



JOHN NAIMO
AUDITOR-CONTROLLER

**COUNTY OF LOS ANGELES
DEPARTMENT OF AUDITOR-CONTROLLER**

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TO: Supervisor Michael D. Antonovich, Mayor
Supervisor Hilda L. Solis
Supervisor Mark Ridley-Thomas
Supervisor Sheila Kuehl
Supervisor Don Knabe

FROM: John Naimo 
Auditor-Controller

SUBJECT: **USE OF NON-CONTRACTED GROUP HOMES BY THE DEPARTMENT
OF CHILDREN AND FAMILY SERVICES**

During an investigation of allegations received by the Los Angeles County Fraud Hotline, the Department of Auditor-Controller (A-C) became aware of the use of non-contracted group homes (GHs) by the Department of Children and Family Services (DCFS) to place Los Angeles County clients. To obtain additional information about such placements, we conducted a limited review of DCFS' use of non-contracted GHs and the Department's compliance with applicable policies and procedures. This report summarizes our findings and recommendations.

Background

When DCFS places a child in out-of-home care, the placement must be made in accordance with Welfare and Institutions Code Section 361.3 which specifies criteria and options for such placements, including the use of GHs. The County currently contracts with 65 GHs, and each contract includes detailed programmatic and fiscal requirements. The contracts also establish the legal authority for County monitoring, audits, and access to the records and documents necessary to complete such reviews.

In addition, children placed in contracted GHs are required to be informed about their right to access the services of the Children's Group Home Ombudsman (Ombudsman), and how to contact that office. The Los Angeles County Board of Supervisors established the Ombudsman within the A-C to serve as a personal rights advocate, providing a confidential and informal process to resolve issues that arise for children placed in group homes by DCFS.

Together these contract provisions form a system of oversight, monitoring, and compliance to ensure that children receive appropriate care and services, that public funds provided for such care are used appropriately, and that children have a secure and independent mechanism to report concerns.

If a Children's Social Worker (CSW) has exhausted all other options and cannot locate a suitable placement with a contracted provider, the Non-Contracted DCFS Placements Policy #0100-510.35 allows for placement in a non-contracted GH, provided the CSW obtains the required management approvals and payment authorization before making the placement. DCFS paid approximately \$17.7 million to various non-contracted foster care and placement services providers during Fiscal Year 2014-15, including at least \$4.4 million to non-contracted GHs.

Scope

We reviewed documentation for placements at a non-contracted GH that operates two facilities, and had a total of 11 DCFS children in their care as of May 5, 2015. We also reviewed DCFS policies and procedures for such placements, and records of County payments to the GH obtained from the County's electronic Countywide Accounting and Purchasing System (eCAPS). In addition, we requested access to review their books and records, to determine whether County funds were used appropriately. However, the GH's executive management declined to provide auditors with access, and the lack of a formal contract prevented us from compelling their cooperation.

To ensure that DCFS youth were aware of their right to access the Ombudsman and the resources of that office, the Ombudsman visited the non-contracted GH's facilities, and interviewed a sample of the DCFS clients placed at them. The Ombudsman also provided informational materials for the future reference of DCFS clients.

Results of Review

Our review identified deficiencies in DCFS' accountability over the use of non-contracted GHs, and we noted that their operations and use of County funds are subject to significantly less oversight than similar, contracted GHs. We also noted that children placed in non-contracted GHs are not being notified of their right to access the Ombudsman, and that DCFS staff are not following and may not be aware of the Department's policies and protocols for making such placements.

We also determined that the County did not recover \$400,000 to \$700,000 in otherwise reimbursable costs associated with approximately \$1 million paid by the County for the care of several DCFS clients placed at the non-contracted GH, because the GH did not have a State-approved Foster Care Rate. We could not review the non-contracted GH's use of County funds because the GH's executive management declined to allow the auditors access to its books and records. Attachments I through III contain the detailed results of our review.

Review of Report

We discussed our findings with DCFS management on September 10, 2015. Attachment IV is DCFS' response which indicates general agreement with our findings and recommendations, and provides the corrective actions planned to strengthen management controls and tracking of non-contracted group home placements. DCFS' response also indicates that they plan to implement all of the recommendations in our report by March 2016.

We thank DCFS management and staff for their assistance. Please call me if you have any questions, or your staff may contact Robert Campbell at (213) 974-0681.

JN:RC:GZ:GH:MD
R-2015-10410

Attachments (4)

c: Sachi A. Hamai, Chief Executive Officer
Mary C. Wickham, Interim County Counsel
Philip L. Browning, Director, DCFS
Jerry Powers, Chief Probation Officer
Fesia Davenport, Interim Director, Office of Child Protection
Children's Deputies
Sybil Brand Commission
Commission for Children and Families
Public Information Office
Audit Committee

**USE OF NON-CONTRACTED GROUP HOMES BY THE
DEPARTMENT OF CHILDREN AND FAMILY SERVICES**

During an investigation of allegations received by the Los Angeles County Fraud Hotline, the Department of Auditor-Controller (A-C) became aware of the use of non-contracted group homes (GHs) by the Department of Children and Family Services (DCFS) to place Los Angeles County clients. We reviewed the allegations and attempted to audit the non-contracted GH's fiscal operations. Because DCFS does not have a contract with the non-contract GH, we cannot compel the GH to provide us access to their financial records and/or cooperate in an audit or investigation. Accordingly, we requested that executive management of the non-contracted GH voluntarily cooperate with a fiscal review on June 15, 2015. However, the agency declined to provide auditors with access to their records.

