County of Los Angeles
DEPARTMENT OF CHILDREN AND FAMILY SERVICES
425 Shatto Place, Los Angeles, California 90020
(213) 351-5602

PHILIP L. BROWNING
Director

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January 11, 2016

To: Supervisor Hilda L. Solis, Chair
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From: for Philip L. Browning
Director

VISTA DEL MAR CHILD AND FAMILY SERVICES COMMUNITY TREATMENT FACILITY FISCAL ASSESSMENT AND CONTRACT COMPLIANCE REVIEW

The Department of Children and Family Services (DCFS) Contracts Administration Division (CAD) conducted a fiscal compliance assessment and contract compliance review of Vista Del Mar Community Treatment Facility (the CTF) in September 2014. The CTF has one office located in the Second Supervisorial District and provides services to County of Los Angeles DCFS placed children and Probation youth, as well as placements from various counties. According to the CTF's program statement, its purpose is "to provide comprehensive, family-centered social, educational, and behavioral health services which encourage children, adolescents and their families to lead self-reliant, stable, and productive lives."

The CTF has a 40-bed site and is licensed to serve a capacity of 40 male and female children ages 14 through 18. At the time of the review, the CTF served 13 placed DCFS children and 6 Probation youth. The placed children's overall average length of placement was 11 months, and their average age was 16.

SUMMARY

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

The CTF was in full compliance with 3 of 5 areas of the fiscal compliance assessment: Financial Overview; Loans, Advances and Investments; and Payroll and Personnel.

CAD noted deficiencies in the following areas: Board of Directors and Business Influence related to the Board meeting minutes not being certified by the Board's secretary; and Cash/Expenditures,

related to a check that was made payable to cash, independent contractor written agreements were not maintained, inadequately supported check expenditures, and incomplete fixed assets list.

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

The CTF was in full compliance with 3 of 10 areas of our contract compliance review: Facility and Environment; Psychotropic Medication; and Discharged Children.

CAD noted deficiencies in the areas of: Licensure/Contract Requirements, related to Special Incident Reports (SIRs) not being timely or cross reported to all parties, not maintaining comprehensive monetary and clothing allowance logs, not maintaining detailed sign-in/sign-out logs, and Community Care Licensing (CCL) citations; Maintenance of Required Documentation and Service Delivery, related to the children not progressing toward meeting Needs and Services Plan (NSP) case goals, therapeutic services not being provided, and not developing timely updated NSPs; Education and Workforce Readiness, related to the children's academic performance and/or attendance not improving; Health and Medical Needs, related to not obtaining timely follow-up medical examinations; Personal Rights and Social/Emotional Well-Being, related to the children expressing not feeling safe, not providing appropriate staffing and supervision, not being treated with respect and dignity, the discipline system not being fair, and children not being free to receive or reject voluntary medical, dental, and psychiatric care; Personal Needs/Survival and Economic Well-Being, related to not providing adequate quantity and quality of clothing inventory, and adequate personal care items not being provided; and Personnel Records, related to the employees not receiving all required trainings.

Attached are the details of our review.

REVIEW OF REPORT

On October 8, 2014, Jennifer Higuchi, DCFS CAD, held an Exit Conference with Amy Jaffe, CTF Senior Vice President of Operations. DCFS staff included: Luis Moreno, CAD, Adelina Arutyunyan Out-of-Home Care Management Division (OHCMD), and Mary Nichols, DCFS High Risk Services Division.

The CTF's representative was in agreement with the review findings and recommendations; was receptive to implementing systematic changes to improve compliance with regulatory standards; and to address the noted deficiencies in a Corrective Action Plan (CAP) and Fiscal Corrective Action Plan (FCAP).

A copy of this compliance report has been sent to the Auditor-Controller and CCL.

The CTF provided the attached approved CAP and FCAP addressing the recommendations noted in this report.

CAD fiscal staff verified implementation of the FCAP in October 2014. CAD conducted a follow-up visit to the CTF on March 30, 2015, and verified implementation of the CAP.

It is important to note that the CTF was placed on a "Hold" Status on June 4, 2014. The hold was based on concerns related to Special Incident Reports (SIRs) not being reported in accordance with SIR reporting guidelines, which resulted in OHCMD requesting a CAP. Subsequent to the CAP request, there were 16 additional SIRs received, which were not submitted timely and were not properly documented, as they did not provide detailed information as to how the incidents occurred, the level of supervision at the time of the incident and how the incidents occurred on more than one occasion. Further, during a walkthrough of the CTF on June 4, 2014, several plant deficiencies, which pose child safety concerns were observed. After the issues were addressed, the "Hold" was subsequently lifted on June 24, 2014.

