



Jennifer McGuirk Multnomah County Auditor

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Date: December 1, 2021
To: Deborah Kafoury, Multnomah County Chair
Marc Jolin, Director, Joint Office of Homeless Services
From: Jennifer McGuirk, Multnomah County Auditor
RE: Living conditions audit update & required early communication

Dear Chair Kafoury and Director Jolin,

This summer, my office began our audit of living conditions for clients of county-funded housing services, primarily focused on the health and safety of housing for those the Joint Office of Homeless Services (Joint Office) placed into permanent housing. As part of the audit's initial phase, we reviewed data from the Homeless Management Information System (HMIS) to identify addresses where clients were placed into housing.

Generally accepted government auditing standards require auditors to communicate in writing when they detect deficiencies in internal control that are not significant to the audit objectives, but warrant the attention of those charged with governance. We identified a potentially significant internal control deficiency¹ with the Joint Office's use of HMIS data that indicates management has incorrectly communicated Joint Office performance data.

Our planned audit relied on address data

We wanted to determine whether there are appropriate processes in place to ensure safe and habitable living conditions for people placed into permanent housing and permanent supportive housing. One reason we started conducting this audit was information coming to our office's attention about situations where property owners or property managers had received government rent assistance

¹ Internal control is comprised of processes that management should use to run operations efficiently and effectively, report reliable information about its operations, and comply with applicable laws and regulations. One internal control principle is that management should use quality information to achieve the entity's objectives, including that management should use reliable data that faithfully represent what they purport to represent.

funds on behalf of tenants, but were failing to ensure the safety and habitability of their units. For example, in 2021, a partial ceiling collapse and the discovery of black mold in the rafters forced residents of Sandy Studios to move out of unsafe units. A Joint Office contractor operated the building.

Our methodology for the initial phase of the audit included obtaining address data from the Homeless Management Information System (HMIS) for those placed into permanent housing through rapid rehousing or permanent supportive housing programs.

We contacted Joint Office staff and asked for HMIS data that would include addresses for clients placed through permanent housing programs during fiscal years 2020 and 2021, the time period of July 1, 2019 through June 30, 2021. We received a data file from the Joint Office that included placement data. From reviewing the file, talking to Joint Office staff, and reviewing guidelines from the U.S. Department of Housing and Urban Development (HUD), the federal agency that oversees federally funded housing programs, we learned that HUD does not require address data in HMIS. And, among Joint Office program participants that were placed in housing, approximately 60% were missing address data or had address data that were not actual addresses; some of the client address entries in the file were notes such as “Homeless” and “Need address.”

In every audit, generally accepted government auditing standards require us to assess the reliability of data we use. We determined, in our evaluation of the data we received, that the data were not reliable for our audit purposes. We would be unable to draw reliable conclusions and extrapolate findings to the larger population. For this reason, we have chosen to end the audit.

The Joint Office has reported on enrollment in programs/services as representing placement into housing

As we sought to reconcile the address entries in the file we received to the placements the Joint Office had reported in [year-end and quarterly reports](#), we found that the data in the file did not support the number of permanent housing placements the Joint Office reported for FY 2020 and FY 2021. This is because the Joint Office has been reporting on Project Start Date as representing placement into housing.

According to HUD guidance, the Project Start Date indicates the date the client entered the program or started receiving services, and the Housing Move-In Date indicates the date the client moved into permanent housing. Since at least 2018, HUD’s guidance has differentiated Project Start Date and the Housing Move-In Date, since these two fields in combination help indicate the length of time between program entry and actual housing placement for program participants. The Joint Office’s process for compiling the quarterly and year-end permanent housing placement reports has consistently used the Project Start Date field as a proxy for housing placement. This is problematic because some people who enter a housing program do not end up entering into housing.

In 2018, A Home For Everyone wrote that Housing Move-In Date is the essential indicator of a person's housed or unhoused status, and started to roll out the measure to providers, per a Frequently Asked Questions (FAQ) document on its website. A Home For Everyone is the Portland/Gresham/Multnomah County Continuum of Care, which is the collective membership body of representative stakeholders engaged in ending homelessness in Multnomah County. The Joint Office's quarterly and year-end reports are posted on A Home For Everyone's website.

The Joint Office has told us that they have not started using Housing Move-In Date for reporting because of ongoing quality work related to that data field, as well as their interest in ensuring the field's accuracy before using it for reporting. We appreciate the Joint Office's desire to ensure the Housing Move-In Date field is reliable before using it for reporting. In particular, this is because when we assessed housing placements for FY2020 and FY2021 using the Housing Move-In Date, we came up with about 1,000 fewer placements per year. We are concerned that it is now three years from HUD's guidance on Housing Move-In Date, and the Joint Office is still not confident in using that field for reporting. The Joint Office told us that they have continued to report on placements based on Project Start Date because it has been the most reliable measure available. Project Start Date was a historical measure in place before Multnomah County and the City of Portland created the Joint Office in 2016.

We identified that the Joint Office has not consistently communicated orally or in writing about the distinction between Project Start Date and entry into housing placement. For example, the Joint Office's quarterly and year-end reporting includes a page on Permanent Housing with the chart People Newly Placed In Housing. The page on which this chart appears had not acknowledged that it is actually a chart based on Project Start Dates - the number of people who became newly enrolled in one or more housing programs during the particular reporting period. After a meeting with management on November 23, 2021, they shared that the Joint Office's quarterly and year-end reporting includes a glossary explaining that the chart People Newly Placed In Housing is based on Project Start Date. And on November 26, 2021 the county updated the FY2020 and FY2021 reports to include the glossary text with the People Newly Placed in Housing chart. A more transparent approach would be to clearly title the chart as People Newly Placed In Housing Programs/Services.

In a meeting with management, I appreciated that county leadership seemed sincere in saying there was no intention to be misleading in its reporting, but rather they had continued to rely on a historical measure. But management needs to be sure it is reporting data in a way that faithfully represents what the data appear to represent, and they have not communicated consistently that Project Start Date is different than placement into housing. Information about housing and homeless services is of significant public interest; it is critical that discussions about Joint Office data are as clear as possible. Generally accepted government auditing standards require me to report this as a significant internal control deficiency.

Accurate data is important for serving clients and being accountable to community members

We acknowledge the challenges the Joint Office and its providers face when placing people into housing; in particular, it appears that demand for housing placement services exceeds the supply of available housing. However, to evaluate system performance and individual program performance, an emphasis on detailed, quality data is necessary. High quality, accurate data allows decision makers and the public to draw reasonable conclusions about how the homeless service system is serving clients.

Management is responsible for reporting reliable data that faithfully represent what they purport to represent. Project Start Date should not be used as a proxy for permanent housing placement. I have provided this information to you, in accordance with generally accepted government auditing standards, in the hopes that management will take swift corrective action.

We followed generally accepted government auditing standards, including our internal quality control process, in doing this work.

Due to the data issues my office become aware of during the initial stage of the living conditions audit, I am obligated to initiate an audit of Joint Office information systems. I will be in touch to discuss the work we envision and my office's data access requirements.

CC:

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Commissioner, District 1

Susheela Jayapal, Multnomah County
Commissioner, District 2

Jessica Vega Pederson, Multnomah County
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