



State of Vermont
Department of Corrections
103 South Main Street
Waterbury, VT 05671-1001
www.doc.state.vt.us

[phone] 802-241-2442
[fax] 802-241-2565

Agency of Human Services

October 16, 2013

Ms. Susan Mesner
Deputy Auditor
132 State Street
Montpelier, Vermont 05633

Dear Ms. Mesner,

I am writing to follow up on the letter I sent to you on August 15, 2013, regarding the Department of Correction's response to the findings of the non-audit inquiry of Seall, Inc.'s transitional housing program. As I previously stated, this Department takes your office's findings very seriously and is committed to a process of specific remediation and continuous improvement. We are confident that we are on a course to successfully and sustainably address the various issues discovered through your inquiry.

Please find below the issues as originally documented in your July 24 letter, our intended remedial actions as outlined in our aforementioned response and, most importantly, the steps to date that VT DOC has taken toward addressing the findings:

Issue 1: Case Management Assessments

RELEVANT DOCUMENTS: Agreement states that Grantee staff is required to "create an initial written case management assessment . . . within 2 business days of program entry" (p. 4).

SEALL COMPLIANCE: No written evidence in Seall files or in Service Point that any assessments were ever done; Director unfamiliar with requirement

DOC OVERSIGHT: None found

Remedial Action:

Central Office will begin requiring P&P and the grantee to utilize the Offender Case Plan (OCP) document for case co-management, which will create a baseline of service needs upon housing residency for each offender. P&P shall routinely update the OCP as goals are met. At each meeting with P&P and grantee, the individual client's OCPs shall be reviewed, as well as the grantee's own case plan for each resident to ensure case co-management and offender progress

towards identified need areas. In the case of Seall, CO shall require that a new case plan document is created to be used for each offender resident in their program. The Seall case plan document shall outline identified services to be delivered as well as frequency and type of services dosage, to be shared with P&P to align with the OCP.

DOC staff will ensure that grantee staff members receive proper training related to the OCP document, as well as ensure that P&P staff members (and Supervisors) who are the housing grantee's direct point of contact receive proper instruction related to the OCP document and grantee case plan for case co-management. Grantees and P&P will be required to meet at least monthly to discuss program operations and individual offender progress. Notes of these meetings shall be taken and distributed among P&P, the grantee and Central Office. Updated responsibilities pursuant to this process (i.e. scheduling, note-taking) will be included in the aforementioned MOU.

Steps Taken To Date:

A DOC Central Office meeting was held on September 3, 2013 to discuss current DOC practice and written documentation related to transitional housing programs. It is clear that P&P staff have historically documented services and communication that has occurred among the offender and housing staff in DOC case notes and emails. The current initiative is to formalize such documentation consistently statewide. The Director of Field Services and the Casework Director agreed to follow up with their staff to ensure that the OCP is being used consistently. This will be discussed further at the next Probation and Parole District Managers Meeting on October 21, 2013 where DOC staff will be given new protocols relative to casework documentation and expectations relative to information provided to grantees in preparation for offender residency.

During the Transitional Housing Grantee Training on September 19, 2013 transitional housing grantees were reminded of the language in their grant agreements related to case management assessments. Grantees were asked to send to the DOC Housing Coordinators the current case management templates that are used to track offender progress, and potentially create new templates to better document services provided.

During quarterly site visits, the DOC Housing Coordinators have reinforced the need for documentation of case management assessments with grantees and local P&P staff.

Issue 2: On-site Case Planning Services

RELEVANT DOCUMENTS: Agreement states that Grantee shall "ensure that 100% of DOC residents enter into on-site case planning services ... [and] have a collaborative case plan between P&P and the housing program" (p. 4).

SEALL COMPLIANCE: No written evidence in Seall files or in Service Point of any case plan; Director unfamiliar with requirement

DOC OVERSIGHT: None found

Remedial Action:

Central Office will begin requiring P&P and the grantee to utilize the Offender Case Plan (OCP) document for case co-management, which will create a baseline of service needs upon housing residency for each offender. P&P shall routinely update the OCP as goals are met. At each meeting with P&P and grantee, the individual client's OCPs shall be reviewed, as well as the

grantee's own case plan for each resident to ensure case co-management and offender progress towards identified need areas. In the case of Seall, CO shall require that a new case plan document is created to be used for each offender resident in their program. The Seall case plan document shall outline identified services to be delivered as well as frequency and type of services dosage, to be shared with P&P to align with the OCP.