Absent evidence of criminal wrongdoing establishing probable cause for us to obtain a search warrant, we were unable to investigate the allegations. Therefore, we referred the allegations to the State agencies responsible for oversight of the GH. We also directed the Children's Group Home Ombudsman (Ombudsman) to conduct outreach at the non-contracted GH to ensure that DCFS youth were aware of their right to access the Ombudsman and the resources of that office, and provide informational materials for the future reference of DCFS clients.

While we could not investigate the alleged fiscal improprieties, non-contract agencies are subject to monitoring of certain program requirements. Our preliminary review identified deficiencies in DCFS' accountability over the use of non-contracted GHs, and a lack of oversight related to their operations. We also noted that children placed in non-contracted GHs are not being notified of their right to access the Ombudsman, and that DCFS staff are not following, and may not be aware of, Department policies for making such placements.

Scope

To obtain additional information about such placements, we conducted a limited review of DCFS' use of non-contracted GHs and the Department's compliance with applicable policies and procedures. We reviewed documentation for placements at a non-contracted GH that operates two facilities, and had a total of 11 DCFS children in their care as of May 5, 2015. We also interviewed DCFS management, reviewed DCFS policies and procedures for such placements, and records of County payments to the GH obtained from the County's electronic Countywide Accounting and Purchasing System (eCAPS). We also directed the Ombudsman to interview a sample of DCFS clients placed there and to observe conditions at the facility.

Background

When it is necessary to remove a child from the home of his or her custodial parent or guardian, Welfare and Institutions Code Section 361.3 indicates that preference shall be given to placement in the home of a relative, if such placement is in the best interest of the child. If there are no appropriate relatives, out-of-home placement shall be in the least restrictive, most family-like setting which would meet the child's needs, and provide permanency for the child if family reunification is unsuccessful. One option for out-of-home care is placement in a GH. The County currently contracts with 65 GH providers, some with multiple sites, including a number of Probation-only GHs. Every GH provider contract includes detailed programmatic and fiscal requirements and establishes the legal authority for County monitoring, audits, and access to related records and documents necessary to complete such reviews.

Pursuant to contract requirements, DCFS' Contracts Administration Division (CAD) conducts fiscal assessments and contract compliance monitoring reviews of GHs, and the Out-of-Home Care Management Division (OHCMD) completes quality assurance reviews. These reviews are supposed to determine if GH contractors are meeting contract requirements and complying with the program statement and DCFS policies by assessing the contractor's service delivery, and ensuring that they are providing children with quality care and services in a safe environment, which includes physical care, emotional support, and other services to protect and enhance their growth and development.

In addition to program and quality of care monitoring conducted by DCFS, the A-C conducts fiscal reviews of contracted GHs to ensure that funds are used appropriately. Contracted GHs are required to operate in accordance with federal, State, and County regulations and guidelines, must be organized as non-profit entities, and must have a Rate Classification Level (RCL) established by the California Department of Social Services (CDSS) based on the level of care and services they provide. On October 13, 1998, the Los Angeles County Board of Supervisors instructed DCFS to implement all the recommendations in the Grand Jury's Final 1997-98 Report. This action resulted in the establishment of the Children's Group Home Ombudsman within the A-C to serve as a personal rights advocate, providing a confidential and informal process to resolve issues that arise for children placed in group homes by DCFS that may otherwise go unnoticed. Lastly, if fraud or other criminal activity is suspected, the A-C also conducts an investigation to determine whether a crime was committed.

Taken together, these mechanisms form a system of oversight, compliance, and monitoring to ensure that children receive appropriate care and services, that public funds provided for such care are used appropriately, and that children have a secure and independent mechanism to report concerns.

Non-Contracted Placement Process

Children requiring out-of-home care are evaluated by DCFS to determine the most suitable placement, per DCFS Procedure Guide E090-0590. Such placements are typically with a relative caregiver, a foster parent, or a contracted GH, based on availability of placements and the child's needs. If a CSW has exhausted all other options and cannot locate a suitable placement with a contracted provider, the Non-Contracted DCFS Placements Policy #0100-510.35 allows the CSW to place the child in a non-contracted GH, provided they obtain the required management approvals and payment authorization before making the placement. According to the electronic Countywide Accounting and Purchasing System, DCFS paid approximately \$17.7 million to various non-contracted foster care and placement services providers during Fiscal Year (FY) 2014-15, including at least \$4.4 million to non-contracted GHs. We could not determine the exact purpose of all of these payments because of the manner in which DCFS accounted for them.

