



## Metropolitan Transportation Authority

State of New York

July 9, 2019

Honorable Andrew M. Cuomo  
Governor of New York State  
NYS State Capitol Building  
Albany, NY 12224

Honorable Thomas P. DiNapoli  
Office of the State Comptroller  
59 Maiden Lane, 31<sup>st</sup> Floor  
New York, NY 10038

RE: Response to Final Report #2018-S-35 – Homeless Outreach Program at the Long Island Rail Road

Gentlemen:

On January 16, 2019, the Office of the State Comptroller issued the above referenced audit report. As required by Section 170 of the Executive Law, I am providing you with the attached response which addresses the recommendations contained in the report.

Additionally, I will be working with staff to ensure that management is following up on and enforcing the audit's recommendations, where appropriate, and requesting regular, interim reports to that effect.

A copy of the final audit report is attached for your convenience.

Sincerely,

A handwritten signature in blue ink that reads "Pat Foye".

Patrick J. Foye  
Chairman and Chief Executive Officer

c: Helene Fromm, MTA Chief of Staff  
Michael J. Fucilli, Auditor General, MTA Audit Services

Attachment

*The agencies of the MTA*

MTA New York City Transit  
MTA Long Island Rail Road

MTA Metro-North Railroad  
MTA Bridges and Tunnels

MTA Capital Construction  
MTA Bus Company



## Long Island Rail Road

June 27, 2019

Mr. Patrick Foye  
Chairman and Chief Executive Officer  
Metropolitan Transportation Authority  
2 Broadway  
New York, NY 10004

**RE: MTA Long Island Rail Road  
Homeless Outreach Program  
Report 2018-S-35**

Dear Chairman Foye:

As required by Section 170 of the Executive Law, detailed below are the updated actions that have been taken to address the recommendations contained in the above-referenced report. The report contained seven recommendations, and as detailed in our response dated December 28, 2018, and again in this letter, the Long Island Rail Road (LIRR) already has made significant progress implementing them.

The LIRR continues to be committed to working collaboratively both internally and with surrounding communities to facilitate a comprehensive homeless outreach program (Program) at its stations and along its Right of Way focusing on providing accessible assistance to those in need. To accomplish this objective, it contracts with Services for the Underserved (SUS). To increase oversight, management in the LIRR's Stations Department (Stations) has:

- ✓ established required performance measures,
- ✓ worked with MTA HQ to develop reporting for analytical and monitoring purposes,
- ✓ enhanced its process related to spot checks of SUS activity in the field, and
- ✓ documented internal controls including a Vulnerability Assessment to identify and mitigate risks associated with the Program.

In addition, in March 2019 LIRR President Phil Eng met personally with SUS and MTA Police Department (MTAPD) representatives to stress the importance of improving SUS's performance, tightening controls and increasing efforts for more frequent contact with the homeless. It is worth noting that since these actions by the LIRR President SUS reported an increase in homeless placements from five in March to 10 in April.

Below is the status on the seven specific recommendations included in the report.

**Recommendation No. 1**

Develop and establish performance measures to be included in the Monthly Reports.

**LIRR Implementation Status: LIRR already complies with this recommendation. LIRR Response:**

Stations previously established and implemented performance measures/targets relative to station visits, expectations during visits and results from visits/encounters, which were provided to OSC. Each month the LIRR and SUS agree on the targeted number of stations to be visited and SUS's monthly reporting includes an analysis of actual vs targeted visits, goals vs results and explanations for any significant variances.

In addition, in order to further enhance these measures/targets, Stations has identified additional monthly performance measurements currently included in monthly reporting from SUS such as Encounters vs Referrals, New Contacts, and Placements vs Contacts.

**Recommendation No. 2**

Ensure that future outreach contracts include clear terminology with sufficient details of required supporting documentation.

**LIRR Implementation Status: Implemented, however, it should be noted that LIRR agrees with the goals of this recommendation, but disagrees with its implications. LIRR Response:**

The current SUS contract does not expire until 2020. Based on this contract, SUS does submit reports that include encounters, referrals and placements of the homeless by SUS to the LIRR, which provide substantive details as to SUS activities, but the contract does not provide in explicit detail what supporting documentation is required. However, the LIRR will in future procurements, where appropriate, consider including in the terms and conditions requiring the vendor to provide supporting documentation, as applicable.

**Recommendation No. 3**

Develop and establish internal controls to ensure the reported homeless outreach data is complete and accurate, and use the available data to make informed decisions.

**LIRR Implementation Status: Implemented, however, it should be noted that LIRR agrees with the goals of this recommendation, but disagrees with its implications. LIRR Response:** The LIRR's Senior Manager, who oversees the Program for the LIRR, currently performs a high-level review of data submitted by SUS identifying, for instance, discrepancies in travel times and unusual patterns in station visits, encounters, and referrals. Nevertheless, Stations has developed an internal standard

operating procedure documenting its process and procedure, including established internal controls with respect to the Program.

**Recommendation No. 4**

Obtain access to the Homeless Outreach Program (HOP) database and use the data to make informed decisions.

**LIRR Implementation Status: LIRR already complies with this recommendation in part, and has implemented the remainder.**

**LIRR Response:**

Stations has access to HOP and worked with MTA HQ and the LIRR to provide the data necessary via system reports to continue appropriate levels of analysis, monitoring and management of the Program and SUS contract. Reporting includes activity by location and dates as well as a monthly summary detail report based on tour, date and time to confirm SUS team activity.

**Recommendation No. 5**

Analyze the available outreach data, and provide input to SUS when preparing Outreach Schedule.

**LIRR Implementation Status: LIRR already complies with this recommendation in part, and has implemented the remainder.**

**LIRR Response:**

Stations already reviews daily activity from reports generated by HOP to measure actual visits against the Outreach Schedule. Stations continues to work with MTA HQ and the LIRR to generate reporting from HOP, including but not limited to a Monthly Summary Report to provide an added level of data for analysis as noted in response to Recommendation #4.

