



CITY OF SAN ANTONIO

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August 28, 2012

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SUBJECT: Audit Report of Department of Human Services, Haven for Hope Project Management

Mayor and Council Members:

We are pleased to send you the audit report of the Department of Human Services, Haven for Hope Project Management. This audit began in October 2011 and concluded with an exit meeting with department management in July 2012. Management's verbatim response is included in Appendix B of the report. The Department of Human Services should be commended for its cooperation and assistance during this audit.

The Office of the City Auditor is available to discuss this report with you individually at your convenience.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Kevin W. Barthold".

Kevin W. Barthold, CPA, CIA, CISA
City Auditor
City of San Antonio

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CITY OF SAN ANTONIO
OFFICE OF THE CITY AUDITOR



Audit of Department of Human Services

Haven for Hope Program Management

Project No. AU12-008

August 28, 2012

Kevin W. Barthold, CPA, CIA, CISA
City Auditor

Executive Summary

As part of our annual Audit Plan, we conducted an audit of the Department of Human Services (DHS), specifically Haven for Hope program management. The audit objective, conclusion, and recommendations follow:

Are select Haven for Hope programs complying with contract terms to include balance scorecard performance plans?

We were unable to confirm balance scorecard performance measures because data in the Homeless Management Information System (HMIS) used by Haven for Hope was not reliable in the context of performance measure reporting. We identified significant deficiencies in the system including, but not limited to, a lack of segregation of duties and ineffective application controls. As a result, system generated outcomes were inaccurate and we could not replicate the results illustrated in the monthly reports of performance. Moreover, supporting documentation was not consistently maintained by delegate agencies to corroborate performance measure results.

Additionally, DHS did not require performance measures for the \$1 million FY 2011 operational grant to Haven for Hope, resulting in insufficient monitoring. Performance measures were not consistently developed prior to initiation of contracts or were not updated prior to the renewal of contracts, thus forcing Haven for Hope staff to recreate historical data. In addition, we noted inappropriate and undefined methodologies were being used by Haven for Hope to track the agencies' performance.

We recommend:

- Haven for Hope management should develop and implement adequate controls for the HMIS system to ensure that reliable information is captured and a sufficient audit trail is created.
- DHS management should require Haven for Hope and its partner agencies to maintain alternate records to support performance measure results until Haven for Hope has resolved the issues in the HMIS system.
- DHS management should create a performance plan for each agency that receives funding from (or through) COSA. The performance measures should be clearly defined and directly related to the services being provided by the agency. Performance plans should be developed prior to initiation (or renewal) of the contract.

Department of Human Services and Haven for Hope management's verbatim responses are in Appendix B on page 6.

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Background

On November 30, 2006, City Council approved the homeless campus conceptual plan as part of its Ten-Year Plan to End Chronic Homelessness. In April 2010, Haven for Hope opened its campus and began serving its first clients. Haven for Hope is a non-profit organization with a mission of transforming the lives of the homeless through education, job training, and behavioral health services.

In accordance with its bylaws, “The property and affairs of the Corporation shall be managed, controlled and administered by the Board of Directors.” In addition, the bylaws note that the Chairman of the Board “shall have authority and responsibility for the general and active management of the business of the Corporation.” The City’s influence on the Board is limited to one ex-officio, non-voting member.

In fiscal year (FY) 2011, the City of San Antonio (COSA) budgeted \$5.6 million from its general fund to support the efforts of agencies at the Haven for Hope campus. In FY 2012, that amount increased to over \$6.5 million. Other funding sources include Housing and Urban Development (HUD) grants, Emergency Shelter grants and Supportive Housing Program grants. Four agencies receive the bulk of COSA funding (98%). Haven for Hope, San Antonio Food Bank, and San Antonio Metropolitan Ministries (SAMMinistries) provide transformational, residential, and food services to campus members, while the Center for Health Care Services (CHCS) provides services to the homeless clients of the Prospects Courtyard (PCY).