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

PLB:EM
LTI:jh

Attachments

c: Sachi A. Hamai, Chief Executive Officer
John Naimo, Auditor-Controller
Margarita Perez, Acting Chief Probation Officer
Public Information Office
Audit Committee
Sybil Brand Commission
Louis Josephson, PhD., President/CEO, Vista Del Mar Child and Family Services
Lenora Scott, Regional Manager, Community Care Licensing Division
Lajuannah Hills, Regional Manager, Community Care Licensing Division

VISTA DEL MAR CHILD AND FAMILY SERVICES
FISCAL COMPLIANCE ASSESSMENT REVIEW
FISCAL YEAR 2014 - 2015

SCOPE OF REVIEW

The fiscal compliance assessment included review of the Vista Del Mar Child and Family Services Community Treatment Facility (the CTF) financial records for the period of July 1, 2012, through August 31, 2014. Contracts Administration Division (CAD) reviewed the financial statements, bank statements, check register, and personnel files to determine the CTF's compliance with the terms, conditions, and requirements of the CTF, Group Home and Foster Family Agency 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 CTF was in full compliance with 3 of 5 areas of the fiscal compliance assessment: Financial Overview; Loans, Advances and Investments; and Payroll and Personnel.

During the review, it was noted that the CTF's audited financial statements for fiscal year ending June 30, 2013 had an operational loss of $3,143,467. The CTF receives supplemental funding from both the California Department of Social Services (CDSS) and the County of Los Angeles for CTF placements. However, the operational loss is due to the design of the program, as the CTF has previously reported that this program is only cost effective if all CTF beds are occupied, with no vacancies. The CTF must fully staff the program, which results in an operational loss when there are vacancies. The CTF maintains operational/unrestricted revenue streams and reserves to augment programs temporarily running in deficit and/or to preserve programs that are providing valuable services, and to assist the organization with further growth.

Fiscal Compliance

CAD found the following areas out of compliance:

Board of Directors and Business Influence:

- The Board of Director's meeting minutes for three quarterly meetings were not certified by the Board Secretary.

Recommendation:

The Board of Directors shall ensure that:

1. Board meeting minutes are certified by their Board's secretary.

Cash/Expenditures:

- A check issued on April 25, 2014 in the amount of $5,000 was made payable to cash.
- Independent contractor written agreements were not maintained for 2 of 3 sampled agreements.
- Inadequately supported check expenditure disbursements. A payment to a doctor was not made according to the agreement ($125 per hour). Supporting documentation for payments issued in April, 2014 (20.05 hours) and May 2014 (20.01 hours), did not support the payment of $3,000 for each month.
- There was an incomplete fixed assets inventory list and it did not include the serial numbers, dates of purchase, acquisition costs and funding source.

Recommendations:

The CTF's management shall ensure that:

2. Checks are not made payable to cash.
3. Written agreements are executed and on file for all independent contractors receiving payments reported on 1099s to the Internal Revenue Service.
4. Acceptable supporting documentation is maintained for all expenditures.
5. A fixed assets inventory is maintained that includes all required elements.

MOST RECENT FISCAL REVIEW CONDUCTED BY THE AUDITOR-CONTROLLER

A recent fiscal review of the CTF has not been posted by the Auditor-Controller.

NEXT FISCAL COMPLIANCE ASSESSMENT

The next fiscal compliance assessment of the CTF will be conducted in County Fiscal Year 2015-2016.

VISTA DEL MAR CHILD AND FAMILY SERVICES
COMMUNITY TREATMENT FACILITY
CONTRACT COMPLIANCE REVIEW SUMMARY

License No: 197803679
Rate Classification Level: Community Treatment Facility

	Contract Compliance Monitoring Review	**Findings: September 2014**
I	**Licensure/Contract Requirements** (9 Elements)	
	1. Timely Notification for Child's Relocation	1. Non-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. Improvement Needed
	8. Detailed Sign In/Out Logs for Placed Children	8. Improvement Needed
	9. CCL Complaints on Safety/Plant Deficiencies	9. Improvement Needed
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/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. Improvement Needed
	5. Therapeutic Services Received	5. Improvement Needed
	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 NSPs with Child's Participation	9. Full Compliance

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

	Medical, Dental and Psychiatric Care 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)	12. Full Compliance 13. Full Compliance
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 the 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	1. Full Compliance 2. Improvement Needed 3. Full Compliance 4. Improvement Needed 5. Full Compliance 6. Full Compliance 7. Full Compliance
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	Full Compliance (All)
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 CTF Policies and Procedures 7. All Required Training	1. Full Compliance 2. Full Compliance 3. Full Compliance 4. Full Compliance 5. Full Compliance 6. Full Compliance 7. Improvement Needed

VISTA DEL MAR CHILD AND FAMILY SERVICES COMMUNITY TREATMENT FACILITY
CONTRACT COMPLIANCE MONITORING REVIEW
FISCAL YEAR 2014-2015

SCOPE OF REVIEW

The following report is based on a "point in time" monitoring visit. This compliance report addresses findings noted during the September 2014 review. The purpose of this review was to assess Vista Del Mar Community Treatment Facility's (the CTF's) compliance with its County contract and State regulations and included a review of the CTF'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, seven placed children were selected for the sample. The Contracts Administration Division (CAD) interviewed each child and reviewed their case files to assess the care and services they received. Additionally, four discharged children's files were reviewed to assess the CTF's compliance with permanency efforts. At the time of the review, seven placed children were prescribed psychotropic medication. CAD reviewed the children's case files to assess for timeliness of Psychotropic Medication Authorizations and to confirm the required documentation of psychiatric monitoring.

