

Audit Report

Austin Public Health Neighborhood Centers

December 2017



Residents who have visited Austin Public Health Neighborhood Centers are generally satisfied with services they have received. However, current Neighborhood Centers may not be within walking distance for over 95% of low- and moderate-income residents. In addition, funding constraints affect the ability of Neighborhood Centers to provide services to residents and eligible residents may not be aware of services available to them due to the lack of a formal outreach plan. The implementation of additional or alternative processes could enhance the effectiveness of Neighborhood Centers' existing service delivery practices.

Contents

Objective and Background	2
What We Found	5
Recommendations and Management Response	11
Appendix - Capital Metro Weekday Bus Routes	13
Scope and Methodology	14

Cover: Blackland Neighborhood Center, Office of the City Auditor.

Objective

The objective of this audit was to determine if Neighborhood Centers are effectively meeting the needs of low- and moderate-income residents.

Background

Austin Public Health's Neighborhood Services division operates six Neighborhood Centers. Neighborhood Centers provide a variety of social services to help low- and moderate-income residents achieve maximum self-sufficiency and quality of health, economic, and social well-being.

The full range of services provided by Neighborhood Centers includes:

- basic services, such as food assistance and free transportation passes;
- health services, such as cholesterol and high blood pressure screenings; and
- case management services in the form of employment support and rent or utility payment assistance.

Neighborhood Centers also offer food distribution services and health services at three outreach locations: Dove Springs Recreation Center, Turner Roberts Recreation Center, and Santa Barbara Catholic Church. In fiscal year 2017, 55,886 residents were served through basic services, 6,147 residents received health services, and 373 individuals were enrolled in case management services.

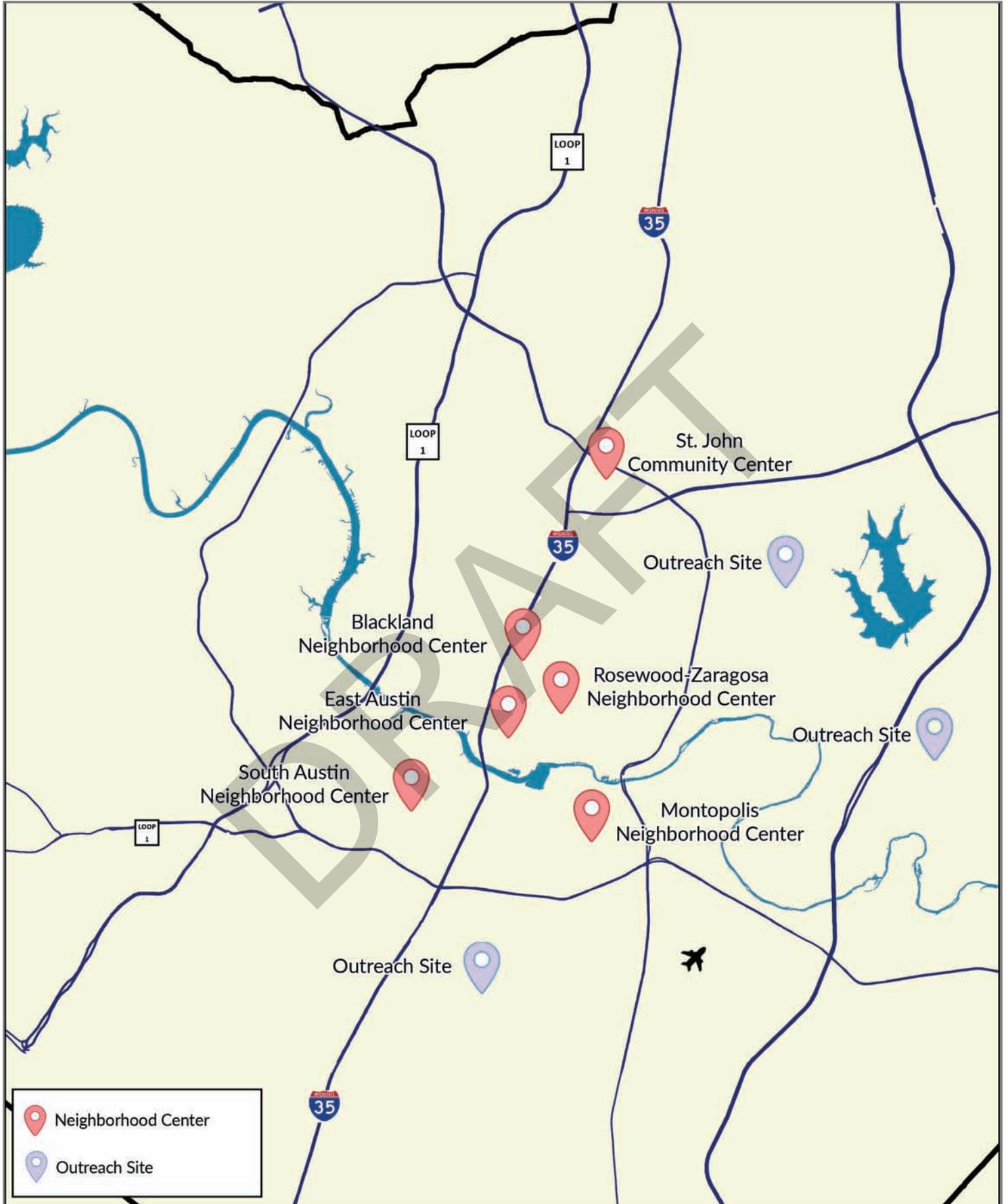
Neighborhood Centers receive funding from the City's General Fund, the Community Services Block Grant (CSBG) from the U.S. Department of Health and Human Services, and a grant for Local Public Health Services from the Texas Department of State Health Services, as shown in Exhibit 1. CSBG money is used to fund 16 of the 35 Neighborhood Center staff positions and direct service for residents.

