

Office of Public Health and Safety Audit Report

Audited Entity: Office of Public Health and Safety
Date of Report: April 9, 2026

Table of Contents

EXECUTIVE SUMMARY 3

INTRODUCTION 4

BACKGROUND 4

AUDIT OBJECTIVE, SCOPE, AND METHODOLOGY 5

FINDING RISK RATING:..... 6

FINDING RISK MATRIX 6

OPHS AUDIT FINDINGS AND RECOMMENDATIONS:..... 7

OBSERVATIONS AND DISCUSSION ITEMS 15

GENERAL CONCLUSION 15



EXECUTIVE SUMMARY

AUDIT PURPOSE

OAP initiated this audit in response to rapid growth within OPHS operations as well as requests for examination from both City-County and OPHS leadership.

BACKGROUND

Established in 2016, OPHS is comprised of five divisions and oversees many key programs impacting health, well-being, and safety outcomes. In response to the growing need for health and public safety initiatives, OPHS has received a 75% increase in its operating budget from 2020-2025. Programmatic work across each of the divisions is primarily executed by community partners who are under agreement to execute activities on behalf of the office.

OBJECTIVES AND SCOPE

The audit period covers 1/1/2020 – 12/31/2024 and was expanded to include specific activities through 12/31/2025. Primary objectives of the audit were to provide reasonable assurance that OPHS operations, including programmatic oversight, financial activities, and third-party vendor management, are compliant with all applicable laws, policies, and regulations. Interviews were conducted with key departmental staff to gain insight into operations and financial data was reviewed and tested for compliance with contractual obligations and financial control policies.

FINDINGS

The audit determined that OPHS has insufficient oversight over numerous operational areas, including programmatic activity/success, financial expenditures, and third-party vendors. These shortcomings are largely due to issues of nonexistent or developing policies and procedures, staff

turnover, and lack of training for key operational functions.

Reference	Finding	Risk Rating
F1	Insufficient Programmatic Documentation	High
F2	Insufficient Invoice Documentation	High
F3	Insufficient Review of Program Effectiveness	High
F4	Contracts Awarded to OPHS Staff and Connections	High
F5	Use of GIPC as Grant Recipient	High
F6	Lack of Vendor Compliance Review	High
F7	Inconsistent Vendor Selection	Moderate
F8	Transfer of General Funds to GIPC	Moderate

RECOMMENDATIONS

OAP recommends that OPHS significantly enhance training and education for staff, review and implement more robust policies and procedures, and implement additional operational and financial controls to improve programmatic performance and safeguard assets.

Note: See findings and recommendations beginning on page 7 for more detail.

This report and other OAP audit reports may be accessed on our website: [City-County Audit Reports](#)

INTRODUCTION

The Office of Public Health and Safety (OPHS) is responsible for many key programs impacting health, well-being, and safety outcomes for residents of Indianapolis and Marion County. To address such pressing needs, OPHS has received consistent, and often significant, budgetary increases over the past five years. The Office of Audit and Performance (OAP) initiated this audit in response to the rapid growth of OPHS funding, personnel, and operations, as well as requests for examination from both City-County and OPHS leadership.

BACKGROUND

The Office of Public Health and Safety was established via [Sec. 202-711](#) of the Indianapolis – Marion County Municipal Code (Code) in 2016. The office is comprised of five divisions: Re-entry Services, Homelessness, Community Violence Reduction, Behavioral Health, and Community Nutrition and Food Policy. OPHS is overseen by a Board of five members, including the OPHS Director (presiding member), two Mayoral appointees, and two City-County Council appointees.¹

Each division of OPHS is responsible for several critical services. A brief description of each division's activities follows:

Re-entry Services: Support services and policy work to assist clients exiting the criminal justice system.

Homelessness: Collaboration with community service providers and partners to deliver emergency shelter, offer housing options/support, and provide resources to help individuals and families remain housed.

Community Violence Reduction: Programming including education on non-violent conflict resolution, violence prevention, and individual skill development.

Behavioral Health: Oversight of the Assessment and Intervention Center (AIC) and Clinician-Led Community Response (CLCR), along with other mental health and substance abuse support resources.