The Non-Contracted DCFS Placements Policy and updated instructions for completing *DCFS Form 4213, Special Placements & 1:1 Requests (Form 4213)* establishes requirements for placing children in non-contracted GHs and other non-contracted placements. Specifically for non-contracted GHs, the policy requires the placing CSW to complete Form 4213 and submit it to the Supervising CSW (SCSW), Assistant Regional Administrator, and Regional Administrator, respectively, for approval. Attachment II is a copy of DCFS Form 4213. The Regional Office forwards Form 4213 to DCFS' Revenue Enhancement Division, which confirms that the non-contracted GH has a Foster Care Rate (Rate) established by the CDSS Foster Care Rates Bureau. Revenue Enhancement then forwards Form 4213 to OHCMD, which reviews it and supporting documents to verify that the non-contracted GH has a current license and is in good standing with CDSS.

A non-contracted GH placement also requires the approval of the Service Bureau Deputy Director, who approves the duration of placement which generally is valid for one year and, when there are clinical implications, the Bureau of the Medical Director. Revenue Enhancement staff are responsible for tracking receipt of Form 4213s and their expiration dates, and are supposed to follow-up with CSWs to renew requests in advance of expiration, as needed. The Bureau of Finance and Administration must also approve the placement if the non-contracted placement will be paid from Net County Cost (NCC). Once all the required approvals are obtained, the placing CSW and the GH executive director execute a one-page agreement titled "Agency-Group Home Agreement" (CDSS Form SOC-154). The Agency-Group Home Agreement specifies the agreed upon monthly rate and identifies program requirements. Attachment III is a copy of CDSS Form SOC-154.

Our limited review noted that DCFS staff is not always following the Policy, and DCFS management does not always ensure that CSWs follow the proper placement protocols. Specifically, for the non-contracted GH, DCFS' OHCMD only reviewed/approved the placement of three (27%) of the 11 total DCFS children at the non-contracted GH's two

homes. OHCMD management indicated that they were not notified of the remaining eight children placed in the GH, in violation of Non-Contracted DCFS Placements Policy #0100-510.35. In addition, since these placements went undetected by OHCMD, it appears that the Department does not have an effective mechanism to track and/or reconcile all out-of-home placements.

We noted that seven (88%) of the eight children whose placements were not reviewed by OHCMD were initially placed by Emergency Response CSWs, and that the placements occurred after business hours and without following the Department's Placement Policy. We also found that there was no follow-up on these after-hours placements to ensure compliance. Since the placements and the rates were not approved in accordance with the Form 4213 instructions, DCFS could not provide documentation to indicate that these placements were reviewed by OHCMD, Revenue Enhancement Division, or DCFS Executive management as required. Therefore, it appears that the placements for the seven children were agreed solely by the CSW and the Executive Director of the non-contracted GH, and were memorialized in the one-page Agency-Group Home Agreement that were executed by the placing CSWs and the GH Executive Director. For the last child, the placement was made during regular business hours and the required documentation was completed by the CSW and SCSW, but was not approved by DCFS management as required.

We also noted that DCFS' updated instructions for Form 4213 were never formalized and incorporated into the DCFS Placement Policy. Based on these findings, it appears that DCFS staff and management involved in placing children in non-contracted GHs may not know the proper protocols for making such placements, or chose not to follow them. We did not interview any CSWs as part of this review. We also noted that DCFS management does not have a system in place to detect deviations from, or violations of, these policies and requirements.

It appears that non-contracted GHs used by DCFS are not being subjected to any of the County oversight and compliance activities outlined in the previous section. The CSWs who place children in non-contracted GHs appear to be the only County personnel required to have contact and programmatic knowledge of the non-contracted facility. Also, non-contracted GHs that do not have an RCL are ineligible to receive federal and State funding, and are therefore not subject to the (federal) Office of Management and Budget's *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. In addition, children placed in these homes should receive outreach from the Ombudsman notifying them of their right to contact that office, but such outreach cannot occur if the Ombudsman is unaware of the placement.

If CSWs and/or their management do not adhere to DCFS' policy requirements for placing children in non-contracted GHs, OHCMD is unaware of the placement. Therefore, OHCMD cannot conduct required administrative reviews or track the placement of children in non-contracted GHs.

Recommendations

Department of Children and Family Services management:

- 1. Update and revise departmental policies and procedures for placing children with non-contracted group homes, including provisions that such placements shall only be made when mandated by the Court or after completing an appropriate search for a suitable relative or contracted placement and finding that none is available, and that such placements should be temporary and limited in duration until a suitable relative or contracted placement is available.**
- 2. Ensure that all Children's Social Workers, supervisors, and management are trained on the revised policy and procedures for placing children with a non-contracted agency.**
- 3. Develop controls to ensure that non-contracted placements are appropriately tracked, monitored, and periodically reported to executive management.**
- 4. Establish a process to periodically review each placement in a non-contracted group home, to determine whether there is a suitable contracted placement available, and ensure that children are transitioned to contracted placements timely.**
- 5. Review the placements discussed in this report and other non-contracted placements, identify any policy or administrative violations, and take appropriate corrective and/or disciplinary action.**

Rate Classification Level

According to the Non-Contracted DCFS Placements Policy #0100-510.35, when a placement is made at a non-contracted GH, the agency must be licensed with CDSS and have an established Rate, which is the basis for monthly payment to the GH established by CDSS. Rates are calculated based on the number of staff hours and educational level of staff employed who have direct contact with children. In addition, the County may not use Aid to Families with Dependent Children-Foster Care (AFDC-FC) funding to offset the cost of otherwise eligible placements unless the GH has an approved Rate. DCFS' Revenue Enhancement Manager confirmed that the placements with the agency we reviewed must be paid with County funds, despite that ten (91%) of the 11 placed children were AFDC-FC eligible. The Rate setting process provides assurance that the amount paid for care is appropriate, and subjects the GH to additional State oversight with respect to the Rate. State oversight takes on added importance given that the County's fiscal oversight and monitoring mechanisms are unavailable at non-contracted GHs.

