



**A Report to the
Audit Committee**

Mayor
John Cooper

Social Services Director
Renee Pratt

**Homeless Impact Division
Executive Director**
April Calvin

Audit Committee Members
Tom Bates
Kelly Flannery
Sharon Hurt
Jim Shulman
Kyonztè Toombs

Audit of the Metropolitan Nashville Homeless Impact Division

March 30, 2023

Metropolitan
Nashville
Office of
Internal Audit

EXECUTIVE SUMMARY

March 30, 2023



Why We Did This Audit

The audit was initiated due to the importance of homelessness response and support in urban areas.

What We Recommend

- Update coordinated entry policies and procedures to include all Housing and Urban Development requirements.
- Monitor the Strategic Community Plan.
- Monitor and control access to client-level data in the Homeless Management Information System.
- Develop an encampment management plan.
- Explore the full potential of the HMIS software application.

Audit of the Metropolitan Nashville Homeless Impact Division

BACKGROUND

The Homeless Impact Division is a division within the Metropolitan Nashville Social Services Department. The division provides staffing and other resources to assist the Nashville-Davidson County Continuum of Care Homelessness Planning Council in carrying out its duties and responsibilities. The responsibilities and duties are established by Chapter 2.144.020 of the Metropolitan Nashville Code of Ordinances.

OBJECTIVES AND SCOPE

The audit objectives were to determine if the Homeless Impact Division:

- Coordinated the governance and oversight responsibilities and activities of the Homelessness Planning Council.
- Maintained a Homeless Management Information System to effectively coordinate service and programs delivery.
- Established internal controls to ensure authorized access to homelessness data and equitable service delivery.

The scope of the audit included the operations of the Homeless Impact Division between January 1, 2020, and December 31, 2021.

WHAT WE FOUND

The Homeless Impact Division staff is dedicated to ending homelessness. Established policies and procedures guide homeless outreach, the coordinated entry process, and the Homeless Management Information System.

However, the coordinated entry policies and procedures did not include all areas required by the Federal Housing and Urban Development agency. The progression of adopted 2019-2022 Strategic Community Plan was hindered due to the COVID-19 pandemic and is currently going through a revision. However, documentation of plan progression while it was in place was not readily available. The division also lacks an encampment management team or plan.

Access and security controls of the Homeless Management Information System were not consistently applied. Additionally, the capability of the software could be enhanced.

GOVERNANCE

The Homelessness Planning Council makes decisions and recommendations as the Nashville-Davidson County Continuum of Care's governing. The governance structure is established by Title 24 of the Code of Federal Regulations. Responsibilities of the Homelessness Planning Council include implementing a coordinated and focused approach to ending homelessness, developing measurable objectives, maintaining accurate and current data on homeless populations, and educating interested parties on issues related to homelessness.

The Homelessness Planning Council consists of 25 voting members. The Mayor appoints 8 members, the Nashville-Davidson County Continuum of Care elects 14 members, and the Vice Mayor appoints 3 members. Five of the voting members are required to have experienced homelessness. The Metropolitan Homeless Planning Council charter authorized the creation of committees and working groups. A total of 14 committees existed during the audit period. **See Appendix C.**

The Homeless Impact Division is the primary staffing for the Homelessness Planning Council. The division is overseen by an executive director that reports to the director of Social Services. In June 2022, the Metropolitan Nashville Council unanimously passed ordinance BL2021-971 that establishes an independent Office of Homeless Services with the aim of stabilizing policy and homelessness response efforts between mayoral administrations. The opening of the office is pending final administrative procedures.

BACKGROUND

The Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act of 2009 created a collaborative, inclusive, community-based inspired process and approach to planning and managing effective homeless assistance resources and programs to end homelessness in the country. The HEARTH Act also codifies into law the Continuum of Care planning process, a longstanding part of United States Housing and Urban Development's application process to assist homeless individuals and families by providing greater coordination in responding to their needs.

The Nashville Davidson County Continuum of Care Homelessness Planning Council was established for the purpose of facilitating the process and approach of the Nashville Davidson County Continuum of Care program. The Metropolitan Development and Housing Agency is the collaborative applicant of the continuum of care process. The Homeless Impact Division is the planning and coordinating entity.

The Homeless Impact Division provides staffing and resources to assist the Homelessness Planning Council in carrying out its duties and responsibilities. The assistance includes serving as the lead for the Homeless Management Information System and Coordinated Entry. The Homeless Impact Division does not provide direct services to the homeless, but instead it coordinates with and provides referrals to private and governmental agencies that provide services directly to the homeless population. The Homeless Impact Division operates through five divisions including Outreach, Coordinated Entry, Homeless Management Information System, Landlord Management, and Grant Coordination. The Homeless Impact Division has 14 full-time positions. The budget versus actual expenditures for the last three fiscal years can be seen in Exhibit 1 below.

