



# Report of the Vermont State Auditor

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June 23, 2015

## DEPARTMENT OF CORRECTIONS

### Improved Oversight Needed for the Transitional Housing Program

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**Douglas R. Hoffer**  
**Vermont State Auditor**  
**Rpt. No. 15-05**

### **Mission Statement**

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**Douglas R. Hoffer**  
**STATE AUDITOR**



**STATE OF VERMONT**  
**OFFICE OF THE STATE AUDITOR**

June 23, 2015

The Honorable Shap Smith  
Speaker of the House of Representatives

The Honorable John Campbell  
President Pro Tempore of the Senate

The Honorable Peter Shumlin  
Governor

Mr. Hal Cohen  
Secretary  
Agency of Human Services

Mr. Andrew Pallito  
Commissioner  
Department of Corrections

Dear Colleagues,

For an offender to successfully transition from incarceration to living in the community, a stable residence and local relationships that foster pro-social behavior are essential. This is what the Department of Corrections' (DOC) transitional housing program is designed to facilitate. This program is executed through collaboration between DOC and the 25 grantees that provide housing and supportive services. Between fiscal years 2010 and 2014, the number of offenders served by this program grew from 627 to 996 (59 percent), with an associated increase in cost from \$2.3 million to \$5.9 million (157 percent).

In 2013, my office issued a non-audit report of one transitional housing grantee, which disclosed non-compliance with grant requirements and a lack of DOC oversight. As a result, DOC took action to improve its oversight of its transitional housing grantees. Because of these reported changes, we decided to examine the program as a whole with a focus on three objectives: (1) assess the extent to which DOC's transitional housing grantees developed plans that specify the services to be provided to individual offenders; (2) determine whether grantees accurately reported to DOC actual services provided to offenders; and (3) assess whether and how DOC has determined that the program is meeting its goals of supporting community reintegration/reentry, maintaining public safety, and reducing offender recidivism. Our audit included evaluating nine grantees and the four probation and parole offices with which they work.

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DOC requires grantees to complete service plans for each offender enrolled in the transitional housing program and to obtain plan approval from the department, however, none of the nine grantees evaluated had approved service plans for all offenders enrolled in their programs. Ineffective program management and a lack of awareness on the part of some DOC personnel are among the reasons why offenders did not have an approved service plan, as required.

In addition, grantees are required to submit data to a DOC system on the services they provide, as well as to maintain documentation in support of those reported services. We found that DOC cannot rely on the accuracy of the service data that grantees reported because (1) in some cases, DOC's definitions of the services to be reported lacked clarity, (2) the nine grantees often did not have supporting documentation that the services had been provided, and (3) DOC's system used to collect and report on service data contained errors and anomalies. There were a variety of causes of these deficiencies, including a lack of DOC guidance on acceptable documentation and ineffectual DOC oversight.

Lastly, DOC does not know whether the transitional housing program has met its goals of supporting community reintegration/reentry, maintaining public safety, and reducing offender recidivism. It has collected data on actual performance for only the community reintegration/reentry goal.

This report makes recommendations to DOC concerning establishing processes to ensure grantees are complying with requirements, providing training to employees and grantees that support this program, and implementing effective department oversight. In response to a draft of the report, the Commissioner of the Department of Corrections agreed with the overall need for improved oversight of its transitional housing program, as well as our general conclusions for each of our audit objectives. The Commissioner outlined measures the department planned to take in response to our recommendations.

I would like to thank the management and staff at the Department of Corrections, Burlington Housing Authority, Central Vermont Community Action Council, Dismas of Vermont, Homeless Prevention Center, Pathways Vermont, Phoenix House, Samaritan House Inc., City of St. Albans Community Justice Center, and the Vermont Achievement Center for their cooperation and professionalism during the course of this audit.

Sincerely,

A handwritten signature in black ink that reads "DOUG HOFFER". The letters are in all caps and have a slightly cursive, informal style.

Doug Hoffer  
Vermont State Auditor

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# Contents

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## Report

	<b>Page</b>
Introduction	1
Highlights	2
Background	4
Objective 1: Service Plans Often Not Completed, and DOC Approval Virtually Non-Existent	5
Objective 2: Services Reported by Grantees Often Not Supported and Contained Errors	7
Definition of Services	7
Grantee Documentation	10
Other Service Point Errors and Anomalies	12
Objective 3: DOC Does Not Know if the Transitional Housing Program Is Meeting Its Goals	13
Conclusions	16
Recommendations	17
Management's Comments	19
Appendix I: Scope and Methodology	20
Appendix II: Abbreviations	23
Appendix III: Profiles of the Evaluated Grantees	24
Appendix IV: Comments from the Commissioner of the Department of Corrections and Our Evaluation	25

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## Introduction

The successful reintegration of an offender from incarceration into community living is more likely if the offender has a stable residence and local relationships that foster pro-social behavior. According to the Department of Corrections (DOC), the absence of these foundational elements severely undermines an offender's chances of success while increasing the likelihood of future harm to individuals and communities.

DOC's transitional housing program is intended to provide offenders with safe and stable housing with support services as they transition back into their communities. DOC's Community and Restorative Justice unit is responsible for administrative and fiscal oversight of the transitional housing program. This unit works in collaboration with staff at the department's correctional facilities and probation and parole offices and the 25 grantees that provide the services in this program.

In August 2013, our office issued a non-audit report in response to a whistleblower complaint concerning one transitional housing grantee.<sup>1</sup> The results of our inquiry uncovered non-compliance with grant terms and deficiencies in DOC's oversight. In response to this report, DOC developed an action plan that included changes to its oversight of the transitional housing grantees.

Because DOC made changes to its grantee oversight process, we decided to examine the program as a whole with a focus on three objectives: (1) assess the extent to which DOC's transitional housing grantees developed plans that specify the services to be provided to individual offenders; (2) determine whether transitional housing grantees accurately reported to DOC actual services provided to offenders; and (3) assess whether and how DOC has determined that its transitional housing program is meeting its goals of supporting community reintegration/reentry, maintaining public safety, and reducing offender recidivism.

We scoped our audit to evaluate nine grantees and the four probation and parole offices with which they work. Appendix I contains details on our scope and methodology. Appendix II contains a list of abbreviations used in this report. Appendix III profiles each of the nine grantees in our scope.

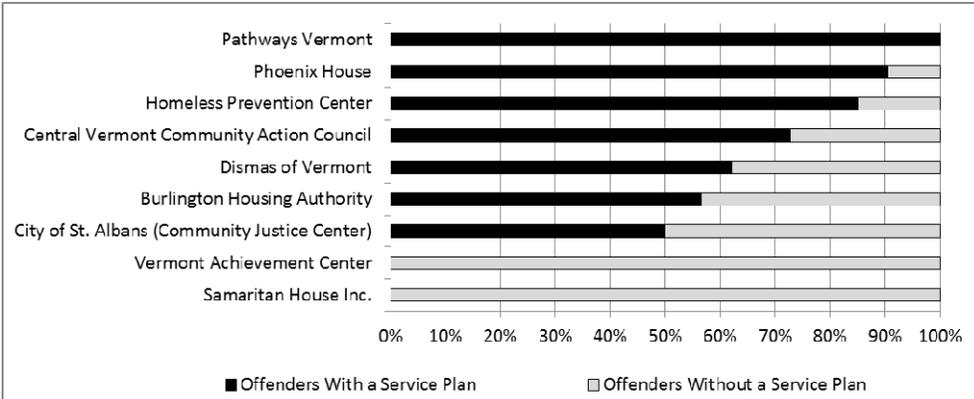
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<sup>1</sup> *Results of Seall, Inc. Inquiry* (SAO, August 23, 2013).

