



New York State Office of the State Comptroller
Thomas P. DiNapoli

Division of State Government Accountability

Oversight of Homeless Shelters

Office of Temporary and Disability Assistance



Report 2015-S-23

February 2016

Executive Summary

Purpose

To determine whether the Office of Temporary and Disability Assistance (Office) adequately oversees homeless shelters to ensure they are operating in compliance with applicable laws, rules, and regulations. Our audit scope covers the period April 1, 2013 to August 5, 2015.

Background

The Office administers many important programs that assist the State's low-income residents and provides leadership, guidance, and support to county Departments of Social Services (Local Districts) in the operation of these programs. Through its Bureau of Shelter Services, the Office seeks to meet critical transitional housing needs of the State's homeless population – estimated at more than 80,000 and comprised of families, couples, and single adults – while guiding them to self-sufficiency. Larger-scale facilities – including certain family shelters that accommodate 10 or more families and adult shelters that accommodate 20 or more individuals – require State certification. The Office certifies and directly oversees these larger-scale facilities, and is responsible for inspecting them and ensuring they meet certain standards, as established in New York Codes, Rules and Regulations. In contrast, the Office has delegated authority for oversight of smaller, uncertified shelters to the Local Districts. However, the Office remains responsible for monitoring Local Districts' oversight and inspection of uncertified shelters, and for ensuring they meet minimum standards established by State and local laws and codes.

Key Findings

- The Office does not sufficiently monitor State-certified shelters, nor Local Districts' oversight of uncertified shelters, to ensure that inspection violations are addressed properly and timely and that shelters are operating in compliance with applicable State and local requirements.
- At both State-certified and uncertified shelters, we observed a range of substandard living conditions, the most egregious of which pose obvious and dangerous risks to shelter residents' health and safety. These included fire and safety violations, rodent and vermin infestations, and mold conditions. We also found numerous examples of other unacceptable living conditions, including trash piles stored in a children's play area; holes in walls, ceilings, and floors; worn or mutilated mattresses; and a rooftop-access door off its hinges, which could allow anyone – including children – access to the roof.

Key Recommendations

- Take necessary actions to complete all annual inspections, and issue facility certifications, within the time limits prescribed for each shelter type.
- Monitor Local Districts' oversight activities and obtain sufficient documentation to ensure that the responsibilities delegated to them are adequately met.
- Develop and implement a process to follow up on facilities with issues identified in prior inspections to ensure conditions are remedied and acceptable.

Agency Response

As is our normal practice, we provided Office officials with a draft copy of this report for their review and comment. However, officials did not provide a written response, despite the additional time we granted them to respond.

Other Related Audit/Report of Interest

[NYC Human Resources Administration/Office of Temporary and Disability Assistance: Benefit Eligibility Assessment Process \(2012-S-51\)](#)

State of New York
Office of the State Comptroller

Division of State Government Accountability

February 12, 2016

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

Dear Commissioner Roberts:

The Office of the State Comptroller is committed to helping State agencies, public authorities, and local government agencies manage government resources efficiently and effectively. By doing so, it provides accountability for 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 of the Office of Temporary and Disability Assistance entitled *Oversight of Homeless Shelters*. 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 II, Section 8 of the State Finance 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,

Office of the State Comptroller
Division of State Government Accountability

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Background

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 Bureau of Shelter Services, the Office seeks to meet critical transitional housing needs of the State's homeless population – estimated at more than 80,000 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.

Larger-scale facilities require State certification or approval. These include adult shelters that accommodate 20 or more adults and adult-care facilities providing temporary residential services to fewer than 20 adults where such facility is operated by a social services district, as well as certain family shelters that accommodate 10 or more homeless families. Family and adult certified shelters each provide a range of services, which may include private rooms, access to three nutritional meals daily, supervision, assessment services, permanent housing preparation, recreational services, information and referral services, access to health services, child care services, and social rehabilitation services. In general, shelters that serve fewer than 10 families or 20 individuals do not require State certification or approval. The Office maintains oversight of certified shelters, and has delegated authority for uncertified shelters to the Local Districts. The Office is responsible for ensuring certified shelters meet certain standards, as established in NYCRR, and for monitoring Local Districts' oversight and inspection of uncertified shelters.