CAD reviewed five CTF staff files for compliance with Title 22 regulations and county contract requirements, and conducted a site visit to assess the provision of quality of care and supervision.

CONTRACTUAL COMPLIANCE

CAD found the following areas out of compliance.

Licensure/Contract Requirements

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

During the review, CAD noted 6 of 87 Special Incident Reports (SIRs) reviewed were not submitted timely and were not cross-reported to the Out-of-Home Care Management Division (OHCMD), Community Care Licensing (CCL), and Department of Children and Family Services (DCFS) Children's Social Workers (CSWs).

At the Exit Conference, the CTF representative stated that they will address this matter immediately. The CTF conducted an in-house training on October 9, 2014 with the youth development counselor

supervisors to ensure that SIRs are completed in accordance with the SIR template and are submitted timely and cross-reported.

CAD conducted a follow-up visit on March 30, 2015, and verified that the CTF had conducted the required training.

- Comprehensive monetary and clothing allowance logs were not maintained.

A review of the weekly allowance and clothing allowance logs determined that an expense was incorrectly withdrawn from a child's allowance account. It was further noted that the clothing logs did not accurately reflect the deposits of initial DCFS clothing allowance. The CTF made an error by incorrectly depositing the money into the allowance account instead of the clothing allowance account, then making two deductions for one purchase. Therefore, the child's clothing account was short by $277. CAD was not provided clothing receipts for any of the seven children because the CTF filed the receipts according to gift cards issued and not by individual files.

At the Exit Conference, the CTF representative stated that they will begin filing the receipts for clothing and weekly allowances in each child's file and not by the staff members that accompanied them to the outings. In addition, the CTF created a separate tab in their accounting system to account for initial DCFS clothing allowances to better track the deposits and withdrawals, as of November 2014.

CAD conducted a follow-up visit on March 30, 2015, and confirmed that the CTF had made the required adjustments to their tracking system.

- Detailed sign-in/sign-out logs were not maintained.

At the Exit Conference, the CTF representative stated that they did not initially have sign-in/sign-out logs for the children since they are not allowed to leave the facility without being accompanied by authorized personnel, family members, or mentors. The CTF created and implemented a sign-in and sign-out procedure for the children immediately after the Exit Conference held on October 8, 2014.

CAD conducted a follow-up visit on March 30, 2015, and verified the proper sign-in and sign-out procedure had been implemented.

- CCL cited the CTF.

CCL cited the CTF, as a result of deficiencies and findings in a complaint received by CCL on December 16, 2013. According to the report dated December 16, 2013, two children, ages 14 and 17, engaged in inappropriate sexual behavior while riding in the backseat of the facility's vehicle while there were two staff members in the vehicle. The CTF immediately reported this incident to the DCFS Child Protection Hotline. DCFS did not conduct an investigation because this was determined to be consensual behavior between the two children, and no further investigation was conducted. CCL requested a Plan of Correction (POC), which required the second staff member to ride in the back of the vehicle with the children to ensure their safety. The POC was cleared by CCL on January 13, 2014.

At the Exit Conference, the CTF representative stated that the new required change in protocol had already been established in compliance with the POC requirements.

CAD conducted a follow-up visit on March 30, 2015, and confirmed implementation of the new protocol and completion of the training was provided on December 16, 2013 to all CTF staff that transport children or accompany children in CTF vehicles.

Recommendations:

The CTF's management shall ensure that:

1. All SIRs are submitted timely and appropriately cross-reported via the I-Track database.

2. Comprehensive monetary and clothing allowance logs are maintained.

3. Detailed sign-in/sign-out log are maintained.

4. The CTF is in compliance with Title 22 regulations and free of CCL complaints.

Maintenance of Required Documentation and Service Delivery

- Children not progressing toward meeting Needs and Services Plan (NSP) case goals.

Two children were not progressing towards meeting their NSP goals. The CTF failed to modify the goals to appropriately address the children's needs. As of September 2014, a child placed in April 2013, had the same continuous goal of improving attendance at school, stopping her cutting behavior, and obtaining Independent Living Program (ILP) services. Another child did not have any treatment goals developed for her initial NSP.

At the Exit Conference, the CTF representative stated that they will address this matter. On November 19, 2014, an in-depth training was conducted with the CTF clinicians and unit directors to address development of achievable objectives for each child. The CTF submitted sign-in sheets from the training to verify that the training occurred.

