



Audit of Senior Services

September 1, 2021

Mark S. Swann, City Auditor

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Executive Summary

Objective and Scope

The audit objectives were to determine if the Office of Community Care effectively: (1) coordinates resources to prevent duplication of senior services; and, (2) monitors senior services contracts to ensure documentation of contract performance is accurate, complete; and, in compliance with contract terms.

The audit scope covered the Dental Care Program, Employment Assistance Program, Ombudsman Program, and Transportation Program in Fiscal Year 2019 through 2020.

What We Recommend

We recommend the Office of Community Care update current written procedures to include work instructions specific to contract monitoring, and for:

- Verifying the accuracy of monthly requests for payment and reported contractor performance.
- Evaluating the effectiveness of senior services programs and contractor performance for each senior program.

Background

The Mission of the City of Dallas Office of Community Care Senior Services Program is to promote the quality of life for persons 60 and older in the City of Dallas with low-to-moderate income. There are approximately 155,000 seniors residing in the City of Dallas.

The annual operating budget for Fiscal Year 2020 was approximately \$1.3 million.

The Senior Services Program supports, through contractual agreements, the Dental Care Program, Employment Assistance Program Ombudsman Program, and Transportation Program.

In addition, the Senior Services Program provides case management and referral services through collaborations with City of Dallas departments and community agencies.

What We Found

The Office of Community care can improve its contract monitoring practices by:

- Formalizing written procedures for contract monitoring regarding monthly requests for payment and reported contractor performance.
- Better evaluating senior services programs for effectiveness.

Objectives and Conclusions

1. Does the Office of Community Care coordinate resources with other cities, counties, and City of Dallas departments/programs to prevent duplication of senior services?

No. However, the audit did not identify any feasible opportunities for the Office of Community Care to coordinate resources. Through contractual agreements, the Senior Services Program administers the following:

- Dental Care Program – audit research identified no other city or county program offering the same or similar dental program to senior residents of Dallas.
- Employment Assistance Program – audit research identified no other city or county program offering the same or similar employment assistance program to senior residents of Dallas.
- Ombudsman Program – sole source provider administered through the State of Texas.
- Transportation Program – coordinated with various local area cities indirectly as these cities also participate in the Dallas Area Rapid Transit (DART) program.

In addition, the audit did not identify any duplication of senior services within other City of Dallas departments or programs, nor any overlaps in services, for the above listed Office of Community Care senior services programs.

2. Does the Office of Community Care monitor senior services contracts to ensure documentation of contract performance is accurate, complete, and in compliance with contract terms?

Generally, yes. The Office of Community Care conducts some monitoring activities however, opportunities exist to improve and formalize current monitoring activities. See [Observation A](#).

In addition, the Office of Community Care can provide additional assurance that contractor performance complies with contract terms by evaluating and documenting the evaluation of the effectiveness of all of its contracted senior services. See [Observation B](#).

Audit Results

As required by *City Council Resolution 88-3428*, departments will establish internal controls in accordance with the standards established by the Comptroller General of the United States pursuant to the *Federal Managers' Financial Integrity Act of 1982*. Administrative Directive 4-09, *Internal Control* prescribes the policy for the City to establish and maintain an internal control system. The audit observations listed are offered to assist management in fulfilling their internal control responsibilities.

Observation A: Contract Monitoring

The Office of Community Care has no documented process for monitoring Dental Care, Employment Assistance, Ombudsman, and Transportation contracts. As a result, the Office of Community Care cannot provide assurance of: (1) payment verification for accuracy; or (2) contractor's outcome measures and performance data compliance with contract terms.

The Ombudsman Program's contract monitoring and payment verification processes were evaluated during the audit, and the sample months of October 2019 and June 2020 were judgmentally selected for testing. In the sample, the monthly requests for payment (monthly reports) were analyzed and determined to be supported, accurate, and complete. However, the Office of Community Care does not have written instructions for verifying that:

- Contractor requests for payment were verified for payment accuracy.
- Only eligible recipients received services.
- Service delivery numbers are a true representation of what occurred each month.
- Monthly reports are accurate.
- Ombudsman Program complaints are resolved.

