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DEPARTMENT OF CHILDREN AND FAMILY SERVICES
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March 2, 2016

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

PROJECT SIX GROUP HOME DBA THE HELP GROUP FISCAL COMPLIANCE ASSESSMENT AND CONTRACT COMPLIANCE REVIEW

The Department of Children and Family Services (DCFS) Contracts Administration Division (CAD) conducted a Fiscal Compliance Assessment of Project Six Group Home dba The Help Group (the Group Home) in March 2015 and a Contract Compliance Review in May 2015. The Group Home has one site located in the Third Supervisorial District and provides services to the County of Los Angeles DCFS placed children and children placed by other counties. According to the Group Home's program statement, its purpose is "to decrease residents' maladaptive behaviors and improve their social, emotional, and academic/occupational functioning."

The Group Home is licensed to serve a capacity of 32 males and females, ages 11 through 17. At the time of the review, the Group Home served 10 DCFS placed children. The children's overall average length of placement was six months and their average age was 15.

SUMMARY

CAD conducted a Fiscal Compliance Assessment, which included an agency-wide review of the Group Home's financial records, such as financial statements, bank statements, check register and personnel files to determine their 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 noted deficiencies in the area of: Cash/Expenditures, related to unresolved outstanding items in bank reconciliations and no fixed assets inventory.

During CAD's Contract Compliance Review, the interviewed children generally reported: feeling safe at the Group Home, having been provided with good care and appropriate services, being comfortable in their environment and treated with respect and dignity.

The Group Home was in full compliance with 7 of 10 areas of CAD's Contract Compliance Review: Maintenance of Required Documentation and Service Delivery; Education and Workforce Readiness; Psychotropic Medication; Personal Rights and Social/Emotional Well-Being; Personal Needs/Survival and Economic Well-Being; Discharged Children; and Personnel Records.

CAD noted deficiencies in the areas of: Licensure/Contract Requirements, related to Special Incident Reports (SIRs) not timely submitted and comprehensive monetary and clothing logs not being maintained; Facility and Environment, related to children's bedrooms not being well maintained; and Health and Medical Needs, related to follow-up dental examinations not being timely conducted.

Attached are the details of CAD's review.

REVIEW OF REPORT

On June 19, 2015, Leticia Foster, DCFS CAD, held an Exit Conference with the Group Home representative Elin Bradley, Director of Therapeutic Programs. On May 22, 2015, Helga Kiaian, DCFS CAD, held the Fiscal Exit Conference with Edna Ramos, Controller, and Oscar Valadez, Assistant Controller. The Group Home representatives were in agreement with the review findings and recommendations, were receptive to implementing systematic changes to improve the Group Home's compliance with regulatory standards and were in agreement with addressing the noted deficiencies in a compliance Corrective Action Plan (CAP) and a Fiscal Corrective Action Plan (FCAP).

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

The Out-of-Home Care Management Division provided technical assistance to the Group Home on July 6, 2015 to assist with implementation of the CAP. CAD conducted a follow-up visit to the Group Home on September 9, 2015 to verify implementation of the compliance CAP.

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

PLB:EM:LTI:lf

Attachments

c: Sachi A. Hamai, Chief Executive Officer
John Naimo, Auditor-Controller
Calvin Remington, Interim Chief Probation Officer
Public Information Office
Audit Committee
Sybil Brand Commission
Barbara Firestone, Ph. D. President and Chief Executive Officer, The Help Group
Lenora Scott, Regional Manager, Community Care Licensing Division
Lajuannah Hills, Regional Manager, Community Care Licensing Division

PROJECT SIX DBA THE HELP GROUP
FISCAL COMPLIANCE ASSESSMENT REVIEW
FISCAL YEAR 2014 – 2015

SCOPE OF REVIEW

The Fiscal Compliance Assessment included a review of Project Six dba The Help Group's (The Group Home's) financial records for the period of July 1, 2013 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 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 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.

CAD noted a less-than-arms-length (related party) transaction. The Group Home facility is rented from New School for Child Development, an affiliated entity of The Help Group. The facility's rent is within the allowable limits of Welfare and Institutions Code (WIC) section 11462.06 (a) and applicable sections of the Office of Management and Budget Circulars.

FISCAL COMPLIANCE

CAD found the following area out of compliance:

Cash/Expenditures

- Bank reconciliations for the months of November and December 2014 show outstanding items longer than six months. Twenty five checks dated in May 2013, February, March and April 2014, totaling $1,880.35 were outstanding as of November 30, 2014 and one check dated in March 2014 in the amount of $220.64 was outstanding as of December 31, 2014.