# Highlights: Report of the Vermont State Auditor

## Department of Corrections: Improved Oversight Needed for the Transitional Housing Program

(June 23, 2015, Rpt. No. 15-05)

<p><b>Why We Did this Audit</b></p>	<p>In 2013, we investigated a transitional housing grantee and found non-compliance with grant terms and deficient DOC oversight. DOC reported taking corrective measures, including improved oversight of the transitional housing program. With this in mind, our objectives were to (1) assess the extent to which DOC’s transitional housing grantees developed plans that specify the services to be provided to individual offenders; (2) determine whether grantees accurately reported to DOC actual services provided to offenders; and (3) assess whether and how DOC has determined that the program is meeting its goals of supporting community reintegration/reentry, maintaining public safety, and reducing offender recidivism. We examined 9 of the 25 grantees.</p>																														
<p><b>Objective 1 Finding</b></p>	<p>Transitional housing grantees often did not develop plans for offenders that specified the services they would provide, as required by DOC. As illustrated in Figure 1, only one of the nine grantees reviewed developed service plans for all offenders enrolled in the grantee’s program, while two did not have any plans that recorded the grantee services to be provided. In addition, very few of the service plans were approved by DOC’s probation and parole officers (POs), as required.</p> <p><b>Figure 1: Percentage of Offenders With and Without a Service Plan, by Grantee<sup>a</sup></b></p>  <table border="1"> <caption>Data for Figure 1: Percentage of Offenders With and Without a Service Plan, by Grantee<sup>a</sup></caption> <thead> <tr> <th>Grantee</th> <th>Offenders With a Service Plan (%)</th> <th>Offenders Without a Service Plan (%)</th> </tr> </thead> <tbody> <tr> <td>Pathways Vermont</td> <td>100</td> <td>0</td> </tr> <tr> <td>Phoenix House</td> <td>90</td> <td>10</td> </tr> <tr> <td>Homeless Prevention Center</td> <td>85</td> <td>15</td> </tr> <tr> <td>Central Vermont Community Action Council</td> <td>75</td> <td>25</td> </tr> <tr> <td>Dismas of Vermont</td> <td>60</td> <td>40</td> </tr> <tr> <td>Burlington Housing Authority</td> <td>55</td> <td>45</td> </tr> <tr> <td>City of St. Albans (Community Justice Center)</td> <td>50</td> <td>50</td> </tr> <tr> <td>Vermont Achievement Center</td> <td>0</td> <td>100</td> </tr> <tr> <td>Samaritan House Inc.</td> <td>0</td> <td>100</td> </tr> </tbody> </table> <p><sup>a</sup> The number of offenders at each grantee varied, ranging from a high of 39 at the Burlington Housing Authority to a low of three at Samaritan House Inc.</p> <p>The lack of approved service plans can be attributed to (1) ineffective DOC program management, for example, grantees’ permitted use of individual service plan templates that did not include all of DOC’s requirements; (2) a lack of knowledge on the part of POs that they were required to approve service plans; and (3) the lack of consequences for grantees that do not comply with grant agreement requirements pertaining to service plans. Without approved service plans, DOC lacks assurance that grantees intend to provide individual offenders with services consistent with the offender’s needs.</p>	Grantee	Offenders With a Service Plan (%)	Offenders Without a Service Plan (%)	Pathways Vermont	100	0	Phoenix House	90	10	Homeless Prevention Center	85	15	Central Vermont Community Action Council	75	25	Dismas of Vermont	60	40	Burlington Housing Authority	55	45	City of St. Albans (Community Justice Center)	50	50	Vermont Achievement Center	0	100	Samaritan House Inc.	0	100
Grantee	Offenders With a Service Plan (%)	Offenders Without a Service Plan (%)																													
Pathways Vermont	100	0																													
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Vermont Achievement Center	0	100																													
Samaritan House Inc.	0	100																													

# Highlights (continued)

<p><b>Objective 2 Finding</b></p>	<p>The nine grantees we reviewed reported data to DOC on services provided to offenders that were inaccurate or unsupported by documentation. Grantees are required to enter the services they perform for every offender into a DOC system each month and maintain documentation to support the reported services. Examples of inaccuracies were (1) services inappropriately entered for offenders who were not enrolled in the grantee’s program and (2) services grantees provided that were not recorded in the system. In addition, the grantees often did not have documentation that supported services had been provided to the offender. Specifically, the percentage of services reported to DOC that was supported by documentation at each of the nine grantees ranged from zero to 90 percent and the median was 55 percent.</p> <p>Among the several reasons why the service data in the DOC system was inaccurate or unsupported by grantee documentation was that (1) grantees did not have the ability to run reports from the system to verify data was correctly entered and (2) DOC did not provide the grantees with guidance on the type of documentation they were expected to maintain. Without accurate reporting of actual services provided, DOC could be reporting inaccurate program information or relying on flawed data in its decision making.</p>																
<p><b>Objective 3 Finding</b></p>	<p>DOC has begun measuring whether the transitional housing program is meeting its community reintegration/reentry goal but has no such process for the public safety and offender recidivism goals. Table 1 shows DOC is missing critical elements that make it possible to evaluate the success of its transitional housing program.</p> <p><b>Table 1: Performance Measurement Attributes for Each Transitional Housing Goal</b></p> <table border="1" data-bbox="479 1213 1409 1388"> <thead> <tr> <th>Goal</th> <th>Performance Measures?<sup>a</sup></th> <th>Targets?<sup>b</sup></th> <th>Actual data collected?</th> </tr> </thead> <tbody> <tr> <td>Supporting community reintegration/reentry</td> <td>Yes</td> <td>No</td> <td>Yes</td> </tr> <tr> <td>Maintaining public safety</td> <td>No</td> <td>No</td> <td>No</td> </tr> <tr> <td>Reducing offender recidivism</td> <td>No</td> <td>No</td> <td>No<sup>c</sup></td> </tr> </tbody> </table> <p><sup>a</sup> A performance measure is a specific measurement for each aspect of performance under consideration. There are various types of measures, including those related to output, outcome, and efficiency.</p> <p><sup>b</sup> A target is a desired numerical value related to a measure and is sometimes called a benchmark.</p> <p><sup>c</sup> According to the head of the transitional housing group, DOC has informally collected some preliminary data on recidivism and is in the process of analyzing it.</p> <p>In addition, although the grantees began reporting actual data related to community reintegration/reentry performance measures for the period July 1, 2014 to September 30, 2014, this data was not reliable.</p>	Goal	Performance Measures? <sup>a</sup>	Targets? <sup>b</sup>	Actual data collected?	Supporting community reintegration/reentry	Yes	No	Yes	Maintaining public safety	No	No	No	Reducing offender recidivism	No	No	No <sup>c</sup>
Goal	Performance Measures? <sup>a</sup>	Targets? <sup>b</sup>	Actual data collected?														
Supporting community reintegration/reentry	Yes	No	Yes														
Maintaining public safety	No	No	No														
Reducing offender recidivism	No	No	No <sup>c</sup>														
<p><b>What We Recommend</b></p>	<p>We are making various recommendations to DOC related to establishing processes to ensure compliance with the department’s requirements, providing training and guidance, and increasing oversight.</p>																

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## Background

Once offenders reach their minimum sentence, they become eligible for release from incarceration. If an offender does not have suitable housing, he or she can apply to the transitional housing program for temporary assistance. Without the transitional housing program, offenders may remain incarcerated past their minimum sentence, which contributes to prison overcrowding and additional costs to the State. According to the head of the transitional housing program, the average annual cost of in-state incarceration per offender is \$59,756, which is over three times the estimated cost of a transitional housing bed (\$18,164).<sup>2</sup>

The lengths of stay in the transitional housing program are dependent upon individual offender needs and grantees' program structure, but generally should not exceed 24 months. Certain high-need populations may require housing and support services for greater than 24 months, and possibly for the duration of their time while under DOC's supervision.

DOC has agreements with 25 grantees, and their programs are classified into four types: (1) scattered site—single or shared apartments located in the community with full or partial rental assistance; (2) supportive housing—single or shared rooms within a transitional housing site or emergency shelter; (3) structured housing—single or shared rooms within a transitional housing site or treatment program;<sup>3</sup> and (4) housing support services, such as housing search and retention. Awards to grantees are determined through a request for proposal process and generally take into account the number of offenders served, the services provided, local housing market costs, and the ability of the grantee to leverage existing resources.