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DOC Housing Coordinators have requested from all grantees a copy of the Case Plan document currently being used by their programs. If a Case Plan document is not currently being used, we've asked that they develop one in a timely manner. Each Case Plan template must be approved by the DOC Housing Coordinators.

During quarterly site visits, the DOC Housing Coordinators have reinforced the need for documentation of case co-management with grantees and local P&P staff.

Issue #3: Documentation of Services and Outcomes

RELEVANT DOCUMENTS: Agreement requires Grantee to use Service Point to collect information about "services provided, offender data, and program outcomes" and to document the "provision of services for each resident"; it requires that "services provided to offenders be approved by P&P staff to ensure compliance with offender's case plan"; and it requires that data entry into Service Point be 90% timely and accurate during the grant period; noncompliance for 3 consecutive months carries a \$250 monthly penalty (p. 4). In addition, the MOU requires Seall to provide "intensive housing and support services to offenders", e.g., housing search and retention, vocational coaching, service coordination, life skill development" (p. 1).

SEALL COMPLIANCE: No documentation in Service Point of any services provided by

Seall or program outcomes for six offenders we examined; also none in Seall files. The Director stated he has never received feedback from DOC about reporting inadequacies. Karen Lawson affirmed that no penalties have ever been assessed. Both Seall and DOC seem unaware of what services were intended.

DOC OVERSIGHT: Service Point appears to be a tool only for DOC to keep track of the names and residence of offenders housed in transitional housing program and not for recording the services or outcomes associated with those offenders.

Remedial Action:

DOC staff will develop the metrics and corresponding capacity to track measures outlined in the grant which cannot be tracked in ServicePoint. Measures will be tracked by local P&P representatives using a document provided by Central Office, and submitted to Central Office on a monthly or quarterly basis.

Steps Taken To Date:

Conversations have begun with the DOC Director of Planning as well as data quality staff about the best ways to track measures that cannot be entered into ServicePoint.

Corrections were made by Data Remedies to the ServicePoint reporting system. It was determined that there was an internal error in the creation of the *Services Provided* report. Many more services had been entered by grantees than was showing up on the reports previously run by the DOC Housing Coordinators.

During the Annual Transitional Housing Grantee Training on September 19, 2013 transitional housing grantees were reminded to enter services provided for each offender on a monthly basis. A report of FY13 Services Provided was handed out as a baseline, along with a list of service definitions and examples. Each grantee's original program proposal outlines the array of services that will be provided to offenders, and the new statewide MOU will provide DOC an easily accessible reference of the unique set of services offered by each housing program.

Issue 4: Length of Stay

RELEVANT DOCUMENTS: Agreement states that Grantee's goal is to house offenders at 206 Depot for 90-120 days; upon "successful completion of this phase" offenders are to transition to more independent arrangement (auxiliary apartments) for stay of approximately 60-90 days (p. 3). However, neither the Agreement nor MOU specify a process to undertake when a resident exceeds this time period.

SEALL COMPLIANCE: Statistics compiled by this office show that 36% had stays of over 180 days; 25% had stays over 210 days; 13% had stays over 300 days; 9% had stays over 400. A review of case notes for six former and current residents of Seall indicated discrepancies between Service Point data on entry/exit dates and P&P records, which were accounted for by offender violations and returns to jail when Seall was asked by DOC to hold the bed. The Director stated that these periods had extended at times to 30 or 60 days and occasionally more.

DOC OVERSIGHT: DOC and Seall confirmed that there are no guidelines or procedures to regularly evaluate residents for continued housing or to determine if additional services are required; both the Director and Ms. Lawson cited regular conversations but no written documents were found in Seall or DOC files. Ms. Lawson confirmed that DOC will ask grantees to hold beds in "short sanction" situations, but there appears to be no written

policy regarding how long beds will be held. She also confirmed that the State is effectively paying for two beds during those periods.

Remedial Action:

A consistent MOU template to be used by each grantee and P&P office will standardize statewide expectations and ensure that all grant requirements are included and addressed, including when a bed hold is appropriate. Responsibilities of Central Office will be included in the MOU while also allowing the local partners to include program-specific items that are useful for the day-to-day operations.

Steps Taken To Date:

A Memorandum of Understanding template has been drafted and approved by the Assistant Attorney General's Office. Pending approval from local P&P offices, the MOU will be finalized and distributed for use. The policy on "holding beds" is clearly outlined in the MOU along with a definition of the length of stay. (A copy of the draft MOU is enclosed.)

