



Office of the City Manager

INFORMATION CALENDAR

April 1, 2014

To: Honorable Mayor and Members of the City Council

From:  Christine Daniel, City Manager

Submitted by: Jane Micallef, Director, Health, Housing, & Community Services Department

Subject: Community Services Block Grant (CSBG) Monitoring Report by the California Department of Community Services and Development

INTRODUCTION

From October 16 to 18, 2013 the California Department of Community Services and Development (CSD) conducted an on-site monitoring visit with the Health, Housing & Community Services Department (HHCS) to review activities supported by Community Services Block Grant (CSBG) funds. The City of Berkeley receives an allocation of approximately \$250,000 in CSBG funding each year. Review of the appropriate documents provided CSD the opportunity to analyze financial accountability and programmatic compliance in accordance with Federal and State Laws, and CSD policy.

CURRENT SITUATION AND ITS EFFECTS

The City of Berkeley is designated as a Community Action Agency (CAA) since it receives CSBG funding and allocates this and other local funding to programs that help alleviate conditions of poverty.

Each year the City allocates the vast majority of CSBG funds to support homeless safety net services provided by Building Opportunities for Self-Sufficiency (BOSS). A portion of the grant supports HHCS staff to provide oversight of anti-poverty programs.

The Human Welfare and Community Action Commission (HWCAC) acts as an advisory tri-partite Board of the Berkeley Community Action Agency, providing public participation in the administration of the CSBG funds. The HWCAC is made up of fifteen members, nine of whom are appointed by Berkeley City Council members and six of whom are elected representatives from three low-income districts in Berkeley.

The October 2013 on-site monitoring visit resulted in one finding: three vacancies on the HWCAC. Two of the vacancies were seats appointed by City Council and one was an elected seat. As a corrective action, Berkeley CAA is required to provide a monthly written status report, along with board roster and board minutes, to CSD describing the efforts and progress in filling board vacancies. As of the writing of this Information Item, the number of vacancies on the HWCAC has grown: there are now six vacancies; three elected and three appointed seats.

BACKGROUND

The 3-day on-site monitoring visit from CSD consisted of an administrative review, a fiscal review, and a program review.

Administrative Review

CSD field representatives reviewed the tripartite board roster dated September 9, 2013 and noted that there were three vacancies. A review of the board minutes from January through September 2013 indicated the board fully participated in the development, planning, implementation, and evaluation of the programs. The CSD field representatives also attended the board meeting on October 16, 2013 at 7pm. They observed the discussions among board members of the following items: Berkeley NAACP Town Hall Meeting, Labor Commission on Minimum Wage, Tobacco-Free Multi-Unit Housing, and Section 8 Housing Priority for Long-term Single Room Occupancy residents.

CSD noted a finding in this area of review because there were three vacancies on the tripartite board. As a corrective action, Berkeley CAA is required to provide a monthly written status report, along with board roster and board minutes, to CSD describing the efforts and progress in filling board vacancies.

Fiscal Review

CSD field representatives reviewed bi-monthly expenditure reports, general ledgers, payroll registers, and bi-weekly time sheets from January through August 2013. They indicated that reports had been submitted in a timely manner, Berkeley CAA had been on target for expending the funds, and there was a sufficient separation of duties in place to safeguard the assets.

No findings were noted in this area of review.

Program Review

CSD field representatives reviewed National Performance Indicator (NPI) Report and Client Characteristics Report. Program reports were submitted timely and accurately. Berkeley CAA was also on track for meeting the projected outcome indicators.

CSD field representatives also conducted site visits to three programs of Building Opportunities for Self-Sufficiency (BOSS). They reviewed a total of 24 client files from the three programs and concluded that clients met income eligibility and there was sufficient supportive documentation to verify income eligibility. Berkeley CAA also had adequately monitored BOSS through on-site monitoring and desk audit to ensure compliance.

No findings were noted in the area of review.

ENVIRONMENTAL SUSTAINABILITY

There are no identifiable environmental impacts or opportunities associated with the subject of this report.

POSSIBLE FUTURE ACTION

If the HWCAC continues to have vacancies, the City could be penalized and lose CSBG funding.

FISCAL IMPACTS OF POSSIBLE FUTURE ACTION

The loss of CSBG funding would reduce funding for homeless programs. This would negatively impact the City's ability to provide services for homeless clients in Berkeley.