We noted that OHCMD approved the placement of three children at the non-contracted GH even though the agency does not have an approved Rate. According to the Non-Contracted DCFS Placements Policy #0100-510.35, it appears that the non-contracted GH in question should not have been approved, or utilized at all. It also appears that DCFS either did not check for an approved federal Rate or failed to note that this GH did not have one. We also noted that the non-contracted GH was paid at the second highest Rate classification (i.e., RCL 13, or approximately \$9,302 per child per month as of July 1, 2014), without a Rate letter or clear justification for the level of payment. DCFS management was unable to provide documentation to show how the monthly rate was determined for the non-contracted GH, and acknowledged that the placements were not approved by management.

For this non-contracted GH, the lack of an established Rate and failure to follow the non-contracted placement policy, gives the appearance that a single CSW is approving a placement without any oversight. While we found no evidence of overt misconduct, allowing a single employee to make placement decisions presents a serious internal control weakness. In addition, without an established Rate, the County must pay the entire cost of each placement and may not be reimbursed for any portion of the cost of care provided to children that are placed in a GH. During FY 2014-15, the County did not recover \$400,000 to \$700,000 in otherwise reimbursable costs associated with approximately \$1 million paid by the County for the care of several DCFS clients placed at the non-contracted GH, because the GH did not have a State-approved Foster Care Rate.

Recommendation

- 6. Department of Children and Family Services (DCFS) management ensure that prior to placing a child with an agency, the agency has a current Rate Classification Level established and authorized by the California Department of Social Services, as required by the Non-Contracted DCFS Placements Policy #0100-510.35. Also ensure that the level of the placement is appropriate for the child, and that justification for the level is adequately documented.**

Monitoring and Accountability

As noted above, DCFS conducts contract compliance monitoring reviews of contracted GHs to assess service delivery in the areas of: 1) Licensure/Contract Requirements; 2) Facility and Environment; 3) Maintenance of Required Documentation and Service Delivery; 4) Educational and Workforce Readiness; 5) Health and Medical Needs; 6) Psychotropic Medication; 7) Personal Rights and Social/Emotional Well-Being; 8) Personal Needs/Survival and Economic Well-Being; 9) Discharged Children; and 10) Personnel Records. DCFS also conducts quality assurance reviews and fiscal assessments of contracted homes.

In addition, the A-C conducts fiscal reviews of contracted GHs to ensure that funds expended are reasonable, allowable, and appropriately used for the care of the children. Contracted GHs are required to operate in accordance with the following federal, State, and County regulations and guidelines: 1) GH Contract, including the *A-C Contract Accounting and Administration Handbook*; 2) *Office of Management and Budget Circular A-122, Cost Principles for Non-Profit Organizations*; 3) *CDSS Manual of Policies and Procedures*; and 4) *California Code of Regulations, Title 22*. However, DCFS does not subject non-contracted GHs to most of the monitoring and oversight conducted at contracted agencies. The following table summarizes the differences in oversight and monitoring between contracted and non-contracted GHs:

Responsible Agency	Monitoring Mechanism	Contracted GHs	Non-Contracted GHs
DCFS	Contract Compliance Review	Yes	No
DCFS	Quality Assurance Review	Yes	No
DCFS	Fiscal Assessment	Yes	No
A-C	Fiscal Review	Yes	No*
A-C	Fraud Investigation	Yes	No*
A-C	Group Home Ombudsman	Yes	No*
State (CDSS)	Foster Care Rate Review	Yes	Yes, but only if the GH is a non-profit and has a rate established by CDSS
State (Community Care Licensing Division)	Annual Site Visit	Yes	Yes

* The A-C was unaware of the existence of non-contracted providers, and generally lacks the authority to compel their cooperation with audits or investigations.

Because DCFS does not perform the same scope or level of programmatic monitoring of non-contracted GHs, children placed in them do not have the benefit of the County's multi-layered quality assurance. As a result, the assigned CSW has the responsibility to ensure that the GH is providing a safe and healthy environment for the child without any other County oversight of the agency. Also, because non-contracted GHs are not required to submit to County fiscal reviews or audits, we have no assurance that County funds are being used appropriately for the care of placed children. Non-contracted GHs also do not file Special Incident Reports (SIRs) with DCFS' OHCMD on the same basis as contracted GHs, which are required to submit SIRs that are entered and tracked in the Department's web-based Incident Tracking (iTrack) System. Non-contracted GHs simply report these incidents to the CSW. Taken together, our findings indicate that non-contracted GHs are subject to significantly less monitoring and oversight than contracted agencies.

