



COUNTY OF LOS ANGELES DEPARTMENT OF AUDITOR-CONTROLLER

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May 6, 2021

TO: Each Supervisor

FROM: Arlene Barrera, Auditor-Controller *Arlene Barrera*

SUBJECT: **SUMMARY OF AREA AGENCY ON AGING PROGRAM SERVICE PROVIDERS' MONITORING REVIEWS – DEPARTMENT OF WORKFORCE DEVELOPMENT, AGING AND COMMUNITY SERVICES PROGRAM PROVIDERS - FISCAL REVIEWS**
MASTER AGREEMENT WORK ORDER 8-65C

TOTAL NUMBER OF
AREA AGENCY ON
AGING SERVICE
PROVIDERS'
MONITORING
REPORTS ISSUED
FOR MASTER
AGREEMENT WORK
ORDER 8-65C

32

At the Department of Workforce Development, Aging and Community Services' (WDACS) request, we contracted with a Certified Public Accounting Firm, BCA Watson Rice, LLP (BCA), through Master Agreement Work Order 8-65C, to conduct fiscal monitoring reviews of all 32 service providers that provided Area Agency on Aging (AAA) Program services during Fiscal Year (FY) 2019-20. The AAA Program provides unmet needs of older and functionally-impaired adults to promote health, dignity, and well-being of Los Angeles County residents. For a description of all AAA services, please see Attachment II.

BCA applied agreed-upon procedures on a random sample of transactions from FY 2019-20 and year-end transactions from FY 2018-19. The purpose of the reviews was to assist WDACS in determining whether the service providers appropriately and accurately reported the services billed to the County and complied with federal, State, and County regulations.

BCA identified a total of \$39,258 in questioned expenditures by three (9%) of the 32 service providers reviewed. In addition, for some of the service providers, BCA noted other areas of non-compliance that were generally minor administrative issues related to compliance with the County contract and other applicable guidelines that did not affect the quality of the services rendered by the service providers. For example, of the 32 service providers reviewed:

- Eight (25%) did not always prepare and/or review bank reconciliations, resolve outstanding items timely, and/or include the approver's signature and date to ensure the timeliness and accuracy of their bank reconciliations.
- Seven (22%) did not always report their job openings, along with job requirements, to the County as required.
- Five (16%) either inaccurately reported, did not maintain documentation (i.e., timesheets) to support, or did not meet the 25% matching requirement for in-kind and/or cash matching contributions.

FAST FACTS

WDACS paid the 32 AAA Program service providers approximately \$30.2 million during FY 2019-20.

At the time of the reviews, the 32 AAA Program service providers had offices and provided services to residents in at least one of the five Supervisorial Districts.

- Three (9%) did not submit invoices to WDACS by the 10th calendar day of the following month as required.

Please see Attachment I for a summary of BCA's monitoring results. The findings noted by BCA may have resulted in overbillings to WDACS, and may result in future overbillings to WDACS if not corrected.

BCA provided and discussed each report with WDACS, the Auditor-Controller, and the respective service provider. The service providers have submitted Corrective Action Plans to WDACS to address their findings and recommendations. WDACS has been working with each service provider to resolve the findings noted in BCA's reports. WDACS' management indicated that, as of March 2021, they have collected and/or resolved the full amount of the \$39,258 in questioned costs identified.

Due to the number of BCA reviews, copies of individual reports are not enclosed but are available upon request. If you have any questions please call me, or your staff may contact Terri Kasman at tkasman@auditor.lacounty.gov.

AB:OV:PH:TK:SGD:pn

Attachments

c: Fesia A. Davenport, Chief Executive Officer
Celia Zavala, Executive Officer, Board of Supervisors
Otto Solorzano, Acting Director, Department of Workforce Development,
Aging and Community Services

LOS ANGELES COUNTY AUDITOR-CONTROLLER

Peter Hughes
ASSISTANT AUDITOR-CONTROLLER

Terri Kasman
DIVISION CHIEF

**WORKFORCE DEVELOPMENT, AGING AND COMMUNITY SERVICES
SUMMARY OF AREA AGENCY ON AGING PROGRAM SERVICE PROVIDERS'
FISCAL YEAR 2019-20 MONITORING REVIEWS
MASTER AGREEMENT WORK ORDER 8-65C**

	Service Provider	Total Amount Paid	Total Questioned Costs (A + B)	Findings (2)										
				A	B	C	D	E	F	G	H	I	J	
29	Watts Labor Community Action Committee	\$ 76,621	\$ -											X
30	WISE & Healthy Aging	\$ 2,166,320	\$ -											
31	Young Men's Christian Association of Metropolitan Los Angeles/Torrance	\$ 494,959	\$ -											X
32	Young Women's Christian Association of San Gabriel Valley	\$ 4,353,083	\$ -			X		X						X
Totals		\$ 30,202,068	\$ 39,258	\$ 38,866	\$ 392									
			3	3	2	7	3	8	1	2	1	1	5	
			9%	9%	6%	22%	9%	25%	3%	6%	3%	3%	16%	

