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STATE OF NEW YORK
OFFICE OF THE STATE COMPTROLLER

June 27, 2017

Mr. Samuel D. Roberts
Commissioner
Office of Temporary and Disability Assistance
40 North Pearl Street
Albany, NY 12243

Re: Oversight of Homeless Shelters
Report 2016-F-31

Dear Commissioner Roberts:

Pursuant to the State Comptroller's authority as set forth in Article V, Section 1 of the State Constitution and Article II, Section 8 of the State Finance Law, we have followed up on the actions taken by officials of the Office of Temporary and Disability Assistance to implement the recommendations contained in our audit report, *Oversight of Homeless Shelters* (2015-S-23).

Background, Scope, and Objectives

The Office of Temporary and Disability Assistance (Office) administers important programs for the State's low-income residents, and provides leadership, guidance, and support to local Departments of Social Services (Local Districts) in the operation of these programs. Through its Division of Shelter Oversight and Compliance, the Office seeks to meet critical transitional housing needs of the State's homeless population – estimated at more than 86,000 and comprising families, couples, and single adults – while guiding them to self-sufficiency. The Office oversees the State's network of transitional homeless shelters – ranging from large former hotels, apartment houses, and armories to smaller multi-family houses, specifically designed housing units, and roadside motels – and is responsible for administering a system of supervision, inspection, and enforcement to ensure shelters' compliance with applicable rules and regulations, including New York Codes, Rules and Regulations (NYCRR) and Social Services Law. The Office's funding of shelter services is administered through the Local Districts – comprising the Department of Homeless Services (DHS), which serves the five boroughs of New York City, and 57 county offices throughout the rest of the State.

The Office is required to inspect certified shelters annually, while Local Districts are required to inspect hotels and motels (used for homeless housing) once every six months and uncertified shelters annually. The Office's inspection protocol includes health and safety components; general facility management; the condition of grounds, buildings, and other property; and the

qualifications of the operators and employees. Shelters must correct any inspection violations within 30 days or submit an acceptable Corrective Action Plan (CAP) if they are unable to resolve violations within that time frame.

Local Districts are expected to inspect uncertified shelters to ensure that they meet minimum standards in multiple areas, such as construction, life safety (e.g., fire prevention and suppression), daily operations, and compliance with all State and local laws and codes. In addition, the inspection components for hotels and motels (used for homeless housing) include a review of arrangements for hygiene, vermin control, security, furnishings, cleanliness and maintenance, and compliance with local laws and codes. As of June 22, 2016, Local Districts are required to report their inspection findings to the Office.

Currently, 159 State-certified shelters operate throughout New York State: 92 adult shelters and 67 family shelters. There are 138 shelters in New York City, of which 78 are adult shelters and 60 are family shelters. The remaining 21 shelters operate outside the New York City metropolitan area: 14 serving homeless adults and the other 7 serving homeless families. In addition, 748 uncertified shelters exist across the State.

Our initial audit report, issued on February 12, 2016, examined whether the Office's general oversight of Local Districts and shelter operators ensured that homeless shelters and emergency housing were in acceptable condition. It also examined the adequacy of the Office's monitoring of inspection results and associated follow-up. The audit report concluded that, while the Office performs some of the required oversight activities, it had not completed some of the required inspections and did not prevent some of the conditions we observed at the shelters and emergency housing. In addition, the report concluded that there was risk that Local Districts did not complete their required inspections and/or did not apply the proper criteria when performing inspections.

The objective of our follow-up was to assess the implementation, as of March 7, 2017, of the five recommendations included in our initial report.

Summary Conclusions and Status of Audit Recommendations

Since our initial audit, general conditions and habitability at shelters have improved. Of the original report's five recommendations, four have been implemented and one has been partially implemented. While the Office has taken several positive steps, we believe continued improvement of shelter conditions can be realized with more guidance and support provided to Local Districts in the areas of shelter inspection and the correction of deficiencies.

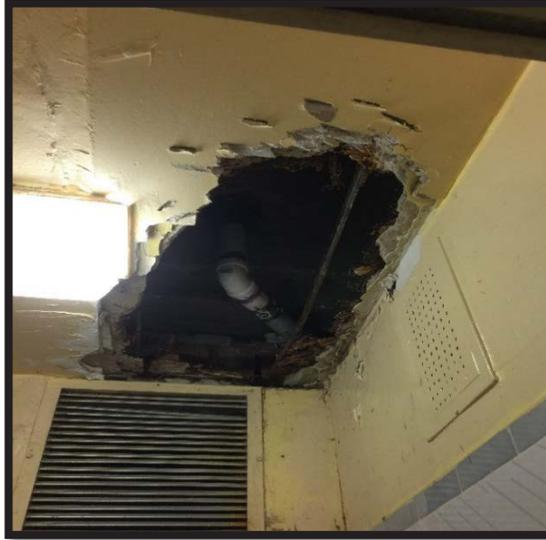
As part of our follow-up review, we visited 20 shelters throughout the State: 11 in New York City; and the remaining 9 located throughout the rest of the State. Of the 20 shelters, 18 had been visited during the original audit. The deficiencies we observed during this follow-up review were not as severe or numerous; however, unacceptable conditions still exist and, importantly, can develop quickly. The following pictures illustrate some of the issues we observed at the shelters we visited.



