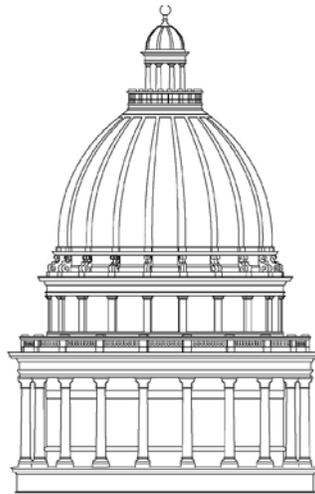


REPORT TO THE
UTAH LEGISLATURE

Number ILR 2018-A



**A Limited Review of Three Facilities
Operated by The Road Home**

May 2018

Office of the
LEGISLATIVE AUDITOR GENERAL
State of Utah



STATE OF UTAH

Office of the Legislative Auditor General

315 HOUSE BUILDING • PO BOX 145315 • SALT LAKE CITY, UT 84114-5315
(801) 538-1033 • FAX (801) 538-1063

Audit Subcommittee of the Legislative Management Committee

President Wayne L. Niederhauser, Co-Chair • Speaker Gregory H. Hughes, Co-Chair
Senator Gene Davis • Senator Ralph Okerlund • Representative Brian S. King • Representative Brad R. Wilson

JOHN M. SCHAFF, CIA
AUDITOR GENERAL

May 2018

TO: THE UTAH STATE LEGISLATURE

Transmitted herewith is our report, **A Limited Review of Three Facilities Operated by The Road Home** (Report Number ILR 2018-A). We will be happy to meet with appropriate legislative committees, individual legislators, and other state officials to discuss any item contained in the report in order to facilitate the implementation of the recommendations.

Sincerely,

A handwritten signature in black ink that reads "John M. Schaff" with a stylized flourish at the end.

John M. Schaff, CIA
Auditor General

JMS/lm

REPORT TO THE UTAH LEGISLATURE

Report No. ILR 2018-A

A Limited Review of Three Facilities Operated by The Road Home

May 2018

Audit Performed By:

Audit Manager	Brian Dean, CIA, CFE
Audit Supervisor	James Behunin, CIA
Audit Staff	David Gibson, CISA Tyson Cabulagan

Office of
LEGISLATIVE AUDITOR GENERAL
State of Utah

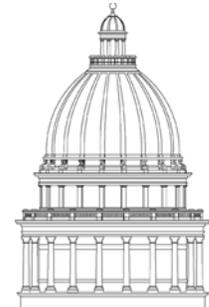
**Report Number ILR 2018-A
May 2018**

A Limited Review of Three Facilities Operated by The Road Home

Drug use and safety concerns are serious problems faced by many residents at two local homeless shelters and a housing complex operated by The Road Home, a local nonprofit organization. These problems are largely due to a lax enforcement of the rules and procedures designed to prevent drug use and to provide a secure environment in those facilities. We believe these problems can be best addressed through improved management oversight and more effective board governance. For this reason, we recommend that managers of the three facilities take immediate action to improve the security. Furthermore, we recommend that the board of trustees for The Road Home provide better policies and oversight, including how to apply its “low barrier to entry” approach to shelter care.

The Road Home is a nonprofit provider of shelter and housing for individuals and families experiencing homelessness. The organization operates an emergency shelter for single men and women on Rio Grande Street in Salt Lake City. Its emergency shelter in Midvale serves families experiencing homelessness. The Road Home also operates a 201-unit permanent supportive housing development called Palmer Court located on Main Street in Salt Lake City. This facility is devoted to serving individuals who are chronically homeless and have a disabling condition.

While The Road Home operates the three facilities described in this report, the facilities are actually owned by a separate nonprofit organization called Shelter the Homeless. As owners, Shelter the Homeless shares some responsibility for conditions at these facilities.



The Road Home is a nonprofit provider of shelter and housing services for individuals experiencing homelessness.

For this reason, we direct some of our recommendations to the board and management of Shelter the Homeless.

Substance Abuse and Safety Are Serious Concerns at Three Road Home Facilities

We have serious concerns about the health and safety of the residents at both emergency shelters and a housing complex operated by The Road Home. We found evidence of frequent drug use inside the downtown shelter. Additionally, we are concerned by the lack of security and drug use at the Midvale family shelter. The Road Home's permanent supportive housing facility, Palmer Court, also has a serious drug problem.

Our Initial Interviews Confirmed Allegations Raised About Conditions at Facilities Operated by The Road Home

In January 2018, we began a performance evaluation of programs throughout the state offering services to the homeless. As we began the audit, we received troubling allegations regarding drug use, safety concerns, poor health conditions, and mismanagement at the downtown shelter. Some of these same concerns were repeated during our interviews with several dozen homeless individuals who have stayed at the shelter. Specifically, shelter residents complained of drug use within the shelter, poor sanitary conditions (including bedbugs and lice), and theft of their belongings.

In response to these concerns, we spent several weeks observing the operations of the three main facilities operated by The Road Home. We visited each facility at different times of the day to observe conditions in the shelter, many times with public safety officers. We also invited county health inspectors to examine health conditions at the facilities. In addition, we reviewed The Road Home's policies and interviewed employees and public safety officers assigned to the area. The following section describes the results of our review.

Drug Use and Safety Issues Are Common Inside the Downtown Shelter

The downtown shelter provides 24/7 accommodations for single men and women. The shelter has the capacity to serve roughly 700 men and 300 women each night. From incident reports prepared by

Serious allegations prompted us to look closer into the operations of The Road Home.

in-house security staff, information provided by local law enforcement, and our own observations, we have concluded that drug use and safety are serious problems at the downtown homeless shelter.

Security Incident Reports from The Road Home Confirm Drug Use in the Shelter. The incident reports prepared by internal security staff provide evidence of drug use inside and immediately outside the shelter. Security personnel frequently observe drug use by those in the area near the west door to the shelter and in the bathrooms located inside the shelter. The security staff also report finding people dealing drugs, smoking Spice¹, and using heroin in the shelter or on the ramp leading into the shelter. During a 2 ½-week period, security personnel documented over 100 cases of drug related activity within the downtown shelter. In addition to finding drug use, they also found individuals in the shelter who had been banned and who should not have been there. While we recognize that security staff usually remove individuals from the shelter when they are found using drugs or have been banned from the facility, we are still troubled by how easily residents are able to enter the facility with drugs and drug paraphernalia. Later in this report, we offer recommendations that should help alleviate some of these concerns.

Public Safety Personnel Confirmed Our Concerns About Drug Use and Security. The Department of Public Safety provided us with additional evidence that safety and drug use are serious problems within the downtown shelter. Public safety officers explained they often encounter homeless individuals using drugs in and around the shelter. For example, officers recently arrested an individual inside the downtown shelter. This individual had a loaded weapon, drug paraphernalia, and controlled substances in his possession. Figure 1 shows the handgun and syringes that were recovered during the arrest.

Incident reports prepared by private security provide evidence of frequent drug use in the downtown shelter.

Law enforcement officials arrested an individual with a loaded weapon and drug paraphernalia inside the shelter.

¹ Spice is a drug containing a mix of herbs and manmade chemicals with mind-altering effects. It is also called synthetic marijuana.

Figure 1 Items Found in Possession of an Individual Arrested in the Downtown Shelter. Police found a loaded weapon, drug paraphernalia, and controlled substances on an individual in the downtown shelter.



Source: The Utah Department of Public Safety

The case described above raises concerns about the ability of staff to control access into the downtown shelter. Not only did the individual enter the facility undetected with a gun and drug paraphernalia, but he had already been banned from the shelter for theft and drugs. For this reason, this individual should not have even been allowed entry into the shelter. Additionally, we were told by public safety officers that they had arrested two individuals for selling Spice outside the entrance to the shelter.

Although it appears that Operation Rio Grande has significantly improved conditions in the surrounding neighborhood, state public safety officers report that drug use is still a problem among the homeless who reside inside the shelter and in the surrounding neighborhood.

Auditor Observations and Conversations with Residents Indicate Significant Drug Use Occurs in the Downtown Shelter.

State public safety officers joined us on four visits to the downtown shelter. One of these visits occurred during the late evening hours. Another visit was done after midnight. In addition, we reviewed video recordings of security cameras of key entryways leading into the facility. Based on our own observations and the comments by those we interviewed, we have concluded that drug use at the downtown shelter is both common and problematic. For example, the following are a few firsthand observations:

During several visits to the dorm area in the downtown shelter, we observed evidence of drug use.

- Used syringe under a bunk
- Spice joints in the urinal
- Strong odor of the drug Spice in the dorm area
- A resident quickly hiding a handful of what appeared to be Spice cigarettes just as law enforcement entered the room
- Individuals quickly putting away their things and dispersing as law enforcement entered the bunk area
- Two individuals experiencing an apparent drug overdose

Overall, we inspected the dorm rooms in the downtown shelter seven different times, including the four times that we were accompanied by public safety officers. During nearly every visit, we found some evidence of drug use. We observed individuals who appeared to have been under the influence of drugs, we saw drug paraphernalia, or we could smell the odor of the drug commonly referred to as Spice. Our observations were confirmed by the public safety officers who accompanied us. Even when we did not observe the drug use firsthand, we usually had residents tell us that they had observed other residents using drugs inside the facility. One resident even admitted to us that she had used drugs inside the shelter.