Community Nutrition and Food Policy: Creation of local food policy and infrastructure to address food access inequalities, including food deserts and access to nutritional foods.

The work of these divisions is overseen by an administrator who is responsible for managing programmatic operations. In the absence of full divisional staff to execute programming, each division relies on close collaboration with external parties to help deliver services. Both not-for-profit and for-profit entities are used to support these efforts, and engagements are governed by contractual agreements that outline scopes of work, compensation, compliance/reporting requirements, and other relevant terms.

Over the course of the audit period (2020-2025), OPHS has experienced rapid growth in its operating budget, growing from \$19,296,997 in 2020 to \$33,792,481 in 2026 (75% increase). This growth has allowed OPHS to have a greater impact through the support of more projects and the addition of staff. However, through staff interviews and examination of activities over the audit period, there often was not appropriate infrastructural support in place to support such growth and ensure efficient operations or proper oversight from a procedural and control standpoint. Examples of this include stale or missing standard operating procedures (SOPs), insufficient or minimal training for key staff members, and inconsistent processes and planning for allocation of resources. Additionally, frequent staff turnover created barriers to the establishment of organizational best practices and consistency.

¹ Indianapolis-Marion County Municipal Code [Sec. 202-713](#)

AUDIT OBJECTIVE, SCOPE, AND METHODOLOGY

The objective of this engagement is to provide management with reasonable assurance that the administration of OPHS programs and the associated purchasing and third-party vendor management processes are compliant with City-County policies, applicable laws, and regulations. The key objectives of this audit were to evaluate:

- The administration, oversight, and effectiveness of OPHS programming (including grants);
- Compliance with City-County Purchasing policies and related internal control processes and identify areas for potential improvement; and
- OPHS's third-party vendor management and evaluation.

The scope of the audit covered OPHS activities for the period January 1, 2020, through December 31, 2024, and was subsequently expanded to include relevant activities through December 31, 2025. Activities reviewed included:

- Expenditures and related documentation, including invoices
- Programmatic activity, including related data and reporting
- Contractual agreements
- Purchasing Card reconciliations and supporting documentation
- General Ledger detail obtained via PeopleSoft
- Internal policies and procedures

The methodology detailed below incorporated interviews with key staff members, document review, and testing of internal processes.

OAP conducted interviews with key OPHS staff members to gain an understanding of the programs, including community violence reduction, homelessness, re-entry services, behavioral health, and community nutrition and food policy. Interviews were designed to understand the purpose of each program, as well as internal processes related to programmatic reporting, purchasing, and vendor selection. Further interviews were conducted with Office of Finance and Management Purchasing staff members to gain an understanding of the standard, enterprise-wide procedures for procurement and vendor selection.

Expenditure data for the scope was obtained via PeopleSoft, the financial reporting software used throughout the City-County. This data was utilized to determine the complete vendor population and the corresponding payments made. To best align with stated audit objectives, OAP elected to review vendors responsible for executing OPHS programming. Those vendors and associated contracts were reviewed and assigned a risk rating of high, medium, or low. The risk ratings were determined by analyzing the complexity of the contracts, the total amount of payments made to each vendor, discussions with OPHS leadership, and professional auditor judgment. A sample of vendors from each risk rating level was subsequently selected for further testing.

A sample of 29 vendors and associated contracts, representing \$40,348,267.41 out of \$43,911,692.53 (92%), within the scope period was selected for further testing. This testing included:

- A review of all programmatic documentation received to ensure compliance with the contract requirements.
- A review of all invoice documentation received to ensure accuracy and compliance with the contract requirements.
- Tracing invoices to the General Ledger to ensure accuracy and timeliness of the subsequent payments.
- Abstracting vendor signatories and comparing the listing to employees active within the scope period.