Other contract monitoring and compliance concerns include:

- Payments that are not timely.
One of the two monthly requests for payment was late. The October 2019 Ombudsman Program monthly request for payment was received by the City in January 2020. The contract requires payment requests be submitted monthly, within (no more than) 15 days of the last day of the previous month in which services were provided. According to the Office of Community Care, the payment request was submitted more than two months late due to the contract not being executed until December 2019.
- Premature commencement of contract services.
Although the contract was not executed until December 2019, the Ombudsman Program commenced services on October 1, 2019 without a required approval from the City Manager. Administrative Directive 4-05, Contracting Standards and Procedures (Interim), Section 15.1, *Contract Monitoring* states, "In situations where the time in which a contract cannot be executed and signed by all parties prior to the date work must commence, written approval must be obtained from the City Manager to begin work prior to the signing of a contract."

Criteria

- ❖ Administrative Directive 4-05, Contracting Standards and Procedures (Interim), Section 15.1, *Contract Monitoring*
- ❖ Standards for Internal Control in the Federal Government:
 - *Principle 12.01– Implement Control Activities*
 - *Principle 12.02 – Documentation of Responsibilities Through Policies*
 - *Principle 12.05 – Periodic Review of Control Activities*
 - *Principle 16.01 – Perform Monitoring Activities*
 - *Principle 16.09 – Evaluation of Results*

Assessed Risk Rating:

Moderate

We recommend the **Director of the Office of Community Care:**

A.1: Update written procedures to include work instructions with descriptions of monitoring processes, documentation standards, and verification methods for ensuring the:

1. Accuracy of payments requested by contractors.
2. Compliance of contractor's outcome measures and performance data with contract terms. Specifically, address how to ensure:
 - a. Only eligible recipients received services.
 - b. Service delivery numbers are a true representation of what occurred each month.
 - c. Contractor monthly payment requests and supporting documents are accurate.
 - d. Ombudsman Program complaints are resolved.

A.2: Ensure that evidence of verifying the accuracy and timeliness of payments requests and the accuracy of contractor performance reports is documented, reviewed, and approved by management.

A.3: Ensure a written approval is obtained from the City Manager to begin work prior to the signing of contracts in accordance with Administrative Directive 4-05, *Contracting Standards and Procedures (Interim)*.

Observation B: Program Effectiveness

The Office of Community Care does not always evaluate whether: 1) senior services contracts have achieved the desired outcomes, or 2) the demand for particular senior services has changed. Specifically, there is limited historical or current data regarding the success of the senior Dental Care, Employment Assistance or Ombudsman programs or how recipients benefitted from such programs. As a result, the Senior Affairs Commission may not have accurate information to be able to recommend program improvements.

The Office of Community Care has: 1) no outcome-based performance measure to evaluate the success of senior services programs and contracts; and 2) no written procedures for determining the overall success for any of its senior services programs or evaluating contractors' performance.

Examples of outcomes-based performance evaluation standards include:

- Evaluating against a set of pre-established standard criteria.
- Retaining the documented evaluation of contract performance for future use.
- Analyzing the demand for program services based upon contractual outcomes.

Dental Care, Employment Assistance, and Ombudsman Programs

There are no retained records of prior contractor evaluations regarding the success or recipient benefit from the Dental Care, Employment Assistance, and Ombudsman programs. Specifically, there is no evidence to support: (1) the Dental Care Program was evaluated to determine how recipients benefitted from services; (2) the Employment Assistance Program was evaluated to determine the number or recipients who received employment after completing the program; or, (3) the Ombudsman Program was evaluated to determine the effectiveness of follow-up efforts to resolve complaints.

