

# Office of the Legislative Auditor

## Agency Overview



### Department of Human Services: Homelessness and Housing Support Grants

September 8, 2022

## Objectives and Scope

### Objectives:

- Did DHS comply with applicable legal criteria?
- Did DHS have adequate controls over these grants?

### Scope:

- July 1, 2019 – December 31, 2021

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### Background

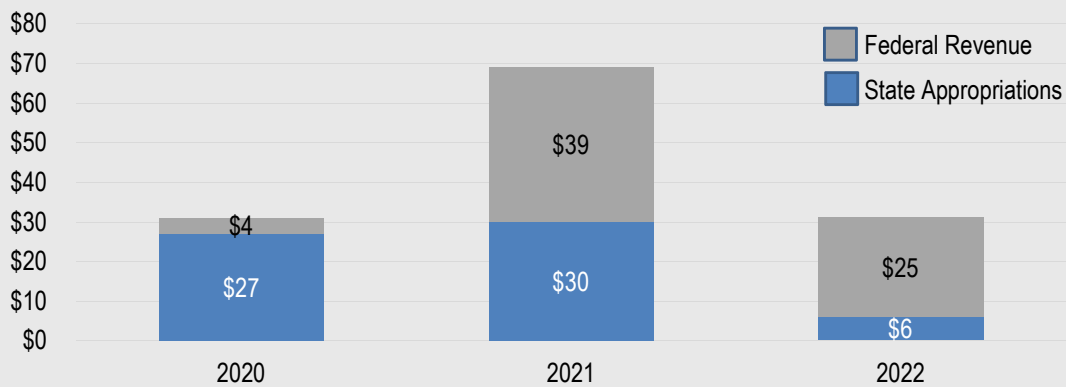
- Two divisions:
  - Housing and Support Services Division
  - Office of Economic Opportunity
- Two types of grants:
  - Recurring
  - COVID-19 response emergency services

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### Grant Funding Sources

Grant Expenditures July 1, 2019, through December 31, 2021

Dollars (in millions)



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## Audit Results

- DHS did not always comply with requirements
- Significant deficiencies in internal controls
- Nine findings from awarding to the closeout of grants

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## Finding: Financial Stability

- Requirement:
  - Evaluate financial stability of grants >\$25,000
- Result:
  - No financial review for 91 of 117 grantees
  - Remaining 26, insufficient documentation
- Possible effect:
  - Grantee is not financially capable of fulfilling the expected outcomes

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## **Finding: Monitoring Visits**

- Requirement:
  - Monitoring visits for grants >\$50,000
- Result:
  - In all areas, a majority of site visits did not occur
  - Example: 93 of 109 COVID-19 grants
- Possible effect:
  - Program outcomes are not being achieved

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## **Finding: Financial Reconciliations**

- Requirement:
  - Financial reconciliations for grants >\$50,000
- Result:
  - In all areas, a majority of financial reconciliations did not occur
  - Example: 93 of 109 COVID-19 grants
- Possible effect:
  - Funding is not spent on allowable activities

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*Department of Human Services:  
Homelessness and Housing Support Grants*  
[www.auditor.leg.state.mn.us](http://www.auditor.leg.state.mn.us)