Figure 2 includes an images of spice cigarettes recovered by a Utah Highway Patrolman (UHP) officer who joined us during one of our late-night inspections of the downtown shelter, along with other drug paraphernalia found by our audit team.

During nearly every visit, we found some evidence of drug use.

Figure 2 Drugs and Drug Paraphernalia Found Outside of Downtown Shelter. The Spice shown was being used by a homeless individual on the streets near the downtown shelter. The syringe shown was found by a member of our audit team in the parking lot next to the shelter. Similar drug paraphernalia were observed inside the shelter as well.



Source: Audit Team photos

Note: The Spice was found on an individual UHP cited on 500 South and 400 West in Salt Lake City. The syringe was found in the parking lot next to The Road Home.

While the items shown in Figure 2 were found a short distance from the downtown shelter, we found similar drugs and paraphernalia both within the facility and immediately outside the entrance.

Due to the Drug Use, Some Homeless Individuals Avoid Staying at the Downtown Shelter. Based on the 2017 Point in Time count² of Utah's homeless population, about 280 individuals (or 10 percent of all homeless individuals in Utah) are unsheltered. They spend their nights on the street. We interviewed 21 homeless individuals who we met on the streets of Salt Lake City and asked whether they stayed at the downtown homeless shelter. Nearly a third said they choose to spend their nights on the streets rather than at the shelter. The reasons they gave is that they wanted to avoid the drug use, stealing, and poor health conditions at the downtown shelter. For example, one recovering addict told us he chooses to sleep on the

² The annual Point in Time Count is mandated by the U.S. Department of Housing and Urban Development (HUD) for communities across the country to receive funding. Service providers choose one day at the end of January to count people in their communities who are living on the street and in emergency shelters, transitional housing, or domestic violence shelters.

Some individuals experiencing homelessness report they avoid the shelter because of the drug use there.

street because he fears if he were to go to the shelter he would meet the same people who have given him drugs in the past. He fears he would not be able to refuse their offers of drugs. Another third of those we interviewed also acknowledged the drug use, poor sanitary conditions, and the stealing in the shelter but said they choose to stay in the shelter anyway. The remaining third said they had no concern about staying at the downtown shelter.

Drug Use and Safety Issues Have Been Reported at the Family Shelter in Midvale

The Road Home also operates a 300-bed family shelter in Midvale City. Unlike our visits to the downtown shelter, we did not observe any drug paraphernalia or other signs of drug use during our visits to the Midvale family shelter. Even so, in reviewing police reports, we found that drug-related activity is occurring. Police responded to six narcotic-related calls in February and seven in January. Recently, police found THC-laced³ candy, as shown in Figure 3, at the shelter.

Drug use has occurred at the family shelter in Midvale.

Figure 3 Candy Containing THC Was Found at the Midvale Shelter. This candy, the size of a sucker, was found in a public area of the shelter.



Source: Unified Police—Midvale Precinct

We are concerned that candy containing THC could be found at a community shelter where children are present. Midvale police also report finding drugs and drug paraphernalia hidden in crevices in the shelter’s rooftop common area. In February, Midvale police arrested

Midvale police arrested an individual with a knife and drug paraphernalia inside the Midvale shelter.

³ THC is the psychoactive chemical contained in marijuana.

an individual at the shelter wanted by local authorities, who was found with drug paraphernalia and a large knife shown in Figure 4.

Figure 4 Knife and Drug Paraphernalia Found on a Resident at the Midvale Shelter. The individual was wanted by local authorities and was found with a weapon and drug paraphernalia inside the shelter.



Source: Unified Police—Midvale Precinct

The potential risk posed to residents by the abovementioned individual is a concern.

Use of Illegal Drugs Is Common at the Palmer Court Permanent Housing Facility

We have also found evidence of illegal drug activity at Palmer Court. We have seen drug paraphernalia on the property. During an evening tour of the facility, a public safety officer confirmed to us that he smelled the scent of Spice in the halls. Outside social workers, the Road Home staff, and residents have all indicated that they know who uses drugs and that they have observed drug use at the facility.

Palmer Court is a housing development that is operated through a variety of funding sources including state, local and federal funds, as well as private sources. The facility has a total of 201 apartments for families and single individuals. To qualify for residency at Palmer Court, an applicant must be chronically homeless and have a disabling condition. Palmer Court is a “screen-in” facility, meaning that those with the greatest barriers to housing are among the first to be granted

During a tour of Palmer Court, a public safety officer confirmed that he smelled the drug Spice in the halls.

access. This also means that the population residing at Palmer Court tends to be the chronic homeless who suffer from serious addiction issues and other disabling conditions.

Drug Paraphernalia Observed on the Property of Palmer Court. We interviewed many residents who told us of specific neighbors who were using drugs. To support their claims, the residents showed us locations where individuals had disposed of their syringes. Figure 5 shows examples of the paraphernalia we saw.

Figure 5 Drug Paraphernalia Can Be Easily Found at Palmer Court. Children who live at Palmer Court are exposed to drug paraphernalia on the grounds at Palmer Court.



Source: Auditor's inspection of the grounds around Palmer Court and photo sent to auditors from a mother of a seven-year-old

The pipe shown in Figure 5 was found by a seven-year-old while playing in the courtyard at Palmer Court. The child's mother told us she often reminds her children not to pick up any pipes or syringes if they see them. During one visit, residents showed us a location where we found over 10 syringes that had been disposed of on the ground. After we reported this to the Palmer Court staff, they were quick to dispose of the syringes. However, when we returned to the same location two days later, we found four new syringes on the ground. This suggests that the drug use is a frequent and an ongoing problem at the Palmer Court complex.

We also accompanied the Salt Lake County Health Department on an inspection of some of the apartments at Palmer Court. During the inspection of one apartment, we observed that some Spice cigarettes had been left on a table as well as a glass pipe which, according to a public safety officer, appeared to have been used to smoke crack

Syringes and drug pipes were found in common areas of Palmer Court.

We interviewed many individuals who reported that they either observed drug use or had discovered other evidence of residents using drugs.

cocaine or some similar drug. During a late-evening tour of the facility, that same public safety officer confirmed that he could smell a heavy scent of the drugs in the hallways.

Social Workers, Staff, and Residents Report Observing Drug Use. We interviewed many individuals who reported that they either observed drug use or found other evidence of residents using drugs. For example, we interviewed two outside social workers who have interacted with Palmer Court residents for many years. They told us they have observed drug use firsthand and have seen drugs being used in the presence of children. In addition, The Road Home employs several caseworkers who serve the residents at Palmer Court. They also told us that they know of residents who have been using drugs in the facility.

Several residents told us they have observed their neighbors using drugs. For example, one mother in the facility told us she could smell the Spice fumes coming into their apartments from the hallways. She also told of a time when she and her daughter encountered another resident smoking Spice in the hallway. She said the man intentionally blew the drug-tainted smoke into the face of her child.

Obviously, any individual, but especially the children living at Palmer Court, should not be exposed to drug paraphernalia or other individuals who are under the influence of drugs.

Security Concerns Are Common in The Road Home Facilities

In addition to our concerns about drug use and weapons, we are also concerned by the weaknesses we found with the security systems at the downtown shelter and Palmer Court. The Road Home should take steps to ensure all security protocols are properly working and are in place.

Audit Tests Reveal Weaknesses with the Safety and Security Systems at the Downtown Shelter. During one of our visits to the downtown shelter, we tested the reliability of the security systems, including the cameras and controls over the doors. We found the alarms on doors separating the women's shelter and the men's shelter were inoperable. As a result, residents could have entered the dorms for the opposite sex without detection. We also found the alarm to an outside emergency door was not working. Of even greater concern,

Some security alarms were found to be inoperable.

staff were unaware the alarms were not working. They assured us the alarms worked, because staff check them during each shift. When we checked the alarms two days later, they were still not working.

We were told that residents sometimes hand materials through a gate to others already inside the shelter or trying to sneak under the gate. We also observed security camera recordings showing an individual handing an item through the gate. While we do not know whether any items passed through were prohibited or dangerous, this example offers additional evidence of the weakness in the shelter's security system. It may be another way that weapons and drugs are being brought into the shelter. We have also seen individuals walk through intake without being searched.

Additionally, residents of the downtown shelter have described for us the many creative ways that other residents bring drugs into the shelter. For example, one resident reportedly hides his drugs in his wheelchair and then distributes them to others once he is inside. We also observed security camera recordings showing guests stashing what appears to be contraband in their underclothes and socks as they enter the shelter. Based on our observations of the security systems at the downtown shelters, we are concerned that the shelter staff are not fulfilling their responsibility to keep the shelter secure.

Inspections of Palmer Court Reveal Weakness in Security Systems. We visited Palmer Court on multiple occasions and noticed weaknesses in the security systems at that facility. One concern is that some security cameras appear to have been tampered with. For example, residents showed us one camera that had been moved, apparently, to redirect the aim of the camera away from the door. We have also heard reports that some residents invite others to reside with them in their apartments without being placed on the lease. Some residents, we were told, allow people to climb in through their apartment windows to gain entry without detection. Others appear to gain entry through the back doors, which are not locked. Palmer Court's own security incident reports found numerous unregistered guests in the facility over a one-month period. Combining these concerns with the reported drug use and drug dealing suggests an alarming breakdown in security.

