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DEPARTMENT OF CHILDREN AND FAMILY SERVICES

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February 22, 2016

To: Supervisor Hilda L. Solis, Chair
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Supervisor Don Knabe
Supervisor Michael D. Antonovich

From: Philip L. Browning
Director

GARCES RESIDENTIAL CARE SERVICES GROUP HOME FISCAL COMPLIANCE ASSESSMENT AND CONTRACT COMPLIANCE REVIEW

The Department of Children and Family Services (DCFS) Contracts Administration Division (CAD) conducted a Contract Compliance Review of Garces Residential Care Services Group Home (the Group Home) in February 2015 and a Fiscal Compliance Assessment in April 2015. The Group Home has one site located in the Fifth Supervisorial District and provides services to the County of Los Angeles DCFS placed children. According to the Group Home's program statement, its stated purpose is "to provide services to court dependent developmentally disabled children."

The Group Home has a 6-bed site and is licensed to serve a capacity of six males, ages 7-17. At the time of review, the Group Home served six DCFS placed children. The placed children's overall average length of placement was 10 months, and their average age was 16.

SUMMARY

CAD conducted a Fiscal Compliance Assessment which included an on-site review of the Group Home's financial records, such as 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, 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 4 of 5 areas of the Fiscal Compliance Assessment: Financial Overview; Loans, Advances and Investments; Cash/Expenditures; and Payroll and Personnel.

CAD noted one deficiency in the area of Board of Directors and Business Influence, related to Automated Transaction Machine cash withdrawals.

During CAD's Contract Compliance Review, the interviewed children generally reported: feeling safe at the Group Home, having been provided with good care and appropriate services, being comfortable in their environment and treated with dignity and respect.

The Group Home was in full compliance with 7 of 10 areas of CAD's Contract Compliance Review: Facility and Environment; Education and Workforce Readiness; Health and Medical Needs; Psychotropic Medication; Personal Rights and Social/Emotional Well-Being; Personal Needs/Survival and Economic Well-Being; and Discharged Children.

CAD noted deficiencies in the areas of: Licensure/Contract Requirements, related to Special Incident Reports (SIRs) not being submitted and cross-reported timely and a Community Care Licensing (CCL) citation; Maintenance of Required Documentation and Service Delivery, related to the Group Home not documenting monthly contacts with County Social Workers; and Personnel Records, related to two employees not signing criminal background statements timely and one employee not completing a health screening timely.

Attached are the details of CAD's review.

REVIEW OF REPORT

On March 26, 2015, Linda Lai, DCFS CAD, held an Exit Conference with Group Home representatives: David Cuevas, Group Home Administrator and Julianna Bowers, Group Home Social Worker. DCFS staff included: Thomas Manning, Out-of-Home Care Management Division (OHCMD). On May 4, 2015, Omnaya Zaklama, DCFS CAD, held a Fiscal Exit Conference with Group Home representative, David Cuevas, Group Home Administrator.

The Group Home's representatives agreed with the review findings and recommendations, were receptive to implementing systemic changes to improve compliance with regulatory standards and were in agreement with addressing the noted deficiencies in a compliance Corrective Action Plan (CAP) and a Fiscal Corrective Action Plan (FCAP).

A copy of this report has been sent to the A-C and CCL.

The Group Home provided the attached approved CAP and FCAP addressing the recommendations noted in this report. OHCMD provided technical assistance to the Group Home on March 26, 2015 to assist with implementing their CAP. CAD conducted a follow-up visit to the Group Home on June 26, 2015 to verify implementation of the CAP.

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

PLB:EM:LTI:dlf

Attachments

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

GARCES RESIDENTIAL CARE SERVICES
FISCAL COMPLIANCE ASSESSMENT REVIEW
FISCAL YEAR 2014 – 2015

SCOPE OF REVIEW

The Fiscal Compliance Assessment included review of Garces Residential Care Services (the Group Home's) financial records for the period of January 1, 2013 through November 30, 2014. 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 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 4 of 5 areas of the Fiscal Compliance Assessment: Financial Overview; Loans, Advances and Investments; Cash/Expenditures; and Payroll and Personnel.

