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: Philip L. Browning
Director

ORANGE COUNTY CHILDREN'S FOUNDATION FISCAL COMPLIANCE ASSESSMENT

The Department of Children and Family Services (DCFS) Contracts Administration Division (CAD) conducted a Fiscal Compliance Assessment of the Orange County Children's Foundation Group Home (the Group Home) on February 23, 2016. The Group Home has three sites in Los Angeles County and Orange County; one located in the Second Supervisorial District, one located in the Fourth Supervisorial District and one located in Orange County. All sites provide services to the County of Los Angeles DCFS placed children and children from other counties. According to the Group Home's Program Statement, its stated purpose is "to increase the likelihood that those residents who remain in the program until their 18th birthday will demonstrate a measurable increase in academic and social adaptive skills and decrease in maladaptive behaviors to enable them to adjust successfully as adults."

At the time of the review, the Group Home served 18 DCFS placed children. The placed children's average length of placement was one year 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 register, and personnel files to determine their compliance with the terms, conditions, and requirements of the Group Home contracts 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.

REVIEW OF REPORT

On March 10, 2016, Omnaya Zaklama, DCFS CAD Fiscal, held an exit conference with the Group Home Representative, Irene Yohn, Assistant Executive Director/Administration. There were no findings.

A copy of this 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
Sybill Brand Commission
Pamela Cutchlow, Executive Director, Orange County Children's Center
Leonora Scott, Regional Manager, Community Care Licensing Division
Lajuannah Hills, Regional Manager, Community Care Licensing Division

ORANGE COUNTY CHILDREN'S FOUNDATION
FISCAL COMPLIANCE ASSESSMENT REVIEW
FISCAL YEAR 2015 – 2016

SCOPE OF REVIEW

The Fiscal Compliance Assessment included a review of the Orange County Children's Foundation'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 register, and personnel files to determine the Group Home's compliance with the terms, conditions, and requirements of the Group Home contracts 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.

FISCAL COMPLIANCE

No deficiencies noted.

PRIOR YEAR FISCAL COMPLIANCE ASSESSMENT FOLLOW-UP

CAD conducted a Fiscal Compliance Assessment of the Group Home in County Fiscal Year (FY) 2014-2015. The assessment resulted in one recommendation to the Contractor. CAD verified that the recommendation was implemented by the Group Home.

NEXT FISCAL COMPLIANCE ASSESSMENT

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