Exhibit 1: Neighborhood Center Funding Sources and Amounts

	<u>FY15</u>	<u>FY16</u>	<u>FY17</u>
General Fund	\$1,318,778	\$1,642,332	\$1,631,368
Community Services Block Grant	\$1,092,540	\$1,158,192	\$1,148,202
Local Public Health Services	\$160,276	\$160,276	\$160,276
TOTAL FUNDING	\$2,571,594	\$2,960,800	\$2,939,846

SOURCE: Funding amounts provided by Austin Public Health, September 2017.

Exhibit 2: Neighborhood Center Locations and Outreach Sites



SOURCE: OCA Map of Austin Public Health Neighborhood Center Locations and Outreach sites, September 2017.

Neighborhood Center services income eligibility guidelines vary dependent on funding source or other program requirements, as shown in Exhibit 3.

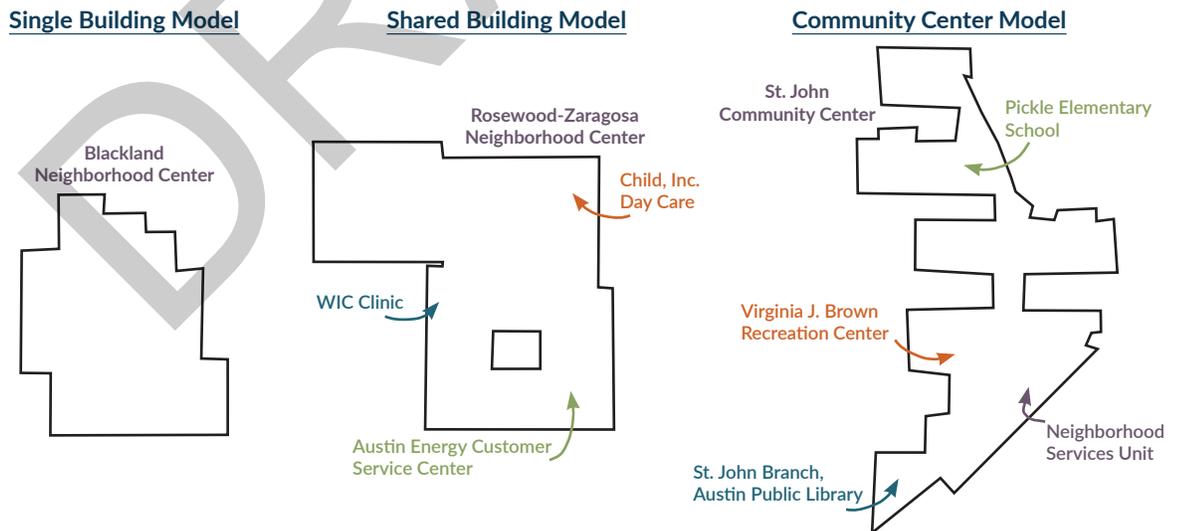
Exhibit 3: Income Eligibility Guidelines for Various Neighborhood Center Services

