

City and County of San Francisco

Office of the Controller – City Services Auditor

HUMAN SERVICES AGENCY:

Care Not Cash Is Achieving Its Goals



April 30, 2008

**CONTROLLER'S OFFICE
CITY SERVICES AUDITOR**

The City Services Auditor was created within the Controller's Office through an amendment to the City Charter that was approved by voters in November 2003. Under Appendix F to the City Charter, the City Services Auditor has broad authority for:

- Reporting on the level and effectiveness of San Francisco's public services and benchmarking the city to other public agencies and jurisdictions.
- Conducting financial and performance audits of city departments, contractors, and functions to assess efficiency and effectiveness of processes and services.
- Operating a whistleblower hotline and website and investigating reports of waste, fraud, and abuse of city resources.
- Ensuring the financial integrity and improving the overall performance and efficiency of city government.

The audits unit conducts financial audits, attestation engagements, and performance audits. Financial audits address the financial integrity of both city departments and contractors and provide reasonable assurance about whether financial statements are presented fairly in all material aspects in conformity with generally accepted accounting principles. Attestation engagements examine, review, or perform procedures on a broad range of subjects such as internal controls; compliance with requirements of specified laws, regulations, rules, contracts, or grants; and the reliability of performance measures. Performance audits focus primarily on assessment of city services and processes, providing recommendations to improve department operations.

We conduct our audits in accordance with the Government Auditing Standards published by the U.S. Government Accountability Office (GAO). These standards require:

- Independence of audit staff and the audit organization.
- Objectivity of the auditors performing the work.
- Competent staff, including continuing professional education.
- Quality control procedures to provide reasonable assurance of compliance with the auditing standards.

Audit Team: Mark Tipton, Audit Manager
Paige Alderete, Associate Auditor
Stephen Flaherty, Associate Auditor



City and County of San Francisco

Office of the Controller - City Services Auditor

Human Services Agency
Care Not Cash Is Achieving Its Goals

April 30, 2008

Purpose of the Audit

We conducted this audit to comply with the San Francisco Administrative Code requirement that the Controller evaluate every three years the "provision of in-kind aid...for program effectiveness and cost efficiency" in the programs that make up the County Adult Assistance Programs (CAAP). CAAP provides 100 percent county-funded cash aid and services to single, indigent adult San Franciscans who have no other means of support.

Highlights

The Care Not Cash initiative was approved by San Francisco voters in 2002 to help homeless San Franciscans receiving CAAP by offering them housing or shelter and support services as part of their benefits. Funds formerly used for cash aid are instead used to expand permanent housing and services for this population. The Human Services Agency (Human Services) of the City and County of San Francisco (City) contracts with nonprofit, community-based organizations that lease and manage buildings that were once single-room occupancy (SRO) hotels and provide on-site supportive services. The City's Department of Public Health provides other supportive services under Care Not Cash.

Care Not Cash is achieving key goals set out for it in the initiative by:

- Serving the people it was intended to serve.
- Allowing the City to shift money from cash grants to mental health and substance abuse services for those it houses.
- Adding 1,321 affordable units to the City's housing portfolio for homeless San Franciscans.

Clients housed by the program are housed relatively quickly and, for the most part, they stay housed. Eighty percent of clients housed by Care Not Cash are housed within five months of their first homeless benefits, and at least 90 percent of these clients stay housed for one year or longer.

Each Care Not Cash client housed by the program receives benefits mostly in the form of housing and services, and the benefit package is much more valuable than the previous cash grants. We estimate this value to be about \$1,300 per month, as opposed to the \$332 or \$410 monthly checks CAAP clients used to receive before Care Not Cash.

Care Not Cash's costs to lease and operate housing increased up to 20 percent from Fiscal Year 2003-04 through Fiscal Year 2006-07, but appear reasonable, although they are much higher than those in two other cities.

Care Not Cash clients who do not use the shelter beds reserved for them may sometimes displace others from using those beds, which the shelters cannot release until after nightly curfews. However, it is relatively uncommon for Care Not Cash clients not to use their shelter reservations.

Recommendations

The audit report includes two recommendations for Human Services to more accurately track and report on services provided to Care Not Cash Clients. Specifically, Human Services should:

- Assess the benefits and costs of creating a unique identifier in CalWIN or elsewhere for each Care Not Cash client, and, if beneficial, both Human Services and its housing providers should use these identifiers to track all Care Not Cash clients.
- Analyze data on housing placements and stability collected under these unique identifiers and create a case management report that better shows how clients are faring in the system.

Copies of the full report may be obtained at:

Controller's Office • City Hall, Room 316 • 1 Dr. Carlton B. Goodlett Place • San Francisco, CA 94102 • 415.554.7500
or on the Internet at <http://www.sfgov.org/controller>

Page intentionally left blank.



CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF THE CONTROLLER

Ben Rosenfield
Controller

Monique Zmuda
Deputy Controller

April 30, 2008

Trent Rhorer, Director
Human Services Agency
170 Otis Street, 8th floor
San Francisco, CA 94103

Dear Mr. Rhorer:

The Controller's Office, City Services Auditor, presents its audit report of the Human Services Agency's Care Not Cash program. The audit objectives were to determine if Care Not Cash is achieving its stated purpose and doing so cost efficiently.

We conclude that the program is generally achieving the goals set out for it in the Care Not Cash initiative adopted by San Francisco voters in 2002, and appears to be doing so at reasonable cost. The audit includes two recommendations for your department to consider concerning improved tracking of Care Not Cash clients and improved reporting on how they are faring in the system.

The Human Services Agency's response to the audit is attached as Appendix A.

We appreciate the assistance and cooperation that your staff and staff of your contractors provided to us during the audit.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Ben Rosenfield".

Ben Rosenfield
Controller

cc: Mayor
Board of Supervisors
Civil Grand Jury
Budget Analyst
Public Library

Page intentionally left blank.

TABLE OF CONTENTS

Introduction	1
Finding 1 – Care Not Cash Is Achieving Its Stated Goals	9
Finding 2 – The Majority of Clients Housed by Care Not Cash Receive Housing Within Three Months and Remain Housed Over a Year	15
Finding 3 – The Benefits Received by Clients Housed by Care Not Cash Are Much More Valuable Than the Previous Cash Grants	17
Finding 4 – Lease and Operating Costs of SRO Buildings Under Care Not Cash Have Increased Reasonably	21
Finding 5 – Shelter Reservations for Care Not Cash Clients May Sometimes Cause Beds to Go Empty But No-Shows Are Relatively Few	27
Appendix A – Department Response	A-1
Appendix B – CAAP Eligibility Flowchart	B-1
Appendix C – Budgeted Operating Costs per Room by Care Not Cash Housing Providers	C-1

LIST OF ACRONYMS

CAAP	County Adult Assistance Programs
CALM	Cash Assistance Linked to Medi-Cal
CalWIN	The CAAP case management database
FY	Fiscal Year
GA	General Assistance
PAES	Personal Assisted Employment Services
Prop N	“Care Not Cash” ballot initiative adopted in November 2002
SRO	Single-Room Occupancy
SSIP	Supplemental Security Income Pending

INTRODUCTION

Audit Authority

We conducted this audit to comply with the San Francisco Administrative Code, which requires the Controller of the City and County of San Francisco (City) to evaluate every three years the “provision of in-kind aid...for program effectiveness and cost efficiency” in the General Assistance program (GA, Sec. 20.60.13), Personal Assisted Employment Services program (PAES, Sec. 20.95), Cash Assistance Linked to Medi-Cal program (CALM, Sec. 20.126), and Supplemental Security Income Pending program (SSIP, Sec. 20.227). These four programs comprise the County Adult Assistance Programs (CAAP), which provide 100 percent county-funded cash aid and services to single, indigent adults who live in San Francisco and have no other means of support.

The evaluation requirements are in Appendix 63 of the Administrative Code, known as the Care Not Cash initiative (Care Not Cash). This initiative was adopted by San Francisco voters as Proposition N on the November 2002 ballot. Care Not Cash implementation was delayed by court challenges, but the California Supreme Court eventually ruled that the plan could remain intact as passed by voters. The City’s Human Services Agency (Human Services) officially began implementing Care Not Cash on May 3, 2004.

Overview of Care Not Cash

Under Care Not Cash, homeless San Franciscans who qualify for CAAP are offered housing or shelter and support services as part of their benefit package. Funds that would have otherwise been used for cash aid are used to expand permanent housing and services for this population. Through the Housing First Program (Housing First), formerly known as the SRO Master Lease Program, Human Services provides permanent housing with supportive services to homeless San Franciscans by contracting with skilled nonprofit organizations that lease and manage privately owned residential single-room occupancy (SRO) hotels. Clients who are housed through the program sign leases and must use part of their monthly benefit to pay rent. The units in the SRO buildings are considered permanent housing and clients have full tenants’ rights.