CONTACT PERSON

Wing Wong, Community Services Specialist II, HH&CS, (510) 981-5428

Attachments:

1: CSD Monitoring Report



LINNÉ K. STOUT
DIRECTOR

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EDMUND G. BROWN JR.
GOVERNOR

January 24, 2014

Christine Daniel, City Manager
Berkeley Community Action Agency
2180 Milvia Street, 2nd Floor
Berkeley, CA 94704

Dear Ms. Daniel:

SUBJECT: On-Site Monitoring Report Number C-13-002

On October 16 - 18, 2013 the Department of Community Services and Development (CSD) conducted a Community Services Block Grant Program (CSBG) on-site monitoring visit at Berkeley Community Action Agency. Review of the appropriate documents provided CSD the opportunity to analyze the administrative and programmatic operations for CSBG Contract 13F-3001.

Enclosed for your reference is the On-site Monitoring Report. If you have any questions regarding this report, please call me at 916-576-4372 or by email at kwalker@csd.ca.gov

Sincerely,

Katie Walker,
Field Representative

c: Leslie Taylor, CSBG Field Operations Manager

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DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT

MONITORING REPORT C-13-002

Agency Name Berkeley Community Action Agency

Date of Visit October 16 – 18, 2013

Contracts Reviewed

Contract Number	Program Term	Amount	Purpose
13F-3001	1/1/13-12/31/13	\$244,908	Compliance Review

Purpose of Visit

The purpose of this visit was to meet statutory and contractual requirements for monitoring the Community Services Block Grant for financial accountability and programmatic compliance in accordance with Federal and State Laws and CSD Policy.

Report Date January 24, 2014

Entrance Conference

The following persons were present during the Entrance Conference:

- Kristen Lee,
- Drew King
- Wingyin Wong
- Energy Curvature
- Leslie Taylor, CSD Field Operations Manager
- Sandra Fletcher, CSD Field Representative
- Katie Walker, CSD Field Representative

The following issues were discussed:

- Purpose of the Monitoring visit
- Department of Community Services and Development Updates
- Staff Interviews and Schedules
- Results of Desk Review – board vacancies

Administrative Review

Tripartite Board

The Tripartite Board is composed of 15 (fifteen) board members 9 (nine) appointed: 4 (four) from the public sector and 5 (five) from the private sector. There are 6 (six) low income members.

The current Board roster dated September 9, 2013 indicates that the board has 3 (three) board vacancies: 2 (two) in the public, 1 since April 3, 2012 and once since May 11, 2011. There is also 1 vacancy in the low income sector since December 14, 2012.

A review of the board minutes from January 2013 through September 2013 indicated that the tripartite board fully participates in the development, planning, implementation, and evaluation of the programs. The board helps to develop, and then, adopts budgets, and makes sure the budget reflects policies and organizational goals set by the board through long-range planning. The board, through the Finance Committee, monitors income and expenditures throughout the year, and makes changes to the budget as needed. Budget-to-actual comparisons for both income and expenses are prepared and submitted monthly to the Board of Directors. Balance sheets, or Statements of Financial Position, are prepared and submitted to the Board of Directors at least quarterly. Monthly reports on the agency's progress in meeting contracted goals and objectives are prepared and submitted to the Board of Directors as additional documentation to support financial statements is needed and/or requested.

**Board
Meeting
Attendance**

Board Meeting was held on October 16, 2013 @ 7:00 p.m.

A quorum was established and meeting was called to order at 7:06 by Cheryl Davila, Vice Chair, who facilitated the meeting on that day.

The following items were discussed during the meeting:

Berkeley NAACP had a Town Hall Meeting on Inequities, Disparities and Discrimination in July 2013. Subsequently, a letter was sent to the board with all the concerns outlined in the areas of Education, Employment, Housing, Criminal Justice, Public Health and Mental Health. The board had a discussion and four of the board members were appointed to form a subcommittee to gather information regarding these concerns.

There was a presentation by Labor Commission subcommittee chairperson on Minimum Wage. The board members asked questions: how the Minimum Wage would be affected by Affordable Care Act, any adjustment mechanism, whether it covered full-time and part-time employees, etc.

The board also had a short discussion regarding the following topics: Tobacco-Free Multi-Unit Housing, City Budget and Pension Benefits, and Section 8 Housing Priority for Long-term Single Room Occupancy residents. The board requested presentations/information on these topics be available at future meetings.

The meeting was adjourned at 8:35p.m.

Fiscal Review**Expenditure Reports**

A review of the EARS bimonthly expenditure reports from January through August 2013 indicated that the expenditure reports have been submitted in a timely manner.

Contract 13F-3001

Expenditure Progress

The year-to-date expenditures reported in EARS as of August 2013 indicate that 64.77% of contract funds have been expended of the total \$244,908. The agency is on target for expending the funds by the end of the contract term.