Exhibit 1: Operating Budget Appropriations vs. Actual Expenditures

Fiscal Year	Budget	Actual	Variance
2021	\$ 1,511,700	\$ 1,222,546	\$ 289,154
2020	\$ 2,062,200	\$ 1,886,439	\$ 175,761
2019	\$ 2,058,700	\$ 1,837,914	\$ 220,786

Source: Metropolitan Nashville Oracle R12 Reporting System

The Homeless Impact Division utilizes a Homeless Management Information System. The Homeless Management Information System is a local system used to collect client-level data and data on the provision of housing and services to homeless individuals and families or those at risk of homelessness. Each Continuum of Care is responsible for selecting a Homeless Management Information System software that complies with the United States Housing and Urban Development Agency's data collection, management, and reporting standards. The Housing and Urban Development Agency set the standards to ensure the privacy and safety of client data.

All organizations and agencies involved in working with the homeless are encouraged to have access to the system, and organizations receiving government funds are required to enter client level data into the system. Approximately 36 organizations and agencies have access to the local Homeless Management Information System.

Exhibit 2 shows available and utilized beds information as coordinated with stakeholders by the Homeless Impact Division.

Exhibit 2: Bed Utilization by Housing Type

Housing Type	2020			2021		
	Available Beds	Occupied Beds	Utilization Rate	Year-Round Beds	Occupied Beds	Utilization Rate
Emergency Shelter	1387	1208	87%	1794	912	51%
Other Permanent Housing	119	103	87%	101	94	93%
Permanent Supportive Housing	1033	998	97%	1041	1093	105%
Rapid Re-housing	243	243	100%	607	607	100%
Safe Haven	5	5	100%	7	4	57%
Transitional Housing	335	219	65%	327	191	58%
Totals	3122	2776	89%	3877	2901	75%

Source: Homeless Management Information System Coordinated Entry Module

Coordinated Entry

Coordinated Entry is a Continuum of Care established process to coordinate access, assessment, prioritization, and referrals quickly and equitably to housing and services. The coordinated entry process is Housing First oriented, such that people are housed quickly without preconditions or service participation requirements.

The Coordinated Entry data collected is defined by the Homeless Management Information Systems Data Standard elements for Coordinated Entry. Collecting the data also supports management reporting on specific parts of the coordinated entry process, such as active client lists, coverage and demand, and permanent housing placements and retention. Exhibit 3 shows client-level information assessed and

input into the Coordinated Entry system since the Homeless Impact Division became the Homeless Management Information System lead in November 2018.

Exhibit 3: Client-level Information from the Homeless Management Information System by Race

Race	2018	2019	2020	2021	Totals
Black, African American, or African	513	1,102	1,515	1,661	4,791
White	546	948	1,186	1,637	4,317
American Indian, Alaska Native, or Indigenous	17	34	44	78	173
Native Hawaiian or Pacific Islander	2	10	10	8	30
Asian or Asian American	6	16	16	25	63
Other	28	18	13	35	94
Total	1,112	2,128	2,784	3,444	9,468

Source: Homeless Management Information System Coordinated Entry Module

Assessment and Prioritization

Assessment and prioritization ensure individuals with the greatest needs receive priority for housing and homeless assistance available in the continuum of care. During prioritization, the coordinated entry staff use assessment data to compare the participant’s level of need with the needs of others on the priority list. Staff prioritize the participant for housing and supportive services based on the continuum of care’s prioritization standards. The prioritization standards are documented in written policies and procedures and applied consistently. The Homeless Impact Division coordinates referrals with 10 independent homeless organizations and agencies that provide homeless services as part of the continuum of care program. Exhibit 4 shows total referrals made through the coordinated entry system during the audit period.

Exhibit 4: Coordinated Entry Referrals by Race and Housing Type

Housing Type	Black, African, African American		White		Undisclosed		Other		Totals
	2020	2021	2020	2021	2020	2021	2020	2021	
Individual Rapid Rehousing	71	92	120	131	7	2	13	5	441
Family Rapid Rehousing	55	105	20	37	1	4	106	93	421
Youth Rapid Rehousing	50	17	25	3	4	-	7	3	109
Other	61	187	29	168	4	9	30	265	753
Totals	237	401	194	339	16	15	156	366	1,724

Source: Homeless Management Information System Coordinated Entry Module

Low Barrier Housing Collective

The Low Barrier Housing Collective service provided by the Homeless Impact Division was established to connect individuals and families experiencing homelessness to private housing units. The units offer flexible screening criteria in exchange for benefits designed to mitigate risk for the property owner. Data reviewed during the audit showed outreach to approximately 31 property managers managing an approximate total of 14,362 existing units in their portfolios.