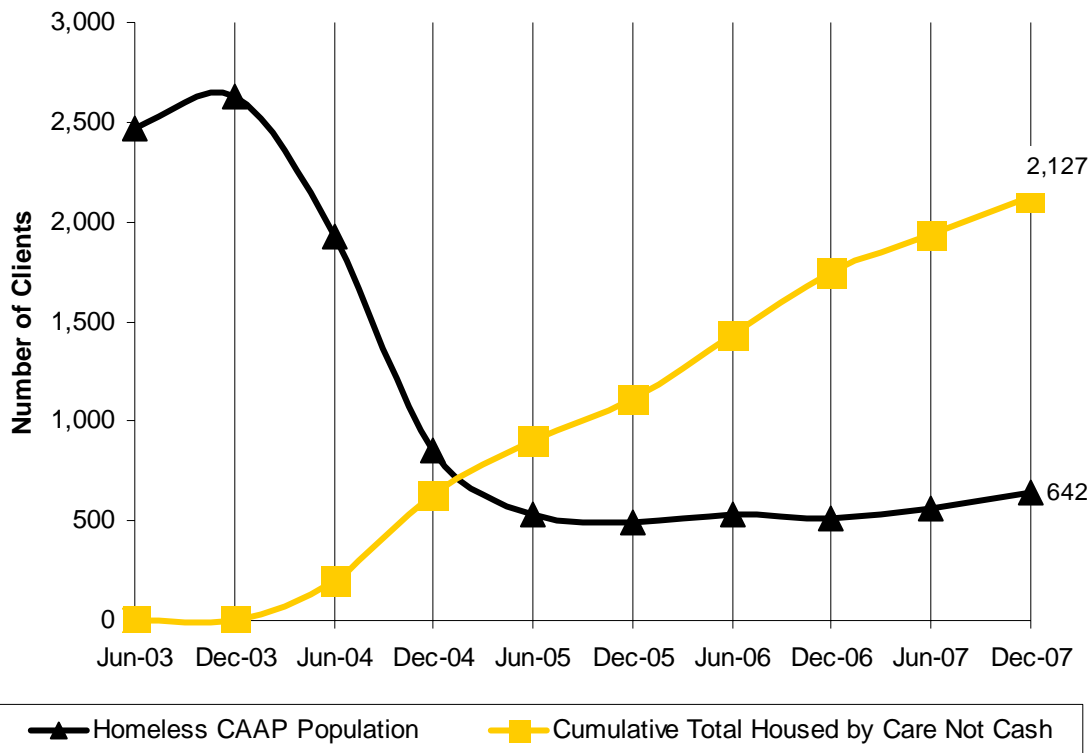
The Care Not Cash population is a subset of the CAAP population, making up approximately 29 to 41 percent in calendar year 2007. The remaining percentage of CAAP clients are independently housed individuals who are ineligible for Care Not Cash. Two groups make up the Care Not Cash population:

1. CAAP clients who were homeless but have been placed in Housing First Program SRO units through Care Not Cash.
2. Homeless CAAP clients staying in shelters, on the streets or elsewhere.

A small number of Care Not Cash clients are also placed in other, non-Care Not Cash housing.

EXHIBIT 1 The CAAP Client Population

CAAP Population	9,159	9,400	8,378	7,745	7,614	7,086	7,629	7,257	6,963	6,420
-----------------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------



Source: Auditor analysis based on Human Services data.

Much of the analysis in this audit focuses on the Care Not Cash clients who have been housed in the Housing First SRO units. This is the population of CAAP clients who benefit from the additional Care Not Cash supportive services. Human Services reports that Care Not Cash had housed 2,127 clients from its inception through December 2007.

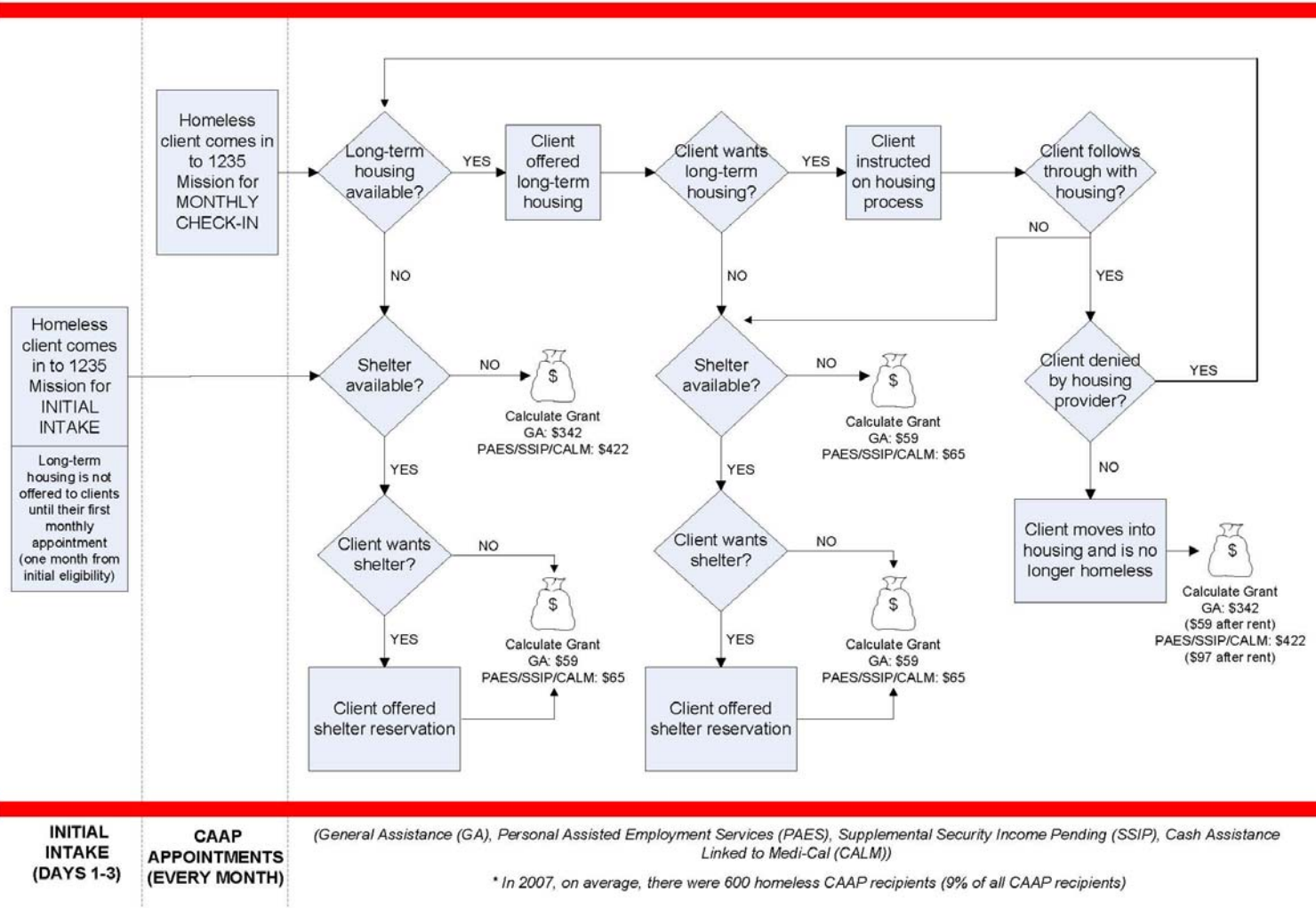
There are three ways a Care Not Cash client may receive a Housing First SRO unit through the program:

1. The client's monthly check-in appointment.
2. Human Service's shelter ranking list.
3. The San Francisco Homeless Outreach Team (Homeless Outreach Team).

The majority of housing referrals are made through monthly check-in appointments. However, attaining housing this way is based primarily on fortuitous timing. The open units are assigned on a first-come, first-served basis, so clients with appointments on the days openings are posted get the first opportunity. Human Services compiles its shelter ranking list every quarter or so, ranking clients by the number of nights stayed in a shelter during the preceding period. Human Services then contacts those clients with the most nights in shelter and offers the opportunity for an SRO housing unit. Another channel to housing, the Homeless Outreach Team, directly offers a small number of housing referrals to homeless CAAP clients living on the streets.

Exhibit 2 shows how Human Services houses homeless CAAP clients through monthly check-in appointments and how grant amounts are determined.

EXHIBIT 2 Care Not Cash Housing Through Monthly CAAP Appointments



Source: Auditors' analysis based on information provided by Human Services, adapted from Human Service's Implementation Plan 4/7/04.

Each month, homeless Care Not Cash clients re-enter the process shown in Exhibit 2. If there are no housing openings on the day of the client's appointment, the client is offered shelter instead. A housing opportunity, if available, will be offered to that client at his or her next CAAP check-in appointment. As is also shown in Exhibit 2, a client may enter the housing process and be turned down for housing. This can happen for various reasons, including as a result of information found during the client's background check or if the client misses his or her screening appointment with the housing provider.

According to Human Services, homeless CAAP clients rarely refuse an offer of permanent housing.

There is a formula-driven cap on funding for permanent housing and services under the Care Not Cash law (Administrative Code, Appendix 63), and this cap has been reached. Care Not Cash is financed with a Human Services Care Fund (care fund), established in accordance with Administrative Code Sec. 10.100-77. The care fund pays for much of the housing and supportive services to Care Not Cash clients. The money in the fund comes from savings due to the reduced cash grant and the CAAP caseload decline that resulted from the City implementing Care Not Cash.