For the non-contracted GH in question, the Ombudsman performed an outreach visit at its two locations on April 29, 2015, and was able to interview five (45%) of the 11 DCFS clients that were placed in the home. The children expressed no concerns and seemed to be content in the homes. However, the Ombudsman noted some areas of potential concern regarding the physical condition of the premises (e.g., one of the sites had exposed wires on the ceiling for a smoke alarm, which was disconnected at the time of the visit). The Executive Director of the GH indicated that this site was being prepared for painting, and that the deficiency was subsequently corrected.

On May 8, 2015, a CDSS analyst conducted a site visit at one of the non-contracted GH's locations and noted several issues, including that the agency staff could not produce a current roster of residents, that "past-due meats" were stored in the GH's refrigerator/freezer, and that medication logs were not properly documented. The CDSS analyst also noted that the non-contracted GH could not immediately provide case files/records for all clients, the Executive Director's child was allegedly residing in the GH but was not officially placed there by DCFS, and the police recently responded to the GH after the Executive Director's child attempted to enter a neighboring residence without the owner's permission. According to CDSS the deficiencies were later resolved by the Agency. We noted that the one-page placement agreement used by the County does not require operators of non-contracted GHs to notify OHCMD of such incidents/findings, and we confirmed that OHCMD was not aware of these issues.

On May 5, 2015, we requested that DCFS provide a list of all non-contracted GHs with current placements used by the Department, and the number of children placed in them. DCFS management informed us that a comprehensive list did not exist at that time, and would need to be compiled by their Business Information Systems Division. DCFS had also not previously included non-contracted homes in lists of GHs utilized by the Department that were provided to the Ombudsman and A-C's Contract Monitoring Division. This oversight prevented the Ombudsman from including non-contracted GHs in ongoing outreach and A-C's Contract Monitoring Division from identifying the need for monitoring activities. The lack of a central registry of non-contracted homes, and the Department's inability to readily identify the number of children placed in them, indicates potential weaknesses in accountability and controls over the use of non-contracted placements.

On July 7, 2015, DCFS provided a list of non-contracted GHs to the A-C which indicated that as of May 7, 2015, there were 41 children placed in 17 non-contracted GHs, including 31 children in 13 non-contracted GHs within Los Angeles County. Upon learning of the existence of these GHs, the Ombudsman began conducting site visits to locations within Los Angeles County to ensure that placed children are aware of, and know how to access, the Ombudsman's services.

DCFS is ultimately responsible for the safety and well-being of all children placed in its care, regardless of where they are placed. With respect to GHs, routine audits and reviews of contracted agencies help ensure that care and services provided to the

placed children meet County standards, and that funds are used appropriately and in accordance with federal guidelines.

The one-page placement agreement signed by CSWs and the non-contracted GH Executive Director does not contain fiscal requirements, audit and access provisions, required County terms and conditions, or detailed program requirements.

Overall, we believe that DCFS' current process for placing and accounting for children in non-contracted GHs provides for significantly less oversight and accountability of the quality of care and service provided to them, and increases the risk that GH funds could be misused. DCFS could reduce these risks by ensuring that the use of non-contracted GHs is minimized, except when ordered by the court or circumstances exist where no other placement is possible.

In cases where non-contracted GHs must be used to place DCFS clients, the placements should be temporary, for the shortest possible duration until a more suitable contracted or other placement can be found, and should be regularly re-evaluated and subject to reauthorization by DCFS management. In addition, DCFS management should work with County Counsel to create a new placement agreement or a supplemental form that strengthens program and fiscal requirements for non-contracted group homes and ensure that a proper system of accountability and monitoring exists over non-contracted group homes where County children are placed. DCFS should also update the Ombudsman monthly on any non-contracted group home placements to ensure that all placed children are aware of the Ombudsman and know how to access the services and assistance of that office. DCFS should also ensure that Special Incident Reports completed by non-contracted group homes are entered and tracked in iTrack.

Recommendations

Department of Children and Family Services management:

- 7. Work with County Counsel to create a new placement agreement or a supplemental form that strengthens program and fiscal requirements for non-contracted group homes and ensure that a proper system of accountability and monitoring exists over non-contracted group homes where County children are placed.**
- 8. Update the Children's Group Home Ombudsman (Ombudsman) monthly on any non-contracted group home placements, to ensure that placed children are aware of the Ombudsman and know how to access the services and assistance of that office.**
- 9. Ensure that Special Incident Reports completed by non-contracted group homes are entered and tracked in the Department's web-based Incident Tracking (iTrack) System.**

SPECIAL PLACEMENTS & 1:1 REQUESTS

Check only one:

Expiration Date: _____

- Non-Contracted/Non-Profit Agency
- Inter-County Transfer of Court Jurisdiction (attach Minute Order)
- For-Profit Agency
- Adult Facility
- 1:1 Request

Child's Name: _____ DOB: _____ Age: _____
 CSW: _____ DCFS Office: _____
 CSW Phone #: _____ CSW Fax#: _____ SPA: _____
 SCSW: _____ SCSW Phone #: _____
 ARA: _____ ARA Phone #: _____
 RA: _____ RA Phone #: _____
 Deputy Director: _____ DD Phone #: _____

Current Placement

Name: _____ Phone: _____
 Facility Type: (Check one)
 Foster Home FFA Group Home Regional Center Home Adult Facility
 Facility License Number: _____ Rate Classification Level (RCL): _____
 Address: _____
 Monthly Rate: _____
 Length of time in this home: _____

Why is it necessary to replace the child or request 1:1 services?