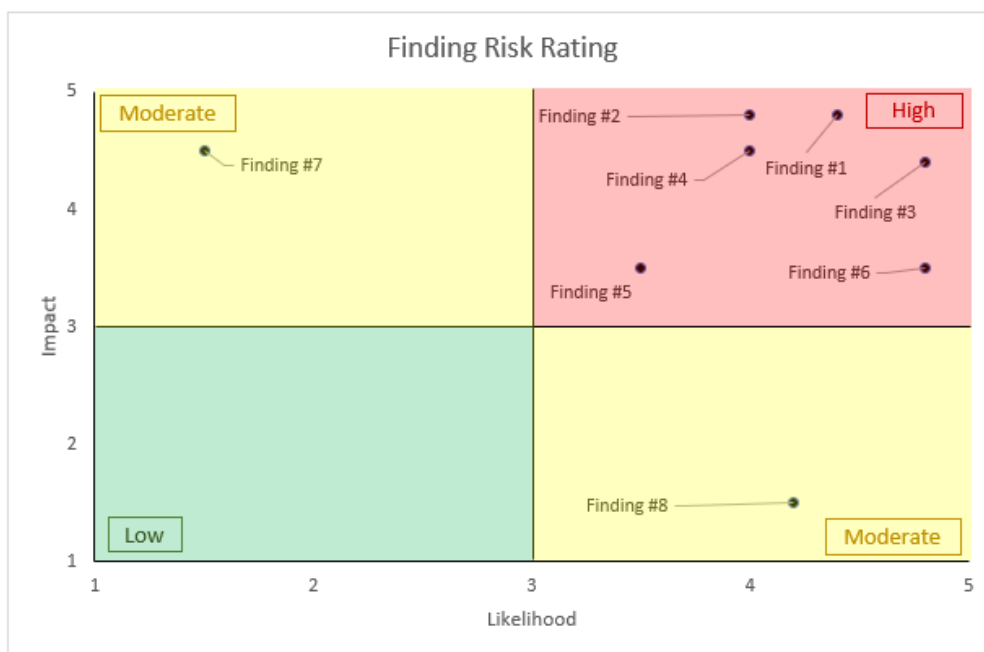
Finding Risk Rating:

Readers must not only understand each audit finding identified in this report, but also the potential impact and likelihood of occurrence for each corresponding risk (reputational, financial, compliance, operational, and strategic), whether it applies to merely the individual business unit or the entire City-County enterprise. Risk likelihood is the probability the risk will materialize if no action is taken. Risk Impact is the expected loss resulting from a materialized risk. The finding risk matrix below reflects the potential risk related to each finding that is identified in this report.

Finding Risk Rating	
Risk Has a High Impact and High Likelihood	
High	Sufficient policies and procedures, preventative, detective, and mitigating controls do not exist; reputation or financial status is at risk if the business unit is not in compliance with policies, laws, and regulations.
Risk Has a High Impact and Low Likelihood, or Low Impact and High Likelihood	
Moderate	Policies and procedures exist but adherence is inconsistent. Preventative and detective controls do not exist, but some level of mitigating controls exist in the business unit. Compliance with laws and regulations is inconsistent.
Risk Has a Low Impact and Low Likelihood	
Low	Policies and procedures exist but were not adhered to on an exception basis. Preventative controls do not exist, but detective and mitigating controls exist. The remote possibility of inappropriate activity.

Finding Risk Matrix:

The Finding Risk Matrix rates both the potential impact and likelihood of risk associated with each identified audit finding. Impact and likelihood are both rated on a scale of one to five for each finding, and then plotted on a risk matrix. Green areas on the risk matrix represent a relatively low risk, while red areas represent a relatively high risk.



OPHS Audit Findings and Recommendations:

