COUNTY OF LOS ANGELES
DEPARTMENT OF AUDITOR-CONTROLLER

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J. TYLER McCAULEY
AUDITOR-CONTROLLER

December 30, 2005

TO: Mayor Michael D. Antonovich
Supervisor Gloria Molina
Supervisor Yvonne B. Burke
Supervisor Zev Yaroslavsky
Supervisor Don Knabe

FROM: J. Tyler McCauley
Auditor-Controller

SUBJECT: **REFUGIO PARA NIÑOS FOSTER FAMILY AGENCY CONTRACT REVIEW**

We have completed a contract compliance review of Refugio Para Niños Foster Family Agency (Refugio or Agency), a Foster Family Agency service provider. The review was conducted by the Auditor-Controller's Countywide Contract Monitoring Division.

Background

The Department of Children and Family Services (DCFS) contracts with Refugio, a private, non-profit, community-based organization to recruit, train, and certify foster care parents for the supervision of children placed in foster care by DCFS. Once the Agency places a child, it is required to monitor the placement until the child is discharged from the program.

Refugio is required to hire qualified social workers to provide case management and act as a liaison between DCFS and foster parents. Refugio's headquarters is located in West Covina in the Fifth District. Refugio also has offices in San Bernardino County and Orange County. Refugio oversees a total of 121 certified foster homes in which 329 DCFS children were placed.

DCFS pays Refugio a negotiated monthly rate, per child placement, established by the California Department of Social Services (CDSS) Funding and Rate Bureau. Based on the child's age, Refugio receives between $1,589 and $1,865 per month, per child. Out of these amounts, the Agency pays the foster parents between $624 and $790 per

month, per child. For Fiscal Year 2004-05, DCFS paid Refugio approximately $6,066,000.

Purpose/Methodology

The purpose of the review was to determine whether Refugio was providing the services outlined in their Program Statement and County contract. We also evaluated Refugio's ability to achieve planned staffing levels. Our monitoring visit included verifying whether Refugio received the appropriate reimbursement rate for each child and whether the certified foster parents received their portion of the reimbursement rate in a timely manner. We reviewed certified foster parent files, children's case files, personnel files, and interviewed Refugio's staff, the children and the foster parents. We also visited a sample of certified foster homes.

Results of Review

Refugio needs to immediately improve their oversight of their foster homes. In addition, Refugio needs to improve the quality of the children's Needs and Services Plans and the other tools used to monitor the safety and well-being of the children placed under their care. The Agency also did not appropriately return funds received from DCFS for placements no longer in the Agency's care. Specifically, we noted:

- The Needs and Services Plans prepared by Refugio's staff did not contain short and long term goals that are specific, measurable, attainable and time limited as required. In addition, the Plans were not individualized to meet the specific needs of each child.

- Refugio staff did not evaluate each of the 11 foster homes visited to determine the foster parents' ability to effectively care for more than two children prior to placing more than two children in the home as required by the County contract. An average of four children were placed in each of the 11 foster homes.

- Four (36%) of the 11 homes visited had safety violations that Refugio staff did not report during their bi-weekly visits to homes. One of the four homes had significant safety, maintenance and child rights violations. In addition, the foster parents spoke very little English and used their daughter as an interpreter to communicate with the four foster children. Subsequent to our review, Refugio's social worker and supervising social worker visited the home several times to verify that all violations were corrected. The foster parents were also placed on six months probation.

- Refugio's staff did not always prepare a Special Incident Report when a child exhibits reportable behavior or when a child was injured. We noted three behavioral incidents for one child and an injury for another child received that required the Agency to prepare a Special Incident Report and submit it to the appropriate

parties, including the DCFS Children's Social Worker and CDSS Community Care Licensing Division.

- The Agency did not return the funding they received from DCFS between December 2004 and August 2005 for one child who left the Agency's care in December 2004. The overpayments totaled approximately $11,000. In addition, the Agency did not return approximately $300 for funding received from DCFS related to three children in which the Agency had no record of the children being assigned to them.