The Office is required to inspect certified or approved shelters at least annually. Inspection components include health and safety issues; general facility management and financial condition; condition of grounds, buildings, and other property; qualifications of the operators and employees; compliance with laws and regulations regarding residents' rights; as well as the provision of programs designed to promote self-sufficiency and enable residents to transition to permanent or supportive housing. Shelters must correct any inspection violations within 30 days or submit an acceptable plan for correction if unable to resolve violations within that time frame. If the violations are not remedied, the Office has the authority to withhold all or a portion of the reimbursement until the issues are rectified.

Local Districts are expected to inspect uncertified shelters to ensure that they meet minimum standards in the areas of, for example, construction, life safety (e.g., fire), and operation, and that they meet all State and local laws and codes. In addition, Local Districts that make hotel/motel referrals must inspect those facilities at least every six months. Inspections include a review of

arrangements for hygiene, vermin control, security, furnishings, cleanliness and maintenance, and compliance with local laws and codes. Local Districts are not required to report their inspection findings to the Office.

Currently, 157 State-certified shelters operate throughout New York State: 91 adult shelters and 66 family shelters. Only 17 of these shelters operate outside the New York City metropolitan area: 12 serving homeless adults and the other five serving homeless families. The Office does not track the number of uncertified shelters operating in the State at any given point in time, which can include hotel and motel rooms that are sometimes used by counties on an as-needed basis. This information is also not available from payment data, because Local Districts submit their shelter reimbursement claims to the Office as a total cost rather than itemizing costs for each shelter used. For calendar year 2014, Local Districts submitted approximately \$1.1 billion in gross claims to the Office for homeless housing: \$954.5 million for housing in New York City and \$140.4 million for housing in the rest of the State.

Audit Findings and Recommendations

We determined that, in certain instances, the Office needs to strengthen its monitoring of State-certified homeless shelters and of Local Districts' oversight of uncertified shelters. We also identified gaps in the Office's overall oversight efforts, which, together with our on-site observations, leave doubt as to whether certified and uncertified shelters are operating in compliance with applicable State and local requirements.

We conducted site visits to a total of 39 facilities located throughout the State (20 certified and 19 uncertified), including 26 in New York City. In each case, we gave officials and facility operators less than 24 hours' notice of our pending visit. We were accompanied by Office and/or Local District representatives, who assisted in identifying conditions – both to us and to facility management – that needed to be addressed or corrected. While we did not observe regulatory violations during our visits that would necessarily require that a shelter be closed, we did identify numerous issues that rendered living conditions unacceptable at most of the shelters – both certified and uncertified.

When we discussed our observations with Office officials, they indicated they had already instructed their representatives to provide written reports to the facilities specifying the corrective actions to be taken to remedy unacceptable conditions. They also stressed that it is important to consider that, simply by virtue of the residents' transient and temporary nature, homeless shelters often face an uphill battle in terms of the facility maintenance and upkeep necessary to achieve and stay in compliance with State standards and regulations. Furthermore, they indicated shelter conditions depend as much on residents' "investment" in their temporary living quarters as on the facility owners' commitment to timely and diligent maintenance. For example, they stressed that some residents maintain their shelter environment with care, while others do not and sometimes even abuse the property. Similarly, while many building owners may be conscientious about maintenance, others are less so and upkeep may be shoddy. They also noted that, in regions where there is a higher demand for rooms (e.g., New York City), rapid occupancy turnover – in some cases only four to six hours – may not allow sufficient time to provide the needed cleaning and repairs. Accordingly, officials recognize that facilities which pass an inspection can soon thereafter become out of compliance and potentially remain out of compliance until the next annual inspection.