OBJECTIVES AND CONCLUSIONS

1. *Did the Homeless Impact Division effectively coordinate the governance and oversight responsibilities of the Homelessness Planning Council?*

Generally, yes. The Homeless Impact Division has knowledgeable staff committed to ending homelessness. Policies and procedures were in place to guide staff in coordinating homeless services with providers. However, the coordinated entry policies and procedures manual could be improved to include all Housing and Urban Development required policies and procedures. (See Observation B.) The Homeless Impact Division also did not have an encampment management and intervention plan during the period under review. (See Observation C.)

The Homelessness Planning Council implemented a three-year Strategic Community Plan spanning between 2019 to 2022. In 2021, the Homeless Impact Division documented the progress made since the inception of the Strategic Community Plan. However, documentation to verify the progress on the plan was not readily available. In November 2021, the Homelessness Planning Council voted to form an ad hoc committee to review and update the Strategic Community Plan. The Homeless Impact Division should ensure that review and monitoring procedures are in place to keep the Homelessness Planning Commission updated once the revision is completed. Additionally, documentation related to progression of the plan should be retained made readily available. (See Observation A.)

Homelessness Planning Council meetings were regularly scheduled, held, and attended by management and staff of the Homeless Impact Division. Documentation of minutes of Homelessness Planning Council meetings were not maintained by the Homeless Impact Division. (See Observation F).

2. *Did the Homeless Impact Division establish a Homeless Management Information System to effectively coordinate service and programs delivery?*

Generally, yes. The Homeless Impact Division in collaboration with the Metropolitan Development and Housing Agency has established a Homeless Management Information Systems as required by the United States Housing and Urban Development Agency. The Emergency Solutions Grant administered by the Housing and Urban Development Agency is the primary source of funding for the Homeless Management Information System, including acquisition, staffing and maintenance.

Authorized agencies of the Nashville-Davidson County Continuum of Care have access to enter information about homeless individuals and families. The agencies can also retrieve information about completed referrals performed by the Homeless Impact Division. Various reports are available in the Homeless Management Information System and are presented to the Housing and Urban Development Agency, the Homelessness Planning Council, and other committees as needed.

The Nashville-Davidson Continuum of Care adopted WellSky Community Services cloud-based system as its Homeless Management Information System. WellSky complies with the Housing and Urban Development's data collection, management, and reporting standards. The Homeless Impact Division is the lead agency for the Homeless Management Information System and has staff trained to operate and manage the system. However, certain aspects of managing the Homeless Management Information System software could be improved. (See Observations D and E.)

3. *Did the Homeless Impact Division establish internal controls to ensure authorized access to data and equitable service delivery?*

Generally, yes. Access to the Homeless Management Information System is controlled by the Homeless Impact Division and is granted only after following a series of Housing and Urban Development guidelines and requirements. The guidelines include the completion of a new user checklist, a data-sharing agreement, and an end-user license agreement. However, not all access granted conformed to the guidelines. Additionally, controls surrounding Homeless Impact Division staff access to the coordinated entry data could be improved and the division did not ensure the presence of a secured cloud data hosting environment. (See Observation D.)

The Homeless Impact Division performs the coordinated entry process which connects those at risk for homelessness to housing services. However, there was no evidence of coordinated entry process monitoring and evaluation by management. (See Observation E).

AUDIT OBSERVATIONS

Internal control helps entities achieve important objectives and sustain and improve performance. The Committee of Sponsoring Organizations of the Treadway Commission, *Internal Control – Integrated Framework (COSO)*, enables organizations to effectively and efficiently develop systems of internal control that adapt to changing business and operating environment, mitigate risks to acceptable levels, and support sound decision-making and governance of the organization. The audit observations listed are offered to assist management in fulfilling their internal control responsibilities.

Observation A– Strategic Community Plan

A Strategic Community Plan was established in July 2019 and was expected to make an impact of reducing the number of individuals experiencing homelessness by 25 percent within the three years. However, the COVID-19 pandemic had a negative impact on the progression of the plan. In 2021, the Homeless Impact Division reviewed the plan and noted which outcomes of the plan were complete, in-progress, or not started.

In November 2021, a motion was passed by the Homelessness Planning Commission to review and update the Strategic Community Plan. An audit procedure was conducted to review and verify the progress made on the Strategic Community Plan while the plan was in place. Documentation was not readily available to verify the progression of the plan. As of January 2023, the strategic plan refresh has not been completed. When completed, regular monitoring and status reporting to the Homelessness Planning Council should be conducted to assist with the successful progression of the plan. Additionally, plan implementation documentation should be retained and made readily available for review by internal and external stakeholders. Without regular monitoring and status reporting, the effectiveness of the Strategic Community Plan will be impaired.

Criteria:

- *COSO, Control Activities–Principle 10.* The organization selects and develops control activities that contribute to the mitigation of risks to the achievement of objectives to acceptable levels.
- *COSO, Control Activities–Principle 16.* The organization selects, develops, and performs ongoing and/or separate evaluations to ascertain whether the components of internal control are present and functioning.