When creating the Outreach Schedule, SUS confers with Stations, including the Director - Station Operations with input from Branch Line Managers (BLMs), and the MTAPD. Targeted station locations are added to the Schedule based on the group's experience and observation of station activity, as well as information from complaints forwarded from Public Affairs. All applicable personnel will receive the final Schedule. In addition to the foregoing, SUS will be attending bi-annual meetings with the BLM's held in May and October of this year and each year thereafter to further adjust the Outreach Schedule as needed in preparation of the summer and winter seasons.

**Recommendation No. 6**

Ensure SUS officials notify the LIRR's Stations Senior Manager of any changes to the Outreach Schedule on an on-going basis, as appropriate.

**LIRR Implementation Status: LIRR already complies with this recommendation.**

**LIRR Response:**

LIRR's Stations Senior Manager maintains regular communication with SUS to ensure the LIRR is notified of any changes to the monthly Outreach Schedule, including emailing notifications to the Senior Manager when changes to the Schedule are made.

**Recommendation No. 7**

Monitor the performance of SUS to ensure it is providing satisfactory outreach services.

**LIRR Implementation Status: LIRR already complied with this recommendation.**

**LIRR Response:**

In addition to the LIRR's response to recommendations #4 and #5 field visits are performed by Stations. More specifically, Stations' Senior Manager performs minimum field site visits two times per month and the BLMs go out six – eight times per month to conduct announced and unannounced spot checks - the spot checks are documented using the audit forms. In addition to the forgoing, Management has weekly conference calls with SUS, MTAPD & the BLMs to discuss activity in the field focusing on ensuring best use of SUS team and improving the number of placements. In addition, the MTAPD continues to provide observations and feedback by accompanying SUS 6-8 days per month.

Sincerely,



Phillip Eng  
President

cc: M. Young  
J. Compton  
R. Brooks  
J. Rosado  
M. Fucilli  
D. Jurgens



**New York State Office of the State Comptroller**  
**Thomas P. DiNapoli**

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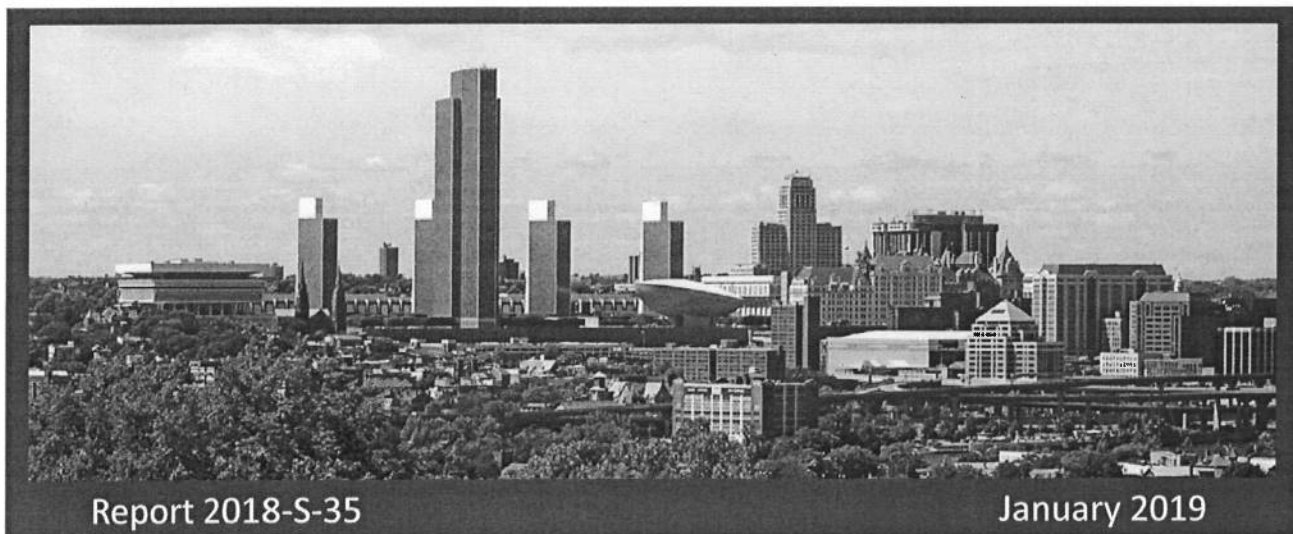
**Division of State Government Accountability**

## **Homeless Outreach Program at the Long Island Rail Road**

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### **Metropolitan Transportation Authority**

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## Executive Summary

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### Purpose

To determine whether the Long Island Rail Road (LIRR) has appropriate oversight and monitoring controls over its homeless outreach services contract, and whether the LIRR has met its goal in assisting homeless clients to appropriate shelters off MTA property. Our audit covered the period of November 1, 2015 to September 30, 2018.

### Background

The LIRR is the oldest railroad still operating under its original name, and the busiest commuter railroad in North America, carrying an average of 301,000 customers each weekday on 735 daily trains. As of August 2018, the LIRR had 124 stations on 11 different branches, including City Terminal Zone. The presence of the homeless at LIRR stations is a growing concern for LIRR customers and staff, and sometimes presents law enforcement issues. In an effort to better address the issue and to assist homeless individuals as much as possible, the LIRR entered into a contract with Services for the UnderServed (SUS) to provide homeless outreach services (Contract). The Contract was for a period of three years beginning November 2015 through October 2018 totaling \$512,498. In November 2018, the LIRR extended the Contract for an additional two years for \$347,793, resulting in a five-year total of \$860,291. As part of its Contract, SUS is responsible for performing outreach services by carrying out regular visits to the LIRR stations in Nassau and Suffolk counties and to observe, record, and report homeless outreach activity.

### Key Findings

- The LIRR has not developed any performance standards in its Contract with SUS, and as a result, it has no basis for determining whether or not SUS' homeless outreach services are meeting expectations for assisting homeless clients.
- The homeless outreach data reported by SUS to the LIRR contained inaccuracies and was not complete, and the LIRR did not have a process in place to verify data. In fact, LIRR officials did not even have access to the MTA system used by vendors to report the results of their outreach efforts.
- Based in part on our observations, we found that SUS is failing to assist homeless people to the extent possible under its Contract responsibilities; in some cases, SUS is not conducting activities that would enable it to connect with and assist homeless clients. Consequently, LIRR's homeless clients are not receiving the services they need. During one unannounced visit, we observed the SUS outreach team drive up to a train station parking lot and sit in the vehicle for approximately three minutes prior to leaving. The team neither walked the platforms nor visited the station waiting room. Immediately after the outreach team left, we visited the station office, walked the platforms, and subsequently identified two apparent homeless clients. However, we found not only did the SUS outreach team indicate they had encountered and referred one homeless client at this station during this same visit, but they also included the client's name. We question how the outreach team made this referral without leaving their vehicle.