DOC established the transitional housing program in fiscal year 2004, and it has grown significantly over the last few years. In fiscal year 2010, DOC reported 627 offenders had been assisted in the program, with 35,183 bed days utilized, at a cost of \$2.3 million. In fiscal year 2014, 996 offenders were assisted (59 percent increase from 2010) and 66,061 bed days utilized

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<sup>2</sup> We did not audit these amounts.

<sup>3</sup> Structured housing is used for offenders with significant substance abuse, mental health, and/or developmental challenges, and in need of longer-term services.

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(88 percent increase) at a cost of \$5.9 million (157 percent increase). The fiscal year 2015 transitional housing program budget is \$6.8 million.<sup>4</sup>

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## Objective 1: Service Plans Often Not Completed, and DOC Approval Virtually Non-Existent

Only one of the nine grantees in our scope completed service plans for each offender that outlined the services they expected to provide.<sup>5</sup> In all, 35 percent of offenders enrolled in these programs did not have service plans, as required by DOC. Moreover, of the 65 percent of offenders that did have a service plan, very few (5 percent) were approved by DOC. Without approved service plans, DOC lacks assurance that grantees intend to provide services consistent with the offenders' needs. We attribute these results to a variety of causes, such as limited program management, a lack of awareness on the part of POs, and the absence of consequences for grantees' non-compliance.

DOC requires transitional housing grantees to create a service plan for all offenders that includes the services to be provided by the grantees.<sup>6</sup> Figure 2 shows the percentage of offenders reviewed with and without a service plan, by grantee. In the case of the Vermont Achievement Center and Samaritan House Inc., service plans were not completed for any of the offenders in their programs. These two grantees completed documents they identified as service plans and which contained the offenders' goals, but the plans did not document the services the grantee would provide the offender to help in achieving those goals. For example, an offender at one of these grantees had a goal to find and maintain a stable residence, while an offender's goal at the other grantee was to save money. In neither of these cases did the document mention the services either grantee would provide to assist the offenders in meeting their goals.

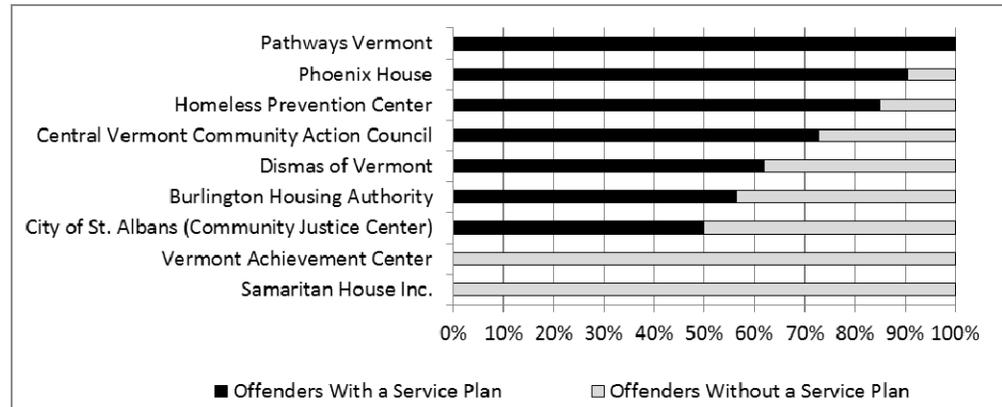
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<sup>4</sup> DOC reported that about \$100,000 of this amount is budgeted to be used as "release money," in which short-term financial assistance is provided to offenders exiting correctional facilities.

<sup>5</sup> The grantees in our scope did not use uniform names and formats for their plan templates. For purposes of this report, we use the term "service plan" since this is the term currently used by DOC in its grant agreements.

<sup>6</sup> Per the fiscal year 2015 grant agreements, grantees are to complete a service plan for each offender. Prior to fiscal year 2015, the grant agreements required grantees to ensure 100 percent of residents had a collaborative case plan. Under both sets of requirements, the grantees were expected to document the services they were to provide in the plan.

**Figure 2: Percentage of Offenders With and Without a Service Plan, by Grantee<sup>a</sup>**



<sup>a</sup> The number of offenders at each grantee varied, ranging from a high of 39 at the Burlington Housing Authority to a low of three at Samaritan House Inc. See Appendix III for a profile of each of the grantees, including the number of offenders enrolled between July 1, 2014 and September 30, 2014.

POs are required to approve service plans for offenders to ensure compliance with DOC's offender case plan.<sup>7</sup> Only five (5 percent) of the service plans created were approved by the POs. Only two grantees had any plans approved. For example, the Homeless Prevention Center had three plans approved and had requested approval of five additional plans, but approval had not been received.

The lack of approved service plans can be attributed to several factors:

- *Program Management.* DOC's transitional housing program officials have taken actions to improve documentation of planned services, such as training and development of a service plan template, but these have had a limited effect. For example, DOC developed a service plan template that included a section to specify the types of services to be provided by the grantee's transitional housing program along with a line for PO signature. However, grantees were not required to use this template and none of the nine evaluated did. Although the transitional housing program group was given copies of the plans utilized by each of the nine grantees, they did not provide feedback to the grantees. As a result, two of the grantees were utilizing plan forms that did not specify program services and six grantees' service plans did not include a designated place for POs to sign.

<sup>7</sup> The offender case plan is a DOC document that covers offender case planning, case management, and reparative responsibilities. This plan is focused on preparing an offender to re-enter the community, and be successful while under community supervision.

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- *Awareness.* Another reason that may have contributed to service plans not being approved is the POs' general lack of awareness of the requirement. Specifically, of the 41 POs interviewed, about 40 percent said they did not know service plans required approval. According to the head of the transitional housing program, the program informed probation and parole office management of the requirement to approve service plans through meetings. In addition, DOC's transitional housing directive specifically states it is the responsibility of the PO to sign individual plans.<sup>8</sup> None of the 41 POs interviewed in February and March 2015 had been trained in this directive, even though the directive required training to be provided prior to its effective date (January 1, 2015).
  - *Consequences.* Grant agreements require grantees to develop service plans. However, there is no consequence for grantees that do not meet the requirement, such as a reduction in grant monies received or a penalty.

Because offenders seldom had approved service plans, DOC cannot be assured that grantees have committed to providing needed services to offenders that align with DOC's offender case plan.

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## Objective 2: Services Reported by Grantees Often Not Supported and Contained Errors

DOC cannot rely on the accuracy of the service data that grantees reported. This was because (1) DOC's definitions of the services to be reported in some cases lacked clarity, (2) the nine grantees often did not have supporting documentation that the services had been provided, and (3) DOC's system used to collect and report on service data contained errors and anomalies. There were a variety of causes of these deficiencies, including a lack of DOC guidance on acceptable documentation and ineffectual DOC oversight. Without accurate service data, DOC cannot reliably determine whether grantees are providing services, and therefore the quality of its grantee monitoring is diminished. In addition, DOC could be reporting inaccurate program information or relying on flawed data in its decision making.

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### Definition of Services

As required by the grant agreements, grantees are to use state-provided software (Service Point) to report monthly services provided to offenders. In addition, memorandums of understanding between DOC and the grantees

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<sup>8</sup> Directive 503.01, issued December 9, 2014 with an effective date of January 1, 2015.

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require grantees to maintain documentation to support the service data reported.

Grantees are supposed to enter services provided into Service Point for every offender in 21 service categories every month. Table 2 lists each of the service categories and their definitions. Some of these definitions are not very detailed. For example, life skills education is defined as “on-site skill development,” but the term “life skills” itself is not defined. Where possible, we obtained clarification from DOC transitional housing officials on the types of services that should be included in these categories. However, we were not able to obtain clarifications definitive enough to evaluate grantees’ compliance for these five categories: (1) food, (2) general clothing, (3) household goods, (4) material goods, and (5) education. For example, material goods are defined by DOC as toiletries, laundry, and other material goods the program provides as part of the grant. A grantee may have documentation these materials were purchased, but not that they were provided to a specific offender. Services are reported in Service Point at the individual offender level, but DOC’s definition implies the service simply needed to be made available. An inquiry made to transitional housing program officials to clarify their intent with respect to the definitions of these five categories did not yield a definitive response. Because of this lack of clarity, we did not attempt to conclude whether the grantees had accurately reported services in these five categories.