We are concerned that the shelter staff are not fulfilling their responsibility to keep the shelter secure.

Combining our concerns with unregistered guests and reported drug use and drug dealing suggests an alarming breakdown in security.

Health Inspections Uncovered Health and Safety Concerns at Road Home Facilities and Palmer Court

One of the early criticisms we heard about the downtown shelter and Palmer Court was the lack of cleanliness. Additionally, residents have expressed concerns regarding bedbugs and lice. In response, we made a brief review of the health conditions at the two shelters operated by The Road Home and at Palmer Court. While the shelters appeared to meet county health standards, health inspectors found numerous health and safety violations at Palmer Court.

Health Inspections Revealed Health and Safety Concerns in Numerous Palmer Court Apartments. We accompanied county health inspectors as they visited 39 apartments at Palmer Court. The inspectors identified a number of maintenance issues that need to be addressed. For example, the inspectors found missing smoke detectors, missing window screens, and bathroom fans that did not operate properly.

The issue of greatest concern pertained to two residents who appeared incapable of maintaining their apartments. The underlying problem was that the residents did not clean up after their animals. The rooms had feces on the floor and had a heavy smell of urine. Although residents at Palmer Court are prohibited from having pets, they are allowed to keep companion animals. As a result, many residents have animals living in their apartments. Some have two or three animals. Based on our visits, it appears that some residents have difficulty cleaning up after these animals. Given these observations, we are greatly concerned about the health conditions in some apartments.

Shelters Appeared to Meet County Health Standards. At our request, the Salt Lake County Health Department conducted health inspections of the three facilities. They concluded that “no imminent health hazards were identified during [the] visit.” For example, each facility had working toilets, soap, and hot running water. Although some residents reported seeing bedbugs and lice, the health department observed that The Road Home is doing the best it can to address these conditions. For example, the shelters have metal bunks and nonporous mattress pads to prevent bedbugs. The Road Home also uses the cleansers recommended by the health department to prevent the spread of infectious diseases.

Health inspectors uncovered health concerns at Palmer Court.

Salt Lake County Health Department concluded that “no imminent health hazards were identified” at the two shelters.

Lax Enforcement of Shelter Rules Enables Drug Use

Officially, drug use is prohibited at each facility operated by The Road Home. However, staff are inconsistent in enforcing the rules and procedures designed to prevent drugs from entering the facility. For example, upon entering the downtown shelter, residents are supposed to have their bags and coats inspected for drugs, and a magnetic wand should be used to screen each person for weapons. In actual practice, we observed the screening often consists of little more than waving the magnetic wand over the coat pockets. Sometimes even that step is not done. Additionally, coats and bags are often allowed in without being checked for drugs or drug paraphernalia.

Similarly, Palmer Court has a zero-tolerance policy towards drug use, and residents are warned that anyone found using or distributing drugs will be reported to the police. However, we found that this policy is rarely enforced. In fact, staff and residents seem to be aware which residents are using drugs in the facility and rarely call the police when drug use and distribution are identified.

The Road Home faces the difficult challenge of providing shelter and housing to a population that includes many who are addicted to drugs and alcohol and who are mentally ill. A report by HUD indicates that 22 percent of Utah's emergency shelter population are chronic substance abusers and 30 percent are severely mentally ill. Some of the staff at the Road Home have expressed concern that strict enforcement of their drug policy could result in many homeless individuals being returned to the streets.

Screening Procedures at the Intake Desk Are Rarely Followed

The rules for the shelters prohibit residents from entering with drugs, guns, knives, and other contraband. The staff are trained in a screening process designed to ensure that guests do not enter with any of the prohibited items. However, we found that these procedures are rarely followed.

Thorough Screening Is Required of Guests Entering the Shelters. The Road Home has a rigorous intake process that requires a careful screening of guests as they enter its shelters. The following

Policies are not consistently enforced by staff.

The Road Home has a process for screening individuals as they enter the downtown shelter. It is rarely followed.

The policy of screening individuals is much stricter than the actual practice.

screening measures are listed in The Road Home's standard operating procedures:

All guests will have their belongings searched and be wanded every time they check in to the shelter.

Gloves will be provided for all shelter staff to wear while this is being done.

Staff will have guest open their bags for checking.

If the bag is full, staff will have the guest empty items or dump the bag out to help with this process.

Staff is to search through each bag ensuring tools/weapons and/or contraband items are detected.

Each guest must empty their pockets and remove outerwear.

Staff is to wand with a hand-held metal detector, each individual ensuring tools/weapons and/or contraband items are detected.

When such items are detected, tools/weapons may be checked in for holding by staff. Contraband items are not permitted inside The Road Home shelter and will not be held.

Guests can voluntarily opt to have the staff dispose of Contraband items.

Guest can also voluntarily opt to dispose of the items their selves by using provided amnesty tubes, located at both the women's and men's desks.

The following image shows the intake area on the men's side of the downtown shelter. This is one of the locations where the screening process should occur.

Figure 6 Intake and Screening Process at The Road Home Downtown Shelter.

The front desk on the left is where residents check in. The desk on the right, two individuals are sitting, is where bags are screened. Finally, residents are then scanned with a hand-held metal detector before entering as they pass through the two desks.



Source: The Road Home security footage

The image in Figure 6 shows the intake and screening staff who are supposed to check bags and use a magnetic wand to screen for contraband.

Screening Procedures Are Applied Inconsistently at the Downtown Shelter. We found that most of the screening procedures described previously are inconsistently performed. In recent months, we have made multiple visits to the downtown shelter and have had many opportunities to observe the intake process. We also reviewed many hours of video recordings of the screening process that were obtained from security cameras in the intake area.

We found the most thorough checks occur when staff are being observed. For example, we saw the staff were quite thorough in their screening of guests while a group of legislative auditors and UHP officers were in the intake area. One of the officers told us they had never seen the staff be so thorough in their screening of guests as they were at that time. The officer said that on a previous occasion, while wearing street clothing, they saw the guests admitted without having their bags or coats checked at all.

While reviewing a security camera recording of the intake area, we observed the screening process was done quite thoroughly on one

Screening individuals as they enter the shelter occurs haphazardly, at best.

occasion, when the executive director of The Road Home was present. However, after he had left the intake area, the video shows the staff took a more casual approach to screening guests.

Based on our review of over 50 hours of security videos, numerous times observing the intake process, and from statements made by highway patrol officers, it appears the staff normally do little more than wave the magnetic wand over the guests' coat pockets. In addition, we were present when staff were not screening guests at all. Instead, the guests were allowed to walk freely in and out of the shelter.

No Screening Is Done at the Midvale Shelter. The Road Home provided us with the presentation they use to train staff on security measures. It includes the screening procedures that are supposed to be used at the Midvale shelter. However, we have never seen the screening procedures actually performed at that facility. When asked why they do not screen guests, the staff said they are concerned that searching families as they enter the facility would require searching the children. This experience, they said, could be traumatizing to children.

Better Screening Would Reduce Drug Use in the Shelters. We believe the screening process described in the previous sections would significantly reduce the availability of drugs in the shelters, if used as part of a larger strategy for improving security. Ideally, the screening process should be combined with other measures, such as random patrols by security personnel and the use of a drug sniffing dog. Clearly, if the process had been applied correctly, the downtown shelter might have not granted entry to the individual described on page 4 who was found in the dorm area using heroin, with a handgun, even though he had been banned from the facility.

On the other hand, someone who is determined to bring drugs into the facility will likely find a way to circumvent even the most thorough screening process. To limit the likelihood of circumvention, The Road Home should review its procedures and make sure staff are following them.

Drug Use Is Tolerated at the Palmer Court Facility, Even Though It Is Prohibited

Like the downtown shelter, Palmer Court also has a zero-tolerance policy toward drug use. However, many of the staff and residents we

The Road Home staff do not search individuals prior to entering the Midvale shelter.

Enforcing screening policies would help reduce the number of illegal drugs brought into the shelter.

spoke with told us that they know which residents are using drugs. The staff at Palmer Court believe they can only take action when they observe that the drug use is affecting others in the apartment complex.

The Road Home offers the following prohibition against drug use in its Palmer Court Facility:

The Road Home and Palmer Court is committed to ZERO tolerance of the use or possession of illicit drugs or drug paraphernalia in our apartment community, common areas, exterior premises or units. The use, selling or possession of illegal drugs, gambling, prostitution and other illegal activities are strictly prohibited and will be reported to the police. Violation of this policy by any resident will be a violation of the terms of the lease and may lead to eviction.

This statement is found in a document titled “House Rules” which all residents agree to follow when they sign their lease agreement.

Those Using Illegal Drugs Are Known and Tolerated. As mentioned, there appears to be a significant amount of drug use among residents at Palmer Court. In fact, the case managers assigned to Palmer Court generally know which residents have drug addiction problems. In addition, we have interviewed social workers affiliated with other nonprofit organizations who have been working with clients at Palmer Court for several years. They report having observed people using drugs in the public areas where they can be seen by children. We have also observed individuals in the facility who appear to be intoxicated due to some form of substance abuse.

