

City of New York

OFFICE OF THE COMPTROLLER

Scott M. Stringer
COMPTROLLER



MANAGEMENT AUDIT

Marjorie Landa

Deputy Comptroller for Audit

Audit Report on the Department of
Youth and Community Development's
Oversight and Monitoring of Its Crisis
Shelters

MJ18-054A

August 6, 2019

<http://comptroller.nyc.gov>



THE CITY OF NEW YORK
OFFICE OF THE COMPTROLLER
SCOTT M. STRINGER

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To the Residents of the City of New York:

My office has audited the Department of Youth and Community Development (DYCD) to determine whether it had adequate controls over its monitoring of the contracted crisis shelters' compliance with key provisions of their contracts, and with applicable laws and regulations. We perform audits such as this to increase accountability and to ensure that City agencies are properly monitoring contractor compliance.

The audit found that DYCD did not have adequate controls over the agency's monitoring of the contracted crisis shelters. Specifically, the audit found that there were inadequate supervisory reviews of the program managers' site visit reports on the crisis shelters, and that in response to the audit's requests for documentation, more than one third of the provided records had been altered and then reapproved *after* the request but before DYCD provided them. In addition, there was a lack of evidence that DYCD appropriately informed the crisis shelters of the results of the site visits, and a lack of detailed documentation identifying the specific personnel and youth files reviewed during the visits. Further, the crisis shelters' personnel files showed that in some instances the required Statewide Central Registry of Child Abuse and Maltreatment (SCR) clearances and criminal background checks were not completed until after the employees' start dates.

The audit makes seven recommendations, including that DYCD: ensure the proper and timely supervisory review of program managers' site visit results for completeness and accuracy; require program managers to provide more detailed documentation on the personnel and youth files reviewed during site visits; remind the crisis shelters to obtain the required SCR and criminal background check clearances for all prospective employees before the employees' start dates; and ensure that it adequately reviews the service providers' records to confirm that the required clearances are obtained timely and are maintained in the employees' files.

The results of the audit have been discussed with DYCD officials, and their comments have been considered in preparing this report. Their complete written response is attached to this report.

If you have any questions concerning this report, please e-mail my Audit Bureau at audit@comptroller.nyc.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read "Scott M. Stringer".

Scott M. Stringer

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THE CITY OF NEW YORK OFFICE OF THE COMPTROLLER MANAGEMENT AUDIT

Audit Report on the Department of Youth and Community Development's Oversight and Monitoring of Its Crisis Shelters

MJ18-054A

EXECUTIVE SUMMARY

The objective of this audit was to determine whether the Department of Youth and Community Development (DYCD) had adequate controls in place over its monitoring of the crisis shelter service providers to ensure compliance with key provisions of their contracts, and with applicable laws and regulations.

DYCD supports New York City (the City) young people and their families by contracting with a broad network of community-based organizations engaged in youth and community development activities throughout the City. Among other programs, DYCD funds youth services through its Runaway and Homeless Youth Services (RHY) Program, within its Vulnerable and Special Needs Youth Division, which include Crisis Shelters, Drop-in Centers, Transitional Independent Living (TIL) programs, and Street Outreach and Referral Services. Crisis Shelters offer emergency shelter for runaway and homeless youth up to the age of 21. These voluntary, short-term residential programs provide emergency shelter and crisis intervention services aimed at reuniting youth with their families or, if family reunification is not possible, arranging appropriate transitional and long-term placements.

DYCD has six contracts with four service providers to provide 216 Crisis Shelter beds throughout the City providing youth between the ages of 16 to 21 with temporary shelter.¹ As part of the program services required under the contracts, the service providers, either directly or through subcontracts approved by DYCD, provide the youth with access to resources to help them get off the streets and to stabilize their lives, including, but not limited to: counseling; housing assistance and referrals to permanent housing prior to discharge; entitlement services; employment preparation and training; and medical and mental health referrals. In addition, service providers must abide by RHY regulations that are administered by the New York State Office of Children and Family Services (OCFS).

DYCD monitors the service providers' contracts by, among other things, requiring the RHY Unit to conduct monthly site visits to Crisis Shelter facilities each contract year; those visits are

¹ The four Crisis Shelter service providers and the number of beds administered by each are as follows: Ali Forney Center (32 beds); Covenant House (136 beds); Safe Horizon (24 beds); and Children's Village (24 beds).

conducted by RHY's program managers (program managers). The site visits are designed to assist service providers with technical support and help ensure that the programs are providing a safe and supportive environment, that contractual agreements are adhered to, and that the program is in compliance with OCFS and DYCD regulations. After each site visit, the program manager is supposed to complete a Program Quality Monitoring Tool (PQMT) to evaluate the service provider; those PQMT reports are to be reviewed and approved by an RHY Deputy Director (Deputy Director) or the RHY Director (Director).²

During Fiscal Year (FY) 2017, the total value of the six contracts for the RHY Crisis Shelter program was \$8,094,904. According to the FY 2017 Mayor's Management Report, DYCD reported that 2,340 runaway and homeless youth were served in its contracted crisis shelters during that period.

Audit Findings and Conclusion

Our audit found that DYCD did not have adequate controls over the agency's monitoring of the contracted crisis shelters. Consequently, DYCD is hindered in its ability to ensure that the services it contracts for are properly provided to runaway and homeless youth.

Specifically, we found that the Deputy Director (during FY 2017—the audit period tested—the RHY unit had only one) initially approved the program managers' PQMTs (DYCD's program evaluation tool) without adequately reviewing them to ensure that the program managers properly monitored the crisis shelter service providers to verify their compliance with key provisions of their contracts and with applicable laws and regulations. Further, in response to our requests for documentation, we found that more than one third of the FY 2017 PQMTs we were provided had been altered by program managers and the Deputy Director, and then reapproved by the Deputy Director, *after* we requested them in connection with the audit but before DYCD provided them to us. As a result of the lack of documentation to support the alterations to the records, we cannot determine the degree to which these alterations were appropriate.

We also found no evidence that DYCD sent 37 (79 percent) of 47 sampled PQMTs to the service providers as required to document that the providers were alerted to identified deficiencies. Therefore, neither we nor DYCD can ascertain the extent to which the program managers informed the service providers of the deficiencies found during the site visits or the corrective actions that may have been required.

In addition, we found that program managers generally did not identify the specific personnel and youth files they reviewed during their site visits on the PQMTs, nor did they maintain supporting documentation from their reviews that contained such information. Further, we found instances where program managers did not indicate the particular file associated with the specific deficiencies they identified. In addition, DYCD had no evidence that program managers completed *any* reviews of the personnel files at one provider's site—Children's Village—during FY 2017. Because of this lack of specificity, the ability of DYCD's Deputy Directors to determine whether the program managers who they oversee have performed thorough and complete reviews is limited.

During the course of the audit, after we shared some of our preliminary concerns with DYCD regarding its monitoring efforts, such as the lack of evidence that it provided site visit results to

² During Fiscal Year 2017 (the scope of our PQMT review) there was only one Deputy Director in the RHY Unit; this person was responsible to oversee the program managers, and to review and approve the PQMTs. A second Deputy Director was hired in August 2017.

service providers, DYCD informed us that it had begun using its new, internally developed, agency-wide Evaluation and Monitoring System (EMS) in February 2018 (approximately six to seven months after our audit scope), which the agency maintains addresses some of those concerns, including by automatically notifying providers of the site visit results once they have been approved.

In addition to the issues described above, our review of the crisis shelter providers' personnel files for 37 sampled employees (encompassing all four contracted providers) hired on or after July 1, 2016 identified issues with the SCR clearances relating to 10 (27 percent) of them. Specifically, we were unable to find a required SCR clearance for one employee, and the SCR clearances for nine employees were not obtained until after the employees' start dates. In addition, the personnel files for 4 (11 percent) of the 37 employees indicate that criminal background checks (fingerprints and/or Staff Exclusion List clearances) were not completed until after the employees' start dates.