Assessed Risk Rating:

High

Recommendation for management of the Homeless Impact Division:

Coordinate with the Homelessness Planning Council to ensure that the plan continues to be relevant through periodic reviews of goals, benchmarks, and monitoring activities. Ensure that appropriate information about implementation status is maintained for internal and external stakeholders.

Observation B– Coordinated Entry Policies and Procedures

The coordinated entry policies and procedures manual did not include all the required policies and procedures from the United States Housing and Urban Development Agency. The Housing and Urban Development Agency Coordinated Entry Notice establishes new requirements that Continuums of Care and recipients of Continuums of Care Program and Emergency Solutions Grants Program funding must meet related to the development and use of a centralized or coordinated assessment system. Only 12 out of 23 (52 percent) of required Housing and Urban Development policies and procedures were

implemented by the Homeless Impact Division. Coordinated entry policies in Nashville were compared with Memphis, and no significant differences in the incorporation of Housing and Urban Development Agency required policies were identified.

Coordinated Entry is a critical part of the path to ending homelessness. Not implementing these required policies and procedures could harm the effectiveness of the coordinated entry process and possibly result in the loss of federal funding.

Criteria:

- *COSO, Control Activities–Principle 12.* The organization deploys control activities through policies that establish what is expected and procedures that put policies into action.
- *Coordinated Entry Process Self-Assessment Tool – U.S. Department of Housing and Urban Department*
- *Outline for a Continuum of Care's Coordinated Entry "Policies & Procedures" Document – U.S Department of Housing and Urban Department*

Assessed Risk Rating:

High

Recommendation for management of the Homeless Impact Division:

Update the policies and procedures manual to include all required Housing and Urban Development policies and procedures or document the reason for exclusion.

Observation C– Encampment Management Plan

The Homeless Impact Division reported a count of 16 homeless encampment locations but does not have an encampment plan. Homelessness in Nashville impacts not only the homeless, but also government resources, local businesses, and the communities in which the encampments are located. An encampment plan designed with the specific characteristics and changing needs of the homeless population will provide an effective strategy and policy directions to monitor and deal with the growth and conditions of encampments. Lack of an encampment plan will negatively impact the homeless population and the Nashville community.

Criteria:

- *COSO, Control Activities–Principle 10.* The organization selects and develops control activities that contribute to the mitigation of risks to the achievement of objectives to acceptable levels.
- *COSO, Control Activities–Principle 12.* The organization deploys control activities through policies that establish what is expected and procedures that put policies into action.
- *COSO, Control Activities–Principle 16.* The organization selects, develops, and performs ongoing and/or separate evaluations to ascertain whether the components of internal control are present and functioning.
- *7 Principles for Addressing Encampments – U.S. Interagency Council on Homelessness*

Assessed Risk Rating:

High

Recommendation for management of the Homeless Impact Division:

Establish an encampment management team comprising of Metropolitan Nashville departments, community organizations, and community leaders involved in addressing homelessness. The encampment management team should be responsible for creating an encampment management plan that includes strategies and policy directions to address the physical management of homeless encampments and establishes criteria for determining and coordinating the types of interventions to undertake at encampments.

Observation D– Homeless Management Information System User Access and Data Security

The Homeless Management Information System team did not maintain complete documentation of system user access. Additionally, a process was not established for ensuring that data housed in the cloud environment with the system vendor is secure.

The Housing and Urban Development Agency privacy and security standards seek to protect the confidentiality of personal information while allowing for reasonable, responsible, and limited uses and data disclosures. Thirteen out of 46 (28 percent) Homeless Management Information System users did not have a completed end-user license agreement, 3 out of 46 (6 percent) users had end-user agreements with missing information, and 3 out of 46 (6 percent) users had dates on the end-user agreements that were after the dates their agency was granted access.

Additionally, the Homeless Impact Division did not request assurance from the Homeless Management Information System, WellSky, that data housed in their cloud environment is secured. Client data cannot be trusted to be secure without assurance that the service provider has controls in place for the system.

Criteria:

- *COSO, Control Activities–Principle 10. The organization selects and develops control activities that contribute to the mitigation of risks to the achievement of objectives to acceptable levels.*
- *COSO, Control Activities-Principle 11-The organization selects and develops general control activities over technology to support the achievement of objectives.*

Assessed Risk Rating:

High

Recommendation for management of the Homeless Impact Division:

1. Ensure access to the Homeless Management Information System is granted only after new users have completed all necessary steps and an end-user license agreement is properly executed. Retain copies of all end-user license agreements for review.
2. Annually request a SOC 2 Type 2 report from WellSky to ensure data is secure and always available.

Observation E – Homeless Management Information System Software Review and Update

The Homeless Impact Division as the Homeless Management Information System lead agency did not perform regular reviews of the software using tools provided by the Housing and Urban Development Agency. The agency provides tools to assist communities in monitoring, evaluating, and improving the

Homeless Management Information System. Specifically, the Vendor Capacity checklist provides an overview of both Housing and Urban Development requirements of a Homeless Management Information System and common technical and functional features communities may require and expect from the system.