Neighborhood Center Service	Income Eligibility Guideline	
	Percent of 2017 Federal Poverty Income Level	Annual Income for a Three-Person Household
CSBG-funded services	At or Below 125%	\$25,525
USDA Food pantry and Healthy Options for the Elderly food program	At or Below 185%	\$37,777
City-funded rent and utility assistance	At or Below 200%	\$40,840
Health services, food distribution, clothes closet, and other basic services	No income limit	

SOURCE: OCA Analysis of Neighborhood Services Unit Operations Manual, October 2017.

The first Neighborhood Center was established in East Austin in 1974 and the most recent Center opened in 2001. Neighborhood Centers provide services through three different models (shown in Exhibit 4): a single building dedicated to Neighborhood Center staff; a single building shared by Neighborhood Center staff and third-party service providers; and a joint-use complex with a Parks and Recreation Department recreation center, a branch of the Austin Public Library, and an Austin Independent School District Elementary School.

Exhibit 4: Neighborhood Center Service Models



SOURCE: OCA Analysis of Neighborhood Center Service Models, October 2017.

What We Found

Summary

Residents who have visited Austin Public Health Neighborhood Centers are generally satisfied with services they have received. However, current Neighborhood Centers may not be within walking distance for over 95% of low- and moderate-income residents. In addition, funding constraints affect the ability of Neighborhood Centers to provide services to residents and eligible residents may not be aware of services available to them due to the lack of a formal outreach plan. The implementation of additional or alternative processes could enhance the effectiveness of Neighborhood Centers' existing service delivery practices.

Finding

Residents who visit Neighborhood Centers are generally satisfied with services received. However, due to a number of constraints, Neighborhood Centers may not be providing services to all residents who need them.

Austin Public Health Neighborhood Centers provide basic social services, preventive health services, and case management to low- and moderate-income residents. According to the surveys conducted by Neighborhood Centers in fall 2016 and July 2017, 94% of residents who visited Neighborhood Centers reported being "very happy" or "happy" with their services and locations. However, the accessibility of Neighborhood Centers, limited funding, and lack of a formal outreach plan may make it difficult for the department to provide services to residents who need them most. There are opportunities for Austin Public Health to minimize the effect of these challenges in order to improve service delivery and reach more residents.

Neighborhood Centers may not be within walking distance for a majority of low- and moderate-income residents