Unless DYCD strengthens its controls over its oversight of its contracted service providers, the agency incurs an increased risk that deficiencies in the crisis shelters' operations will go undetected and will not be corrected.

Audit Recommendations

Based on the audit, we make seven recommendations, including that:

- DYCD should ensure that proper and timely supervision of program manager site visit results are complete and that they accurately reflect service provider performance. Such supervision should include discussions with the program manager and if necessary, supervisory follow-up visits to crisis shelters to ensure that adequate services are provided to runaway and homeless youths.
- DYCD should require program managers to provide more detailed documentation on personnel and youth files reviewed during site visits in order to ensure that the service providers are meeting the terms of their contracts, and are compliant with DYCD and OCFS regulations. Such documentation should include, but not limited to, the total number of files reviewed, the individual identifiers (employee name and youth ID) of each file reviewed, and associated deficiencies identified, if any.
- DYCD should remind the Crisis Shelter service providers to obtain SCR clearances, and the fingerprint and SEL clearances (where required) for all prospective employees before the employees' start dates. In instances where it is not feasible to obtain such clearances prior to the start dates, providers should clearly note in the employees' personnel files that clearances are pending and that the employees are prohibited from having unsupervised contact with youths until the clearances are received.
- DYCD should ensure that it adequately reviews the service providers' records to confirm that the required clearances are obtained timely and maintained in the employees' files, and that providers have taken appropriate steps to ensure that employees do not have unsupervised contact with youths until such clearances are obtained.

Agency Response

In its response, DYCD generally agreed with the audit's seven recommendations, indicating that it has already implemented one (#2), partially addressed one (#5), and will implement or is in the process of implementing the remaining five (#s 1, 3, 4, 6, and 7).

AUDIT REPORT

Background

DYCD facilitates youth and community development through contracts awarded to a broad network of community-based organizations throughout the City. As part of its overall mission, DYCD funds youth services through the RHY Program, within its Vulnerable and Special Needs Youth Division, which include Crisis Shelters, Drop-in Centers, Transitional Independent Living (TIL) programs, and Street Outreach and Referral Services. Crisis Shelters offer emergency shelter for runaway and homeless youth up to the age of 21. These voluntary, short-term residential programs provide emergency shelter and crisis intervention services aimed at reuniting youth with their families or, if family reunification is not feasible, arranging appropriate transitional and long-term placements.

DYCD has six contracts with four service providers to provide 216 Crisis Shelter beds throughout the City providing youth between the ages of 16 to 21 with temporary shelter. As part of the program services required under the contracts, the service providers, either directly or through subcontracts approved by DYCD, provide the youth with access to resources to help them get off the streets and to stabilize their lives, including, but not limited to: counseling; housing assistance and referrals to permanent housing prior to discharge; entitlement services; employment preparation and training; and medical and mental health referrals. In addition, service providers must abide by RHY regulations that are administered by OCFS.

As part of its monitoring of the service providers' contracts, DYCD requires the RHY Unit to conduct three types of contractor site visits—Administrative, Safety and Facility, and Case Management—at the Crisis Shelter facilities per contract year. However, the RHY Unit generally conducts site visits once a month, or approximately 12 times per year, with each program having at least one unannounced visit and at least two Administrative visits. Site visits are performed by the RHY program managers (program managers) and are designed to assist service providers with technical support and to help ensure that programs are providing a safe and supportive environment, that contractual agreements are adhered to, and that the program is in compliance with OCFS and DYCD regulations. The program managers, in consultation with the Deputy Directors, determine the types of monthly visits to be conducted. During an Administrative visit, program managers are supposed to examine the provider's personnel files to make sure all necessary documentation is present for each staff member, including evidence that the staff employed at each facility underwent a Statewide Central Registry of Child Abuse and Maltreatment (SCR) clearance, as well as appropriate criminal background checks.³ For Safety and Facility visits, program managers are supposed to perform physical inspections at the facility, including determining, among other things, whether: fire alarms and fire extinguishers are working properly; exit signs are posted and exits are free of obstruction; the facility has the appropriate level of cleanliness; and there are proper food storage conditions. During a Case Management visit, program managers are required to examine youth case files and evaluate whether youth are receiving the proper services. Program managers will also attend and monitor the various workshops that take place at the facilities.

After each visit, the program manager is expected to conduct an exit interview with the providing agency's program director and/or supervisor where site findings and site highlights are discussed.

³ An SCR clearance is an inquiry made to SCR to determine whether a person is a confirmed subject of a report of child abuse and maltreatment. Generally, those programs and agencies required to conduct database checks include residential programs licensed, certified or operated by OCFS.

Within 48 hours after each site visit, the program manager is then supposed to utilize DYCD's KiWee computer system to complete a PQMT which is used to evaluate the service provider.⁴ The PQMT is the main source of information DYCD uses for tracking and recording the results of site visits/inspections of the DYCD-contracted Crisis Shelters. Program managers enter the results of their site visits, including a brief narrative of conditions observed, onto the PQMT. They also provide a rating (excellent, good, fair or poor) for each program area reviewed during the site visit, as well as an overall rating of the service provider. PQMTs are then to be reviewed and approved by a Deputy Director or the Director within 72 hours after the site visit. Program managers are then required to email the approved PQMT to the service provider so that the provider can address any deficiencies before the program managers conduct their next site visit, which according to DYCD officials, should generally occur within a month.

During FY 2017, the total value of the six contracts for the RHY Crisis Shelter program was \$8,094,904. According to the FY 2017 Mayor's Management Report, DYCD reported that 2,340 runaway and homeless youth were served in its contracted crisis shelters during this period.⁵

Objective

The objective of this audit was to determine whether DYCD had adequate controls in place over its monitoring of the crisis shelter service providers to ensure compliance with key provisions of their contracts, and with applicable laws and regulations.

Scope and Methodology Statement

We conducted this 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 objectives. This audit was conducted in accordance with the audit responsibilities of the City Comptroller as set forth in Chapter 5, §93, of the New York City Charter.

The primary audit scope was July 1, 2016 through September 30, 2017. Please refer to the Detailed Scope and Methodology at the end of this report for specific procedures and tests that were conducted.

Discussion of Audit Results with DYCD

The matters covered in this report were discussed with DYCD officials during and at the conclusion of this audit. A preliminary draft report was sent to DYCD and was discussed at an exit conference held on May 30, 2019. On June 14, 2019, we submitted a draft report to DYCD with a request for comments. We received a written response from DYCD on June 28, 2019. In its response, DYCD generally agreed with the audit's seven recommendations, indicating that it has already implemented one (#2), partially addressed one (#5), and will implement or is in the process of implementing the remaining five (#s 1, 3, 4, 6, and 7).

⁴ During the audit, in February 2018, DYCD replaced KiWee with a new monitoring and evaluation system, Evaluation and Monitoring System (EMS), which also replaced the PQMT.

⁵ The 2,340 youth represents the unduplicated number of youth that used a crisis shelter bed at DYCD-funded sites.

In its response, DYCD stated,

We are . . . pleased that the Comptroller's report recognized that DYCD had already implemented improvements and enhancements to our monitoring of RHY programs which became effective in February 2018-- outside the scope of the audit period. These enhancements are now incorporated in DYCD's new agency-wide online Evaluation and Monitoring System (EMS) Accordingly, since the implementation of this system was outside of the audit scope, it is DYCD's position that many of the issues raised in the audit report have been resolved by the implementation of the new EMS system.