F1: Insufficient Programmatic Documentation		Reference
Finding	51% of contracts reviewed lacked sufficient programmatic documentation or failed to meet the reporting requirements outlined in the contracts.	1
Criteria	<p>Testing performed included the review of programmatic activity vendor requirements for each contract for compliance with the following criteria:</p> <ul style="list-style-type: none"> • Bi-Weekly, Quarterly, Monthly, and Bi-Monthly Progress Reports, including narrative descriptions of the services and a statement of progress toward the Project metrics • Final Project Reports, including full breakdowns of Project spending and data-supported conclusions about results meeting program goals • Documentation of Project metrics • Accurate records of services provided 	Risk Rating: High
Recommendation		
<p>OAP recommends that OPHS develop and implement standard operating procedures for monitoring and documenting programmatic activities. These processes should include ongoing staff training to ensure understanding of program activities and compliance with contractual terms, customized plans for monitoring of program activities and expenditures, as well as a centralized system for tracking and storing documentation.</p>		
Management Response		
<p>In response to concerns regarding inadequate collection and retention of program documentation, OPHS has developed the following operational and process solutions, to be fully implemented beginning in FY 2026, which will bring Program Documentation requirements for all contracts into full compliance. Those solutions include:</p> <ul style="list-style-type: none"> • Development of universal reporting requirements for all service contracts • Development of a universal template for quantitative and qualitative reporting metrics • Standardization of reporting cadence across all projects and contracts • Assignment of a dedicated point of contact in OPHS for each project/contract • Standardization of oversight cadence, responsibilities, and record keeping for dedicated point of contact in OPHS • Development of a universal Final Report template and Final Presentation format for all projects/contracts • Development of central hub for all project/contract legacy documentation (including reports, metrics, key communications, etc.) that are managed by designated points of contact and accessible to all appropriate division and/or agency staff • Implementation of quarterly “in-service” training for all OPHS programmatic staff to train and refresh on core contractual, procurement, data management, and other policies and procedures <p>OPHS leadership will continue to develop written SOPs, templates, and other policies/procedures to effectuate the action items above through 2025. All OPHS staff will be trained on the action items above prior to the start of new year, with full implementation of these updated internal controls to commence beginning in FY 2026.</p>		
Implementation Date		
FY 2026		

F2: Insufficient Invoice Documentation		Reference
Finding	84% of contracts tested had missing, incomplete, or insufficient invoice documentation, or failed to comply with contract terms. Issues included deviations from stated invoicing schedules, inadequate supporting documentation, and payment delays.	2
Criteria	<p>Testing of payment documentation included the invoicing requirements for each contract for compliance with the following criteria:</p> <ul style="list-style-type: none"> • Bi-weekly, monthly, and quarterly invoicing schedules • Proof of all expenses, including accurate and itemized records • Payments to be made within thirty (30) days upon receipt of properly itemized invoices 	Risk Rating: High
Recommendation		
OAP recommends that OPHS develop and implement standard operating procedures to improve consistency and ensure compliance with the invoicing requirements outlined in each contract. These should include a centralized system for storing, tracking, and managing contracts and invoice related documentation, and ongoing training for staff involved in the review of invoices and supporting documentation with special emphasis on potential indicators of fabricated activity and fraud.		
Management Response		
<p>In 2026, the OPHS Finance Team has been carefully reviewing and updating existing processes based on feedback from this audit. Below is an outline of current policies:</p> <ol style="list-style-type: none"> 1. Unless an alternative supportive documentation and review process is outlined in a contract, OPHS will default to employing the code of federal regulation (2CFR200) regarding payment and supportive documentation. 2. All invoices and supportive documentation received will be located in the OPHS Teams Hub – Finance Team page on SharePoint. The files will be segregated by vendor and year respectively. 3. Per current Standard Operating Procedures, all invoices and supportive documentation will go through a multi-step review system including relevant programmatic Division staff and Finance Team staff. 4. All OPHS Divisions’ programs will have annual tracking spreadsheets accessible on the OPHS Team Hub – Finance in SharePoint. 5. Payments are made within thirty days upon receipt of properly itemized invoices and supportive documentation. 		
Implementation Date		
FY 2026		