While our observations from site visits do not conflict with these stated challenges, they also point to the need for certain improvements in Office processes and procedures to ensure that homeless shelters are operating in compliance with State and local regulations.

Facility Inspections and Certification

State-Certified Shelters

During calendar years 2013 and 2014, the Office was responsible for the direct inspection and certification of 157 adult and family shelters. Of those 157 shelters, five were not due for an

inspection during our audit period: four that had recently come into service and one that ceased operations. Shelters that do not receive timely inspections or certifications pose a greater risk that they may be operating with unhealthy or more severe living conditions.

Based on our review of inspection reports for the remaining 152 active shelters, we determined the Office did not perform all the required annual inspections timely. As a result, at various points in time over the two-year period, 31 shelters were operating without a current inspection: two in 2013 and 29 in 2014. In addition, for 15 of the shelters that had been inspected and were cited for violations, the Office didn't receive corrective action plans or other suitable responses from the shelter and the Local Districts in which they operate, as required.

We also found gaps in the Office's periodic recertification of shelters. We reviewed operating certificates for the 157 shelters from April 1, 2013 through March 31, 2015, and found that:

- 130 shelters were fully certified (or retroactively certified) for the entire period;
- 15 shelters were not certified as of June 22, 2015, but were in the midst of the renewal process; and
- 12 shelters had gaps in time without any documentation to support they were certified timely, although they were inspected annually; the average certification lapse for these facilities was 342 days and ranged from 51 to 724 days.

Uncertified Shelters

Although the Office has delegated the direct oversight of uncertified shelters to Local Districts, as the administrator of the State's shelter services program, it is still responsible for ensuring that Local Districts' properly oversee the shelters in their regions, including conducting timely inspections. Based on our interviews with Office officials, we determined the Office does not have a formal process for monitoring Local Districts' inspection of uncertified shelters and, in fact, has established a pattern of minimal involvement. For instance, according to Office officials, the Office does not collect, review, and approve the inspection standards that are the basis of Local Districts' inspections, nor does it have any means of monitoring Local Districts' inspection activity, such as inspection reports or statistics related to facility occupancy, to ensure inspections are being done timely and violations are corrected. Especially given the size and vulnerability of the population served by uncertified shelters – and potentially at risk – we believe the Office needs to actively monitor the Local Districts' oversight of uncertified shelters to ensure they meet minimum standards and provide a habitable environment.

In addition to our site visits, we made inquiries to a sample of 14 counties with populations over 200,000 (per the 2010 U.S. Census), and reviewed documentation from DHS, to determine if there were any uncertified shelters operating in these areas that exceeded the capacity levels that would trigger a requirement for State certification and inspection. Our review identified six uncertified adult shelters operating at capacities ranging from 21 to 851 individuals that should have been certified but were not, as presented in the following table.

Facility	Type of Shelter	Location	County	Capacity
Bellevue	Men	Manhattan	New York	851
Catholic Charities	Men	Syracuse	Onondaga	112
Webster House	Adult	Poughkeepsie	Dutchess	60
Dorothy Day Expansion	Women	Syracuse	Onondaga	27
City Mission	Men	Buffalo	Erie	25
Orange County DSS	Men	Newburgh	Orange	21

Because the Office does not monitor Local District activities in this area, or maintain up-to-date records on uncertified operations, officials were generally unaware that these facilities were operating without the proper State certification and inspection.

One of these facilities – Bellevue 30th Street Men’s Shelter (Bellevue) in Manhattan – is owned and operated by DHS, and can accommodate 851 homeless men. As a result, it must be a certified shelter and inspected by the Office annually. In this case, officials indicated the facility actually is inspected annually but cannot be certified due to its inability to meet requirements. Office officials stated that up until 2004 Bellevue was certified; however, at that time its certification was not renewed because its physical plant was in such poor condition, having deteriorated to such a state that conditions could not be addressed by a traditional plan of corrective action. Further, due to the size of the population served, officials indicated that closing the facility is not a viable option since neither the Office nor DHS has the ability to place over 800 individuals elsewhere in the homeless shelter system.