We are encouraged that DYCD intends to implement our recommendations and address the deficiencies identified during the audit so that they do not continue under the new EMS system. We note that the implementation of the new EMS system, if it works as described *and* if accompanied by appropriate management monitoring of the system's use and the RHY Unit's performance, should enable DYCD to address some of the issues identified in this report, such as system controls that should limit DYCD staff's ability to overwrite and alter completed site visit result reports, and new access rules to address the lack of evidence that DYCD notified service providers of the site visit results. However, we urge DYCD to also ensure that its staff training and oversight are sufficient to further minimize the risk that site visit reports will be inaccurate or improperly altered after completed. In addition, we note that as the implementation of the EMS system was outside of our audit scope, we have not audited the system or how effectively DYCD is using it to strengthen its oversight of the contracted crisis shelter service providers.

Finally, we note that the EMS system *does not* directly address or resolve the three main findings cited in this report—(1) limited evidence of supervisory oversight of DYCD's program managers; (2) limited evidence of the results of program managers' reviews of the crisis shelter providers' personnel and youth files during site visits to document whether the providers were compliant with regulations and program requirements; and (3) deficiencies in the crisis shelters' personnel files that showed (a) that some of their employees were working at the shelters, and potentially having unsupervised contact with clients, before the providers obtained the required background clearances, and (b) that some employees were noncompliant with training requirements.

The full text of DYCD's response is included as an addendum to this report.

FINDINGS AND RECOMMENDATIONS

Our audit found that DYCD did not have adequate controls over the agency's monitoring of the contracted crisis shelters. Consequently, DYCD is hindered in its ability to ensure that the services it contracts for are properly provided to runaway and homeless youth.

Specifically, we found that the Deputy Director initially approved the program managers' PQMTs without adequately reviewing them to ensure that the program managers appropriately monitored the crisis shelter service providers to verify their compliance with key provisions of their contracts and with applicable laws and regulations. Further, we found that in response to our request for documentation in connection with the audit, more than one third of the FY 2017 PQMTs had been altered by program managers and the Deputy Director, and then reapproved by the Deputy Director, *after* we requested these records in connection with the audit but before DYCD provided them to us. As a result of the lack of documentation to support the alterations to the records, we cannot determine the degree to which these alterations were appropriate. We also found no evidence that DYCD sent 37 (79 percent) of 47 sampled PQMTs to the service providers as required to document that the providers were alerted to identified deficiencies. Therefore, neither we nor DYCD can ascertain the extent to which the program managers informed the service providers of the deficiencies found during the site visits or the corrective actions that may have been required.

In addition, we found that program managers generally did not identify the specific personnel and youth files they reviewed during their site visits on the PQMTs, nor did they maintain supporting documentation from their reviews that contained such information. We also found instances where program managers did not indicate the particular file associated with the specific deficiencies they identified. Further, DYCD had no evidence that program managers completed *any* reviews of the personnel files at one provider's site—Children's Village—during FY 2017. Because of this lack of specificity, the ability of DYCD's Deputy Directors to determine whether the program managers who they oversee have performed thorough and complete reviews is limited.

During the course of the audit, after we shared some of our preliminary concerns with DYCD regarding its monitoring efforts, such as the lack of evidence that it provided site visit results to service providers, DYCD informed us that it had begun using its new, internally developed, agency-wide Evaluation and Monitoring System (EMS), which the agency maintains addresses some of those concerns. According to DYCD officials, this new system was implemented in February 2018 (approximately six to seven months after our audit scope period). The providers have access to the new system, which automatically notifies them of new site visit results once they have been approved. Also, once an evaluation report has been completed and approved, modifications cannot be made and upper management approval is required to void an approved evaluation in order for a new evaluation to be recorded.

In addition to the issues described above, our review of the crisis shelter providers' personnel files for 37 sampled employees (encompassing all four contracted providers) hired on or after July 1, 2016, identified issues with the SCR clearances relating to 10 (27 percent) of them. Specifically, we were unable to find a required SCR clearance for one employee, and the SCR clearances for nine employees were not obtained until after the employees' start dates—five of them more than 30 days after their start dates. In addition, the personnel files for 4 (11 percent) of the 37 employees indicate that criminal background checks (fingerprints and/or Staff Exclusion List clearances) were not completed until after the employees' start dates.

Unless DYCD strengthens its controls over its oversight of its contracted service providers, the agency incurs an increased risk that deficiencies in the crisis shelters' operations will go undetected and will not be corrected.

The details of our findings are discussed in the following sections of this report.

Limited Evidence of Supervisory Oversight of Crisis Shelter Monitoring

DYCD Changed Monitoring Reports after They Were Approved

DYCD changed the content of more than one-third of its site visit evaluation reports long after they had been initially approved, an indication that its initial reviews and approvals of these reports had been inadequate. A DYCD official stated that these changes should not have occurred in the manner that they did, but that they were “immaterial and insignificant” because the ultimate ratings were not changed. However, during the audit, we were provided with two different explanations for why the changes were made. One of the explanations was not supported by DYCD’s records and the other explanation was inconsistent with the program’s guidelines.

According to DYCD officials, the PQMTs are the agency’s official notifications to the service providers of the results of the DYCD’s program managers’ crisis shelter site visits. As stated in DYCD’s training materials for program managers, the PQMT narrative should support the ratings given to the program and provide the reader with “a visual” as to what was seen during the visit.⁶ The training materials also state that program managers must submit an evaluation (PQMT) to a Deputy Director (or Director) for review and approval within 48 hours of conducting a site visit, and the approval of a Deputy Director or Director should take place within 72 hours after the site visit. These requirements for periodic evaluations and communicating the results are consistent with the control requirements set forth in Comptroller’s Directive #1, which states that

[d]eficiencies found during ongoing monitoring or through separate evaluations should be communicated to the individual responsible for the function and to, at least, the next level of higher management. Serious matters should be reported to senior management and/or the Agency Head, if deemed appropriate.

However, our initial review of the submission and approval dates of all 93 PQMTs completed in FY 2017 showed that the approval dates recorded in the system for 92 (99 percent) of them were beyond the 72-hour requirement, with the approval dates for 35 (38 percent) exceeding three months, up to approximately 15 months, after the site visit dates. In fact, 11 of these 35 PQMTs reflected approvals more than one year after the site visits.

When we asked about the time lapses for the abovementioned PQMTs, DYCD officials initially informed us that the 35 PQMTs in question had been originally approved before the approval dates currently recorded in the system. They stated that, after we requested the records, DYCD staff re-opened the records, and the Deputy Director then reapproved them, which resulted in the system’s recording new (and later) approval dates, before the agency provided us with the records. DYCD officials said that they had reopened the records in order to redact the youths’

⁶ The Vulnerable and Special Needs Youth Division’s Assistant Commissioner provided us with a collection of training materials for staff that was considered to be their formalized policies and procedures. The training materials outlined DYCD’s RHY services and site visit requirements, as well as checklists and forms to be used during site visits and a list of reports that all providers are responsible for submitting monthly. In addition, the training materials included a compilation of the New York Codes, Rules and Regulations (NYCRR) from Title 9, Part 182 “Runaway and Homeless Youth Regulations.”

names for confidentiality reasons. We subsequently obtained copies of the original PQMTs that DYCD staff had completed prior to our request. Our review of the original and re-opened PQMTs revealed that the original unaltered PQMTs had been approved within 1 to 26 business days, which, while more prompt than what appeared in the 35 re-opened records, were in many cases past the time frames set forth in DYCD's training materials. Moreover, we also found that only 2 of the 33 PQMTs that were changed contained redactions of the names of youth and that DYCD had made other changes, some extensive, to the remaining 31 PQMTs.⁷ Some of those additional changes include completing previously-blank sections of the site visit reports for some PQMTs, deleting the requirement that providers submit a corrective action plan (CAP) on some PQMTs (a review of the files indicate that the CAPs were never submitted), and modifying the site visit results in the comments section on other PQMTs.⁸

For example, an original PQMT (ID #13819) documenting the results of a site visit conducted on January 12, 2017 at Covenant House showed an overall rating of "good" despite the inclusion of the following comment:

Overall the site visit was rated fair. The poor received in the safety and facility section needs immediate attention. The program manager will be following up with these outstanding issues next month.