F3: Insufficient Review of Program Effectiveness		Reference
Finding	OAP found that OPHS lacked formal procedures to monitor and evaluate program effectiveness. As a result, outcomes were not consistently measured or used to inform decision-making.	3
Criteria	OAP interviewed various OPHS staff and leadership to determine procedures for review and analysis of programmatic activity and evaluation of contractual partners.	Risk Rating: High
Recommendation		
OAP recommends that OPHS develop and implement standard operating procedures for evaluating program effectiveness, including steps to address noncompliance. A centralized documentation system, and ongoing staff training on program administration should be developed to support this process.		
Management Response		
<p>In response to concerns regarding insufficient review of program effectiveness, OPHS has developed the following operational and process solutions, to be fully implemented beginning in FY 2026, which will bring Program Evaluation requirements for all contracts into full compliance. Those solutions include:</p> <ul style="list-style-type: none"> • Development of universal quarterly evaluation template for all programs/contracts • Development of universal full program evaluation template for all programs/contracts • Development of standardized metrics for all programs/contracts, including agency-wide metrics, division-specific metrics, and individual program metrics • Development of standard operating procedures for the collection, analysis, and interpretation of program evaluations • Development of standard operating procedures for record-keeping and maintenance of all programmatic evaluations that are managed by designated points of contact and accessible to all appropriate division and/or agency staff • Development of standard operating procedures for corrective action for any vendor/contractor/partner who is not performing to agency expectations in their administration of programmatic services or desired outcomes • Implementation of quarterly “in-service” training for all OPHS programmatic staff to train and refresh on these updated program evaluation standard operating procedures and program administration principles <p>OPHS leadership will continue to develop written SOPs, templates, and other policies/procedures to effectuate the action items above through 2025. All OPHS staff will be trained on the action items above prior to the start of new year, with full implementation of these updated internal controls to commence beginning in FY 2026.</p>		
Implementation Date		
FY 2026		

F4: Contracts Awarded to OPHS Staff and Connections		Reference
Finding	OAP’s contract review and leadership interviews found several contracts were awarded to vendors with significant connections to current OPHS employees. Additionally, one contract was awarded to a vendor who was employed by OPHS during the contract period. These connections were not disclosed, and there is no documentation to verify that any exceptions were granted, or that the OPHS employees with connections to the vendor were not involved in the vendor selection process.	4
Criteria	<p>The Code of Ethics section of the City of Indianapolis and Marion County Employee Manual (revised February 2022) helps to define a ‘conflict of interest,’ by stating: “Conflicts of interest and contracts: An employee, or a member of an employee’s immediate family, may not knowingly have a financial interest in a contract made by that employee’s agency.”</p> <p>The City and County Purchasing Manual also comments on conflicts of interest, noting that purchasing professionals should refrain from personal and professional activities that would create a conflict of business and personal interests.</p> <p>Additionally, section 293-211 sub-section (a) of the City of Indianapolis and Marion County Municipal Code prohibits employees and their immediate family members (defined per Code Sec. 293-102 as an individual’s spouse or dependent) from knowingly having any financial interest in a contract made by that employee's agency. Sub-section (b) of that same section lists a few exceptions to this rule but requires documentation from agency leadership and Office of Corporation Counsel (OCC) to confirm the exception.</p>	Risk Rating: High
Recommendation		
<p>This finding suggests a series of preventative control failures, exposes the City to reputational and financial risk, and a lack of awareness or understanding of the City of Indianapolis and Marion County’s Code of Ethics. OAP recommends that OPHS leadership and staff involved in the contracting process should develop a careful process for vetting vendors to prevent potential conflicts of interest. OPHS staff at all levels should receive additional ethics training to gain a better understanding of relationships and situations that could create a perceived or actual conflict of interest. Additionally, when a contract merits an exception to the City-County prohibition on conflicts of interest, OPHS should consult with OCC to appropriately document the exception.</p>		
Management Response		
<p>While the contracts in question were not with “immediate family members,” as defined in City Code Sec. 293-102 (they were with adult, non-dependent children), or employees with a “financial interest” in the contract (see definition in Sec. 293-102), OPHS agrees this finding poses serious risk to the City and requires immediate course correction in terms of program and project design, procurement administration, and ethics trainings. In that regard, OPHS shall do the following:</p> <ol style="list-style-type: none"> 1. <u>Implement a Program and Project Design SOP:</u> In 2024, OPHS issued an agency-wide SOP that governed the design and development of new OPHS programs and projects. This SOP created procedures and required documentation for Division staff as they developed new programs and projects, a key procedure being the review and approval of new programs/projects by legal counsel prior to prospective vendor engagement to ensure a procurement method maximizing competition and adhering to City Code is implemented. In October 2025, OPHS retooled and revamped the Program and Project Design SOP based on lessons learned in 2024, and conducted a training for Division Administrators which will now become an annual training and a part of Administrator onboarding. This SOP will provide multiple layers of oversight regarding 		

program/project design and procurement to ensure ethical standards and procedures are followed.

