where there was no full-time substance abuse staff. In fact, 54 of the 523 clients (10%) had drug- and alcohol-related incidents in 2021. We reviewed files of the individuals involved in the 10 high-profile incidents cited previously and a judgmental sample of five clients with a known substance and/or alcohol abuse issue who had significant incidents while placed in a general shelter/commercial hotel, and found the following:
  - One client, who had a long criminal history, received high scores on both the mental health and substance abuse screenings and disclosed a history of heroin use. Despite the client's case notes recommending placement in a mental health or substance abuse shelter, the client was placed in a general shelter/commercial hotel. Months after placement, the client was involved in two major incidents – a drug overdose in January 2022, in which he needed be revived and, shortly after, an arrest for attempted murder of a woman.
  - One client was assessed with having alcohol dependence and had 60 separate drug- and alcohol-related incidents while in general shelters in 2021, including one in which, while intoxicated, he threatened a roommate with a box cutter. Despite the incident, the client remained in a general shelter.
  - Another client was diagnosed as having a substance abuse issue as well as serious mental health disorders. Although he was initially placed in a substance abuse shelter, he was subsequently moved to a general shelter. The client passed away from a suspected drug overdose about 8 months after the transfer.
  - Three clients who were diagnosed with substance abuse dependence each had at least seven separate drugs/alcohol-related incidents while residing in a general shelter.

We also found that of 600 homeless individuals who were placed in substance abuse shelters, 495 (83%) were not diagnosed with substance or alcohol abuse issues. In fact, 173 (29%) scored "0" on all drug- and alcohol-related screening questions. DHS should re-evaluate the placement of clients who may no longer need the supervision/ resources of a substance abuse shelter and instead place clients who would benefit from such placement.

Employment Shelters

According to DHS officials, clients placed in employment shelters should be employed or employable and in the process of establishing employment, with a priority placed on clients who are already employed. Employment shelters have specialized staff (employment counselors) to assist clients with needs such as résumé writing and maintaining a list of potential employers. Of the total population of 17,244 shelter residents, there were 3,202 (19%) homeless individuals who were in an employment shelter as of October 25, 2021.

We determined that 75% of the clients (2,407) assigned to employment shelters were not employed. Further, 900 of those have been assigned to employment shelters for longer than 9 months. The following clients were registered in employment shelters for longer than a year despite assessments and case notes suggesting they may have benefited from other program shelters.

- One client was unemployed and had been registered at an employment shelter since April 2020. His caseworker documented during his initial assessment that the client "appears disconnected from his environment, does not answer questions, nor does he retain information." Nevertheless, the client scored 0 on his mental health screening evaluation and was placed in an employment shelter. He was later diagnosed with schizophrenia and had a psychotic incident within the shelter. Despite all this information, DHS has not transferred the client to a shelter that could best provide the necessary services.
- Another client was unemployed and unable to walk due to a serious medical condition. He has resided in an employment shelter since July 2020. The client has not attended an ILP meeting in over 8 months, nor has DHS updated any progress in the client's employment/housing goals.

Further, we found 14 unemployed clients who have been registered in employment shelters for more than 5 years. Caseworkers generally document their continued attempts at influencing clients to pursue employment; however, in some cases, the clients were either not committed to or unable to work. We found no documentation to suggest DHS considered moving these clients to different program or general shelters. As with all specialized shelters, if a client is not suitably placed or should no longer be in their specialized shelter, they are potentially taking a bed from someone who could benefit from being in that particular shelter.

Senior Shelters

Senior homeless shelters are for clients who are 65 years and older. In addition, some DHS senior shelters cater to clients who are 55 years and older. Seniors are more likely to have an age-related disability, illness, infirmity, and mobility issues. The senior sites are all in commercial hotels, so there is less density (1–2 per room), private bathrooms, and elevators. For the purposes of this audit, we included only clients who were 65 years and older. Of the total population of 17,244, there were 1,546 homeless individuals who were at least age 65 years – an age where unstable living environments may have more of a detrimental effect on health and well-being. We found the following:

- Senior shelters do not have specialized staff to assist with specific needs, including those related to an age-related disability, illness, infirmity, and mobility issues.
- 667 of the 1,546 senior clients (43%) were placed in general shelters, including 35 who were diagnosed with a serious mental illness. We determined there are insufficient records documenting the rationale for placing these senior clients in non-senior shelters.

We reviewed a sample of 10 of the oldest senior clients who were placed in non-senior shelters and found two who may have benefited from a senior shelter.

- One client – aged 89 – was placed in a general shelter with 112 of the 127 clients (88%) under 65 years of age. The 89-year-old client was later assaulted by a 40-year-old resident with a criminal history. The incident resulted in the elderly man being sent to the hospital. There was no evidence that he was subsequently referred to a senior shelter.
- Another client – aged 86 – had been in and out of various shelters since 1988; however, he was never assigned to a senior shelter. During our audit scope, the client had resided in an employment shelter for over a year.