The original PQMT was approved on January 23, 2017. In the altered PQMT, which was re-opened and approved on September 28, 2017, the program manager modified the overall comment to state,

Overall the site visit was rated good. The facility was in good standing and met all of DYCD and OCFS regulations.

However, because of the conflict between the original rating and the original comment, we cannot determine with reasonable assurance which of the two conflicting comments was correct and whether the service provider should have received the "good" rating.

When we raised inconsistencies between the alterations of the records and the original explanation we were given for the alterations made by DYCD, we were told that "[t]he PQMTs were reopened for the Office of the Comptroller audit to redact names and other confidential information. Because they were reopened for redaction purposes, it was an opportunity to provide guidance to the program managers." They expressly stated that "[i]n hindsight, we recognize that we should have provided you with those changes at that time."

In addition, DYCD officials provided no explanation as to why the issues that DYCD identified in the 31 PQMTs that DYCD reopened and revised—such as the need for more details in narratives, ensuring all sections had been addressed, and correcting errors and/or inconsistencies—were not identified and why the changes were not made at the time the PQMTs were initially reviewed and approved by the Deputy Director in the unit at that time. DYCD's decision to change the substance and significant details of the PQMTs months after the site visits were conducted and after the PQMTs were initially approved suggests that its initial reviews and approvals of the PQMTs were inadequate or incorrect.

Inadequate supervision can potentially have a negative impact on the effectiveness of monitoring of crisis shelter providers. The Deputy Directors are responsible for providing proper, timely guidance after the site visits are conducted so that deficiencies DYCD staff found at the providers'

⁷ There was no evidence of any changes being made to 2 of the 35 re-opened PQMTs.

⁸ A CAP is a follow-up action item for a critical deficiency identified during a site visit that needs to be corrected by the program site.

shelters are appropriately addressed. By not conducting a proper or in-depth supervisory review of the site visit results in a timely manner, DYCD incurs an increased risk that site visits may not be appropriately conducted, and thereby an increased risk that deficiencies may not be identified and corrected and serious matters relating to the safety and well-being of the youths may not be identified and/or reported and addressed accordingly with the providers. Consequently, the post-approval changes discussed above could be an indication that deficiencies existed with respect to these site visits that were not resolved until those changes were made, in some cases many months after the deficiencies were found.

After discussing these issues with us, DYCD officials stated, “RHY has decided to update the procedure for evaluations to better reflect the expectation of daily operations. The timeframe for submission will be extended to 5 business days, with the goal of ensuring that the evaluations are returned to the providers prior to the next site visit the following month.”

Formal Site Visit Results Not Consistently Shared with Crisis Shelter Providers

DYCD’s written policies and procedures require the program managers to email the PQMTs to the service providers after they have been reviewed and approved by the Deputy Director or Director, which is supposed to take place within 72 hours after the site visit being conducted, so that any deficiencies can be addressed before the next visits by the program managers. In addition, as previously noted, according to DYCD officials, the PQMTs are the formal notification of site visit results provided to the service providers.

However, we found no evidence that 37 (79 percent) of 47 sampled PQMTs were emailed or otherwise sent to the service providers. This was allowed to occur because the Deputy Directors do not have a review process for ensuring that this step is completed. Instead, implementation relies solely on the program managers, with no process in place to track the emails or to otherwise ensure that referrals of the program review results are made in a timely manner.

By not emailing the PQMTs to the service providers as required, neither we nor DYCD can ascertain the extent to which program managers shared the deficiencies found during the site visits with the service providers or whether they were even shared at all. Such communication is important to ensure that the providers are made aware of any deficiencies found during the site visits so that such deficiencies can be accurately and promptly addressed.

New Evaluation System Implemented in 2018

DYCD developed and implemented a new, agency-wide evaluation and monitoring system, called EMS, which became effective in February 2018, while audit fieldwork was ongoing. DYCD officials informed us that the new system addresses some of the issues we found during the course of the audit. Among the added features, DYCD stated that EMS has the following enhancements:

- The overall ratings, which previously were judgmentally determined by a program manager and the Deputy Director based on the results of the site visits, will now be automatically generated by EMS based on the program manager’s recorded responses to the performance indicators.⁹

⁹ Performance indicators are monitoring tools that are used to measure how well service providers are performing various key tasks. For each indicator, the program manager must determine whether the service provider is meeting expectations for that task.

- Drop-down boxes such as those used by the program managers to indicate the need for a CAP are no longer used. EMS is now designed to automatically generate a CAP based on program managers' responses to the performance indicators.
- Providers are now able to access EMS and track their performance. After supervisor's approval, EMS automatically sends the provider a notification that the site visit evaluation is ready for their review and requires the provider's acknowledgement that the evaluation was seen.
- Controls have been added to EMS so that an evaluation record can no longer be modified once the record is locked (after final approval by the supervisor). EMS does not allow a closed record to be re-opened and changed.
- If a mistake in an approved and final evaluation has been identified, various levels of approval are now required (up to DYCD's Chief of Staff) before an evaluation record can be voided in order to allow a program manager to record a new evaluation.
- An assessment of the adequacy and sufficiency of the justification for voiding a record and submitting a new one is also performed by the approving official before approving a request to have an evaluation record voided.

Our review of key documentation (e.g., system manual, sample evaluations, etc.) and our limited review of the new EMS system did not identify any apparent deficiencies that would prevent these processes from functioning as described. However, since implementation of this system was outside of our audit scope period, we did not actually test its implementation and operations.

Recommendations

1. DYCD should ensure that proper and timely supervision of program manager site visit results are complete and that they accurately reflect service provider performance. Such supervision should include discussions with the program manager and if necessary, supervisory follow-up visits to crisis shelters to ensure that adequate services are provided to runaway and homeless youths.

DYCD Response: DYCD agreed with this recommendation and stated, "DYCD will continue to ensure that proper and timely supervision of program manager site visit results are completed and that they accurately reflect service provider performance. DYCD has hired a second manager in the Runaway Homeless Youth Services (RHY) unit to strengthen supervisory review for the site visit reports. In 2018 DYCD implemented a new Evaluation Monitoring System (EMS) that automatically sends monitoring reports to providers once approved by the Deputy Directors. EMS also has new internal controls and requires upper level agency approval beyond the Deputy Directors for any revisions to the evaluation reports once they have been finalized and sent to the providers. DYCD will also continue its supervision of program managers by including timely discussions and, if necessary, supervisory follow-up visits to crisis shelters to ensure that adequate services are provided to runaway and homeless youth."

Auditor Comment: We credit DYCD's recognition of the need for new internal controls to prevent the alteration of completed evaluation reports. Nevertheless, we are concerned that in stating that it "will *continue* to ensure proper and timely supervision" of its program managers' site visit results [emphasis added], DYCD may be minimizing the audit's finding that the RHY Deputy Director initially

approved the program managers' site visit reports (PQMTs) without adequately reviewing them to ensure that the program managers appropriately monitored the crisis shelter service providers. Accordingly, we urge DYCD management to monitor the RHY Unit's performance to ensure that the agency's additional investments in a new manager's position and a new information system produce the desired results—adequate and timely supervision of agency program managers and effective oversight of its contracted crisis shelters.

2. DYCD should ensure that complete and accurate site visit results are communicated timely with the service providers. This would ensure that providers are aware of any deficiencies found during the visits so that such deficiencies can be timely addressed.

DYCD Response: DYCD agreed with this recommendation and stated, “With the implementation by DYCD of the new evaluation system (EMS), reports will be automatically sent to providers after approval by the Deputy Director instead of depending on each program manager to manually email the evaluation reports. DYCD has updated its internal practices by requiring program managers to complete monitoring reports within a week of the site visit. DYCD believes that these enhancements to the monitoring of its service providers will ensure that complete and accurate site visit results are communicated in a timely manner and that the providers are aware of any deficiencies found during the visits so that such deficiencies can be timely addressed.”