CAD conducted a follow-up visit on March 30, 2015, and verified the required training had been provided.

- Recommended assessments/evaluations were not implemented.

A child was recommended to receive individual therapy three times per week by her psychiatrist in January 2014. At the time of the review in September 2014, CAD noted that the child only participated in weekly individual therapy sessions.

At the Exit Conference, the CTF representative stated that clinicians will be instructed to document each session accurately immediately.

CAD conducted a follow-up visit on March 30, 2015, and confirmed that the CTF the clinicians were instructed to document each session accurately.

- Timely, updated NSPs with child's participation were not developed.

The treatment team did not develop timely updated NSPs for 8 of 14 NSPs reviewed, as the NSPs had pre-printed dates. One NSP was signed by the CSW on March 11, 2014, almost two months after the due date of January 18, 2014, because the NSP was not submitted to the CSW timely.

At the Exit Conference, the CTF representative stated that the NSPs were submitted on time but the efforts were not properly documented. The CTF Senior Vice President met with unit clinicians on October 9, 2014 to inform them of the importance of documenting timely submission of NSPs to CSWs.

On March 30, 2015, CAD reviewed three most current NSPs and verified that the new protocol had been implemented

Recommendations:

The CTF's management shall ensure that:

5. All children are progressing toward meeting their NSP case goals.

6. Therapeutic services are provided.

7. Updated NSPs are developed timely and with child's participation.

Education and Workforce Readiness

- Children's academic performance or attendance did not increase.

A child placed 13 months and another child placed 16 months at the CTF did not show marked improvement in both their academic performance and attendance.

At the Exit Conference, the CTF representative stated that they will work closely with the school to ensure they measure the children's academic progress. The CTF expressed difficulty in encouraging the children to attend and participate in school due to their mental health status.

On March 30, 2015, CAD was informed that the CTF is in the process of hiring a new director for their non-public school and will be reforming their education program.

Recommendation:

The CTF's management shall ensure that:

8. All children's academic performance or attendance increases.

Health and Medical Needs

- Follow-up medical exams were not conducted timely.

Two children did not have appropriate eyeglasses and the CTF did not make an effort to obtain the eyeglasses in a timely manner. A child's initial eye exam determined that she needed prescription eyeglasses, but sixteen months later, the child had not received them. Another child only had her eyeglasses for 6 of 16 months in placement, due to the appointments not being scheduled in a timely manner.

During the Exit Conference, the CTF representative stated that there was a delay due to Medi-Cal issues and that it takes about four to six weeks for the eyeglasses to be ready once they are ordered. Further, the CTF stated that the children, at times, refuse to go to the appointments and they frequently break their eyeglasses. The CTF representative stated that they use a private fund to obtain eyeglasses for the children because Medi-Cal will only cover one pair every two years. Immediately after the Exit Conference held on October 8, 2014 the nursing staff was instructed to document their efforts to obtain eyeglasses for the children.

On March 30, 2015, CAD was informed that as of May 1, 2015, a pediatrician will be providing direct medical services inside the residential program two times a month to minimize delay in services.

Recommendation:

The CTF's management shall ensure that:

9. Follow-up medical exams are conducted timely.

Personal Rights and Social/Emotional Well-Being

- Children do not feel safe.

Three children stated that they did not feel safe in their current placement. The first child stated that "everything" about the placement did not make her feel safe, therefore she was moving to a different placement. The second child stated that she did not feel safe, due to physical altercations that occur within the cottages. The same child stated that the staff members respond right away, but it still makes her feel unsafe. The third child stated that she does not feel safe because the other placed children are always provoking her to get into physical altercations. The child stated that there is a particular placed child that she was not getting along with, but that placed child was transferred to a different cottage.

During the Exit Conference, the CTF representative stated that this statement was based upon the placed child's point of view/opinion rather than upon tangible policy or protocol violations. Immediately after the Exit Conference held on October 8, 2014, the CTF began addressing in-house issues with the children in their daily living groups. The children are provided opportunities to express their concerns or issues.

On March 30, 2015, CAD reviewed the daily living group documentation to verify that the children's concerns were being addressed and that two additional personnel were employed to provide comprehensive supervision to all placed children.

- Lack of appropriate staffing and supervision.

Two children stated that they don't believe there is enough supervision provided by the CTF. The children stated that staff is present, but when incidents occur, they all swarm to respond to that incident, and the rest of the children feel vulnerable.

At the Exit Conference, the CTF representative stated that their agency is in the process of hiring two additional personnel to provide increased supervision. A follow-up visit was completed on October 29, 2014, and CAD was informed the identified personnel were undergoing CCL clearance.

On March 30, 2015, CAD verified that two additional personnel were employed to provide comprehensive supervision to all placed children.

- Staff did not treat children with respect and dignity.

A child stated that she did not feel she was being treated with respect and dignity while she was being restrained.

