County of Los Angeles
DEPARTMENT OF CHILDREN AND FAMILY SERVICES

425 Shatto Place, Los Angeles, California 90020
(213) 351-5602

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Director

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August 27, 2015

To: Supervisor Michael D. Antonovich, Mayor
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Supervisor Sheila Kuehl
Supervisor Don Knabe

Cynthia McCoy Nolla for

From: Philip L. Browning
Director

PARAGON CENTER GROUP HOME FISCAL ASSESSMENT AND CONTRACT COMPLIANCE MONITORING REVIEW

The Department of Children and Family Services (DCFS) Contracts Administration Division (CAD) conducted a fiscal assessment and contract compliance review of Paragon Center Group Home (the Group Home) in May 2015. The Group Home has one site located in Orange County and provides services to the County of Los Angeles DCFS placed children and placed children from other counties. According to the Group Home's program statement, its stated purpose is, "With the belief that integrity, pride, self-discipline, hope, and self-confidence are essential tools for developing quality and productive members of society, Paragon Center is dedicated to providing nurturing, safe, and stable environments for our youth, identifying resources to promote character building and self-sufficiency, and support their social, educational, and spiritual growth."

At the time of review, the Group Home served two DCFS placed children. The Group Home has a six-bed site licensed to serve a capacity of six female children, ages 12 through 17. The children's overall average length of placement was 9 months and their average age was 16.

SUMMARY

CAD conducted a fiscal compliance assessment, which included an on-site review of the Group Home's financial records such as financial statements, bank statements, check register, and personnel files to determine the Group Home's compliance with the terms, conditions, and requirements of the Group Home contract, the Auditor-Controller Contract Accounting and Administration Handbook (A-C Handbook), and other applicable federal, State, and County regulations and guidelines.

The Group Home was in full compliance with 4 of 5 areas of the Fiscal Compliance Assessment: Financial Overview; Loans, Advances and Investments; Board of Directors and Business Influence; and Payroll and Personnel.

CAD identified deficiencies in the areas of Cash/Expenditures, related to the Executive Director who is one of the authorized check signers, signing checks made out himself and the Inventory of Fixed Assets list did not include the funding source.

During CAD's contract compliance review, the interviewed children generally reported: feeling safe; having been provided with good care and appropriate services; being comfortable in their environment, and being treated with respect and dignity.

The Group Home was in full compliance with 7 of 10 areas of our contract compliance review: Facility and Environment; Educational and Workforce Readiness; Health and Medical Needs; Psychotropic Medication; Personal Rights and Social/Emotional Well-Being; Personal Needs/Survival and Economic Well-Being; and Personnel Records.

CAD noted deficiencies in the areas of: Licensure/Contract Requirements, related to Special Incident Reports (SIRs) not being cross-reported timely; Maintenance of Required Documentation and Service Delivery, related to not developing a comprehensive updated Needs and Services Plan (NSP) with the child's participation; and Discharged Children, related to children not making progress towards their NSP goals.

REVIEW OF REPORT

On June 11, 2015, Lorena Moya-Rivas, DCFS CAD, held the compliance Exit Conference with the Group Home Representative, Denita Trowel, Group Home Administrator. DCFS staff included Thomas Manning, Out-Of-Home Care Management Division (OHCMD). On May 15, 2015, Joe Jimenez Jr. DCFS CAD held the fiscal Exit Conference with Rene Tuano, Bookkeeper, and Irene Yohn, Associate Executive Director. The Group Home Representatives were in agreement with the review findings and recommendations; receptive to implementing systemic changes to improve compliance with regulatory standards; and prepared to address the noted deficiencies in a Corrective Action Plan (CAP).

A copy of this report has been sent to the Auditor-Controller and Community Care Licensing.

The Group Home provided the attached approved CAP addressing the recommendations noted in this report. On June 11, 2015, OHCMD provided technical assistance to the Group Home. On July 7, 2015, CAD verified implementation of the CAP addressing the recommendations in this report.

If you have any questions, your staff may contact Aldo Marin, Board Relations Manager, at (213) 351-5530.