Limited Evidence of Site Visit Results

According to NYCRR, Title 9, § 182-1.7(a), “[t]he division and county youth bureau responsible for program monitoring and evaluation shall be provided with access to program sites, staff and volunteers, records, files and other relevant information for purposes of periodic inspection of the operation and adequacy of approved programs.” In addition, according to DYCD's training materials, program managers are required to monitor whether service providers are meeting the terms of their contracts, including whether the information maintained in the providers' personnel files and youth case files demonstrate compliance with DYCD and OCFS regulations. Neither RHY regulations nor DYCD procedures establishes a minimum number of employee and youth files that must be sampled. The number of files selected for review is left to the program manager's discretion.

However, our review of the program managers' site visit results revealed that inadequate documentation was maintained to support their conclusions regarding the personnel and youth case files reviewed, as discussed below. The program managers did not identify the particular personnel and youth files they checked during their site visits or what if any deficiencies they found in them.

No Record of the Personnel Files Reviewed during Site Visits

According to RHY regulations, a program manager's personnel file review should include, but is not limited to, determining whether: (1) the required employee background checks, including SCR clearances, are performed in a timely manner; (2) the required employee training is provided; and (3) the annual performance evaluations are completed. According to the program managers, they will generally review the files for all new employees since their previous visits, especially for those sites with a high turnover of personnel. At other times, program managers, when documenting their reviews will state “the program is operating according to administrative requirements.”

However, we found that program managers generally did not maintain supporting documentation indicating which employees' personnel files were reviewed during the site visits. Of the 25 administrative site visits conducted during FY 2017 to review personnel files, the records for 24 (96 percent) contained no information regarding the names of the employees whose files were reviewed or the total number of employee files reviewed during the site visit. We found only one instance in which a program manager provided a detailed narrative of his personnel file review at one site visit that took place in October 2016. That program manager listed the names of all of the staff whose files he reviewed and recorded all of the missing information in the files for each employee. In addition, we found no evidence that program managers completed any personnel file reviews at Children's Village during FY 2017.

DYCD has no written policies or procedures regarding the program managers' documentation of the personnel files reviewed during their site visits or whether any source documentation should be maintained.

No Record of the Youth Files Reviewed during Site Visits

According to RHY regulations, a program manager's youth file review includes, but is not limited to, determining whether: (1) the service providers complete the required youth intake forms to identify the youth's immediate needs; (2) individualized service plans (ISPs) are completed timely; and (3) follow-up documentation addressing the ISPs is present in the files.¹⁰

However, as with the personnel file reviews, we found that sampled program managers generally did not maintain supporting documentation of the youth (case management) files reviewed during site visits and the deficiencies identified, if any. Of the 57 site visits RHY conducted, 52 (91 percent) had no identifier to indicate the youth files that were reviewed or even the total number of youth files reviewed during that site visit. We found only five instances in which program managers provided detailed narratives of each youth file reviewed, including a listing of all the discrepancies found and the corrections that were needed.

As with the personnel file reviews, DYCD has no written procedures specifying the information necessary to document program managers' site visits.

Without the necessary details associated with the program managers' site visits, Deputy Directors are hindered in their review of the site visit results and the program managers' performance. As a result, there is limited assurance that program managers were effectively monitoring service providers and that the personnel and youth files were in compliance with OCFS and DYCD regulations governing employee-screening, training, and evaluation and the development and execution of appropriate service plans for the young people in their care.

Recommendations

3. DYCD should revise its procedures to establish criteria for the selection of and the minimum number of personnel and youth files to be sampled during the site visits.

DYCD Response: DYCD agreed with this recommendation and stated, "DYCD has been working to revise its procedures to establish criteria for the selection of and the minimum number of personnel and youth files to be sampled during

¹⁰ An ISP is a tool used to guide the participant and case manager to define specific goals, objectives, methods, resources, and activities. For example, the youth may decide that a specific goal is that he/she will find employment. The ISP is completed with the participant and clearly designates who is responsible for undertaking each activity and the timeline for meeting the participant's identified needs.

the site visits. In April 2019, a new procedure was established requiring program staff to review 50% of personnel and youth files at each site visit. This change will be permanently applied and reflected in our systems as well as training manuals effective July 2019.”

4. DYCD should require program managers to provide more detailed documentation on personnel and youth files reviewed during site visits in order to ensure that the service providers are meeting the terms of their contracts, and are compliant with DYCD and OCFS regulations. Such documentation should include, but not limited to, the total number of files reviewed, the individual identifiers (employee name and youth ID) of each file reviewed, and associated deficiencies identified, if any.

DYCD Response: DYCD agreed with this recommendation and stated, “DYCD will require all program managers to provide more detailed documentation on personnel and youth files that are reviewed during the site visits to ensure that the providers are meeting the terms of their contracts and are in compliance with DYCD and OCFS regulations. Such documentation will include the total number of files reviewed, the individual identifiers (employee name and youth ID number) of each file reviewed and associated deficiencies identified, if any.”

Deficiencies with Crisis Shelter Employee Personnel Files

Providers Are Not Consistently Obtaining SCR and Criminal Background Clearances before Employees’ Start Dates

According to Social Services Law §424-a, provider agencies are required to seek SCR clearances for all prospective employees, and they must not allow a new employee to have unsupervised contact with a child until the SCR clearance has been received. In addition, Title 14, NYCRR, Part 701, *Justice Center Criminal History Information Checks*, requires that service providers obtain fingerprint and Staff Exclusion List (SEL) clearances for all prospective employees.¹¹

Of the 58 sampled employees encompassing all four contracted providers, 37 were hired on or after July 1, 2016 (the start of our audit scope). Our review of these 37 employees’ files revealed deficiencies with the SCR clearances at two providers relating to 10 (27 percent) of the employees. Specifically, we found no SCR clearance for one employee and found that the providers obtained the required SCR clearances for nine employees after the employees’ start dates.¹² For five of those nine employees with evidence of an SCR clearance, the clearances were obtained 30 or more days after the employees’ start dates, with the clearance for one employee having been obtained 380 days after the employee’s start date; these five employees were employed by the same provider. We found no notation in the files for any of the nine employees acknowledging that the SCR clearance was still outstanding as of the employees’ start dates and that they were therefore prohibited from having unsupervised contact with youths until the clearances were obtained.

Furthermore, fingerprint and/or SEL clearances for 4 (11 percent) of the 37 employees were also completed after the employees’ start dates. This group of four employees (relating to three

¹¹ Fingerprint and SEL clearances are only required for those hired on or after June 30, 2013.

¹² For the missing SCR clearance, the service provider claimed that the personnel file for the employee was missing. Consequently, we are unable to confirm that the clearance was ever obtained. DYCD later informed us that the employee, whose start date was April 28, 2018, separated from employment on December 30, 2018, meaning that the individual was potentially working without an SCR clearance for eight months.

providers) includes three employees for whom the providers also did not obtain timely SCR clearances. When we brought the issue of the clearance dates to DYCD's attention, officials stated that "DYCD has always made clear to programs that new hires are not to be assigned solo shifts until all clearances have been verified. . . . Nonetheless, DYCD will seek to put measures in place to ensure that, going forward, programs will not start new hires at all until all clearances have been verified."

As stated previously, DYCD's program managers did not identify the shelter employees whose personnel files they reviewed; consequently we do not know whether the abovementioned employees who lacked timely clearances were among those that DYCD's program managers reviewed. Additionally, DYCD did not identify an alternate mechanism whereby it would confirm that its contracted providers either obtained the required clearances for its employees or explicitly prohibited those without such clearances from having unsupervised contact with youths. In the absence of the required clearances, DYCD incurs an increased risk that persons who have a felony conviction or who are the subject of an indicated child abuse report may have unsupervised contact with youths.

