

# City Auditor's Highlights

Audit of Housing First, Community Assistance Program, and Hale Mauiola Homeless Programs



Report No. 17-05



## Housing First and Community Assistance Programs have proven to meet program goals in terms of the number of homeless helped; Hale Mauiola, not so much.

Homelessness on Oahu is at a crisis and is a top priority for Honolulu's citizens. The 2016 National Citizen Survey, Honolulu, found that 81% of residents rated addressing homelessness over the next two years as essential or very important. The lack of a comprehensive homeless plan, that includes all stakeholders and established defined benchmarks for success, leaves the city's efforts laudable, but lost in the greater picture of actual progress.



### Two of three homeless programs attained its goals; sustainability is questionable

Housing First transitioned 224 homeless into shelter or housing between 2014-2016 (its goal was 200) at a cost of over \$4.3 million and generally met contract goals and program best practices. Community Assistance Program (CAP) helped 93 homeless clients in its first year of operation, nearly doubling its goal of 50 clients, at a cost of \$500,000. Hale Mauiola only assisted 96 homeless clients in its first year of operation (its contract required 250 homeless clients) with an annual budget of \$850,000. Its Year 2 budget increased 16% to \$980,000. Sustaining these programs with general funds is questionable.



### DCS lacks sufficient resources and contract administration infrastructure to effectively manage contracts

The department's Homeless Initiatives Group, which manages over \$14 million in homeless-related program funds with mostly personal services contract staff, lacks policies and procedures, adequate resources, training, or an effective back office to provide needed administrative support. Lack of internal controls placed \$140,152 in security deposits at risk for fraud, waste, and abuse. Prior audits criticized the department for insufficient controls. As a result, homeless programs and funding may be at risk.



### City & state lack a comprehensive homeless plan that has measurable goals and benchmarks

Opportunities to leverage or pool resources, or build on other's efforts are lost. As a result, the city and state offer similar homeless programs. The city's Housing First program costs 48% more than the state's. A comprehensive plan with measurable performance benchmarks and better coordination could maximize resources, reach more homeless individuals and allow the city to measure success in addressing homeless goals and objectives.

In January 2017, there were 7,220 homeless persons statewide.

- Oahu accounted for 69% of the states total homeless population with a recorded total of 4,959 homeless individuals.

- The Oahu count represents an 8% increase from the 4,556 homeless individuals recorded in 2013.

Oahu Homeless Data

|                       | Sheltered | Unsheltered | Total |
|-----------------------|-----------|-------------|-------|
| 2013                  | 3,091     | 1,465       | 4,556 |
| 2014                  | 3,079     | 1,633       | 4,712 |
| 2015                  | 2,964     | 1,939       | 4,903 |
| 2016                  | 2,767     | 2,173       | 4,940 |
| 2017                  | 2,635     | 2,324       | 4,959 |
| % change over 5 years | -17%      | 37%         | 9%    |

We made 8 recommendations to ensure the effectiveness and efficiency of the city's homeless related programs. We also share contract administration best practices from the Department of Budget and Fiscal Services and U.S. Comptroller General in the Appendix A.



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