Line Item Expenditure Review

The Field Representative conducted a review for the following expenditures reported in EARS:

Contract 13F-3001

Report Period	Section (Program/Admin)	Line Item	Amount
1/1/13-2/28/13	Administrative Costs	Salaries & Wages	\$9018.57
1/1/13-2/28/13	Administrative Costs	Fringe Benefits	\$5757.19
7/1/13-8/31/13	Administrative Costs	Salaries & Wages	\$4114.97
7/1/13-8/31/13	Administrative Costs	Fringe Benefits	\$2438.59
3/1/13-4/30/13	Program Costs	Subcontractor Services	\$86776
7/1/13-8/31/13	Program Costs	Subcontractor Services	\$39831

Field Representative reviewed advance requests, general ledgers, payroll registers, electronic time and activity reports, bi-weekly time sheets and verified that the documentation supported the line item expenditures reported in EARS.

Internal Controls

An evaluation of the separation of duties for the internal control accounting functions identified that the agency appears to have sufficient separation of duties in place to safeguard the agency's assets.

Program Review

Program Reports

The National Performance Indicator (NPI) Report and Client Characteristics Report has been submitted timely and accurately.

Program Performance

A review of the mid-year NPI reported program performance outcomes indicates that agency is on track for meeting the projected outcome indicators. For example, NPI 6.2 A, emergency food, the agency projected to serve 1400 individuals receiving assistance, but exceeding their projection by serving 1816. NPI 6.4 E family supports, the agency projected 75 participants would obtain safe and affordable housing and the agency was able to assist 125 participants. NPI 6.5 A, the agency projected that they would be able to provide 55,000 food boxes to low-income individuals and they were able to exceed their goal by providing 63,566 food boxes.

Data Collection System

Berkeley CAA uses a database called In-house (HMIS) which is a web-based client level database that captures client demographics, services and outcomes. Building Opportunities for Self-Sufficiency (BOSS), the primary contractor for Berkeley CAA participates in HMIS and submits reports to the City using data exported out of In-house.

Site Visits

Program	Building Opportunities for Self-Sufficiency - BOSS
Address	2065 Kittredge St., Set E, Berkeley, CA 94704
Phone Number	510-649-1930
Contact Name	Kristen Lee

The mission of BOSS is to help homeless, poor, and disabled people achieve health and self-sufficiency, and to fight against the root causes of poverty and homelessness. BOSS was established in 1971 to help mentally ill people who had been released to the streets following state hospital closures and had become homeless. They are open 7 (seven) days a week, 365 days a year.

Today the agency provides services to the chronically mentally ill, while also serving homeless people, families with children, seniors, veterans, working people, people with substance abuse problems, survivors of domestic violence and people with AIDS.

Housing is at the core of the services that BOSS provides. Providing housing gets people off the street and into stable housing. The agency uses Fast-track housing search, move-in assistance, emergency and short-term housing and rental assistance. They also provide adult literacy and computer classes, job preparation, search and placement and job development with employers.

BOSS also continues to fight the root causes of homelessness and to organize and encourage better policies to lift people out of crisis. These experiences

are shared with researchers and policy makers to make sure that this problem is included in decision making.

The Field Representative reviewed 7 client files to verify the income eligibility. The client files contained income eligibility supportive documentation. All files were locked in secure file cabinets within a locked office.

Program	Harrison House Singles/Recovery Services
Address	2065 Kittredge St, Ste. E, Berkeley CA 94704
Phone Number	510-649-1930
Contact Name	Kristen Lee

The BOSS Ursula Sherman Village Single Adult Program (USV-SAP) is a residential program (Harrison House) for homeless individuals with beds for 34 men and 16 women. Of the shelters 50 beds: 1) Seventeen beds are designated for community housing and shelter services (CHASS) clients, clients who are referred by Alameda County Social Services and receive General Assistance; 2) ten beds for Alameda County Behavioral health Care referrals; and 3) twenty three beds are available to the Centralized Shelter Reservation Program. The USV-Single Adult Shelter offers emergency access for Berkeley Mental Health and Berkeley Police for frail/at-risk single adults.

Services are based on the Housing First model which is case management and other supportive services. The primary focus is seeking stable income and moving people into permanent housing, with up to six (6) months of monthly follow-up after housing placement. Supportive services and activities for participants include housing workshops, employment and/or benefits eligibility workshops followed by one on one meetings designed so participants can move into permanent housing with adequate income to sustain themselves toward permanency. All staff are trained in motivational interviewing to encourage and guide participants to take full advantage of additional classes and seminars along the following evidenced based interventions tracks: Seeking Safety (gender specific trauma informed care); and Celebrating Families, Life Skills Training as well as community involvement and healthcare services. These are the skills and tools needed to remain in permanent housing and break the cycle of homelessness.