**Table 2: DOC's Definitions of 21 Service Categories**

<b>Service Category</b>	<b>Definition</b>
Case/Care Management	Non-financial supportive service essential to an individual's or family's success in housing and other domains of life. Case management should include, but not be limited to the following: strengths based assessment, identification of risks and barriers to community integration, planning to address barriers to independent living, stabilization of risk factors, linkages to ongoing supports, and additional services to support transition.
Criminal Justice and Legal Services	Attendance at court, attorney meeting/legal services, assistance completing legal forms, and collaboration with a local Community Justice Center.
Education	Only track services provided on-site or as part of the program, otherwise track as "information and referral."
Employment	Résumé and application assistance, job search support.
Food	Program provides food as part of the grant.
General Clothing Provision	Program provides clothing/shoes as part of the grant.
Health Care	Only track a service provided on-site or as part of the program (includes medication management), otherwise track as "information and referral."
Household Goods	Program provides household goods (furniture, etc) as part of the grant.
Housing Search	Coordinate and act as a liaison with community housing resources and local landlords.
Information and Referral	Provides information and/or connections with outside services.
Job Training	On-site skill development.
Life Skills Education	On-site skill development.
Material Goods	Toiletries, laundry, and other material goods the program provides as part of the grant.
Mental Health Support Services	Only track services provided on-site or as part of the program, otherwise track as "information and referral."
Personal Enrichment	On-site workshops related to health, wellness, education, spirituality/faith, recovery, etc.
Rental Deposit Assistance	Program provides security and utility deposit assistance as part of the grant.
Rent Payment Assistance	Program provides initial or on-going rental assistance as part of the grant.
Substance Abuse Services	Only track services provided on-site or as part of the program, otherwise track as "information and referral."
Transitional Housing/Shelter	A room/bed with structured services and support as outlined in the grant.
Transportation/Bus Fare	Provision of bus passes/cab vouchers or transport in agency or private vehicle.
Utility Assistance	Program pays utility expenses as part of the grant.

In the case of the "transitional housing/shelter" category, we performed procedures using DOC's offender management system to confirm offenders were located in the community and were not incarcerated.

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## Grantee Documentation

With respect to the remaining 15 service categories, the grantees lacked documentation that they provided services as reported in Service Point. Table 3 shows the percentage of services supported by documentation for each grantee. The percentages ranged from a high of 90 percent to a low of zero, with a median of 55 percent.

**Table 3: Percentage of 15 Service Categories Reported to Have Occurred Between July 1, 2014 and September 30, 2014 that had Supporting Documentation, by Grantee and Location Tested**

Grantee	Location	# of Offenders <sup>a</sup>	% of Services Supported by Grantee Documentation <sup>b</sup>
Burlington Housing Authority	Burlington	39	90%
Pathways Vermont	Washington County	8	89%
City of St. Albans (Community Justice Center)	St. Albans	8	86%
Vermont Achievement Center	Rutland	10	76%
Phoenix House	Burlington	21	55%
Samaritan House Inc.	St. Albans	3	41%
Homeless Prevention Center	Rutland	20	39%
Central Vermont Community Action Council	Barre	11	36%
Dismas of Vermont	Burlington & Winooski	21	0%

<sup>a</sup> There were instances in which there were additional offenders included in Service Point but not tested during the audit. Additionally, some offenders did not have any services reported during the timeframe under audit. See Appendix III for additional information.

<sup>b</sup> This represents testing of 15 of the 21 service categories. Five categories were not evaluated and one category was evaluated using other audit procedures.

Among the conditions found were: (1) the grantee did not have documentation to support the service was provided, (2) the grantee had reported the service in error, and (3) the documentation provided did not meet DOC's definition for a particular service category. For example, Dismas of Vermont did not have supporting documentation for any services entered in Service Point. A director at this grantee explained that it records into Service Point that all offenders enrolled in their program receive all services offered and no documentation is maintained on an individual offender basis.<sup>9</sup> In another instance, a grantee recorded in Service Point that it had provided a

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<sup>9</sup> Subsequent to our audit period, Dismas of Vermont began using a checklist that may assist them in maintaining support for the services they provide offenders going forward.

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mental health support service for an offender, but the staff communication log indicated the grantee had simply delivered the offender's medication, not that an actual mental health support service had taken place.

Deficiencies in grantee documentation can be credited to three primary reasons:

- *DOC guidance.* Grantees are required to maintain documentation of services provided to their offenders, but DOC provided no guidance that addressed what constitutes acceptable documentation.
- *Service definitions.* Grantees did not always adhere to DOC's definition of specific service categories. Moreover, as previously discussed, some of DOC's service category definitions were not clear and, as a result, five service categories could not be evaluated.
- *DOC oversight.* The Agency of Human Services Plan for Monitoring State Grants<sup>10</sup> requires all grantees that receive state funds to be monitored, with the frequency dependent upon a grantee's risk. Once risk has been determined, the grant monitoring plan provides guidance on how often a grantee is to be monitored and the type of monitoring, namely desk reviews, on-site visits, or audits. Transitional housing program officials were not aware of this document, therefore, had not developed a process to comply. Additionally, they were not looking at whether services being reported were adequately documented. According to the head of the program, given its limited staffing for the program, DOC did not plan to implement a regular review of this service documentation. Nevertheless, the program could have implemented the risk-based oversight mechanism outlined in the grant monitoring plan to limit the workload associated with grantee oversight to an appropriate level.

The grant agreements require grantees to enter monthly services provided into Service Point by the 15<sup>th</sup> of the following month.<sup>11</sup> If grantees do not follow these guidelines, the grant agreements call for liquidated damages until data are timely and accurate. The Vermont Achievement Center was the only grantee that reported services in Service Point by the 15<sup>th</sup> for each of the

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<sup>10</sup> The Agency of Human Services Plan for Monitoring State Grants was established to comply with the Agency of Administration Bulletin 5.5 *Policy for Issuing and Monitoring Grants of State Funds*. This plan covers the entire agency, which includes DOC, and became effective July 2006.

<sup>11</sup> Grantees only need to enter one service per service category per month. For example, if a grantee provided case/care management services four times during the month, the service would only be recorded once in Service Point.

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three months reviewed. Although the other grantees did enter services in Service Point, they were not always entered in a timely manner. While in some instances grantees may have missed the deadline by only a few days, in other cases, the deadline was missed by several months. According to a transitional housing program official, they do not review the Service Point data to ensure each offender has a service for each month and that services were entered by the 15<sup>th</sup> of the following month. DOC has never assessed liquidated damages to grantees for not reporting timely and accurate information.

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## Other Service Point Errors and Anomalies

We found other errors related to data reporting in Service Point. Some examples include: (1) offenders participating in the grantee's transitional housing program not entered into Service Point; (2) offenders entered into Service Point while still incarcerated;<sup>12</sup> (3) services inappropriately entered for offenders who were not actually enrolled in the grantee's program; (4) offenders and services entered under the wrong provider name<sup>13</sup> or location;<sup>14</sup> (5) services grantees provided that were not recorded in Service Point; and (6) incorrect enrollment dates. The number and types of errors found during the audit indicates that DOC is not effectively reviewing the data in the system.

The grantees generally did not have processes in place to ensure their entries into Service Point were accurate and complete prior to submission, relying instead on feedback or reports provided by DOC. In part this is due to the limited ability of the grantees to review their Service Point entries. In particular, the grantees cannot run reports in Service Point to check if an offender and services have been entered properly.