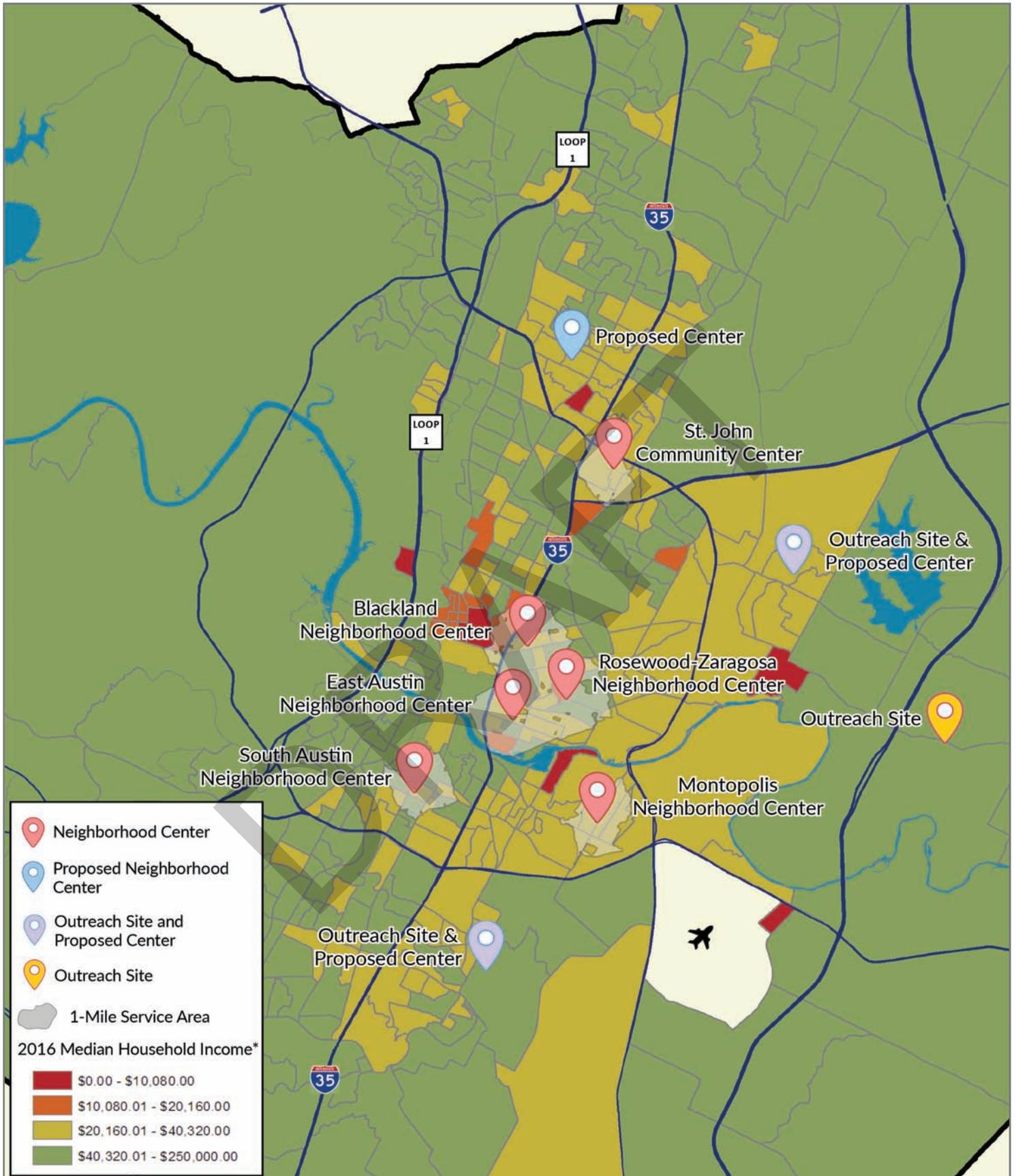
Current Neighborhood Centers are accessible via public transportation (see Appendix for map of bus routes), however they are not located in the areas of the City with the highest concentrations of low- and moderate-income residents, making them beyond walking distance for residents who might need Neighborhood Center services. Specifically, an analysis of household data in Travis County shows that less than 5% of households with an annual income less than \$50,000 live within walking distance of a Neighborhood Center.^{1,2} In addition, the service areas of Rosewood-Zaragosa, Blackland, and East Austin Neighborhood Centers overlap. This results in 2,676 residents living within walking distance of two or more Neighborhood Centers, while over 95% of low- and moderate-income residents do not live within 1 mile of a Neighborhood Center. Exhibit 5 shows a 1-mile area around each Neighborhood Center location over a map of 2016 median household income for Travis County block groups.

2,676 residents live within the walking distance of two or more Neighborhood Centers.

¹ A 3-person household earns an income of \$20,160 at 100% and \$40,320 at 200% of 2016 Federal Poverty Income Level. Households with an income less than \$50,000 were chosen to represent the population of residents who may be eligible for services.

² A 2011 study by the University of Michigan found that the average walking trip distance is 0.7 miles. We conducted a network analysis using Austin streets, due to instances where sidewalks do not connect.

Exhibit 5: 2016 Median Household Income by Block Group with Neighborhood Center 1-Mile Service Area Overlay



*2016 Average Household Size in Travis County was 2.51.

A 3-person household earns an income of \$20,160 at 100% and \$40,320 at 200% of 2016 Federal Poverty Income Guidelines.

SOURCE: OCA Analysis of Business Analyst 2016 Block Group Data and Network Analysis of 1-Mile Service Area, September 2017.

The St. John's Community Center and Montopolis Neighborhood Center are located in areas with high concentration of low- and moderate-income residents. However, the Montopolis Neighborhood Center is currently open only one day a week while undergoing a remodel that is set to be completed in 2019.