During the Annual Transitional Housing Grantee Training on September 19, 2013 transitional housing grantees were reminded to make sure the day-to-day practice matches what is outlined in the grants. Grantees were afforded the opportunity to review their current grant agreement with the state to ensure it aligns with current practice. If any modifications are anticipated, most will occur in FY 15 (although some may occur immediately).

Issue 5: Calculation and Collection of Rent Payments

RELEVANT DOCUMENTS: Agreement states that "Offender room and board payments should offset grant funds" (p. 4). MOU requires Grantee and DOC to determine rent payment plan based on "resident income, Offender Responsibility Plan, and house rules" (p. 2).

SEALL COMPLIANCE: In apparent violation of the Agreement, income from rent payments is retained by Seall; Ms. Lawson stated that grant funds are inadequate and grantees need additional sources of revenue. Seall charges a flat \$50 "fee" after first 60 days. However, when the Director believes a resident is having difficulty managing his money, he has at times charged a higher amount but asserted that he returns the excess (above \$50/mo.) to the resident when the resident exits (Director stated that one resident was charged \$300/mo. but excess returned at departure).

DOC OVERSIGHT: DOC was aware the fee was being charged, but there is no apparent oversight of grantee once amount is agreed upon, and we saw no written documentation of that agreement. The Agreement also lacks prohibitions on the imposition of other charges on residents, which raises a high risk of abuse. A more recent whistleblower report to our office contained allegations that residents were being charged a weekly fee for having a cell phone, in addition to monthly rent payments, by another transitional housing grantee. The practice, if true, is not prohibited by the contract but raises questions about DOC oversight and exploitation of offenders.

Remedial Action:

DOC will require Seall Inc. to create a case plan template using the program handbook and other applicable documents for DOC approval. Seall Inc. will utilize this case plan to document how the program fee amount was determined for each resident, and the offender's progress towards payment obligations.

Steps Taken To Date:

DOC Housing Coordinators have requested from all grantees a copy of the Case Plan document currently being used by their programs. If a Case Plan document is not currently being used, we've asked that they develop one in a timely manner. Each Case Plan template must be approved by the DOC Housing Coordinators. *Note: Seall Inc. submitted their Case Plan on September 24, 2013 for approval.*

The proposed MOU template contains a section related to Program Fees where each program will outline how fees are calculated and collected.

An internal review was commenced which determined that the whistleblower report related to an allegation of a weekly fee for cell phone use was unfounded.

Issue 7: Grantee Staff

RELEVANT DOCUMENTS: Neither the Agreement nor the MOU requires background checks for staff employed by the Grantee or for Grantee to report allegations of misconduct. A more recent whistleblower report to our office raised concerns that offenders could be exploited by staff while in transitional housing.

SEALL COMPLIANCE: N/A

DOC OVERSIGHT: DOC should consider adding requirements for additional reporting and background checks of transitional housing grantee employees to reduce the risk of abuse and waste of taxpayer dollars.

Potential Remedial Action/Considerations:

DOC has the ability to amend the housing grantee contract in writing. There is no provision of law that would make such a requirement unlawful if it was knowingly entered in to and agreed upon by the contracting parties. A potential practical hurdle could be encountered based upon the employment agreement between the housing grantee staff member and his or her employer (the housing grantee). A way to minimize complications on this issue would be to have the requirement added going forward with a new grant period contract (FY 15) and not as an amendment to an old one. That way, if the prospective housing grantee cannot comply with it, DOC can use that as the basis for seeking a compliant-ready provider. Allegations of staff misconduct also apply to the above proposed change, with the caveat that adding this type of term to a grantee's contract could prove difficult because most grantees would not agree to this term. A grantee/employer that is required to report an allegation of staff misconduct exposes itself to liability for a defamation claim from the employee if the allegation turns out to be false, or potentially other types of employer-employee claims down the road.

Steps Taken To Date:

A DOC Central Office meeting was held on September 3, 2013 to discuss current DOC practice related to transitional housing programs. The Deputy Commissioner agreed that DOC will facilitate and fund the completion of criminal background checks for new grantee staff.

The DOC Housing Coordinators are working with the Assistant Attorney General's office to create appropriate language to be added to FY15 grant agreements related to the following:

Required criminal background check for new grantee staff and associated protocols for determination of suitability for service with the grantee.

Policies and procedures related to reporting allegations and/or findings of staff misconduct to DOC.

Additionally, The DOC Policy and Implementation Analyst is drafting a proposed Transitional Housing directive which will outline DOC procedures related to transitional housing program operations.