The care fund law defines a formula for calculating the annual required contribution to the fund, based on the number of homeless people expected to participate in each of the CAAP programs (GA, PAES, CALM, and SSIP) during each upcoming fiscal year as compared to a base year. The City must credit the care fund with the difference between the average annual maximum cash grant for each CAAP program and the actual average annual cash payment provided by the City, multiplied by the estimated number of homeless individuals in the program that Human Services expects will be provided in-kind benefits in lieu of a full cash grant during the year.

During the first few years of program implementation, this formula provided a growing source of dedicated funding, and was budgeted to be \$14.1 million for Fiscal Year 2007-08. However, the maximum allowable contribution that can now be required, according to the formula, is about \$14.2 million, which prevents Human Services from further

expanding the number of leased units with care fund dollars. Nonetheless, the large combined portfolio of leased housing held by Human Services and the Department of Public Health (Public Health) allows Human Services to continue placing homeless CAAP clients in permanent supportive housing as required by the Care Not Cash law. Human Services reports that, on December 31, 2007, there were 1,321 SRO units in buildings paid for with care fund dollars out of 3,096 units in the combined portfolio of Human Services and Public Health.

As of October 2007, Human Services projected \$15.28 million for Fiscal Year 2007-08's total actual Care Not Cash expenditures from all sources, including money remaining from earlier years.

Objectives

The purpose of this audit was to determine the effectiveness and cost efficiency of the immediate changes brought forth by Care Not Cash – providing homeless CAAP clients in-kind aid in the form of housing and support services instead of most of the value of the former cash grants. Specifically, the audit set out to determine how successful Care Not Cash has been at fulfilling the initiative's goals, which include:

- Providing all homeless San Franciscans who qualify for CAAP food, shelter/housing and health services.
- Allowing the City to increase mental health treatment services and expand alcohol and substance abuse programs.
- Allowing the City to create more affordable housing.
- Eliminating the incentive for homeless people who want cash rather than services to congregate here.

We also assessed how successful and prompt Care Not Cash has been at housing homeless CAAP clients. On cost efficiency, we compared the average cost to house and serve each client under Care Not Cash to the average cost per client before Care Not Cash, and compared budgeted lease and operating costs the City pays its housing providers with those from two other cities. Finally, we looked into the extent to which shelter beds go empty because Care Not Cash clients do not use the beds reserved for them.

The audit did not attempt to determine the overall effectiveness of the support services offered as part of Care Not Cash. For example, we neither investigated the number or percentage of clients participating in support services by individual service, nor attempted to assess the outcomes of clients participating in services. However, we did consider housing retention rates and other indicators of the success of support services.

Scope and Methodology

To accomplish this audit, we reviewed and tested Human Services' records of Care Not Cash clients. These include records that indicate eligibility for Care Not Cash, benefit payments, shelter reservations and use, and referrals of clients to housing. We also relied on existing reports and budgets from Human Services and its contractors on participation levels, service levels and costs of the Care Not Cash program. Documents from Human Services that we considered included the evaluations it provides semiannually to the Controller in compliance with the Care Not Cash initiative and its monthly update memoranda and accompanying monthly statistical reports. We also considered a February 2007 report from Berkeley Policy Associates, a consultant to Human Services, on its Care Not Cash caseload decline study, the goal of which was to identify the homeless people who left CAAP after Care Not Cash was implemented and determine what happened to them since.

We interviewed staff at Human Services familiar with the department-generated data and data systems on which we relied, and tested the reliability of these data on a sample basis. We interviewed staff of several shelters about the issues involved in accommodating Care Not Cash clients. We also interviewed five clients of Care Not Cash about their experiences and impressions of the program.

CAAP's information database, CalWIN, can only provide snapshots of the active CAAP caseload. The system does not allow for reporting on services provided to clients in past time periods. In November 2007, the month we used for some of our analyses, there were 603 homeless CAAP clients, which is representative of the client counts reported by Human Services for June and December 2007.

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

FINDING 1 – Care Not Cash Is Achieving Its Stated Goals

Care Not Cash is serving all eligible homeless San Franciscans who apply for benefits under CAAP

Human Services has a well-established system for assuring that CAAP eligibility and grant determinations are correct and that clients are receiving the services they need.

Appendix B shows how Human Services determines homeless CAAP clients' eligibility, grant amounts, and ongoing eligibility. Regular monitoring of clients through monthly client appointments, requiring eligibility re-application twice per year, and various regular report and file reviews by caseworkers and management create a solid structure for ensuring that Care Not Cash serves all eligible San Franciscans who apply for benefits under the CAAP program.

In 2007, Human Services reported that CAAP consistently served a caseload of approximately 600 single, homeless adults, which is approximately 9 percent of the entire CAAP population. Based on the November 2007 caseload, Human Services provides Care Not Cash benefits to the majority (73 percent) of single homeless adults on CAAP; these clients receive a combination of service and cash benefits instead of only cash. The average monthly amount of cash received per homeless CAAP client is \$78, which is slightly higher than the normal maximum cash grant amounts for homeless CAAP clients (\$59 for GA or \$65 for PAES, SSIP, and CALM) because some larger grants are paid to clients who receive adjusted grant amounts or are exempt from Care Not Cash. It is reasonable that only 3 percent of homeless CAAP clients are exempt from the Care Not Cash reduced cash grants and receive checks for the full grant amount (\$342 for GA or \$422 for PAES, SSIP, and CALM). The remaining 24 percent receive Care Not Cash grants that reflect various reported income and in-kind service adjustments.

Statistics show that there are far fewer homeless CAAP recipients than there were before the implementation of Care Not Cash in May 2004 (642 in December 2007 compared to 2,632 in December 2003). The fact that the majority of this caseload decline happened shortly after Care Not Cash reduced cash grants for homeless clients

seems to indicate that the program's initiation is largely responsible for the decline.

Carl, an eight-month CNC recipient who is only weeks away from moving into his own SRO unit, finds the CAAP process to be document-intensive but easy to complete with his caseworker's help. When asked if Human Services serves him well, Carl replied, *"They make sure no one falls through the cracks. They treat people with dignity, and that's what is important during this time."*

Care Not Cash has allowed the City to shift over \$1 million from cash grants to mental health and substance abuse services for those housed by the program

Consistent with the intent of the Care Not Cash initiative, Care Not Cash has increased mental health treatment services and expanded alcohol and substance abuse programs. Human Services reports that Care Not Cash increased budgeted annual expenditures on supportive health services by an additional \$666,000 at inception in 2004. In Fiscal Year 2007-08, Care Not Cash's budgeted spending on health services is \$1.2 million.

Care Not Cash funds provide additional health and substance abuse services to the Care Not Cash clients living in Housing First SRO units through two avenues:

1. The Behavioral Health and Case Management Roving Team, consisting of a Public Health medical team and a University of California, San Francisco (UCSF) Citywide Case Management team that provides direct services to clients at Housing First Program hotels.
2. Behavioral Health Services, which increased the number of substance abuse treatment beds made available to homeless CAAP clients by Public Health.

In addition to these Care Not Cash-funded services there are several other ways in which homeless and formerly homeless CAAP clients may receive behavioral health services such as mental health and substance abuse treatment. For example, they may:

- Get services through individual CAAP programs such as the PAES Behavioral Health Program.
- Get on-site health services provided by the operators of some of the larger SRO buildings.
- Go to Public Health's Housing and Urban Health Clinic.

In addition, homeless CAAP clients, like all San Franciscans, may access a full array of behavioral health services provided through Public Health's Community Behavioral Health Services.

Six additional full-time equivalent employees were hired to provide behavioral health services in 2004, and starting in 2005 the number increased to 11 employees. As a result, each homeless CAAP client who becomes housed through the Care Not Cash program receives an estimated average of one additional hour of health treatment and services per month. In addition, 64 substance abuse treatment beds were created because of Care Not Cash. As of Fiscal Year 2007-08, all substance abuse treatment beds are funded and controlled by Public Health and are still available to but no longer exclusively set aside for Care Not Cash clients.

While the Care Not Cash initiative has allowed the City to expand health services for homeless CAAP clients, only those clients who are living in Care Not Cash housing can benefit from the additional services provided by the Health Roving Team. Homeless CAAP clients staying in shelters or on the streets do not receive any additional supportive services because of Care Not Cash but supportive services through other programs are still accessible to them.

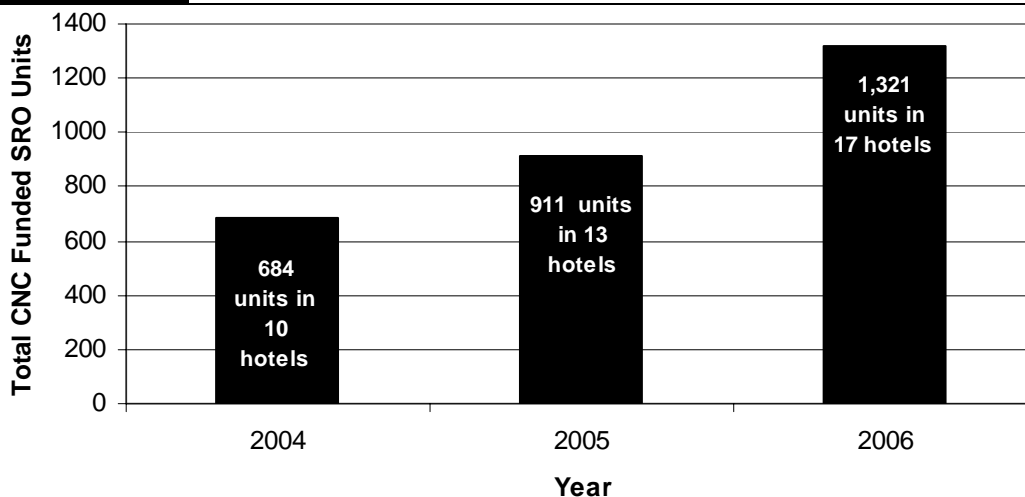
For the first time ever, Robert, a recent arrival to San Francisco, finds himself homeless. *"It is demeaning,"* he said. Robert is grateful that his caseworker is helping him secure the personal documentation necessary to obtain employment. However, it has been over two months and he is frustrated that he still is unable to apply for jobs.