2. Work with OCC to Establish Ethics Training. In FY 2026, OPHS leadership will engage with the Office of Corporation (OCC) to establish an annual ethics training for staff, to be conducted by OPHS legal counsel or staff assigned by OCC. The following OPHS staff will take part in this annual training: all Deputy Directors, Finance Team staff, Division Administrators, and Division Program Managers. This training will also be issued to new staff as part of standard OPHS onboarding.

Implementation Date

FY 2026

F5: Use of Greater Indianapolis Progress Committee (GIPC) as Federal Grant Recipient		Reference
Finding	GIPC was utilized as the grant recipient for a USDA Local Food Purchase Assistance (LFPA) grant totaling \$800,000.	5
Criteria	<p>OAP reviewed the following documents which govern the use of grant funding and GIPC accounts:</p> <ul style="list-style-type: none"> - GIPC Fiscal Agent Handbook - City Purchasing Policies - County Auditor Payment Processing Policies 	<p>Risk Rating: High</p>
Recommendation		
<p>Per GIPC’s Fiscal Agent Handbook, GIPC should only be designated as the grant recipient when the grant criteria requires a 501(c)(3) entity as an applicant. The LFPA grant is intended for use by governmental entities and such criteria did not apply. OAP recommends that all federal grant application and funding receipts be coordinated with the Office of Finance and Management’s Grants team to ensure proper oversight and compliance with all requisite terms and conditions.</p>		
Management Response		
<p>The USDA Local Food Purchase Assistance (LFPA) grant was written by community advocates in the local food space and in collaboration with the OPHS Division of Community Nutrition and Food Policy (DCNFP). The outside groups met with GIPC leadership and requested GIPC act as fiscal agent. GIPC agreed to operate as fiscal agent and DCNFP agreed to allow the funds to operate through the OPHS/GIPC food account without OPHS leadership knowledge. The process to implement the grant award made agency leadership aware of the signed agreement. To ensure federal compliance was strictly followed and to maintain the working relationship between OPHS and GIPC, OPHS leadership requested the LFPA grant program be jointly managed by the OPHS DCNFP Administrator and the Finance Manager. The grant was successfully completed September 2024. Due to the successful implementation and completion of the grant, the USDA offered an additional financial award which was agreed to be transferred to an outside agency. Moving forward, any and all OPHS programs and projects intending to be grant-funded, will go through the agency’s Program and Project Design SOP, described above. This will ensure multiple layers of review and oversight in program/project planning and that OPHS leadership is aware of planned grant seeking. Any grants being sought will be done with advanced notice to and in coordination with Office of Finance and Management’s Grants team to ensure proper oversight and compliance with all requisite terms and conditions.</p>		
Implementation Date		
FY 2026		

F6: Lack of Vendor Compliance Review		Reference
Finding	Interviews with OPHS staff found that there is no standard process for reviewing and/or remediating vendor compliance issues.	6
Criteria	Section 11.06 of the City and County Purchasing Manual, which concerns performance, suggests that a level of continuous monitoring and management is necessary to effectively administer a contract. The objectives of effective administration are to see that an agency’s contract requirements are satisfied, to ensure timely delivery of goods and/or services, and to protect the City and County’s financial interests.	Risk Rating: High
Recommendation		
OAP recommends that OPHS develop and document procedures to detail the process of monitoring vendor compliance and evaluation for future engagement. OPHS leadership and administrative staff should be trained on such procedures and maintain documentation of their efforts to monitor compliance, including remediation steps outlined in contractual agreements.		
Management Response		
<p>In response to concerns regarding insufficient vendor compliance review procedures, OPHS has developed the following operational and process solutions, to be fully implemented beginning in FY 2026, which will bring Program Evaluation requirements for all contracts into full compliance. Those solutions include:</p> <ul style="list-style-type: none"> • Development of agency-wide requirements of programmatic staff assigned as point of contact on any program/contract regarding required frequency of check-ins, required frequency of site visits, and other required oversight actions • Development of standardized scoring/review system related to compliance, on metrics related to proper and timely programmatic reporting, proper and timely invoicing, proper documentation retention, proper program administration, and more. • Development of standard operating procedures for identifying non-compliance and administering appropriating corrective actions and procedures • Development of standard operating procedures for record-keeping and maintenance of all vendor compliance reviews and documents that are managed by designated points of contact and accessible to all appropriate division and/or agency staff • Implementation of quarterly “in-service” training for all OPHS programmatic staff to train and refresh on these updated vendor compliance processes and procedures <p>OPHS leadership will continue to develop written SOPs, templates, and other policies/procedures to effectuate the action items above through 2025. All OPHS staff will be trained on the action items above prior to the start of new year, with full implementation of these updated internal controls to commence beginning in FY 2026.</p>		
Implementation Date		
FY 2026		