**Key Recommendations**

- Develop and establish performance measures to be included in the Monthly Reports.
- Develop and establish internal controls to ensure the reported homeless outreach data is complete and accurate, and use the available data to make informed decisions.
- Analyze the available outreach data, and provide input to SUS when preparing the Outreach Schedule.
- Monitor the performance of SUS to ensure it is providing satisfactory outreach services.

**Other Related Audits/Reports of Interest**

Homeless Shelters and Homelessness in New York State – An Overview, Exclusive of New York City (2016-D-3)

Metropolitan Transportation Authority – Long Island Rail Road: Management of Unexpected Delays and Events During Winter 2017-18 (2017-S-37)



**State of New York  
Office of the State Comptroller**

**Division of State Government Accountability**

January 16, 2019

Mr. Fernando Ferrer  
Acting Chairman  
Metropolitan Transportation Authority  
2 Broadway  
New York, NY 10004

Dear Mr. Ferrer:

The Office of the State Comptroller is committed to helping State agencies, public authorities, and local government agencies manage their resources efficiently and effectively. By so doing, it provides accountability for the tax dollars spent to support government operations. The Comptroller oversees the fiscal affairs of State agencies, public authorities, and local government agencies, as well as their compliance with relevant statutes and their observance of good business practices. This fiscal oversight is accomplished, in part, through our audits, which identify opportunities for improving operations. Audits can also identify strategies for reducing costs and strengthening controls that are intended to safeguard assets.

Following is a report of our audit entitled *Homeless Outreach Program at the Long Island Rail Road*. This audit was performed pursuant to the State Comptroller's authority under Article X, Section 5 of the State Constitution and Section 2803 of the Public Authorities Law.

This audit's results and recommendations are resources for you to use in effectively managing your operations and in meeting the expectations of taxpayers. If you have any questions about this draft report, please feel free to contact us.

Respectfully submitted,

*Office of the State Comptroller  
Division of State Government Accountability*

## Table of Contents

Background	5
Audit Findings and Recommendations	6
Contract Between LIRR and SUS	6
Data Collection and Analysis	7
Outreach Scheduling	10
Homeless Outreach Observations	12
Recommendations	13
Audit Scope, Objectives, and Methodology	13
Authority	14
Reporting Requirements	14
Contributors to This Report	15
Agency Comments and State Comptroller's Comments	16

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 This report is also available on our website at: [www.osc.state.ny.us](http://www.osc.state.ny.us)

## Background

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The Long Island Rail Road (LIRR) is the oldest railroad still operating under its original name, and the busiest commuter railroad in North America, carrying an average of 301,000 customers each weekday on 735 daily trains. As of August 2018, the LIRR had 124 stations on 11 different branches, including City Terminal Zone, and is an essential component of the region's transportation infrastructure.

The presence of the homeless at LIRR stations is a growing concern for LIRR customers and staff, and sometimes presents law enforcement issues. The issue is especially pervasive at the LIRR's 100 stations in Nassau and Suffolk counties, where the homeless population has taken up residency seeking shelter and/or food. In an effort to better address the homeless issue and to assist homeless individuals as much as possible, the LIRR entered into a contract with Services for the UnderServed (SUS) to provide homeless outreach services (Contract). The fixed-cost Contract was for a period of three years beginning November 2015 through October 2018 totaling \$512,498. In November 2018, the LIRR extended the Contract for an additional two years for \$347,793, resulting in a five-year total of \$860,291. As part of the Contract, SUS is responsible for performing outreach services through regular visits to the 100 LIRR stations and the surrounding areas (right-of-ways) in Nassau and Suffolk counties and arranging for placements at shelters, permanent housing, and/or mental health services to the homeless when deemed necessary.

The LIRR is responsible for oversight and monitoring controls over its homeless outreach services contract. According to the Contract, all services shall be performed in accordance with the terms and conditions of the Request for Proposal (RFP) and all addenda, correspondence, and other documentation incorporated thereunder. The RFP stipulates that SUS is required to produce Monthly Outreach Activity Reports (Monthly Reports) related to established performance measures.

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## Audit Findings and Recommendations

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We determined that the LIRR does not have appropriate oversight and monitoring controls over its homeless outreach services contract. In addition, the Contract did not include any performance measures and LIRR officials have not developed any. Without performance measures, the LIRR has no basis for determining whether or not SUS' homeless outreach services are meeting expectations or whether the LIRR is achieving its goal of maintaining a safe and secure transit environment by assisting homeless clients to appropriate shelters off its property and offering alternatives. We also found:

- SUS' reported homeless outreach data contained inaccuracies and was not complete, and the LIRR did not have a process in place to verify reported data; and
- SUS' outreach team did not always provide comprehensive outreach services during station visits. For instance, during a site visit to the Islip station, we witnessed the outreach team perform a drive-by-only observation: They did not get out of their van and walk the platforms – and, consequently, missed the opportunity to assist two apparent homeless clients who were at the station.

Although SUS' reported data indicates that the homeless population at LIRR stations decreased from January 2017 to February 2018, we question these results based on our findings.

### Contract Between LIRR and SUS

The LIRR's Contract with SUS did not include any performance measures (e.g., goals) or guidelines for what information is required to be included in SUS' Monthly Reports. Further, the vague terminology used in the Contract could create issues over the types of documentation that SUS is required to provide and that the LIRR should be receiving to establish that services are being rendered in accordance with Contract terms.

#### *Contract Performance Measures*

According to the Statement of Work in the RFP, SUS was required to produce Monthly Reports related to established performance measures. However, upon our request for the established performance measures, LIRR officials could not produce them and advised us that they had not developed any. Without performance measures, the LIRR has no basis for determining whether SUS' homeless outreach services are meeting expectations or whether the LIRR is achieving its goal of maintaining a safe and secure transit environment by assisting homeless clients off its property and offering alternatives. In response, LIRR officials have begun developing performance measures for the SUS Contract.