The Assistant Controller will review to ensure any outstanding items approaching the six month period are either voided or replaced.

- The Group home did not maintain a fixed asset inventory.

The Group Home will adopt an inventory list for capitalized and non-capitalized items with a value of $500 or more. The Assistant Controller will make sure the list is updated and audited annually.

Recommendations:

The Group Home's management shall ensure that:

1. Items on the bank reconciliations are resolved timely and that it keeps fixed asset inventory that includes all required elements.

MOST RECENT FISCAL REVIEW CONDUCTED BY THE A-C

The most recent fiscal review of the Group Home was posted by the A-C on November 3, 2011 for the period of July 1, 2008 through June 30, 2009. This review identified $36,637 in unallowable and unsupported/inadequately supported costs and noted the Group Home needed to ensure that its semi-annual expenditure reports are consistent with the accounting records and that it strengthens its controls. The Group Home has repaid the County in full.

NEXT FISCAL COMPLIANCE ASSESSMENT

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

PROJECT SIX GROUP HOME DBA THE HELP GROUP
CONTRACT COMPLIANCE REVIEW SUMMARY

	Contract Compliance Review	Findings: May 2015
I	**Licensure/Contract Requirements** (9 Elements)	
	1. Timely Notification for Child's Relocation	1. Non-Applicable
	2. Transportation Needs Met	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. Full Compliance
	9. CCL Complaints on Safety/Plant Deficiencies	9. Full Compliance
II	**Facility and Environment** (5 Elements)	
	1. Exterior Well Maintained	1. Full Compliance
	2. Common Areas Well Maintained	2. Full Compliance
	3. Children's Bedrooms Well Maintained	3. Improvement Needed
	4. Sufficient Recreational Equipment/Educational Resources	4. Full Compliance
	5. Adequate Perishable and Non-Perishable Foods	5. Full Compliance
III	**Maintenance of Required Documentation/Service Delivery** (10 Elements)	
	1. Child Population Consistent with Capacity and Program Statement	Full Compliance (All)
	2. County Children's Social Worker's Authorization to Implement NSPs	
	3. NSPs Implemented and Discussed with Staff	
	4. Children Progressing Toward Meeting NSP Case Goals	
	5. Therapeutic Services Received	
	6. Recommended Assessment/Evaluations Implemented	
	7. County Children's Social Workers Monthly Contacts Documented	
	8. Children Assisted in Maintaining Important Relationships	
	9. Development of Timely, Comprehensive Initial NSPs with Child's Participation	
	10. Development of Timely, Comprehensive, Updated NSPs with Child's Participation	

IV	**Education 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 Performance and/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. Full Compliance 2. Full Compliance 3. Improvement Needed 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 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	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	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 Group Home Policies and Procedures 7. All Required Training	Full Compliance (All)

PROJECT SIX GROUP HOME DBA THE HELP GROUP HOME
CONTRACT COMPLIANCE REVIEW
FISCAL YEAR 2014-2015

SCOPE OF REVIEW

The following report is based on a "point in time" visit. This compliance report addresses findings noted during the May 2015 review. The purpose of this review was to assess Project Six Group Home (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 compliance review covered the following 10 areas:

- Licensure/Contract Requirements,
- Facility and Environment,
- Maintenance of Required Documentation and Service Delivery,
- Education 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, four 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, three discharged children's files were reviewed to assess the Group Home's compliance with permanency efforts. At the time of the review, three of the sampled children were prescribed psychotropic medication. The children's case files were reviewed to assess for timeliness of Psychotropic Medication Authorizations and to confirm the required documentation of psychiatric monitoring.

CAD reviewed five 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 three areas out of compliance:

Licensure/Contract Requirements

- A Special Incident Report (SIR) was not timely submitted.

1 of 19 SIRs reviewed determined that it was not timely submitted into the I-Track database.

During the review, the Group Home representative reviewed the SIR sampled and acknowledged the oversight related to timeliness. During a follow-up visit on September 9, 2015, CAD reviewed three additional SIRs and observed that each SIR was timely submitted. The Group Home's representative stated that on July 8, 2015 training was conducted on SIR and I-Track policies and procedures to all permanent staff. All SIRs will be submitted in a timely manner according to Community Care Licensing

(CCL) and Department of Children and Family Services (DCFS) requirements by the Group Home Administrator and Program Director.

- Comprehensive monetary and clothing allowance logs were not maintained.

Monetary allowance logs were missing the amount given to two children for three different weeks. Clothing allowance logs did not reflect the actual amount spent and balances were not carried over.