DHS officials advised us that they would like to put more seniors at senior sites, but there are only 368 beds available at the 65 years and older senior shelters. However, when we reviewed DHS' Client Demographic Report, we found that 103 of the 368 beds (28%) were assigned to clients younger than 65. For example, we found clients as young as 24 residing at a senior site. DHS officials stated that these locations must occasionally be used to meet approved reasonable accommodation requests of clients who are not seniors. Further, DHS officials said that vacancy rates at any particular shelter might be a reflection of density reduction measures established during the pandemic.

Shelter Placement Summary

Based on the records provided, we found there is limited assurance that clients were being placed in and/or transferred to a shelter that could best provide the services necessary to help the individual move forward to permanent housing, independent living, or further treatment in a more appropriate setting if necessary. Of the 10 individuals in our sample who had been involved in high-profile incidents, five (50%) may not have been placed in a shelter that could best provide the necessary services.

DHS officials told us that their top priority is getting clients into permanent stable housing, not in the shelter system. They advised us that every shelter in DHS' single adult system is required to meet the needs of those clients placed there, regardless of mental health or substance abuse issues, age, employment status, criminal history, or any other myriad factors. In addition, certain shelters have specific amenities necessary to accommodate clients' individual reasonable accommodation and/or medical needs (e.g., mobility devices, air conditioning, accessible bathrooms) and residency restrictions related to sex offender status or areas of preclusion for survivors of domestic violence. Further, officials said, by design, there is no wrong placement insofar as approved reasonable accommodations are fulfilled and any residency restrictions enforced. However, we believe that program shelters, by design, should maximize the likelihood that a client in need follows through with services in order to help reduce the risk of unforeseen events from happening. DHS officials also advised us they have "models of practice" currently in development that reflect a cohesive understanding of the overall client process, related best practices,

and key indicators to mark success and areas for improvement.

We strongly believe that DHS should place clients in a shelter that can best provide the services necessary to help them move forward to permanent housing, independent living, or further treatment in a more appropriate setting if necessary. There is a need for standardized policies and procedures to provide guidance on which clients are better suited to reside at program shelters designed to provide the highest level of care for individuals with specific diagnoses or service needs. While DHS' focus on the movement of clients from shelters to permanent housing is critical, so too is ensuring the best possible outcomes for residents while they are temporarily housed in a shelter.

Sex Offender Registry

New York State's Sex Offender Registry (Registry) was created by the Sex Offender Registration Act and is maintained by the Division of Criminal Justice Services (DCJS). It is intended to provide the public with information on the status and location of sex offenders residing in New York State. Sex offender registration is required upon a conviction of a specified offense or any felony attempt or conspiracy to commit a specified offense as a sexually motivated felony. We asked DHS officials for a listing of registered sex offenders in the shelter system; however, they advised us they did not maintain one. Consequently, we matched the Registry with DHS' Client Demographic Report by name and date of birth. We found three convicted sex offenders for whom their Registry addresses were incorrect. DHS correctly points out that maintaining correct addresses is not its responsibility and that clients are responsible for updating their addresses on the Registry. However, given that sex offenders are required to notify DCJS in writing of a new address no later than 10 days after moving and failure to do so may constitute a crime, DHS should assist those sex offenders who are living within facilities subject to their oversight to comply with the law and correctly report their addresses.

Oversight of Clients and Case Management

According to the New York City Administrative Code (§ 21-314), the Commissioner of DHS shall provide case management services to all persons assigned to stay at DHS' facilities, or the facilities of organizations contracting with DHS, who either are waiting for DHS to determine their eligibility for shelter or are receiving such shelter services.

After clients are assigned to a specific shelter, the shelter is responsible for providing shelter and offering relevant services to clients. Through DHS' policy of Client Responsibility, individuals in shelters must actively participate in this process and take strides toward independent living. With the assistance of their caseworkers, individuals will develop an ILP – a document that outlines relevant goals to exit shelter and return to self-sufficiency. Additionally, DHS officials advised us that it is their practice to provide each client with an updated psychosocial assessment every 6 months.

DHS monitors each shelter's performance in meeting its contractual program and other service requirements. However, its review does not include the tracking of residents' compliance with ILP recommended services. Additionally, DHS does not utilize its option to remove clients who pose a threat to themselves and/or others and thus are deemed not appropriate for shelter housing.

Client Services

Under Title 18 of the New York Codes, Rules and Regulations (NYCRR), clients are required to cooperate with shelter staff in "developing, carrying out and completing a service or independent living plan ... and reviewing such plan with facility staff at least once every two weeks." Additionally, DHS' policy of Client Responsibility dictates that individuals in shelters must actively participate in the process of moving toward independent living, such as developing an ILP and applying for benefits.

According to DHS officials, homeless clients are required to have psychosocial assessments within 30 days of entering a shelter and every 6 months afterward. Psychosocial assessments are important tools to determine whether additional or different needs are beneficial to the client. To meet these requirements, DHS utilizes CARES to perform its case management.

We determined that DHS does not keep track of the total population of homeless individuals who are not complying with their ILP's recommended services, medication referrals, and psychosocial assessments. If clients do not comply, they can be subject to temporary discontinuance of shelter services. We selected a sample of 50 clients and reviewed their files to determine whether these requirements were met. Of the 50 clients, 24 had not met one or more requirements for a total fo 49 instances of non-compliance, as discussed next.