At the Exit Conference, the CTF representative stated that all supervisors and unit directors have been instructed to conduct post containment interviews with staff involved in restraining a child. Further, each child meets with their clinician to further debrief about the incident.

On March 30, 2015, CAD conducted a follow-up and reviewed the daily living group documentation and verified that the children's concerns about being restrained were addressed.

- Rewards and discipline system not appropriate.

Two children stated that they did not feel that the rewards and discipline system was fair. The children stated that they felt like more points were given to the placed children that the staff likes and that the consequences were not consistent.

At the Exit Conference, the CTF representative stated that they will address these concerns as required. The CTF met with an outside consultant on October 29, 2014 to develop a more strength based system on rewards and discipline.

On March 30, 2015, CAD conducted a follow-up and was informed that consultant Karen Shipley met with the CTF on February 27, 2015, and March 25, 2015 to lead the restructuring of the CTF program based upon the Dialectical Behavior Therapy principles and interventions. The CTF representative stated that they expect to have a new rewards and discipline system in place by August 2015.

- Children are not free to receive or reject voluntary psychiatric care.

Three children stated that they are "written-up" if they refuse to take their psychotropic medication. The children stated that if they do not take their medication, a green slip is sent to the judge.

At the Exit Conference, the CTF representative stated that the children are not penalized for not taking their psychotropic medication, but that they are submitting Special Incident Reports (green forms) to inform DCFS. The CTF representative stated that all children are informed of their personal rights at the time of placement.

On March 30, 2015, CAD verified that the CTF's new protocol has been implemented regarding having the children sign medical forms each time they see the psychiatrist, and indicating that they understand their rights and the purpose of the medication.

Recommendations:

The CTF's management shall ensure that:

10. All children feel safe.

11. Appropriate staffing and supervision is provided.

12. Staff treats all children with respect and dignity.

13. Appropriate rewards and discipline system is in place.

14. All children are informed about their medication and right to refuse medication.

Personal Needs/Survival and Economic Well-Being

- Quantity and quality of clothing inventory not adequate.

A child stated that she does not have adequate quantity of clothing because the staff members have not taken her shopping. The child stated that she has lost a significant amount of weight and that all her clothing is too big for her. The child stated that she has been asking to go shopping for a couple of weeks. The clothing inventory forms were reviewed and it was confirmed that the child had not been taken shopping.

During the Exit Conference, the CTF representative stated that they have already made corrections to the weekly allowance and clothing allowance logs by creating a third tab in their accounting system which keeps track of all other monies.

During CAD's follow-up visit on March 30, 2015, this new protocol was verified to have been implemented.

- Adequate personal care items are not provided.

Three children stated that they are required to purchase personal care items with their weekly allowance money. The children stated that the CTF provides them with specific brands of products and if they want anything else, they have to purchase it with their own funds. The children stated that they purchase their own shampoo, soap, and body wash because the brands provided by the facility dries their skin.

During the Exit Conference, the CTF representative stated that they are working with their purchasing coordinator to provide more options for personal care items.

On March 30, 2015, CAD received a revised copy of the agency's welcome packet for placed children, which includes information on how to obtain different types of personal hygiene products by asking the staff on duty.

Recommendations:

The CTF's management shall ensure that:

15. Children have an adequate quantity and quality of clothing inventory.

16. Children have adequate personal care items.

Personnel Records

- Staff did not complete all required training.

Two employees did not complete the four hour semi-annual Emergency Intervention Training.

At the Exit Conference, the CTF representative stated that they were not aware that their staff members needed to complete a four hour semi-annual review in Emergency Intervention and were only requiring annual reviews. The CTF conducted the training on November 11, 2014 to ensure their staff is in compliance.

CAD conducted a follow-up visit on March 30, 2015, and verified that the required training had been conducted.

Recommendation:

The CTF's management shall ensure that:

17. All staff complete all required training.

PRIOR YEAR FOLLOW-UP FROM DCFS OHCMD'S COMMUNITY TREATMENT FACILITY CONTRACT COMPLIANCE MONITORING REVIEW

The OHCMD's last compliance report dated February 28, 2014, identified four recommendations.

Results:

Based on our follow-up, the CTF implemented two of four recommendations for which they were to ensure that:

- The interior of the facility is maintained and free from potential hazards and children's bedrooms are well maintained.

- Staff receives training to include contact between the CTF and the DCFS CSW.

Based on the results of the current review, two recommendations were not implemented.

- The CTF is in compliance with Title 22 Regulations and free of CCL citations.

- Staff receives training to ensure comprehensive Updated NSPs are developed timely.

Recommendation:

18. The outstanding recommendation from the monitoring report dated February 28, 2014, which are noted in this report as recommendations 4 and 7 are fully implemented.

The CTF representative expressed their desire to remain in compliance with Title 22 regulations and contract requirements. The CTF will implement procedures to strive towards greater compliance.