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<sup>12</sup> At training provided in April 2014, grantees were instructed not to enter an offender in Service Point until the offender had actually moved in. For grantees whose primary role is to help incarcerated offenders find housing, offenders can be entered in Service Point at the first face-to-face meeting, which could be while the offender is still incarcerated. Of the nine grantees in our scope, only the Burlington Housing Authority fits into this category. The remaining eight grantees should not enter an offender in Service Point until the offender is located at the grantees' site.

<sup>13</sup> A grantee may have multiple service provider names in Service Point, only one of which pertains to the DOC transitional housing program. For example, Pathways Vermont has "Pathways to Housing" as one service provider option as well as "PWH-Montpelier." In this instance, "PWH-Montpelier" is the service provider name to use when entering data into Service Point for the DOC transitional housing program for that specific location. However, during testing, we noted several instances in which the grantee recorded data in Service Point under the name "Pathways to Housing," which resulted in reported services not showing up in the Service Point report provided for audit.

<sup>14</sup> Many grantees have more than one location. For example, Central Vermont Community Action Council has locations in Barre and Morrisville.

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Transitional housing program officials utilize standard reports to monitor grantees, but some of these reports did not agree with reports provided specifically for this audit. For example, the service report provided for audit showed that Pathways Vermont provided case/care management services to five offenders in July 2014. But the Service Point report utilized by DOC found that Pathways Vermont had provided no case/care management services during this same timeframe. In another example, there were differences in the number of offenders enrolled with the Central Vermont Community Action Council in the report provided for this audit versus the active offender participant list utilized by DOC. In each of these examples, the reports used by DOC were incorrect.

DOC has taken action to improve the accuracy of Service Point data, such as providing training to grantees. However, it has not had the desired effect. These errors and anomalies in Service Point combined with the lack of clear definitions of the services to be reported and the services not supported by documentation resulted in data being incomplete and often inaccurate. Without reliable data, DOC could be reporting inaccurate information about the transitional housing program or making decisions based on incorrect data.

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### Objective 3: DOC Does Not Know if the Transitional Housing Program Is Meeting Its Goals

DOC does not know whether its transitional housing program is meeting its goals of supporting community reintegration/reentry, maintaining public safety, and reducing offender recidivism. This is because the department just recently established performance measures, for which it is collecting data for only one of its goals.<sup>15</sup> Moreover, DOC has not established numeric targets for what it is trying to achieve. DOC is in the process of implementing Results-Based Accountability, a methodology used to improve the performance of a program, but the department is in the very early stages of this effort.

There are several benefits of performance measurement. First, performance measurement makes it possible to identify whether grantees are meeting DOC requirements. It could also help identify areas of the transitional housing program that may need improvement, or show if improvements actually happened. Lastly, performance measurement aids in objective

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<sup>15</sup> In their response to our draft report, DOC noted it has been collecting data for several years pertaining to the transitional housing program.

decision making. For example, policy makers would have information they need to make informed decisions concerning resource allocation and whether or not taxpayer funds are being used effectively.

DOC’s memorandums of understanding with the grantees state the goals of the transitional housing program are to support community reintegration/reentry, maintain public safety, and reduce offender recidivism.<sup>16</sup> Table 4 summarizes the extent to which the performance measurement process has been put in place for each of these goals. Only one goal has an explicit set of performance measures in which data are being collected. DOC has not established targets for these measures.

**Table 4: Performance Measurement Attributes Utilized for Each Transitional Housing Goal**

Goal	Performance Measures? <sup>a</sup>	Targets? <sup>b</sup>	Actual data collected?
Supporting community reintegration/reentry	Yes	No	Yes
Maintaining public safety	No	No	No
Reducing offender recidivism	No	No	No <sup>c</sup>

<sup>a</sup> A performance measure is a specific measurement for each aspect of performance under consideration. There are various types of measures, including those related to output, outcome, and efficiency.

<sup>b</sup> A target is a desired numerical value related to a measure and is sometimes called a benchmark.

<sup>c</sup> According to the head of the transitional housing group, DOC has informally collected some preliminary data on recidivism and is in the process of analyzing it.

The head of the transitional housing program identified 14 performance measures for this program, all related to its goal of supporting community reintegration/reentry.<sup>17</sup> Examples of these measures are as follows:

- Number of accepted offenders oriented into the program, verbally and/or in writing.

<sup>16</sup> DOC’s strategic plan does not explicitly address the transitional housing program.

<sup>17</sup> DOC has an internal quarterly performance measure report that includes three measures related to the transitional housing program’s goal to support reentry efforts for the long term: (1) number of transitional housing placements established throughout the state and total bed capacity, (2) transitional housing utilization rate, and (3) percentage of offenders who move to an independent living situation and are in receipt of disability benefits, enrolled in school, or are employed (only for offenders who successfully complete a grantee’s program). The March 2015 report states that DOC is establishing a baseline for these measures. The report does not include actual data for the latter two measures.

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- Number of initial service plans completed.
  - Number of offenders provided with transitional housing.
  - Number of bed days utilized and reserved.
  - Program status information, for example, the number of offenders successfully and unsuccessfully completing the program.<sup>18</sup>
  - The status of offenders who have completed the programs, for instance, the number that secured independent living situations.
  - Length of stay for those offenders that successfully and unsuccessfully completed the program.

In April 2014, transitional housing program officials notified grantees of their intent to initiate a new quarterly report to collect performance data. A later DOC email provided additional guidance on the submission of the data for this report. The quarterly reports contained the 14 performance measures identified by DOC and required grantees to submit this data for the quarter beginning July 1, 2014, continuing every quarter thereafter.

DOC did not completely<sup>19</sup> and effectively verify the accuracy of the data reported by grantees for first quarter fiscal year 2015.<sup>20</sup> Errors found in data accepted by DOC include:

- Seven of the nine grantees reported 100 percent of their offenders had approved service plans. As described previously in Objective 1, we found only two thirds of the offenders had service plans and only 5 percent of those plans were approved by POs.
- Six of the nine grantees reported the wrong number of offenders participating in their programs for the quarter. For example, one grantee reported 26 offenders had bed days utilized, but our testing found only 22 offenders with bed days utilized.

In addition, the formula in DOC's data collection spreadsheet calculates the length of stay for successful and unsuccessful completion based on the

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<sup>18</sup> Successful completion is defined as offenders fulfilling their service plan commitments as approved by the POs. Unsuccessful completion means an offender is re-incarcerated, pending a new charge, is in escape status, or failed to fulfill his or her service plan.

<sup>19</sup> DOC indicated that it only checked utilization data reported by the grantees.

<sup>20</sup> July 1, 2014 to September 30, 2014.

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number of bed days utilized in fiscal year 2015. The bed days reported do not take into account an offender's stay prior to July 1, 2014, and excluding these bed days can result in inaccurate lengths of stay. For example, one offender was shown as successfully completing a grantee's program within 90 days; however, the entire length of stay for this offender was 189 days. A transitional housing program official confirmed they were aware only using bed days utilized in fiscal year 2015 would skew the results for the first year but believed it would even out for the second year.

The unreliability of the data accepted by DOC can be attributed to a lack of established written procedures for verifying the accuracy of the submitted data and the use of their new measurement tool. The DOC data collection spreadsheet utilized for July-September 2014 was the first time it was used by both the grantees and DOC.

In January 2015, transitional housing program officials were trained in a methodology called results-based accountability, which is a framework made up of two parts: (1) population accountability, which focuses on the condition of well-being for children, adults, families, or communities, and includes a measure which helps quantify the achievement of a result; and (2) performance accountability, which measures how well a program, agency, or service system is working. It addresses the key questions: how much was done, how well it was done, and is anyone better off. According to the head of the transitional housing program, DOC is in the process of implementing this methodology, however, a timeline has not been established for full implementation.

In order to successfully measure progress toward intended results, DOC needs to build capacity to gather and utilize performance information. Ultimately, the usefulness of this information depends on the degree of confidence that users have in the data. Such confidence can be gained when the department (1) identifies the methods and sources for the collection of actual results, and (2) has processes to validate that performance data are accurate and reliable. Without performance measures, the collection of accurate data, and the use of targets for all identified goals, DOC cannot determine the extent to which the transitional housing program is meeting its goals.