In the interim, the Office has withheld \$25.9 million while still continuing to inspect Bellevue on an annual basis. Although Bellevue has made a number of upgrades since 2004, it has not yet reached the level needed to regain its certification. Officials stated that DHS has recently received approval from the New York City Office of Management and Budget to invest in the remaining required upgrades and has submitted a corrective action plan.

Living Environment

As part of our fieldwork, we visited 39 shelters located across the State. With the exception of a very few, the certified and uncertified shelters that we visited were not in compliance with State and local regulatory standards. For example, regulations require that facilities keep all areas clean, sanitary, and free of insects and rodents; that there be a tub or shower for every 15 residents and one sink and one toilet for every 10 residents; and that all furnishings must be durable, clean, and appropriate to function. Among both types of shelters, we found squalid, unacceptable conditions, the most egregious of which pose obvious risks to health and safety. For example, we found evidence of rodent and vermin infestations at 16 shelters; fire safety issues at 15 shelters, including expired fire extinguisher inspections and fire panels operating in “trouble warning” mode; and mold growth in residents’ rooms at eight shelters. We found certified and uncertified facilities that were operating in a state of general disrepair, some of which had unique specific issues that were remarkable either in scale or pervasiveness.

- Certified Shelters: Among certified shelters, we found a host of substandard conditions in violation of State and local regulations and codes. These problems appear to stem from neglect, improper or inadequate maintenance, and poor management.

Notably, of the 47 most serious issues we identified during our visits, nearly half (22) had been previously identified in the Office's most recent inspection report. Despite being cited for these violations, the facilities had not corrected them, and the Office did not conduct any follow-up or take further enforcement actions.



Trash piled in children's play area
(St. John's Place family shelter, Brooklyn)



Torn, mutilated mattress
(St. John's Place family shelter, Brooklyn)

We also observed numerous instances where certified shelters' provision of services was not in compliance with State regulations. For example:

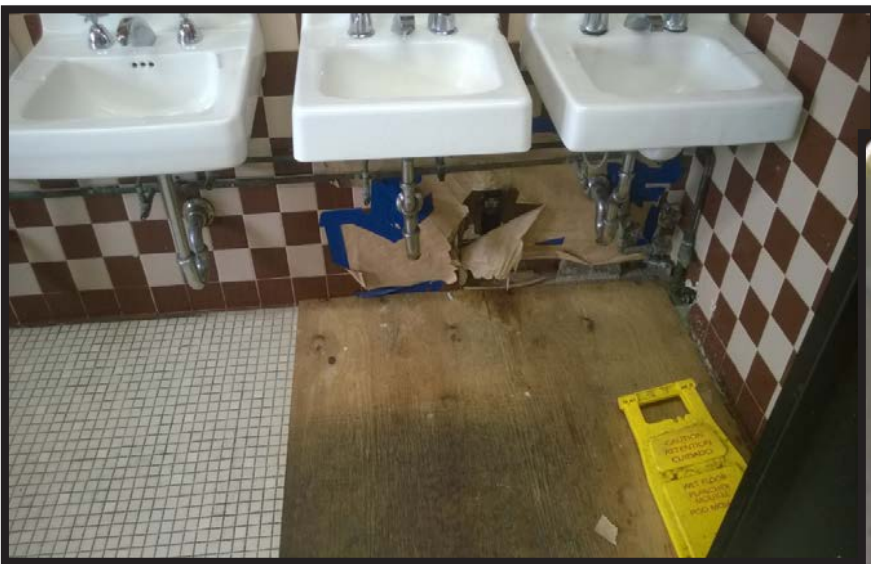
- Three shelters were understaffed: one family shelter had only 29 of the 32 approved full-time equivalent staff on its roster, and two single adult shelters had inadequate night shift coverage (one staff vs. three required at one location and two staff vs. four required at the other);
- Six family shelters had no laundry facilities, even though at least one washer and one dryer are required; and
- Insufficient bathroom and hygiene facilities: one shelter had 143 residents sharing only four showers and nine toilets as compared to the 10 showers and 15 toilets required by code.