Care Not Cash has added 1,321 affordable units to the City's housing available to homeless San Franciscans

Since July 2006, Care Not Cash has been responsible for adding 1,321 units to the City's affordable housing portfolio for the homeless, or 60 percent of the 2,317 units in the Housing First Program. Although these 1,321 units may have formerly been affordable housing as they were in SRO hotels, they are now available to house only homeless CAAP (Care Not Cash) clients. In July 2006, Care Not Cash reached its capacity to fund additional SRO housing units, so it can no longer add buildings to the Housing First Program.

EXHIBIT 3

Care Not Cash Housing, Calendar Years 2004-2006



Source: Auditor analysis based on Human Services data.

At its inception, Care Not Cash added ten hotels, providing 684 additional units to the City's stock of housing available to San Francisco's homeless. In 2005, the total increased to 13 hotels providing 911 units, and in 2006, Care Not Cash's additions topped out with a total of 17 hotels and 1,321 additional units.

It is likely that the 1,321 SRO housing units funded by Care Not Cash do not exactly correspond to the number of Care Not Cash clients currently housed in the program because:

1. Tenants who lived in the hotels before the housing providers began leasing them may continue to live in their units and pay rent.
2. Some homeless CAAP clients are placed in the 996 Housing First Program units that are not funded by Care Not Cash.
3. Some homeless CAAP clients are placed in other City housing programs.

As a result, Human Services does not know exactly how many Care Not Cash clients live in SRO buildings. A more accurate count of Care Not Cash clients living in SRO units would enable Human Services to better track how individuals fare in the system after receiving housing. A more accurate count will require additional monitoring and reconciliation of client-specific information on housing placement and housing stability.

Human Services now tracks housing placements while housing providers contracting with the Housing First Program track housing stability. However, these entities do not reconcile the information they collect with each other. Human Services also monitors clients' eligibility status, which reflects a case management focus, but limitations in the CalWIN case management system prevent Human Services from aggregating and reporting specifically on Care Not Cash clients who have become housed. CalWIN is also unable to provide information on clients' housing stability if they are no longer receiving CAAP benefits.

Although the exact number of housed Care Not Cash clients is unknown, once a Care Not Cash-funded housing unit becomes vacant it can only be filled with a Care Not Cash client.

Recommendations

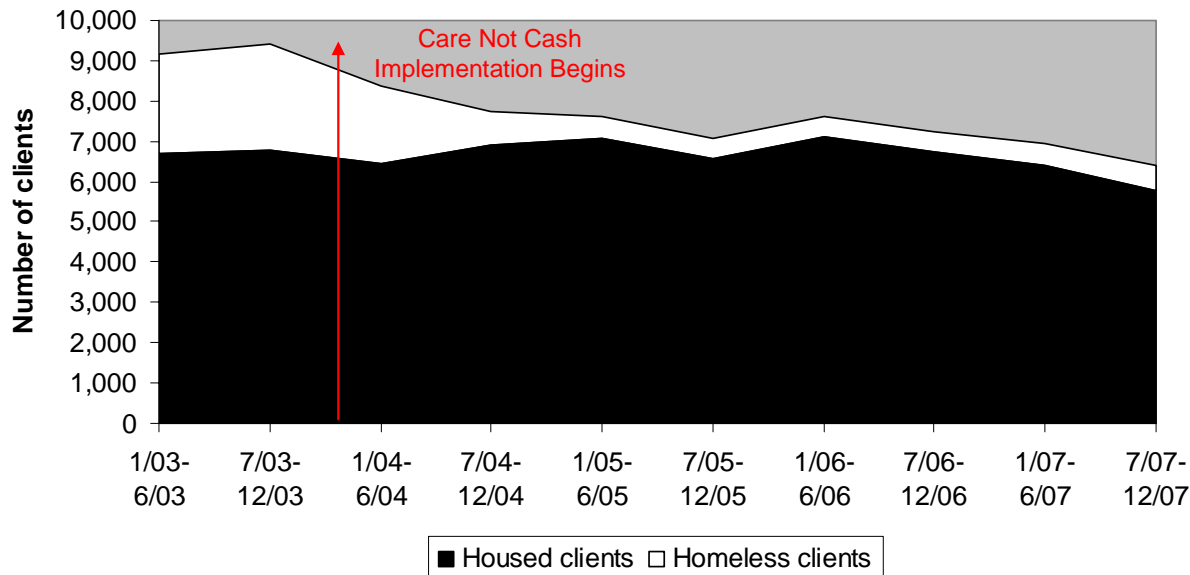
1. Human Services should assess the benefits and costs of creating a unique identifier in CalWIN or elsewhere for each Care Not Cash client. If beneficial, both Human Services and its housing providers should use these identifiers to track all Care Not Cash clients.
2. Human Services should analyze data on housing placements and stability collected under these unique identifiers and create a case management report that better shows how clients are faring in the system.

Peggy, a 57-year old San Francisco native and mother of two, has been on and off assistance for many years. Peggy praises the CAAP staff for being helpful but finds the amount of paperwork required to be overwhelming and hard to track. Peggy is excited about the cell phone her sister recently helped her buy and she is sure that work is on the way.

Care Not Cash may have reduced but not eliminated the incentive for homeless people to congregate in San Francisco

There are far fewer homeless CAAP clients than there were before May 2004, when the Care Not Cash program began. Exhibit 4 illustrates the decline in homeless CAAP clients.

EXHIBIT 4 CAAP Caseload Changes January 2003 – December 2007



Source: Auditors' graph based on data from Human Services; adapted from Berkeley Policy Associates report, February 2007.

In 2003, Human Services provided cash grants to an average of 2,553 homeless clients per month. After Care Not Cash, the average number of homeless clients receiving CAAP benefits decreased to 545 clients per month while the housed CAAP population has remained about the same. Because the majority of this caseload reduction happened shortly after Care Not Cash reduced cash grants to homeless CAAP clients, it appears that Care Not Cash may be largely responsible for the decline.

A fall in CAAP enrollment is not necessarily indicative of fewer homeless people congregating in San Francisco. It is likely that Care Not Cash has reduced but not eliminated the incentive for homeless people to gather in San Francisco, but causation cannot be shown without further study.

The smaller CAAP caseload allowed Human Services to reallocate grant savings of an estimated \$687,000 to \$847,000 per month from January 2005 through December 2007 to additional supportive services and housing for the homeless population that wants them.

FINDING 2 – The Majority of Clients Housed by Care Not Cash Receive Housing Within Three Months and Remain Housed Over a Year

Summary

Based on a statistically significant sample:

- Fifty-eight percent of the clients housed by Care Not Cash receive housing within 90 days (three months) of their first homeless benefits.
- Eighty percent receive housing within 150 days (five months) of their first homeless benefits.
- At least 90 percent of clients housed by Care Not Cash stay housed for at least one year.
- Less than 4 percent of all clients who have been housed have received housing a second time through Care Not Cash.

Although the Care Not Cash law does not address the promptness of housing placement and the Care Not Cash program does not promise or even formally estimate how quickly it will get clients housed, the timeliness and permanency of Care Not Cash housing is relevant to the program's effectiveness at serving homeless CAAP clients.

Mike has received CAAP assistance sporadically for the past ten years with the initial instance resulting from job loss and substance abuse. He believes that his situation has gotten worse since the implementation of Care Not Cash. He does not think the program is good at providing housing for the majority of people.

Due to limitations in CalWIN, the CAAP information database, the above percentages only show how quickly homeless CAAP clients received housing if they became housed through Care Not Cash. Because we cannot express the number of clients who got housing as a proportion of all homeless CAAP clients served during a year, these figures do not adequately reflect Human Services' success at housing homeless CAAP clients. The available data only allows us to say that the total number of homeless CAAP clients housed per year is relatively large when compared to the average homeless CAAP caseload

at any given time. In the 2007 calendar year, 386 homeless CAAP clients were housed by Care Not Cash and the average homeless CAAP caseload was about 600. In 2006, 626 clients were housed by Care Not Cash and the average homeless CAAP caseload was approximately 521.

Human Services expects that, going forward, the time to house clients will increase because there is no longer a surplus of new Care Not Cash rooms and because clients must now wait approximately 30 days for their first monthly CAAP meeting to become eligible for housing opportunities.

Ronald has wrestled with chemical dependency for the last 18 years and says that CAAP services have helped him get healthy by offering support, providing a change in environment, and by being free and accessible. When asked about the pros and cons of Care Not Cash, Ronald replied that it is as good as assistance gets. "San Francisco really has the best program and services," he said. "San Francisco takes great care of the people."