Clients Who Refused Services

We found nine clients refused services or treatment as referred to them in their ILP.

- 6 clients either refused or were warned for missing scheduled case conferences (e.g., ILP meetings) and other appointments or evaluations.
  - For example, one of the clients previously referenced went through the intake and assessment process in August 2021 and was diagnosed with schizophrenia but placed in a general shelter. Despite documented incidents of this client having psychiatric episodes and refusing to take his prescribed medication, there was no change in his shelter placement. A few months after his placement in a general shelter, the client was found dead from probable suicide.
- 3 clients were unemployed and not making progress toward employment or more permanent housing. Case notes documented either refusal to meet with caseworkers or not providing documents to staff required to maintain compliance.
  - For example, another client previously referenced was unemployed and

had resided in an employment shelter since July 2020. This client had not attended an ILP meeting in over 8 months, nor has DHS updated any progress in the client's employment/housing goals.

Individualized Living Plans

- 15 clients had at least five "no shows" for ILP meetings, indicating that services were not being provided. Consequently, their ILPs could not be updated.
- 4 clients had ILPs that were not completed every 2 weeks.
- 2 clients had self-reported mental health illnesses after they were already in the shelter system, but their client demographic information was not updated in CARES.

DHS officials advised us that they cannot force ILP compliance, medication, or services. Shelter staff can only keep offering services and holding ILP meetings. However, there is no documentation that DHS took additional actions such as transfer to a more suitable shelter. One of the effects of a client being placed in the most suitable shelter is that additional staff and resources available may increase the likelihood of the client responding to ILP recommendations.

Shelter Psychosocial Assessments Not Completed Timely

- 7 clients had psychosocial assessments that were not completed every 6 months, as required.
- 12 clients had their initial psychosocial assessments more than 30 days after their entry into the shelter system.

DHS officials advised us the psychosocial assessments timeline is only a "best practice." However, the psychosocial assessments are important because they document key background information on each client, including their current employment status and psychiatric, medical, and substance abuse history, which should be updated as frequently as possible. Moreover, DHS holds shelter providers accountable to this standard during their contract monitoring process.

Enforcement of Client Compliance

It is problematic when clients do not attend scheduled services because it may negatively impact their transition to more permanent housing. During our meetings with service provider officials, we learned that Single Point of Access (SPOA) is a means by which service providers can offer an additional level of support to clients with significant mental health needs. This guidance is further documented in DHS' Office of Policy, Procedures and Training's Notice DHS-PB-2020-003. We found that DHS service providers are allowed to fill out an SPOA application to bring in better-equipped personnel to provide in-depth services, such as:

- Assertive Community Treatment (ACT) – a practice that offers treatment and support services to individuals who have been diagnosed with a serious mental illness.

- Intensive Mobile Treatment (IMT) – teams specializing in areas such as mental health and substance abuse who provide treatment and support to individuals in their communities.

DHS officials claimed that they have utilized the SPOA process, and the ACT slots are at full capacity; however, they did not provide documentation to support any instances when the resources were used. Additionally, they did not provide us with any evidence that would support the shelters and clients who benefited from these resources. Finally, they did not comment on IMT utilization.

Removal of Homeless Clients from Shelters

According to 18 NYCRR § 491.9(c), a social services district shall not, without the approval of the Office of Temporary and Disability Assistance, place any person in a shelter for adults, a small-capacity shelter, or a shelter for adult families who has a mental or physical condition that makes such placement inappropriate or otherwise may cause danger to himself/herself or others and is likely to substantially interfere with the health, safety, welfare, care, or comfort of other residents. According to DHS officials, DHS is allowed to remove individuals on the grounds of:

- Failure to seek and accept permanent housing
- Gross misconduct
- Multiple violations of the ILP Agreement

Although DHS has this resource, officials informed us that they have not utilized this option during our audit period. Officials explained that it is DHS' practice to continue working with those individuals since the effects of discharge may not be beneficial to them. Additionally, it is a complex legal process, and the end result may not be in the best interest of their clients. Rather, in some of these cases, DHS responded by transferring clients to a different shelter. However, in some cases, transfers may not always be appropriate.

- One client has been in and out of the shelter system since 1996. Since 2019, he has been transferred to nine different shelter locations (e.g., general/commercial hotel, employment, substance abuse, and mental health). He has been involved in numerous incidents, including one in which he started a fire in the room and was quoted by staff to have said "I started the fire, I want to get out of this room, I do not want to be here anymore." While the client was transferred to different locations following requests/incidents, he is still not complying with staff requests or ILP services and is perpetrating numerous gross misconduct incidents.

According to the Coalition for the Homeless' April 2021 "View from the Street" report, "one of the most common reasons explicitly cited by the individuals we spoke with for rejecting the shelter system and their decisions to sleep in public spaces was safety. Shelters are considered by many homeless individuals as providing an unacceptably low level of personal security." Therefore, it is critical that clients who are in shelters cooperate by accepting and participating in services intended to address issues,

such as mental health, and factors contributing to homelessness and following rules of conduct meant to protect themselves and others.