- In July 2005, Refugio received approximately $600 in clothing allowance payments. The monies were to be immediately forwarded to the foster parent to purchase clothing for the children. As of October 2005, the Agency had not forwarded the monies to the three foster parents.

The details of our review, along with recommendation for corrective action, are attached.

Review of Report

On December 22, 2005, we discussed our report with Refugio who agreed with the findings. In their attached response, Refugio management indicates they are working with our Department to develop a Corrective Action Plan and will submit the plan to the Board of Supervisors within thirty days. The corrective action plan will also include the specific steps that Refugio plans to follow to resolve the language issue and child rights violation at one of the homes noted in the report. We also notified DCFS of the results of our review.

We thank Refugio for their cooperation and assistance during this review. Please call me if you have any questions, or your staff may contact Don Chadwick at (626) 293-1102.

JTM:MMO:DC

Attachment

c: David E. Janssen, Chief Administrative Officer
David Sanders, Ph.D., Director, Department of Children and Family Services
Dr. Tomas Fernandez, Director, Refugio Para Niños Foster Family Agency
Colleen Anderson, Community Care Licensing
Public Information Office
Audit Committee

COUNTYWIDE CONTRACT MONITORING DIVISION
FOSTER FAMILY AGENCY PROGRAM
FISCAL YEAR 2005-2006
REFUGIO PARA NIÑOS FOSTER FAMILY AGENCY

BILLED SERVICES

Objective

Determine whether Refugio Para Niños Foster Family Agency (Refugio or Agency) provided program services in accordance with their County contract and California Department of Social Services (CDSS) Title 22 Regulations.

Verification

We visited 11 of the 121 Los Angeles County certified foster homes that Refugio billed the Department of Children and Family Services (DCFS) in June and July 2005 and interviewed 11 foster parents and 18 of the 45 children placed in the 11 homes. We also reviewed the case files for 21 foster parents and 30 children for documentation to evaluate the Agency's ability to comply with the contract requirements. In addition, we reviewed the Agency's monitoring activity and reconciled the payments the Agency received for active cases in May and June 2005 to the listing of active cases maintained by Refugio.

Results

Foster Home Visitations

According to the County contract and Title 22 requirements, foster homes are to be well-maintained and provide a safe and clean environment for the children. This includes clean living areas, safe and secured play areas, appropriate disaster planning, smoke detectors in hallways, and storing unsafe tools and medication in a secured location.

Our review of the 11 foster homes noted the following:

For one (9%) of the 11 homes visited, the home had numerous safety, maintenance and child rights violations. One of the children's bedroom had broken window blinds, a stained dirty sheet as the only bed covering, and pillows without pillow cases. In addition, both children's bedrooms did not have good ventilation. The windows in the bedrooms were open during our visit, but did not cool the rooms to a comfortable temperature. The hallway leading to the children's bedroom did not have a smoke detector. The dining area of the home contained only six chairs for a home of nine people and the majority of these chairs were either broken or the upholstery was torn and frayed.

The backyard was overgrown with shrubbery and trees and contained broken ceramic floor tiling, rusted cable dish equipment, piles of wood, an old broken spa and was generally unsafe for the children.

In addition, the home did not have an emergency plan nor was there a way to escape from the upstairs children's bedrooms in case of an emergency or fire. The home also did not have a posted emergency contact sheet and disaster drills were not being conducted.

Two of the four children interviewed stated that their weekly trips to church were the only outside leisure activities that the foster parents provide them. The children stated that they enjoyed playing at the church, but had difficulty understanding the church service. The church service is mostly conducted in Vietnamese. The two children only understand English. In addition, the children complained that it is unsafe to play in their backyard and that they do not receive weekly allowances. The children stated that the foster parents make them sign for their allowances, but then give them candy and fruit instead of money. They also complained about being made to stand for long periods of time in a secluded hallway without moving as punishment. The foster parents used their daughter as an interpreter to communicate with the four foster children since the parents spoke very little English. Subsequent to our review, Refugio's social worker and supervising social worker visited the home several times to verify that all violations were corrected. The foster parents were also placed on six months probation.