Palmer Court staff told us of one resident who they knew was selling drugs to other residents. Rather than reporting him to the police, as the house rules say they should, the staff warned the resident to stop distributing drugs or face eviction. A few weeks later, when the resident was again found selling drugs, the Palmer Court staff began the eviction process. After several months, and a court appeal, the resident agreed to leave when he found a new apartment.

The Road Home’s Employees Seem to Doubt Whether their Zero-Tolerance Policy Is Workable. For the following reasons, the employees of The Road Home expressed a number of concerns as to

Drug use appears to be tolerated at Palmer Court.

Palmer Court is lax in the enforcement of drug dealing and use among residents.

Palmer Court staff only enforce their policies as a last resort.

whether they can meet the needs of the homeless if they enforce the zero-tolerance policy towards drug use.

- Staff question whether they have the legal authority to be involved in the private lives of their guests and residents. If a resident of Palmer Court is using drugs in his or her own apartment and not bothering other residents, staff feel they do not have authority to intervene.
- Because people cannot be forced to change, staff believe they must wait until residents want to get off drugs on their own. For this reason, staff will encourage residents to address their drug addictions but will not impose any serious consequences when they are found using drugs.
- Staff are concerned that enforcing a zero-tolerance policy would lead many residents back to the streets, which would set back any progress the residents may have made. It would also put the residents out of reach of the assistance they need in overcoming their addictions.

In summary, The Road Home has taken an official position against drug use in its facilities. However, the actual practice appears to be one of tolerance toward drug use.

Officially, The Road Home prohibits drug use in its facilities, yet its practice is to tolerate the use of drugs.

Serving the Homeless Is Challenging, but there are Other Options to the Road Home’s Approach. We recognize the challenge the Road Home faces in serving a homeless population that includes individuals with disabilities, mental health issues, and substance abuse problems. We also recognize that their approach to operating its shelters reflects their sincere desire to help this severely disadvantaged population. In effect, The Road Home is operating what some describe as a “low barrier to entry” approach to operating a homeless shelter. The primary focus is on providing shelter and comfort to the disadvantaged and to welcome people as they are. This approach is not without precedent. In fact, there are organizations that serve the homeless in other states that impose few requirements of those staying at their homeless shelters. In addition, we found some states have “no barrier⁴” shelters.

⁴ No barrier shelter, defined by auditors, have no screening to entry.

However, we spoke with consultants and other experts in the mental health industry who told us that there are alternatives to operating a homeless shelter. They acknowledge that communities may choose to have at least one low barrier shelter for the chronically drug addicted. However, for those trying to recover from addiction and who want to return to the community, that population is better served by a facility that has standards of conduct and imposes consequences when those standards are violated. This approach, they say, leads to better long-term outcomes for the clients they serve. For example, Valley Behavioral Health operates a permanent supportive housing facility similar to Palmer Court. They have strict rules regarding drug use, payment of rent, companion animals, overnight visitors, and they enforce their rules.

Ultimately, it is the responsibility of the governing boards of both The Road Home and Shelter the Homeless to decide what the standards of conduct should be for those who stay at their facilities and what measures will be used to enforce them. As they do, they should consider which approach is the best method for achieving their stated mission, which is “to help people step out of homelessness and back into our community.” As the following section suggests, this choice is one of many policy issues that need to be addressed by the two governing boards charged with overseeing these facilities. Until these decisions are made, The Road Home needs to work to ensure its staff follow its existing procedures.

Governance and Oversight of The Road Home Must Improve

In addition to the issues surrounding drug use in the shelters, we also found several other areas in which greater board oversight is needed. We offer three suggestions: (1) the board of trustees for The Road Home needs to provide better policy guidance and hold the organization more accountable to follow its policies, (2) the management team needs to draft a clear set of operating procedures and hold staff accountable to follow those procedures, and (3) as the owners of the two shelters and Palmer Court, the board of trustees for Shelter the Homeless should also define its expectations regarding how services are to be provided in its facilities.

The boards of trustees for both The Road Home and Shelter the Homeless need to provide better policy oversight.

We found several areas in which The Road Home's policies are treated as optional.

The Road Home Lacks Effective Organizational Controls

During our brief review of the organization's operations, we found many instances in which compliance with the rules appears to be optional. We have already mentioned the lack of enforcement of the rules and procedures designed to limit drug use in the facilities. In addition, The Road Home has difficulty enforcing its rules and procedures regarding the payment of rent, the hours that staff must work, and in several other areas. This behavior suggests a need for better management controls and accountability. The following section provides four examples that highlight our concerns.

Example One: The Road Home Staff Admit They Do Not Enforce Their House Rules. During our inspection of Palmer Court with the County Health Department, we observed many instances in which the house rules did not appear to be followed. When we asked the managers at Palmer Court why the rules were not enforced, we were told that they prefer to "build a relationship," "do some nudging," and wait until the client decides they want to make a change. For this reason, the staff will tolerate drug use among residents as long as their behavior does not affect other residents. Also, staff will look the other way if residents invite friends to live with them in their apartments or if they have more pets in their apartment than is allowed. However, this employee also said that staff still prefer to have tough rules in place in case a resident's behavior goes too far and they need to take tough action.

Example Two: The Payment of Rent at Palmer Court Appears to Be Optional. Residents at Palmer Court are required to pay at least a modest amount of rent. It may be as little as \$25 a month. However, we found that 69 percent of the residents are behind in their rent payments. In fact, the total unpaid debt obligation by all residents is currently \$438,000. Some residents are years behind in their rent and owe many thousands of dollars. The Road Home staff, despite their pleading and threatening, are unable to get the residents to pay.

For example, payment records show that one resident once owed 31 months, or \$10,322, in back payments. Palmer Court management sent the resident a letter demanding that he either pay the rent or vacate the premises. The letter states, "In the event of your failure to pay the said rent or to vacate the said premises within such period of three days, you will be unlawfully detaining possession of said

Most of the residents at Palmer Court are not keeping up on their rent obligations.

premises . . . [and] will be held liable for treble damages.” We found that two years later the rent was still unpaid and that the resident was still receiving letters with the same threatening language from management.

Example Three: Debt Forgiveness Plan Not Authorized by Management or the Board. The property manager’s response to the unpaid rent provides additional evidence of a lack of control and accountability in the organization. We also found that this manager developed a debt forgiveness plan for the residents, even though the plan or policy has not been formally authorized by the management team or the board of The Road Home. Also, since there is no formal debt forgiveness policy, we are concerned with how staff decide who can have their debt erased. According to the manager, the debt forgiveness plan is being applied on a trial basis.

According to the plan, residents who pay their rent on time for three consecutive months can have one quarter of their total debt obligation forgiven. As a result, in just one year of paying their rent on time, a resident could be forgiven for thousands of dollars in unpaid rent.

This debt forgiveness plan is concerning for two reasons: First, beyond sending residents a threatening letter, the property managers appear unwilling to impose any real consequences on tenants who do not comply with the basic requirements for living at the facility—that they pay their rent. However, the property managers are willing to forgive potentially thousands of dollars of past debt in order to get a resident to pay just three months of rent on time. Second, the debt forgiveness plan was developed and implemented without formal authorization by The Road Home’s board of trustees. Most organizations would not authorize staff to forgive up to \$438,000 in debt without some type of policy guidance from the board.

Example Four: Exempt Staff Work Flexible Hours but Are Not Required to Submit Time Sheets. We received allegations that some of the managers at The Road Home are not working a full eight-hour day. When we examined the staff work schedules, we found that some senior staff do, in fact, work rather odd hours. For example, one manager told us he arrives at 9 a.m. and leaves at 3 p.m. each day. Another manager reports arriving at 7:45 a.m. and leaving at 3:45 p.m. each day. When we asked how they manage to put in a

The debt forgiveness policy was not authorized by the board.

Many senior employees at The Road Home are not required to account for their time.

full day's work, they both reported that they also work from home each day. We also learned that the management staff are not required to account for their time each pay period. For example, they are not required to submit time sheets. Although it is not uncommon for organizations to allow their employees to work a flexible schedule or to work from home, we believe organizations should hold employees accountable for their work output.

Concerns Have Been Raised Regarding Funds Used to Pay Employee Education

Concerns were raised regarding the use of The Road Home funds to pay for employee tuition. We found that The Road Home, like many organizations, has a policy of paying a portion of tuition for those employees who are working towards a college degree. In fact, we found that several Road Home employees are working on advanced degrees.

Upon reviewing several years of payments from the tuition fund, we discovered that many employees have received assistance in paying their tuition costs. For example, in January 2018 the Road Home paid \$1,000 toward the spring term tuition of five employees who are seeking a master's degree. This amount is consistent with current policy to pay \$1,000 per semester and no more than \$2,000 per year. However, in 2012 and 2013 the policy was less well defined. During those years, one member of the management team was reimbursed the total cost of tuition, which was \$4,666.67 per semester for a total of \$28,000 during the entire two-year master's program. This amount was far more than other employees received then or now under the current policy.

We are concerned that one individual received much more assistance than the average employee. It is also concerning that there has been a lack of documentation regarding approvals of assistance and the amount of assistance agreed upon. During the past year The Road Home has adopted a clearer policy that specifies how much tuition assistance they will provide. They have also done a better job of documenting the application of that policy. However, we believe they still need to make sure those policies are applied in a fair and consistent manner.

Tuition reimbursement policy needs to be applied fairly and reviewed by the board.