COSA’s Department of Human Services (DHS) administers these agency grants. DHS has developed balance scorecard performance plans (performance measures) to monitor the success of the agency programs, with the exception of one grant to Haven for Hope. The performance measures are generally tracked through the Homeless Management Information System (HMIS) maintained by Haven for Hope.

Audit Scope and Methodology

The audit scope included performance measures for Haven for Hope, San Antonio Food Bank, SAMMinistries, and the CHCS for services provided at the Haven for Hope campus.

We interviewed staff and management of DHS, Haven for Hope, and its partner agencies on the campus. We reviewed COSA contracts, balanced scorecard performance plans, and monthly Contract Monitoring Reports (CMR) of performance measures of these agencies. Specifically, we tested data related to a judgmental sample of performance measures for the month of September 2011.

During the audit, DHS and Haven for Hope renegotiated the performance measures that would be reported in FY 2012. Thus, we selected a sample of performance measures that would be continued in FY 2012 for testing.

Haven for Hope and its partner agencies rely upon computer processed data in HMIS, which is a requirement of the HUD grants. We reviewed HMIS logical access controls by performing tests of user access and business continuity controls through interviews with Haven for Hope staff and management. Rather than evaluating the system's application controls, we analyzed HMIS data and reports related to performance measures. Our analysis of data from the system revealed significant weaknesses in the system application controls related to data entry. Because of this and other factors, we concluded that the data is not sufficiently reliable to produce accurate performance measures results. Therefore, we expanded the test methodology to include supporting documentation maintained by partner agencies.

We conducted this audit from October 2011 to April 2012 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 audit results and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our audit results and conclusions based on our audit objective. Our audit included tests of management controls that we considered necessary under the circumstances.

Audit Results and Recommendations

A. Performance Measure Results

Using HMIS data, we were unable to reproduce the performance measure results included on the monthly CMRs provided to DHS. Additionally, supporting documentation was not maintained at the agency level to corroborate the reported performance results. Therefore, we cannot form a conclusion on whether the agencies fulfilled the agreed upon performance measures.

The transformational services data maintained in HMIS did not provide accurate and reliable results. For example, some members of the Haven for Hope campus were also enrolled as overnight clients of the Prospects Courtyard. There were inaccurate and missing beginning and ending dates for clients/members. Finally, performance measure counts included individuals who were not members residing on the campus.

The inaccurate data was caused in part by user input errors, which is common when implementing a new system. Errors were also attributed to HMIS staff trying to recreate past events to comply with newly developed performance measures. Finally, some of the errors may be the result of control deficiencies in the HMIS system, such as a lack of applications controls that would prevent duplicated, invalid, or incomplete entries.

Other issues in the control system include a lack of segregation of duties. Haven for Hope executives and HMIS staff have access to all areas of system development, production, and report processing. Also, testing and development is performed in the production environment as opposed to the test environment. Lastly, user access is not monitored and is not always restricted to individuals, but is granted by agency or location.

As previously discussed, inadequate controls can result in unreliable data, and the sensitive data in the HMIS system could be compromised if user access is not carefully monitored. HMIS staff is aware of these issues and is working towards resolving them.

Recommendations:

A.1 Haven for Hope management should develop and implement adequate controls for the HMIS system to ensure that reliable information is captured and a sufficient audit trail is created. A few examples of IT controls are adequate user training, periodic monitoring of user access, and edit and validity checks within the system application. Edit and validity checks should be incorporated into the

system to prevent end users from inputting bad or invalid data and to prevent end users from skipping over required fields.

A.2 DHS management should require Haven for Hope and its partner agencies to maintain alternate records to support performance measure results until Haven for Hope has resolved the issues in the HMIS system.

B. Balance Scorecard Performance Plans

DHS did not require any performance measures for the \$1 million operational grant to Haven for Hope for FY 2011. Instead, they agreed on a weekly Global Report generated by HMIS, which contained the number of bed nights provided, an average count of members served plus member demographics. Because there were no performance measures related to the transformational services provided by Haven for Hope for FY2011, DHS did not monitor Haven for Hope case management or the number of graduates from the Haven campus.