Shower fixture/wall repaired with heavy-duty plastic sheeting and duct tape
(St. John's Place family shelter, Brooklyn)



Trash bag and duct tape ceiling repair
(Jennie A. Clarke family shelter, Manhattan)



Restroom with broken tile and plywood patching the floor
(Van Siclen Women's Shelter, Brooklyn)



Wall with water damage and unrepaired hole
(Kingsboro Psychiatric Center, Building 8 men's shelter, Brooklyn)

- Uncertified Shelters: Similar to certified shelters, our site visits to uncertified shelters overseen by DHS and Local District staff revealed a range of unhealthy living conditions in violation of both State regulations and local laws and codes, including:

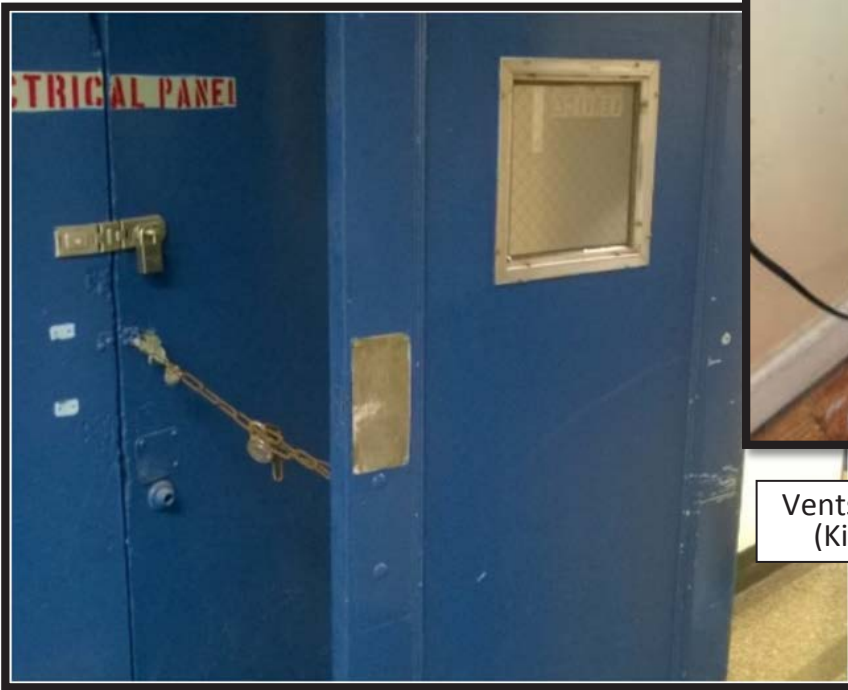
- Resident room overcrowding: three shelters provided between 81 and 116 ft² of space for two people, as opposed to the minimum of 120 ft² required;
- Ingress/egress issues, including fire doors tied and/or propped open, a rooftop-access door not hinged to door jambs, and doors that don't fully open to allow the necessary egress;
- Uncovered walls and ceilings: missing plaster, lathe, and drywall and peeling paint;
- Worn mattresses with cracks and/or small holes in the covering;
- A high-rise facility with two of three elevators out of service; and
- Missing carbon monoxide detectors in sleeping areas.