Austin Public Health has taken two steps to address the issue of accessibility: establishing mobile outreach sites and identifying locations for new Neighborhood Centers.

Best practices support a community center service model – providing multiple support services at one central location – to increase residents' access to more services in a single trip.

Neighborhood Centers partner with the Central Texas Food Bank to provide mobile food delivery and Fresh Foods for Families distributions at three outreach locations (shown in Exhibit 5 map). Neighborhood Center Nurses also provide public health services at these locations. However, management indicated that they have been unsuccessful at securing additional office space at the Parks and Recreation Department facilities located at two of the outreach sites. Due to the lack of available space, Neighborhood Center staff do not provide the full range of Neighborhood Center services at these locations and residents who visit these outreach sites are not receiving all of the services which are offered at Neighborhood Centers.

Austin Public Health, through a community needs assessment, has proposed construction of three new Neighborhood Center locations with the addition of 12 new Neighborhood Center staff (shown in Exhibit 5 map). These locations would bring Neighborhood Center services into areas with high need. While funding has not been approved for these new locations, there may be ways for Austin Public Health to expand service to these areas without constructing new Neighborhood Centers or hiring additional staff.

Funding is not sufficient to meet demand

Best practices assert that the largest barrier to high-quality services is a lack of sufficient funding. Management indicated that Neighborhood Center service delivery has been negatively impacted by limited funding in a number of ways. As shown in Exhibit 2, Neighborhood Centers receive approximately \$3 million of funding from the City's General Fund, the Community Services Block Grant (CSBG), and a grant for Local Public Health Services.

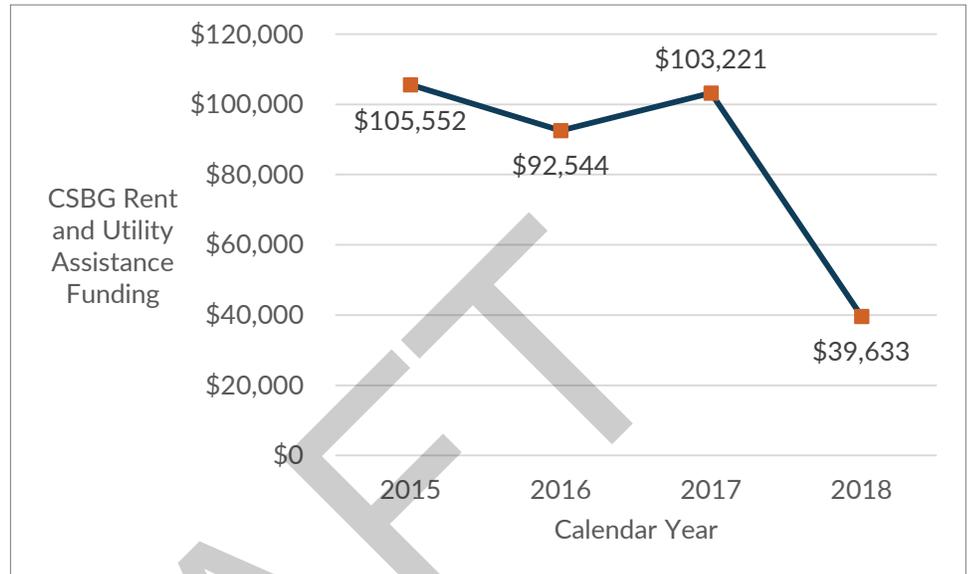
According to a report from the Urban Institute, 26% of low- and moderate-income renter households spent 30 percent or more of their income on housing costs in 2015.

CSBG money is used to fund 16 of the 35 Neighborhood Centers staff positions and administrative costs, and the remainder is allocated to direct service through rent and utility assistance, gift cards, and bus passes. Management asserted that resources allocated to provide rent and utility assistance are not sufficient to meet resident need.³ Financial assistance for rent and utility payments is available at Neighborhood Centers through CSBG funding for clients under 125% of the Federal Poverty Income Level - \$25,200 annual income for a three-person household - who have

³ Urban Institute report: Austin and the State of Low- and Middle-Income Housing: Strategies to Preserve Affordability and Opportunities for the Future, Urban Institute, October 2017: https://www.urban.org/research/publication/austin-and-state-low-and-middle-income-housing/view/full_report.

a job or are able to work and are enrolled in Neighborhood Center case management. For the past three years, approximately \$100,000 was allocated to rent and utility assistance, but management stated that this amount will decrease over \$60,000 in 2018 due to an \$11,000 reduction in grant funding and increased personnel costs, as shown in Exhibit 6.