Management and Both Boards Need to Foster a Culture of Accountability and Control

While we are impressed by The Road Home's commitment to serve some of Utah's most disadvantaged individuals, we fear the organization's tender-hearted approach to serving the homeless population leads them to discount the importance of accountability and control. To be more effective and to gain greater control, The Road Home needs to do three things: (1) adopt a clearly defined strategy for meeting the needs of the homeless, (2) adopt a set of policies and procedures to implement those strategies, and (3) develop a set of management controls to make sure that strategy is carried out. As owner of the facilities, Shelter the Homeless should also be involved in defining a service strategy and a set of controls to make sure the strategy is implemented.

The Road Home and Shelter the Homeless Need to Define Their Overall Approach to Serving the Homeless. The first step toward improving effectiveness and accountability is for The Road Home and Shelter the Homeless to define their overall approach to providing services to the homeless. For example, The Road Home may choose to continue applying a low-barrier approach. As mentioned, there are homeless shelters in other states that follow this approach. In fact, some "no barrier" shelters in other states do no screening of guests as they enter the facility and they tolerate drug use and other undesirable behavior. If selected, this approach would reflect the more modest goal of simply getting people off the street and out of the weather.

An alternative would be to adopt a clear set of requirements for those residing at the homeless shelter and permanent supportive housing developments. For example, they could choose to adopt and enforce a zero-tolerance policy towards drug use and weapons in the facility. What they must avoid is to commit to one set of standards and expectations and then pursuing a completely different strategy.

Because Shelter the Homeless is the owner of the facilities, it also has a responsibility to establish a set of expectations regarding how its facilities are operated. Shelter the Homeless is a nonprofit organization supported by private donors and by state, local, and federal grants. Therefore, it has an obligation to its financial supporters to make sure their donations are being used in a manner that makes sense and provides measurable results. For each facility,

The Road Home needs to strengthen its management controls to be more effective.

The boards should review their current shelter model and determine if it is providing the desired outcomes.

Shelter the Homeless should establish a broad service strategy, measurable goals for success, and the standards of conduct. They should also verify that those standards are followed.

The Road Home Needs to Adopt a Set of Policies and Procedures to Carry Out Its Service Strategy. Once a clearly defined service strategy has been adopted, The Road Home should adopt a set of written policies and procedures that define how staff should accomplish the strategy. We are concerned that The Road Home does not currently have a formal set of policies and procedures to guide the work of its staff.

During past audits, we have found that the best-managed organizations have a clear set of policies and procedures. In fact, they are usually able to provide us with a bound set of policies and procedures upon request. Some have electronic copies they can provide. The documentation usually identifies the date each policy was adopted and by whom.

In contrast, when we asked The Road Home for their policies, they had difficulty providing them. What they gave us was a set of procedures that were poorly organized and not formally approved, and some were not even being followed. One manager told us that he started writing the policies and procedures for his division shortly after we asked for them. The accounting division was the only area that was able to provide us with a formal bound set of policies and procedures.

Internal Controls Should Be Used to Make Sure Policies and Procedures Are Followed. Compliance with policies and procedures can be accomplished through stronger internal controls, such as various reports to management and other internal reviews. For example, to ensure the security staff have done their jobs and that the security system is working, supervisors should periodically check to see that the alarms and cameras are working. If drug use is a concern, then management should receive incident reports describing the number of violations each month. If they see an increase in drug violations, management should inquire as to why the screening process is not effective.

The board can also play a role in verifying its strategies are being followed. They should require reports on issues for which they have concern. Periodically, they should seek informal opportunities to visit

The Road Home had difficulty providing us with their operating policies and procedures.

the facilities and speak with staff and residents to verify that the shelter and housing facilities are operating as intended.

Our Upcoming Audit Report Will Identify Additional Strategies for Serving the Homeless

As mentioned, we are also conducting a larger audit of statewide programs and services for the homeless. Our charge is to identify which programs and services are effective and which are not. Thus far, we have found that Utah’s homeless population is quite diverse. It includes veterans, domestic violence victims, families with children, the elderly, unaccompanied youth, and others. Each subgroup has different needs, and some programs and facilities may work better with certain populations than others. What this suggests is that Utah’s homeless population may need a wide range of service options to meet its many needs. In an upcoming audit we will identify which programs and services are currently most effective in addressing these needs.

Eventually, Utah may need to develop a more dynamic system of services for the homeless. Such a system may need to offer a broad range of service options. The challenge will be to match all homeless individuals with the correct programs or set of services that meet their needs. Each program should then be held accountable for ensuring those needs are met. These concepts will be further explored in our upcoming audit report.

Recommendations

1. We recommend that the board of trustees for The Road Home and the board of trustees for Shelter the Homeless consider what standards of conduct will be required of those residing in their facilities and how to enforce those standards.
2. We recommend that the board of trustees of The Road Home and its management adopt written policies and procedures for the intake process and ensure all staff follow them.
3. We recommend the board of trustees of The Road Home and its management team define the expectations they have of residents and staff, adopt clear written policies, and ensure all policies are followed by staff. Policies might include the following:

Utah may need to develop a more dynamic system of services that offer the homeless a broad range of service options.

- a. Standards of cleanliness at Palmer Court Apartments
- b. Conditions that must be met to qualify for a companion animal and the number of companion animals allowed
- c. Measures to be taken when residents are found to be using drugs, selling drugs, or otherwise abusing controlled substances
- d. The response when residents at Palmer Court fail to pay their rent.

Agency Responses

This Page Left Blank Intentionally

April 27, 2018

Mr. John M. Schaff, CIA
Auditor General
PO Box 145315
Salt Lake City, UT 84114-5315



Support and
Shelter for
Overcoming
Homelessness

Dear Mr. Schaff:

Enclosed is a response from The Road Home to your recent Exposure Draft of A Limited Review of Three Facilities Operated by The Road Home.

If you have any comments, questions, or concerns, please feel free to contact us.

We appreciate the opportunity to work with you and look forward to working together in the days ahead.

Thank you,

Matthew Minkevitch
Executive Director

Enclosure

cc: Chris Acton
Greg Johnson
Larry Barusch
Michelle Flynn



210 S. Rio Grande Street
Salt Lake City, UT 84101

TEL Administration: 801.359.4142 TEL Development & PR: 801.355.1433
FAX: 801.359.4178 www.theroadhome.org



The Road Home Response to
The Limited Review of Three Facilities Operated by The Road Home
By the Office of the Legislative Auditor General for the State of Utah
Report Number ILR 2018-A
May 2018

The Road Home (TRH) appreciates the Legislative Auditor General and his team for their attention to the facilities operated by our agency and the insights and recommendations that they have provided.

In this report our agency will address the specific recommendations that have been provided by the Legislative Auditor General. The recommendations are as follows:

1. *The Legislative Auditor General recommends that the Board of Trustees for The Road Home and the Board of Trustees for Shelter the Homeless consider what standards of conduct will be required of those residing in their facilities and how to enforce those standards.*

The Road Home management team will review all standards of conduct documents with members of the Board of Trustees in May 2018 and with Shelter the Homeless (STH) in a timeframe that meets their schedule. TRH and STH will work together to confirm these standards and the processes we utilize to enforce them.

2. *The Legislative Auditor General recommends that the Board of Trustees of The Road Home and its management adopt written policies and procedures for the intake process and ensure all staff implement them.*

The Road Home has undertaken a commitment to provide Trauma-Informed Care (TIC). As part of this transformation, management has initiated a process that involves reviewing all policies, procedures, and forms that we use to manage the programs and activities of our organization. This process will include The Road Home Board and its management. We refer to a number of these procedures in our response and would be happy to provide any to Legislators upon request.

We acknowledge that there exists a range of variation in our check-in procedures. Our management team has initiated a quality assurance review process that we expect will greatly reduce the range of variation. It includes, but is not limited to, training all new shelter staff, retraining existing staff, and expanding the oversight responsibilities to include a broader level of managers. We have equipped a number of teammates with camera access to increase the frequency that our management team oversees the check-in process. While shelter supervisors remain responsible for their teams' performance, they will benefit from extra personnel to aid with the oversight through the use of camera access to the lobbies where check-in occurs. We are ensuring that all procedures are up to date and that we have appropriate quality oversight processes in place to implement these procedures consistently.

3. *Legislative Auditor General recommends the Board of Trustees of The Road Home and its management team define the expectations that they have of residents and staff, adopt clear written policies, and ensure all policies are followed by staff. Policies might include the following:*
 - a. *Standards of cleanliness at Palmer Court Apartments*
 - b. *Conditions that must be met to qualify for a companion animal and the number of companion animals allowed*
 - c. *Measures to be taken when residents are found to be using drugs, selling drugs, or otherwise abusing controlled substances*
 - d. *The response when residents at Palmer Court fail to pay their rent*

The Road Home management and Board of Trustees are in the process of reviewing policies and procedures specific to expectations of residents and staff, including policies addressing a through d above as follows:

- a. We conduct regular inspections of apartments and work with those who struggle with basic care through case management and an outside cleaning company when needed.
- b. We have a Service/Companion Animal policy that is in compliance with Fair Housing that we review with each tenant requesting an animal. The tenant then signs an Assistance Animal Agreement that outlines their responsibility in care of the animal.
- c. Consistent with Permanent Supportive Housing evidence-based practices, Palmer Court screens for people with disabilities and the highest level of vulnerability, including substance use disorders. Drug dealing is reported to law enforcement and will lead to eviction.
- d. Payment of rent is a key component of housing. As part of our client-centered services, we take into account personal circumstances when a tenant is behind in rent, including health issues and loss of income. We have instituted a Rent Payment Process with tenants who are behind in rent that empowers them to pay back rent in a manageable timeframe.