FINDING 3 – The Benefits Received by Clients Housed by Care Not Cash Are Much More Valuable Than the Previous Cash Grants

Background: how the care fund works and description of CAAP aid programs

The San Francisco Board of Supervisors approved three related ordinances following the passage of Proposition N. One of the three, Ordinance 237-03, Establishing a Department of Human Services Care Fund (care fund), established a fund from savings in cash aid payments generated by the Care Not Cash initiative and related laws, and outlines permissible uses of the fund (including drug and alcohol treatment, mental health care, job training, master lease contracts for SRO hotels, and expanded shelter operations). This ordinance dictates that only homeless CAAP clients can access services funded by the care fund, and prevents Human Services from using the savings to fund services for San Francisco's homeless population at large.

The Care Not Cash initiative made specific changes to the four aid programs collectively known as CAAP. Below is a brief description of the four CAAP subprograms:

- Personal Assisted Employment Services (PAES): for employable adults receiving education, training and supportive services necessary to gain lasting employment.
- Supplemental Security Income Pending (SSIP): for individuals with a disability that has lasted or will last 12 consecutive months.
- Cash Assistance Linked to Medi-Cal (CALM): for aged or disabled persons who do not qualify for other state or federal aid (usually due to immigration status).
- General Assistance (GA): for adults who do not qualify for SSIP or CALM, and refuse to participate in the PAES employment program or have been discontinued from PAES.

The decision on which subprogram to place a client in is unrelated to the client's housing status. Once a client is placed in a subprogram, Human Services deducts the in-kind values of housing, food, and utilities to determine the monthly cash grant.

The typical monthly benefit received by clients housed by Care Not Cash is worth about \$1,300, considerably more than the earlier cash grant of \$410 or less

Combining the average value of in-kind benefits and supportive services for a client housed by Care Not Cash with the grant, the total monthly benefit under Care Not Cash in November 2007 was \$1,276 for Care Not Cash clients on GA and \$1,356 for Care Not Cash clients enrolled in PAES, SSIP or CALM (see Exhibit 5). Thus, the reduced cash grant paid to most homeless CAAP clients is a small fraction of the value of the benefit package provided to those housed by Care Not Cash. Before Care Not Cash was implemented in May 2004, single, adult homeless clients received cash grant amounts of \$332 (GA) or \$410 (PAES/SSIP/CALM). Under Care Not Cash, the typical homeless client in November 2007 received either \$59 (GA) or \$65 (PAES/SSIP/CALM) in cash. This is a \$273 to \$345 reduction from pre-Care Not Cash grant amounts. However, in addition to the reduced cash grant, homeless CAAP clients are now offered shelter as part of their benefit package. Once a homeless CAAP client is housed by Care Not Cash, he or she is entitled to the full monthly grant amount (\$342 or \$422) but the majority of this is required to be paid as rent.

The Care Not Cash initiative directed Human Services to offer homeless CAAP clients housing, utilities and/or meals in lieu of a portion of the maximum cash aid payment. Under the law, these individuals are to receive either the remainder of their monthly cash grant after the in-kind value of the services is deducted or \$59, whichever is greater. In November 2007, the average estimated value of the non-cash benefits received per client housed by Care Not Cash far exceeded \$59.

Besides a room, Care Not Cash clients who are housed in the program's SRO buildings also have access to supportive services such as case management, behavioral health services and substance abuse treatment, all of which were unavailable via the CAAP program before Care Not Cash. Combining a room with these supportive services, each client housed by Care Not Cash received benefits, in addition to the grant, that had an average value of \$934 per month in November 2007.

EXHIBIT 5 Value of Benefits to Clients Housed by Care Not Cash		
Benefit Type	CAAP-GA Client	CAAP-PAES/ SSIP/CALM Client
Cash Balance of Grant	\$ 64	\$ 104
Portion of Rent Paid by Client from Grant	278	318
Housing and Supportive Services	934	934
TOTAL	\$ 1,276	\$ 1,356

Source: Auditor analysis based on Human Services data from November 2007.

The component amounts of the benefit received by a typical client housed by Care Not Cash, and how much each exceeds the previous cash-only grant, are shown in Exhibits 6 and 7.

EXHIBIT 6 Value of CAAP-GA Benefits Before and After Care Not Cash			
Benefit Type	Pre-Care Not Cash CAAP-GA	CAAP-GA Client Housed by Care Not Cash*	Variance
Cash Balance of Grant	\$ 332	\$ 64	-\$ 268
Portion of Rent Paid by Client from Grant	N/A	278	278
Housing and Supportive Services**	N/A	934	934
TOTAL	\$ 332	\$ 1,276	\$ 944

Notes: *As of November 2007.

**Housing and supportive services did not exist before Care Not Cash.

Source: Auditor analysis based on Human Services data.

EXHIBIT 7 Value of CAAP-PAES/SSIP/CALM Benefits Before and After Care Not Cash			
Benefit Type	Pre-Care Not Cash CAAP- PAES/SSIP/CALM	CAAP- PAES/SSIP/CALM Client Housed by Care Not Cash*	Variance
Cash Balance of Grant	\$ 410	\$ 104	-\$ 306
Portion of Rent Paid by Client from Grant	N/A	318	318
Housing and Supportive Services**	N/A	934	934
TOTAL	\$ 410	\$ 1,356	\$ 946

Notes: *As of November 2007.

**Housing and supportive services did not exist before Care Not Cash.

Source: Auditor analysis based on Human Services data.

At \$1,276 to \$1,356, the total value of the typical monthly benefits for a client housed by Care Not Cash is three to four times the \$332 that was paid to a GA client and the \$410 that was paid to a PAES/SSIP/CALM client before Care Not Cash. In addition, a Care Not Cash client housed by the program receives benefits that are worth at least three times the cash-only grant that a housed CAAP client now gets of either \$422 or \$342 per month. Funding for the more valuable benefit package is available due to the reduced cash grants and significant decline in the number of homeless individuals receiving cash assistance through CAAP since the implementation of Care Not Cash.

FINDING 4 – Lease and Operating Costs of SRO Buildings Under Care Not Cash Have Increased Reasonably

Background: how SRO hotel leasing and operating works

Human Services pays community-based organizations (CBOs) for the lease and operating expenses they incur to house and serve CAAP clients in SRO buildings that were formerly hotels. The CBOs submit a copy of their expenses to Human Services for reimbursement.

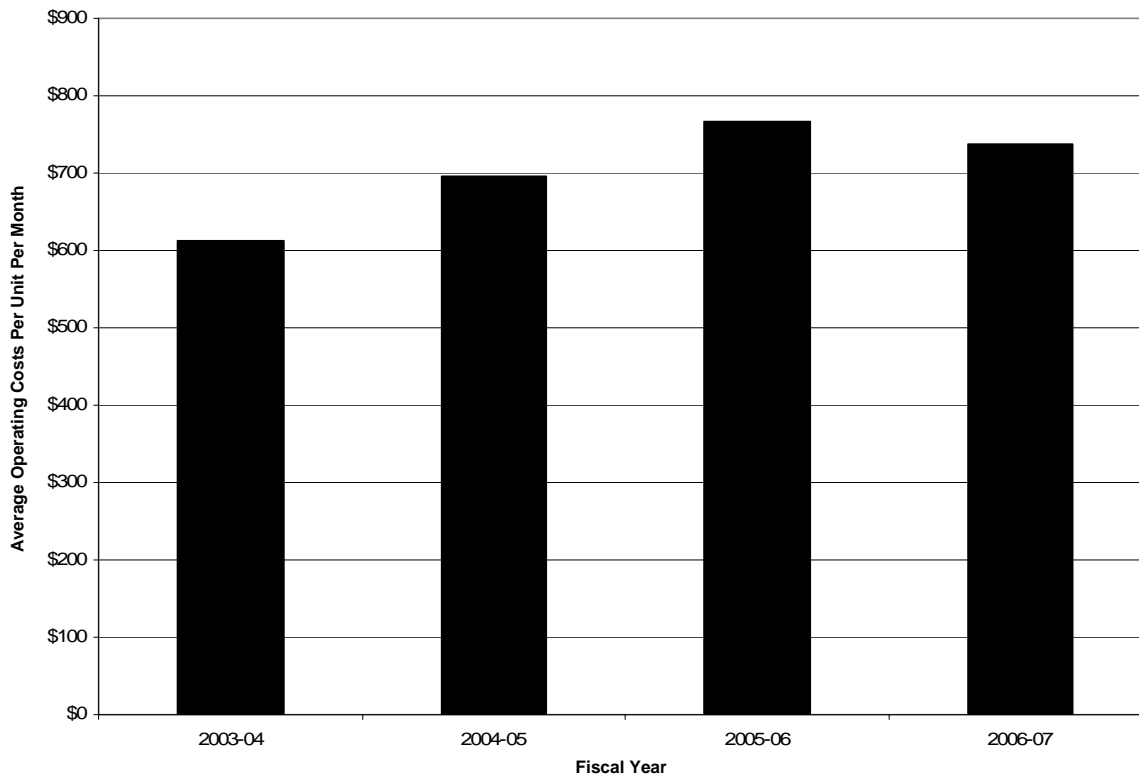
San Francisco contracts for 15 SRO buildings used exclusively for the placement of homeless CAAP clients and that are funded entirely by Care Not Cash. According to Human Services, these 15 SRO buildings house up to 1,263 Care Not Cash clients at any given time. (Other Care Not Cash clients live in buildings that do not exclusively house Care Not Cash clients.) For all 15 of these buildings, leases are between the CBOs and the building owners. The City is not a party to these contracts.