We also found that the Contract contained no provisions stating what specific information SUS was required to provide in the Monthly Reports. LIRR officials advised us that the Monthly Reports currently include the actual number of stations visited, number of clients encountered, number of clients referred, and number of placements. Going forward, however, they stated

that the LIRR's Stations Department will require SUS to provide the necessary information that will reflect the LIRR's performance measures or targets relative to station visits that the LIRR is currently developing. LIRR officials will request that SUS insert the target information into the Monthly Report for comparison with actuals and provide an explanation of the variances. While we commend the LIRR for agreeing to make these changes, it appears that station visits will be the only performance measure with which SUS' outreach specialists will be required to comply. We believe additional performance measures should be developed in order to measure the performance of outreach services (e.g., number of placements) and its impact on the homeless population at LIRR stations.

### *Contract Terminology*

Pursuant to the Contract, SUS is required to provide the LIRR with "all relevant reporting documentation" – a vague contract term that is open to subjective interpretation. When asked what "all relevant reporting documentation" meant, LIRR officials could not provide us with clarification, stating that the LIRR employee who had written the SUS Contract had since retired. The LIRR's Stations Senior Manager stated that, because LIRR management was new to homeless outreach services, they tried to collect as much reporting documentation from SUS as possible and required time records for each outreach team member.

According to the LIRR, the Project Manager is responsible for ensuring that invoices authorized for payment are correct and valid, and that the LIRR has received the services for which payment was authorized. The LIRR's Corporate Policy and Procedures for Procurements Utilizing Blanket Purchase Orders states that "the Project Manager is responsible for implementing proper internal controls to insure that (i) the authorized contract amount or contract term is not exceeded, and (ii) the services were rendered and are within the scope of work."

The vague terminology used in the Contract could create issues over the types of documentation that SUS is required to provide and that LIRR should be receiving to establish that services are being rendered in accordance with Contract terms.

### **Data Collection and Analysis**

As part of its homeless outreach services, SUS captures certain data regarding outreach activities during station visits, including encounters (contact with homeless clients), referrals, and placements, and records the data into a Daily Outreach Summary Report (Daily Report). SUS uses data from the Daily Reports to prepare its Monthly Report, which it submits to the LIRR along with a monthly invoice. The outreach team also enters the data into the Metropolitan Transportation Authority's (MTA) Homeless Outreach Program (HOP) database. The information entered into the HOP includes more specific notes (e.g., comments on the condition of homeless clients, spots where the outreach team notices bedding or debris that may signal a homeless client) that are not always documented in the Daily Reports.

Overall, we determined that the data reported in the Daily Reports, Monthly Reports, and HOP

database contained inaccuracies and was incomplete. Further, LIRR officials did not have access to the information in the HOP database, which would provide a way for the LIRR to verify the homeless outreach data. In addition, the LIRR did not provide documentation to show that it has internal controls in place. Moreover, the available data was not reconciled or utilized by both LIRR and SUS officials for any type of analysis that would help them improve homeless outreach services.

### *SUS Outreach Data*

We reviewed the Daily Reports for the period January 2017 through February 2018, and determined that they contained misspellings and typographical errors and used different acronyms and pseudonyms in the "Location Column" – factors that led to SUS overstating its station visit counts. For example, SUS' reported data indicated that the outreach team visited 176 "unique" locations (stations, right-of-ways); however, after we cleaned up the data (e.g., removing duplicates), the actual number decreased to 108 – a difference of 68 (39 percent).

We also compared the Daily Reports to the Monthly Reports and determined that the station site visit totals did not match, which indicates the data is questionable. For example, for February 2017, the Daily Reports showed a total of 220 site visits, while the Monthly Reports showed a total of 170 visits – a difference of 50 visits. We also reviewed "encounters" – either a first-time approach of a new client or a repeated approach of an existing client – and found a total of 704 encounters in the Daily Reports, compared with 724 encounters in the Monthly Reports.

We reviewed referrals and placements reported by the outreach team. The number of referrals reported on the Monthly Reports totaled 268, while the Daily Reports totaled 271. In addition, the number of placements reported on the Monthly Reports totaled 19, while the Daily Reports totaled 16 unique client placements.

We determined both the Daily Reports and Monthly Reports were missing data entries for 37 of the 263 days (14 percent) that the outreach team was scheduled to perform homeless outreach services. LIRR officials advised us that they were unaware of the missing entries. When questioned as to possible reasons for the missing data, LIRR officials reached out to SUS officials for answers. Among the explanations that SUS officials offered were: issues with their technical devices, the outreach team inadvertently forgetting to enter the data, and the outreach team's attendance at a conference during scheduled outreach services. However, LIRR officials were never informed of these issues or deviations from the schedule.

We found that the information contained in the Daily Reports and the Monthly Reports was not being utilized to its maximum potential. As a result, SUS officials are not being held accountable for any errors or mistakes, because the LIRR has not established adequate internal controls for this Contract to ensure their performance.

LIRR officials acknowledged that they do not conduct their own independent verification of the homeless count at the stations; therefore, the only information they have to rely on is unverified SUS data. LIRR officials advised us that they already perform a high-level review of the data

submitted by SUS. However, contrary to the LIRR's assertion, we were not provided with any documentation to support its claim that it performs a high-level review of the data submitted by SUS. LIRR officials also stated that they will develop and document internal standard operating procedures.

### *Homeless Outreach Program Database*

The HOP database is a potential analytical tool that LIRR could use to help better perform its homeless outreach; however, we found that LIRR officials did not have access to the information SUS inputs into the HOP database. Without access to the HOP, there is no way for LIRR to verify whether the homeless outreach data is being entered correctly.