The Palmer Court budget, which is approved by The Road Home Board of Trustees, includes a 5% rent loss expense. We have had independent financial audits of Palmer Court since its inception, and we are confident that they have not contained any significant findings about how we have managed our rent loss. We concur with the auditors that it is important to manage expenses properly. Like any rental property, a responsible budgeting process will take rent loss into account. In the case of people in permanent supportive housing, our team would suggest that evicting a chronically homeless individual back onto the streets can, in some cases, lead to increased costs to the taxpayer or the community resulting from an increase in the frequency of emergency room visits, episodes of incarceration, and requests for services from the homeless emergency provider network. There is evidence supporting this assertion¹. With that in mind, the team expects tenants to pay their rent in a timely fashion. The Road Home makes reasonable accommodation for those for whom making a monthly rent payment has become temporarily insurmountable.

¹ Culhane, Dennis P., et al., "Public Service Reductions Associated with Placement of Homeless Persons with Severe Mental Illness in Supportive Housing," in *Housing Policy Debate*, Vol. 13, Issue 1, Fannie Mae Foundation 2002, p. 107-63.

In the next part of our response, we are providing some contextual information, including background and evidence-based practices, that inform our service delivery model.

Evidence-Based and Best Practice Strategies Utilized by The Road Home

LOW-BARRIER SHELTER

Immediate and low-barrier access to shelter is one of the key elements of an effective emergency shelter, according to the National Alliance to End Homelessness.² Low-barrier access means that we screen people in, not out. It means that we attempt to eliminate all barriers that would prevent someone from entering shelter. It does not include prerequisites of sobriety or agreement to participate in services or background checks.

Low-barrier shelter includes basic expectations such as treating everyone and the building with respect and being a good neighbor. A low-barrier facility can also ban weapons and substance use in the building.

When people do not live up to the expectations, we ask them to leave and require them to meet with staff before allowing them to return. We work closely with law enforcement regarding issues of violence, dealing, and predatory behavior. We work with our partners to determine appropriate law enforcement action regarding people with substance use addictions, and outline the plan in a consistent and ongoing procedure, including quality checks.

Housing First

The Road Home is a Housing First Agency. The following is a description of Housing First by the Department of Housing and Urban Development's Housing First in Permanent Supportive Housing Brief.

Housing First is an approach to quickly and successfully connect individuals and families experiencing homelessness to permanent housing without preconditions and barriers to entry, such as sobriety, treatment or service participation requirements. Supportive services are offered to maximize housing stability and prevent returns to homelessness as opposed to addressing predetermined treatment goals prior to permanent housing entry.³

The Road Home's Role in Salt Lake County's Homeless Service System

The Road Home operates the Salt Lake Community Shelter for single men and single women who are experiencing homelessness; it is the largest shelter in Utah serving an average of 712 (FY 18 to date) people per night. This program serves as the last resort for individuals who have no other place to stay. This includes people who are not welcomed at other services due to their personal barriers or behaviors. Many of the people who are turning to shelters are in the throes of serious crises. In the current model of homeless service delivery in our community, there are few alternatives for those turning to shelter. In some cases, a person may be eligible for emergency medical care at our local hospitals. In other cases, a person may be eligible for an emergency psychological evaluation. Others may exhibit behaviors so disruptive that it is necessary for local authorities to intervene. As a result, many men and women turn to the downtown emergency

² <https://endhomelessness.org/resource/emergency-shelter>.

³ <https://www.hudexchange.info/resource/3892/housing-first-in-permanent-supportive-housing-brief>.

shelter operated by The Road Home. **Our agency would concur with the auditors' citation of the HUD report indicating that 22 percent of people turning to shelters in Utah are struggling with chronic addiction and approximately 30% are experiencing severe mental illness.**

The Salt Lake Community Shelter is approximately 80,000 square feet. It has the capacity to provide shelter to 1,062 individuals; however, in order to reach capacity, all office space currently in use would have to be converted to shelter space. In the past, it has not been uncommon for our downtown emergency shelter to house 900 to 950 occupants.

As the state's largest shelter, this facility is over three and a half times larger than any other emergency shelter in the state. Of the entirety of people turning to emergency shelter in Utah, as many as half turn to the downtown shelters operated by The Road Home on any given night. The demand for emergency shelter has grown steadily over the past two decades.

Many factors affect the number and types of needs of individuals who seek shelter. The lack of affordable housing, increase in rents, and incredibly low vacancy rates for deeply affordable housing along with lack of income growth have significantly contributed to the increase in the number of people we have needed to shelter.

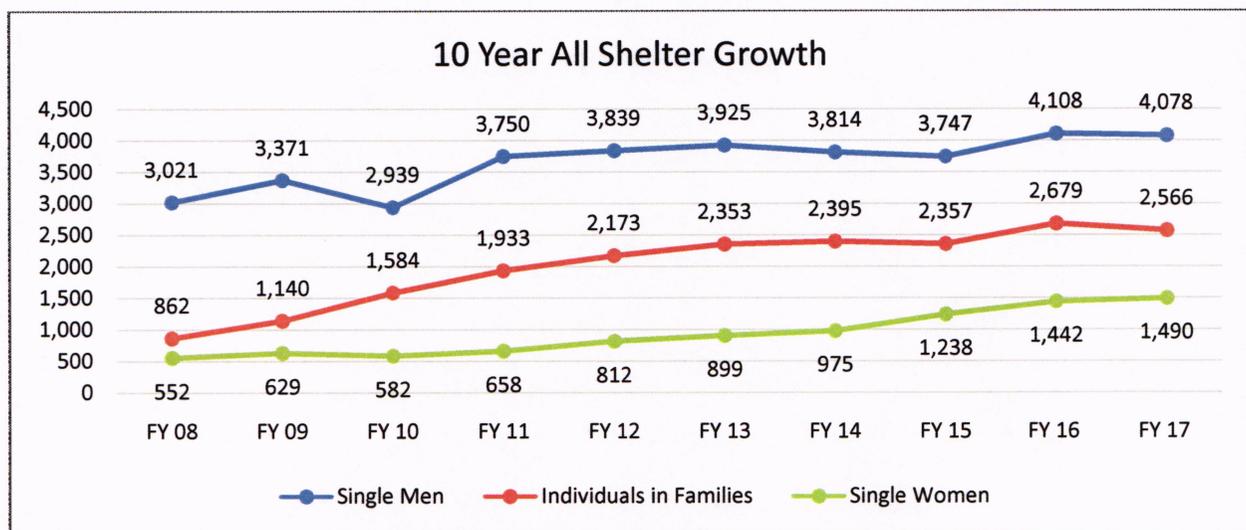
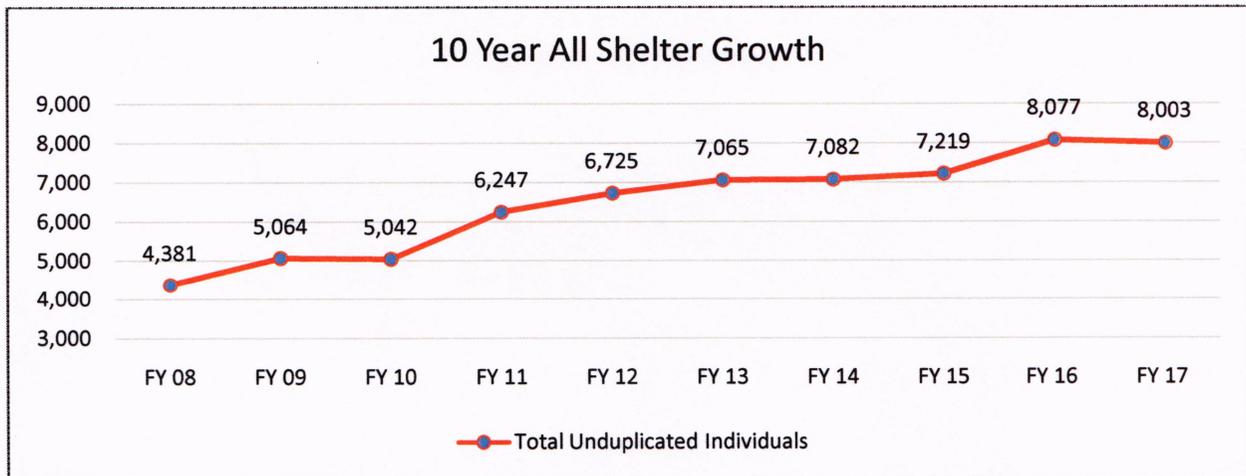
The state and county's Justice Reinvestment Initiative identified that jails are not the best place for individuals who suffer from addiction disorders. As a result, officials reduced the number of individuals incarcerated for minor substance abuse crimes. Our agency witnessed a correlating increase in the number of individuals using substances on the streets. The lack of treatment and housing options for people with these disorders led to a tremendous growth in the number of people with addictions who had nowhere else to go and sought help at the Salt Lake Community Shelter.