Transportation Program

The Transportation Program, on the other hand, underwent a rigorous evaluation in Fiscal Year 2018 which resulted in the implementation of the Dallas Area Rapid Transit (DART) Rider Assistance Program. Prior to DART, the Transportation Program was provided by another contractor. The Transportation Program evaluation included information related to:

- Program History
- Specific use of the program
- Review of the senior medical transportation program
- Client Assessment
- Program Implementation Improvements
- Program Development Updates
- DART Rides (subsidized fare program)
- Pilot Program Overview
- Transportation Survey

Criteria

- ❖ The National Association of State Auditors, Comptrollers, and Treasurers, *Best Practices in Contracting for Services* recommends evaluation of the contractor's performance against a set of pre-established, standard criteria.
- ❖ Standards for Internal Control in the Federal Government:
 - *Principle 16.01 – Perform Monitoring Activities*
 - *Principle 16.09 – Evaluation of Results*

Assessed Risk Rating:

Low

We recommend the **Director of the Office of Community Care:**

- B.1:** Update written procedures to include work instructions for evaluating outcome-based performance measures and the effectiveness of senior services programs and contractor performance for each senior services program.
- B.2:** Ensure the evaluation of the effectiveness of senior services programs and contractor performance is documented and retained.

Appendix A: Background and Methodology

Background

The Office of Community Care Senior Services Program promotes the quality of life for persons 60 and older in the City of Dallas with low-to-moderate income. Some areas of emphasis are: (1) health and safety, (2) housing, (3) public benefits, (4) social needs, and (5) trends in aging and transportation. These areas are addressed through community collaborations, coordination of services, educational programs, outreach, and casework based on referral and information. The Senior Affairs Commission addresses areas of emphasis for persons 60 and older and communicates concerns to City Council.

The Senior Affairs Commission

Members of the Senior Affairs Commission are council-appointed. Each member serves a two-year term on a 15-member advisory board tasked with identifying programs and addressing needs related to elderly issues. The Senior Affairs Commission is comprised of members who are over the age of 55, show a concern about senior affairs; and are willing to represent the senior community. The Senior Affairs Commission served a key role in the implementation of the Age-Friendly Dallas Plan.

Age-Friendly Dallas Plan

The Senior Service Program collaborates with community agencies to expand limited City of Dallas resources and enhance services offered to the senior population through contractual agreements and collaborating with community agencies through referral services and outreach activities.

Dallas City Council adopted the Age-Friendly Dallas Plan in Fiscal Year 2019. The Age-Friendly Dallas Plan focuses on enriching the lives of, and improving community livability for, Dallas seniors. The plan establishes the criteria for programs or support services, provided by the Senior Services Program. Through the Age-Friendly Dallas plan, the Office of Community Care identified a need for, and supports through contractual agreements, the following senior services programs:

- Dental Care
- Employment Assistance
- Ombudsman
- Transportation

Dental Care Program

Dental care is one of the top three unmet needs in the Dallas area, for seniors. The Dental Care Program provides free, basic dental health services to older Dallas residents who may not have access to or cannot afford dental care. Dental procedures are performed for low to moderate level income Dallas seniors, aged 60 and older, at North Dallas Shared Ministries Clinic and Agape Clinic. This program was included in the audit's evaluation of program effectiveness.

Employment Assistance Program

The Employment Assistance Program provides employment assistance offered at Mountain View College. Participants complete a 5-week course in areas focused on: (1) one-on-one career counseling; (2) resume-writing assistance; (3) interviewing skills; (4) job search technique training; (5) basic computer skills; and, (6) networking group meetings. The employment assistance program was placed on-hold during the COVID-19 pandemic. This program was included in the audit's evaluation of program effectiveness.

Ombudsman Program

The Ombudsman Program seeks to enhance the quality of life and quality of care for seniors in assisted living programs or nursing home facilities. The City's contractual agreement with the Ombudsman Program provides additional funding to help the Ombudsman be more active in the City of Dallas and provide more contacts to residents, in nursing homes and assisted living facilities, aged 60 and older. This program was included in the audit's evaluation of payment verification, contract monitoring and program effectiveness.

Transportation Program

The Transportation Program evaluated during this audit was implemented in May 2020. Through the DART program, seniors who are not eligible for existing transportation programs are eligible for the Senior Transportation Program. Participants are required to pay a percentage of the ride fee to remain eligible. This program was included in the audit's evaluation of program effectiveness.