F7: Inconsistent Vendor Selection		Reference
Finding	Staff interviews revealed no consistent process for vendor selection. Leadership also acknowledged the lack of SOPs but noted that OPHS’s operational needs often fall outside traditional purchasing procedures.	7
Criteria	OAP interviewed Office of Finance and Management (OFM) purchasing staff, who detailed the standard, enterprise-wide procedures for procurement and vendor selection that OPHS should follow. The City-County purchasing manual also outlines the procurement process, including the roles of the agency and purchasing staff. This manual also defines the different procurement methods and identifies when it is appropriate to use each, as the process can vary depending on the type of project or program, and the cost associated with the work.	Risk Rating: Mod
Recommendation		
OAP recommends that OPHS staff receive formal training on the City-County purchasing process. OPHS should also develop internal procedures that define roles and responsibilities for vendor selection. When OPHS operations require deviation from standard purchasing processes, OPHS should collaborate with OFM Purchasing and the Controller’s Office to develop a standard for navigating such situations.		
Management Response		
<p>OPHS agrees the enterprise-wide procedures for procurement and vendor selection (i.e. the Purchasing Manual, rev 09/22/2025) do not always meet the unique needs of OPHS. In the procurement of goods and supplies, and public works, OPHS follows the Purchasing Manual and the Indiana Code. However, OPHS primarily contracts with not-for-profit entities to perform unique or specialized services which do not fall neatly into the defined service types: Professional Services; Personal Services; Competable Services.¹ Indeed, Section 6.05 of the Purchasing Manual states that service agreements with not-for-profit organizations may be characterized as “non-competable services.” OPHS is thus frequently faced with multiple avenues for procurement and vendor selection. OPHS works closely with OFM Purchasing Division to select the pathway most advantageous to OPHS given the circumstances, its obligations under state law, and its duties as stewards of public funds.</p> <p>To standardize procurement and vendor selection practices, OPHS has developed the following operational and process solutions:</p> <ol style="list-style-type: none"> 1. <u>Program and Project Design SOP</u>: In 2024, OPHS issued an agency-wide SOP that governed the design and development of new OPHS programs and projects. This SOP created procedures and required documentation for Division staff as they developed new programs and projects, a key procedure being the review and approval of new programs/projects by legal counsel prior to prospective vendor engagement to ensure a procurement method maximizing competition given the circumstances would be implemented. This led to increased utilization of the RFQual procurement pathway. In October 2025, OPHS retooled and revamped the Program and Project Design SOP based on lessons learned in 2024, and conducted a training for Division Administrators which will now become an annual training and a part of Administrator onboarding. 		

2. Training and Coordination with OFM-Purchasing Division. Beginning in FY 2026, OPHS will require all Deputy Directors, Finance Team staff, Division Administrators, and Division Program Managers to attend procurement training led by the Purchasing Division on an annual basis. Additionally, OPHS leadership will work with the Purchasing Division to clearly delineate which procurement methods are best suited for programs and projects needing unique or highly specialized services by not-for-profit organizations.