PLB:EM
LTI: lmr

Attachments

c: Sachi A. Hamai, Interim Chief Executive Officer
John Naimo, Auditor-Controller
Jerry E. Powers, Chief Probation Officer
Public Information Office
Audit Committee
Sybil Brand Commission
Pamela Cutchlow, Executive Director, Paragon Center
Lajuannah Hills, Regional Manager, Community Care Licensing Division
Leonora Scott, Regional Manager, Community Care Licensing Division

PARAGON CENTER GROUP HOME
FISCAL COMPLIANCE ASSESSMENT REVIEW
FISCAL YEAR 2014 –2015

SCOPE OF REVIEW

The fiscal compliance assessment included a review of Paragon Center's Group Home (the Group Home) financial records for the period of January 2011 through January 31, 2015. Contracts Administration Division (CAD) reviewed the financial statements, bank statements, check register, and personnel files to determine the Group Home's compliance with the terms, conditions, and requirements of Group Home contracts, the Auditor-Controller Contract Accounting and Administration Handbook (A-C Handbook), and other applicable federal, State, and County regulations and guidelines.

The on-site Fiscal Compliance Assessment review focused on five key areas of internal controls:

- Financial Overview,
- Loans, Advances and Investments,
- Board of Directors and Business Influence,
- Cash/Expenditures, and
- Payroll and Personnel.

The Group Home was in full compliance with 4 of 5 areas of the Fiscal Compliance Assessment: Financial Overview; Loans, Advances and Investments; Board of Directors and Business Influence; and Payroll and Personnel.

FISCAL COMPLIANCE

CAD found the following area out of compliance:

Cash/Expenditures

- One of the authorized check signers, the Executive Director, issued checks where the Director was also the payee.

The Group Home now requires a second signature on the check in any instance when the payee is also a signer on the check.

- The Inventory of Fixed Assets list is missing funding source information.

The Group Home will immediately revise the inventory list of fixed assets to include the source of funding for each asset.

Recommendations:

The Group Home management shall ensure that:

1. Checks payable to the authorized check signer are reviewed and approved by a higher level employee or Board member who will be the required check signer.

2. A fixed assets inventory list is maintained that includes item description, serial number, date of purchase, acquisition cost and funding source.

MOST RECENT FISCAL REVIEW CONDUCTED BY THE AUDITOR-CONTROLLER

A fiscal review of the Group Home has not been posted by the Auditor-Controller.

NEXT FISCAL COMPLIANCE ASSESSMENT

The next Fiscal Compliance Assessment of the Group Home will be conducted in County Fiscal Year 2015-2016.

PARAGON CENTER GROUP HOME
CONTRACT COMPLIANCE MONITORING REVIEW SUMMARY

714 Morse Avenue
Placentia, CA 92834
License Number: 306001904
Rate Classification Level: 12

	Contract Compliance Monitoring Review	**Findings: May 2015**
I	**Licensure/Contract Requirements** (9 Elements)	
	1. Timely Notification for Child's Relocation	1. Not Applicable
	2. Provided Children's Transportation Needs	2. Full Compliance
	3. Vehicle Maintained in Good Repair	3. Full Compliance
	4. Timely, Cross-Reported SIRs	4. Improvement Needed
	5. Disaster Drills Conducted & Logs Maintained	5. Full Compliance
	6. Runaway Procedures	6. Full Compliance
	7. Comprehensive Monetary and Clothing Allowance Logs Maintained	7. Full Compliance
	8. Detailed Sign In/Sign-Out Logs for Placed Children	8. Full Compliance
	9. CCL Complaints on Safety/Plant Deficiencies	9. Full Compliance
II	**Facility and Environment** (5 Elements)	
	1. Exterior Well Maintained	Full Compliance (All)
	2. Common Areas Well Maintained	
	3. Children's Bedrooms Well Maintained	
	4. Sufficient Recreational Equipment/Educational Resources	
	5. Adequate Perishable and Non-Perishable Foods	
III	**Maintenance of Required Documentation and Service Delivery** (10 Elements)	
	1. Child Population Consistent with Capacity and Program Statement	1. Full Compliance
	2. County Children's Social Worker's Authorization to Implement NSPs	2. Full Compliance
	3. NSPs Implemented and Discussed with Staff	3. Full Compliance
	4. Children Progressing Toward Meeting NSP Case Goals	4. Full Compliance
	5. Therapeutic Services Received	5. Full Compliance
	6. Recommended Assessment/Evaluations Implemented	6. Full Compliance
	7. County Children's Social Workers Monthly Contacts Documented	7. Full Compliance
	8. Children Assisted in Maintaining Important Relationships	8. Full Compliance
	9. Development of Timely, Comprehensive Initial	9. Full Compliance