Additionally, performance measures related to the other programs were not clearly defined and the methodologies used by Haven for Hope were not always appropriate. For example, one performance measure identified members who found work. The reported count included members who had a job prior to joining the campus, members who found work after leaving the campus, and those who received assistance from other agencies to find work. Thus, the performance measure was skewed to include external drivers and did not accurately segregate Haven for Hope's contribution.

Best practice dictates that performance measures should be directly related to the goals of the program, clearly defined, and measurable.

Finally, performance measures were not developed prior to initiation of the contracts or were not updated prior to the renewal of the contracts, which resulted in Haven for Hope staff having to capture or recreate data going back to the beginning of the year.

Recommendations: DHS management should create a performance plan for each agency that receives funding from (or through) COSA. The performance measures in each plan should be clearly defined, and they should be directly related to the services being provided by the agency. DHS should be aware of the agencies' methodologies for obtaining each performance measure count to ensure the appropriate data is being reported. Finally, the performance plan should be developed prior to initiation (or renewal) of the contract.

Appendix A – Staff Acknowledgement

Andre DeLeon, CPA, Audit Manager

Arlena Sones, CPA, CIA, CGAP, Auditor in Charge

Rebecca Moulder, CIA, Auditor

Appendix B – Department of Human Services and Haven for Hope Management Responses



CITY OF SAN ANTONIO

SAN ANTONIO TEXAS 78283-3966

August 20, 2012

Kevin W. Barthold, CPA, CIA, CISA
 City Auditor
 San Antonio, Texas

RE: Management's Corrective Action Plan for the Audit of Department of Human Services,
 Haven for Hope Program Management

Department of Human Services and Haven for Hope management have reviewed the audit report and have developed the Corrective Action Plans below corresponding to report recommendations.

Recommendation					
#	Description	Audit Report Page	Accept, Partially Accept, Decline	Responsible Person's Name/Title	Completion Date
A.1	<p>Performance Measure Results Haven for Hope management should develop and implement adequate controls for the Homeless Management Information System (HMIS) system to ensure that reliable information is captured and a sufficient audit trail is created. A few examples of IT controls are adequate user training, periodic monitoring of user access, and edit and validity checks. Edit and validity checks should be incorporated into the system to prevent end users from inputting bad or invalid data and to prevent end users from skipping over required fields.</p>	3	Accept	Kimberly Griffith, Contract Administrator	September 30, 2012