The Department will continue to update your office on the progress that we're making. Please be in touch if you have any further questions. We plan to have all changes to policies and procedures in place before the FY15 grant terms begin.

Sincerely,



Andrew Pallito
Commissioner of Corrections

206 DEPOT STREET CASEPLAN

RESIDENT:
DATE OF BIRTH:

PROBATION OFFICER:
ADMISSION DATE:

ISSUE #1: Criminal Behavior.

GOAL/OUTCOME EXPECTED: Resident will not participate in any illegal behavior, and will demonstrate an ability to consistently follow rules.

MEASURABLE OBJECTIVES: Resident's name

1. Will not commit any offense punishable under the law
2. Will follow the conditions of his furlough agreement.
3. Will comply with the rules/policies of the 206 Depot Program.

206 INTERVENTION:

1. 206 will keep a copy of residents furlough agreement in his file.
2. 206 will keep an up to date copy of residents weekly schedule in a prominent area.
3. 206 will keep a sign out/in sheet, that residents will be required to use every time they leave/return to 206 property.
4. On duty staff will monitor residents behavior on 206 property, and will be aware of residents daily schedule.
5. On duty staff will notify the appropriate DOC personnel, and/or the 206 on call person, if they become aware that a resident is not complying with any of the Measurable Objectives above.

ISSUE #2: Employment Need

GOAL/OUTCOME EXPECTED: Resident will demonstrate that he can responsibly search for employment. Resident will find and maintain employment.

MEASURABLE OBJECTIVES: Resident Name:

1. Will connect with the local DET office, as well as the Department of Voc. Rehab.
2. Will go through the process of job search, including but not limited to: scheduling job searches, filling out applications and consistent following up on applications.
3. Will keep a job. If he finds another job, he must give his present employer two weeks' notice.

206 INTERVENTION:

1. 206 will monitor residents ability to access supportive employment services in the community, providing feedback and support where necessary.
2. 206 will monitor residents ability and effort toward job searching, filling out applications, preparing for job interviews, and following up with prospective employers. On duty staff will provide feedback and support toward these efforts, when appropriate.
3. Where appropriate, 206 may offer resident an opportunity to complete on-line job applications.

ISSUE #3: Financial Need

GOAL/OUTCOME EXPECTED: Resident will be able to budget for his needs. Resident will be able to save money toward the goal of independent living.

MEASURABLE OBJECTIVES: Residents Name:

1. Will create a budget for living at the 206 Depot Program, outlining his financial assets, and his present financial needs.
2. Will create a budget for his proposed living situation after completing 206, in order to estimate the monthly costs of such a living situation.
3. Will open a bank account, unless he already has one.
4. Will provide 206 with ongoing documentation (copies of pay stubs, pay receipts, etc) of all income received while in the Program.
5. Will provide 206 with regular documentation (typically through a bank deposit receipt) of income that is being saved.

206 INTERVENTION:

1. 206 will monitor the residents ability and effort toward developing budgets, providing feedback and support where appropriate.
2. 206 will monitor the residents ability and effort toward opening a bank account, providing feedback and support where appropriate.
3. 206 will collect, file, and analyze pay stubs, bank receipts, and any other documents deemed necessary to insure that the resident is following his budget, and is saving money toward the goal of independent living.
4. 206 will communicate with the residents Probation Officer any information regarding progress or lack thereof, with any of the Measurable Objectives above.

ISSUE #4: Life Skills Need

GOAL/OUTCOME EXPECTED: Resident will demonstrate that he can fulfill the tasks associated with living independently.

MEASURABLE OBJECTIVES: Residents Name:

1. Will do his laundry on a weekly basis, including bed linens.
2. Will shower daily.
3. Will practice appropriate dental hygiene.
4. Will shop for food and personal items on a regular basis.
5. Will familiarize himself with the kitchen, and demonstrate an ability to prepare basic meals.
6. Will make his bed daily.
7. Will complete his household chore, and will make sure his room, and all communal areas of the house are picked up/cleaned.

206 INTERVENTION:

1. On duty staff will monitor the residents ability and effort toward the completion of household responsibilities, making his bed, doing laundry, and practicing personal hygiene. Staff will provide feedback and support where appropriate.
2. On duty staff will monitor the residents ability and effort toward shopping for food and personal items, providing feedback and support where appropriate. When appropriate, 206 staff may transport the resident to shop for food and/or personal items.
3. 206 staff will prepare two meals per week, modeling appropriate meal preparation and food safety practices. On duty staff will monitor the residents ability to prepare meals and practice food safety practices, providing feedback and support when necessary.