The national heroin epidemic has hit our community hard, and many people who have suffered significant trauma and abuse have turned to heroin. We have seen a spike in the use of heroin among people experiencing homelessness and those seeking shelter.

The Road Home is an active participant in the Collective Impact and shelter planning process. We support the plan for new, smaller and population-specific facilities. The limit of 200 or 300 people in each facility will allow a much more personalized and client-focused housing and service program, including behavioral health support, than we are funded to provide now.

With the proper level of resources and staffing ratio to the number of people staying in a shelter, we will be better equipped to achieve our community's shared outcomes as identified by the Community Impact process.

The following two graphics illustrate the growing number of people who have turned to the emergency shelters operated by The Road Home over the past ten years. The first graphic includes the total number of people annually. The second graphic breaks it down by single women, single men, and individuals in families.



Public Safety Concerns at the Salt Lake Community Shelter

Our team concurs that public order is a priority.

Only in certain specific cases will an individual be asked to leave shelter. These cases usually include disruptive behavior, which includes threatening or abusive behavior, theft, smoking, and/or drug use in the building. Our team works closely with our security team to address these issues. It is not uncommon for people suffering with addiction to attempt to bring contraband into the shelter and, in some cases, succeed in utilizing drugs within the facility. Our shelter serves drug addicts, alcoholics, and people with mental disorders. We work to minimize negative incidents, but a certain amount is unavoidable as long as we provide shelter to this population.

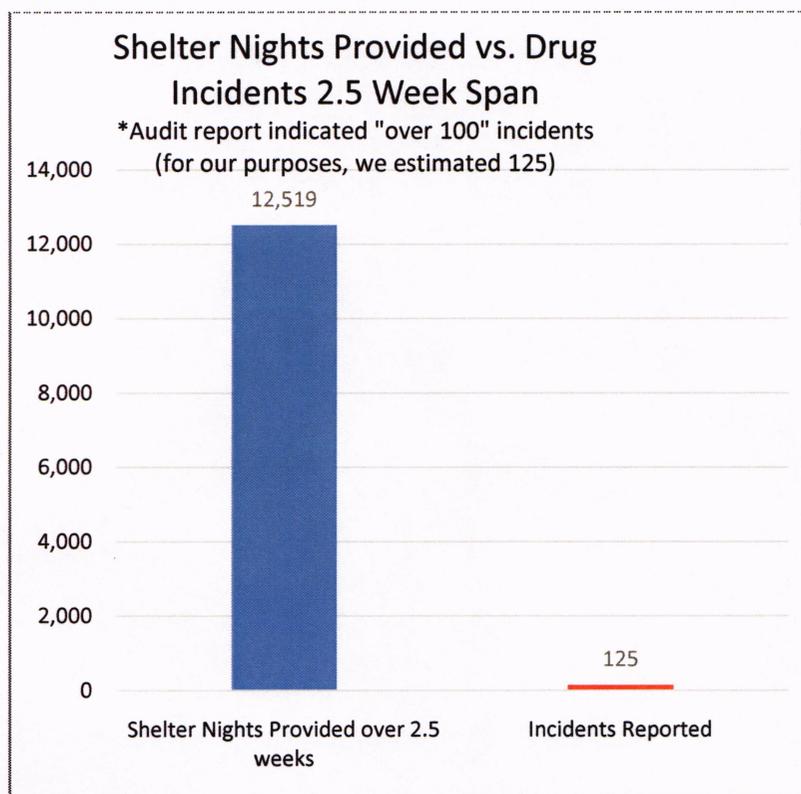
Operation Rio Grande has significantly improved the area along the Rio Grande corridor, including Rio Grande Street, 500 West, and the Pioneer Park area. The increased presence of law enforcement officers has served as an effective deterrent to the rampant drug dealing that was incredibly active for some years prior to the implementation of this operation. The presence of Utah state troopers, coupled with an increased presence of Salt Lake City police, has been instrumental in dramatically

improving the quality of life in the neighborhood. According to a report issued by the state of Utah, there was a 46% decrease in the number of offenses in the area over a year, from February 2017 to February 2018.⁴

Our management team at The Road Home has worked closely with the State of Utah Department of Public Safety (DPS) in an effort to interdict drug use in the shelter. Our management team has identified the propensity for some individuals to attempt to seek refuge from law enforcement by moving off the streets and into public places in order to support their addiction. Our team has invited members of the DPS into our facility at any time, at any hour. DPS personnel have supplemented our efforts to provide security. Additionally, DPS has provided the use of a trained canine to support our efforts to interdict drugs entering the facility. **The partnership with the team from the Utah Department of Public Safety is what led to the officers making the arrest of an individual who had in his possession contraband, including a loaded weapon.**

Please bear in mind that the vast majority of services that we provide are trouble free.

The following graphic compares the total number of shelter nights provided during an average 2.5-week period to the number of incidents reported by the auditor. The number of drug-related incidents represents less than 1 percent of the total number of bed nights our agency provides in an average 2.5-week period.



We appreciate the auditors providing us with their perspective by making rounds at various hours. For our team, it serves as an extra set of eyes helping to identify problems. This is an important dimension of what our team attempts to achieve consistently through the continuous 24/7

⁴ <https://operationriogrande.utah.gov>.

operation of the state's most-used emergency shelter. The auditors' observations illustrate the challenge that our team encounters when doing rounds, namely, evidence of drug use without witnessing it firsthand. **By improving the consistency of our current check-in procedure, we believe that we can improve the rate at which we deter individuals from attempting to bring certain contraband into the shelter.**

Our team, in partnership with private security officers, conducts rounds throughout our building approximately 366 times throughout one week. This includes all common areas, each of the dormitories, the lobbies, and the restrooms. The dorms and the restrooms require particular focus from our team when rounding.

Facility Rounding Every 30 Minutes Includes

- Main Desk
 - Dorms, Restrooms, Common Areas, Park Areas
- Women's Dorms
 - Dorms, Restrooms, Common Areas, Laundry
- Men's Dorms
 - Dorms, Restrooms, Common Areas, Park Areas, Laundry
- Administrative Areas
- Stairwells/Elevators
- Locked Doors Between Dorms
- Warehouse and Donation Areas
- Grounds and Entrances Surrounding Facility

Rounding Completion Rate per Week: ~92%

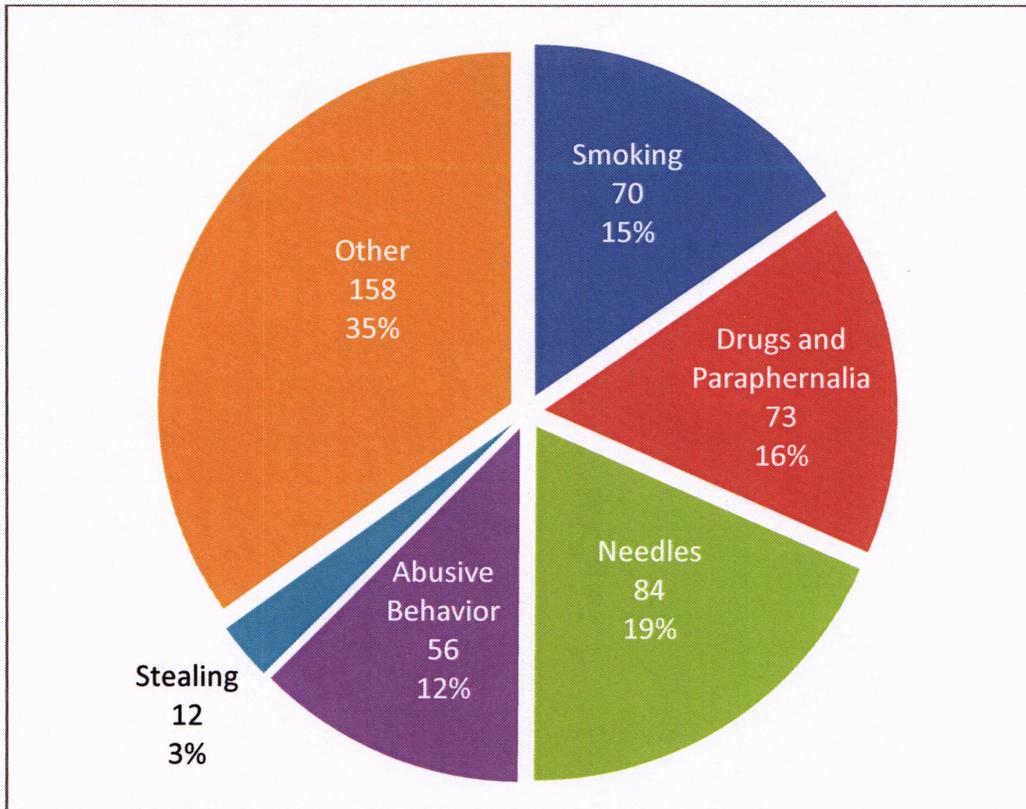
IMPROVEMENTS TO SECURITY SYSTEMS

With the help provided through the auditors, our team was able to identify some holes in the execution of our rounds. Here are some that were identified by the auditors and what we have done subsequent to their communication to us:

- The auditors identified a door alarm that was in need of repair. Our team reached out to the vendor and had the door alarm repaired promptly (receipt included in this report).
- Our team has developed a more comprehensive rounding checklist, which includes team members signing and initialing the checklist of specific procedures to be included in rounds.