DHS officials acknowledged that sanction for a shelter is an option in very limited cases and procedures are in place to appropriately implement sanctions if and when necessary. DHS has chosen to not employ this option thus far during the pandemic. According to DHS, as the safety net of all safety nets, it puts forth its best effort daily to help clients succeed. Where other safety nets might be permitted or even required to discontinue services at a certain point, DHS values its ongoing commitment to its clients, recognizing that discontinuance of DHS services, with no back-up services at the ready to fill in the gap, would certainly result in street homelessness for the impacted individuals and could well result in harm or death to the individual. Officials further stated that DHS makes the appropriate assessment of whether a person has a mental or physical impairment when a person fails to comply with the requirements for receiving shelter, and when this failure will result in a discontinuance of assistance.

While we agree that DHS is the safety net of safety nets, DHS needs to determine what, if any, action they will take if clients are likely to cause danger to themselves or others and are likely to substantially interfere with the health, safety, welfare, care, or comfort of other residents.

Recommendations

1. Create, maintain, and implement DHS-specific SOPs for client assessment and shelter placement to ensure homeless individuals are diagnosed, placed in, and/or transferred to the most suitable program shelter.
2. Evaluate the feasibility of obtaining information on clients from other City agencies, consistent with applicable laws and regulations, to assist in the assessment and shelter placement processes.
3. Analyze the individual client data available to DHS such as diagnoses, shelter incidents, ILP non-compliance, and other related factors to help identify clients who potentially may cause harm to themselves or others.
4. Review clients with serious mental health issues and/or substance abuse issues and consider transferring them into the appropriate specialized shelter, as warranted.
5. Review clients who are not actively pursuing employment opportunities and consider transferring them from employment shelters and into a more appropriate shelter, as warranted.
6. Review the client listing at senior sites and give preference to those who meet the criteria.
7. Develop and implement procedures to assist registered sex offenders in updating their address in the Registry during the shelter placement process.

8. Track and monitor ILP compliance and utilize all resources available to influence clients to accept services.

9. Consider what actions to take for those clients who may cause danger to themselves or others and are likely to substantially interfere with the health, safety, welfare, care, or comfort of other residents.

Audit Scope, Objective, and Methodology

The audit objective was to determine whether DHS is effectively placing clients into shelters or facilities that have the necessary services and supervision. The audit covered the period from January 2018 through January 2022.

To accomplish our objective and assess the relevant internal controls related to DHS' homeless shelter placement process, we interviewed key personnel from DHS and not-for-profit partners. To determine whether clients were placed in a shelter that could best provide the necessary services, we reviewed individual client information from DHS' Client Demographic Reports. We selected a judgmental sample of 50 clients to assess DHS' oversight of clients and case management (ILP and psychosocial assessment compliance). We also reviewed a judgmental sample of 30 clients based on their diagnoses, age, and incident history to assess whether a different shelter type would have been the best to provide the services necessary. Additionally, we reviewed 10 high-profile clients who made local news for public incidents, such as murder or other serious crimes, to determine whether DHS' records support that they were residing in a shelter most appropriate based on an evident factor such as mental health or substance abuse diagnoses. We selected our samples based on various factors identified in our review of demographic reports, including mental health/substance abuse diagnoses, age, length of stay, and incident history. A judgmental sample cannot be projected to the population. We determined that the data used to pull our samples and perform our analyses was sufficiently reliable for use in accomplishing our audit objective.

Statutory Requirements

Authority

The audit was performed pursuant to the State Comptroller's authority as set forth in 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 objective. We believe that the evidence obtained during our audit provides a reasonable basis for our findings and conclusions based on our audit objective.

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, DHS has not provided a representation letter in connection with this audit. Further, 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.

Reporting Requirements

A draft copy of this report was provided to DSS officials for their review and formal comment. Their comments were considered in preparing this final report and are included in their entirety at the end of it. DSS officials generally disagreed with most of our conclusions. Our responses to certain DSS comments are embedded within DSS' response as State Comptroller's Comments.

Within 180 days after the final release of this report, 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.

W-2-627
Rev. 03/22

Department of Social Services
Human Resources Administration
Department of Homeless Services

DSS Accountability Office

Office of Audit and Quality Assurance

Gary P. Jenkins
Commissioner

Jill Berry
DSS First Deputy Commissioner

Bedros Leon Boodanian
Chief Accountability Officer

Christine Maloney
Deputy Commissioner

150 Greenwich Street
41st Floor
New York, NY 10007

maloneyc@dss.nyc.gov

October 24, 2022

Mr. Stephen C. Lynch
NYS Office of the State Comptroller
59 Maiden Lane, 21st Floor
New York, NY 10038

Re: Agency Response to the Draft Audit Report of on New York City Department of Social Services Oversight of Shelter Placements 2021-N-5.

Dear Mr. Lynch,

Thank you for sharing the draft report for the State Comptroller Audit of DSS Oversight of Contract of Shelter Placements (2021-N-5).

Please find enclosed our response to address in detail the issues noted in your report. Despite several meetings held with the OSC audit team to explain the process, OSC implies that the assessment and placement process is a simple one, when, in fact, it is highly complex and must include an assessment of the entire individual, including support systems that may be already in place. It cannot be reduced to data points.