FISCAL COMPLIANCE

CAD found the following area out of compliance:

Board of Directors and Business Influence

- Automated Transaction Machine (ATM) cash withdrawals were noted in the Group Home's bank statement.

The Group Home was notified that ATM withdrawals are not allowed for petty cash or for any other business transaction.

Recommendation:

The Group Home's management shall ensure that:

1. Electronic debits to cash are not made.

MOST RECENT FISCAL REVIEW CONDUCTED BY THE AUDITOR-CONTROLLER

The most recent fiscal review report of the Group Home was posted by the A-C on November 30, 2010 for the period of January 1, 2008 through December 31, 2008. The A-C noted $2,587 in unallowable costs and $76,042 in unsupported/inadequately supported expenditures. The A-C noted that the Group Home needed to strengthen its internal controls. Finally, the Group Home

also needed to ensure that its Board of Directors is independent. The Group Home has repaid the amounts in full.

NEXT FISCAL COMPLIANCE ASSESSMENT

The next Fiscal Compliance Assessment of the Group Home will be conducted in County Fiscal Year 2015-2016.

GARCES RESIDENTIAL CARE SERVICES GROUP HOME
CONTRACT COMPLIANCE REVIEW SUMMARY

License No: 197803661
Rate Classification Level 12

	Contract Compliance Review	Findings: February 2015
I	**Licensure/Contract Requirements** (9 Elements)	
	1. Timely Notification for Child's Relocation	1. Not Applicable
	2. Provided Children's Transportation Needs	2. Full Compliance
	3. Vehicle Maintained In Good Repair	3. Full Compliance
	4. Timely, Cross-Reported SIRs	4. Improvement Needed
	5. Disaster Drills Conducted & Logs Maintained	5. Full Compliance
	6. Runaway Procedures	6. Full Compliance
	7. Comprehensive Monetary and Clothing Allowance Logs Maintained	7. Full Compliance
	8. Detailed Sign In/Sign-Out Logs for Placed Children	8. Full Compliance
	9. CCL Complaints on Safety/Plant Deficiencies	9. Improvement Needed
II	**Facility and Environment** (5 Elements)	
	1. Exterior Well Maintained	Full Compliance (All)
	2. Common Areas Well Maintained	
	3. Children's Bedrooms Well Maintained	
	4. Sufficient Recreational Equipment/Educational Resources	
	5. Adequate Perishable and Non-Perishable Foods	
III	**Maintenance of Required Documentation and Service Delivery** (10 Elements)	
	1. Child Population Consistent with Capacity and Program Statement	1. Full Compliance
	2. County Children's Social Worker's Authorization to Implement NSPs	2. Full Compliance
	3. NSPs Implemented and Discussed with Staff	3. Full Compliance
	4. Children Progressing Toward Meeting NSP Case Goals	4. Full Compliance
	5. Therapeutic Services Received	5. Full Compliance
	6. Recommended Assessment/Evaluations Implemented	6. Full Compliance
	7. County Children's Social Workers Monthly Contacts Documented	7. Improvement Needed
	8. Children Assisted in Maintaining Important Relationships	8. Full Compliance
	9. Development of Timely, Comprehensive Initial NSPs with Child's Participation	9. Full Compliance
	10. Development of Timely, Comprehensive, Updated NSPs with Child's Participation	10. Full Compliance

