BEACONSTONE FOUNDATION

HOMELESS SPENDING TRANSPARENCY, ACCOUNTABILITY, AND OVERSIGHT CHARTER AMENDMENT

Version 10.0 — Full Consolidated Draft

Published snapshot for public reference. This is a serious working framework, not final legal language; legal mechanics and implementation details remain open to expert and coalition input.

SECTION 1. PURPOSE AND FINDINGS

Public confidence in homelessness programs requires transparency, accountability, independent oversight, measurable and independently verifiable outcomes, and responsible stewardship. Taxpayers have a right to know how funds are spent, what results are achieved, for whom, under what conditions, at what cost, with what evidentiary confidence, and what corrective action follows when performance or controls are deficient. This Article shall be interpreted to maximize transparency, accountability, public trust, institutional learning, and meaningful outcomes while distinguishing program performance from system-level conditions and avoiding measurement systems that create perverse incentives. Nothing in this Article shall be construed to treat rising homelessness, spending levels, or any single metric alone as proof of program success or failure.

SECTION 2. DEFINITIONS

- **"Homelessness Funds":** Any City-controlled funds appropriated or expended for homelessness-related purposes.
- **"Covered Entity":** Any recipient, contractor, subcontractor, subrecipient, nonprofit, private entity, public agency, or consultant receiving Homelessness Funds.
- **"OHIG":** Office of the Homelessness Inspector General.

SECTION 3. APPLICABILITY

Applies to all Homelessness Funds, all Covered Entities, and all City departments. Applicability is determined by the substance of the funding and activity, not by organizational form or administrative reclassification.

SECTION 4. FINANCIAL TRANSPARENCY & CONFLICT DISCLOSURE

The City shall establish standardized financial reporting. Entities shall disclose all subcontractors, subrecipients, affiliate organizations, ownership interests, executive overlaps, and related-party relationships. **Conflict-of-Interest Disclosure:** Covered Entities shall publicly disclose material financial interests, family relationships, board affiliations, and executive relationships involving funded activities or contracts.

SECTION 5. PUBLIC DASHBOARD & DATA INTEGRITY

The City shall maintain a Public Dashboard with searchable, downloadable access to all funding, expenditures, outcome reporting, audit findings, material methodology notes, metric definitions, data limitations, revisions, responsible entities, and corrective-action status. Public availability of data shall not be deemed sufficient transparency where definitions, context, or methodology are materially necessary to interpret the information.

- **Historical Preservation:** All information must be permanently archived. Records shall not be overwritten; material revisions must be documented and visible.
- **Version Control:** Datasets and reports shall be version-controlled to ensure public access to historical context.

SECTION 6. STANDARDIZED OUTCOME MEASUREMENT

- **Outcome Categories:** Reporting shall separately distinguish Emergency/Temporary, Transitional, and Permanent Housing placements. Temporary placements shall not be reported as permanent.
- **Housing Durability:** Permanent placements must be tracked at 6, 12, and 24 months, reporting retention rates, returns to homelessness, and unknown statuses.
- **System vs. Program Performance:** Reporting shall distinguish regional/system-level outcomes from program- and participant-level outcomes and shall identify material external conditions that may affect interpretation, including housing-market conditions, inflow into homelessness, and other relevant structural factors where supported by evidence.
- **Population & Program Heterogeneity:** Outcome measures, denominators, benchmarks, and time horizons shall be appropriate to the population served and intervention type. Measures shall use risk adjustment or comparable contextual methods where necessary to avoid penalizing programs for materially different client acuity or conditions outside their control.
- **Incentive Integrity:** Outcome systems shall be periodically reviewed for gaming, cream-skimming, risk avoidance, short-termism, administrative burden, or other incentives that could improve a reported metric without improving the underlying public outcome.
- **Full Outcome Chain:** Where applicable, reporting should distinguish prevention of entry into homelessness, engagement, service connection, placement, housing retention, returns to homelessness, stability, and other durable outcomes supported by evidence.
- **Methodology & Uncertainty:** All benchmarks must be evidence-based and risk-adjusted where appropriate. Public reporting shall disclose material methodology, data-quality limitations, confidence or uncertainty where relevant, and whether a finding establishes performance, suggests an association, or cannot support causal attribution.
- **Learning & Corrective Action:** Material performance findings shall identify whether the evidence indicates a policy, implementation, measurement, data-quality, resource, or external-condition problem where reasonably determinable, and shall track corrective action and follow-up.
- **Accountability & Consequences:** Contextual analysis shall not excuse documented nonperformance, misrepresentation, control failures, misuse of funds, or persistent failure to correct

verified deficiencies. The oversight system shall support proportionate escalation, public explanation, corrective action, and consequences where warranted by reliable evidence.