Operation Water Share

Operation Water Share provides financial assistance to Dallas senior residents experiencing hardships due to water leaks or other unforeseen expenses related to water utilities. The Office of Community Care assesses and determines eligibility and makes recommendations to Dallas Water Utilities for financial assistance. This program was not evaluated during the audit.

Texas RAMP Project

The Texas RAMP Project is a statewide volunteer program that provides wheelchair ramps for low-income persons with disabilities. There is no cost for participants, but a referral must be completed on behalf of the recipient. This program was not evaluated during the audit.

Casework and Outreach

In addition to supporting programs through contractual agreements, financial assistance referrals, and statewide volunteer programs, the Senior Services Program provides referrals and information to at-risk seniors who have a need for elder abuse prevention, housing, health care or utility services resources. Seniors receive educational materials, training; and attend seminars and presentations facilitated through partnerships with community groups, neighborhood associations and senior centers. Through

the Senior Service Program’s outreach activities, seniors, and the public, are informed on the issues affecting older adults and the resources available to them. Casework and outreach activities provided by the Senior Services Program were not evaluated during the audit.

Methodology

To achieve the audit objectives, the following steps were performed: (1) interviewed personnel from the Office of Community Care; (2) reviewed policies and procedures, vendor contracts, Administrative Directive 4-05, *Contracting Standards and Procedures (Interim)* and the *Standards for Internal Control in Federal Government*; and, (3) performed various analyses and reviewed documents as needed to support conclusions, including review of surrounding cities’ participation in the DART Rider Assistance, Dallas County’s Older Adult Services; and, Dental Care and Employment Assistance programs of other local area cities.

This performance audit was conducted 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 upon our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

Major Contributors to the Report

Lina Wang, CPA – In-Charge Auditor

Anatoli V. Douditski, CIA, MPA, ACDA – Engagement Manager

Yzalida Hiley, MBA

Appendix B: Management's Response

Memorandum



DATE: August 30, 2021
TO: Mark S. Swann – City Auditor
SUBJECT: Response to Audit of Senior Services

This letter acknowledges the City Manager's Office received the *Audit of Senior Services* and submitted responses to the recommendations in consultation with the Office of Community Care.

We recognize the importance of providing equitable service and promoting a high quality of life for Dallas' senior residents. Further, we are proud of the Office of Community Care's efforts and accomplishments in providing and coordinating needed services for our City's residents.

While the Office of Community Care has thorough and effective contract compliance processes in place, we recognize there are opportunities for improvement. To continue improving our processes around contract compliance, the Office of Community Care's contract compliance staff has completed the first level of the Dallas Contracting Officer Representatives (D-COR) training and is currently completing the second level of D-COR training. Additionally, the Office of Community Care will document its existing processes in written procedures and has developed a revised checklist to ensure consistent documentation is reviewed and retained. Further, the new procedures and revised checklist will ensure that payments are processed timely and adherence to the City's administrative directives is clearly documented.

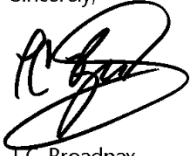
Similarly, the Office of Community Care has established a monthly performance checklist for staff to document their evaluation of the effectiveness of the contractor's performance.

While the Office of Community Care agrees in principle to the auditor's recommendation to retain documentation pertaining to evaluating the effectiveness of programs and contractors, the Office of Community Care will accept the risk associated with this recommendation. The Office of Community Care will retain the evaluation checklists and data for evaluating the program overall, as applicable. However, the Office of Community Care's review of client files during onsite contractor compliance reviews contains sensitive client information. Therefore, the Office of Community Care will observe but not retain documentation supporting the results of the checklists that contain sensitive client information.

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Response to Audit of Senior Services
August 30, 2021
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Sincerely,

A handwritten signature in black ink, appearing to read 'T.C. Broadnax', enclosed within a large, loopy circular flourish.


