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September 1, 2011

TO: Supervisor Michael D. Antonovich, Mayor
Supervisor Gloria Molina
Supervisor Mark Ridley-Thomas
Supervisor Zev Yaroslavsky
Supervisor Don Knabe

FROM: Wendy L. Watanabe
Auditor-Controller

SUBJECT: **BIENVENIDOS CHILDREN'S CENTER, INC. – A DEPARTMENT OF PUBLIC SOCIAL SERVICES' DOMESTIC VIOLENCE SUPPORTIVE SERVICES PROGRAM PROVIDER – CONTRACT COMPLIANCE REVIEW**

We completed a review of Bienvenidos Children's Center, Inc. (Bienvenidos or Agency), a Department of Public Social Services' (DPSS) Domestic Violence Supportive Services (DVSS) Program provider. Our review covered a sample of transactions from Fiscal Years (FY) 2009-10 and 2010-11. DPSS contracts with Bienvenidos, a non-profit organization, to provide services to eligible participants who have been victims of domestic violence. DVSS Program services include performing assessments, facilitating shelter assistance, and providing legal assistance for the victims.

The purpose of our review was to determine whether Bienvenidos appropriately accounted for and spent DVSS funds to provide the services outlined in their County contract. We also evaluated the adequacy of the Agency's accounting records, internal controls, and compliance with the contract and the applicable guidelines.

DPSS paid the Agency approximately $165,000 on a cost-reimbursement basis during FY 2009-10. Bienvenidos provides services to residents of the First Supervisorial District.

Results of Review

Bienvenidos maintained adequate internal controls and appropriately charged expenditures to the DVSS Program. In addition, the Bienvenidos' staff had the required qualifications, and Agency's Cost Allocation Plan was prepared in compliance with the County contract, and used to appropriately allocate shared costs. We have no findings or recommendations for the Agency.

Review of Report

We discussed our report with Bienvenidos and DPSS in July 2011. Bienvenidos is not required to submit a response to this report, because there are no findings or recommendations.

We thank Bienvenidos and DPSS for their cooperation and assistance during this review. Please call me if you have any questions, or your staff may contact Don Chadwick at (213) 253-0301.

WLW:JLS:DC:AA

c: William T Fujioka, Chief Executive Officer
Sheryl L. Spiller, Acting Director, Department of Public Social Services
Francisco J. Nicholas, Board Chair, Bienvenidos Children's Center, Inc.
Ritchie Geisel, Executive Director, Bienvenidos Children's Center, Inc.
Public Information Office
Audit Committee

BIENVENIDOS CHILDREN'S CENTER, INC.
DOMESTIC VIOLENCE SUPPORTIVE SERVICES PROGRAM
FISCAL YEAR 2010-11

ELIGIBILITY

Objective

Determine whether Bienvenidos Children's Center, Inc., (Bienvenidos or Agency) provided services to individuals who met the Domestic Violence Supportive Services (DVSS) Program eligibility requirements.

Verification

We reviewed the case files for nine (25%) of the 36 participants who received services during December 2010 and January 2011 for documentation to confirm their eligibility for DVSS Program services.

Results

Bienvenidos had documentation to support the nine participants' eligibility for DVSS Program services.

Recommendation

None.

PROGRAM SERVICES

Objective

Determine whether Bienvenidos provided the services according to the County contract and DVSS Program guidelines. In addition, determine whether the Program participants received the billed services.

Verification

We visited the Bienvendios service site, and reviewed the case files for nine (25%) of the 36 participants who received services during December 2010 and January 2011.

Results

Bienvenidos provided the services in accordance with the County contract.

Recommendation

None.

STAFFING QUALIFICATIONS

Objective

Determine whether Bienvenidos staff had the qualifications required by the County contract.

Verification

We reviewed the personnel files for six (60%) of the ten Bienvenidos employees who worked on the DVSS Program.

Results

Bienvenidos' staff had the required qualifications.

Recommendation

None.

CASH/REVENUE

Objective

Determine whether Bienvenidos' cash receipts and revenue were recorded properly in the Agency's financial records, and that cash receipts were deposited in the Agency's bank account timely.

Verification

We interviewed Bienvenidos' management, and reviewed the Agency's financial records and December 2010 bank reconciliation.

Results

Bienvenidos recorded cash receipts and revenue properly, and deposited cash receipts timely.

Recommendation

None.

EXPENDITURES/PROCUREMENT

Objective

Determine whether expenditures charged to the DVSS Program were allowable under the County contract, properly documented, and accurately billed.

Verification

We interviewed Bienvenidos' personnel, and reviewed financial records and documentation for $1,115 in non-payroll expenditures, that the Agency charged to the DVSS Program from July 2010 through January 2011.

Results

Bienvenidos' expenditures were allowable, properly documented, and accurately billed.

Recommendation

None.

FIXED ASSETS AND EQUIPMENT

Objective

Determine whether Bienvenidos' fixed assets and equipment purchased with DVSS funds were used for the Program and were safeguarded.

Verification

We interviewed Agency personnel, and reviewed the Agency's fixed assets and equipment inventory listing. We also performed a physical inventory of two items purchased with DVSS funds in prior years to verify the items exist, and were being used as required.

Results

The items purchased with DVSS funds were used for the Program, and were adequately safeguarded.

Recommendation

None.

PAYROLL AND PERSONNEL

Objective

Determine whether Bienvenidos charged payroll costs to the DVSS Program appropriately. Also, determine whether Bienvenidos obtained required criminal background clearances, and employment eligibility for DVSS Program employees.

Verification

We traced the payroll costs for six employees, totaling $4,450, for January 2011 to the Agency's payroll records and time reports. We also interviewed staff, and reviewed personnel files for six DVSS Program staff.

Results

Bienvenidos appropriately charged payroll costs to the DVSS Program. The Agency also obtained background clearances and employment eligibility for DVSS Program staff.

Recommendation

None.

COST ALLOCATION PLAN

Objective

Determine whether Bienvenidos' Cost Allocation Plan was prepared in compliance with their County contract, and was used to appropriately allocate shared costs.

Verification

We reviewed the Agency's Cost Allocation Plan and a sample of expenditures for FY 2010-11.

Results

Bienvenidos' Cost Allocation Plan was prepared in compliance with the County contract, and the Agency appropriately allocated their shared costs.

Recommendation

None.

CLOSE-OUT REVIEW

Objective

Determine whether Bienvenidos' had any unspent revenue during FY 2009-10.

Verification

We traced the total revenues and expenditures indicated on Bienvenidos' FY 2009-10 close-out report to the Agency's accounting records and to DPSS' payment records.

Results

Bienvenidos did not have any unspent revenue for FY 2009-10. Specifically, the Agency's $195,000 in Program expenditures exceeded the $165,000 in revenue the Agency received from DPSS by $30,000.

Recommendation

None.