IV	**Educational and Workforce Readiness** (5 Elements) 1. Children Enrolled in School Within Three School Days 2. GH Ensured Children Attended School and Facilitated in Meeting Their Educational Goals 3. Current Report Cards/Progress Reports Maintained 4. Children's Academic Performance and/or Attendance Increased 5. GH Encouraged Children's Participation in YDS or Equivalent Services and Vocational Programs	Full Compliance (All)
V	**Health and Medical Needs** (4 Elements) 1. Initial Medical Exams Conducted Timely 2. Follow-Up Medical Exams Conducted Timely 3. Initial Dental Exams Conducted Timely 4. Follow-Up Dental Exams Conducted Timely	Full Compliance (All)
VI	**Psychotropic Medication** (2 Elements) 1. Current Court Authorization for Administration of Psychotropic Medication 2. Current Psychiatric Evaluation Review	Full Compliance (All)
VII	**Personal Rights and Social/Emotional Well-Being** (13 Elements) 1. Children Informed of Group Home's Policies and Procedures 2. Children Feel Safe 3. Appropriate Staffing and Supervision 4. GH's efforts to provide Nutritious Meals and Snacks 5. Staff Treat Children with Respect and Dignity 6. Appropriate Rewards and Discipline System 7. Children Allowed Private Visits, Calls and Correspondence 8. Children Free to Attend or not Attend Religious Services/Activities 9. Children's Chores Reasonable 10. Children Informed About Their Medication and Right to Refuse Medication 11. Children Free to Receive or Reject Voluntary Medical, Dental and Psychiatric Care 12. Children Given Opportunities to Plan Activities in Extra-Curricular, Enrichment and Social Activities	Full Compliance (All)

	(GH, School, Community) 13. Children Given Opportunities to Participate in Extra-Curricular, Enrichment and Social Activities (GH, School, Community)	
VIII	**Personal Needs/Survival and Economic Well-Being** (7 Elements) 1. $50 Clothing Allowance 2. Adequate Quantity and Quality of Clothing Inventory 3. Children Involved in the Selection of Their Clothing 4. Provision of Clean Towels and Adequate Ethnic Personal Care Items 5. Minimum Monetary Allowances 6. Management of Allowance/Earnings 7. Encouragement and Assistance with Life Book/Photo Album	Full Compliance (All)
IX	**Discharged Children** (3 Elements) 1. Children Discharged According to Permanency Plan 2. Children Made Progress Toward NSP Goals 3. Attempts to Stabilize Children's Placement	Full Compliance (All)
X	**Personnel Records** (7 Elements) 1. DOJ, FBI, and CACIs Submitted Timely 2. Signed Criminal Background Statement Timely 3. Education/Experience Requirement 4. Employee Health Screening/TB Clearances Timely 5. Valid Driver's License 6. Signed Copies of Group Home Policies and Procedures 7. All Required Training	1. Full Compliance 2. Improvement Needed 3. Full Compliance 4. Improvement Needed 5. Full Compliance 6. Full Compliance 7. Full Compliance

GARCES RESIDENTIAL CARE SERVICES GROUP HOME
CONTRACT COMPLIANCE REVIEW
FISCAL YEAR 2014-2015

SCOPE OF REVIEW

The following report is based on a "point in time" monitoring visit. This compliance report addresses the findings noted during the February 2015 compliance review. The purpose of this review was to assess Garces Residential Care Services' (the Group Home's) compliance with the County contract and State regulations and included a review of the Group Home's program statement, as well as administrative internal policies and procedures. The monitoring review covered the following 10 areas:

- Licensure/Contract Requirements,
- Facility and Environment,
- Maintenance of Required Documentation and Service Delivery,
- Educational and Workforce Readiness,
- Health and Medical Needs,
- Psychotropic Medications,
- Personal Rights and Social Emotional Well-Being,
- Personal Needs/Survival and Economic Well-Being,
- Discharged Children, and
- Personnel Records.

For the purpose of this review, four placed children were selected for the sample. The Contracts Administration Division (CAD) interviewed each child and reviewed their case files to assess the care and services the children received. Additionally, three discharged children's files were reviewed to assess the Group Home's compliance with permanency efforts. At the time of the review, 2 of 4 sample children were prescribed psychotropic medication. The children's case files were reviewed to assess for timeliness of Psychotropic Medication Authorizations and to confirm the required documentation of psychiatric monitoring.

CAD reviewed four staff files for compliance with Title 22 regulations and County contract requirements and conducted site visits to assess the provision of quality care and supervision.

