



LAKE COUNTY CONTINUUM OF CARE
Administrative Agency: Lake County Behavioral Health Services

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RESPONSE TO

THE LAKE COUNTY CIVIL GRAND JURY FINAL REPORT 2023-2024 (June 30, 2024)
CONCLUSION TO FOUR YEAR GRAND JURY INVESTIGATION OF ELIJAH HOUSE

This response is from the Lake County Continuum of Care and its administrative entity, Lake County Behavioral Health Services. While it is acknowledged the valiant effort provided by the Civil Grand Jury, there are some conclusions that we would like to clarify more.

Findings:

Finding #1: The internal audit was incomplete, because the County was provided incomplete documentation of how the money was spent.

Reply to F-1: Enough documentation was received from Elijah House that the County believes that all expenses were eligible except for \$23,268.15 which were deemed unallowable expenses.

Finding #2: Oversight obligations set forth in the contract between Lake County and Elijah House, and required by statute, were not met by the LCBH or CoC, and resulted in approximately \$200,000.00 in undocumented expenses.

Reply to F-2: When Elijah House ran the shelter, the CoC was just becoming more functional and had not fully implemented performance evaluation measures. Since then, the Performance Review committee has strengthened their review process for oversight. The CoC has since implemented a best practice based on HUD's Emergency Solutions Grant (ESG) standards, considered the highest in the country. The CoC continues to seek ways to strengthen its contractor performance evaluation.

County oversight was given to each invoice received to ensure expenses were eligible, but like the CoC, review practices for such contracts were just beginning for invoice review. Copies of documentation are now required. According to the audit completed by the County Administrative Office, the \$200,000 referred to was where no documentation was provided. However they were eligible expenses. The audit did find \$23,268.15 that were unallowable expenses.

Finding #3: The County now has entered a formal MEMORANDUM OF UNDERSTANDING with Continuum of Care relating to the operation of a homeless shelter for the people of Lake County.

LCCoC Vision Statement: The Lake County Continuum of Care is a coordinating group that aligns resources to facilitate solutions to end homelessness in our community.

Reply to F-3: This is correct. On July 23, 2024, Memorandum of Understanding Between the County of Lake and the Lake County Continuum of Care to alleviate and prevent homelessness in Lake County. The MOU lays out a strategic approach to address homelessness within the county - emphasizing collaborative efforts among the County and the CoC, which includes the operation of homeless shelters.

Responses:

Response #1: That the County of Lake Board of Supervisors review annually the financial records of the current holder of the contract as they relate to provision of homeless shelter services in Lake County. (F-1) (F-2)

Reply to R-1: The Lake County Continuum of Care has set a goal to present annually to the Lake County Board of Supervisors the status of homelessness in Lake County, services being offered to address it, and an accounting of funding utilized.

Response #2: That the County of Lake Board of Supervisors pursue reimbursement from Elijah House for undocumented expenses more than \$200,000. (F-2)

Reply to R-2: Disagree. The amount paid out from the various funding sources through Behavioral Health totaled \$1,243,568.73. The backup for expenditures provided by Elijah House exceeded the amount that was paid by the County. Since the amount paid by the county has eligible expenditures to back up the amounts, there is no reason for the County to peruse payment from Elijah House. However, Elijah House has been invoiced for the \$23,268.15 in unallowable expenses