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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Chief Deputy Director

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April 29, 2016

To: Supervisor Hilda L. Solis, Chair
Supervisor Mark Ridley-Thomas
Supervisor Sheila Kuehl
Supervisor Don Knabe
Supervisor Michael D. Antonovich

From: Philip L. Browning
Director

FUTURE STARS YOUTH SERVICES FISCAL COMPLIANCE ASSESSMENT

The Department of Children and Family Services (DCFS) Contracts Administration Division (CAD) conducted a Fiscal Compliance Assessment of Future Stars Youth Services Group Home (the Group Home) on December 8, 2015. The Group Home has one licensed site in Riverside County and provides services to the County of Los Angeles DCFS placed children, Probation foster youth, and children from other counties. According to the Group Home's Program Statement, its stated purpose is "to provide services to girls who are victims of physical abuse, drug and alcohol abuse and are in need of a specialized anger management program."

At the time of the review, the Group Home had five DCFS placed children. The placed children's average length of placement was six months and their average age was 14.

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 all areas of the Fiscal Compliance Assessment: Financial Overview; Loans, Advances and Investments; Board of Directors and Business Influence; Cash/Expenditures; and Payroll and Personnel.

Attached are the details of CAD's review.

REVIEW OF REPORT

On December 31, 2015, Joe Jimenez Jr., DCFS CAD, held the Fiscal Exit Conference with the Group Home Executive Director, Sarah Wright. There were no findings.

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

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

PLB:KR:LTI:jjj

Attachments

c: Sachi A. Hamai, Interim Chief Executive Officer
Calvin C. Remington, Interim Chief Probation Officer
John Naimo, Auditor-Controller
Sarah Wright, Executive Director
Public Information Office
Audit Committee
Sybil Brand Commission
Leonora Scott, Regional Manager, Community Care Licensing Division
Lajuannah Hills, Regional Manager, Community Care Licensing Division

FUTURE STARS YOUTH SERVICES
FISCAL COMPLIANCE ASSESSMENT REVIEW
FISCAL YEAR 2015 – 2016

SCOPE OF REVIEW

The Fiscal Compliance Assessment included a review of the Future Stars Youth Services (the Group Home's) financial records for the period of January 1, 2012 through September 30, 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 all areas of the Fiscal Compliance Assessment: Financial Overview; Loan, Advances and Investments; Board of Director, and Business Influence; Cash/Expenditures; and Payroll and Personnel.

PRIOR YEAR FISCAL COMPLIANCE ASSESSMENT FOLLOW-UP

CAD conducted a Fiscal Compliance Assessment of the Group Home in Fiscal Year (FY) 2014-2015. The assessment resulted in five recommendations. CAD verified that the Group Home implemented all five recommendations.

NEXT FISCAL COMPLIANCE ASSESSMENT

The next Fiscal Compliance Assessment of the Group Home will be conducted in County FY 2016-2017.