On March 30, 2015, CAD conducted a follow-up visit and the CTF had implemented 16 of 17 recommendations. The CTF has not fully developed and implemented an appropriate rewards and discipline system, as they are in the process of working with an outside consultant to restructure their residential program based upon dialectical behavior therapy principles and interventions, to be completed by August 2015. The CTF was advised to fully implement their documentation procedures. CAD will continue to assess implementation of the recommendations during our next monitoring review. The OHCMD will provide ongoing technical assistance prior to the next review.

DCFS FISCAL COMPLIANCE ASSESSMENT – AUGUST 2014
VISTA DEL MAR CHILD AND FAMILY SERVICES
Fiscal Corrective Action Plan

FCAT Section I – Financial Overview

Question No. 3

Vista's Audited Financial Statements for fiscal year end June 2013 reflect a positive $2,149,049 Change in Net Assets for the year and the results are in line with our business model.

While the Agency's goal is to run on an operationally break-even basis, the commensurate goal of the preservation of our programs sometimes results in operating deficits. We are able to preserve programs during a variety economic conditions through investment income and contributions. Amounts earned through these revenue streams are frequently sufficient to turn operating deficits into net Agency surpluses. Investment portfolio principal is used should investment income be insufficient.

In our most recent fiscal year 2012-13, the Agency's Investment and Other Income fully subsidized our operating deficit. Note that the audit report's Statement of Cash Flows shows a $1 million increase in cash, further building on our $42 million reserve balance. A 5-year summarization of Vista's audit reports indicate a Surplus Change in Net Assets of $209,175 and Increase in Cash of $2,270,509.

As such, no corrective action is planned or needed.

FCAT Section III – Board of Directors, and Business Influence

Question No. 13

Commencing immediately, the Executive Assistant to the CEO will ensure Board minutes are signed by the board secretary when approved.

FCAT Section IV – Cash/Expenditures

Question No. 18

Effective immediately, no further checks will be prepared payable to "cash". The Controller has notified all Finance Dept. personnel and check signers of this policy.

Question No. 27

Commencing immediately, Vista will review vendor files for current contractor agreements for ongoing vendors, and require contractor agreements for new contractors.

Additionally, Accounts Payable has been instructed to review vendor invoices against contractor agreement terms, and return invoices not in compliance.

Question No. 28

Fixed Asset detail is maintained in the dedicated subsidiary ledger to the accounting system, where fixed asset additions, disposals, and depreciation are calculated and recorded into the general ledger. This subsidiary ledger records dates of acquisition and cost, and other detail as deemed necessary.

Few of Vista's programs (and none funded by DCFS) include funding for the acquisition of capital purchases. For those that do, the programs maintain (duplicate) information on the asset and report to the funders as required. Vista primarily funds its capital purchases with donations and fund raising events.

Over time listings generated from the fixed asset subsidiary ledger have become unwieldy due to its volume, and we have migrated to summary reports to obtain useful information regarding our fixed assets. The vast majority of our assets would not qualify for a 'serialized' listing. Land will have Assessor Parcel Numbers, though Land and Building Improvements would be a combination of materials and labor charges. A vehicle listing is maintained by VIN for insurance purposes. Our IT department maintains a database of equipment for which they support, but as with much furniture, these items now qualify as supplies rather than fixed assets. Other fixed assets include artwork, kitchen equipment, and telephone and security system, none of which would qualify for a serialized listing.

Vista is managing its fixed assets cost effective manner, and as such, no corrective action is needed.

Matthew Brown, Controller

Corrective Action Plan

Revised 11/17/2014

Philip M. Stein
Chair, Board of Directors

Louis Josephson, Ph.D.
President/Chief Executive Officer

VISTA DEL MAR
CHILD & FAMILY SERVICES

October 29, 2014

Jennifer Higuchi, MSW
Children Services Administrator I
Contracts Administration Division
Department of Children and Family Services
3530 Wilshire Blvd, 4th Floor
Los Angeles, CA 90010
hwangj@dcfs.lacounty.gov

RE: CORRECTIVE ACTION PLAN, Community Treatment Facility (CTF)
Revised 11/17/2014

Dear Ms. Higuchi:

I am providing the Contracts Administration Division with a Corrective Action Plan (CAP) as requested regarding the findings revealed during the monitoring of our CTF (AKA Special Care Facility) by DCFS' Contract Compliance Department.

FINAL MONITORING REVIEW FIELD EXIT SUMMARY 10/7/2014:

I. Licensure/Contract Requirements

4. Are all Special Incident Reports (SIRs) appropriately documented and cross-reported timely?

CAP: Unit Director, Senior VP, or Youth Development Counselor Supervisors have met together to review procedure to ensure that counselors complete SIR form internally in a timely manner and then placed in the Unit Director's box for expeditious input into the Itrack System. The overnight AD report will also be reviewed first thing in each morning to ensure that required incidents are Itracked within 24 hours (business days).