We reviewed a judgmental sample of HOP reports for the months of July 2017 and November 2017, and compared them to the outreach team assignment schedule (Outreach Schedule) and the Daily Reports. (We selected the sample for July 2017 and November 2017 as they represent both warm and cold weather months.) These comparisons would allow us to determine whether the information in the HOP database was accurate and complete and, moreover, whether the outreach team was entering data into the HOP database on the days they were scheduled to perform outreach services and whether the data in the HOP matched the data in the Daily Reports. We determined there were two days each month that the outreach team was scheduled to provide outreach services but did not enter data into the HOP database. For example, in July 2017, the outreach team failed to enter data into either the HOP or their Daily Report on two separate days. In November 2017, for two separate days, the outreach team entered data into their Daily Reports but not the HOP. Consequently, the information in the HOP database was inaccurate and incomplete.

LIRR officials advised us that they did not have access to the information in the HOP database because of the Health Insurance Portability and Accountability Act, which requires the protection and confidential handling of protected health information. Therefore, we contacted the MTA, which hosts the HOP database on its server. We found that the MTA also did not have access to the LIRR data in the HOP database. It was not until our inquiry that the MTA gained access to the LIRR data in the database and was able to supply us with the requested data. This "disconnect" in interagency communication, organization, and operational management represents a significant impediment to the LIRR's efforts to monitor homeless outreach activities and ultimately achieve its objective. Further, not only does the LIRR's limited ability to accurately identify, and focus efforts on, high-need stations adversely impact the services that homeless clients receive, but LIRR staff and customers may also be negatively affected.

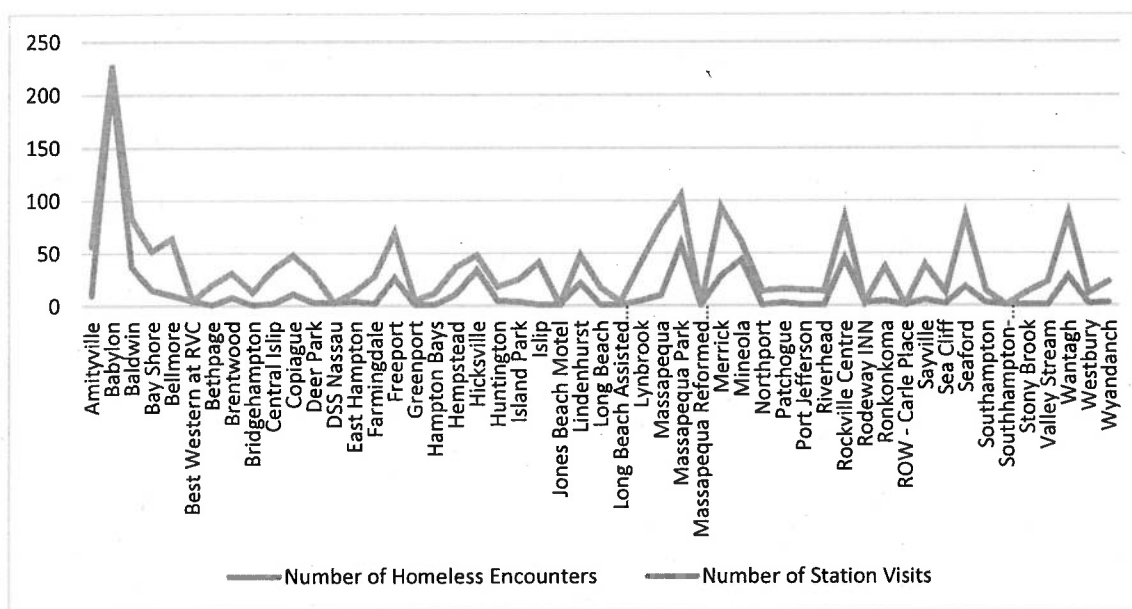
LIRR officials advised us that they have requested access to the HOP data from the MTA. In addition, they will investigate the reporting capabilities of the HOP and determine how to best utilize the information available in HOP reports in order to monitor and manage homeless outreach services and the SUS Contract.

## Outreach Scheduling

The Contract requires that all scheduling of station visits be based on the severity of conditions. SUS officials told us that they devise the Outreach Schedule to address the high-need stations. SUS makes this “high need” determination based on the number of apparent homeless people that the outreach team, the SUS’ Program Manager, and the LIRR’s Stations Senior Manager have seen for themselves during their commutes on the LIRR. The Contract also states that SUS must be flexible to shift the work schedule as needs arise, and that the schedule be coordinated through the Stations Senior Manager on an ongoing basis.

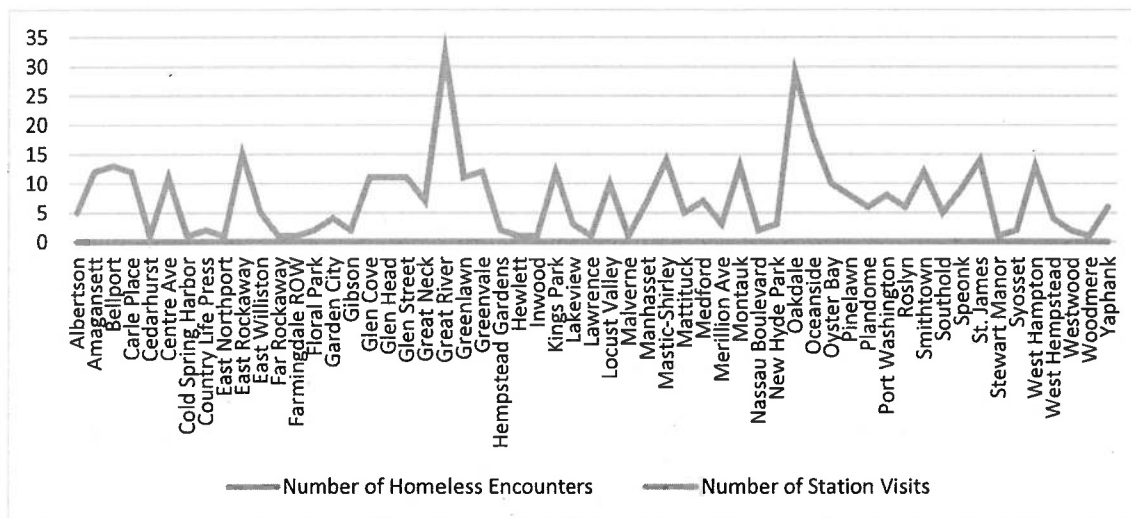
To determine whether LIRR stations were being correctly targeted, we used the data from the Monthly Reports for January 2017 through February 2018. Although we found inaccuracies and incomplete data in the Monthly Reports, we believe that the data was sufficiently reliable for our audit purposes. Based on the number of homeless clients encountered at each station (which, according to SUS officials, reflected every homeless client observed) and right-of-way, and the number of visits the outreach team made to each station, we determined that the Outreach Schedules were not being correctly targeted at LIRR stations to match the homeless client population. For example, the Islip station was visited 41 times and the Valley Stream station 23 times but, for each, the visits resulted in only one encounter with a homeless person. Additionally, we found that the Outreach Schedules were never modified to reflect client populations, as illustrated in Figure 1.