For the remaining 10 homes visited:

- Two (20%) homes did not have operable smoke detectors. One of the homes needed a smoke detector in the hallway to the children's bedroom and the other home needed batteries in the smoke detector in the hallway to the children's bedroom.

- One (10%) home did not have an emergency disaster plan. In addition, another home (10%) did not have a way for the children to escape from their second story bedroom. The stairwell leading to the children's bedroom in this home was steep and did not have proper railing at the top of the stairs posing a safety hazard.

- Three (30%) homes did not conduct semi-annual emergency drills with the children.

- One (10%) home had a rifle appropriately locked in the master bedroom closet. However, the ammunition for the rifle was stored in an unlocked drawer in the foster parent's night stand.

- One (10%) home did not lock prescription medication and three (30%) homes did not lock toxins and detergents.

- One (50%) of the two homes with pools did not have a self-latching gate that swung away from the pool.

Foster Parent Certification

According to the County contract and Title 22 requirements, Refugio needs to evaluate the foster parents' ability to effectively care for more than two children prior to placing more than two children in the home. In addition, adults living in the home need criminal and child abuse clearances, and health screenings. The Agency also needs to ensure that individuals who transport the children possess a valid driver's license and automobile insurance. If the home has a pool, the Agency needs to ensure that the foster parents possess a water safety certificate. Foster parents are required to receive 12 hours of training in their first year as foster parents and 15 hours of training per year after the first year.

Our review of the 11 foster homes and 21 foster parents noted the following:

- For eleven (100%) of the eleven foster homes, Refugio did not conduct an assessment to evaluate the foster parent's ability to effectively care for more than two children prior to placing more than two children in the home. An average of four children were placed in each home.

- For three (27%) of the eleven foster homes, Refugio did not obtain criminal and child abuse clearances and/or health screenings for all of the adults living in the homes. For one home, the Agency did not obtain criminal and child abuse clearances and a health clearance for the foster parent's daughter-in-law. For the remaining two homes, the Agency did not obtain criminal and child abuse clearances for the foster parents' one adult son and one adult daughter living in the homes.

- For three (27%) of eleven foster homes, Refugio did not have proof of current automobile insurance for the vehicles used to transport the children. In addition, the Agency did not have proof of a valid driver's license or current automobile insurance for a babysitter used by one foster home who uses his car to transport the children.

- For one (50%) of two homes with swimming pools, the foster parents did not obtain water safety certificates.

- For four (19%) of the 21 foster parents, Refugio did not ensure that the foster parents completed the required hours of continuing education. Two foster parents, in their initial year of certification, completed an average of seven hours of the required 12 hours of training. Two other foster parents, who had been certified for more than a year, completed an average of 13 hours of the required 15 hours of yearly training.

Needs and Services Plans

According to the County contract and Title 22 requirements, Refugio needs to develop Needs and Services Plans for each child that addresses the child's specific needs and include short and long term goals that are specific, measurable, attainable, and time

limited. The Plans are to be developed through a collaborative effort of the Agency's social worker and the DCFS Children's Social Worker (CSW). Both social workers need to sign the Plan to document their joint efforts in developing it. In addition, the program participant may also sign the Plan. For children age 14 or older, the Needs and Services Plans are required to address the children's Independent Living Plan. Periodically, the Agency is required to revise the Needs and Services Plans for changes in the children's special needs and their reunification plans.

Our review of the 30 Needs and Services Plans noted the following:

- For all 30 (100%) of the Needs and Services Plans, the Agency did not include short and long term goals that were specific, measurable, attainable and time limited. In addition, 12 (40%) Needs and Services Plans were not individualized to the child. Two sisters shared the identical Needs and Services Plan. The children within two sibling groups of five children also each shared the identical Needs and Services Plan.