	10. NSPs with Child's Participation Development of Timely, Comprehensive, Updated NSPs with Child's Participation	10. Improvement Needed
IV	**Educational and Workforce Readiness** (5 Elements) 1. Children Enrolled in School Within Three School Days 2. GH Ensured Children Attended School and Facilitated in Meeting Their Educational Goals 3. Current Report Cards/Progress Reports Maintained 4. Children's Academic or Attendance Increased 5. GH Encouraged Children's Participation in YDS or Equivalent Services and Vocational Programs	Full Compliance (All)
V	**Health and Medical Needs** (4 Elements) 1. Initial Medical Exams Conducted Timely 2. Follow-Up Medical Exams Conducted Timely 3. Initial Dental Exams Conducted Timely 4. Follow-Up Dental Exams Conducted Timely	1. Not Applicable 2. Full Compliance 3. Not Applicable 4. Full Compliance
VI	**Psychotropic Medication** (2 Elements) 1. Current Court Authorization for Administration of Psychotropic Medication 2. Current Psychiatric Evaluation Review	Full Compliance (All)
VII	**Personal Rights and Social/Emotional Well-Being** (13 Elements) 1. Children Informed of Group Home's Policies and Procedures 2. Children Feel Safe 3. Appropriate Staffing and Supervision 4. GH's Efforts to Provide Nutritious Meals and Snacks 5. Staff Treat Children with Respect and Dignity 6. Appropriate Rewards and Discipline System 7. Children Allowed Private Visits, Calls and Correspondence 8. Children Free to Attend or Not Attend Religious Services/Activities 9. Children's Chores Reasonable 10. Children Informed About Their Medication and Right to Refuse Medication 11. Children Free to Receive or Reject Voluntary Medical, Dental and Psychiatric Care	Full Compliance (All)

	12. Children Given Opportunities to Plan Activities in Extra-Curricular, Enrichment and Social Activities (GH, School, Community) 13. Children Given Opportunities to Participate in Extra-Curricular, Enrichment and Social Activities (GH, School, Community)	
VIII	**Personal Needs/Survival and Economic Well-Being** (7 Elements) 1. $50 Clothing Allowance 2. Adequate Quantity and Quality of Clothing Inventory 3. Children Involved in Selection of Their Clothing 4. Provision of Clean Towels and Adequate Ethnic Personal Care Items 5. Minimum Monetary Allowances 6. Management of Allowance/Earnings 7. Encouragement and Assistance with Life Book/Photo Album	Full Compliance (All)
IX	**Discharged Children** (3 Elements) 1. Children Discharged According to Permanency Plan 2. Children Made Progress Toward NSP Goals 3. Attempts to Stabilize Children's Placement	1. Not Applicable 2. Improvement Needed 3. Full Compliance
X	**Personnel Records** (7 Elements) 1. DOJ, FBI, and CACIs Submitted Timely 2. Signed Criminal Background Statement Timely 3. Education/Experience Requirement 4. Employee Health Screening/TB Clearances Timely 5. Valid Driver's License 6. Signed Copies of Group Home Policies and Procedures 7. All Required Training	Full Compliance (All)

PARAGON CENTER GROUP HOME
CONTRACT COMPLIANCE MONITORING REVIEW
FISCAL YEAR 2014-2015

SCOPE OF REVIEW

The following report is based on a "point in time" monitoring visit review. This compliance report addresses findings noted during the May 2015 review. The purpose of this review was to assess Paragon Center Group Home's (the Group Home's) compliance with its County contract and State regulations and included a review of the Group Home's program statement as well as internal administrative policies and procedures. The monitoring review covered the following 10 areas:

- Licensure/Contract Requirements,
- Facility and Environment,
- Maintenance of Required Documentation and Service Delivery,
- Educational and Workforce Readiness,
- Health and Medical Needs,
- Psychotropic Medication,
- Personal Rights and Social Emotional Well-Being,
- Personal Needs/Survival and Economic Well-Being,
- Discharged Children, and
- Personnel Records.