**Figure 1 - Number of Station Visits With Homeless Encounters**



Further, the outreach team repeatedly visited the same stations even though they did not result in any encounters with homeless clients. For example, the outreach team visited the Great River station 32 times and the Oakdale station 29 times; however, the 61 combined visits resulted in no encounters with homeless clients. Again, we found that the Outreach Schedules were never modified to adjust for number of encounters (see Figure 2).



**Figure 2 - Number of Station Visits With No Homeless Encounters**

Overall, the outreach team made 2,328 visits to LIRR stations, and 1,624 (70 percent) of these visits did not result in an encounter with a homeless client. If SUS and LIRR officials had analyzed the available data, they may have decided to make fewer or more visits to the various stations. In addition, our analysis also indicated that the outreach team visited 24 of the stations only one time during the period. We believe that one visit is not an adequate number of visits to a station.

LIRR officials need to ensure accurate schedules are created to best serve both homeless clients and LIRR customers in Nassau and Suffolk counties. The current process does not take advantage of the daily outreach data collected to create meaningful Outreach Schedules encompassing truly “high-need” stations. Instead, the current process relies instead on personal observations by the outreach team, the SUS Program Manager, and the LIRR’s Stations Senior Manager.

LIRR officials told us that as SUS outreach specialists travel along a branch line to specific stations appearing on the Outreach Schedule, they will, in the spirit of efficiency, stop at all stations on that branch instead of bypassing stations. Nevertheless, LIRR officials recognized there is opportunity for improvement. Going forward, when creating the Outreach Schedule, the LIRR will require SUS to consult the LIRR’s Stations Senior Manager (with input from LIRR Branch Line Managers), the MTA Police Department (MTA PD), as well as LIRR Public Affairs for complaint information to identify stations for outreach. The final Outreach Schedule will be forwarded to the Stations Senior Manager for distribution. In addition, the LIRR’s Stations Department will request that SUS representatives attend bi-annual meetings with Branch Line Managers to further adjust the Outreach Schedule as needed in preparation for the summer and winter seasons. LIRR officials advised us that they have already communicated to SUS the need to notify the LIRR of any changes to the Outreach Schedule.

While we accept that efficiency dictates that SUS outreach specialists stop at all stations while traveling along a branch line, our analysis of the data made it clear that this was not the answer to the discrepancies between visits and encounters. Furthermore, this response from LIRR officials

makes no reference to utilizing the vast amounts of homeless outreach data available in creating the Outreach Schedules. Without significant changes, generating schedules based on LIRR employees' personal experiences and observations of station activities will not improve outreach efforts.

## Homeless Outreach Observations

LIRR and SUS officials stated that, in order to make placements with homeless clients, they need to build relationships with them. LIRR and SUS officials further informed us that this takes time, and requires many repeated visits to gain trust. To determine the effectiveness of SUS homeless outreach services, we conducted both announced and unannounced observations of the outreach team's activities as they visited LIRR stations. We found that the outreach team performed their tasks differently during our announced (ride-along) observations and our unannounced (without their knowledge) observations.

During our announced observations of LIRR stations, the outreach team checked every open LIRR station office, walked the platforms (on both sides of the station), and also checked for any hide-out spots (e.g., under platforms, stairwells, next to bike racks). However, during our unannounced observations, the outreach team rarely walked the LIRR train platforms. Further, we also observed a significant difference in the amount of time the outreach team spent at the LIRR stations during our announced and unannounced observations. For our five announced observations, the outreach team spent an average of 17 minutes on homeless outreach, compared with an average of 8 minutes for our four unannounced observations – an average of 9 minutes less (53 percent). For example, during an unannounced observation on July 2, 2018, we observed the outreach team walking the LIRR platforms at only 1 of the 11 LIRR stations that were scheduled for that day (9 percent). During an unannounced observation on August 9, 2018 at the Islip station, we observed the outreach team driving up to the station parking lot and sitting in the vehicle without ever getting out to walk the platforms or visit the station waiting room. We determined the outreach team was only at the Islip station for approximately three minutes before leaving and driving to their next scheduled station visit. Immediately after the outreach team left the Islip station, we visited the station office, walked the platforms, and found two apparent homeless clients: one in the station waiting room and one in a platform shelter. As we found later, not only did the Daily Report for that date indicate that the SUS outreach team observed, encountered, and referred one homeless client, but it also included the client's name. We question how the outreach team made a specific referral without leaving their vehicle.

If the outreach team is not completing thorough searches at each LIRR station, they may miss an apparent homeless client, and the data reported is questionable. Moreover, in these instances, SUS is failing to assist homeless clients to the extent possible under its Contract responsibilities by not canvassing the entire station, and homeless clients are not receiving the services they need. We conclude that LIRR officials are not adequately monitoring SUS in their performance of providing outreach services.

In response, LIRR officials stated they notified SUS of these findings and told them that it was unacceptable. LIRR officials also stated that the Stations Senior Manager conducts spot-check

audits of SUS activity twice per month, albeit without anonymity. However, our analysis of the LIRR's spot-check audits of SUS activity from January 2016 to January 2018 showed that, for six months of this 25-month period (24 percent), the LIRR's Stations Senior Manager did not perform any spot-check audits. While LIRR officials stated that they had additional evidence of spot-check audits performed during this period, they could only provide us with spot-check audits performed between February 2018 and September 2018. Additionally, no spot-checks were documented for the months of May 2018 and August 2018, and in the months where a spot check was performed, these were performed only once per month. LIRR officials told us that the MTA PD is positioned to provide observations by performing outreach work with SUS six to eight days per month. However, we saw no written evidence as to what documentation the MTA PD provided to the LIRR regarding their observations as related to SUS' homeless outreach activities.