During a follow-up visit on September 9, 2015, CAD reviewed the monetary and clothing allowance logs and observed that comprehensive logs were being maintained. The Group Home representative stated that on July 8, 2015 training was provided to all permanent staff on the distribution of money, clothing receipts and clothing allowance balances.

Recommendations:

The Group Home's management shall ensure that:

1. SIRs are timely submitted.

2. Comprehensive monetary and clothing allowance logs are maintained.

Facility and Environment

- Children's bedrooms were not well maintained

Two smoke alarms in the children's bedrooms were not operable. CAD informed the Group Home representative of the two non-operable smoke alarms and they were immediately fixed by the Group Home maintenance staff and were operable prior to CAD leaving the facility.

During a follow-up visit on September 9, 2015 CAD observed that all smoke alarms in the Group Home were functioning. The Group Home representative stated that monthly inspections of the facility and fire alarms will be conducted. CAD received documentation dated July 2, 2015 and August 28, 3015 verifying that all smoke detectors were in working order during the monthly inspection.

Recommendation:

The Group Home's management shall ensure that:

3. Children's bedrooms are well maintained.

Health and Medical Needs

- A follow-up dental exam was not timely conducted.

The Group Home did not provide a follow-up dental examination for one of four sampled children. On September 3, 2014, at the initial dental appointment, the dentist recommended that the child be seen by an orthodontist. The child reported having braces for three years and not being seen for a follow-up appointment since October 30, 2014. As of May 2015 during the exit conference, the child had not

seen orthodontist. During a follow-up visit on September 9, 2015 CAD reviewed the child's file and confirmed that the child was seen on August 14, 2015 and the child's braces were removed.

Recommendation:

The Group Home's management shall ensure that:

4. Timely follow-up dental exams are conducted.

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

CAD's last compliance report dated December 31, 2014, identified five recommendations.

Results:

Based on CAD's follow-up, the Group Home fully implemented 4 of 5 recommendations for which the Group Home was to ensure:

- County Children Social Worker's authorization to implement Needs and Services Plans (NSPs) is obtained.
- Initial NSPs are developed timely, comprehensive and include the child's participation.
- Updated NSPs are developed timely, comprehensive and include the child's participation.
- All DCFS placed children are encouraged and assisted with maintaining a Life Book/Photo Album.

The Group Home did not fully implement 1 of 5 recommendations for which they were to ensure that:

- SIRs are timely and appropriately cross-reported via I-Track.

Recommendation:

5. The outstanding recommendation from the 2013-2014 report dated December 31, 2014 which is noted in this monitoring report as recommendation 1 is fully implemented.

During the exit conference, held on June 19, 2015 the Group Home representative expressed a desire to remain in compliance with Title 22 regulations and contract requirements.

CAD conducted a follow-up visit on September 9, 2015 and the Group Home had fully implemented 4 of 4 recommendations noted in this report. CAD will continue to assess implementation of the recommendations during the next monitoring review. Out-of-Home Care Management Division will provide ongoing support and technical assistance prior to the next review.

The Help Group

DATE: September 22, 2015

TO: Leticia Foster, CSA I
Department of Children and Family Services
Contract Administration Division
3530 Wilshire Blvd. 4th Floor
Los Angeles, CA 90010
Office: (213) 351-0151
fostelb@dcfs.lacounty.gov

FROM: Project Six (License # 197606825)
15339 Saticoy Street, Van Nuys, CA 91406

RE: Updated Corrective Action Plan for Group Home Monitoring Review 2015

The Corrective Action Plan (CAP) has been implemented as follows to address Group Home Monitoring Review finding for the Project Six Group Home located at 15339 Saticoy Street, Van Nuys, California 91406 (License # 197606825).

Section I: Licensure/Contract Requirements

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

CAD noted that SIR #406438 was not submitted timely.

Corrective Action:

- On 7/8/15 Program Director reviewed SIR and Itrack policies with all permanent staff. This included reviewing what types of incidents are Itracked, when and how to notify Program Director that an incident has occurred and needs to be documented, and the timeframe for which documentation is due in order to submit Itracks in a timely manner.
- All Itracks will be submitted in a timely manner by GH Administrator and Program Director who have been trained in timely submission of Itracks according to CCL and DCFS requirements.
- GH Administrator will review all Itracks written by Program Director to ensure SIR's are submitted in a timely manner.

#7: Are appropriate and comprehensive monetary and clothing allowance logs maintained?

CAD noted that logs and receipts do not reflect the actual amount spent and carry over balance.