Memorandum of Understanding

Vermont Department of Corrections: Transitional Housing Programs

This Memorandum Of Understanding (MOU) is entered into by and between the Vermont Department of Corrections Housing, Community Justice Division (Housing Coordinators), the _____ Probation and Parole office (P&P) and _____ (Program). This MOU shall be reviewed and signed annually.

Purpose

The purpose of this is to define the roles and responsibilities of the parties in relation to the operation of a DOC funded Transitional Housing Program. The primary goals of DOC funded Transitional Housing Programs are as follows:

- To provide safe, sober, supportive and structured transitional housing for offenders returning to the community from incarceration, or in some cases offenders in the community at risk of incarceration
- To serve a wide area of offender needs including mental health, substance abuse, education and employment
- To provide supportive services which include case management, community referrals, transportation, mentoring, recreation, and supervision

Referral Process

The Housing Coordinators will:

Share information about Program opportunities and availability with DOC staff

P&P will:

Maintain a list of eligible offenders

Ensure that offenders referred are appropriate and have an ability to live independently with the level of services provided by the Program

Communicate Offender Case Plan (OCP) and conditions of release with the Program prior to offender release

The Program will:

Develop, in collaboration with P&P, a referral process, respond to P&P referrals in a timely manner and maintain documentation of offender eligibility and acceptance/denial

Program Implementation and Services

The Housing Coordinators will:

Coordinate quarterly meetings with P&P and Program staff (on-site when possible)

Facilitate communication and problem solving as needed

P&P will:

Meet with Program staff at least monthly to discuss individual offender progress, program effectiveness, and to support open communication. Meeting notes should be kept and supplied to Housing Coordinators if requested.

Provide updated copies of each offender's OCP and conditions of release to the Program

Report knowledge or suspicion of offender violation of Program policies

The Program will:

Create an initial written case management assessment, and maintain resident files regarding case management and other services provided

Provide supportive services as outlined in the Grant Agreement

Ensure that all Program staff is properly trained and that any incidents of staff misconduct are immediately reported to P&P and the Housing Coordinators

Report knowledge, or suspicion, of offender violation of conditions of release or criminal activity

Enter the offender's room/apartment at least weekly to ensure program/lease violations are not occurring (i.e. damage, unreported guests, housekeeping issues, etc.)

Data Collection and Reporting

The Housing Coordinators will:

Regularly monitor data entered into ServicePoint and provide feedback to Program staff

Share ServicePoint data with P&P on a monthly basis to confirm accuracy

Furnish copies of DOC generated annual reports to P&P and the Program as needed

P&P will:

Maintain records of referrals made, acceptance or denial, offender move in and exit dates, and any other information pertaining to the offender's participation in the Program

Respond to requests for data in a timely manner

The Program will:

Utilize ServicePoint software (provided by State) to collect information about services provided, offender data, and program outcomes. Beds may be "held" in ServicePoint for accepted offenders for up to sixty (60) days prior to move in. This allows for release planning and participation in substance abuse treatment (if needed). Beds may also be held for up to sixty days if an offender is incarcerated for a graduated sanction, is participating in inpatient mental health or substance abuse treatment, or is hospitalized.

Respond to requests for data in a timely manner

Program Definitions and Guidelines

Case Management: Strengths based assessment, identification of risks and barriers to community integration, planning to address barriers to independent living, stabilization of risk factors, and linkages to ongoing supports and additional services

Eligible Offender:

Excluded Offender:

Duration of the Program:

Program Fees/ Rent (if applicable):

Services Provided:

- | | | |
|--|--|--|
| <input type="checkbox"/> Case Management | <input type="checkbox"/> Job Search/Employment Support | <input type="checkbox"/> Transportation |
| <input type="checkbox"/> Financial Management/Budgeting | <input type="checkbox"/> Housing Search and Retention | <input type="checkbox"/> Meals |
| <input type="checkbox"/> Life Skills | <input type="checkbox"/> Educational Support | <input type="checkbox"/> Mental Health Services/ Support |
| <input type="checkbox"/> Substance Abuse Services/ Support | <input type="checkbox"/> Rental Assistance | <input type="checkbox"/> COSA |

Successful Completion:

Points of Contact

Housing Coordinators:

Karen Lawson- (802)279-4699 or Karen.Lawson@state.vt.us

Liz Whitmore- (802)951-5023 or Elizabeth.Whitmore@state.vt.us

P&P

Program