**Exhibit 6:
Community Services Block Grant Funding for Rent and Utility Assistance**



SOURCE: Funding allocation provided by Neighborhood Centers Management, October 2017.

The City has a contract with Catholic Charities of Central Texas (Catholic Charities) to provide funding for rent and utility assistance to residents that are not eligible for CSBG-funded rent and utility assistance. For FY2016 and FY2017, Catholic Charities allocated \$524,000 to direct financial assistance. However, residents must go through Catholic Charities' intake process and may experience a wait list, which may be discourage them from pursuing assistance.

Management indicated that they would like to assist more residents, however the limited funding hinders their ability to do so. Neighborhood Center policy allows for up to \$2,000 per year per household of rent and/or utility assistance from CSBG funding. With the available funding for 2017, if each resident who requested assistance received \$2,000, the \$103,221 of CSBG funding could provide assistance to 51 residents. The funding available through Catholic Charities does not have a set cap on assistance amount. From January 1 through September 30, 2017, Neighborhood Centers received over 1,200 requests for rent and utility assistance.⁴ Neighborhood Centers directly assisted 316 residents and referred 438 to Catholic Charities or other agencies for assistance.

In November 2017, the median monthly rent, not including utilities, for a one-bedroom apartment in Austin was \$1,100 and \$1,400 for a two-bedroom apartment.

Additionally, management stated that they cannot afford all necessary staff, provide only limited training opportunities, and do not have capacity to expand food distribution events to new, more accessible locations. Neighborhood Center staff currently oversee 17 food distribution events

⁴ November 2017 rent data: <https://www.apartmentlist.com/rentonomics/rental-data>.

at 9 different locations each month. Management also expressed that they deferred technology improvements due to limited funding. For instance, the Case Management system used by Neighborhood Centers to track client intakes has developed an online application that would increase remote access to Neighborhood Center services for residents across Travis County. However, management mentioned that they do not have sufficient funding to acquire a portal for safe uploading and storing of the client documents.

Eligible residents may not be aware of services available to them

Austin Public Health has a coordinated department-wide effort to promote their programs at community events, but Neighborhood Centers have not developed a formal outreach plan to increase eligible residents' awareness of their services. Currently, to increase awareness of Neighborhood Center programs, outreach is done by Neighborhood Center staff during their day-to-day duties. An outreach project team comprised of Neighborhood Center staff is presently working to connect with other departments and third-party service providers to increase awareness about Neighborhood Center services.

Through an analysis of customer data for the first six months of 2017, we identified 17 zip codes in Travis County that do not have any residents accessing Neighborhood Center locations and services. Two of these zip codes have a median household income less than \$40,320.⁵ Neighborhood Center management mentioned that there are Travis County Community Centers that offer similar services located in northwest and southeast Austin, which may account for residents from those zip codes not visiting Neighborhood Centers. However, residents in these zip codes may not be aware of services available to them at Neighborhood Centers due to the lack of formal outreach.

We found that there are 2 zip codes in Travis County with a median household income <\$40,320 that do not have any households that are accessing Neighborhood Centers.

Austin Public Health staff expressed concerns that increased outreach and the subsequent demand on Neighborhood Center services could potentially overwhelm available funding and staff. However, efforts can be made to spread the word about services offered by Neighborhood Centers that can support increased demand, such as food assistance, nursing services, and other basic social services. Best practices suggest that creating and implementing an outreach plan helps to create awareness and gain resources.

⁵ 2016 Average Household Size in Travis County was 2.51. A 3-person household earns an income of \$20,160 at 100% and \$40,320 at 200% of 2016 Federal Poverty Income Guidelines.

Additional Observation

Opportunities to improve service delivery

Through peer city research, we identified strategies that Neighborhood Centers could explore to make it easier for residents to access services and to bring services to where people live.