7. *Are appropriate and comprehensive money and clothing allowance logs maintained?*

CAP: Vista Del Mar has taken the following actions to ensure that comprehensive money clothing allowance logs are maintained as per contract requirements:

- Immediately following the DCFS site visit, the internal procedure for maintaining clothing logs was revised to the following process:
  An additional/separate tab was added to our computer record system to reflect any funds that are received from DCFS and/or from other placements prior to admission that are separate from the monthly $50.00 clothing allotment. (please see attached updated form) This way, the two

funds are tracked independently and when a child purchases clothing, the money spent is deducted from the applicable account. In addition, after clothing shopping, children now sign a paper that the receipts are taped to, acknowledging that he or she went shopping and purchased the items delineated. If a child does not go shopping during a month, at months end, he/she signs a copy of his/her clothing allowance allotment form acknowledging how much he/she has left to spend. Each child now has a separate file kept within the residential unit that is accessible as needed. This is in addition to the file pertaining to clothing monies spent that is kept in our Accounting Department.

8. *Does the facility maintain a detailed sign/in/out log for placed children?*

CAP: Immediately following the field exit interview, a sign-out/sign-in form was put into practice to maintain documentation of one on one outings. Prior to that, all outings had been tracked and documented via a daily responsibility sheet, on a master calendar and via the A.D. report. We have added a formal sign/out sign in sheet for each child (see attached) and staff have been trained regarding this new protocol (See attached SIGN OUT/SIGN IN FORM as well as TRAINING ROSTER).

9. Is the group home free of any substantiated CCL complaints on safety and/or physical deficiencies since the last review:

CAP: CCL complaint was immediately addressed upon receipt and CAP was enacted and approved by CCL.

III. Maintenance of Required Documentation and Service Delivery

18. *Are sampled children progressing towards meeting NSP case goals?*

CAP: Senior V.P. immediately met with unit clinicians and unit director for a brief review of documenting the requirements noted above. In addition, Senior VP to conduct an in-depth training/review of the NSP documentation process with unit clinicians, unit directors and QA staff on November 19th at 4PM. Specific areas to be focused on are the following:

- Consistently identify more achievable objectives that a child can more easily obtain, this reinforcing the child's ability to make progress. If a child is struggling to make progress with a specific objective, clinician needs to identify a different staff intervention to further assist the child with reaching his or his goal. Otherwise, a more achievable goal needs to be identified.

20. Are recommendations on required and/or recommended assessments/evaluations implemented?
CAP: Supervision notes clearly documented each week that this child was seen 3x per week as per plan but clinician's documentation via progress notes did not reflect this.

- Senior VP reviewed with clinicians the importance and requirements of documenting each session that they have so their work is accurately reflected and supported.

24. Did treatment team develop timely, comprehensive, updated NSPs with the participation of the developmentally age-appropriate child?

CAP: Senior VP met with unit clinicians on 10/9/2014 to emphasize that they need to consistently note documented attempts to contact CSW for signing of NSP within the required 5 work day time frame. FAX receipts need to be attached to the NSP document to verify attempts made. Preprinted dates on NSPs were removed several months ago from our system.

IV. Education and Workforce Readiness

28. Has the child's academic performance and/or attendance increased (e.g. improved grades, test scores, promotion to next level, IEP goals)?

CAP: Clinicians will work with closely with school staff on improving access to documentation which better reflects progress in these areas and/or the treatment team's specific efforts to assist the child in making measurable gains in this area. Senior VP met with clinicians on 10/9/2014 to review this expectation.

V. Health and Medical Needs

31. Are required follow-up medical examinations conducted timely?

CAP: Health Center to continue to schedule appointments in a timely manner and if a child refuses to attend or is unable to attend due to safety reasons, nursing staff will ensure that the reason for not meeting required deadline is well documented as well as dates of follow up attempts. Senior VP met with Linda Negrin, RN and Latoya Franklin, RN, to discuss on 10/8/2014. Unfortunately, Medi-Cal providers of glasses tend to have a long wait time. Health Center continues to contact various providers to find out if glasses can be made quicker.

VII. Personal Rights and Social/Emotional Well Being

37. Do children feel safe in the group home?

It should be emphasized that the CTF provides treatment for children with severe emotional and behavioral difficulties and thus, many children act out in a volatile manner.

CAP: Staff will continue to provide support to children in the unit and to process with them one on one when they are not feeling safe. Unit clinicians will continue to regularly check in with each child to explore how they are feeling in terms of personal safety and to provide support and problem solve when concerns arise. Concerns will then be shared with the Unit Director so that solutions can be promptly identified. We continue to hold group therapy daily with topics including "Bullying" and "Anger Management", as well as social skill building groups. This is reflected in our documented group notes. We are also in the

process of formalizing a "Responsible Peer" program whereby a new resident is paired up with a more seasoned resident who can provide peer support, friendship and encouragement.