T.C. Broadnax
City Manager

C: Kimberly Bizer Tolbert, Chief of Staff
M. Elizabeth Reich, Chief Financial Officer
Jessica Galleshaw, Director, Office of Community Care

"Our Product is Service"
Empathy | Ethics | Excellence | Equity

Assessed Risk Rating	Recommendation	Concurrence and Action Plan	Implementation Date	Follow-Up/ Maturity Date
Moderate	We recommend the Director of the Office of Community Care:			
	<p>A.1: Update written procedures to include work instructions with descriptions of monitoring processes, documentation standards, and verification methods for ensuring the:</p> <ol style="list-style-type: none"> 1. Accuracy of payments requested by contractors. 2. Compliance of contractor's outcome measures and performance data with contract terms. Specifically, address how to ensure: <ol style="list-style-type: none"> a. Only eligible recipients received services. b. Service delivery numbers are a true representation of what occurred each month. c. Contractor monthly payment requests and supporting documents are accurate. d. Ombudsman Program complaints are resolved. 	<p>Agree: The Office of Community Care (OCC) has been working to update various departmental protocols and work instructions to better outline the processes for monitoring and ensuring consistent documentation standards and verification methods of expenditures as part of our practice to continually improve service delivery and contract oversight. OCC has developed a draft, revised monitoring checklist to be put into place during FY 2022, following a thorough review. Additionally, OCC has developed a new monthly review checklist form for contract compliance staff to utilize in reviewing payments, performance metrics, client data, and other critical information, which will also be put into place during FY 2022.</p>	3/31/2022	9/30/2022
	<p>A.2: Ensure that evidence of verifying the accuracy and timeliness of payments requests and the accuracy of contractor performance reports is documented, reviewed, and approved by management.</p>	<p>Agree: OCC will implement this recommendation as part of the above-described checklists and work instructions.</p>	3/31/2022	9/30/2022

Assessed Risk Rating	Recommendation	Concurrence and Action Plan	Implementation Date	Follow-Up/ Maturity Date
	<p>A.3: Ensure a written approval is obtained from the City Manager to begin work prior to the signing of contracts in accordance with Administrative Directive 4-05, <i>Contracting Standards and Procedures (Interim)</i>.</p>	<p>Agree: OCC does not direct programs to begin offering services or authorize payments prior to contract execution. However, OCC has authorized payments, after the contract is fully executed, for services performed during the contract period but prior to execution with appropriate supporting documentation.</p> <p>OCC will consult with the City Manager's Office, as needed, and request written authorization in the event that billable contract work may begin prior to the completion of contract execution.</p>	3/31/2022	9/30/2022
Low	We recommend the Director of the Office of Community Care:			
	<p>B.1: Update written procedures to include work instructions for evaluating outcome-based performance measures and the effectiveness of senior services programs and contractor performance for each senior services program.</p>	<p>Agree: OCC has established a monthly performance checklist, inclusive of work instructions, for contract compliance staff to utilize upon receipt of each vendor's, contractor's, or subrecipient's Monthly Target Analysis Form. The checklist outlines allowable variances and will prompt compliance staff to follow up if a contractor is outside of the allowable variance. OCC will implement this added review to its monthly contract compliance process beginning FY2022.</p>	3/31/2022	9/30/2022

Assessed Risk Rating	Recommendation	Concurrence and Action Plan	Implementation Date	Follow-Up/ Maturity Date
	<p>B.2: Ensure the evaluation of the effectiveness of senior services programs and contractor performance is documented and retained.</p>	<p>Accept Risk:</p>	<p>N/A</p>	<p>N/A</p>
	<p>OCC receives and maintains documentation of performance, expenditures, and client data through our monthly review process for each contract and maintains such data in accordance with records retention policies.</p> <p>Additionally, OCC performs onsite compliance testing of programs that includes reviewing client files. OCC does not retain individual client files for all programs for a variety of reasons, including concerns related to client privacy. Through its onsite monitoring activity, OCC compliance staff are able to view client records, client data, client files, etc. and confirm the metrics presented by the contractor in their reporting.</p> <p>OCC will enhance its checklist used for onsite monitoring to better illustrate the activity performed, but will not be retaining copies of sensitive client files.</p> <p>OCC believes that the strengthening of our program monitoring protocols, including the checklist, will enable us to adequately ensure client records' accuracy.</p>			