The operating costs of SRO buildings have increased 20 percent since Fiscal Year 2003-04, the year Care Not Cash was officially implemented

Operating costs at the SRO buildings that Human Services pays may include the cost of staff salaries and fringe benefits, utilities, maintenance, staff training, and money management services provided for tenants. (Our analysis excludes the budgeted cost to lease the building, capital expenses and indirect costs.) In Fiscal Year 2006-07, the budgeted operating expenses for the 15 Care Not Cash-only SROs, less budgeted rent from tenants, totaled \$11,183,400. This yields an average budgeted cost per Care Not Cash-only unit per month of \$738, which is 20 percent higher than the average monthly cost of operating a Care Not Cash SRO unit in Fiscal Year 2003-04.

EXHIBIT 8

Average Monthly Budgeted Operating Costs per SRO Unit by Fiscal Year



Source: Auditor analysis of Human Services data.

Operating costs per room have fluctuated since the acquisition of the first SRO hotel for Care Not Cash in Fiscal Year 2002-03, when Human Services was preparing for the implementation of the initiative. According to Human Services, it takes time and experience with a hotel to determine how to budget accurately for operating costs. For hotels in their first year of operation, budgeted amounts can often be too low. After hotels leave their start-up phase, operating expenses that may have been underestimated can be increased.

The operating costs of SRO buildings vary among providers of Care Not Cash housing

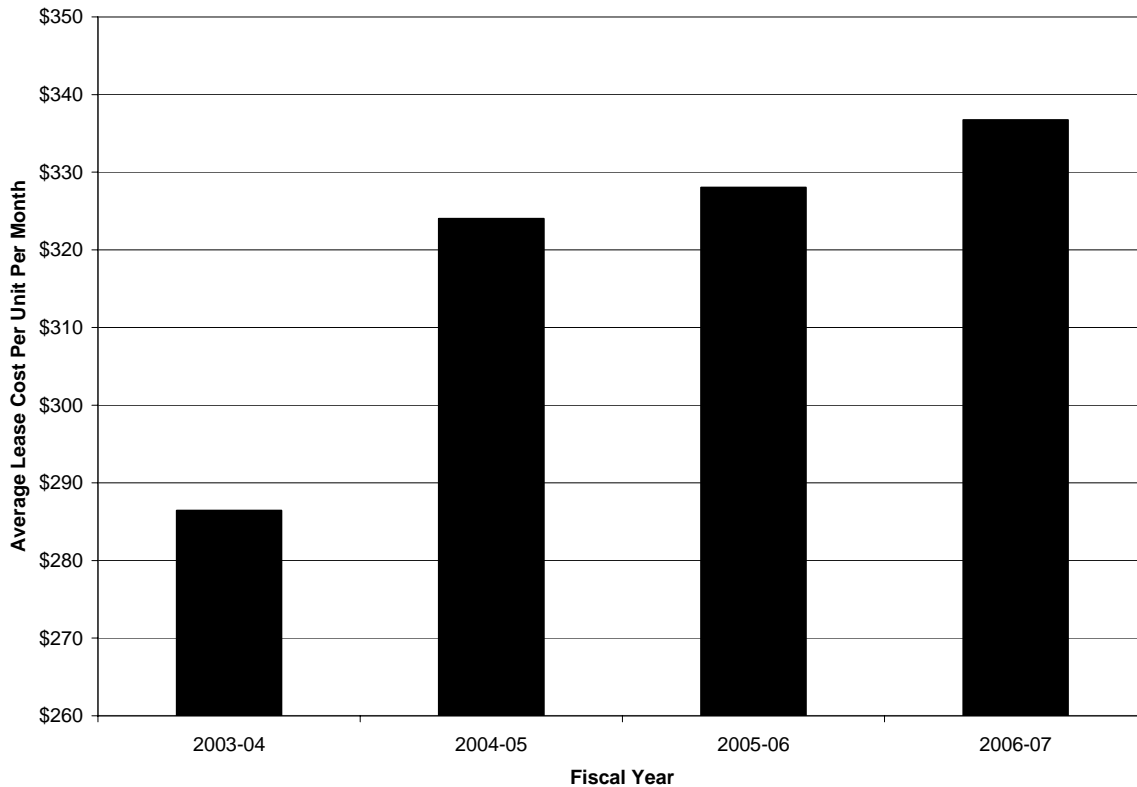
The average monthly operating cost per Care Not Cash room ranged from \$659 to \$921 in Fiscal Year 2006-07, depending on the provider. Four CBOs leased and operated SRO buildings available exclusively to Care Not Cash clients in Fiscal Year 2006-07: Tenderloin Housing Clinic, Episcopal Community Services, Tenderloin Health, and Conard House. Each provider's average operating

cost per room for each year since Care Not Cash began is presented in Appendix C. It was outside the scope of this audit to determine why these costs vary as they do.

The costs to lease SRO buildings have risen 18 percent since Fiscal Year 2003-04, the year in which Care Not Cash was officially implemented

The City reimbursed the operators of Care Not Cash buildings approximately \$337 per unit per month in Fiscal Year 2006-07 for lease costs. Lease costs are only those costs the CBO must pay the owner to rent the building. The \$337 average cost represents an increase of 18 percent from Fiscal Year 2003-04. SRO building leases state that the base rent amount increases by the allowable percent rent as published by the San Francisco Rent Stabilization Board. In no event shall the rent increase imposed on the SROs be less than 2 percent or greater than 6 percent.

EXHIBIT 9 Average Monthly SRO Building Lease Cost per Unit by Fiscal Year



Source: Auditor analysis of Human Services data.

The increase in the average cost per room to lease an SRO building may not be entirely due to increasing rents. Market factors like the availability of SRO housing stock, the cost of housing, and the general cost of living also affect market value rents for any building, including SROs.

SRO building lease and operating costs paid by San Francisco are much higher than those in Portland, Oregon and Chicago, Illinois

We compared Human Services' total lease and operating costs with those of homeless housing programs in two other purposefully selected municipalities: Portland, Oregon, and Chicago, Illinois. Unlike San Francisco, Portland and Chicago do not pay SRO owners 100 percent of the cost to lease and operate SRO units for their homeless clientele. San Francisco pays more of its own funds per room than the programs in the other two cities.

The combined leasing and operating costs for Care Not Cash housing, which include some services to tenants, was an average of \$1,075 per unit per month in Fiscal Year 2006-07. However, Human Services reports that it receives federal reimbursement of approximately 21 percent of its leasing and operating expenses in the Housing First program. Therefore, the actual amount of City funds used to lease and operate a Care Not Cash SRO unit in Fiscal Year 2006-07 was an estimated \$849 a month on average.

EXHIBIT 10 Average Lease and Operating Costs per SRO Unit Paid by Selected Cities to House Homeless People

Municipality	Average Cost Per Room Per Month	Period	Difference from SF
San Francisco, CA	\$849 ^a	FY 2006-07	SF = 100%
Chicago, IL	\$306 ^b	FY 2007-08	36% of SF
Portland, OR	\$229 ^c	FY 2005-06	27% of SF

^a Note: Tenant must contribute \$278-\$318 toward monthly rent, which averaged \$477-\$484 in fiscal year 2006-07, per Human Services.
^b Note: Subsidy from Chicago Low Income Housing Trust Fund. Tenants must also pay \$130-\$265 toward monthly rent.
^c Note: Typical monthly rent per room is \$375-\$410.

Source: Auditor analysis based on information provided by the cities.

Compared to the cities of Chicago and Portland, San Francisco paid a much higher average amount to lease and operate SRO buildings used to house homeless clients. However, the scopes of SRO building operations paid for by cities may vary. For example, as part of operating

expenses, San Francisco pays some Care Not Cash housing providers to offer case management services to tenants. This service may not be offered by the SROs to which other cities send their homeless clients. These and other differences may result in higher costs in San Francisco than in other cities. Although San Francisco's average amount paid per room per month was by far the highest, we cannot conclude that it is unreasonable.

Page intentionally left blank.

FINDING 5 – Shelter Reservations for Care Not Cash Clients May Sometimes Cause Beds to Go Empty But No-Shows Are Relatively Few

How shelter reservations for Care Not Cash clients work

All homeless CAAP clients are offered shelter when they are initially approved for CAAP benefits and at their monthly appointment with their CAAP worker. Clients are offered shelter until they are housed. However, not all CAAP clients access shelter via CAAP, as some clients decline the shelter offer from their CAAP worker, but then reserve shelter on their own through another access point. At this time, reservations made through CAAP place clients in one of three shelters for single adults: Next Door, Multi-Service Center South, or Episcopal Sanctuary. Single, adult homeless CAAP clients can reserve shelter beds through neighborhood reservation stations, or otherwise directly obtain a bed in other shelters. However, homeless people not on CAAP typically cannot go directly to a shelter for admittance. The length of reservations varies by shelter; most shelters offer seven-day blocks. Reservations for longer periods are possible, but may require the client to participate in case management.

