

Status Update **and Preliminary Observations**

August 29, 2024

ALVAREZ & MARSAL
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Financial and Performance Assessment of City-Funded Homelessness Assistance Programs



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A&M Assessment Progress To-Date

Status Update and Preliminary Observations on Financial and Performance Assessment



Continued to Request/Obtain Documentation

- Requested supplemental financial and performance reports/documentation to capture a complete and accurate review of all service-related transactions, including the creation of “available beds” and related metrics/outcomes.

Party	Documents Produced
The City of Los Angeles	~2,392
Los Angeles Homeless Services Authority (LAHSA)	~1,662

Conducted 80+ interviews

Key update: A&M requested data from LAHSA on July 30, 2024; as of August 26, 2024, some of the requested data has not yet been provided, and certain items are still outstanding. Moving forward, all data requests to LAHSA will go through the Court.



Reviewed and Assessed Key Contracts

- Reviewed contracts between the City and LAHSA, LAHSA and Service Providers, and City and Service Providers to assess compliance with criteria established by the agreements.

Key Activities

- Discussed contractual elements during interviews to understand current-state processes for compliance
- Obtained background information to understand the data management system (HMIS) used to track information
- Reviewed metrics and outcomes stipulated in the contracts with performance reports from LAHSA
- Mapped site locations in contracts to the beds created under Roadmap and Alliance



Reconciled Financial Data

- Initiated steps to trace and reconcile financial transactions through the City, to LAHSA, and to the Service Providers across various data sources
- Identified materiality methodology and financial threshold to determine the sample for fieldwork

Key Activities

- Examined the flow of funds for payment to third-party service providers contracted through LAHSA and reimbursed by the City (invoice submission, cash requests, cash disbursements/payments)
- Analyzed LAHSA general ledgers to quantify the largest third-party service providers by fiscal year and related subprograms
- In Process: Identify appropriations for the three (3) Programs and reconcile appropriated funds to actual expenditures

Four Key Areas of Intervention

The services identified below are **examples** and not inclusive. The list is based on preliminarily identified data as related to the three (3) Programs

	Outreach	Supportive Services	Interim Housing	Permanent Housing
Responsible Party	Types of Outreach Examples	Types of Supportive Service Examples	Types of Interim Housing Examples	Types of Permanent Housing Examples
City	<ul style="list-style-type: none"> Field Intervention Team (FIT) 	<ul style="list-style-type: none"> CARE+ Inside Safe Response Charter Bus Services 	<ul style="list-style-type: none"> A Bridge Home Tiny Home Village Acquisition / Construction / Rehabilitation Leasing 	<ul style="list-style-type: none"> Acquisition / Construction / Rehabilitation
LAHSA	<ul style="list-style-type: none"> Homeless Engagement Team (HET) 	<ul style="list-style-type: none"> Intake and Enrollment Problem Solving Case Management Document Collection / Document Ready Meals Housing Search Assistance Transportation 	<ul style="list-style-type: none"> Motel Vouchers 	<ul style="list-style-type: none"> Time-Limited Subsidies
County	<ul style="list-style-type: none"> Multi-Disciplinary Team (MDT) 	<ul style="list-style-type: none"> Medical, Mental Health, and Substance Use Services 	<ul style="list-style-type: none"> High Service Need Beds 	<ul style="list-style-type: none"> Permanent Supportive Housing (Services)

Key

- Reviewing
- Reviewing, But Need More Information
- Not Currently In Scope

BASED ON PRELIMINARY OBSERVATIONS AND SUBJECT TO CHANGE⁴

Key Challenges



Incomplete and disaggregate financial data produced by the City and LAHSA



Incomplete financial documentation for services rendered



Lack of information on which service contracts relate to the beds created under Roadmap and Alliance



Incomplete and inaccurate HMIS data produced by the City and LAHSA



Lack of insight into the County for services provided via the County

Next Steps

Framework of City-Funded Services for Sample

Types of direct services to people experiencing homelessness preliminarily identified based on document review.

Types of Direct Services
<ul style="list-style-type: none"> • Outreach • Intake and Enrollment • Problem-Solving (Diversion) • 24-Hour Bed Availability / 12-Hour Parking Space Availability • Restrooms and Showers • Motel / Hotel Vouchers • Rental / Financial Assistance • Meals • Case Management • Home Visits • Housing Search Assistance • Document Collection / Document Ready • Connection to LA County’s Mainstream Benefits • Harm-Reduction Services • Security
<p><i>In exclusion of beds/vouchers, operations and supportive services generally appear consistently defined across the types of LAHSA subprograms</i></p>



Largest City-Funded LAHSA Subprograms (FY24)
<p><i>As of August 26th, over 90% of City funds under the four (4) Program-named contracts with LAHSA were spent on five (5) subprograms in FY24</i></p>

Other LAHSA Subprograms
<ul style="list-style-type: none"> • Project Roomkey • Safe Sleep • Safe Parking • Time-Limited Subsidies / Rapid Re-Housing • Recovery Re-Housing • Shallow Subsidy • Housing Navigation • Emergency Response Program
Examples of Other Services
<ul style="list-style-type: none"> • LAHSA Homeless Engagement Team • USC Street Medicine