State Comptroller's Comment – Our report does not state or imply that the assessment and placement is a simple process. On page 11 of our report, we state that the assessment and placement process is complex and requires considering a multitude of variables.

Moreover, the auditors' sample was highly non-random and focused on a very small number of high-profile cases which are outliers in the shelter placement process. Specifically, the report focuses on shelter residents who have committed crimes or suicide even after leaving the shelter system. The report assumes that the DHS assessment and placement process was the causal factor of the incidents that occurred with these clients, even though that causal link cannot be established. Such assumptions are dangerous and can give a negative public image to both our clients and to the hard work done daily by DHS staff.

1

State Comptroller's Comment – Our audit did not focus on a very small number of high-profile cases. We analyzed the entire single adult homeless population data contained in DHS' Client Demographic Reports. As stated in the Audit Scope, Objective, and Methodology section of our report, to further assess our primary findings, we selected judgmental samples. We selected our judgmental samples based on various factors identified in our review of demographic reports, including mental health/substance abuse diagnoses, age, length of stay, and incident history.

Additionally, our report was revised to better clarify that we have not established a causal relationship between shelter placement and client outcome.

The agency remains committed to its mission of serving New York City's most vulnerable families and individuals in the most efficient and effective manner, while adhering to all applicable rules, regulations, and laws by which we are bound. We ask the Comptroller's office to be mindful that DHS is the safety net clients turn to when other safety nets have failed.

State Comptroller's Comment – We agree that DHS serves as the safety net of all safety nets. However, in providing safety net services, it is important to be cognizant of the safety of clients as well as others.

Nevertheless, we are confident that our progress and our response to this audit demonstrates the agency's commitment to continually improving our operations. Should you have any questions regarding the enclosed, please contact Victoria Arzu, Assistant Director, DSS Bureau of Audit Coordination at 929-221-7067.

Thank you for your consideration.

Yours sincerely,

Christine Maloney

Christine Maloney
Deputy Commissioner, Office of Audit & Quality Assurance Services

Enclosures

NYC DEPARTMENT OF SOCIAL SERVICES
OFFICE OF AUDIT SERVICES
CORRECTIVE ACTION PLAN

Audit Name: Draft Report on New York City Department Social Services Oversight of Shelter Placements
Audit Number: 2021-N-5 **Date: 10/24/2022**

Auditor's Recommendation	Agency Response	Responsible Unit	Agency Corrective Action	Target Date
Recommendation 1: Create, maintain, and implement DHS-specific SOPs for client assessment and shelter placement to ensure homeless individuals are diagnosed, placed in, and/or transferred to the most suitable program shelter.	**Partially Agree** DHS has already shared the following procedures regarding the client and shelter placement process: • Intake Memos (Processes) • Adult Transfer Shelter Policy • DHS-PB-2022-001 Incident Reporting for DHS -Funded Programs • DHS-PB-2020-020 (R1) Single Adult (SA) Shelter bed Management DHS is currently updating the Intake Procedure and will provide it to OSC once it is revised. This procedure will reflect our current processes where we assess individuals as complete human beings (including services that clients may already have in place). **State Comptroller's Comment** – We recognize that DHS shared certain procedures regarding the client and shelter placement process; however, it is essential that DHS develop standardized policies and procedures to provide guidance on which clients are best suited for program-specific shelters.	OPDI OPPT	Review and Update Policies & Procedures	**TBD**

NYC DEPARTMENT OF SOCIAL SERVICES
OFFICE OF AUDIT SERVICES
CORRECTIVE ACTION PLAN

Audit Name: Draft Report on New York City Department Social Services Oversight of Shelter Placements
Audit Number: 2021-N-5 **Date: 10/24/2022**

Auditor's Recommendation	Agency Response	Responsible Unit	Agency Corrective Action	Target Date
Recommendation 2: Evaluate the feasibility of obtaining information on clients from other City agencies, consistent with applicable laws and regulations, to assist in the assessment and shelter placement processes.	**Partially Agree** DSS is open to pursuing appropriately obtained health need information, with all appropriate client consents, that would improve and inform the agency's ability to best serve our clients. However, DSS is concerned that the information described in this recommendation is likely inaccessible at the time of agency intake, due to HIPAA protections, which we fully support and adhere to. **State Comptroller's Comment** – DSS' response is misleading. Our recommendation was derived from DHS officials informing us that such information was not currently available to DHS but would be beneficial in making placement and transfer decisions. Further, our report states that disclosure of the data must comply with all applicable laws and regulations. DHS may not legally condition shelter on provision of background information and must respect client privacy. Furthermore, the determination of appropriate shelter placement is a complex decision and cannot be wholly data driven.	DHS Adults OMD	Open to pursuing	**TBD**
Recommendation 3: Analyze the individual client data available to DHS such as diagnoses, shelter incidents, ILP non-compliance, and other related factors and create risk factors to help identify clients who potentially may cause harm to themselves or others.	**Disagree (with an explanation)** DSS and our provider partners consistently monitor client needs, strengths, and incident involvement, both to ensure client needs are met and community and shelter safety. DSS is of course open to adding additional metrics or improving data analytics processes and welcome the comptroller's input on these specifics. DSS will not create a complex predictive algorithm, both because of the likely empirical difficulty of creating such an algorithm, the civil rights implications for our already disadvantaged clients, and because	DHS Adults OPDI OMD OPMDA OLA		