According to Human Services, when CAAP workers make a shelter reservation for a homeless client in the established caseload (as opposed to those whose CAAP eligibility is pending), they set the end date so the reservation will extend beyond the client's next monthly appointment. This allows clients to go through a remedy process before they could be discontinued from aid if they miss their appointment. Homeless CAAP applicants get shorter shelter reservations when they have gone through the intake process but are pending approval for CAAP enrollment.

According to Human Services policy, shelter beds do not remain reserved for CAAP clients placed in housing. CAAP caseworkers are to terminate any remaining shelter reservations for clients the day after their placement in permanent housing.

CAAP client "no-shows" accounted for less than 3 percent of all shelter bed-nights available but may cause some beds to go empty

No-shows at shelters by CAAP clients did not significantly affect the number of empty bed-nights in the month we analyzed, November 2007. In this month, homeless CAAP clients did not show up for their shelter reservations 13 percent of the time. No-shows by these clients accounted for less than 3 percent of the total number of shelter bed-nights available at the ten shelters (892 CAAP no-shows out of 36,390 shelter bed-nights available), and 15 percent of all vacant bed-nights (892 CAAP no-shows out of 5,962 shelter bed vacancies). This group of no-shows includes all CAAP clients with shelter reservations, not just those whose reservations were made through Care Not Cash. However, because we collected shelter attendance information for November, a month with cold and rainy weather, we may have found higher-than-average shelter attendance.

These figures indicate that homeless CAAP clients use shelters that are not always full, and that homeless CAAP clients not showing up for their reserved beds do not seem to be a large factor in the overall shelter vacancy rate.

CAAP clients used the shelter beds reserved for them 87 percent of the time

Most shelter beds reserved for but not used by CAAP clients remained vacant after they were released to the general homeless population. Shelter attendance records indicate that only some beds reserved for, but not used by, CAAP clients were used by others after the beds were released.

We examined the shelter reservations and shelter usage of a sample of 30 homeless CAAP clients in November 2007. Of this group, 13 clients (43 percent) used shelters during the month of November. These clients had 292 bed-nights reserved for them at shelters, and attended the shelters 87 percent of the time. Seven shelter users missed at least one night, missing a combined 37 bed-nights of their reservations. Based on a small sample of no-shows (six clients with 34 bed-nights missed in November 2007), Human Services' records indicate that these beds were filled only 18 percent of the time after their release to the general homeless population.

Human Services' records do not indicate if these beds went empty because no one wanted them or because those who wanted them were turned away before the beds were

released. Shelter beds reserved for CAAP clients are typically released when a shelter's curfew time has passed. Some shelter operators believe more beds reserved for CAAP clients would be filled if they were released to the general homeless population earlier in the evening. Single adult shelter curfews in San Francisco range from 6:30 p.m. to 11:30 p.m. Next Door, Multi-Service Center South, and Episcopal Sanctuary – the three shelters where beds can be held for Care Not Cash clients – have curfews of 8 p.m. (10 p.m. on Friday and Saturday), 7 p.m. (for men, 6:30 p.m. for women), and 8 p.m. (10 p.m. on Friday and Saturday), respectively.

We found little evidence that released beds get used. It may be that reserved beds held for CAAP clients who do not claim them sometimes go empty when others could have used them.

Page intentionally left blank.

APPENDIX A: DEPARTMENT RESPONSE

City and County of San Francisco



Gavin Newsom, Mayor

Human Services Agency

Department of Human Services
Department of Aging and Adult Services

Trent Rhorer, Executive Director

April 28, 2008

Mr. Ben Rosenfield
Controller
City Hall, Room 316
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102

Re: City Services Auditor Report on Care Not Cash

Dear Mr. Rosenfield:

This letter is to acknowledge receipt of the Care Not Cash audit prepared by your office and published in April 2008. The members of your audit team are to be commended for preparing a very thorough report on a complex topic. The Human Service Agency (HSA) is in agreement with the report's overall representation of the Care Not Cash initiative, its findings and its two recommendations, both of which are discussed in greater detail below.

The first recommendation is that HSA assess the benefits and costs of creating a unique identifier in CalWIN or elsewhere for each Care Not Cash client, and, if beneficial, that both Human Services and its housing providers should use these identifiers to track all Care Not Cash clients.

HSA concurs with this recommendation, and agrees that it is worth additional exploration. However, I also wish to note known barriers to implementation. While CalWIN already has unique client identifiers, it does not have the ability to record historical data on the Care Not Cash status of County Adult Assistance Programs (CAAP) clients, which changes over time. CalWIN is a State-designed and maintained system developed for use by multiple counties, whereas Care Not Cash is a San Francisco-only program. Therefore, it is highly unlikely that CalWIN could be modified as recommended. Additionally, clients are only tracked in CalWIN to the extent that they remain on HSA's caseload; continuing to track CAAP clients who exited our programs or left San Francisco would be challenging.

An alternative method of tracking CAAP clients who are subject to the provisions of Care Not Cash is the Department of Public Health's Coordinated Case Management System (CCMS). The CCMS is a web-based data repository and case record system with uniquely-identifiable information about clients served across multiple systems, the majority of whom are homeless. The CCMS is populated through direct data entry and by importing data from other systems. The long term vision is that the CCMS will serve as an integrated client tracking and case management system for homeless clients. HSA is partnering with DPH to further develop the system, and there are plans to upload information from HSA's database of housed Care Not Cash

Office of the Controller, City Services Auditor
Human Services Agency: Care Not Cash Is Achieving Its Goals

clients into the CCMS. However, this step alone would only allow us to track a subset of the Care Not Cash clients since it would not provide a way of identifying Care Not Cash clients in the CCMS system who remain un-housed (i.e., on the street or in shelter). Another option we will explore with DPH is the possibility of creating a new data field in the CCMS to flag homeless clients who are enrolled into Care Not Cash at the point of intake. Because this would require additional build-out of the CCMS infrastructure and ongoing manual data entry, we will need to further assess the costs associated with this option.

The second recommendation is that HSA analyze data on housing placements and stability collected under these unique identifiers and create a case management report that better shows how clients are faring in the system.

HSA concurs with this recommendation, and two projects are already underway that begin to address it.

First, as noted above, HSA is working with DPH to further develop the CCMS. This system has the capability to provide richer information than has previously been available about how homeless clients are faring, including but not limited to connectedness to various systems of care, changes in residential placement, medical treatment plans, substance use and treatment, case progress notes, ambulance pick-ups, and records of incarceration. The limitations of the CCMS for tracking client outcomes are twofold: (i) As noted above, there is currently no identified solution to track homeless Care Not Cash clients as such in the CCMS. (ii) Work to further integrate HSA shelter and Housing First program data into the CCMS is underway. Due to technology limitations, staffing capacity and cost considerations however, the planned integration of HSA program data will not be total; i.e., the full range of HSA benefits provided to homeless clients will not be captured in the CCMS, resulting in only a partial picture of client well-being.

Secondly, beginning in May or June 2008, HSA will convene a workgroup of its Housing First providers to review outcomes for homeless individuals placed in supportive housing, develop additional client outcome measures and refine tracking requirements to allow for better reporting and analysis of outcomes for housed clients. This will eventually allow for better reporting of outcomes for homeless clients housed through Care Not Cash. It is yet to be determined whether reporting of this outcome data will be manual or automated, but we hope to have made progress on answering this question by the end of the year.

Thank you again for your office's review of the Care Not Cash initiative.