## **Recommendations**

1. Develop and establish performance measures to be included in the Monthly Reports.
2. Ensure that future outreach contracts include clear terminology with sufficient details of required supporting documentation.
3. Develop and establish internal controls to ensure the reported homeless outreach data is complete and accurate, and use the available data to make informed decisions.
4. Obtain access to the HOP database and use the data to make informed decisions.
5. Analyze the available outreach data, and provide input to SUS when preparing the Outreach Schedule.
6. Ensure SUS officials notify the LIRR's Stations Senior Manager of any changes to the Outreach Schedule on an ongoing basis, as appropriate.
7. Monitor the performance of SUS to ensure it is providing satisfactory outreach services.

## **Audit Scope, Objectives, and Methodology**

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The objectives of our audit were to determine whether the LIRR has appropriate oversight and monitoring controls over its homeless outreach services contract and whether the LIRR has met its goal in assisting homeless clients to appropriate shelters off MTA property. Our audit covered the period from November 1, 2015 to September 30, 2018.

To accomplish our objectives, and access the relevant internal controls related to the LIRR's monitoring of its homeless outreach services contract, we interviewed key personnel from the LIRR and SUS. We also reviewed progress reports (e.g., Daily Reports and Monthly Reports) as well as available electronic data (e.g., HOP) to determine whether SUS was implementing the Contract according to the agreed-upon terms. We conducted announced and unannounced visits to LIRR

stations to corroborate SUS' efforts and reported data. We also selected a judgmental sample of HOP data from both warm and cold weather months to corroborate its accuracy with the relevant daily reports. A judgmental sample by definition cannot be projected to the population.

We conducted our audit in accordance with generally accepted government auditing standards. These 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 during our audit provides a reasonable basis for our findings and conclusions based on our audit objectives.

In addition to being the State Auditor, the Comptroller performs certain other constitutionally and statutorily mandated duties as the chief fiscal officer of New York State. These include operating the State's accounting system; preparing the State's financial statements; and approving State contracts, refunds, and other payments. In addition, the Comptroller appoints members to certain boards, commissions, and public authorities, some of whom have minority voting rights. These duties may be considered management functions for purposes of evaluating organizational independence under generally accepted government auditing standards. In our opinion, these management functions do not affect our ability to conduct independent audits of program performance.

## Authority

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The audit was performed pursuant to Article X, Section 5 of the State Constitution and Section 2803 of the Public Authorities Law.

## Reporting Requirements

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We provided a draft copy of this report to MTA officials for their review and formal comment. Their comments were considered in preparing this final report and are attached to it. In their response, MTA officials partially agreed with our recommendations and indicated they have already taken steps to address them. Our responses to certain MTA comments are embedded within their response.

Within 90 days after the final release of this report, as required by Section 170 of the Executive Law, the Chairman of the Metropolitan Transportation Authority shall report to the Governor, the State Comptroller, and the leaders of the Legislature and fiscal committees, advising what steps were taken to implement the recommendations contained herein, and where the recommendations were not implemented, the reasons why.

## Contributors to This Report

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### Vision

A team of accountability experts respected for providing information that decision makers value.

### Mission

To improve government operations by conducting independent audits, reviews, and evaluations of New York State and New York City taxpayer-financed programs.

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## Agency Comments and State Comptroller's Comments

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2 Broadway  
New York, NY 10004  
212 678-7000 Tel



**Metropolitan Transportation Authority**

State of New York

December 31, 2018

Mr. Brian Reilly  
Audit Director  
The Office of the State Comptroller  
Division of State Government Accountability  
110 State Street – 11<sup>th</sup> Floor  
Albany, NY 12236-0001

**Re: Draft Report #2018-S-35 (Homeless Outreach Program at the Long Island Rail Road)**

Dear Mr. Reilly:

This is in reply to your letter requesting a response to the above-referenced draft report.

I have attached for your information the comments of Phillip Eng, President, MTA Long Island Rail Road, which address this report.

Sincerely,

A handwritten signature in black ink, appearing to read "V. Hakim".

Veronique Hakim  
Managing Director

cc: Fernando Ferrer, MTA Acting Chairman  
Michael J. Fucilli, Auditor General, MTA Audit Services

Attachments

*The agencies of the MTA*

MTA New York City Transit  
MTA Long Island Rail Road

MTA Metro-North Railroad  
MTA Bridges and Tunnels

MTA Capital Construction  
MTA Bus Company

Jamaica Station  
Jamaica, NY 11435-4380  
718 558-8254 Tel  
718 657-9047 Fax

Philip Eng  
President



## Long Island Rail Road

December 28, 2018

Mr. Fernando Ferrer  
Acting Chairman  
Metropolitan Transportation Authority  
2 Broadway  
New York, NY 10004

**RE: MTA Long Island Rail Road  
Homeless Outreach Program  
Report 2018-S-35**

Dear Acting Chairman Ferrer:

As required by Section 170 of the Executive Law, detailed below are the updated actions that have or will soon be taken to address the recommendations contained in the State Comptroller's (OSC) Audit of the Long Island Rail Road's (LIRR) Homeless Outreach Program (Program).

The LIRR works collaboratively both internally and with surrounding communities to implement a comprehensive homeless outreach program (Program) at its stations and along its Right of Way with a focus on providing access to assistance for those most in need. To accomplish this objective, it contracts with Services for the Underserved (SUS). While the issue of homelessness is a complex one, the LIRR believes that SUS is meeting its overall expectations for the Program. SUS works with the LIRR field managers to develop and implement an outreach plan that provides opportunities for homeless individuals to obtain help.

Below please find detailed responses to the specific findings and recommendations. In addition, we wish to clarify a statement discussed in the report.

**Recommendation No. 1**

- Develop and establish performance measures to be included in the Monthly Reports.

**LIRR Response:**

The LIRR already complies with this recommendation.