38. Does group home provide appropriate staffing and supervision?

CAP: We have extended offers to additional overnight staff. Two candidates have been identified and they are going through the clearance process currently as per CCL requirements. We have also more clearly delineated who the facility manager is for each shift. (SEE ATTACHED SCHEDULE). In addition, we have revised our program statement to reflect the Title 22 requirement of 1:5 direct care staff during day time and evening hours. *We have also identified qualified Facility Managers for Wednesday and Thursdays between 6-10:30 PM and Saturday between 9AM-1PM as per attached schedule. We meet required ratio standards of 5:1 during day and evening hours and 1:10 during overnight hours. As we always have at least 5 direct care staff on duty in the unit during the day and evenings and usually more during those hours. We will also have 3 overnight staff plus a facility manager making it 4 staff on duty during overnights.*

40. Do children report being treated with dignity?

CAP: One resident reported that when she is restrained she is not treated with dignity.

- Supervisors and unit director continued to conduct post containment interviews with all staff involved to support and reinforce expected interactions between staff and child. All staff attended intensive DBT training during the past month which supports nonjudgmental and supportive interactions. In addition, each child meets with his or her clinician following restraints in order to provide further support. This debriefing is also consistently documented following every restraint. Staff who demonstrate excellent skills in this area are consistently reinforced by supervisors and program directors.

41. Is fair rewards and discipline system in place?

CAP: This agency is working on revising the current point and level system. Meeting held on 10/29/2014, with outside consultant Karen Shipley, PsyD, who is also a DBT specialist to explore ways we can revise our system so that it is more objective, easier to implement and more strength based in approach. The goals is to have a revised system in place by March, 2015. In the meantime, issues surrounding resident's perceptions regarding consistency in standards are being addressed in daily living groups and documented as indicated. In addition, point sheets are being reviewed weekly by the Youth Development Counselor Supervisors and training and feedback is given as indicated to the staff who completed the point sheet.

46. Are children free to receive or reject voluntary medication and their right to refuse medication?

CAP: Children have always been informed verbally and in writing that taking medication is voluntary and consequences are never administered for not taking prescribed medications.

This information is part of the resident handbook that is reviewed one on one with each child upon admission. (See attached page from resident handbook and sample of a signed acknowledgement of orientation form). In addition, our nursing staff meets with every child each month for medication education. Please see attached form which clearly states that children have a right to refuse taking medications. As discussed, as per CCL regulations, missed medications are Itracked and children are aware of this. Staff continue to let children know that this documentation is not a form of consequence but is a required from of communication with CCL and with the child's placement worker. In addition, in staff trainings, the right for children to refuse medications is regularly reviewed and reinforced. This topic will also be reinforced via daily living groups which all children participate in. (SEE ATTACHED REVISED DAILY LIVING GROUP NOTE).

VIII. Personal Needs/Survival and Economic Well-Being

50. *Are children's on-going clothing inventories of adequate quantity and quality?*

CAP: On 10/9/2014, Senior VP reviewed clothing shopping time frames and process with unit director and Youth Development Counselor Supervisors as 1 resident had stated in interview that she was not taken shopping in a timely manner. Staff to document in the child's log notes if there is a delay in shopping due to safety concerns. Each month, when the supervisors print up each child's clothing allotment form, Unit Director to review to ensure that children are shopping as needed.

52. Are children provided with a sufficient supply of clean towels along with adequate personal care items...and are these items readily accessible?

CAP: Lisa Cummings, Supervisor surveyed the residents to find out what additional products they would like access to. Purchasing Director was given the list and is now working with our supplier on adding some of these requested products to our inventory. Residents will thus be given more access to more choices. Staff were also made aware that residents should not spend their own money on regular product if we don't have them in our regular supply. This was reviewed in unit meetings during the week of 10/20/2014. (SEE ATTACHED LIST OF REQUESTED ITEMS). In addition, if a resident would like a personal care item that is not stocked at this facility, Vista Del Mar will fund the alternative options that can be purchased during off site community outings or for those residents who cannot safely go off grounds, the staff will purchase the requested item for them.

X. Personnel Records

65. Have appropriate employees received all required training?

CAP: In the CTF program, an additional 4 hours of annual Proact training has been added to the training schedule as required. (SEE ATTACHED TRAINING SCHEDULE) For this year, the additional 4 hours of training will take place on 11/11/2014. There will be 2 four hour training on that day. Thereafter, there will be a total of 8 hours of Proact refresher

scheduled annually for the staff who work in the CTF. Joan Gregory, Coordinator of Direct Care Staff Training is responsible for coordinating and scheduling this training.

Please let me know if additional information is needed.

Sincerely,

Amy Jaffe, LCSW
Senior Vice President of Intensive Intervention Programs

Cc: Adelina Arutyunya, DCFS Quality Assurance/OHCMD
Louis Josephson, PhD, CEO
Quality Management Department
David Panameno, Contract Compliance Manager, Vista Del Mar