SECTION 7. AUDIT AUTHORITY, ACCESS, AND RECORD RETENTION

• **Authority:** The OHIG has independent authority to conduct investigations, interview witnesses, compel records, issue subpoenas, and refer matters to law enforcement or prosecutors.

• **Data Preservation:** Entities may not destroy or alter records subject to audit, investigation, or disclosure.

• **Retention:** Records must be maintained for at least seven years.

SECTION 8. OFFICE OF THE HOMELESSNESS INSPECTOR GENERAL (OHIG)

• **Establishment:** An independent office within the Office of the City Controller.

• **Appointment & Removal:** Merit-based appointment by the Controller, confirmed by two-thirds of the City Council. The Inspector General may only be removed for cause (misconduct, neglect, incapacity, or felony) via written findings and a supermajority vote of the City Council.

• **Budget:** 0.15% of total homelessness expenditures, capped at $5,000,000 (inflation-adjusted).

• **Operations:** Independent control over technology, staffing, and communications. The City shall provide independent legal counsel if a conflict arises with the City Attorney.

SECTION 9. AUDIT, COMPLAINT, AND ENFORCEMENT PROCEDURES

• **Audit Plan:** OHIG shall publish an annual risk-based audit plan and audit at least 50% of Homelessness Funds expended in the previous fiscal year.

• **Complaint System:** Confidential intake for the public, employees, and whistleblowers. The OHIG shall track and publish annual complaint statistics.

• **Corrective Action Tracking:** Audit findings must be tracked on the Dashboard (Open, In Progress, Completed, etc.).

• **Follow-Up:** The OHIG shall conduct follow-up reviews of significant findings within 12–24 months.

• **Public Hearings:** Any major audit or annual report must be presented at a public hearing within 90 days.

SECTION 10. CITIZEN ACCOUNTABILITY ADVISORY COMMISSION

A seven-member commission shall be established. Members shall not be City employees, elected officials, or employees of funded entities. The Commission shall review OHIG reports, conduct public hearings, receive testimony, and recommend audit priorities.

SECTION 11. COMPLIANCE TRANSPARENCY & WHISTLEBLOWER PROTECTIONS

- **Noncompliance:** OHIG may issue Public Notices of Noncompliance. Continued funding for noncompliant entities requires a formal, public justification report published on the Dashboard 30 days prior to disbursement.
- **Whistleblowers:** Retaliation is strictly prohibited.

SECTION 12. ANNUAL RISK ASSESSMENT

The OHIG shall publish an annual report identifying systemic risks, contracting vulnerabilities, fraud risks, and emerging accountability concerns.

SECTION 13. READINESS AND SUPPORT PERIOD

- **Transition Phase:** For 18 months following the effective date, the OHIG shall prioritize technical assistance and training for all Covered Entities.
- **Compliance Grace Period:** During this 18-month phase, the OHIG shall focus on identifying gaps and assisting entities in compliance; mandatory funding justifications shall be waived for entities in good-faith efforts to meet standards.

SECTION 14. CAPACITY BUILDING AND INFRASTRUCTURE FUND

The City shall establish the "Homelessness Accountability Capacity Fund."

- **Purpose:** Provides grants or technical assistance to Covered Entities—specifically smaller community-based organizations—to upgrade digital infrastructure and reporting systems.
- **Funding Source:** 0.05% of total annual City homelessness expenditures.

SECTION 15. MISCELLANEOUS

- **Waivers:** Restricted to declared emergencies; must be disclosed on the Dashboard within 14 days.
- **Implementation:** Regulations within 12 months; dashboard operational within 18 months. Provisions are self-executing.
- **Severability/Liberal Construction:** If any provision is held invalid, the remainder stays in force. This Article shall be liberally construed to ensure meaningful public oversight.

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