Detached door allowing unsecured roof access (Community Housing Innovations family shelter, Westchester County)



Out-of-service elevators
(Bellevue 30th Street Men's Shelter, Manhattan)



Fire doors chained and padlocked open
(Bellevue 30th Street Men's Shelter, Manhattan)



Vents taped over to prevent vermin access
(Kingston Family Residence, Brooklyn)



Missing ceiling
(Bellevue 30th Street Men's Shelter, Manhattan)



Children's toys in corner of moldy bathtub
(Kingston Family Residence, Brooklyn)

Independent Living Plans and Needs Assessments

One of the goals of certified shelters is to promote self-sufficiency and enable residents to transition to permanent or supportive housing. Toward this end, families admitted to a certified homeless shelter are required to meet with a case worker and develop an Independent Living Plan (ILP) within 10 days of admittance, and single adults are required to have a needs assessment completed within 24 hours of admittance. The ILP and the needs assessment are tools used to help shelter professionals understand the current and future needs of their residents, and provide guidance in areas such as employment, child care services, self-sufficiency, daily living, and – most importantly – permanent housing. To prevent unnecessary delay in residents’ transition out of shelter living and toward self-sufficiency – and to maximize shelters’ capacity to provide temporary support for as many homeless families and adults as possible – it is critical that the ILP and needs assessment be completed within the required time frame. Among our sample of 20 certified shelters, we reviewed the timeliness of needs assessments completed for adults and ILPs for families. Among our findings:

- Of the 119 ILPs we reviewed at the 12 family shelters, 21 (18 percent) were not completed timely, with lapses ranging from 2 to 509 days beyond the requirement.
- Of the 79 needs assessments reviewed at the eight adult shelters, 21 (27 percent) were not completed timely, with lapses ranging from 3 to 91 days beyond the requirement.

In New York City, the ability to complete needs assessments and ILPs timely is hampered by two consent decrees – the first in 1981 and the second in 1983 – that established the legal right to shelter for the homeless. Officials indicate this guarantee can be a disincentive for some residents to participate in the needs assessments and ILP process, furthering protracting their stay in shelters, and denying admittance for others who could benefit from shelter programs.

Recommendations

1. Take necessary actions to complete all annual inspections, and issue facility certifications, within the time limits prescribed for each shelter type.
2. Develop and implement a process to follow up on facilities with issues identified in prior inspections to ensure conditions are remedied and acceptable.
3. Use a risk-based approach to more frequently inspect shelters with a history of problems to ensure conditions remain acceptable.
4. Monitor Local Districts’ oversight activities and obtain sufficient documentation to ensure that the responsibilities delegated to them are adequately met.
5. Work with facilities to develop strategies that will assist in the timely completion of needs assessments and ILPs for new residents.

Audit Scope and Methodology

We audited the Office of Temporary and Disability Assistance's oversight of homeless shelters. Our audit covered the period April 1, 2013 through August 5, 2015.

To accomplish our objective, we reviewed relevant laws, regulations, and the Office's policies related to its oversight of homeless shelters and the role of other agencies in this oversight. We also became familiar with and assessed the Office's internal controls as they related to this oversight. We reviewed case files and observed conditions at a sample of 39 facilities selected geographically across the State. We also reviewed the Office's records related to inspection and certification of shelters. We held numerous meetings with Office officials to gain an understanding of their supervision practices, and also met with the Office's inspectors. We communicated our findings to Office management, and considered information they provided through September 21, 2015.

We conducted our performance audit in accordance with generally accepted government auditing standards. Those 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 provides a reasonable basis for our findings and conclusions based on our audit objective.

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

Authority

The audit was performed pursuant to the State Comptroller's authority under Article V, Section 1 of the State Constitution and Article II, Section 8 of the State Finance Law.

Reporting Requirements

As is our normal practice, we provided Office officials with a draft copy of this report for their review and comment. However, officials did not provide a written response, despite the additional time we granted them to respond.

Within 90 days after final release of this report, as required by Section 170 of the Executive Law, the Commissioner of the Office of Temporary and Disability Assistance shall report to

the Governor, the State Comptroller, and the leaders of the Legislature and fiscal committees, advising what steps were taken to implement the recommendations contained herein, and where recommendations were not implemented, the reasons why.

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Vision

A team of accountability experts respected for providing information that decision makers value.

Mission

To improve government operations by conducting independent audits, reviews and evaluations of New York State and New York City taxpayer financed programs.