What efforts have been made to preserve this placement? Include information about specific services and/or programs the child received, participated in or was referred to (eg.: TBS, WRAP, Intensive Mental Health Treatment, etc.).

Proposed Placement or 1:1 Service Provider

Name: _____
 Facility Type: (Check one)
 Foster Home FFA Group Home Regional Center Home Adult Facility
 Facility License Number: _____ Rate Classification Level (RCL): _____
 Length of time home has been licensed: _____
 Rate of Payment: _____
 Monthly Rate: _____ Additional Costs: _____
 Date CSW made site _____
 Facility Name: _____ Phone Number: _____
 Facility Address: _____
 County where Facility/Agency is located: _____

COUNTY OF LOS ANGELES

DEPARTMENT OF CHILDREN AND FAMILY SERVICES

If proposed placement is with an FFA, please provide:

Name of Certified Foster Parent(s): _____ DOB: _____
Address of Certified Foster Home: _____

Expected length of stay: Less than 3 months 3 to 6 months
 6 to 12 months

TDM required with DCFS 4213 extending placement.

TDM date: _____ Include TDM notes.

How and why this facility is uniquely qualified to address the needs of this child or rate/hr and timeframe of 1:1 request

Source of Referral: CSAT RS Regional Center Other: _____
(If this is a request for a Regional Center placement, provide the name of the Regional Center office and name of Regional Center Services Coordinator. The support letter from the Regional Center must be attached.)

Does the facility have a negotiated agreement with DCFS/Probation? YES NO

Describe the child's involvement in planning, including pre-placement interview and pre-placement visit information:

Child's History

Provide the child's Placement History: (Group homes, foster homes, small family homes and relative placements)

What are the behavioral issues?

What is the child's current diagnosis?

Is the child taking psychotropic medication? (If the answer is 'yes', please indicate which medications).

How many times has the child been hospitalized in a psychiatric hospital?

Family Ties:

What is the program type?: FR PP

Does minor have contact with any relatives? YES NO

If so, whom?: (Include frequency of visits and whether he/she is interested in providing a home for the child in the future).

Permanent Plan: Explain in detail the permanent plan for the minor, including timeframes and emancipation services for a child 14 years and older. (Note: Long-term Foster Care is NOT a Permanency Plan). If the youth is 16 ½ or older provide an update regarding Department's efforts to obtain SSI/SSA benefits for the youth.

Signatures for approval must be obtained in the sequence indicated below. An approved DCFS 4213 is required prior to the placement of a child in the placement.

Signatures

CSW Name _____ Date: _____
(Type/print name)

SCSW Name _____ Date: _____
(Type/print name)

ARA Name _____ Date: _____
(Type/print name)

RA Name _____ Date: _____
(Type/print name)

Services –Bureau Deputy Director Name _____ Date: _____
(Type/print name)

Out of Home Care Program – Division Chief/Designee Name _____ Date: _____
(Type/print name)

Bureau of Clinical Resources & Services' Medical Director's Name _____ Date: _____
Dr. Charles Sophy (Type/print name)

Senior Deputy's Name (Required for Approval of Net County Costs) _____ Date: _____
Cynthia McCoy-Miller (Type/print name)

AGENCY --- GROUP HOME AGREEMENT
Child Placed by Agency in Group Home

Name of Child	Parent's Name
Birthdate of Child	Date Placed
Case Number	

Anticipated duration of placement is _____ months.
 The agency will pay \$ _____ per _____ for room and board, clothing, personal needs, recreation, transportation, education, incidentals, supervision and social services. First payment to be made within 45 days after placement with subsequent payments to be made monthly.

If additional amounts are to be paid, the reason, amount and conditions shall be set forth here: _____