As a critical first step in identifying and changing racial and ethnic disparities in a community's systems and services, the Race and Ethnicity tool uses Homeless Management Information System data to facilitate analysis of racial disparities among individuals experiencing homelessness. For example, analysis of data would alert management to investigate why other minority groups are not being assessed into the coordinated entry system compared to Black or White racial groups.

Homeless Impact Division staff acknowledged operational issues with the software and a lack of knowledge about the full capability of the Homeless Management Information System. Failure to use the tools provided by the Housing and Urban Development increases the risk of that the Homeless Management Information System will not be used in the most effective and efficient manner.

Criteria:

- COSO, Control Activities–Principle 16. The organization selects, develops, and performs ongoing and/or separate evaluations to ascertain whether the components of internal control are present and functioning.
- *Homeless Management Information System Software Vendor Capacity and System Administrator Checklists* – U.S. Housing and Urban Development Agency

Assessed Risk Rating:

Medium

Recommendation for management of the Homeless Impact Division:

Establish a process for periodic completion and review of the Housing and Urban Development resources that improve both system administration and software vendor oversight.

Observation F – Retention of Homelessness Planning Council Meeting Minutes

The Homeless Impact Division did not retain copies of all meeting minutes held by the Homelessness Planning Council and the Planning Executive Committee. Eight of the 24 (33 percent) Homelessness Planning Council meetings and 14 out of 22 (64 percent) Planning Executive meetings reviewed did not have copies of meeting minutes. Without meeting minutes, transparency to the public is diminished. Additionally, management is not able to provide evidence how the Homeless Impact Division responded to mission-critical deliberations and decisions made by the Homelessness Planning Council and Planning Executive Committees.

Criteria:

- COSO, Control Activities–Principle 10. The organization selects and develops control activities that contribute to the mitigation of risks to the achievement of objectives to acceptable levels.

Assessed Risk Rating:

Medium

Recommendation for management of the Homeless Impact Division:

Document and retain meeting minutes for all Homelessness Planning Council and Executive Planning meetings.

GOVERNMENT AUDITING STANDARDS COMPLIANCE

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our observations and conclusions based on our audit objectives.

METHODOLOGY

To accomplish our audit objectives, we performed the following steps:

- Interviewed key personnel within the Homeless Impact Division.
- Reviewed Metropolitan Nashville ordinances related to the Homeless Planning Council and the Homeless Impact Division.
- Reviewed relevant Federal Housing and Urban Development guidelines, policies, and procedures, and the 2019-2022 Strategic Community Plan to end homelessness.
- Evaluated internal controls in place during the audit period.
- Performed inquiries and observations of procedures.
- Reviewed sample selections to determine the effectiveness of internal controls.
- Reviewed reports from the Homeless Management Information System and the Low Barrier Housing Collective website.
- Considered risk of fraud, waste, and abuse.
- Considered information technology risks.

AUDIT TEAM

Jessica Henderson, CFE, Staff Auditor

Innocent Dargbey, CPA, CMFO, CICA, Auditor-in-Charge

Seth Hatfield, CPA, CIA, CCFO, CFE, Quality Assurance

Lauren Riley, CPA, CIA, CFE, CMFO, ACDA, Metropolitan Auditor

APPENDIX A – MANAGEMENT RESPONSE AND ACTION PLAN

JOHN COOPER
MAYOR

RENEE PRATT
EXECUTIVE DIRECTOR

METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY



METROPOLITAN SOCIAL SERVICES
800 2ND AVENUE NORTH, SUITE 100
NASHVILLE, TENNESSEE 37201

March 3, 2023

Lauren Riley, Metropolitan Auditor
Office of Internal Audit
400 James Robertson Parkway, Ste, 190
Nashville, TN 37219

RE: Audit of Metro Homeless Impact Division
Between Jan.1, 2020 to December 31, 2021

Dear Mrs. Riley,

Metro Social Services is in receipt of the Audit conducted on Metro Homeless Impact Division and is satisfied with the audit work completed and resulting recommendations. Your review began during a time that the entire nation was experiencing the “great resignation” and as a Metro Department we were not exempt. Since then, we have developed and cultivated new employees and we have already implemented a majority of the suggested measures to address items ranked with a medium to high risk. Please review the Management Response and Action Plan attached.

We appreciate the work you and your staff put into this assignment. Innocent Dargbey really worked to fully understand our process. If you have any questions, please let me know.

Sincerely,

A handwritten signature in cursive script, appearing to read "Renee Pratt".