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## Conclusions

DOC's transitional housing is a multi-million dollar program designed to provide offenders with the temporary assistance they need to transition from incarceration to independent living. For the nine grantees evaluated, we

found that many offenders enrolled in the program did not have plans in place that specified the services to be provided by the grantee. In instances when an offender did have a service plan, it was unlikely to have been approved by the offender’s probation and parole officer to ensure services were appropriate and sufficient to address the offender’s needs. In addition, services reported as having been provided to offenders were not always supported by documentation, thus, providing no evidence the offenders actually received the services. It is unclear whether these deficiencies have hindered the program’s success, because the department has not yet defined success. That is, DOC does not yet have a robust performance measurement program.

## Recommendations

We make the following recommendations to the Commissioner of the Department of Corrections:

**Table 5: Recommendations and Related Issues**

Recommendation	Report Pages	Issue
1. Require the Probation and Parole Offices to establish a process to confirm grantees are completing service plans for all offenders and that these plans are being approved by POs.	6	Only one of the nine grantees completed service plans for each offender that outlined the services they expected to provide. Moreover, few of the plans had been approved by the POs, as required.
2. Require the transitional housing program to review and approve service plan templates utilized by grantees to ensure they include a designated area to list services to be provided to the offender as well as an area for PO signature.	6	The transitional housing program did not provide feedback to the nine grantees on the service plans they were using. As a result, two of the grantees were utilizing plan forms that did not specify program services to be provided and six grantees’ service plans did not include a designated place for the PO’s signature.
3. Ensure that POs are trained in the new DOC transitional housing directive.	7	Of the 41 POs interviewed, none reported that they had been trained in the new transitional housing directive.
4. Include in future transitional housing grant agreements penalties for not developing service plans	7	Grant agreements required grantees to develop service plans, however, there is no consequence if the requirement is not met.
5. Convene a task group to include transitional housing grantee representatives to (1) reconsider and, where appropriate, redefine service category definitions, and (2) develop guidance on what constitutes acceptable documentation to support services provided to offenders.	8, 11	DOC’s definitions of the services to be reported monthly in Service Point in some cases lacked clarity. In addition, while grantees are required to maintain documentation of services provided, there was no guidance provided from DOC that addressed what constitutes acceptable documentation.

Recommendation	Report Pages	Issue
6. Develop a plan for monitoring transitional housing grantees in compliance with the Agency of Human Services Plan for Monitoring State Grants.	11	The Agency of Human Services Plan for Monitoring State Grants requires all grantees that receive state funds to be monitored, with the frequency being dependent upon a grantee's risk. The transitional housing program officials were not aware of this document and had not developed a process to comply.
7. Enforce penalties provided in the grant agreements for untimely submissions of service data in Service Point.	11-12	Under the grant agreements, DOC can apply liquidated damages if reporting requirements are not met. Even though only one grantee consistently reported in a timely manner, DOC has never assessed liquidated damages for not reporting timely and accurate information.
8. Develop an action plan to improve the accuracy and completeness of Service Point data to ensure that DOC is using reliable data to manage the program.	12	We found many errors in Service Point, including: (1) offenders participating in the grantee's transitional housing program not entered into Service Point; (2) offenders entered into Service Point while still incarcerated; (3) services inappropriately entered for offenders who were not actually enrolled in the grantee's program; (4) offenders and services entered under the wrong provider name or location; (5) services grantees provided that were not recorded in Service Point; and (6) incorrect enrollment dates.
9. Survey the grantees to identify problems they encounter with Service Point and determine how to alleviate these problems through, for example, changes to the system.	12	The grantees generally did not review the data that was submitted to Service Point. In part this was due to the limited ability of the grantees to review their Service Point entries since the grantees cannot run reports in Service Point.
10. Develop a process for determining whether and the extent to which the transitional housing program is meeting its goals by: a. creating performance measures for each goal, b. setting targets, and c. collecting data on actual results.	14	DOC has established performance measures and is collecting performance data for only one of its goals and it has not established targets for what it is trying to achieve.
11. Develop written procedures to validate that performance data reported by grantees are accurate and reliable.	15-16	DOC did not completely and effectively verify the accuracy of the data reported by grantees and does not have written procedures in place to provide a framework for how the accuracy of the data received will be verified.

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## Management's Comments

The Commissioner of the Department of Corrections provided written comments on a draft of this report on June 22, 2015, which is reprinted in Appendix IV along with our evaluation.

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In accordance with 32 V.S.A. §163, we are also providing copies of this report to the commissioner of the Department of Finance and Management and the Department of Libraries. In addition, the report will be made available at no charge on the state auditor's website, <http://auditor.vermont.gov/>.

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## Appendix I

### Scope and Methodology

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To gain an understanding of the DOC transitional housing program and to document its requirements, we performed the following steps:

- Reviewed the fiscal year 2014 and 2015 grant agreements;
- Reviewed the fiscal year 2015 memorandums of understanding between the grantees and the probation and parole offices; and
- Interviewed transitional housing program officials, district managers in the probation and parole offices, and POs to obtain information concerning policy and procedures, roles and responsibilities, and the extent of oversight of grantees.

For Objectives 1 and 2, we selected nine grantees at which to perform our test work, which represented each of the types of transitional housing and a variety of services provided. We also chose these grantees in order to cover 4 of the 11 probation and parole offices. In total, the nine grantees selected provided at a minimum 25 percent coverage in all housing categories.<sup>21</sup> We reviewed at least two grantees at each of the four probation and parole offices selected.

We obtained a report from Service Point that detailed services provided to individual offenders from July 1, 2014 to September 30, 2014, as well as a report that showed enrollment with each of the nine grantees during that same period.<sup>22</sup>

We visited each selected grantee and performed the following procedures:

- Reviewed files for offenders who were in the program between July 1, 2014 and September 30, 2014 to determine whether individual offender service plans were developed.
- Compared service data entered in Service Point for 15 service categories, from July 1, 2014 to September 30, 2014, to documentation maintained by grantees to determine accuracy.

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<sup>21</sup> Our selection of the nine grantees occurred before the issuance of DOC's new transitional housing directive. This directive changed how DOC characterized the types of transitional housing grantees. Our selection was based on DOC's prior characterization.

<sup>22</sup> Services reported in Service Point were those provided by the grantee and do not include services provided to offenders by outside agencies. Our audit only included verifying services provided by grantees.

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## Appendix I

### Scope and Methodology

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- Interviewed grantee staff, with the focus of these discussions pertaining to their internal processes for completing individual offender service plans and reporting services. We also discussed exceptions found during testing to verify the accuracy of our results.
- Scanned monthly Service Point data to determine whether grantees reported services every month and in a timely manner.

We also interviewed probation and parole district managers and 41 POs supervising offenders participating in the nine grantees' programs. Our discussions centered on their process for approving individual offender service plans and whether they verify that the services outlined in the plans are being provided and are consistent with DOC's offender case plans.

To address our third objective, we interviewed DOC's Administrative Services Director and the head of the transitional housing program regarding the process used to derive goals and measures; the links between goals, measures, targets, and actual results data; and the process for verifying the accuracy of performance data submitted by the grantees. We also reviewed DOC's strategic plan and the March 2015 quarterly performance measures progress report. Because we did not find goals in the strategic plan that specifically related to the transitional housing program, we identified the program goals in the memorandums of understanding between the grantees and the probation and parole offices and confirmed them with DOC management.

As part of Objective 3, we also reviewed DOC's requests to grantees to submit performance data and obtained their submissions as well as DOC's summary-level report. We compared information in the grantees' submission to Service Point and the results of our testing.