Special problems: Yes No If yes, explain. _____

Agency Agrees To	Group Home Agrees To
<ol style="list-style-type: none"> 1. Provide the group home with knowledge of the background and needs of the child necessary for effective care. This shall include a social work, medical reports, educational assessments, psychological/psychiatric evaluations, and identification of special needs when necessary. This shall be made available to group home within 14 days from date of placement. 2. Work with the group home toward development of a treatment plan. 3. Work toward termination of child's placement with group home staff. 4. Continue paying for this child's care as long as eligible and the group home maintains child on an active status or until the agency requests that placement be terminated. 5. Assist in the maintenance of this child's constructive relationships with parents and other family members and to involve parents in future planning for this child. 6. Contact this child in the group home at least once a month. If case plan would indicate less frequent contact, the group home will be informed. 7. Inform group home if child has any tendencies toward dangerous behavior. 8. Provide a Medi-Cal card or other medical coverage at the time of placement. 9. Provide authorization for medical treatment, signed by this child's parent or legal guardian. 10. Provide a clothing allowance as permitted to meet initial clothing needs. 11. Provide assistance with emergencies. Telephone number for after-hours or weekends is: _____ 	<ol style="list-style-type: none"> 1. Provide this child with the nurture, care treatment and training suited to his needs. 2. Follow admission requirements related to medical screening, physical examination, medical testing and immunization. 3. Develop an understanding of the responsibilities, objectives and requirements of the agency in regard to the care of this child and work with the agency in planning for this child. 4. Encourage the maintenance of the natural parent-child relationship and include the child's parents in the treatment plan when possible. 5. Not use corporal punishment, punishment before the group, deprivation of meals, monetary allowances, visits from parents, home visits, threat of removal or any type of degrading or humiliating punishment and to use constructive alternative methods of discipline. 6. Respect and keep confidential information given about the child and his family. 7. Work toward termination of placement on a planned basis with maximum involvement of the child, parents and the agency. 8. Conduct a staffing or review on this child at least quarterly. 9. Submit an initial diagnostic summary to the agency within three (3) months from the date of placement. This summary shall include information listed on the reverse side of this agreement form. 10. Submit ongoing written evaluations to the agency quarterly. These evaluations shall include information listed on the reverse side of this agreement form. 11. Immediately notify agency of significant changes in this child's health, behavior or location. 12. Submit copies of any pertinent information such as school reports, medical reports and psychological/psychiatric reports as completed. 13. Give agency prior notice of at least 7 days of intent to discharge this child unless it is agreed upon with the agency that less notice is necessary. 14. Conform to the licensing requirements. 15. Provide state and federal agencies access to documentation when documentation is maintained on children in their care. 16. Notify the agency immediately if an application is made on behalf of this child for any kind of income. Examples of income include, but are not limited to, child support payments, Veterans Benefits, Railroad Retirement, Social Security, RSHDI, and Supplemental Security Income/State Supplemental Program (SSI/SSP). 17. Remit to Department of Public Social Services any income received on behalf of this child while in foster care up to the full cost of board and care plus medical cost. In addition, I will cooperate to have the Social Security Administration, or the appropriate agency, make the Department of Public Social Services the payee for any funds received on behalf of this child.

I have read the foregoing and agree to conform to these requirements. The terms of this agreement shall remain in force until changed by mutual agreement of both parties or this child is removed from the group home.

Signature of Children Placement Worker		Signature of Authorized Group Home Representative	
Title	Name of Agency	Title	Name of Group Home
Address		Address	
Phone Number	Date	Phone Number	Date

Initial diagnostic summary shall include:

- A. Medical and dental needs
- B. Psychological/psychiatric evaluations obtained
- C. Staffing review summaries
- D. Educational assessment
- E. Peer adjustment
- F. Relationship to staff
- G. Involvement in recreation program
- H. Behavioral problems
- I. Short-term treatment objectives (goals established for next 3 months)
- J. Long-range goals including anticipated length of placement
- K. Tasks planned to reach objectives and goals and staff who will be performing these tasks, including agency service activity
- L. Identification of unmet needs
- M. Involvement of child and his parents in the treatment program

Quarterly evaluations shall include:

- A. Current status of child's physical and psychological health
- B. Reassessment of child's adjustment to the group home, program, peers, school, and staff
- C. Progress toward short-term objectives and long-range goals including tasks which have been performed to reach these objectives and goals
- D. Reassessment of unmet needs and efforts made to meet these needs
- E. Modification of treatment plan, tasks to be performed and anticipated length of placement
- F. Involvement of child and his parents in treatment program



PHILIP L. BROWNING
Director

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DEPARTMENT OF CHILDREN AND FAMILY SERVICES

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November 3, 2015

To: John Naimo
Auditor-Controller
From: Philip L. Browning
Director

Cynthia McCoy Miller for

RESPONSE TO AUDITOR-CONTROLLER'S DEPARTMENT OF CHILDREN AND FAMILY SERVICES REVIEW – USE OF NON-CONTRACTED GROUP HOMES

Attached is the Department of Children and Family Services' (DCFS) response to the Auditor-Controller's (A-C) report, which details the A-C's findings of DCFS' use of non-contracted group homes. We have thoroughly reviewed the report and carefully considered all of the recommendations outlined. We generally agree with the recommendations and have initiated a corrective action plan that strengthens management controls over the approval and tracking of non-contracted group home placements in order to implement all of the recommendations by March 2016.

We appreciate the opportunity to have DCFS' response directly included with your final report to the Board of Supervisors. My Department is committed to utilizing the most appropriate placement resources in order to meet the specific and unique needs of children. We thank your staff for their time and resources devoted to reviewing our operations.

If you have any questions or require additional information, please have your staff contact Eric Marts, Deputy Director, at (626) 569-6814.

Thank you.

PLB:CMM
EM:KR:kr

Attachment

c: Cynthia McCoy-Miller, Senior Deputy Director
Eric Marts, Deputy Director
Karen Richardson, Division Chief

"To Enrich Lives Through Effective and Caring Service"

REPORT RESPONSE
DEPARTMENT OF CHILDREN AND FAMILY SERVICES
USE OF NON-CONTRACTED GROUP HOMES

Recommendation #1

Finalize revisions to departmental policies and procedures for placing children with non-contracted group homes, including provisions that such placements shall only be made when mandated by the Court or after completing an appropriate search for a suitable relative or contracted placement and finding none is available, and that such placements should be temporary, and limited in duration until a more suitable relative or contracted placement is available.