Corrective Action:

- On 6/19/15 GH Administrator contacted the Accounting department and notified them of the carry over balance policy.
- On 7/8/15 Program Director reviewed clothing allowance policies and procedures with all permanent staff and discussed new procedure implementation. New procedures implemented include:
    - Change left over from clothing allowance that is $5.00 or less may be distributed directly to the assigned resident.
    - Change over $5.00 must be returned to accounting and carried over into the resident's next clothing allowance.
    - Documentation, including the resident's signature, needs to be obtained outlining the total amount spent, change amount given directly to the resident, or the carry over amount being returned to Accounting for resident's future use.

Section II: Facility and Environment

#12: Are children's bedrooms well maintained? (Clean/sanitary; neat; comfortable; adequate lighting; window coverings; and storage space; beds; mattress; furniture; flooring; full complement of linens on beds; age-appropriate decorations; and appropriate sleeping arrangements)

CAD noted that two smoke alarms were not operable at the time of review. Smoke alarms were immediately fixed and were working prior to CAD leaving the facility.

Corrective Action:

- Documentation of the Fire Inspection Clearance and Health inspection were provided on 6/24/15 to CAD.
- On 6/19/15 GH Administrator spoke to the Facilities Manager; monthly inspections of the facility and fire alarms will be conducted.

Section V. Health and Medical Needs

 # 33: Are required follow-up dental examinations conducted timely?

CAD noted that client has been placed since August 22, 2014 and has not been seen by an orthodontist. There was no contact for three months from Agency to Dental office.

Corrective Action:

- Documentation of the communication and follow-up attempts from the Agency to the Dental office was provided on 6/24/15 to the CAD.
- Program Director created a contact template to track and document Agency's attempts to follow-up on medical needs for residents.

- During the time of the inspection, CAD notified the Program Director of the supports available from the Public Health Nurse through DCFS. The Agency will begin to utilize this support as needed.
- On Monday 7/6/15 Program Director and Group Home Administrator met with assigned Out of Home Care Manager, Adelina Artutyunyan , who instructed the Agency to make at least two attempts per month to follow-up on a medical need. In addition, if the Agency needs additional support to contact resident's CSW, CSW's Supervisor, attorney and/or the Public Health Nurse. The Agency will follow these directives.

Elizabeth Ashley Ayres, Program Director, and Elin Bradley, Group Home Administrator will be responsible for ensuring that the CAP is fully implemented and maintained.

9/22/15

Elizabeth Ashley Ayres, LMFT — Date
Program Director, Project Six/The Commons

9/22/15

Elin Bradley — Date
Director of Therapeutic Schools and Residential Treatment Programs/ GH Administrator

The Help Group because every child deserves a great future

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June 21, 2015

Helga Kiaian
Fiscal Compliance Administrator

Regarding:
Project Six dba: The Help Group
Fiscal Compliance Assessment

FCAP Section I - Financial Overview

Question No. 3 & 4

Finding

Project Six Group home had an operating loss of $412,499 for the year and net assets deficit of $4,429,534.

FCAP

The Help Group is an umbrella organization that's composed of 7 entities, Project Six is one of the entities. In FY14 Project Six Group Home had a deficit of $412,499 due to staffing requirements to meet an RCL 12 and decrease in clients.

The net assets deficit is comprised of 5 group homes under Project Six, only one group home is from DCFS funding. Our financial reports separate the statement of activities by cost center but the balance sheet is consolidated by entity.

Question No. 6

Finding

The Agency did not submit the Semi-Annual Expenditure Report for January to June 2014 by September 1st 2014.

FCAP

Due to the timing of our audit in order to submit an accurate cost report, we requested an extension to September 30th for FY14. Please see attachment email #1 from Kristine Ovsepyan DCFS Administrative Service Manager granting the extension.

In the future Oscar Valadez, Assistant Controller and Edna Ramos, Corporate Controller will make sure the June 30th report is submitted by September 1st.

FCAP Section IV - Cash/Expenditures

Question No. 25

Finding

The group home did not resolve the outstanding items on a timely basis. Bank Reconciliations for November and December 2014 showed outstanding items longer than six months.

FCAP

In the future Oscar Valadez, Assistant Controller will make sure any outstanding item approaching the six month period is either voided or replaced in a timely manner.

Question No. 28

Finding

The agency did not maintain an inventory list of fixed asset (capitalized and non-capitalized) that include item description, serial #, date purchased, acquisition cost and source of funding.

FCAP

Going forward, Project Six DCFS Group Home will adopt an inventory list for capitalized and non-capitalized items with a value of $500 or more. Oscar Valadez the Assistant Controller will make sure the list is updated and audited annually.

Please feel free to contact me at (818) 947-5534 or eramos@thehelpgroup.org if you have any questions.

Sincerely,

Edna Ramos, Corporate Controller