Exposed wall outlet, next to a crib at Community House Innovations.



Used mattresses in the courtyard play area at St. John's Place.



Water damaged ceiling from a prior leak at Kingsboro Shelter.

We acknowledge that the types of deficiencies we identified may develop, and sometimes be resolved, on a daily basis. Further, it would not be reasonable to expect Office monitoring efforts to detect and correct problems at any particular shelter each and every day. Moreover, subsequent to our follow-up review's site visits, Office officials provided us with documentation demonstrating that the deficiencies we identified were remediated.

Follow-Up Observations

Recommendation 1

Take necessary actions to complete all annual inspections and issue facility certifications within the time limits prescribed for each shelter type.

Status – Implemented

Agency Action – The Office provided documentation to substantiate its inspection of all shelters across the State in 2016, as well as documentation pertaining to the issuance of facility certifications for the 159 certified shelters throughout the State. Of the 159 shelters, 130 (82 percent) have a current certification. The Office is working with facility providers toward certification of the remaining 29 shelters.

Recommendation 2

Develop and implement a process to follow up on facilities with issues identified in prior inspections to ensure conditions are remedied and acceptable.

Status – Implemented

Agency Action – As noted previously, Office officials substantiated that all shelters throughout the State were inspected during 2016. After identifying the violations and necessary remediation, the Office issued inspection reports to the Local Districts for shelters with violations detailing the issues identified and the remediation required. Local Districts then developed and submitted CAPs detailing the remedial measures and the schedule of completion for the Office’s approval.

Office personnel also revisited certain shelters (a total of 603 times) during 2016 to follow up on significant issues identified previously, and they conducted desk audits of shelters with lesser violations to confirm that the proper remediation was done. Desk audits entail the review of photographs, work orders, and other evidence that demonstrate the deficiencies observed are being addressed. Due to the efforts of Office staff, 6,160 violations were being monitored through CAPs, 75 violations were being monitored through Capital Repair Plans, and 18,396 violations had been remediated.

Recommendation 3

Use a risk-based approach to more frequently inspect shelters with a history of problems to ensure conditions remain acceptable.

Status – Implemented

Agency Action – The Office revised its standards, which distinguish conditions on a rating system based on the severity of the conditions that exist. The condition of severity can be categorized as Satisfactory, Unsatisfactory (Level 1), Significant (Level 2), or Severe (Level 3). If a Level 3 violation is identified, the Office revisits the shelter to ensure that the issue is remedied. As noted previously, Office personnel made 603 of these visits during 2016.

Recommendation 4

Monitor Local Districts’ oversight activities and obtain sufficient documentation to ensure that the responsibilities delegated to them are adequately met.

Status – Partially Implemented

Agency Action – Office officials provided documentation of their efforts to remediate the issues identified at homeless shelters in New York City and across the State. Furthermore, officials provided a number of newly adopted regulatory amendments, including 18 NYCRR S 352.3(m), which requires Local Districts to conduct inspections of all units used as temporary placements (e.g., homeless shelter housing) at least once every 12 months and to submit the inspection results to the Office. At the time of our follow-up review, the deadline for Local Districts to submit their reports was June 2017. Consequently, the Office had received only a limited number of inspection reports from the Local Districts by the time we completed the review’s fieldwork. Thus, we could not evaluate whether the Office had obtained (or would obtain) all required inspection reports from the Local

Districts and whether Office personnel followed up with Local Districts on unresolved issues.

Recommendation 5

Work with facilities to develop strategies that will assist in the timely completion of needs assessments and Independent Living Plans for new residents.

Status – Implemented

Agency Action – In response to the original audit, Office officials indicated that they already monitored Local Districts’ preparation of needs assessments and the Independent Living Plans (ILP) for new residents, to ensure that assessments and ILPs were completed in a timely manner. In New York City, the ability to complete needs assessments and ILPs timely is hampered by two consent decrees (issued in 1981 and 1983) that established the legal right to shelter for the homeless. Officials indicated that this guarantee could be a disincentive for some residents to participate in the needs assessment and ILP processes.

During the follow-up review, Office officials stated that their primary concern is that a resident’s file contains all of the necessary documentation. The Office has communicated this concern to the DHS and is working to gain electronic access to each client’s file. In addition, officials indicated that they will continue to stress the importance of timely completion of needs assessments and ILPs during inspection visits and at conferences attended by Local District representatives.

Major contributors to this report were Bob Mainello, Ray Barnes, and Nicole Tommasone.

We would appreciate your response to this report within 30 days, indicating any actions planned to address the unresolved issue discussed in this report. We also thank the management and staff of the Office for the courtesies and cooperation extended to our auditors during this review.

Very truly yours,

Brian Reilly, CFE, CGFM
Audit Director

cc: Kevin Kehmna, Office of Temporary and Disability Assistance
Division of the Budget