Renee Pratt, Executive Director
Metro Social Service

CC: Jessica Henderson, CFE, Staff Auditor
Innocent Dargbey, CPA, CMFO, CICA, Auditor-in-Charge
Seth Hatfield, CPA, CIA, CCFO, CFE, Quality Assurance
Lauren Riley, CPA, CIA, CFE, CMFO, ACDA, Metropolitan Auditor

APPENDIX A – MANAGEMENT RESPONSE AND ACTION PLAN

We believe that operational management is in a unique position to best understand their operations and may be able to identify more innovative and effective approaches and we encourage them to do so when providing their response to our recommendations.

	Recommendation	Concurrence and Corrective Action Plan	Proposed Completion Date
<i>Risk</i>	<i>Recommendations for the management of the Homeless Impact Division to:</i>		
H	A.1 Coordinate with the Homeless Planning Council to ensure that the plan continues to be relevant through periodic reviews of goals, benchmarks, and monitoring activities. Ensure that appropriate information about implementation status is maintained for internal and external stakeholders.	Accept. The 2019 Strategic Community Plan was interrupted by the COVID-19 pandemic. Agencies and local government had to pivot to provide life saving measures. Once the Governor’s “Safer at Home” restrictions were lifted the Community decided to discontinue the use of the prior strategy and begin a Strategic Plan Refresh. This made regular monitoring and status reporting obsolete. The Homelessness Planning Council identified a small ad hoc committee to complete the Strategic Plan Refresh. Currently, a newly identified committee will finalize the plan by adding metrics and outcomes. The Homelessness Planning Council will continue to review the process.	Implemented – 2/4/2022
H	B.1 Update the policies and procedures manual to include all required Housing and Urban Development policies and procedures or document the reason for the exclusion.	Accept. The Coordinated Entry Policies and Procedures were reviewed by the Continuum of Care, Executive Committee, and the Homelessness Planning Council. We will enter the comment period to address this concern. Required and recommended policies are being reviewed and all changes will need to be accepted by the Continuum of Care and the Homelessness Planning Council prior to modifying.	6/30/2023

APPENDIX A – MANAGEMENT RESPONSE AND ACTION PLAN

	Recommendation	Concurrence and Corrective Action Plan	Proposed Completion Date
H	C.1 Establish an encampment management team comprising of Metropolitan Nashville departments, community organizations, and community leaders involved in addressing homelessness. The encampment management team should be responsible for creating an encampment management plan that includes strategies and policy directions to address the physical management of homeless encampments and establish criteria for determining and coordinating the types of interventions to undertake at encampments.	Accept. MHID completed a community Encampment Outdoor Housing Plan, composed by Community partners, multiple Metro departments, committee leaders, and people with lived experience during frequent community meetings. This strategy was drafted from other cities making great strides on ending homelessness and it aligns with federal guidance of UISCH’s recently released strategy.	Implemented - 10/18/2022
H	D.1 Ensure that access to the Homeless Management Information System is granted only after new users have completed all necessary steps and an end-user license agreement is properly executed. Retain copies of all end-user license agreements for review.	Accept. While previous MHID management did not retain all end user agreements, this has since been rectified. All current and future HMIS users cannot access the system until necessary documents and trainings have been completed. All completed agreements are retained and stored. HMIS staffing experienced 100% turnover at the start of this audit. Under current leadership, we have rebuilt the entire HMIS Department. The new team has since obtained system level training, vendor bootcamp, HUD technical assistance and other professional development opportunities by attending National Data Conferences.	Implemented – 9/15/2022
H	D.2 Annually request a SOC 2 Type 2 report from WellSky to ensure data is secure and always available.	Accept. Annually, we will request a copy of the SOC Type 2 Report to ensure that our data is secure with WellSky.	Implemented – 3/21/2022

APPENDIX A – MANAGEMENT RESPONSE AND ACTION PLAN

	Recommendation	Concurrence and Corrective Action Plan	Proposed Completion Date
M	E.1 Establish a process for periodic completion and review of the Housing and Urban Development resources that improve both system administration and software vendor oversight.	Accept. During the Nation’s “Great Resignation” HMIS staffing had 100% turnover during the audit. While staff did not have knowledge about the full capability of the software during this audit period because they were still in the training period, HMIS is now fully knowledgeable. The tools for system administration and software oversight are currently completed quarterly.	Implemented – 9/1/2022
M	F.1 Document and retain meeting minutes for all Homelessness Planning Council and Executive Planning meetings.	Accept. Under current leadership, minutes and agendas are maintained on a Metro server using a device provided by Metro.	Implemented – 10/8/2021

APPENDIX B – ASSESSED RISK RATING

Observations identified during the course of the audit are assigned a risk rating, as outlined in the table below. The risk rating is based on the financial, operational, compliance or reputational impact the issue identified has on the Metropolitan Nashville Government. Items deemed “Low Risk” will be considered “Emerging Issues” in the final report and do not require a management response and corrective action plan.