NYC DEPARTMENT OF SOCIAL SERVICES
OFFICE OF AUDIT SERVICES
CORRECTIVE ACTION PLAN

Audit Name: Draft Report on New York City Department Social Services Oversight of Shelter Placements
Audit Number: 2021-N-5 **Date: 10/24/2022**

Auditor's Recommendation	Agency Response	Responsible Unit	Agency Corrective Action	Target Date
	there are factors such as relationship with shelter staff that affect clients' stability in a given shelter, and which cannot be reduced to data points. **State Comptroller's Comment** – Based on the lack of controls at DSS needed to mitigate risk related to predictive algorithms, we would agree that creation by DSS of such tools is not advised. We would further agree that understanding risk is not about simple data points but involves both quantitative and qualitative inputs. Unfortunately, there is not enough quantitative assessment currently being employed. We note here that the comptroller's decision to highlight sensationalized, cherry-picked cases rather undermines the seriousness of their professed quest for data-driven outcome prediction. **State Comptroller's Comment** – The primary work in this audit was an analysis of all the single adult homeless population data contained in DHS' Client Demographic Reports. However, as part of additional testing, we selected a sample of 10 homeless individuals who had been involved in high-profile incidents. Of those 10 individuals, we determined that five (50%) may not have been placed in a shelter that could best provide the necessary services. In addition, "harm to self or others" is a very specific legal standard, not applicable in the majority of cases.			

NYC DEPARTMENT OF SOCIAL SERVICES
OFFICE OF AUDIT SERVICES
CORRECTIVE ACTION PLAN

Audit Name: Draft Report on New York City Department Social Services Oversight of Shelter Placements
Audit Number: 2021-N-5 **Date: 10/24/2022**

Auditor's Recommendation	Agency Response	Responsible Unit	Agency Corrective Action	Target Date
Recommendation 4: Review clients with serious mental health issues and/or substance abuse issues and consider transferring them into the appropriate specialized shelter, as warranted.	**Disagree (with an explanation)** DHS assesses individuals as complete human beings (including reviewing services that clients may already have in place) consistent with current practice. This includes family and support systems in the neighborhood, outreach system, medical and psychiatric services, and other means of support for our clients. Many DHS clients with mental health issues have treatment in place and are stable. In addition, even clients with serious mental health issues may be under treatment and medication that controls those issues. Those with substance abuse issues may be going to regular meetings in their neighborhoods or attending outpatient services in particular neighborhoods. DHS completes assessments in accordance with 491.9 (b)(2) Referrals and assessments and 491.8 (a) Shelter staff and staff qualifications. Further, according to 20-ADM-09, medical screenings are required of families with children but "need not be undertaken by qualified medical personnel." Even more, though "individual adults do not require health screening" according to 20-ADM-09, DHS nonetheless completes these screenings as a best practice. According to 491.14 (d)(1), shelter operators are not required to provide health services onsite. Rather, "facilities are to have an established relationship with a fully accredited medical institution or clinic for the referral of residents for emergency treatment. Facilities must assist residents to access medical services for treatment for injury, illness, or disease, or to obtain preventative care." Treatment of mental illness is complex and not automatically successful, and, as an agency, we rely on community-based clinical providers, hospitals, and psychiatric institutions to attend to these complex needs of clients in shelter. In many circumstances,	DHS Adults OPDI OMD OLA		

NYC DEPARTMENT OF SOCIAL SERVICES
OFFICE OF AUDIT SERVICES
CORRECTIVE ACTION PLAN

Audit Name: Draft Report on New York City Department Social Services Oversight of Shelter Placements
Audit Number: 2021-N-5 **Date: 10/24/2022**

Auditor's Recommendation	Agency Response	Responsible Unit	Agency Corrective Action	Target Date
	connecting clients to medical care outside of shelter is preferable, since that is care those individuals can continue after exiting to permanent housing. Further, treatment against one's will requires a court order and is an option only in very specific circumstances and is not something that can be employed as a **regular preventive measure by DHS**. No mental health shelter can mandate treatment. DHS may not predicate access to shelter on medical treatment; doing so would be a violation of the right to shelter. Additionally, DHS staff are equipped to recognize and escalate incidents where a client's behavior is observed as dangerous to themselves and/or others. **State Comptroller's Comment** – We recognize the complexities involved and that shelter transfer may not always be feasible or appropriate. However, by better understanding clients with serious mental health and/or substance abuse issues, DHS would be better positioned to facilitate transfers into the appropriate specialized shelter when it is beneficial.			