Our audit work was performed between September 2014 and May 2015 and included site visits to the following:

- Department of Corrections headquarters, Williston
- Burlington Probation and Parole Office, Burlington
- Barre Probation and Parole Office, Barre
- Rutland Probation and Parole Office, Rutland
- St. Albans Probation and Parole Office, St. Albans
- Burlington Housing Authority, Burlington
- Phoenix House, Burlington and Bellows Falls
- Dismas of Vermont, Burlington and Winooski
- Central Vermont Community Action Council, Barre
- Pathways Vermont, Barre

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## **Appendix I**

### **Scope and Methodology**

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- Homeless Prevention Center, Rutland
- Vermont Achievement Center, Rutland
- Samaritan House Inc., St. Albans
- City of St. Albans (Community Justice Center), St. Albans

We conducted this performance audit in accordance with generally accepted government auditing standards, which 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 the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

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## **Appendix II**

### **Abbreviations**

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DOC	Department of Corrections
PO	Probation and Parole Officer

## Appendix III

### Profiles of the Evaluated Grantees

The following table is a profile of the nine grantees in our scope. DOC defines the housing types as follows:

- Scattered site: Single or shared apartments located in the community with full or partial rental assistance.
- Supportive housing: Single or shared rooms within a transitional housing site or emergency shelter.
- Structured housing: Single or shared rooms within a transitional housing site or treatment program for offenders with significant substance abuse, mental health, and/or developmental challenges, and in need of longer-term services.
- Housing support services: Activities that pertain to housing search and retention.

**Table 6: Profile of the Nine Grantees in the Scope of our Audit**

Name	Location in Audit Scope	Type of Housing	# of Offenders Between 7/1/14-9/30/14
Burlington Housing Authority	Burlington	Scattered site <sup>a</sup> and housing support services	39 <sup>b</sup>
Central Vermont Community Action Council	Barre	Supportive housing and scattered site	11
Dismas of Vermont	Burlington & Winooski	Supportive housing	21 <sup>c</sup>
Homeless Prevention Center	Rutland	Scattered site	20
Pathways Vermont	Washington County	Scattered site	8 <sup>d</sup>
Phoenix House	Burlington	Supportive housing	21
Samaritan House Inc.	St. Albans	Supportive housing	3 <sup>c</sup>
City of St. Albans (Community Justice Center)	St. Albans	Scattered site	8
Vermont Achievement Center	Rutland	Structured housing	10

<sup>a</sup> We did not test the scattered site services at Burlington Housing Authority.

<sup>b</sup> This represents the number of offenders who were actively participating in the transitional housing program, and does not include 19 incarcerated offenders and 53 inactive offenders listed in Service Point for this grantee.

<sup>c</sup> This grantee had one other offender enrolled in their program, but only for a few days, therefore, this offender was not included in the audit.

<sup>d</sup> This grantee had four additional offenders participating in their program, but they were not recorded in Service Point. Because of this omission, these offenders were not discovered until late in the audit. Follow-ups with the grantee found the four offenders were part of the same program, serviced by the same staff, and subject to the same policies and procedures as the other tested offenders. As a result, we did no further testing of these four offenders, as we concluded the results would not change the outcome of our testing.

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## Appendix IV

# Comments from the Commissioner of the Department of Corrections and Our Evaluation

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*Agency of Human Services*

June 22, 2015

Mr. Douglas R. Hoffer  
Vermont State Auditor  
Office of the State Auditor  
132 State Street  
Montpelier, Vermont 05633-5101

Dear Mr. Hoffer,

Thank you for sending the draft of your audit report entitled *Department of Corrections: Improved Oversight Needed for the Transitional Housing Program*. I greatly value the time and energy invested by all participants in this constructive process aimed at identifying areas where DOC can strengthen its practices in order to better serve our clients, transitional housing service providers and the public. The audit was conducted with the upmost professionalism, diligence and courtesy, for which I commend you and your staff.

Before addressing these growth opportunities, I would be remiss if I did not first acknowledge my respect, confidence and support for the collective caliber of our transitional housing program. This extends from central office through both facility and field staff to the impressive array of local organizations without which we would literally not be able to fulfill the DOC mission of working in partnership with the community to support safe communities by providing leadership in crime prevention, repairing the harm done, addressing the needs of crime victims, ensuring offender accountability for criminal acts and managing the risk posed by offenders. While we have important quality improvement work ahead of us with clear direction from the audit report, I am confident that we will build upon the existing strong service infrastructure of our transitional housing program.

The Department of Corrections agrees with the overall need for improved oversight for the transitional housing program, as well as the general conclusions corresponding to each of the three audit objectives presented in the highlights section of the report. We already have and will continue to implement measures designed to address the findings associated with each operational dimension of the program.



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## Appendix IV

# Comments from the Commissioner of the Department of Corrections and Our Evaluation

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In doing so, we are committed to realizing the combined and specific intent of the eleven recommendations contained in the report.

Specifically, DOC has recently reorganized its management structure in order to integrate the grant management role of the Community and Restorative Justice unit within the overarching supervision responsibility of Field Services. DOC is also in the process of building the capacity for transitional housing grantees to directly utilize our new Offender Management System (OMS) for data entry and submitting service plans based on a singular statewide template.

With regard to measuring program effectiveness, DOC is currently applying a results based accountability approach to (re)defining the specific goals of the transitional housing program. This process will yield a set of performance measures for which we will gather the corresponding data in order to better gauge the effectiveness of the program.

These changes exemplify the responsive organizational behaviors that will drive improved oversight of our transitional housing program including, but not limited to, the creation and approval of service plans, and improved reliability and relevance of the data used for program monitoring and evaluation.

While service plans play an important role in defining the support services that will be provided and in allowing DOC to monitor compliance with grant terms, it is equally critical to recognize the other means through which DOC provides effective oversight that are not reflected in the audit report. There are, in fact, three integrated tiers of on-going grant monitoring.

Quarterly meetings with central office grant managers, local probation and parole managers and/or designees, and transitional housing program staff are held with every program, during which time all parties collaboratively conduct a detailed review of program operations, confirm current census, plan for upcoming referrals and discuss relevant issues including the status of supportive services provision for residents. Central office grant managers take detailed notes of these meetings for incorporation into their oversight and support practices.

In addition to these quarterly meetings, each DOC probation and parole office has a designated liaison to the transitional housing programs in its district who meets with local housing staff on a monthly basis to discuss program operations and receive case-specific updates on each resident. Detailed notes from these meetings are recorded and incorporated into DOC case management and supervision along with serving as a basis for grantee accountability.

Beyond these monthly and quarterly review meetings, a tremendous amount of regular contact occurs between grantee staff and the individual probation officers supervising the transitional housing program residents' cases, as well as with central office grant managers. This constant flow of information is an indispensable component of DOC oversight and partnership-building, further ensuring that requisite services are being provided.

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## Appendix IV

# Comments from the Commissioner of the Department of Corrections and Our Evaluation

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It would be a disservice to both our valued community partners and DOC staff, and potentially misleading to the public, to overlook the value and verification derived through these progressive levels of responsive regulation.

As I previously indicated, DOC takes pride in our transitional housing program. This is due to the quality and integrity of the dedicated work being carried out by the individuals involved at our grantee sites, DOC facilities, field offices and central office. This work does not always lend itself to being easily documented and outcome measured, and those are challenges to which DOC must certainly rise. Nevertheless, DOC firmly believes in the fundamental efficacy of our transitional housing program and the quality service of the committed professionals who carry it forward.

I am confident that the multiple and coordinated strategies that DOC is developing and implementing based on this audit will achieve the intended results. I greatly appreciate your work on behalf of all Vermonters and look forward to collaborating with my colleagues and community partners in improving the identified areas of oversight and evaluation of the transitional housing program in order to ensure that we are providing the best public safety and human service possible.