Rating	Financial	Internal Controls	Compliance	Public
HIGH	Large financial impact >\$25,000 Remiss in responsibilities of being a custodian of the public trust	Missing, or inadequate key internal controls	Noncompliance with applicable Federal, state, and local laws, or Metro Nashville Government policies	High probability for negative public trust perception
MEDIUM	Moderate financial impact \$25,000 to \$10,000	Partial controls Not adequate to identify noncompliance or misappropriation timely	Inconsistent compliance with Federal, state, and local laws, or Metro Nashville Government policies	The potential for negative public trust perception
LOW/ Emerging Issues	Low financial impact <\$10,000	Internal controls in place but not consistently efficient or effective Implementing / enhancing controls could prevent future problems	Generally complies with Federal, state, and local laws, or Metro Nashville Government policies, but some minor discrepancies exist	Low probability for negative public trust perception
Efficiency Opportunity	An efficiency opportunity is where controls are functioning as intended; however, a modification would make the process more efficient			

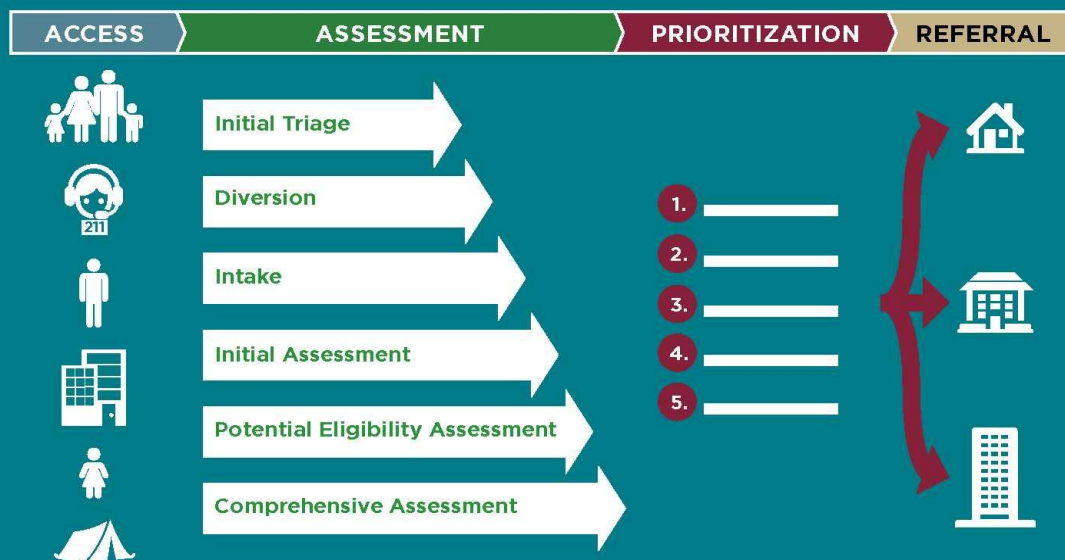
APPENDIX C – ADDITIONAL RESOURCES

Committee	Duties and Responsibilities
Equity & Diversity Committee	Evaluates for inequities in homeless services to determine if race, ethnicity, stereotypes, and biases influence how assistance is delivered. Develops/implements strategies, and identifies resources available, to reduce disparities in the homeless system
Consumer Advisory Board (CAB)	Is intended to be a diverse group of individuals with lived experience working to provide input on specific CoC matters and connect those experiencing homelessness to resources while addressing barriers and establishing an information network for homeless needs and resources.
Data Committee	Promotes and ensures the collection of quality, comprehensive and relevant data about: 1) people experiencing homelessness in Nashville/Davidson County; and 2) the efforts of the local Continuum of Care (CoC) to address and end homelessness here. The purpose of these activities is to equip the CoC with the planning, research, communications, and related tools needed to ensure that any incidence of homelessness in Nashville will be rare, brief and occur only once.
PIT Count Sub-Committee	HUD requires communities across the country to take a census of the people who are literally experiencing homelessness on one night during the last ten days of January. This is a snapshot of the homeless population in Nashville on one night. This committee plans and oversees the annual count and operates as a subcommittee of the Data Committee.
Shelter Committee	Coordinates among outreach, shelter, and government providers to ensure people living outdoors have the information they need to access shelter and services during heat, cold, floods, and other extreme weather situations.
Governance Charter Committee	Reviews the Governance Charter and makes any recommendations for change or revision at least annually. Develops, recommends, and revises as needed any bylaws and/or policies and procedures deemed necessary for the ongoing operation of the Planning Council and CoC General Membership.
HMIS Oversight Committee	Recommends policy guidance for the CoC Planning Council on issues related to the implementation and use of the Homeless Management Information System (HMIS). The Committee also ensures that HMIS users adhere to the established policies or requirements.
Membership Committee	Collects and manages membership applications for the CoC General Membership and ensures membership policies and practices are followed. The committee also leads efforts to recruit, retain, and motivate diverse membership participation in the CoC, as well as track attendance at General Membership meetings for the purposes of voting rights and offering committee support.
Nominating Committee	Recruits and selects qualified, willing members of the CoC and/or community at-large to serve as Planning Council members and presents the nominees to the CoC General Membership as requested.