DCFS Response: Partially Agree. The Department currently has a Policy, #100-510.35 – Non-Contracted DCFS Placements, which states, in relevant part: "CSWs should place a child in a non-contracted facility only after existing resources have been explored and exhausted." The policy also states that a request to use a non-contracted placement must additionally be based on "an extensive search for a suitable placement without success" or "the Juvenile Court has ordered the child placed in a specific placement facility." The Department is finalizing revisions to the policy for placing children with non-contracted facilities and will monitor and emphasize that such placements should be temporary until a suitable relative or contracted placement is available and able to meet the child's specific and unique needs. Policy revisions will be finalized by January 2016.

Recommendation #2

Ensure that all Children's Social Workers, supervisors, and management are trained on the revised policy and procedures for placing children with a non-contracted agency.

DCFS Response: Agree. The Department will develop and implement an e-learning, using quick clips, video-taped references to the revised areas on the existing DCFS policy, and/or animated how to guides, instructing DCFS staff on the appropriate use of non-contracted group homes. Once the policy is revised, all Children's Social Workers, supervisors and management will be required to complete the e-learning by March 2016. Managers will be required to track for the completion of the e-learning.

Recommendation #3

Develop controls to ensure that non-contracted placements are appropriately tracked, monitored, and periodically reported to executive management.

DCFS Response: Agree. Currently, the Department manually tracks and monitors placements in non-contracted group homes. The DCFS Bureau of Information Systems (BIS) will develop a web-based report that will be updated daily for enhanced tracking of all children placed in non-contracted facilities. The report will be available for all Children's Social Workers, supervisors and executive management beginning January 2016. Children's Social Workers will continue to be responsible for monitoring the placements during their monthly visitation with the placed children.

Recommendation #4

Establish a process to periodically review each placement in a non-contracted group home, to determine whether there is a suitable contracted placement available, and ensure that children are transitioned to contracted placements timely.

DCFS Response: Agree. DCFS' existing policy #100-510.35 states Children's Social Workers are required to report to the Juvenile Court at every six (6) month interval with a case plan that states whether or not the placement remains appropriate and necessary and what plan there is for replacing the child to a less restrictive placement. The policy will be revised to include documenting the requirement for continued search efforts for a suitable relative or contracted placement that is willing and able to meet the child's specific needs. Policy revisions will be completed by January 2016.

Recommendation #5

Review the placements discussed in this report and other non-contracted placements, identify any policy or administrative violations, and take appropriate corrective and/or disciplinary action.

DCFS Response: Agree. The Department completed a review of the placements discussed in this report in September 2015. Where warranted, corrective action was requested and implemented for policy violations. The Department will continue to review non-contracted placements monthly to ensure compliance with protocols and procedures for approval.

Recommendation #6

Department of Children and Family Services' management ensure that prior to placing a child with an agency, the agency has a current Rate Classification Level established and authorized by the California Department of Social Services, as required by Policy #100-510.35. Also ensure that the level of the placement is appropriate for the child, and that justification for the level is adequately documented.

DCFS Response: Agree. The DCFS Revenue Enhancement Section is currently responsible for confirming that a non-contracted group home has a Foster Care

Rate established by the California Department of Social Services. A memo reminding all eligibility staff of this requirement will be provided to all staff by November 1, 2015.

In addition, Policy #100-510.35 requires that Children's Social Workers clearly justify how the non-contracted facility will meet the special needs of the child prior to placement. This requirement as well as the requirement for confirming the Rate Classification Level will be highlighted in the policy revisions to be finalized by January 2016.

Recommendation #7

Work with County Counsel to create a new placement agreement or a supplemental form that strengthens program and fiscal requirements for non-contracted group homes and ensure that a proper system of accountability and monitoring exists over non-contracted group homes where County children are placed.

DCFS Response: Partially Agree. The Department is in the process of consulting with County Counsel to assist in determining the feasibility of developing and enforcing a supplemental placement agreement for non-contracted group homes. If a supplemental placement agreement is recommended, the Department will include language that will require the non-contracted group homes where County children are placed to participate in program and fiscal reviews by January 2016.

Recommendation #8

Update the Children's Group Home Ombudsman monthly on any non-contracted group home placements, to ensure that placed children are aware of the Ombudsman and know how to access the services and assistance of that office.

DCFS Response: Agree. On November 1, 2015, the Department will begin providing the Children's Group Home Ombudsman with a list of children placed in non-contracted group homes on a monthly basis.

Recommendation #9

Ensure that Special Incident Reports completed by non-contracted group homes are entered and tracked in the Department's web-based Incident Tracking (iTrack) System.

DCFS Response: Agree. Currently non-contracted group homes are required to report special incidents directly to Community Care Licensing and the assigned Children's Social Workers. To ensure Special Incidents are reported by non-contracted group homes through the iTrack System, the DCFS BIS Division will develop the system requirement definitions, and complete system user testing with a projected implementation of January 2016.