



**County of Los Angeles
DEPARTMENT OF CHILDREN AND FAMILY SERVICES**

510 S. Vermont Avenue, Los Angeles, California 90020
(213) 351-5602



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May 22, 2024

To: Supervisor Lindsey P. Horvath, Chair
Supervisor Hilda L. Solis
Supervisor Holly J. Mitchell
Supervisor Janice Hahn
Supervisor Kathryn Barger

From: Brandon T. Nichols
Director

**HAMBURGER HOME DBA AVIVA FAMILY AND CHILDREN'S SERVICES
FISCAL COMPLIANCE ASSESSMENT**

REVIEW OF REPORT

The Department of Children and Family Services (DCFS) Contracts Administration Division (CAD) conducted a Fiscal Compliance Assessment of Hamburger Home dba Aviva Family and Children's Services (the Contractor) during September thru November 2023. This Contractor provides Foster Family Agency (FFA), Foster Family Agency – Emergency Shelter Care (FFA-ESC), Intensive Services Foster Care - Serious Emotional and Behavioral Needs (ISFC-SEBN), Relative Home Assessment Services (RHAS), and Relative Support Services (RSS). The Contractor is headquartered in the Third Supervisorial District.

Key Outcomes

NUMBER OF PRIORITY FINDINGS
PRIORITY 1 1
PRIORITY 2 2

"To Enrich Lives Through Effective and Caring Service"

PRIORITY 3
0

CAD conducted a virtual Fiscal Compliance Assessment review of the Contractor's financial records, which consisted of the following: financial statements; bank statements; check register(s); and personnel files. The review focused on five key areas of internal controls to determine their compliance with FFA, FFA-ESC, ISFC-SEBN, RHAS AND RSS contracts: Financial Overview (financial records and bank statements); Loans, Advances and Investments; Board of Directors and Business Influence; Cash/Expenditures; and Payroll and Personnel.

CAD identified potential internal control weaknesses in the following areas:

Priority 1

- Cash/Expenditures
 - An FFA participant clothing allowance receipts were not provided and a balance was not maintained in the logs.

Priority 2

- Cash/Expenditures
 - Receipt for an employee reimbursement was not provided.
 - Bank reconciliations were not prepared within 30 days and one bank reconciliation had outstanding checks longer than six months.

On December 12, 2023, DCFS CAD Financial Specialist IV held an exit conference with the Contractor's President and Chief Executive Officer, Chief Financial Officer, Assistant Vice President of Finance, and Vice President of Strategy, Impact and Innovation. The Contractor's representatives agreed with the review findings and recommendations, and were receptive to implementing systemic changes to improve compliance with regulatory standards. The Contractor agreed to address the noted potential internal control weaknesses in a Fiscal Corrective Action Plan (FCAP).

The Contractor provided the attached approved FCAP addressing the recommendations noted in this report.

If you have any questions, your staff may contact me or Aldo Marin, Board Relations Manager, at (213) 371-6052.

BTN:JF:CMM
LTI:lm

Each Supervisor
May 22, 2024
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Attachments

c: Fesia Davenport, Chief Executive Officer
Oscar Valdez, Auditor-Controller
Guillermo Viera Rosa, Chief Probation Officer
Public Information Office
Audit Committee
California Department of Social Services (CDSS)
Monique Turner, Regional Manager, CDSS, Community Care Licensing Division
Kellee Coleman, Regional Manager, CDSS, Community Care Licensing Division
Celeste M. Fitchett, MSW, CDSS Bureau Chief, Fiscal and Performance Audits



January 11, 2024

AVIVA FAMILY AND CHILDREN'S SERVICES

Luis Moreno
Fiscal Compliance Administrator
County of Los Angeles - Department of Children and Family Services
Contracts Administration Division - Fiscal Compliance
510 South Vermont, 14th Floor
Los Angeles, CA 90020

ADMINISTRATION
7120 Franklin Avenue
Los Angeles, CA 90046
Tel 323.876.0550
Fax 323.876.7042
www.aviva.org

**RE: Hamburger Home DBA Aviva Family and Children's Services
DCFS Fiscal Compliance Assessment: Corrective Action Plan (FCAP) - REVISED**

FOSTER FAMILY AND ADOPTION AGENCY
7120 Franklin Avenue
Los Angeles, CA 90046
Tel 323.876.0550
Fax 323.436.7041

Dear Luis,

Per the discussion during our formal exit meeting on December 12, 2023, and upon review of the fiscal compliance assessment report received on the same day, please see the below fiscal corrective action plan (FCAP).