Implementation Date

FY 2026

F8: Transfer from General Fund to Greater Indianapolis Progress Committee (GIPC)		Reference
Finding	From January 2021 – January 2023, \$314,119.26 in City general funds (Mayor’s Office and OPHS) were transferred to the Indy Food Council GIPC account (“Food Account”) for food-related activities, including payments for consultants, community partners, and technological support. This allowed these funds to circumvent both City Purchasing and the County Auditor’s office review and approval for expenditures.	8
Criteria	<ul style="list-style-type: none"> - Relevant policies include: - City of Indianapolis – Marion County Municipal Code Sec. 202-204 - City Purchasing Policies - County Auditor Payment Processing Policies 	Risk Rating: Mod
Recommendation		
<p>While the transfer of funds from the General Fund to GIPC was approved via a December 1, 2021 memo from the Mayor’s Office to the County Auditor, the transfer subjected the funds to significantly less oversight, creating a control weakness. Expenditures from GIPC accounts are only approved by the Agency Director, Mayor’s Chief of Staff, and GIPC Executive Director, all of whom are often far removed from the activity that created the expense. OAP recommends that any future efforts to retain budgetary General Funds be coordinated with the OFM and retained within City accounts to ensure proper oversight on their use.</p>		
Management Response		
<p>The Greater Indianapolis Progress Committee (GIPC) currently holds funds for several city agencies, including OPHS. OPHS will utilize the GIPC account in accordance with the GIPC Fiscal Agent Handbook. When funds were transferred to GIPC in 2021, the process included the review and approval of the agency Director, the Mayor’s Chief of Staff, and the Marion County Auditor. All payments made from GIPC accounts to vendors require the approval of the agency Director and the Mayor’s Chief of Staff. There is significant oversight and review with all transactions. The agency Director and Chief Finance Officer receive detailed quarterly financial reports from the GIPC team. To resolve the issue identified, a total of \$8,162.66 that remained in an OPHS GIPC account from the 2021 transfer was returned to the City’s General Fund at the request of the current OPHS Director on April 30, 2025.</p>		
Implementation Date		
FY 2026		

OBSERVATIONS AND DISCUSSION ITEMS

OAP observed a lack of regular communication and information sharing across OPHS divisions. During interviews, staff described varying methods of interacting with vendors, accomplishing administrative tasks, and developing/administering programming. While OAP acknowledges that the nature of each division's work is distinct, there is an opportunity for longer-tenured staff to share knowledge of the Enterprise, and for newer staff to offer fresh insights on programmatic operations and management. When possible, OPHS should encourage cross-division collaboration to take advantage of these opportunities.

In November 2024, OPHS awarded a grant of \$75,000 to a local private school in support of a tuition-free summer program for underserved youth. The scope of work frames the grant under the work of the Violence Reduction division, but the proposed budget does not align with the stated purpose. Items listed in the budget include a grant writing consultant, program development consultant, staff professional development, and a consultant to develop a strategic plan. The grant term commenced under the leadership of a former OPHS Director who sits on the executive leadership for the school's partner organization that operates the camp. The misalignment of stated purpose and budget details combined with the personal relationship to an OPHS staff member creates a perceived conflict of interest that could cause reputational harm to the office.

GENERAL CONCLUSION

OAP engaged OPHS to evaluate the administration and effectiveness of OPHS programming, to evaluate compliance with City-County purchasing policy and related internal control processes, and to review the Office's third-party vendor management practices. The review identified several areas of concern and opportunities for growth.

Overall, the findings reveal an immediate need for training and education in the oversight, administration, and execution of programming and third-party contracting. Additionally, OAP found a general lack of standard policies and procedures for most administrative functions. While the nature of OPHS's work may require some deviation from Enterprise procurement standards, the agency itself should maintain consistency in its own processes and procedures for the sake of efficiency and monitoring effectiveness.

OAP acknowledges that turnover, particularly in OPHS leadership, and the need to urgently address social welfare concerns during the COVID-19 pandemic created barriers to stability and consistency within the office. Despite these challenges, OAP's review found improvements in the quality and specificity of contract language over time, and staff mentioned the recent development of standard policies for data collection and payment processing. While training more staff on standard procedures and the contracting process is recommended, and more procedures to consistently perform administrative work should be developed, OAP commends OPHS on the strides the agency has already made toward these efforts in recent years.

OAP acknowledges that Microsoft Copilot was used in a limited capacity to ensure clarity and consistency of report language.