- For all 30 (100%) of the Needs and Services Plans reviewed, Refugio staff did not record the date the Plans were prepared.

- For 23 (77%) of 30 Needs and Services Plans, the Agency did not obtain the signatures of the assigned DCFS CSWs indicating their participation or approval of the Plans.

- For three (43%) of seven Needs and Services Plans, for children age 14 and older, the Agency did not address the children's Independent Living Plan.

Children's Case Files

According to the County contract and Title 22 requirements, Refugio responsibilities include ensuring the children receive their allowances, clothing, court mandated therapy/counseling, and inform the children and foster parents of the program requirements and the children's rights. In addition, during a child's first 90 days in a new foster home, Refugio is required to meet with the child at least once a week. After 90 days, Refugio is required to meet with the child once every two weeks. Refugio is required to maintain documentation in the children's case files to document their efforts in these areas.

Our review of the 30 case files noted the following:

- For three (10%) of 30 children's case files, the Agency did not maintain documentation to ensure the children were receiving their allowances.

- For seven (23%) of 30 children's case files, the Agency did not maintain documentation to ensure the foster parent purchased the required amount of clothing for the children.

- For three (10%) of 30 children's case files, the Agency did not maintain documentation to ensure the children were receiving court mandated therapy/counseling.

- For eight (73%) of the 11 children in which the children were placed in the home during September 2004 through July 2005, Refugio staff did not conduct the required weekly meetings with the children during the children's first three months at their new homes. Refugio staff visited the children an average of once every two weeks. In addition, for three (10%) of the 30 children, Refugio staff visited them an average of once every three weeks between June and September 2005.

- For 12 (40%) of 30 children's files reviewed, the Agency did not maintain documentation indicating that the Agency informed the foster parents and the children of its program and procedures.

Medical Services

According to the County contract and Title 22 requirements, Refugio is required to ensure that the children receive the appropriate medical and dental services.

Our review of the 30 case files noted the following:

- For four (13%) of the 30 children, the Agency did not ensure that the children received their routine annual medical and dental exams in a timely manner. One child's annual medical exam was three months late and his dental exam was four months late. The second child's annual dental exam was four months late. The third child's annual medical exam was two months late and her annual dental exam was three months late. The fourth child's annual medical exam was two months late.

- For two (40%) of the five children on psychotropic medications, the Agency did not have current court authorizations for the administration of their medication in their case files as required by the County contract. Subsequent to our review, Refugio obtained the required court authorizations.

- For all five (100%) of the children on psychotropic medications, the Agency did not have the medications incorporated as part of their overall treatment plans. The County contract and Title 22 regulations require that children receiving psychotropic medications have such prescriptions incorporated as part of their overall treatment plan.

Reporting Requirements

According to the County contract and Title 22 requirements, Refugio is required to prepare a Special Incident Report (SIR) in instances in which a child exhibits extreme and inappropriate behavior or are injured. In addition, the Agency is required to prepare

Quarterly Reports for each child on the child's progress to meet their Needs and Services Plan goals. When a child ends their placement, the Agency is required to prepare a Termination Report that summarizes the child's activities and development during their time at the foster home.

Our review of the Agency's ability to follow the County contract's reporting requirements noted the following:

- Refugio's staff did not always prepare Special Incident Reports (SIR) when a child exhibited reportable behavior or when a child was injured. We noted three behavioral incidents for one child and an injury that another child received that required the Agency to prepare a SIR and submit a copy to DCFS and CDSS Community Care Licensing Division. In all four instances, an SIR was not prepared.

- For 36 (40%) of 90 children whose placement ended during June and July 2005, Refugio did not prepare the required Termination Report for the DCFS CSW. For the 54 termination reports that were prepared, 24 reports (44%) did not contain a closing summary of the Agency's records related to the children's placements as required by the County contract.