WALLIS HOUSE
1701 Camino Palmero
Los Angeles, CA 90046
Tel 323-876-0550

FCAT Section I - Financial Overview

Priority 2. The Agency did not submit the Audited Financial Statements (AFS) for the periods ending June 30, 2019, June 30, 2020, and June 30, 2021 to CDSS. The Agency submitted all three AFS to CDSS on August 30, 2023.

Service Planning Area 2 Office
5805 Sepulveda Blvd.
Suite 710
Van Nuys, CA 91411
Tel 818.980.3200
Fax 818.980.3203

As stated in the finding, the outstanding audit reports through FY 2021-22 were submitted to CDSS via email on August 30, 2023.

Service Planning Area 4 Office
3580 Wilshire Boulevard
Suite 800
Los Angeles, CA 90010
Tel 213.637.5000
Fax 213.637.5001

Corrective Action Plan: Aviva received its audit report for the fiscal year ended 6/30/2023 at the end of December 2023. We will forward the audited financial statements to CDSS by **February 15, 2024**, once they have been certified and filed with the Federal Audit Clearinghouse.

Aviva's Finance team has added this to the calendar as a recurring event and will provide the audited financial statements annually to CDSS within 30 days of receiving them from our audit firm.

Service Planning Area 6 Office
3680 E. Imperial Highway
Suite 520
Lynwood, CA 90262

Position Responsible for Implementation: AVP of Finance/CFO

FCAT Section IV - Cash/Expenditures

Priority 2. An Employee reimbursement check, #9434, on 7/21/23 in the amount of \$293.37 did not include an original receipt for gift cards purchased at Starbucks for \$135 for the Relative Support Services (RSS) resource fair. A picture of the check register monitor was provided.

President/CEO
Amber Rivas



The employee shared that Starbucks was out of receipt paper and thought that taking a screenshot of the total would be sufficient as a receipt. She did not check with supervisor nor did Aviva contact DCFS for guidance.

Corrective Action Plan: All Aviva RHAS/RSS employees responsible for purchases were retrained on **December 22, 2023**, and acknowledged the training on purchasing protocols understanding that all purchases must have receipts. It was emphasized with all employees that if a receipt is not available, the employee will consult with their supervisor and/or contact DCFS for guidance. For Quality Assurance, whenever possible, check requests will be used for purchases in advance. Every effort will be made to have purchases made online where receipts are printable. Employee's Supervisor will approve all purchases.

Position Responsible for Implementation: Director of RHAS and RSS/AVP of Foster & Adoption

Priority 2. Bank reconciliation for the month of May, June, and July 2023 were not prepared within 30 days of the statement date. All three reconciliations were prepared in September 2023. Additionally, the bank reconciliation for the month of May 2023 included outstanding checks longer than six months.

Corrective Action Plan: The Staff Accountant prepares bank reconciliations for review by the Assistant VP of Finance and approval by the Chief Financial Officer. The AVP and Staff Accountant are addressing the timeliness of reconciliations during weekly supervision, working toward meeting the 30-day timeline by **March 1, 2024** (completing the 1/31/2023 bank reconciliations by 2/29/2024) and adhering to it consistently going forward.

Position Responsible for Implementation: AVP of Finance/CFO

Priority 1. Receipts for an FFA Participant clothing allowance were not provided. The log for April indicated "total Spent" \$113.28 for clothing, but only one receipt dated 4/7/23 for \$14.32 was provided. For the month of May 2023, the log indicated "Spent" \$11.01, no receipts were provided. For the Month of June 2023, the log indicated "Spent" \$82.69, no receipts were provided. In addition, the log did not have a balance total.

The social worker collected documentation without thoroughly checking it over for accuracy and completion.

Corrective Action Plan: A policy will be created and all FFA Social workers will be trained on proper documentation of placed Children's clothing records by **February 15, 2024**. Policy and training will include, at minimum, the following:

- timely collection of receipts for clothing,
- checking monthly record to ensure the balance total is listed, and
- assurance that collected receipts match what is written on the monthly clothing log.



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President/CEO
Amber Rivas

Logs will be checked to ensure the Resource parent has spent the minimum monthly amount each month. For Quality Assurance, the FFA Supervisor will be reviewing clothing logs in weekly supervision as well as signing off in Aviva's electronic health record system when the social worker submits. Files will be audited quarterly for compliance by Aviva's Quality Improvement department.

Position Responsible for Implementation: FFA Supervisor/AVP of Foster & Adoption

We thank you for your partnership and look forward to answering any questions you may have.

Sincerely,

DocuSigned by:
Usha Murthy
5C211A03EB8E49F...
Usha Murthy
Chief Financial Officer