Findings

A	Three (9%) service providers did not accurately report Program costs on their Fiscal Year (FY) 2018-19 closeout reports. For one service provider, the Program expenditures reported on their closeout reports exceeded the expenditures reported in their accounting records, resulting in \$38,866 in questioned costs. For the remaining two service providers, there were no questioned costs identified because the Program expenditures reported in their accounting records exceeded the total expenditures reported in their closeout report.
B	Two (6%) service providers billed the Area Agency on Aging Program for expenditures, totaling \$392, that were unsupported.
C	Seven (22%) service providers did not always report their job openings, along with job requirements, to the County as required.
D	Three (9%) service providers did not submit invoices to Workforce Development, Aging and Community Services (WDACS) by the 10th calendar day of the following month as required.
E	Eight (25%) service providers did not always prepare and/or review their bank reconciliations, resolve outstanding items timely, and/or include the approver's signature and date to ensure the timeliness and accuracy of their bank reconciliations.
F	One (3%) service provider did not maintain the required insurance coverage amounts specified in their County contracts.
G	Two (6%) service providers either inaccurately reported, or did not maintain documentation (i.e., timesheets) to support their payroll costs.
H	One (3%) service provider did not always perform a physical inventory of assets purchased with County funds as required.
I	One (3%) service provider did not provide sufficient documentation to support their procurement process before awarding contracts for goods and services as required.
J	Five (16%) service providers either inaccurately reported, did not maintain documentation (i.e., timesheets) to support, or did not meet the 25% matching requirement for in-kind and/or cash matching contributions.

Footnotes:

(1)	Finding noted does not result in questioned costs.
(2)	For columns C through J, service providers that had a finding are identified with an 'X'.

Peter Hughes
ASSISTANT AUDITOR-CONTROLLER

Terri Kasman
DIVISION CHIEF

COUNTYWIDE CONTRACT MONITORING DIVISION

Report #X21203

SUMMARY OF AREA AGENCY ON AGING PROGRAM SERVICE PROVIDERS' MONITORING REVIEWS
DEPARTMENT OF WORKFORCE DEVELOPMENT, AGING AND COMMUNITY SERVICES
PROGRAM PROVIDERS - FISCAL REVIEWS
MASTER AGREEMENT WORK ORDER 8-65C

PROGRAM DESCRIPTIONS

Workforce Development, Aging and Community Services contracted with the 32 service providers to provide the following Area Agency on Aging Program services during Fiscal Year 2019-20:

- Elderly Nutrition Program (ENP), which offers both home-delivered and congregate meals to group sites, such as senior centers and parks, to adults who are frail and homebound due to a disability.
- Dietary Administrative Support Services Program, which oversees the food production at the various vendors providing nutritional meals, and provides other centralized dietary services, such as menu development, staff training, and technical assistance to ENP service providers.
- Supplemental Nutrition Assistance Program, which offers Nutrition Education and Obesity Prevention, which promotes active lifestyles and healthy food choices by teaching culturally diverse low-income older adults about nutrition literacy, cooking skills, and physical fitness.
- Family Caregiver Support Program and Prevention and Early Intervention Project, which provides information to caregivers about available services, such as counseling support groups, and respite care.
- Health Insurance Counseling and Advocacy Program (HICAP), which provides community education and counseling assistance with Medicare and related health insurance issues. HICAP also provides advocacy and legal representation for older adults in Medicare Administrative Hearings, collections, briefing, and in-home consultation services.
- Supportive Services Program, which assists functionally impaired older adults, 60 years of age or older who meet the definition of frail, in maintaining independent living by providing referrals of in-home workers and assistance with daily activities, such as meal preparation and laundry.
- Linkages Program, which provides comprehensive, long-term care management services, such as in-home assessments, care planning, and support services to prevent premature or inappropriate institutionalization of frail elderly and dependent adults.
- Long-Term Care Ombudsman Program (LTCOP), which provides local advocacy services by investigating and resolving complaints and concerns of residents in long-term care facilities. LTCOP also promotes policies and practices needed to protect and improve the quality of care and life of the clients in long-term care facilities.
- Traditional Legal Assistance Program (TLAP), which provides legal advice and representation by an attorney to individuals 60 years of age or older with economic or social needs, and to unpaid family caregivers 18 years of age or older. TLAP also provides community legal counseling and information sessions at senior centers and other community locations.
- Disease Prevention and Health Promotion, which aids older adults in preventing illness and managing chronic conditions.
- CalFresh Expansion Program, which provides outreach, pre-screening, and application assistance to older and dependent adults who are potentially eligible for the CalFresh Program. The CalFresh Program provides monthly food benefits to help low income individuals and families buy healthy, nutritious food.