Audit of Department of Human Services, Haven for Hope Program Management

Recommendation					
#	Description	Audit Report Page	Accept, Partially Accept, Decline	Responsible Person's Name/Title	Completion Date
	<p>Action plan: The San Antonio/Bexar County Continuum of Care (CoC) adopted a new software solution for its Homeless Management Information System (HMIS) in April 2010. Since that time the HMIS lead agency, Haven for Hope, has been identifying areas of the application in which users can enter incorrect data and have been modifying the application to prevent future incorrect data entry. Also since inception, Haven for Hope staff has developed policies and procedures for HMIS, a user training manual, and a disaster recovery plan.</p> <p>Haven for Hope understands the need for continued improvement to the application and we will use information provided in this report to continue to refine data collection processes. Haven for Hope will develop, and in some cases, has already taken action to create formal processes to ensure that data is being rendered correctly.</p> <ol style="list-style-type: none"> 1. Most of the control issues identified in the report have been addressed in FY 2012, prior to the release of the audit findings. At the time period the audit was conducted, the software was very early in its life cycle. Since then many data quality controls have been successfully implemented and improved. Haven for Hope has also created a new content quality check process in which the data quality specialist tests and reviews all new forms and reports before they are released. Furthermore, Department of Human Services (DHS) will immediately require Haven for Hope to limit access rights to HMIS to only those individuals authorized to input data into the system. 2. A Quality Assurance/Control position was added to HMIS to continually monitor the HMIS system to ensure accuracy of data. Currently the data quality specialist conducts monthly bed utilization checks, monthly reviews for agencies required to submit annual reports to HUD, and monthly data quality checks for Haven for Hope. The agency is also utilizing various monitoring tools to conduct these checks that include exception reports, compliance reports, and a Data Quality Plan that outlines acceptable levels data entry. Additional monitoring tools will be developed by September 30, 2012 to include an exception report created by Haven for Hope and the HMIS vendor that will track missing values in more detail based on Haven's Data Quality Plan. 3. DHS monitoring staff will complete quarterly reviews of HMIS to ensure that data has been entered correctly. 				
A.2	<p>Performance Measure Results DHS management should require Haven for Hope and its partner agencies to maintain alternate records to support performance measure results until Haven for Hope has resolved the issues in the HMIS system.</p>	3	Accept	Kimberly Griffith, Contract Administrator	September 30, 2012
	<p>Action plan: In May 2012, DHS asked each delegate agency partner to provide a separate backup report and will continue to require this through the end of the fiscal year, September 30, 2012.</p> <p>For FY 2013, DHS will meet with Haven for Hope and partner agency staff to discuss source documentation and what documentation is required for performance measurement. Haven and partner agencies will also be required to identify source documents in HMIS from which the data is being pulled. The responsible City staff will verify these records during Program Reviews. Additionally, each delegate agency is responsible for providing a Contract Monitoring Report (CMR) to the City on a monthly basis.</p>				

Recommendation					
#	Description	Audit Report Page	Accept, Partially Accept, Decline	Responsible Person's Name/Title	Completion Date
B	<p>Balance Scorecard Performance Plans DHS management should create a performance plan for each agency that receives funding from (or through) COSA. The performance measures in each plan should be clearly defined, and they should be directly related to the services being provided by the agency. DHS should be aware of the agencies' methodologies for obtaining each performance measure count to ensure the appropriate data is being reported. Finally, the performance plan should be developed prior to initiation (or renewal) of the contract.</p>	4	Accept	Kimberly Griffith, Contract Administrator	September 30, 2012
<p>Action Plan: Beginning March 1, 2012, DHS implemented a combined agency performance scorecard and measure report which included transformational campus measures.</p> <p>Prior to execution of the FY 2013 delegate agency contracts, DHS will work with Haven for Hope and partner agencies to complete performance plans that reflect the operating agreement, campus transformational services, and Prospects Courtyard services. The Scope of work and performance measures will be clearly defined, related to the goals of the program and City funding, and measurable.</p> <p>DHS, Haven for Hope, and partner agencies will implement Balanced Scorecard Performance Plan (BSPP) and CMR that reflects services per the Operating Agreement and transformation goals of the program. This will include case management, food services; residential services; specialized mental health services; counseling; and government benefits assistance. DHS will provide technical assistance as needed to H4H and partner agencies to develop the BSPP with performance measures that are measurable and directly relate to the scope of work and overall goals of the program and City funding. DHS will also provide assistance to Haven for Hope and partner agencies to develop a combined Contract Monitoring Report (CMR) for FY 2013 to include performance measures and a detailed description of what and how data is collected. Once those the measures are agreed upon, they will not be changed unless both parties agree. The CMR will be compiled and submitted by HMIS to DHS on a monthly basis.</p>					

We are committed to addressing the recommendations in the audit report and the plan of actions presented above.

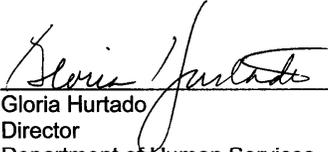
Sincerely,



Peter Zaroni
Assistant City Manager
City Manager's Office

8-23-12

Date



Gloria Hurtado
Director
Department of Human Services

8/20/2012

Date



Mark Carmona
Interim Chief Executive Officer
Haven for Hope of Bexar County

8/21/12

Date