For the purpose of this review, two County of Los Angeles Department of Children and Family Services (DCFS) placed children were selected for the sample. The Contracts Administration Division (CAD) interviewed each child and reviewed case files to assess the care and services the children received. Additionally, three discharged children's files were reviewed to assess the Group Home's compliance with permanency efforts. At the time of the review, two sampled children were prescribed psychotropic medication. The children's case files were reviewed to assess for timeliness of Psychotropic Medication Authorizations and required documentation of psychiatric monitoring.

CAD reviewed three staff files for compliance with Title 22 regulations and County contract requirements. A site visit was conducted to assess the quality of care and supervision provided to the placed children.

CONTRACTUAL COMPLIANCE

CAD found the following areas out of compliance:

Licensure/Contract Requirements

- Special Incident Reports (SIRs) were not cross-reported timely.

Two of two SIRs reviewed revealed that they were not cross-reported to the appropriate parties. One SIR was not cross-reported to Community Care Licensing (CCL) and the other SIR was not cross-reported to the Out-of-Home Care Management Division (OHCMD).

During the review, the Group Home representative reviewed the SIRs sampled and acknowledged the oversight in cross-reporting to all appropriate parties.

During a follow-up visit on July 7, 2015, CAD reviewed five additional SIRs and observed that each SIR was cross-reported timely. The Group Home representative stated that she developed a protocol for all staff to follow when generating an SIR in order to ensure compliance.

Recommendation:

The Group Home's management shall ensure that:

1. SIRs are timely cross-reported to all required parities.

Maintenance of Required Documentation and Service Delivery

- A comprehensive, updated Needs and Services Plan (NSP) with the child's participation was not developed.

One of two updated NSPs reviewed was not comprehensive, as it did not include all elements in accordance with the NSP template. Specifically, goals were copied and pasted from a previous NSP without any modifications to note progress toward meeting the children's identified goals.

During the review, the Group Home representative acknowledged the findings and agreed that when goals are not met, the methods should be modified and other interventions should be explored. The Group Home Representative stated that she would discuss the finding with the therapists.

During a follow-up visit on July 7, 2015, CAD was unable to review an updated NSP since one was not due. The Group Home representative provided CAD with a revised NSP Approval Form, which included a field to record the dates when therapists and staff meet to discuss children's goals, developments, performance, skills and accomplishments.

Recommendation:

The Group Home's management shall ensure that:

2. Comprehensive updated NSPs are developed with the children's participation.

Discharged Children

- Children did not make progress toward meeting their NSP goals.

Three of three files reviewed determined that discharged children files did not show progress toward meeting their NSP goals.

During the Exit Conference, the Group Home representative stated that although the children had not met their NSP goals, they made some progress toward achieving them. CAD suggested that the Group Home document any and all progress made by the children.

During a follow-up visit on July 7, 2015, CAD reviewed discharge summaries and verified that progress toward meeting NSP goals was being properly documented as needed.

Recommendation:

The Group Home's management shall ensure that:

3. Children make progress toward meeting their NSP goals.

PRIOR YEAR FOLLOW-UP FROM DCFS CAD'S GROUP HOME CONTRACT COMPLIANCE MONITORING REVIEW

CAD's last compliance report dated June 19, 2015, identified three recommendations.

Results

Based on CAD's follow-up, the Group Home fully implemented 2 of 3 recommendations for which they were to ensure:

- Comprehensive monetary and clothing allowance logs are maintained.
- County Children's Social Workers' (CSWs') monthly contacts are documented.

Based on the results of the current review, 1 of 3 recommendations was not implemented:

- Updated NSPs are timely and comprehensive, with the children's participation.

4. The outstanding recommendation from the monitoring report dated June 19, 2015, which is noted as recommendation 2 in this report is fully implemented.

The Group Home representative expressed a desire to remain in compliance with Title 22 regulations and Contract requirements. During the Exit Conference, the Group Home Representative reaffirmed her commitment to making the necessary changes to ensure the children's continued well-being. During a follow-up visit on July 7, 2015, CAD verified that 3 of 3 recommendations noted in this report had been implemented. OHCMD will provide on-going technical assistance prior to the next monitoring review.

PARAGON CENTER, INC.

June 8, 2015

County of Los Angeles
Dept. of Children & Family Services
Fiscal Compliance Division

Attn: Mr. Joe Jimenez

Subject: Fiscal Corrective Action Plan for Paragon Center, Inc.