Employees Did Not Consistently Meet RHY Training Requirements

According to RHY regulations, service providers' employees are required to complete a minimum of 40 hours of in-service training annually in order to work effectively with vulnerable youth and their families. Such training includes, but is not limited to, safety and emergency procedures, including first aid; case records and confidentiality of information; youth development and youth issues; and, runaway and homeless regulations.

However, our review of the personnel files at all four service providers found that 16 (30 percent) of the 53 sampled employees did not meet the training requirement.¹³ DYCD officials stated that they are aware that getting the required training hours for all staff tends to be difficult for the service providers. Nevertheless, inadequate training may negatively affect the adequacy and appropriateness of care provided to the youth. Without such training, DYCD has only limited assurance that service providers' staff will be able to effectively serve members of the target population.

Recommendations

5. DYCD should remind the Crisis Shelter service providers to obtain SCR clearances, and the fingerprint and SEL clearances (where required) for all prospective employees before the employees' start dates. In instances where it is not feasible to obtain such clearances prior to the start dates, providers should clearly note in the employees' personnel files that clearances are pending and that the employees are prohibited from having unsupervised contact with youths until the clearances are received.

DYCD Response: DYCD partially addressed this recommendation and stated, "DYCD will continue to remind Crisis Shelter service providers to obtain SCR clearance, and the fingerprint and SEL clearances (where required) for all prospective employees before the employees' start dates. Such reminders will be incorporated in on-going trainings, email reminders, conversations during site visit reviews and continue, if applicable, until all applicable clearances are

¹³ Of the 58 employee files reviewed, 5 were not required to meet the 40-hour training requirement as they were not employed for a full service year.

received. Where provider staff background clearances are pending, DYCD will continue to monitor providers' follow-up on clearances and will require that, when in the presence of youth, any personnel without clearances be supervised at all times by staff who have obtained clearances."

Auditor Comment: In its response, DYCD does not address the portion of our recommendation that providers should clearly note in the personnel files of employees who have not obtained required clearances prior to their start dates that their clearances are pending and that they are prohibited from having unsupervised contact with youths until the clearances are received. We urge DYCD to fully implement this recommendation.

6. DYCD should ensure that it adequately reviews the service providers' records to confirm that the required clearances are obtained timely and maintained in the employees' files, and that providers have taken appropriate steps to ensure that employees do not have unsupervised contact with youths until such clearances are obtained.

DYCD Response: DYCD agreed with this recommendation and stated, "DYCD will adequately review the service providers' records to confirm that the required clearances are obtained timely and maintained in the employees' files and that the providers have taken appropriate steps to ensure that employees do not have unsupervised contact with any youth until such clearances are obtained. Where staff background clearances are pending, DYCD will also periodically remind providers that such personnel are required to be supervised at all times in the presence of youth by staff who have obtained clearances until such applicable background clearances are received."

7. DYCD should ensure that it reviews the service providers' records to confirm that the employees receive the appropriate training, and take corrective action if it is determined that the required training was not obtained.

DYCD Response: DYCD agreed with this recommendation and stated, "DYCD will continue to review each of the service providers' records to confirm that the employees receive the appropriate 40 hours of annual training and professional development and take appropriate corrective action if [it] is determined that the required training was not obtained."

Auditor Comment: DYCD's response that it "will continue" to review the service providers' records to confirm that their employees receive the appropriate training appears to be a justification for its practices during the audit scope period, which the audit found to be inadequate. The audit's review of service provider's personnel files found that 30 percent of the sampled employees did not meet the minimum training requirement, and the files lacked any evidence that DYCD took corrective action to address these deficiencies. Accordingly, we urge DYCD to fully implement this recommendation.

DETAILED SCOPE AND METHODOLOGY

We conducted this 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 objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective. This audit was conducted in accordance with the audit responsibilities of the City Comptroller as set forth in Chapter 5, §93, of the New York City Charter.

The primary audit scope was July 1, 2016 through September 30, 2017.

To obtain an understanding of the policies, procedures and regulations governing DYCD's monitoring and oversight of the Crisis Shelter service providers, we reviewed and used as criteria the following:

- New York State Office of Children and Family Services (OCFS) Runaway and Homeless Youth (RHY) Regulations §9, Part 182-1;
- New York State Executive Law Article 19H, §532 "Runaway and Homeless Youth Act";
- New York State Social Services Law § 424a;
- NYCRR Title 14, Part 701 Justice Center Criminal History Information Checks;
- DYCD RHY Option II Agreement, Article IV – Scope of Services;
- DYCD Training Materials on the following areas: Site Visit and Tools, PQMTs, Monthly Provider Reports, Data System/Monitoring, Monthly Provider meetings, Budgets, Contract Submission, and OCFS Regulations; and
- Comptroller's Directive #1: *Principles of Internal Control*.

To obtain an understanding of DYCD's internal control structure of its oversight and monitoring of RHY Crisis Shelters, we conducted walkthrough meetings and interviewed the following key agency personnel:

- Deputy Commissioner for Youth Services;
- The Assistant Commissioner for the Vulnerable and Special Needs Youth Division;
- The two RHY Deputy Directors for the Vulnerable and Special Needs Youth Division; and
- The four RHY Program Managers.

We also examined DYCD's responses to the FYs 2016 and 2017 Directive # 1's Financial Integrity Statement Checklist (the agency's annual evaluation of its internal controls) to identify potential internal control issues that might require further investigation. In addition, we accompanied program managers while they were performing site visits at three of the four FY 2017 contracted RHY Crisis Shelters.

To obtain an understanding of the two computer systems, KiWee and Capricorn, used by DYCD in its monitoring of the service providers and its tracking of the youth and provided services, respectively, we performed walkthroughs with officials from the Vulnerable and Special Needs Youth Division and obtained a detailed demonstration of both systems. During the audit scope period (and up through January 2018), the KiWee system was used by the program managers to

record the site visit results (the PQMT report). The Capricorn system is used by both DYCD staff and contracted service providers, in part to record a youth's admission into a Crisis Shelter in their case files, as well as to record and track the youth's progress reports and discharge reports, which are utilized to track the youth's progress during their time at the shelter. In addition to the walkthroughs, we also reviewed samples of PQMTs, bed utilization rate reports, and screenshots of key screens from both systems to gain a more in-depth understanding of each system's uses and functionality.

To determine whether the program managers completed the required site visits for all four service providers' crisis shelter locations, we requested and received from DYCD an electronic spreadsheet of the evaluation data (site visit inspection results data as recorded on the PQMTs) extracted from its KiWee system covering the FY 2017 site visits. In total, we were provided with records covering 93 site visits. We reviewed the records to determine whether the minimum of three required visits, including one unannounced and two administrative visits, were conducted for each of the crisis shelter sites operated by the four crisis shelter service providers.

As part of our data reliability of the electronic PQMT records, to provide reasonable assurance that the list of PQMTs of crisis shelter evaluation records was complete, we requested and reviewed a listing of all evaluation records recorded in KiWee for all of DYCD's programs that were created in FY 2017. (In total, there were 6,313 Evaluation records provided.) The provided data included, but was not limited to, the following data fields: the sequential Evaluation Identification (ID) number assigned by KiWee for each evaluation record; record type (e.g., PQMT, etc.); the associated DYCD program; the contractor (vendor) name; and the visit, evaluation and record created dates. We sorted and reviewed the Evaluation ID numbers for gaps and identified 19 missing Evaluation ID numbers. We then reviewed the KiWee system for these 19 missing Evaluation ID numbers to determine whether the ID numbers existed in the system, and if so, whether any of the records were a PQMT record associated with a crisis shelter. We also compared all PQMT records for RHY crisis shelter programs from this list with the electronic PQMT records provided to ensure that all PQMT records were provided. In addition, we obtained copies of all 93 completed PQMTs (printed reports) for the FY 2017 site visits and compared a sample of these printed PQMTs with the extracted data for accuracy and to provide reasonable assurance that the extract data contained the information captured in the database.