APPENDIX C – ADDITIONAL RESOURCES

Committee	Duties and Responsibilities
Performance Evaluation Committee	Annually prepares scoring matrices for HUD CoC programs, provides trainings for potential grant applicants, scores grant applications, and presents preliminary ranking of grant proposals to the Planning Council for approval.
Standards of Care Committee	The Continuum of Care (CoC) is responsible for establishing and ensuring compliance with Written Standards for administering assistance as outlined by the Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act for CoC and Emergency Solutions Grant (ESG) funded programs. The CoC Written Standards, therefore, shall be aligned with standards for ESG funded programs within the CoC’s geographic area. The committee will also take on the tasks of the Coordinated Entry Committee as outlined in the current Nashville-Davidson County CoC Charter. Those tasks are to ensure that “community-wide Coordinated Entry policies and procedures are in place and are aligned with HUD requirements.” The Committee identifies relevant key stakeholders for input on the Written Standards draft before presenting it to the Planning Council for approval
Veteran Workgroup	Works to create a sustainable systems approach that is capable of meeting and maintaining the federal criteria and benchmarks that effectively end veteran homelessness in Nashville.
Youth Action Board	A group of youth and young adults who are experiencing homelessness or have experienced homelessness, that provides advice to the Nashville CoC in its efforts to effectively end homelessness for unaccompanied youth, particularly in the planning and project implementation phases for a HUD Youth Homelessness Demonstration Program (YHDP) grant to the city.
Youth & Young Adult Steering Committee	Focuses on preventing and ending homelessness for unaccompanied youth and young adults.

Coordinated Entry Core Elements



The figure above shows how coordinated entry's core elements might relate to one another.

- **Access**, the engagement point for persons experiencing a housing crisis, could look and function differently depending on the specific community. Persons (families, single adults, youth) might initially access the crisis response system by calling a crisis hotline or other information and referral resource, walking into an access point facility, or being engaged through outreach efforts.
- Upon initial access, CoC providers associated with coordinated entry likely will begin assessing the person's housing needs, preferences, and vulnerability. This coordinated entry element is referred to as **Assessment**. It is progressive; that is, potentially multiple layers of sequential information gathering occurring at various phases in the coordinated entry process, for different purposes, by one or more staff.
- During assessment, the person's needs and level of vulnerability may be documented for purposes of determining **Prioritization**. Prioritization helps the CoC manage its inventory of community housing resources and services, ensuring that those persons with the greatest need and vulnerability receive the supports they need to resolve their housing crisis.
- The final element is **Referral**. Persons are referred to available CoC housing resources and services in accordance with the CoC's documented prioritization guidelines.

Selected Glossary of Terms

Continuum of Care - The group organized to carry out the responsibilities required under 24 CFR part 578 and is composed of representatives of organizations, including nonprofit homeless service providers, victim service providers, faith-based organizations, governments, businesses, advocates, public housing agencies, school districts, social service providers, mental health agencies, hospitals, universities, affordable housing developers, law enforcement, organizations that serve homeless and formerly homeless veterans, and homeless and formally homeless individuals to the extent these groups are represented within the geographic area and are available to participate.

Homeless Management Information System - A local information technology system used to collect client-level data and data on the provision of housing and services to homeless individuals and families and persons at risk of homelessness. Each CoC is responsible for selecting an HMIS software solution that complies with HUD's data collection, management, and reporting standards.

Joint Transitional Housing and Permanent Housing-Rapid-Re-housing - Commonly referred to as “TH-RRH”, this combines two existing program components—transitional housing and permanent housing-rapid rehousing—in a single project to serve individuals and families experiencing homelessness. Program participants chose the type of housing that best fits their needs that will result in obtaining or maintaining permanent housing.

Permanent Supportive Housing - A CoC program component type providing indefinite leasing or rental assistance combined with supportive services for disabled persons experiencing homelessness so that they may live independently.

Rapid Re-Housing - A permanent housing solution emphasizing housing search and relocation services and short- and medium-term rental assistance to move homeless persons and families (with or without a disability) as rapidly as possible into housing. **Safe Haven** - A type of supportive housing designed to serve hard-to-reach homeless persons with severe mental illness who come primarily from the streets and have been unable or unwilling to participate in housing or supportive services. While no longer an eligible new component of the CoC Program, these types of projects continue to be eligible for renewal of leasing, operating, supportive services, rental assistance, HMIS and project administrative costs under 24 CFR 578.33(d)(1), so long as the project continues to serve the same population and the same number of program participants or units in the same type of housing as identified in their most recently amended grant agreement signed before August 31, 2012. **Transitional Housing** - Designed to provide homeless individuals and families with the interim stability and support to successfully move to and maintain permanent housing.