

2023-102 AUDIT SCOPE AND OBJECTIVES

State and Local Government Homelessness Funding

The audit by the California State Auditor will provide independently developed and verified information related to homelessness funding. The audit's scope will include, but not be limited to, the following activities pertaining to the State, the city of San José, and another city selected by the State Auditor:

1. Review and evaluate the laws, rules, and regulations significant to the audit objectives.
2. Review and evaluate the State's structure and efforts for funding and addressing homelessness, including the role of the California Interagency Council on Homelessness.
 - (a) Identify measures used by the State to calculate the cost effectiveness of its programs, and determine how many individuals received shelter and services annually in fiscal years 2020-21 through 2022-23. For a selection of up to five programs, assess the cost-effectiveness of these programs.
 - (b) Determine whether existing state or federal laws or regulations impede the ability of the State or local jurisdictions to accurately assess and track the population experiencing homelessness.
 - (c) Identify any impediments to state and local jurisdictions' sharing of data and meaningful collaboration.
3. Evaluate the extent to which San José and the other city are meeting the goals they have established in their policies and plans for ending homelessness.
4. Identify, for the past three fiscal years, how much San José and the other city have received in non-city funding for homelessness programs, including but not limited to Project Roomkey, Homekey, and federal stimulus funds.
 - (a) Determine how the cities have allocated and spent these funds and identify whether there is any amount remaining.
 - (b) Evaluate whether the cities have appropriately and effectively used these funds, including whether funding allocated for city staff and contractors aligns with the intent of the programs.
 - (c) Identify whether any allocations, and the amounts, were made to pay for city administration or any other overhead or non-programmatic functions, such as city hall or other city facilities or allocations to the city manager, city council, and mayor and their staff.
5. Identify the outcomes San José and the other city have achieved from their use of non-city funding to reduce homelessness, and determine the following for each city:
 - (a) The number of unsheltered individuals the city has placed in shelter or housing during each of the past three fiscal years, including the type of shelter or housing.

2023-102 AUDIT SCOPE AND OBJECTIVES

State and Local Government Homelessness Funding

Page 2

- (b) The rate of placing individuals in shelter or housing compared to the growth rate of its unsheltered homeless population.
 - (c) The amount of time it takes to fill vacant beds and facilities for those facilities controlled by the city or its contractors.
 - (d) The amount of time between the city receiving non-city funds and dispersing them to service delivery organizations and the efficiency and effectiveness of this process.
 - (e) The length of time it took the city to place individuals in shelter or housing and how much the city spent on services for these individuals while they were unsheltered compared to after they were placed.
 - (f) The permanent housing outcomes associated with the programs and services funded through non-city funding.
6. To the extent possible, review available demographic data on San José's and the other city's unsheltered population and identify whether there are segments of each city's unsheltered population that are underserved. To the extent possible, determine the reasons for those instances and identify whether there are additional funding opportunities or homeless programs that each city could pursue to better serve these segments of the population.
7. Identify any funding sources San José and the other city used during the three most recent fiscal years to ensure the health and safety of the unsheltered population and the outcomes each city has achieved from its use of this funding. Determine the following:
- (a) Whether each city has made an effort to identify public safety and health issues at homeless encampments, including the encampments at Columbus Park in San José.
 - (b) Whether the services each city has provided to address public safety and health issues adequately mitigated the impact of these issues on the population of encampments and surrounding areas.
 - (c) Whether each city has worked with its respective county and its public health department to provide services to address and mitigate these public safety and health issues.
8. Identify other public and local funds, including San José's Measure E Funds, that San José and the other city have used during the three most recent fiscal years to address homelessness.
- (a) Evaluate the effectiveness of each city's use of these funds.
 - (b) Identify how many full-time equivalent city staff are engaged in work abating homeless encampments, including management and clean up through San José's BeautifySJ initiative, and how many staff in each city's housing department are focused on solutions to homelessness through efforts such as homelessness prevention, rapid rehousing, temporary housing, and permanent supportive housing.

- (c) Quantify the annual operational costs of administering each city's programs during the three most recent fiscal years to abate, manage, and clean up homeless encampments and of its efforts to provide solutions to homelessness through housing strategies and homelessness prevention.
9. Identify San José's and the other city's proposed sites for building interim and permanent housing for individuals experiencing homelessness.
- (a) Identify each city's policies and processes for approving housing sites.
 - (b) Determine how many approved sites each city owns or controls.
 - (c) Determine whether the sites are equally distributed among each city council district.
 - (d) Assess each city's efforts to identify potential additional sites for both interim and permanent housing, the locations of those sites, and the status of any plans to build more housing.
10. Review and assess any other issues that are significant to the audit.