



**News from
Office of the City Administrator**

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City of Oakland Responds to Measure Y Performance Audit
Measure Y Violence Prevention Program Provides More Rigorous Grant Management and Oversight than Most Government and Private Grant Programs

Oakland, CA – The Oakland City Auditor released the results of a performance audit of the City of Oakland’s grant management for the Measure Y Violence Prevention Program. As explicitly stated in the audit, it is not an assessment of the effectiveness of the Measure Y Violence Prevention programs, nor an assessment of the effectiveness of individual Measure Y grantees. The purpose of the audit was to: 1) assess the Department of Human Services’ (DHS) program administration and its oversight and monitoring of grantee activities, and 2) assess grantees’ administration of grants in conformity with appropriate standards and procedures.

The City Auditor’s report shows that the Measure Y Program has implemented 15 of the 16 best practices in grants management and accountability. The report includes a number of suggestions for augmenting the current Measure Y grant monitoring process, many of which have been implemented or are in the process of being implemented.

After a lengthy and thorough audit process, the City Auditor did not uncover a single instance of fraud by Measure Y grantees, nor did it find that taxpayer funds invested in Measure Y were misspent. The City of Oakland honors the public trust by performing due diligence to ensure that public dollars are appropriately spent, and that the vast majority of Measure Y resources are spend on direct services, not on administrative paperwork.

“Measure Y is a new program addressing one of the most difficult social policy areas—violence prevention,” said City Administrator Dan Lindheim. “There is no clear guidebook of what works. Determining which programs might be successful for which groups is a constantly evolving process. The City of Oakland is committed to ensuring accountability and oversight in all programs, and we appreciate the City Auditor’s review and input.”

He continued, “Spending limited taxpayer money effectively means striking a balance to ensure that administrative bureaucracy does not become so cumbersome that it jeopardizes service delivery. Many of the nonprofit grantees that receive Measure Y funds are small organizations with limited staff and overhead. We are pleased that the Auditor did not find any instances of

mispending or fraud; that tells us that the systems we have in place are working, and that the enhancements to those systems we have put in place will provide the oversight we need to ensure that Measure Y dollars are being spent as taxpayers intended.”

Measure Y does more rigorous grant management and oversight than most government and private grant programs. A recent review found that Measure Y provides more monitoring—site visits, web-based reporting and file reviews—than comparable programs in other Bay Area cities and counties. For example:

- Measure Y conducts site visits with every grantee. Most grantmakers do not conduct site visits at all, and those that do only visit a portion of their grantees.
- Measure Y conducts quarterly reporting and has access to real-time data through a high-tech, online data collection system, whereas many grant programs only require annual reporting.
- Measure Y pays grantees based on their performance, and withholds payment when performance objectives are not met, whereas most grant programs—in Oakland and elsewhere—reimburse grantees for what they spend, not how well they perform.

“Stopping the violence in our community is paramount,” said DHS Director Andrea Youngdahl. “Measure Y dollars fund outreach workers to intervene in conflicts so they don’t escalate to violence, help ex-offenders stay away from committing crime and keep youth off the streets. Because our programs succeed, lives are saved. The Oakland Police Department credits the effectiveness of these violence prevention and intervention programs with contributing to this year’s 27 percent drop in homicides and 13 percent decline in violent crimes compared to this time last year.”

Measure Y services are targeted towards youth and young adults most likely to be victims or perpetrators of violence. Funded programs are based on best practices and proven models, and are part of a comprehensive strategy to reduce violence.

In response to the Auditor’s specific assertions in her press release dated August 31, 2009:

1) The Auditor asserts that slightly more than a quarter (27%) of the Measure Y awards was approved without going through a Request for Proposals (RFP) process. Measure Y legislation does not require a competitive bidding process. Organizations which directly received funding were mostly public agencies and others which were uniquely qualified to implement a specific strategy. For example, Oakland Unified School District received funds to provide a violence prevention curriculum in all classrooms pre-K through 8th grade. No other entity could have performed this task

2) The Auditor stated that grantees sampled did not meet required contract deliverables in at least one of the four quarters in fiscal year 2007-08. The Auditor is correct, and DHS withheld funding to those grantees accordingly. Measure Y grants are performance based. Of the grantees that did not meet their deliverables noted by the audit, all but one had funding withheld. The one agency was given additional time to meet their deliverables since they were impeded by circumstances beyond their control.

3) The Auditor contends that DHS staff did not provide adequate supervisory review in their annual site visits. All site visits are conducted with two staff members, all results are reviewed with the unit Supervisor, and the results are captured in a 5-10 page Site Visit Summary detailing every aspect of the four-hour annual site visit of each grantee. The unit Supervisor reviews and signs the final report which is sent to the grantee, followed up on quarterly and kept in the contract file. DHS staff now maintain a separate site visit file with the site visit check list and supporting documentation based on the Auditor's recommendation.

4) The Auditor indicates that enrolled students were not present during a site visit of a grantee. When Measure Y staff completed a program observation of this particular program in April of 2008, 25 of the students were in attendance, exceeding their benchmark of 17 students for that quarter.

City Administration appreciates the opportunity afforded by the audit process to have outside input into the Measure Y grant administration process to ensure accountability. Many of the Auditor's recommendations have been implemented. It is particularly noteworthy that the Audit revealed no wrongdoing or misappropriation of public funds, demonstrating that Measure Y's rigorous grant management and oversight systems are effective.

For more information about Measure Y dollars at work, visit www.MeasureY.org.

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