CONTRACTUAL COMPLIANCE

CAD found the following three areas out of compliance.

Licensure/Contract Requirements

- Special Incident Reports (SIRs) were not timely submitted or appropriately cross-reported.

A review of 14 SIRs revealed that four were not properly cross-reported to all required parties. Of these four SIRs, three were not submitted timely into the I-Track system.

During a follow-up visit on June 26, 2015, CAD sampled two additional SIRs and confirmed that both SIRs were submitted timely and cross-reported to all required parties. On July 10, 2015, the Group Home provided updated SIR training to all staff and submitted a training log to CAD on July 23, 2015.

- Community Care Licensing (CCL) citations.

CCL cited the Group Home as a result of deficiencies and findings noted during the annual inspection on August 20, 2014. According to the report dated August 20, 2014, CCL cited the Group Home for one child's broken dresser drawer, a bathroom not having a shower curtain or door, a first aid kit not containing an antiseptic solution and the Needs and Services Plans (NSPs) were missing for all of the children. CCL requested a Plan of Correction (POC), which required the Group Home to make necessary repairs to the drawer and installing a shower curtain or door in the bathroom, obtaining the necessary items for a complete first-aid kit and providing NSPs for review by August 29, 2014. CCL made a follow up visit on November 26, 2014 and again cited the Group Home for not correcting one violation, as the child's dresser drawer was still broken and the blinds in that child's room were also broken. CCL requested a POC to make necessary repairs by December 5, 2014. CCL returned again on December 5, 2014 and cleared the POC on the same date.

During the Exit Conference, the Group Home representatives agreed to review their facility repair request procedures to ensure timely repairs. The Group Home representatives stated that they would work with the landlord for any repairs that require the landlord's approval to prevent a possible delay. On June 26, 2015, CAD confirmed that no additional CCL citations were issued.

Recommendations:

The Group Home's management shall ensure that:

1. SIRs are timely submitted and appropriately cross-reported.

2. The Group Home is in compliance with Title 22 regulations and free of CCL citations.

Maintenance of Required Documentation and Service Delivery

- County Children's Social Worker's monthly contacts were not documented.

The Group Home did not document the monthly contacts with the County Children's Social Worker (CSW) in the case file or on the NSP.

During the Exit Conference, the Group Home representatives stated that they will contact the CSW at least monthly and document all contacts with the CSW in the case files.

On June 26, 2015, CAD conducted a follow-up visit and verified a new contact log created by the Group Home was used to document CSW contacts in May and June 2015.

Recommendation:

The Group Home's management shall ensure that:

3. County CSW monthly contacts are documented.

Personnel Records

- Criminal background statements are signed timely.

Two Group Home employees did not sign a criminal background statement timely. One employee was hired on February 6, 2014 and did not sign the statement until February 22, 2014. The other employee hired on February 10, 2014 did not sign the statement until February 24, 2014.

- A health screening was not completed timely.

One Group Home employee did not complete a health screening timely. This employee was hired on February 10, 2014 and the health screening report was not completed until February 24, 2014.

During a follow-up visit on June 26, 2015, CAD reviewed a new personnel file checklist that the Group Home had created. Although the Group Home has not had a new employee since the review, the new checklist will be utilized during the hiring process in the future. The Group Home representatives also stated there is a plan to add the checklist to all existing personnel files.

Recommendations:

The Group Home's management shall ensure that:

4. Criminal background statements are signed in a timely manner.

5. Health screenings are completed timely.

PRIOR YEAR FOLLOW-UP FROM DCFS CAD'S GROUP HOME CONTRACT COMPLIANCE MONITORING REVIEW

The CAD's last compliance report, dated November 12, 2014 identified one recommendation.

Results:

Based on the results of this review, the Group Home fully implemented the prior recommendation for which they were to ensure that:

- The vehicle in which the children are transported is maintained in good repair.

At the Exit Conference, the Group Home representatives expressed the desire to remain in compliance with all Title 22 regulations and Contract requirements.