- For all 30 (100%) of the Quarterly Reports reviewed, the Agency did not record the date the reports were prepared. As a result, we could not determine if they were prepared on time. The County contract requires that Refugio prepare and submit a Quarterly Report to each child's DCFS CSW by the 10th business day following the end of each quarter from the date the child was placed.

- For six (20%) of the 30 Quarterly Reports, the Agency did not update the children's permanency planning goals. All six reports indicated that the children's permanency plans were family reunification. However, all six children had exceeded the 18 month court-ordered time frame for family reunification services. The County contract requires that the Agency include a discussion in the Quarterly Reports on any changes in the children's permanency plan.

- For six (86%) of seven Quarterly Reports for children ages 14 and older, the Agency did not include an Emancipation Preparation Contract as part of the report as required by the County contract.

- For 15 (50%) of 30 Quarterly Reports, the Agency did not include an assessment of children's unmet needs and efforts to meet those needs as required by the County contract.

Monthly Placement Payments and Clothing Allowance

The Agency did not return the placement funding that they received from DCFS between December 2004 and August 2005 for one child who left the Agency's care in December 2004. The overpayments totaled approximately $11,000. In addition, the Agency did

not return approximately $300 that they received from DCFS related to three children the Agency had no record of the children being assigned to them.

The Agency also received approximately $600 in clothing allowance payments for three children during July 2005. The monies were to be immediately forwarded to the foster parent to purchase clothing for the children. However, as of October 2005, the Agency had not forwarded the monies to the three foster parents. The Agency recorded the $11,300 in monthly placement overpayments and the $600 in clothing allowances in two miscellaneous revenue accounts. Subsequent to our review, Refugio repaid the overpayments identified.

According to Refugio management, when the Agency receives revenue and is unsure where to appropriately allocate the funds, the revenue is posted to the miscellaneous account until proper identification has been determined. At the time of our review, the two accounts totaled approximately $128,700 which included the $11,900 noted above. DCFS needs to work with Refugio to determine the disposition of the $128,700 and pay DCFS for any amounts overpaid.

Recommendations

Refugio management:

1. **Ensure that staff adequately monitor foster homes and foster homes comply with the County contract and Title 22 Regulations.**

2. **Ensure that assessments are completed to evaluate a foster home's capability to provide quality care for more than two placements prior to placing more than two children in the home.**

3. **Ensure that criminal, child abuse, and health clearances are obtained for children's caregivers.**

4. **Ensure that foster parents or their designated drivers possess a valid driver's license and auto insurance.**

5. **Ensure foster parents with swimming pools maintain a current water safety certification.**

6. **Ensure that foster parents complete the required number of yearly continuing education hours specified in the County contract.**

7. **Ensure that the Needs and Services Plans, Special Incident Reports, Termination Reports, and Quarterly Reports are completed in accordance with the County contract and Title 22.**

8. **Ensure the children's case files contain all information required by the County contract.**

9. **Ensure children receive their routine annual medical and dental examinations within the timeframes specified in the County contract.**

10. **Ensure that current court authorizations for children using psychotropic medication are maintained and the medication is incorporated as part of the child's overall treatment plan.**

11. **Ensure that funds received from DCFS for placements that are no longer in Refugio's care are promptly returned to DCFS and that clothing allowance funds are promptly forwarded to the foster parents.**

12. **Repay DCFS $11,300.**

13. **DCFS work with Refugio to determine the disposition of the $128,700 and pay DCFS for any amounts overpaid.**

CLIENT VERIFICATION

Objective

To determine whether the program participants actually received the services that Refugio billed DCFS.

Verification

We interviewed 18 children placed in 11 Refugio certified foster homes and 11 foster parents to confirm the services Refugio billed to DCFS.