The following pie chart is a breakdown of the 453 individuals who were temporarily expelled from our shelter and the types of behaviors that were the cause of their expulsion.

BAR TYPES AND RATES (JANUARY THROUGH MARCH 2018)



Midvale Family Resource Center

Families who are experiencing homelessness have many complex needs. We have built a comprehensive Resource Center program to meet those needs. Adults in families have a very high rate of previous violence, abuse, and trauma in their lives. Many turn to illegal substances as an escape. The Midvale Resource Center welcomes all families who would otherwise be sleeping outside with their children. Our Diversion partnership with Utah Community Action is effective in ensuring that families who have any other options do not have to resort to a shelter.

Parents with addiction disorders love—and many can still care for—their children. When we observe neglect or abuse, we immediately notify the Division of Child and Family Services and engage with the family to provide support and connection to community resources.

We have a strong partnership with the Midvale Unified Police Department which has officers assigned to the Resource Center. This partnership helps us to ensure safety by identifying and addressing criminal issues quickly. We support the use of the police drug canine as a tool to prevent and identify drug use in the building.

Palmer Court

Palmer Court is a 201-apartment Permanent Supportive Housing (PSH) facility with robust onsite services. The building common areas are covered by security cameras that are observed from two entrance desks staffed 24/7. We check the cameras and camera placement and fix all issues, usually within 24 hours. The facility is a converted hotel with many building entrances that are secured in various ways. Guests are required to sign in and out, and tenants or management can ban certain problem guests. People are banned for violence, predatory behavior, violating house rules, and disturbing neighbors. We are reviewing this security, along with input from tenants, in order to make any changes that would improve safety.

As a PSH program, we screen in, not out. Eligibility for Palmer Court requires documentation of chronic homelessness, a disabling condition, and an assessment for level of service need. Of those who are experiencing chronic homelessness, we select people with the greatest service needs that include serious mental health and substance use disorders. Our goal is to surround people with services and support that will lead to stable housing.

In addition to 24/7 staff, we have private security onsite during intermittent hours each week. We work with law enforcement regularly. Drug dealing is reported to law enforcement and has led to eviction. We notify Child Protective Services every time we become aware of an activity that may endanger a child.

Our goal is to work with people to help motivate change and keep people housed. Sometimes this does not work, and we need to evict in order to maintain a safe and supportive environment. In 2017, we had ten evictions, four of which were drug related, two were violence related, and four were apartment maintenance and neighbor disturbance related.

Our program policies are consistent with a Housing First approach, which does not consider alcohol or drug use in and of itself to be lease violations, unless such use results in disturbances to neighbors or is associated with certain illegal activity (e.g., selling illegal substances). We train our staff in Motivational Interviewing, which is a best practice for Substance Use treatment. Change is internally motivated and best facilitated within relationships of trust and connection.

We conduct regular inspections of apartments and work with those who struggle with basic care through case management and an outside cleaning company when needed. We follow laws regarding tenant rights, and staff must be invited in or give 24-hour notice of entry.

We have fixed all of the Health Department repairs as of April 27, 2018, with the possible exception of one tub resurfacing in process. We complete property inspections on every unit four times a year. If a unit fails, we go back and inspect it 30 days later. In the meantime, we work with the tenant to address issues. Given the population we are serving, we have robust daily maintenance needs and an electronic system to track tenant maintenance requests, the majority of which are completed within 24 hours. We have Pest Control onsite once a week. All units that are reported to have pests by staff or residents are treated that week. In all, units are treated once a year regardless of any reports. Depending on the needs, each unit will have a specific follow-up treatment plan.

We have a Service/Companion Animal policy that is in compliance with Fair Housing that we review with each tenant requesting an animal. The tenant then signs an Assistance Animal Agreement that outlines their responsibility in care of the animal. When the tenant is unable to care

for the animal, we work with the individual and have animal control remove the animal if we cannot improve the situation. Sometimes families have more than one animal if they have more than one person in the unit with a disability who benefits from a companion. The use of animals in psychiatric care and recovery has a long history, particularly for individuals who have experienced trauma. Studies demonstrate that animals reduce depression, anxiety, and symptoms of Post-Traumatic Stress Disorder. Pets have also proven to improve quality of life, such as better sleep, reduction in problem behaviors in children, and improved social outcomes. We recognize the benefits of animal companionship and work diligently with those who are struggling to care for their pets.

Payment of rent is a key component of housing. Consistent with Permanent Supportive Housing practices, we have policies that give tenants some flexibility and recourse in their rent payment. As part of our client-centered services, we take into account personal circumstances when a tenant is behind in rent, including health issues and loss of income. When we accept a person into Palmer Court, we invest significant resources and commitment to help them end their homelessness. It makes sense to work with them when they encounter crises that result in unpaid rent rather than move to immediate eviction. We have instituted a Rent Payment Process with tenants who are behind in rent that empowers them to pay back rent in a manageable timeframe. Since January, we have met with 37 tenants to establish a Rent Plan. Of those, 19 have successfully completed their first quarter of payments. We continue to work with the remainder, many of whom have shown smaller signs of improvement. People involved in this plan have stated that it is empowering and helps relieve some guilt they were feeling for being behind on their rent.

Conclusion

We are grateful to the Legislative Auditor General and his team for their efforts to assist The Road Home in improving service delivery. We appreciate their efforts to garner greater understanding of the myriad of complexities and the sheer enormity of the problems that contribute to homelessness in our community.

Our agency understands audit processes. Every year, we have had a full independent audit of our financial records. Consistently, our management team has implemented the recommendations provided therein.

Our agency is audited by government at the federal, state, and local levels. The Road Home has participated in approximately 20 program audits annually. Each audit provides an opportunity to learn and improve, and our team takes advantage of these opportunities.

Our agency is committed to doing its part. Thanks in part to this audit process, we have already learned of areas where we can improve in the delivery of services we provide. We are committed to continuing to improve.

Making a significant impact on the people who are turning to shelters or camping in our streets, who are suffering from illnesses without the benefit of treatment, or the tens of thousands of Utahns who live in poverty and are on the brink of homelessness, will take a collaborative effort that has, in our agency's perspective, yet to reach its potential. The need to make available deeply affordable housing is a prominent example of where our community and state have an opportunity to reduce homelessness.

This Page Left Blank Intentionally

April 27, 2018

Office of the Legislative Auditor General
W315 Utah State Capitol Complex
Salt Lake City, UT 84114-5315

Re: Response to Report Number ILR 2018-A

To Whom It May Concern:

Shelter the Homeless (STH) respects the audit process and appreciates the diligent efforts made by the legislative audit staff to serve the citizens of Utah by providing objective information, in-depth analyses, and useful recommendations that help legislators and other decision makers improve programs, reduce costs, and promote accountability.

STH is a 501(c)(3) non-profit organization founded in 1988 to serve the public good through the alleviation of human suffering. To fulfill this mission, STH purchased land and developed facilities where programs and services could be provided to aid homeless individuals to become self-sufficient. The first facility was a single community shelter located in downtown Salt Lake City which was operated by Traveler's Aid Society, now known as The Road Home. Over time, ownership expanded to include land and facilities in Midvale for a family shelter, as well as two permanent supportive housing developments located in Salt Lake City, Palmer Court and Wendell Apartments, both of which are also operated by The Road Home. Each of these facilities operates to help chronically homeless individuals and families achieve housing stability. Residents at Palmer Court and Wendell Apartments work closely with a team of case managers with the longer-term goal of helping them to fully transition back into housing and our community.

As STH continues to evolve, we have identified the need to provide greater accountability for the good of people experiencing homelessness, and for the communities in which services are received. Using a Collective Impact approach, our goal is to minimize homelessness by making data-driven decisions, collaborating with community stakeholders, and ensuring accountability. We are committed to doing so with transparency, mutual support and accountability.

As mentioned by the audit findings, providing shelter and housing to a diverse population that includes many individuals with disabilities, mental health issues, and substance abuse

problems presents many unique and complex challenges. A lot of progress has already been made and we expect to see continued improvement as we work with service providers towards redesigning a community-wide coordinated approach to delivering effective services, housing, and programs to this diverse population.

STH is grateful to The Road Home and the many other dedicated service providers who work tirelessly to provide a safe place for people experiencing homelessness to eat, sleep, and gain access to what they need to achieve stability. Despite these valiant efforts, more can and will be done to find solutions to make homelessness rare, brief, and non-recurring.

STH urges immediate action by elected officials to implement measures to prevent drug use and criminal behavior in neighborhoods surrounding the three new Homeless Resource Centers scheduled to open in July 2019. One possible solution may be to increase fines and other penalties for drug-related activity, and particularly drug dealing, located within close proximity to Homeless Resource Centers.

STH is working toward sustainable housing solutions for individuals and families in crisis and is fully committed to working with The Road Home to reinforce rigor by providing greater accountability and oversight for the safety of those experiencing homelessness and for communities where services are received.

Sincerely,



Harris H. Simmons
Board President, Shelter the Homeless

"More than at any other time, there is a lack of housing that low income people can afford. Without housing options, people face eviction, instability and homelessness. Affordable housing is key to addressing the needs of people experiencing homelessness."

– National Alliance to End Homelessness

Page 2 of 2