CAD conducted an onsite follow-up visit on June 26, 2015. Based on the results of our follow-up visit, the Group Home implemented 5 of 5 recommendations noted in this report. CAD will continue to assess implementation of the recommendations during our next monitoring review. OHCMD will provide ongoing support and technical assistance prior to the next review.

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Garces Residential Care Services
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June 26, 2015

Ms. Omnaya Zaklama, Fiscal Compliance Administrator
County of Los Angeles
Department of Children and Family Services
Contracts Administration Division-Compliance Section
3530 Wilshire Blvd. 4th Floor
Los Angeles, Ca 90010

RE: Corrective Action Plan

GRCS is providing Fiscal Compliance Assessment (FCA) with a Corrective Action Plan (CAP) as requested regarding the findings revealed during the Fiscal Overview of our facility.

I. Fiscal Compliance Assessment Tools (FCAT)

A. FCAT Section III. Board of Directors and Business Influence

CAP: Bright Horizon will take the following steps to ensure ATM cash withdraws are not made.

- Facility Manager will ensure ATM withdrawals are not made.
- Directors will review monthly statements to ensure ATM withdrawals are not made for petty cash or other business transactions.

Sincerely,

Danny Garces
Fiscal Compliance Director

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April 23, 2015

Linda Lai, Children Service Administrator I
County of Los Angeles
Department of Children and Family Services
Contracts Administration Division-Compliance Section
3530 Wilshire Blvd. 4th Floor
Los Angeles, Ca 90010

RE: Corrective Action Plan

GRCS is providing Contracts Administration Division (CAD) with a Corrective Action Plan (CAP) as requested regarding the findings revealed during the monitoring of our facility.

I. Licensure/ Contract Requirements

4. **Are Special Incident Reports (SIRs) appropriately documented and cross reported timely? (SAFETY)**

   CAP: Bright Horizon Group Home will take the following steps in order for SIRs to be reported in a timely manner and cross-reported to the appropriate agencies.

   - Group Home staff is to write SIRs then communicate with supervisors for review in order to submit SIRs within appropriate time boundaries.
   - The Administrator or Facility Manager will follow the incident reporting guidelines and procedure issued by DCFS to submit SIRs.

9. **Is the group home free of any sustained Community Care Licensing complaints on safety and/or physical plant deficiencies since last review? (SAFETY)**

   CAP: Bright Horizon will ensure that facility repairs are completed timely. Any citations issued by CCLD are cleared in given time framed and documented with proper clearance form.

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- All staff are to report any damage or physical plan concerns in the daily shift report.
- Facility Managers will make preparations to correct reported deficiencies and inform supervisors.
- Director will oversee the completion of repairs reported by staff and management within an appropriate time frame.
- Bright Horizon will follow up with any pending citations or deficiencies too ensure compliance and obtain proper clearance form.

III. Maintenance of Required Documentation and Service Delivery

21. Are County workers contacted monthly by the GH and are the contracts appropriately documented in the case files? (WELL-BEING)

CAP: Bright Horizon will improve documentation of CSW contact and reflect information on NSP.

- Administrator and In-House CSW will make contact with resident's social worker monthly and as needed. Updates will follow- up with an email and reflected in NSPs.
- All staff is to document in a comprehensive and detail manner all contact in CSW contact form.

IV. Personnel Records

60. Did appropriate employees sign a criminal background statement in a timely manner?

CAP: All new Bright Horizon employees must sign all required paperwork in personnel file before their start date.

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- Facility Manager will implement and utilize a personnel file checklist to ensure all necessary documents are signed prior to new employee start date.
- The Administrator and Human Resource Director will be responsible for reviewing employee files and checklist for compliance.

62. Have employees received timely health screenings/TB clearance? (SAFETY)

CAP: Bright Horizon will take the following steps for health screenings.

- Facility Manager will implement and utilize a personnel file checklist to ensure all necessary employee health documents have been received prior to new employee start date.
- Administrator and Facility Managers will review checklist together for confirmation of pre-employment health screening completion.

Sincerely,

David Cuevas
Administrator
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