NYC DEPARTMENT OF SOCIAL SERVICES
OFFICE OF AUDIT SERVICES
CORRECTIVE ACTION PLAN

Audit Name: Draft Report on New York City Department Social Services Oversight of Shelter Placements
Audit Number: 2021-N-5 **Date: 10/24/2022**

Auditor's Recommendation	Agency Response	Responsible Unit	Agency Corrective Action	Target Date
Recommendation 5: Review clients who are not actively pursuing employment opportunities and consider transferring them from employment shelters and into a more appropriate shelter, as warranted.	**Disagree (with an explanation)** DHS assesses individuals as complete human beings (including services that clients may already have in place) consistent with current practice. This includes family and support systems in the neighborhood, outreach system, medical and psychiatric services, and other means of support for our clients. Employment shelters are recommended for those who are employed **as well as those in the process of establishing employment**. Not all clients in employment shelters are expected to be employed, or even applying for jobs at the moment. Clients often enter shelters during moments of intense crises, which must be resolved before pursuing employment becomes realistic. This is even the case for clients who may become employed once these other crises are mitigated or resolved. **State Comptroller's Comment** – DHS officials told us that clients placed in employment shelters should be employed or employable and in the process of establishing employment – with a priority placed on clients who are already employed. Employment shelters have specialized staff (employment counselors) and services to assist clients with needs such as résumé writing and maintaining a list of potential employers. As with all specialized shelters, if a client is not suitably placed or should no longer be in that specialized shelter, they are potentially taking a bed from someone who could benefit from being in that particular shelter.	DHS Adults OPDI		

NYC DEPARTMENT OF SOCIAL SERVICES
OFFICE OF AUDIT SERVICES
CORRECTIVE ACTION PLAN

Audit Name: Draft Report on New York City Department Social Services Oversight of Shelter Placements
Audit Number: 2021-N-5 **Date: 10/24/2022**

Auditor's Recommendation	Agency Response	Responsible Unit	Agency Corrective Action	Target Date
Recommendation 6: Review the client listing at senior sites and give preference to those who meet the criteria.	**Disagree (with an explanation)** DHS assesses individuals as complete human beings (including services that clients may already have in place) consistent with current practice. This includes family and support systems in the neighborhood, outreach system, medical and psychiatric services, and other means of support for our clients. Assignment to senior shelters also, of course, considers client requests, such as proximity to health care providers, senior centers, and other related services. Many seniors may voice preference for a location-based placement, for instance, above and beyond specific program type. Likewise, as facilities used for seniors often have elevators, first floor placements, lower density sleeping arrangements, or other site-specific amenities, these locations must occasionally be used to meet approved reasonable accommodation requests of clients who are not seniors. **State Comptroller's Comment** – While we understand that there are various factors involved, DHS should give preference to seniors who are interested in, and can benefit from, senior shelters. When there is a need for non-seniors to be placed in these shelters, the justification should be documented.	DHS Adults OPDI		

NYC DEPARTMENT OF SOCIAL SERVICES
OFFICE OF AUDIT SERVICES
CORRECTIVE ACTION PLAN

Audit Name: Draft Report on New York City Department Social Services Oversight of Shelter Placements
Audit Number: 2021-N-5 **Date: 10/24/2022**

Auditor's Recommendation	Agency Response	Responsible Unit	Agency Corrective Action	Target Date
Recommendation 7: Develop and implement procedures to assist registered sex offenders in updating their address in the Registry during the shelter placement process.	**Disagree** DHS complies with all state laws pertaining to residency restrictions. However, it is not appropriate for the agency to impose restrictions that go beyond what has been mandated by law. DHS is not an enforcement agency. Our main purpose is to build the relationship with a client and to help facilitate progression toward rehousing and related services. However, DHS is willing to assist those clients who reach out to us and express the need for such assistance. In accordance with the NY Corrections Law § 168-f(1) of the Sex Offender Registration Act, the sex offender is required to report their residential address and any changes to their residential address to the NYS Division of Criminal Justice Services. **State Comptroller's Comment** – Our report does not state that DHS is an enforcement agency. We agree that DHS is not required to assist sex offender clients in updating their Registry addresses. However, DHS is in a unique position to be able to assist sex offenders living in its facilities with compliance with the law and correct reporting of their addresses.	DHS Adults OPDI		

NYC DEPARTMENT OF SOCIAL SERVICES
OFFICE OF AUDIT SERVICES
CORRECTIVE ACTION PLAN

Audit Name: Draft Report on New York City Department Social Services Oversight of Shelter Placements
Audit Number: 2021-N-5 **Date: 10/24/2022**