To determine whether the PQMTs were completed by the program managers, and reviewed and approved by the Deputy Directors in a timely manner, we reviewed all 93 PQMTs for FY 2017 and performed a date analysis of the site visit dates, and the PQMT completion and approval dates. It was through this date analysis that we learned from DYCD officials that the PQMT records were re-opened prior to DYCD's providing us with the records, which the officials claimed was done to redact confidential information, including the youths' names. To obtain reasonable assurance that the content of the PQMTs and related database extract were not compromised, we requested the original FY 2017 PQMTs (before the records were re-opened and before any redactions and alterations were made) from DYCD and compared them with the PQMTs we initially received. Additionally, we reviewed the audit trail for each re-opened record to see the history of the records and all actions taken (including when records were re-opened and by whom).

To determine whether DYCD shared the site visit results with the crisis shelter providers, we met with each of the program managers and asked them to locate and provide us with the emails and attached PQMT for a sample of 47 (51 percent) of the 93 FY 2017 PQMTs—we judgmentally selected all 35 PQMTs that were re-opened (some of which we identified as having significant changes) and randomly selected an additional 12 PQMTs from the remaining 58 PQMTs.

To determine whether the crisis shelter sites (operated by the four contracted service providers) were in compliance with key OCFS and DYCD regulations, we conducted site visits to four facilities, one at each of the four crisis shelter service providers. The site visits entailed a review of each visited site's safety and facility conditions, and a review of a sample of personnel and youth (case management) files. The visits were conducted between and October 19, 2018 and November 15, 2018. To select the sample, we first selected one site location from each of the four service providers that were in operation during FY 2017—two providers (Children's Village and Safe Horizon) operated only one crisis shelter location each, and both were selected; the remaining two providers (Ali Forney and Covenant House) had at least two locations and we randomly selected one crisis shelter location from each.¹⁴

To select the sample of personnel files, we reviewed the number of employees that were on payroll in June 2018 for each sampled location, and judgmentally selected employees with titles that generally would have regular and substantial, unsupervised contact with youths receiving services at the crisis shelters (i.e., Supervisor, Case Manager, Social Worker, and Youth Counselor). In total, we selected 58 (64 percent) of the 91 employees listed on June 2018 payroll. To select the sample of youth case management files, we reviewed the list of enrolled youth at each sampled location between July 1, 2017 and October 31, 2017; in total, 800 youths were enrolled at the four sampled crisis shelter locations during this period. From that population, we randomly selected a sample of youth from each sampled location. In total, we selected a sample of 68 youth.

To determine whether DYCD is adequately monitoring and ensuring that the crisis shelters are following RHY regulations with regard to youths' length of stay at the crisis shelters, we requested and obtained from DYCD intake data from the Capricorn system for youth that were admitted into a crisis shelter from July 1, 2016 through September 30, 2017; there were 4,445 youths enrolled during the requested period. The data DYCD provided included, but was not limited to, the following data fields: the sequential youth intake ID number (assigned by Capricorn when a new intake record is initiated); the youth ID number; the admission date; the shelter name; and the discharge date, if applicable. For each intake ID number, we calculated the number of days each youth was enrolled in a crisis shelter, and selected all youth with stays in excess of 60 days, the maximum number of days allowed according to OCFS RHY regulations (the initial 30-day maximum stay and the 30-day extension, if approved by DYCD). We identified 76 (2 percent) of the 4,445 youth with stays in excess of 60 days, and requested from DYCD evidence of the initial 30-day extension requests and approvals, and the reason(s) for the stays beyond the maximum allowed 60 days and associated approvals for these extended stays.

As part of our data reliability assessment of the youth intake data, to provide reasonable assurance that the list of youth admitted into the crisis shelters was complete, we requested and reviewed a listing of the enrollment data for all DYCD programs, including crisis shelters, that were recorded in Capricorn from July 1, 2016 through October 31, 2017. In total, 104,929 records were provided. The provided data included, but was not limited to, the following data fields: the sequential intake ID numbers assigned by Capricorn for each intake record; the associated DYCD program name; and the site name (location). We sorted and reviewed the intake ID numbers for gaps and identified 83 gaps, consisting of 495 missing intake records. We reviewed the 495

¹⁴ During FY 2017, Safe Horizon's crisis shelter program served the general population of youths from age 16 to age 21. Children's Village's has a specialized program for single females that includes beds for mothers (age 16 to 21) with children (Mother/Child program). Ali Forney had three crisis shelter locations that offered specialized programs for Lesbian, Gay, Bisexual, Transgender, and Questioning (LGBTQ) youth (age 16 to 21). Covenant House had two crisis shelter locations operating three programs in FY 2017: (1) the general population of youths from age 16 to age 21; (2) specialized program for LGBTQ youth (age 16 to 21); and (3) specialize program for mothers (age 16 to 21) with children (Mother/Child program). Subsequent to FY 2017, the Mother/Child program was relocated to Covenant House's second location (which now house all of its crisis shelter programs on different floors), but for sample selection purposes, we considered it to be a separate location.

missing intake ID numbers to determine whether records existed, and if so, whether any of them were for a crisis shelter intake. We also compared all intake records for RHY crisis shelter programs from this list of all programs with the detailed crisis shelter intake list to ensure that all crisis shelter intake records were provided.

To determine whether DYCD is centrally tracking the service providers that were placed in either a Work Improvement Plan (WIP) or CAP, we requested a list of providers that were placed in WIP or CAP during July 2014 through December 2017, including the associated contract number, the reason for the WIP or CAP, and the start and end dates, if applicable. In addition, to determine whether DYCD was adequately tracking and confirming the service provider's adherence to DYCD's requested deliverables (the corrective actions needed), we requested evidence of DYCD's tracking of the deliverables for one service provider placed on several CAPs by DYCD—in part due to third party allegations regarding the provider's operations—and the associated documentation provided by the service provider addressing the deliverables. As part of our review of DYCD's actions taken regarding the CAPs, we also requested a copy of the third party allegations made against this service provider, and the results of DYCD's investigation into the allegations and associated documentation. We reviewed the provided documentation to determine whether all identified issues were followed up by DYCD and that there was sufficient evidence showing that the identified issues were adequately addressed by the service provider.

To determine whether the enhancements of DYCD's new agency-wide EMS system over its prior evaluation and monitoring system (KiWee) were as described by DYCD officials, we performed a limited review of the EMS system. We conducted a walkthrough and demonstration of the system with DYCD's IT Unit and reviewed the system's User Manual, Functional Specification Document, and User Roles Guide to confirm some of the features and controls built into the system as described by DYCD officials. We also obtained and reviewed key documents, such as Sample EMS evaluation forms and a detailed audit trail of all actions taken on a sample evaluation report to confirm level of detail of the information being captured.

The results of our tests, while not projectable to their respective populations, provided a reasonable basis for us to evaluate and to support our findings and conclusions about DYCD's controls over its oversight and monitoring of the Crisis Shelter service providers to ensure the providers are complying with the key provisions of their contracts and with applicable laws and regulations.

Bill Chong
Commissioner

June 27, 2019

2 Lafayette Street
19th Floor
New York, NY 10007

646 343 6710 tel

www.nyc.gov/dycd

Marjorie Landa
Deputy Comptroller for Audit
Office of the Comptroller
One Centre Street, Room 1100 North
New York, New York 10007

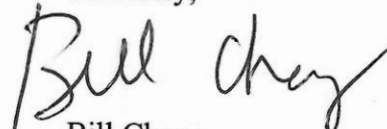
**Re: Audit Report on the Department of Youth and Community
Development's Oversight and Monitoring of its Crisis Shelters
MJ18-54A (Draft Report)**

Dear Ms. Landa:

The Department of Youth and Community Development (DYCD) appreciates this opportunity to review and provide the attached response to each Recommendation to the Draft Report. It is respectfully requested that the response be attached as part of the Final Report.

