

For Immediate Release

March 9, 2016

Media Contact: Anovia Daniels

Anovia.Daniels@dc.gov

202-727-8991

Bowser Administration Implementing Reforms Recommended in Audit of Contract for Homeless Services

Washington D.C. – D.C. Auditor, Kathy Patterson, praised the Bowser Administration’s Department of Human Services for moving forward to improve oversight of homeless services including reforms recommended in a comprehensive audit released today of the District’s FY 2014 management contract with The Community Partnership for the Prevention of Homelessness (TCP).

The audit, [*The District’s Management Contract with The Community Partnership for the Prevention of Homelessness Was Not Properly Managed in Fiscal Year 2014 to Ensure Performance Consistent with Contract Terms*](#), recommended 35 program reforms, many of which administration officials say they agree with and have begun implementing. The audit focused on a management contract to oversee homeless services which will be put out for competitive bid this fall. In agency comments published with the audit, DHS Director Laura Zeilinger wrote, “we plan to incorporate a number of your suggestions to help us craft robust and detailed requirements” in the new solicitation for management of District homelessness programs.

The audit follows a letter report, [*“Examination of Non-Governmental Organizations \(NGOs\) Receiving Local District Funds to Provide Homeless Services in fiscal year \(FY\) 2014,”*](#) published on March 5, 2015 based on a request from Councilmember Mary Cheh (D-Ward 3.) “We chose to audit the management contract given its size and scope – 58 subcontracts and a total value of \$66.5 million – plus the high priority placed on the issue of homelessness by the Mayor and members of the D.C. Council, and to assist the Council in its oversight of both homeless services and procurement,” Patterson said.

The audit found that in FY 2014, DHS did not conduct adequate oversight of the TCP management contract and recommended a series of reforms including that DHS develop a more robust contract oversight strategy to hold TCP or any successor contractor accountable for its performance. It urges the Mayor and Council to work with the Chief Financial Officer and federal partners to improve the budgeting process that has, in recent years, provided DHS with piecemeal funding which has adversely affected subcontracting for services and oversight of those services. The report notes that as recently as September 27, 2015, the Council approved an additional option year for two TCP contracts, acknowledging that the full annual amount was not being provided and additional budget modifications would be necessary. With regard to the management contract, the Mayor proposed and the Council approved \$63 million to be awarded to TCP while noting that “the total estimated cost for FY 2016 Option Period Four (4) will be \$96,500,000.”

Patterson noted that in its comments DHS agreed to incorporate a number of audit recommendations and has also already addressed several of the report’s findings. This includes an issue of inadequate staff

assigned to managing the contract. DHS stated the agency has redeployed an existing staff member and hired contract administrators dedicated to homeless services oversight. Zeilinger's letter also noted that DHS' Office of Program Review, Monitoring and Investigation has improved its monitoring of site visit reports and recommendations.

In the 1990s, the District established a comprehensive system of services for individuals and families who are homeless or at imminent risk of becoming homeless, including crisis intervention, outreach and assessment services, shelters, transitional housing, permanent supportive housing, and supportive services. Services are carried out principally by the Family Services Administration, within the Department of Human Services (DHS), utilizing federal and local funds.

For the last 23 years, since 1993, TCP, a District-based non-profit 501(c)(3) organization, has managed the vast majority of the District's homeless services on contract with DHS and as a result of an agreement between the federal Department of Housing and Urban Development (HUD) and the District government. As described in The Urban Institute's assessment of the arrangement, the goal in the early 1990s was to transform the District's approach and response to homelessness – which had been referred to as a “non-system” that was “warehousing” people – to one focused on comprehensive services for those who are homeless or at risk of homelessness.

For more information on the Office of the District of Columbia Auditor, visit dcauditor.org or call 202- 727-3600.