In response to the Fiscal Compliance Assessment Review findings, our agency's Fiscal Corrective Action Plan (FCAP) is as follows:

FCAT Section IV- Cash/Expenditures
We reviewed bank statements, cancelled checks, check registers, and credit card statements for the months of November, December 2014 and January of 2015. The following deficiencies were noted:

Question No. 17
Finding:

***Authorized Check Signer signed checks issued to herself.**

1. **FCAP**: Paragon Center, Inc. will immediately implement requirement of a second signature on the check from the Executive Director where in any instances the payee is also a signer on the check. In addition, a written disbursement shall be itemized and approved by the Executive Director. The Board of Directors will continue to review check disbursements at the Quarterly Meetings.

P.O. Box 6803, Fullerton, CA, 92834 • Phone: 714.572.0175 • Fax: 714.572.1559
Email: paragoncenter@msn.com

Question No. 28
Finding:

* **Fixed asset listing is missing funding source information.**

1. **FCAP:** Paragon Center, Inc. will immediately revise the listing of fixed assets format which will include the source of funding for each asset. Immediate steps have been taken to develop an Excel spreadsheet which will meet A-C Handbook Section B.4.2.

Respectfully Submitted,

Irene Yohn
Asst. Executive Director/Administrator
Paragon Center, Inc.
714-213-1428

cc: Rene Tuano, Bookkeeper
Pamela Cutchlow, Executive Director

PARAGON CENTER, INC.

July 9, 2015

Department of Children & Family Services
Contracts Administration Division
3530 Wilshire Blvd 4th Floor
Los Angeles, Ca 90010

Attn: Lorena Moya-Rivas, MSW Children's Service Administrator

Subject: CAP Addendum (Revised #2)

Dear Mrs. Moya-Rivas

Per your Contract Review Findings, Paragon Center Corrective Action Plan follows:

SECTION I. LICENSURE/CONTRACT REQUIREMENTS

4. Are the special incidents reports (SIRS) appropriately documented and cross-reported timely? (Safely)

CAP: On 6/12/15 GH Administrator created an SIR protocol including a list of agencies with names who need to be cross reported in SIR. SIR protocol placed in office for Management to follow. Submitter is to review SIR protocol before final submission of SIR. Administrator will be responsible for reviewing all SIRs before they are submitted to ensure compliance with the CAP.

SECTION III. MAINTENANCE OF REQUIRED DOCUMENTATION OR SERVICE DELIVERY

24. Did the treatment team develop timely, comprehensive, updated Needs and Service Plans (NSP) with the participation of the developmentally age- appropriate child? (WELL-BEING)

CAP: Administrator will contact group home therapist and on a monthly basis and share clients areas of development that is seen by other staff, performance, skills and accomplishments. Group home therapist shall discuss goals during weekly meeting with group home staff and Administrator before completing the NSP regarding progress or non-progress to ensure goals are being modified and changes are completed so that client is able to meet the goal if current goals are not being met. The Administrator will review the NSP's on a monthly basis to ensure

P.O. Box 6803, Fullerton, CA, 92834 • Phone: 714.572.0175 • Fax: 714.572.1559
Email: paragoncenter@msn.com

the goals for all clients are realistic, measurable and attainable. Group home therapist did attend NSP training the county held on May 8, 2015. Also GH therapist attended a NSP training help by GH NSP consultant in which one of the areas of training focused on goals. Attached is the signature page of NSP training. The GH has include on the NSP Approval form to include dates GH Administrator and other team's member meet to discuss/Review, areas of Development, Goals, Performance, Skills and Accomplishments.

#57: For children placed at least 30 days, did the child make progress toward meeting their NSP goals?

CAP: The discharge summaries reviewed during review were not detailed and including client NSP progress towards goal and details. Administrator Denita has modify clients discharge summary to entail a more descriptive discharge including illustrative details explains clients progress and regression from NSP and including clients achieved goals. (Attached is an example of Paragon Center Discharged Summary)

If you have any questions or concerns or required additional information, please feel free to contact me (714)321-5704 or via email: paragoncenter@msn.com

Respectfully Submitted

Denita Trowel, GH Administrator

P.O. Box 6803, Fullerton, CA, 92834 • Phone: 714.572.0175 • Fax: 714.572.1559
Email: paragoncenter@msn.com