At entry each participant is given a screening/assessment, HMIS intake and an individualized self-sufficiency plan that will include goals to achieve permanent housing. An individual has a maximum length of stay of 30 days. Continued stay is reviewed after 30 days by reviewing the progress in increasing the income savings and completing the necessary steps to get on a subsidized waiting lists.

The Field Representative reviewed 5 client files to verify the income eligibility. The client files contained income eligibility supportive

documentation.

Program	MASC
Address	Downtown Berkeley
Phone Number	510-649-1930
Contact Name	Sonja Fitz

The BOSS Multi-Agency Service Center (MASC) is a drop in center in downtown Berkeley that provides life-changing services, plus day to day food and services, outreach and engagement to chronically homeless people. The goal is to help participants move into permanent housing, and to improve their income, enrollment into healthcare, and skills so they can retain that housing.

The MASC operates 7 days a week. As a main point of entry into the County-wide network of BOSS programs, it provides Housing, Employment and/or Benefits Eligibility Workshops, one on one engagement and a wide variety of crisis intervention and longer-term services to 125 people each day.

Participants are screened to determine their immediate and long-term needs, and when necessary are referred to appropriate programs in BOSS or in the community. Participants have access to an internal case manager for health, mental health, addiction, and employment. Case management is not a prerequisite to receive services at the MASC, but the staff encourages people to avail themselves of this long-term support, using incentives such as the availability of lockers for case management participants.

A new effort is an outreach and engagement service, where workers will be assigned to provide three (3) hours per day/three (3) days per week in downtown Berkeley, South Berkeley and West Berkeley making contact with individuals who are homeless, have previously used MASC services, but have not been in contact for over a year. The assigned workers will provide a renewed contact with those who are struggling with homelessness and related health and social concerns. The Outreach workers will share their journey in a way that hopefully leads to healing, wholeness and stability in the community through connections with shelter, housing, health, income resources and referrals. The ultimate goal is to bring these individuals into the programs so they can receive help and assist in reducing the homeless population in Berkeley.

Some of the other services are: housing placement and retention, housing workshops, employment workshops, benefits eligibility workshops, drug and alcohol recovery services, etc.

The Field Representative reviewed 12 client files to verify the income eligibility. The client files contained income eligibility supportive documentation.

Subcontractor Oversight

Subcontract Agreement	Berkeley Community Services Agency subcontracts program services. As contractually required subcontractor name, address, telephone number, contact person, contract amount and program description of each subcontractor activity has been submitted.
Subcontractor Monitoring	The Field Representative reviewed the monitoring system for evaluating subcontractor performance. Onsite monitoring is performed every other year and a desk audit is performed every year. Any issues that may have been detected are addressed verbally to make sure that the interpretation of data is correct and then the monitoring report is sent to the subcontractor. A report is sent for onsite and desk reviews. Field Representative was able to conclude that the subcontractor is adequately monitored to ensure compliance.

Exit Conference

The following staff were present at the Exit Conference:

- Kristen Lee,
- Drew King
- Wingyin Wong
- Energy Curvature
- Leslie Taylor, CSD Field Operations Manager
- Sandra Fletcher, CSD Field Representative
- Katie Walker, CSD Field Representative

Items discussed:

- Expressed appreciation of staff hospitality and assistance
- Timeline for issuing monitoring report
- Training and Technical Assistance
- Board Vacancies

Findings/Corrective Action

Finding: There are currently 3 (three) vacancies on the Berkeley Community Action Board. There are 2 (two) board vacancies in the public sector since April 3, 2012 and May 11, 2011. These vacancies were identified and tracked under Monitoring Report C-11-009 and Monitoring Report C-12-002 and will now be transferred and tracked under C13-002. Additionally, there is one vacancy in the low income sector since December

2012. The combined 3 (three) board vacancies will be tracked under Monitoring Report C13-002.

Corrective Action: To ensure compliance with establishing and maintaining a full tripartite board, Berkeley Community Action Agency shall provide a monthly written status report to CSD describing the agency's efforts and progress in filling the board vacancies identified in this report. An updated board roster and board minutes shall be submitted to CSD when the vacancies identified in this report are filled.

Due Date: The agency shall submit a monthly status report each month by the 30th until the vacancies are filled. The first monthly status report is due on February 28, 2014.