DYCD welcomes suggestions in its ongoing efforts to provide quality services for youth in New York City. If you have questions regarding the response or wish to discuss the audit further, please do not hesitate to let me know.

Sincerely,


Bill Chong

Attachment

c: Michael Lamanna, Audit Manager Office of the Comptroller
George Davis, III, Mayor's Office of Operations
John Cirolia, Chief of Staff
Caroline Press, General Counsel
Susan Haskell, Deputy Commissioner, Youth Services Division
Randolph Scott, Assistant Commissioner, Vulnerable & Special Needs Youth
William Kamen, Senior Director of Internal Review and Revenue Compliance

RESPONSE
TO THE DRAFT AUDIT REPORT
ON THE DEPARTMENT OF YOUTH AND
COMMUNITY DEVELOPMENT'S OVERSIGHT
AND MONITORING OF ITS CRISIS SHELTERS
MJ18-054A

DYCD appreciates that the Comptroller's audit report acknowledges that DYCD conducted and documented ninety-three (93) site visits to the four DYCD-funded Crisis Services providers (Covenant House, Ali Forney, Children's Village, and Safe Horizon) using our Program Quality Monitoring Tool (PQMT) during the 14-month audit period, and that the site visits are designed to assist service providers with technical support, help ensure that the programs are providing a safe and supportive environment, and that the program is in compliance with OCFS and DYCD requirements. We are also pleased that the Comptroller's report recognized that DYCD had already implemented improvements and enhancements to our monitoring of RHY programs which became effective in February 2018-- outside the scope of the audit period. These enhancements are now incorporated in DYCD's new agency-wide online Evaluation and Monitoring System (EMS) as follows:

- The overall ratings, which previously were determined by a program manager and the Deputy Director based on the results of the site visits, will now be automatically generated by EMS based on the program manager's recorded responses to the performance indicators that are used to measure how well service providers are performing key tasks and meeting expectations for that task.
- Drop-down boxes such as those used by the program managers to indicate the need for a Corrective Action Plan (CAP) are no longer used. EMS is designed to automatically review a program manager's responses to the performance indicators and based on those responses will generate a CAP when appropriate.
- Providers are now able to access EMS and track their performance. After the supervisor approves the evaluation, EMS automatically sends the provider a notification that the site visit evaluation is ready for review and requires the provider's acknowledgement that the evaluation was seen.
- Controls have been added to EMS so that an evaluation record cannot be modified by program staff once the record is locked (after final approval by the supervisor).
- If a mistake in an approved and final evaluation has been identified, various levels of approval are now required (up to DYCD's Chief of Staff) before an evaluation record can be voided in order to allow a program manager to record a new evaluation.
- An assessment of the adequacy and sufficiency of the justification is also performed by the approving official before approving a request to have an evaluation record voided.

The Comptroller's Auditors' review of key documentation including the system manual and sample evaluations as well as a limited review of the new EMS system did not identify any deficiencies that would prevent these processes from functioning as described. Accordingly, since the implementation of this system was outside of the audit scope, it is DYCD's position that many of the issues raised in the audit report have been resolved by the implementation of the new EMS system.

COMPTROLLER RECOMMENDATIONS:

1. DYCD should ensure that proper and timely supervision of program manager site visit results are complete and that they accurately reflect service provider performance. Such supervision should include discussions with the program manager and if necessary, supervisory follow-up visits to crisis shelters to ensure that adequate services are provided to runaway and homeless youth.

DYCD Response: DYCD will continue to ensure that proper and timely supervision of program manager site visit results are completed and that they accurately reflect service provider performance. DYCD has hired a second manager in the Runaway Homeless Youth Services (RHY) unit to strengthen supervisory review for the site visit reports. In 2018 DYCD implemented a new Evaluation Monitoring System (EMS) that automatically sends monitoring reports to providers once approved by the Deputy Directors. EMS also has new internal controls and requires upper level agency approval beyond the Deputy Directors for any revisions to the evaluation reports once they have been finalized and sent to the providers. DYCD will also continue its supervision of program managers by including timely discussions and, if necessary, supervisory follow-up visits to crisis shelters to ensure that adequate services are provided to runaway and homeless youth.

2. DYCD should ensure that complete and accurate site visit results are timely communicated with the service providers. This would ensure that providers are aware of any deficiencies found during the visits so that such deficiencies can be timely addressed.

DYCD Response: With the implementation by DYCD of the new evaluation system (EMS), reports will be automatically sent to providers after approval by the Deputy Director instead of depending on each program manager to manually email the evaluation reports. DYCD has updated its internal practices by requiring program managers to complete monitoring reports within a week of the site visit. DYCD believes that these enhancements to the monitoring of its service providers will ensure that complete and accurate site visit results are communicated in a timely manner and that the providers are aware of any deficiencies found during the visits so that such deficiencies can be timely addressed.

3. DYCD should revise its procedures to establish criteria for the selection of and the minimum number of personnel and youth files to be sampled during the site visits.

DYCD Response: DYCD has been working to revise its procedures to establish criteria for the selection of and the minimum number of personnel and youth files to be sampled during the site visits. In April 2019, a new procedure was established requiring program staff to review 50% of personnel and youth files at each site visit. This change will be permanently applied and reflected in our systems as well as training manuals effective July 2019.

4. DYCD should require program managers to provide more detailed documentation on personnel and youth files reviewed during site visits in order to ensure that the service providers are meeting the terms of their contracts and are compliant with DYCD and OCFS regulations. Such documentation should include, but not limited to, the total number of files reviewed, the individual identifiers (employee name and youth ID of each file reviewed, and associated deficiencies identified, if any.

DYCD Response: DYCD will require all program managers to provide more detailed documentation on personnel and youth files that are reviewed during the site visits to ensure that the providers are meeting the terms of their contracts and are in compliance with DYCD and OCFS regulations. Such documentation will include the total number of files reviewed, the individual identifiers (employee name and youth ID number) of each file reviewed and associated deficiencies identified, if any.

5. DYCD should remind the Crisis Shelter service providers to obtain SCR clearances, and the fingerprint and SEL clearances (where required) for all prospective employees before the employees' start dates. In instances where it is not feasible to obtain such clearances prior to the start dates, providers should clearly note in the employees' personnel files that clearances are pending and that the employees are prohibited from having unsupervised contact with youths until clearances are received.

DYCD Response: DYCD will continue to remind Crisis Shelter service providers to obtain SCR clearance, and the fingerprint and SEL clearances (where required) for all prospective employees before the employees' start dates. Such reminders will be incorporated in on-going trainings, email reminders, conversations during site visit reviews and continue, if applicable, until all applicable clearances are received. Where provider staff background clearances are pending, DYCD will continue to monitor providers' follow-up on clearances and will require that, when in the presence of youth, any personnel without clearances be supervised at all times by staff who have obtained clearances.

6. DYCD should ensure that it adequately reviews the service providers' records to confirm that the required clearances are obtained timely and maintained in the employees' files, and that providers have taken appropriate steps to ensure that employees do not have unsupervised contact with youths until such clearances are obtained.

DYCD Response: DYCD will adequately review the service providers' records to confirm that the required clearances are obtained timely and maintained in the employees' files and that the providers have taken appropriate steps to ensure that

employees do not have unsupervised contact with any youth until such clearances are obtained. Where staff background clearances are pending, DYCD will also periodically remind providers that such personnel are required to be supervised at all times in the presence of youth by staff who have obtained clearances until such applicable background clearances are received.

7. DYCD should ensure that it reviews the service providers' records to confirm that the employees receive the appropriate training and take corrective action if it is determined that the required training was not obtained.

DYCD response: DYCD will continue to review each of the service providers' records to confirm that the employees receive the appropriate 40 hours of annual training and professional development and take appropriate corrective action if it is determined that the required training was not obtained.