Sincerely,



Andrew A. Pallito  
Commissioner

# Appendix IV

## Comments from the Commissioner of the Department of Corrections and Our Evaluation

See comment 1 on page 33

See comment 2 on page 33

See comment 3 on page 33

<b>Introduction</b>		
Page #	Document Location	DOC Comment
1	Paragraph 1; Sentence 1	Insert "pro-social" immediately before "local relationships."
1	Paragraph 1; Sentence 2	Delete "...while increasing the likelihood of future harm to individuals and communities."
1	Paragraph 2; Sentence 2	Capitalize the unit name to appear as "Community and Restorative Justice"
1	Paragraph 3; Sentence 2	"Violations" may be an overstatement and technically inaccurate. We suggest "...unjustified discrepancies with grant terms..."
1	Paragraph 4; Sentence 1	While the DOC initiated and implemented the referenced changes to its grantee oversight process, these practices were still very new, and hence still developing their efficacy, at the time of the audit.
<b>Highlights: Report of the State Auditor</b>		
2	Objective 1 Finding Paragraph 1; Sentence 1	As per explicit direction from the State Auditor's Office, grantees were not permitted to receive the draft audit report or specific excerpts thereof for comment. As such, the extents to which they concur with or contradict the audit findings are not the purview of DOC's response. While DOC has full confidence in the thoroughness, caliber and integrity of the audit process, it cannot comment directly or representationally on any grantee performance findings contained in the report, including but not limited to, the data reflected in Figure 1: Percentage Of Offenders With And Without A Service Plan.
3	Objective 2 Finding Paragraph 2; Sentence 1	DOC acknowledges the limitations of the system in which grantees enter case information. Going forward as of FY16, DOC will be integrating and building capacity within the Department's Offender Management System (OMS) to capture critical data points, grantee service information and reporting functionalities.
3	Objective 3 Finding Paragraph 1; Sentence 1	DOC is currently in the initial stages of applying a Results Based Accountability (RBA) approach to its strategic planning across all departmental units including Community and Restorative

# Appendix IV

## Comments from the Commissioner of the Department of Corrections and Our Evaluation

See comment 4 on page 33

See comment 5 on page 33

		Justice. This process will likely result in definitional changes to the stated goals of the Transitional Housing program to better align with the principles and corresponding performance measurement practices of the RBA framework.
<b>Objective 3: DOC Does Not Know if the Transitional Housing Program is Meeting Its Goals</b>		
13	Paragraph 3; Sentence 2	This is not an entirely accurate statement. While not historically labeled "performance measures", DOC has been collecting data for several years related to the number of individuals served each month, the number of unique individuals served annually, program occupancy rates, the percentage of participants who transition to independent living, and the percentage of participants who both transition to independent living and are enrolled in education, employed or receiving disability benefits.
15	Paragraph 2; Sentence 1	With regard to measuring service plan approval rate, DOC has already established with SAO that the data for this is based on self-report, not DOC determination and verification.
<b>Recommendations</b>		
17	Recommendation 1	DOC agrees with this recommendation with the caveat that grantees have 5 days upon the resident's program entry in which to create a service plan, and that there may be case-specific extenuating circumstances (i.e. hospitalization shortly after program entry) that also impact upon plan creation/approval such that 100% compliance with this measure at any given moment may not be attainable. The approval of service plans may ultimately be a function within the Offender Management System (OMS) but regardless of the specific procedure, Probation and Parole will implement supervisory measures to ensure that grantees are completing service plans for all program participants and that these plans are being approved by POs.
17	Recommendation 2	DOC agrees with this recommendation. As previously indicated, the service plan may possibly become a grantee-accessible template

## Appendix IV

# Comments from the Commissioner of the Department of Corrections and Our Evaluation

		within OMS. In the interim, while it may take a hard-copy form, a singular, uniform service plan template to be used by all grantees that indicates the services to be provided and has a designated place for PO's signature will be developed and implemented.
17	Recommendation 3	DOC agrees with this recommendation. Probation and Parole will require each district office to submit a plan and schedule to ensure that all required POs are trained in the transitional housing directive and any additionally related practices.
17	Recommendation 4	DOC agrees with this recommendation along with an expanded compliance support process in order to constructively integrate it. The implementation of a standardized template, comprehensive staff training and a more robust quality assurance process utilizing DOC Reentry Coordinators to ensure that service plans are completed and approved should diminish the need for language establishing penalties in connection with the absence of service plans. DOC clearly recognizes the need to be able to hold grantees accountable to grant deliverables. We also seek to optimize our responsive regulation practices by working as closely as possible with our community partners in order to leverage the strength of our inter-organizational relationships as the legitimate basis for ensuring that each program participant receives an approved service plan. DOC will explore building-in to our grants a defined communication process with grantees in order to first understand and productively address the absence of any service plans. Should this process still fail to result in the provision of a service plan, DOC will invoke relevant penalty provisions.
17	Recommendation 5	DOC agrees with this recommendation. It is anticipated that this process will result in fewer and better-defined services, as well as clearer criteria for what constitutes acceptable documentation.
17	Recommendation 6	DOC agrees with this recommendation. The Community and Restorative Justice unit is in the

# Appendix IV

## Comments from the Commissioner of the Department of Corrections and Our Evaluation

		process of working with the DOC Business Office to develop a shared understanding of respective roles and processes that will bring us into compliance with the AHS grant monitoring plan.
18	Recommendation 7	DOC agrees with the intent of this recommendation along with an expanded compliance support process in order to constructively integrate it. Beginning FY16, DOC will be discontinuing the utilization of ServicePoint as the data reporting system for grantees. Going forward, the DOC Offender Management System (OMS) will serve this function. The implementation of OMS-based data entry, a reduced and better-defined service menu, comprehensive grantee training and a more robust quality assurance process utilizing DOC Reentry Coordinators diminish the need for language establishing penalties in connection with untimely program data. DOC clearly recognizes the need to be able to hold grantees accountable to grant deliverables. We also seek to optimize our responsive regulation practices by working as closely as possible with our community partners in order to leverage the strength of our inter-organizational relationships as the legitimate basis for ensuring that each program participant receives an approved service plan. DOC will explore building-in to our grants a defined communication process with grantees in order to first understand and constructively address late program data submission. Should this process still fail to result in timely provision, DOC will invoke relevant penalty provisions.
18	Recommendation 8	DOC agrees with the intent of this recommendation. While we will not be using ServicePoint, we will develop an action plan to improve data integrity commensurate with our available human resource capacity.
18	Recommendation 9	DOC does not agree with this recommendation as written. We are discontinuing use of ServicePoint and will be building capacity for increased census and program data accuracy initially through OMS offender case plan review

See comment 6 on page 33

# Appendix IV

## Comments from the Commissioner of the Department of Corrections and Our Evaluation

See comment 7 on page 33

		processes and potentially through the development of OMS report generation functionality.
18	Recommendation 10	DOC agrees with this recommendation. DOC is currently in the initial stages of applying a Results Based Accountability (RBA) approach to its strategic planning across all departmental units including Community and Restorative Justice. This process will likely result in definitional changes to the stated goals of the Transitional Housing program to better align with the principles and corresponding performance measurement practices of the RBA framework.
18	Recommendation 11	DOC agrees with this recommendation although we disagree with the stated Issue that "DOC did not verify the accuracy of the data reported by grantees..." DOC double-checked utilization data and had already established with the State Auditor's Office that the service plan data is based on self-report. Additionally, independent living data is not feasibly verifiable. DOC will develop written procedures to validate that performance data reported by grantees are accurate and reliable commensurate with our available human resource capacity.

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## Appendix IV

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The following presents our evaluation of comments made by the Commissioner of the Department of Corrections.

Comment 1	Added updated language.
Comment 2	This phrase is quoted from DOC's fiscal year 2014 Facts and Figures report, therefore, no change made.
Comment 3	Changed wording in the report to non-compliance with grant terms.
Comment 4	Our statement in the report is accurate, as DOC itself acknowledges it did not use the term performance measures. However, we added a footnote to provide additional context for our statement.
Comment 5	Our analysis took into account DOC's five day requirement and we excluded offenders who did not meet this criterion.
Comment 6	Once DOC discontinues the use of Service Point, this recommendation will no longer be applicable.
Comment 7	Added information to the report to clarify this statement. With respect to DOC's assertion that independent living data is not feasibly verifiable, we note the importance of establishing and reporting on the quality of data used to measure performance.