Sincerely,



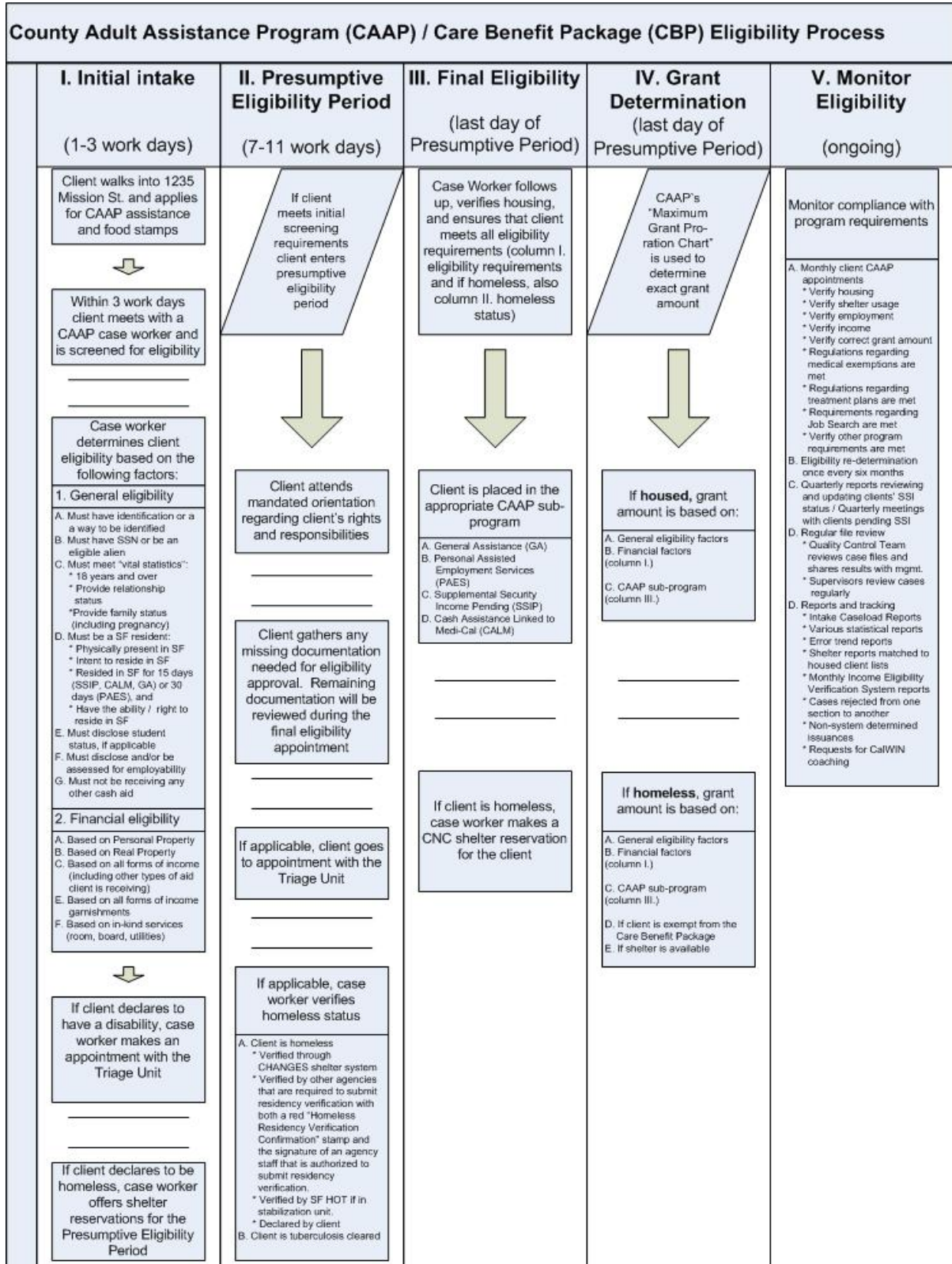
Trent Rhorer
Executive Director

cc to Mark Tipton

Recommendation	Responsible Agency	Response
<p>1. Human Services should assess the benefits and costs of creating a unique identifier in CalWIN or elsewhere for each Care Not Cash client. If beneficial, both Human Services and its housing providers should use these identifiers to track all Care Not Cash clients.</p>	<p>HSA</p>	<p>HSA concurs with this recommendation, but notes that there are barriers to implementation (see official letter of response for additional detail).</p> <p>CalWIN, the primary administrative database utilized by HSA, already contains unique client identifiers, but does not have the ability to record historical data on the Care Not Cash status of County Adult Assistance Programs (CAAP) clients, which changes over time. Because CalWIN is a State-designed and maintained system developed for use by multiple counties, whereas Care Not Cash is a San Francisco-only program, it is unlikely that CalWIN could be modified as recommended.</p> <p>An alternative method of tracking CAAP clients who are subject to the provisions of Care Not Cash is the Department of Public Health’s Coordinated Case Management System (CCMS). The CCMS is a web-based data repository and case record system with uniquely-identifiable information about clients served across multiple systems, the majority of whom are homeless. In Fall 2008 DPH plans to begin integrating information about from HSA homeless and housing databases into the CCMS. HSA intends to explore with DPH the possibility of creating a new data field in the CCMS to flag homeless clients who are enrolled into Care Not Cash at the point of intake.</p>

Recommendation	Responsible Agency	Response
<p>2. Human Services should analyze data on housing placements and stability collected under these unique identifiers and create a case management report that better shows how clients are faring in the system.</p>		<p>HSA concurs with this recommendation, but notes that there are barriers to implementation (see official letter of response for additional detail).</p> <p>Two projects are already underway to address this recommendation:</p> <p>1) HSA is working with DPH to further develop the Coordinated Case Management System (CCMS), a web-based data repository and case record system with uniquely-identifiable information about clients served across multiple systems, the majority of whom are homeless. In Fall 2008 DPH plans to begin integrating information about from HSA homeless and housing databases into the CCMS. When fully developed, the CCMS will allow for creation of case management reports for homeless clients. Further work will be required at that time to determine whether it is feasible to flag Care Not Cash clients as such in the CCMS.</p> <p>2) In June 2008, HSA will convene a workgroup of its Housing First providers to review outcomes for homeless individuals placed in supportive housing, develop additional client outcome measures and refine tracking requirements to allow for better reporting and analysis of outcomes for housed clients, including those housed via Care Not Cash.</p>

APPENDIX B: CAAP Eligibility Flowchart



Page intentionally left blank.

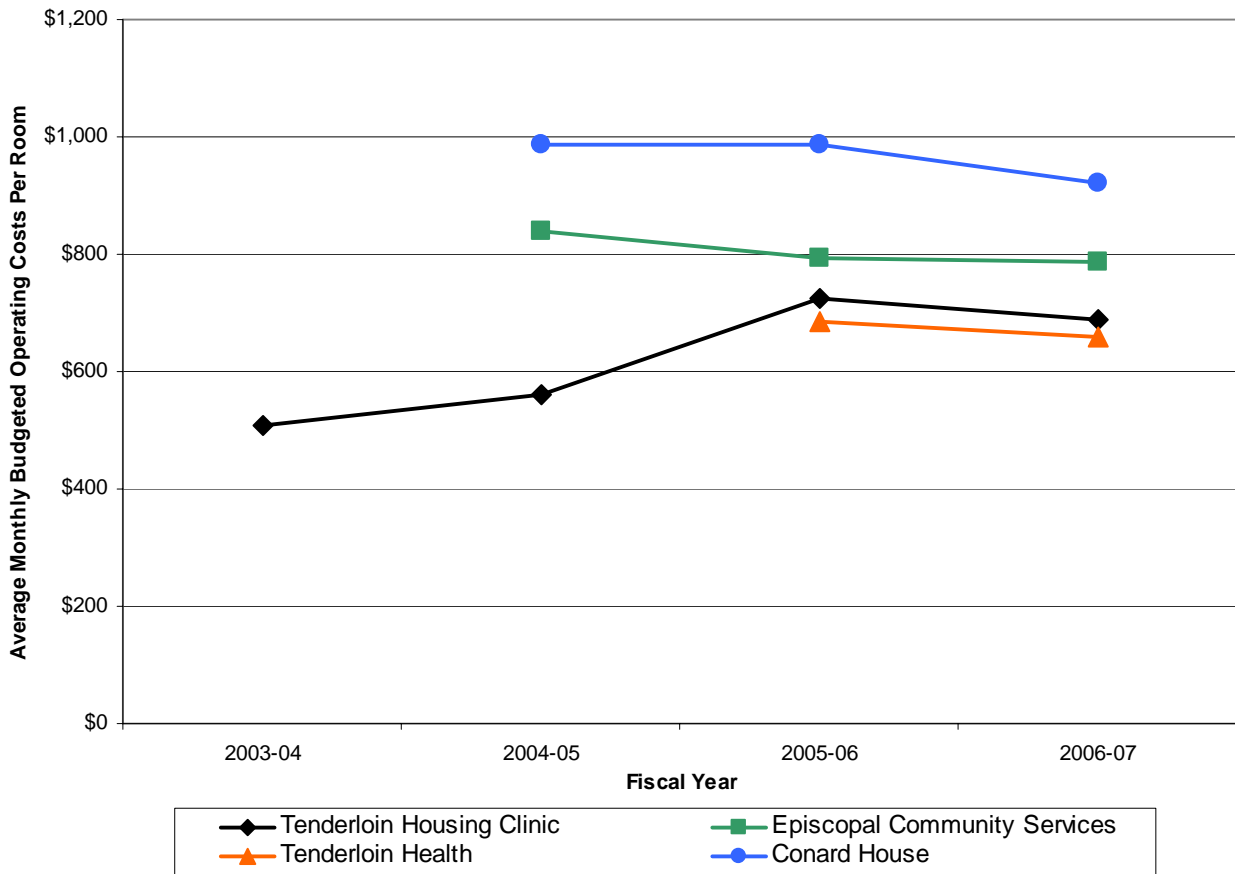
APPENDIX C: BUDGETED OPERATING COSTS PER ROOM BY CARE NOT CASH HOUSING PROVIDERS

Provider	No. of Buildings	No. of Rooms	% of Rooms	FY 2003-04	FY 2004-05	FY 2005-06	FY 2006-07
Tenderloin Housing Clinic	8	597	47%	\$509	\$561	\$723	\$688
Episcopal Community Services	5	476	38%	-	\$838	\$794	\$788
Tenderloin Health	1	110	9%	-	-	\$684	\$659
Conard House	1	80	6%	-	\$987	\$986	\$921
TOTAL	15	1,263	100%	-	-	-	-

^a Note: Includes only the 15 buildings that exclusively house Care Not Cash clients.

^b Note: For this analysis, operating expenses include rental of property, capital expenses, and indirect expenses. Includes providers' staff salaries and fringe benefits.

^c Note: Excludes fiscal year 2003-04 data for Episcopal Community Services and Conard House, each of which operated only one hotel for three months or less in that year.



Page intentionally left blank.