**State Comptroller's Comment** - The LIRR's comments are misleading. During the audit fieldwork, the LIRR had not developed or established any performance measures until after our preliminary findings pointed this out.

The LIRR Stations Department previously established and implemented performance measures / targets relative to station visits, which were provided to OSC. These measures include: the

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MTA New York City Transit  
MTA Long Island Rail Road

MTA Metro-North Railroad  
MTA Bridges and Tunnels

MTA Capital Construction  
MTA Bus Company

Mr. Fernando Ferrer  
December 28, 2018  
Page 2 of 4

targeted quantity of station visits per month. Each month the LIRR and SUS will agree on the targeted number of visits. At month's end, the actual number of visits will be compared to targeted visits and significant variances will be identified. The Senior Manager - Station Operations Control & Safety (Senior Manager), who oversees the Program for the LIRR, currently reviews station visit data from daily reports generated from the HOP database. SUS also includes site visit target information into the Monthly Activity Report for comparison with actuals and explanations of variances. Though the LIRR already complies with this recommendation the current Stations Management will analyze the feasibility of including other performance measurements as part of any future procurements (current contract expires 2020), including an Encounter/Referral ratio.

#### **Recommendation No. 2**

- Ensure that future outreach contracts include clear terminology with sufficient details of required supporting documentation.

#### **LIRR Response:**

LIRR disagrees with the implications made by this recommendation, but agrees in theory with its goal. The current SUS contract does not expire until 2020, and is based on a flat fee that includes Other Than Personal Service (OTPS) and Administrative costs. Based on this contract, SUS does submit reports that include encounters, referrals and placements of the homeless by SUS to the LIRR, which provide substantive details as to SUS activities, but the contract does not provide in explicit detail what supporting documentation is required. However, the LIRR will in future procurements, where appropriate, consider including in the terms and conditions requiring the vendor to provide supporting documentation, as applicable.

#### **Recommendation No. 3**

- Develop and establish internal controls to ensure the reported homeless outreach data is complete and accurate, and use the available data to make informed decisions.

#### **LIRR Response:**

LIRR disagrees with the implications made by this recommendation, but agrees in theory with its goal. The LIRR's Senior Manager, who oversees the Program for the LIRR, currently performs a high-level review of data submitted by SUS identifying, for instance, discrepancies in travel times and unusual patterns in station visits, encounters, and referrals.

**State Comptroller's Comment** - As stated on page 9 of our report, the LIRR could not provide us with any documentation to support its claim that it performed a high-level review of the data submitted by SUS.

Nevertheless, by the 1<sup>st</sup> Quarter 2019, Stations will develop an internal standard operating procedure documenting its process and procedure, including established internal controls with respect to the Program.



Mr. Fernando Ferrer  
December 28, 2018  
Page 3 of 4

#### **Recommendation No. 4**

- Obtain access to the HOP database and use the data to make informed decisions.

##### **LIRR Response:**

LIRR already complies in part with this recommendation.

**State Comptroller's Comment** - The LIRR's comments are misleading. The LIRR did not obtain access to the HOP database during the audit fieldwork. It was only after our inquiry that the LIRR obtained access.

LIRR's Senior Manager already has access to HOP and is currently working with MTA HQ to generate various reporting that will provide the data necessary for analysis to accurately monitor and efficiently manage the Program and SUS contract.

#### **Recommendation No. 5**

- Analyze the available outreach data, and provide input to SUS when preparing Outreach Schedule.

##### **LIRR Response:**

LIRR complies in part and agrees in part with this recommendation. Currently, the HOP database provides a Daily Summary Report of SUS's activity on a daily basis. Stations utilize this data, to measure actual visits against the Outreach Schedule. Going forward, Stations will work with MTA HQ to generate additional reporting from HOP, including but not limited a Monthly Summary Report to provide an added level of data for analysis.

SUS now confers with the LIRR Director - Station Operations with input from LIRR Branch Line Managers (BLM's), and the MTA PD when creating the Outreach Schedule. Stations are added to the Schedule based on the group's experiences and observations of station activity, as well as information from complaints forwarded from Public Affairs. The final Schedule is forwarded to the Senior Manager for distribution. Also, Stations SUS representatives now attend bi-annual meetings held with the BLM's in May and October to further adjust the Outreach Schedule as needed in preparation of the summer and winter seasons, respectively.

#### **Recommendation No. 6**

- Ensure SUS officials notify the LIRR's Stations Senior Manager of any changes to the Outreach Schedule on an on-going basis, as appropriate.

##### **LIRR Response:**

LIRR already complies with this recommendation.

**State Comptroller's Comment** - The LIRR's comments are misleading. While SUS may provide the

Mr. Fernando Ferrer  
December 28, 2018  
Page 4 of 4

LIRR notification of changes to its Monthly Outreach Schedule now, this was not the case during our audit fieldwork.

LIRR's Stations Senior Manager has communicated the need to SUS to ensure the LIRR is notified of any changes to the monthly Outreach Schedule. As a result, SUS is emailing notifications to the Senior Manager when changes to the Schedule are made.

**Recommendation No. 7**

- Monitor the performance of SUS to ensure it is providing satisfactory outreach services.

**LIRR Response:**

LIRR already complies with this recommendation. In addition, LIRR's Senior Manager continues to conduct spot check audits of SUS activity.

**State Comptroller's Comment** - As stated on page 13 of our report, the LIRR could not provide us with documentation to support its claim that it performed spot-check audits of SUS activity.

The MTAPD also provides observations and feedback by accompanying SUS as part of the Program 6-8 days per month.

**Other Clarifications**

1. On page 9 under Homeless Outreach Program Database the report states *"Therefore, we contacted the MTA, which hosts the HOP database on its server. We found that the MTA also did not have access to the data in the HOP database. It was not until our inquiry that the MTA gained access to the database and was able to supply us with the requested data."* This should be re-stated as follows: "We found that the MTA also did not have access to LIRR data in the HOP database", and "...it was not until our inquiry that the MTA gained access to LIRR data in the database."

**State Comptroller's Comment** - We revised our report to clarify that the data pertains specifically to the LIRR.

Please contact me should you require additional information.

Sincerely,

  
Phillip Eng  
President