County of Los Angeles
DEPARTMENT OF CHILDREN AND FAMILY SERVICES
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July 28, 2016

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

From: Phillip L. Browning
Director

BOYS REPUBLIC FISCAL COMPLIANCE ASSESSMENT REVIEW REPORT

The Department of Children and Family Services (DCFS) Contracts Administration Division (CAD) conducted a Fiscal Compliance Assessment of the Boys Republic Group Home (the Group Home) on October 26, 2015. The Group Home has two sites located in the First Supervisorial District, one site located in the Fifth Supervisorial District, and one site located in the Orange and San Bernardino Counties. The Group Home provides services to Los Angeles County Probation foster youth and to youth placed by other Counties. According to the Group Home's Program Statement, its stated purpose is "to treat boys and girls who have behavioral, social, emotional, and psychological difficulties."

At the time of the review, the Group Home served 92 Probation foster youths and 46 youths placed by other Counties. The placed children's average length of placement was three months and their average age was 16.

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 registers, and personnel files to determine their compliance with the terms, conditions and requirements of the Group Home contract with DCFS and the Probation Department, 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 February 16, 2016, Omnaya Zaklama, DCFS CAD, held an exit conference with the Group Home Representative, Betty Andrzejewski, Business Manager. There were no fiscal findings.

A copy of this fiscal compliance 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:oz

Attachments

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

BOYS REPUBLIC
FISCAL COMPLIANCE ASSESSMENT REVIEW
FISCAL YEAR 2015 – 2016

SCOPE OF REVIEW

The Fiscal Compliance Assessment included a review of the Boys Republic's (the Group Home's) financial records for the period of January 1, 2012 through September 30, 2015. The Contracts Administration Division (CAD) reviewed the financial statements, bank statements, check registers, and personnel files to determine the Group Home's compliance with the terms, conditions, and requirements of the Group Home contract with the Department of Children and Family Services (DCFS) and the Probation Department, 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 Directors 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 one recommendation to the Contractor. CAD verified that the Group Home implemented the recommendation.

NEXT FISCAL COMPLIANCE ASSESSMENT

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