Fort Worth's Neighborhood Services Division operates nine CSBG-funded Neighborhood Centers. Fort Worth's Neighborhood Centers were established in the 1980s and they are dealing with similar accessibility issues that Austin Neighborhood Centers are facing. To address this, Fort Worth has implemented changes to their service provision. Residents can mail in applications rather than having to travel to a center for an intake appointment, and they provide applications to third-party partners, such as Meals on Wheels, to distribute to individuals who may not be able to visit a center in person. Fort Worth is also considering "permanent outreach site" arrangements with third-party providers to provide rent-free office space for Neighborhood Center staff one day a week.

Fort Worth receives CSBG funding for their Neighborhood Centers, but does not receive any general fund money from the City. They have pursued additional sources of funding to provide services, and they receive multiple smaller grants, such as the Emergency Solutions Grant program through the United States Department of Housing and Urban Development.

Based on Fort Worth's practices, Austin Public Health could explore:

- offering mail-in or online applications,
- obtaining semi-permanent office space for case management staff at Parks and Recreation Department locations or with third-party providers in high-need areas, and/or
- seeking additional sources of funding for providing services.

Recommendations and Management Response

1

The Austin Public Health Director should identify and implement strategies to:

- improve accessibility of Neighborhood Center services, and
- expand service delivery into areas with high concentrations of low- and moderate-income residents.

Management Response: Agree

Proposed Implementation Plan: Austin Public Health has established a working relationship with Travis County Health and Human Services. They provide a similar array of services to low and moderate income residents at Travis County Community Centers. These Centers are located in Del Valle, Jonestown, Manor, Pflugerville, Post Road and Oak Hill in several of zip codes noted in this report. Austin Public Health understands the importance of collaboration in order to maximize finite resources; therefore this partnership will continue to be an asset for our community.

Austin Public Health included the construction of 3 new Neighborhood Centers (Dove Springs, Colony Park and Rundberg) in the 2017-2018 Bond Development Long Range Capital Improvements Program Strategic Plan and will continue to include in future plans. The Department identified potential lease space in North Austin but did not move forward due to the uncertainty of the CSBG funding for 2018 and beyond. If CSBG funding is fully restored in the federal budget, the Department will explore leasing options.

In addition other locations will be researched to determine if services can be expanded at other Department or community partner locations in underserved areas. Services at the Montopolis Neighborhood Center will be expanded to two days a week effective December, 2017 until the Montopolis Recreation (Community Center) is completed in 2019/2020.

Proposed Implementation Date: June 30, 2018

2

The Austin Public Health Director should develop and implement an outreach plan to create awareness for Neighborhood Center services.

Management Response: Agree

Proposed Implementation Plan: Austin Public Health will complete the development of the Neighborhood Centers' outreach plan as we expand the Department's efforts to raise awareness of Neighborhood Center services.

Proposed Implementation Date: June 30, 2018

Appendix - Capital Metro Weekday Bus Routes



SOURCE: OCA Map of Capital Metro Transit Authority Routes, September 2017.

Scope

Current Neighborhood Center services and activities.

Methodology

To complete this audit, we performed the following steps:

- interviewed Austin Public Health staff and management;
- reviewed Austin Public Health policies and procedures;
- evaluated the risk of fraud, waste, and abuse with regard to Neighborhood Center activities;
- analyzed Neighborhood Center service delivery data provided by Austin Public Health;
- reviewed facility usage at each Neighborhood Center;
- researched peer cities' neighborhood services models;
- reviewed results for the Neighborhood Center customer satisfaction surveys;
- observed food distribution services at Neighborhood Centers and outreach sites;
- evaluated Neighborhood Center outreach activities;
- performed a network analysis for Neighborhood Center service areas; and
- evaluated internal controls related to Neighborhood Center operations and service delivery.

Audit Standards

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.

The Office of the City Auditor was created by the Austin City Charter as an independent office reporting to City Council to help establish accountability and improve City services. We conduct performance audits to review aspects of a City service or program and provide recommendations for improvement.

Audit Team

Neha Sharma, Audit Manager
Cameron Lagrone, Auditor-in-Charge
Sam Naik
Adam Materne

City Auditor

Corrie Stokes

Deputy City Auditor

Jason Hadavi

Office of the City Auditor

phone: (512) 974-2805

email: AustinAuditor@austintexas.gov

website: <http://www.austintexas.gov/auditor>



AustinAuditor



@AustinAuditor

Copies of our audit reports are available at
<http://www.austintexas.gov/page/audit-reports>

Alternate formats available upon request