Results

Overall, the foster parents interviewed stated that the services they received from Refugio generally met their expectations and their assigned social workers visited them regularly. The children interviewed also stated that they enjoyed living with their foster parents. However, as previously noted, two children living in one home complained that the foster parents did not provide them with enough outside leisure activities, did not always pay them an allowance, and sometimes punished them by making them stand for long periods of time in a secluded hallway.

Recommendation

There are no recommendations for this section.

STAFFING/CASELOAD LEVELS

Objective

Determine whether Refugio's social workers' case loads do not exceed 15 placements and whether the supervising social worker does not supervise more than six social workers, as required by the County contract and CDSS Title 22 regulations.

Verification

We interviewed the executive director, FFA administrator and reviewed personnel files for the Agency's seven supervising social workers and 24 social workers employed full-time and 4 social workers employed part-time. We also reviewed case load statistics and payroll records for June and July 2005.

Results

The 24 social workers employed full-time maintained an average caseload of 12 cases and the four social workers employed part-time maintained an average caseload of eight cases. In addition, the seven supervising social workers each supervised an average of five social workers during June and July 2005.

Recommendation

There are no recommendations for this section.

STAFFING QUALIFICATIONS

Objective

Determine whether Refugio's staff possess the education and work experience qualifications required by their County contract and CDSS Title 22 regulations. In addition, determine whether Refugio conducted hiring clearances prior to hiring their staff, provided ongoing training to staff and conducted performance evaluations.

Verification

We interviewed Refugio's human resources director. In addition, we reviewed each staff's personnel file for documentation to confirm their education and work experience qualifications, hiring clearances, ongoing training and performance evaluations.

Results

Refugio's conducted the appropriate hiring clearances for the Agency's administrator, supervising social workers and social workers. In addition, the Agency's administrator, seven supervising social workers and 27 of 28 social workers possessed the required

education and work experience required by the County contract and Title 22 regulations. However, one of the Agency's social workers did not meet the educational requirements of the County contract and Title 22 regulations and the Agency did not have an exception on file from CDSS Community Care Licensing Division for this employee as required by the County contract.

In addition, four (11%) of the 35 social workers/supervising social workers did not complete the required number of hours of training for Calendar Year 2004. The four employees completed an average of three hours of training during the year. The contract requires that staff receive at least 10 hours of training.

Recommendations

Refugio management:

14. **Ensure that the social workers possess the appropriate educational requirements or obtain a waiver from Community Care Licensing permitting the use of staff who do not possess the required education.**

15. **Ensure all staff complete the training required by the County contract.**

REFUGIO PARA NIÑOS

Foster Family Agency

December 20, 2005

To: Mayor Michael D. Antonovich
Supervisor Gloria Molina
Supervisor Yvonne B. Burke
Supervisor Zev Yaroslavsky
Supervisor Don Knabe

From: Tomas Fernandez T.F.
Executive Director

Subject: Refugio Para Ninos Foster Family Agency's Correction Plan for the review conducted by the County of Los Angeles Department of Audit-Controller Countywide Contract Monitoring Division.

The FFA is in general agreement with the deficiencies found during the audit conducted by the LA County Department of Audit-Controller Countywide Contract Monitoring Division.

Refugio Para Ninos Foster Family Agency is committed to fixing the deficiencies in the audit report and implementing the recommendations contained in the report.

Refugio Para Ninos Foster Family Agency is working with the Auditor Controller in developing a Corrective Action Plan and will submit the Plan to your BOARD within 30 days.

In order to comply with all deficiencies found during the review conducted by the LA County Department of Audit-Controller Countywide Contract Monitoring Division, Refugio Para Ninos has develop and implemented a policy of "Zero Tolerance" and all Staff is accountable and subject to disciplinary actions as follows:

1. **First Violation – A verbal and written warning will be given to the Staff worker who is in violation**
2. **Second Violation – Staff worker will be given a written warning followed by suspension of their flex time**

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3. **Third Violation – Staff worker will be given a written third warning followed by suspension from work for a month subject to termination of employment**