

FY 2026-2027 BUDGET QUESTION

Response to Request for Information

DEPARTMENT(S): Austin Budget & Organizational Excellence;

CBQ NO.: 107

REQUESTED BY: Mayor Kirk Watson

DATE REQUESTED: Tuesday, July 28, 2026 7:54 PM

DATE POSTED:

REQUEST:

Of the nonprofits receiving social services funding by grant and/or contract, please provide a list detailing which grants/contracts have been reviewed for performance compliance and a general summary of the findings.

RESPONSE:

All social service grants and contracts are reviewed for compliance with contractually established performance expectations. Each vendor must submit quarterly performance reports, which staff review for compliance, and staff also conduct monthly reviews of reimbursement requests to verify allowable expenditures. Overall, performance is generally in compliance with contractual expectations across departments.

Austin Homeless Strategies and Operations' (HSO) contract managers receive and review vendor performance metrics quarterly. Austin Community Court meets monthly with all of its social service providers to review performance and operational effectiveness, on top of the standard quarterly report review; it reports all providers are in compliance with contractual expectations, accounting for Court referral volume and community-wide service demand.

Austin Economic Development (AED) monitors performance through required performance reports, deliverables, and ongoing contract management, and finds vendors generally meeting established expectations. A small number of vendors have fallen below one or more target measures, and AED staff are continuing to monitor those providers and work with them to close the gap.

Austin Public Health's (APH) Social Services Funding Specialists (SSFS) conduct oversight at three cadences: monthly reviews of reimbursement requests and general ledgers to verify allowable expenditures; quarterly program reviews of performance and progress toward contractual outcomes; and annual desk reviews applying standardized criteria to assess program performance, service delivery, documentation, and overall compliance. Independently, APH's Contract Compliance Unit (CCU) conducts an annual monitoring review of every social services contract and grant, evaluating operational practices, fiscal and administrative controls, risk factors, performance measures, supporting documentation, and compliance with City, state, and federal requirements. These reviews are meant to provide reasonable assurance that funding is spent per agreement terms, performance reporting is accurate and demonstrates achievement of performance measures, services are delivered as required, and risk to APH's investments

is mitigated through partnering with organizationally stable providers. Where monitoring finds deficiencies or risk, APH communicates findings directly to the agency and, where appropriate, offers technical assistance and corrective action guidance.

For FY25 specifically: based on SSFS evaluation, over 80% of APH vendors made satisfactory progress on contract work and/or performance goals, and nearly 90% showed a reasonable relationship between achievement and expenditures. On the compliance side, CCU's FY25 monitoring identified 25 performance citations, all tied to incorrectly reported client output or outcome numbers.

Contract-by-contract detail for FY25 figures can be found in two attached spreadsheets:

- [CBQ107 YearEndPerformanceReview](#)
- [CBQ 107 Contract Monitoring Summary](#)