Auditor's Recommendation	Agency Response	Responsible Unit	Agency Corrective Action	Target Date
Recommendation 8: Track and monitor ILP compliance and utilize all resources available to influence clients to accept services.	**Disagree** As is mentioned in our last response, "for individual adults and adult families," according to 20-ADM-09, "districts or their designees must develop [Independent Living Plans] ILPs for eligible persons when the district determines that such a plan will assist the individual or adult family to obtain housing other than temporary housing." As a best practice, DHS and its network of shelter operators do utilize ILPs as an effective case management tool and utilize the functionality in CARES to track client compliance and progress. While 18 N.Y.C.R.R. 491.12(d)(2) does require clients to cooperate with shelter staff with "developing, carrying out and completing a service or independent living plan... and reviewing such plan with facility staff at least once every two weeks," there are clients who are not as engaged in the ILP process as others. 20-ADM-09 recognizes and acknowledges that the ILP might not be the most effective engagement strategy with all clients. Those clients in the DHS single adult system with outdated ILPs or a history of ILP non-compliance are engaged by social services through other strategies to help facilitate progression toward rehousing. Note that the right to shelter does not allow DHS to condition shelter access on program participation. **State Comptroller's Comment** – We stand by our findings. As noted on page 21 of our report, tracking and monitoring ILP compliance would allow DHS to take additional steps, such as transfer to a more suitable shelter. Although DHS claims that clients for whom ILPs are not effective are engaged through other services, it did not provide evidence to support this.	DHS Adults OPDI		

NYC DEPARTMENT OF SOCIAL SERVICES
OFFICE OF AUDIT SERVICES
CORRECTIVE ACTION PLAN

Audit Name: Draft Report on New York City Department Social Services Oversight of Shelter Placements
Audit Number: 2021-N-5 **Date: 10/24/2022**

Auditor's Recommendation	Agency Response	Responsible Unit	Agency Corrective Action	Target Date
Recommendation 9: Consider what actions to take for those clients who may cause a danger to themselves or others and are likely to substantially interfere with the health, safety, welfare, care, or comfort of other residents.	**Disagree** As is mentioned in our prior response, sanction from shelter is an option in very limited cases and procedures are in place to appropriately implement sanctions if and when necessary. Under 16-ADM-11, shelter "may not be denied or discontinued when the non-compliance is due to a physical or mental impairment. When such a physical or mental impairment appears to be present and interfering with the ability to comply with Temporary Housing Assistance (THA) requirements, the Social Service District (SSD) must refer the individual(s) for an evaluation by an appropriate professional." As an agency, we fully grasp the gravity of what is meant by the phrase "safety net of all safety nets," a phrase we use internally to describe the reality of our work, a reality that necessitates our ongoing commitment to our clients. Just because some of our clients may have a mental health issue, it does not necessarily automatically mean they should be treated as potential criminals or expected to commit murder, suicide, or any other crimes. As a city that has the right to shelter law, which recently welcomed thousands of migrants, we walk a fine line of ensuring that we abstain from profiling and demonizing our clients, who have already experienced enough trauma prior to getting to the shelter system. **State Comptroller's Comment** – Our report does not state or imply that clients who have mental health issues should be treated as potential criminals or expected to commit murder, suicide, or any other crimes. Rather, it states that the City should attempt to facilitate needed services based on understanding each client's unique circumstances.	DHS Adults OPDI OMD		

NYC DEPARTMENT OF SOCIAL SERVICES
OFFICE OF AUDIT SERVICES
CORRECTIVE ACTION PLAN

Audit Name: Draft Report on New York City Department Social Services Oversight of Shelter Placements
Audit Number: 2021-N-5 **Date: 10/24/2022**

Auditor's Recommendation	Agency Response	Responsible Unit	Agency Corrective Action	Target Date
	Lastly, note that because DHS is the safety net of all safety nets, clients sanctioned from the shelter system will likely end up experiencing unsheltered homelessness. Unsheltered homelessness is unhealthy for clients and very challenging for communities. Increasing street homelessness is counterproductive for multiple reasons. **State Comptroller's Comment** – We agree that DHS serves as the safety net of all safety nets. Notwithstanding, 18 NYCRR § 491.9(c) recognizes that the safety of shelter residents is also important. As stated on page 22 of our report, "a social services district shall not, without the approval of the Office of Temporary and Disability Assistance, place any person in a shelter for adults, a small-capacity shelter, or a shelter for adult families who has a mental or physical condition that makes such placement inappropriate or otherwise may cause danger to himself/herself or others and is likely to substantially interfere with the health, safety, welfare, care, or comfort of other residents." According to the Coalition for the Homeless report, referred to on page 22 of our report, "one of the most common reasons explicitly cited by the individuals we spoke with for rejecting the shelter system and their decisions to sleep in public places was safety. Shelters are considered by many homeless individuals as providing an unacceptably low level of personal security."			

Contributors to Report

Executive Team

Andrea C. Miller - *Executive Deputy Comptroller*

Tina Kim - *Deputy Comptroller*

Ken Shulman - *Assistant Comptroller*

Audit Team

Kenrick Sifontes - *Audit Director*

Stephen Lynch - *Audit Manager*

Keith Dickter, CPA, CISA - *Audit Supervisor*

David DiNatale, CPA - *Examiner-in-Charge*

Brenda-Lee Persad-Jeanmarie - *Senior Examiner*

Phoebe Leslie - *Staff Examiner*

Kelly Traynor - *Senior Editor*

Contact Information
(518) 474-3271
StateGovernmentAccountability@osc.ny.gov
Office of the New York State Comptroller
Division of State Government Accountability
110 State Street, 11th Floor
Albany, NY 12236

Like us on Facebook at facebook.com/nyscomptroller
Follow us on Twitter @nyscomptroller
For more audits or information, please visit: www.osc.state.ny.us/audits/index.htm