COUNTY OF LOS ANGELES
DEPARTMENT OF AUDITOR-CONTROLLER

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July 5, 2007

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

FROM: J. Tyler McCauley
Auditor-Controller

SUBJECT: **CONCEPT 7 FOSTER FAMILY AGENCY CONTRACT REVIEW**

We have completed a contract compliance review of Concept 7 Foster Family Agency (Concept 7 or Agency), a Foster Family Agency service provider.

Background

The Department of Children and Family Services (DCFS) contracts with Concept 7, 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.

Concept 7 is required to hire qualified social workers to provide case management and act as a liaison between DCFS and foster parents. Concept 7 oversees a total of 110 certified foster homes in which 156 DCFS children were placed. Concept 7 is located in the First District.

DCFS pays Concept 7 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, Concept 7 receives between $1,589 and $1,865 per month, per child. Out of these funds, the Agency pays the foster parents between $680 and $900 per

month, per child. Concept 7 was paid approximately $3,017,000 for Fiscal Year 2006-07 through May 2007.

Purpose/Methodology

The purpose of the review was to determine whether Concept 7 was providing the services outlined in their Program Statement and County contract. We reviewed certified foster parent files, children's case files, personnel files and interviewed the Agency's staff, the children and the foster parents. We also visited a number of certified foster homes.

Results of Review

The foster homes visited were well maintained. In addition, the foster parents interviewed stated that the services they received from the Agency generally met their expectations and the children indicated that they enjoyed living with their foster parents.

Concept 7 did not always comply with the County contract and Title 22 regulations. Specifically:

- Two (33%) of the six children using psychotropic medications did not have a current court authorization for the medications as required by the County contract. Subsequent to our review, Concept 7 obtained current court authorizations for the two children.

- Fifteen (83%) of the 18 Needs and Services Plans (Plans) reviewed were not signed by the children's assigned DCFS social workers as required. Concept 7 did send the Plans to the DCFS social worker for signature. However, the Agency did not follow-up with the DCFS social workers when the Plans were not returned.

- Five (28%) of the eighteen Quarterly Reports sampled did not include a discussion of the children's unmet needs or efforts made to meet those needs as required by the County contract.

- Two (50%) of the four supervising social workers carried an average of five more cases than allowed by Title 22 regulations.

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

Review of Report

On June 20, 2007, we discussed our report with Concept 7 who generally agreed with the findings. In their attached response, Concept 7's management identified the actions

the Agency has taken to implement the recommendations. We also notified DCFS of the results of our review.

We thank Concept 7 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 Executive Officer
Patricia S. Ploehn, Director, Department of Children and Family Services
Ms. Jackie Jakob, Regional Director, Concept 7 Foster Family Agency
Jean Chen, Community Care Licensing
Public Information Office
Audit Committee

FOSTER FAMILY AGENCY PROGRAM
CONCEPT 7 FOSTER FAMILY AGENCY
FISCAL YEAR 2006-2007

BILLED SERVICES

Objective

Determine whether Concept 7 Foster Family Agency (Concept 7 or Agency) provided program services in accordance with their County contract and California Department of Social Services (CDSS) Title 22 regulations.

Verification

We visited 9 of the 110 Los Angeles County certified foster homes that Concept 7 billed the Department of Children and Family Services (DCFS) in May and June 2006 and interviewed 9 foster parents and 11 of the 18 children placed in the 9 homes. We also reviewed the case files for the 16 foster parents and 18 of the children. In addition, we reviewed the Agency's monitoring activity.

Results

Concept 7 needs to ensure that foster parents are certified in accordance with the County contract and Title 22 regulations. Concept 7 also needs to ensure that Needs and Services Plans and Quarterly Reports contain all the information required by the County contract and Title 22 regulations. We specifically noted the following:

Foster Parent Certification

- Three (19%) of the sixteen foster parents' certification files reviewed did not contain proof of current automobile insurance for the foster parents or their designated drivers on file. Subsequent to our review, the Agency provided proof of current automobile insurance for two of the three foster parents.

- Three (19%) of the sixteen foster parent certification files reviewed contained expired First Aid/CPR certificates. One (33%) of the three parents' certificates expired September 2004. Subsequent to our review, Concept 7 provided proof of current CPR/First Aid certificates of two of the three parents.

- Four (25%) of sixteen foster parents reviewed did not complete 15 hours of on-going training each year as required by the County contract.

Needs and Services Plans and Quarterly Reports

- Fifteen (83%) of the eighteen Needs and Services Plans (Plan) reviewed did not contain signatures of the children's DCFS social workers indicating the social workers' approval of the Plans as required by the County contract. The Agency did send the Plans to the DCFS social worker for signature. However, Concept 7 did not follow-up with the DCFS social workers when the Plans were not returned.

- The five Quarterly Reports reviewed for children fourteen years of age or older did not include a copy of the children's Emancipation Preparation Contract as required by the County contract.

- Five (28%) of the eighteen Quarterly Reports reviewed did not include a discussion of a reassessment of unmet needs or efforts made to meet those needs as required by the County contract.

Children's Records

- Three (17%) of the eighteen children's case files reviewed did not contain documentation that DCFS social workers were updated by telephone on a monthly basis concerning the children's progress as required by the County contract. In addition, nine (50%) of the eighteen case files reviewed did not contain documentation of the information provided to the DCFS social workers.

- The Agency did not maintain current court for two (33%) of the six children using psychotropic medications as required by the County contract. At the time of our review, the authorizations in the children's files had expired for an average of two months. Subsequent to our review, Concept 7 obtained current court authorizations for the two children.

- Three (17%) of the eighteen children did not receive their annual medical examinations within the timeframes specified in the County contract. At the time our review, the children's annual medical examinations were an average of three months late.

Recommendations

Concept 7 management:

1. **Ensure that foster parents are certified in accordance with the County contract and Title 22 regulations and that their case files contain all required information.**

2. **Ensure that Needs and Services Plans and Quarterly Reports contain all the information required and that DCFS social workers approve in writing all Needs and Services Plans.**

3. **Ensure that staff contact the DCFS social workers on a monthly basis to discuss the children's progress.**

4. **Ensure that children taking psychotropic medications have current court authorizations for the administration of their medications.**

5. **Ensure that children receive medical examinations within the timeframes specified in the County contract.**

CLIENT VERIFICATION

Objective

To determine whether the program participants received the services that Concept 7 billed DCFS.

Verification

We interviewed eleven children placed in nine Concept 7 certified foster homes and nine foster parents to verify the services Concept 7 billed to DCFS.

Results

The foster parents interviewed stated that the services they received from Concept 7 met their expectations and their assigned social workers visited them regularly. The children interviewed also stated that they enjoyed living with their foster parents.

Recommendation

There are no recommendations for this section.

STAFFING/CASELOAD LEVELS

Objective

Determine whether Concept 7's social workers' case loads do not exceed fifteen 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 Concept 7's director and supervising social worker. In addition, we reviewed caseload statistics and payroll records for May and June 2006.

Results

Concept 7's four supervising social workers supervised an average of five social workers and the Agency's social workers carried an average caseload of 10 cases during the months of May and June 2006. However, two (33%) of the four supervising social workers carried an average of five more cases than allowed by Title 22 regulations.

Recommendation

6. **Concept 7 management ensure that staff do not maintain more cases than allowed by the County contract and Title 22 regulations.**

STAFFING QUALIFICATIONS

Objective

Determine whether Concept 7's staff possess the education and work experience qualifications required by their County contract and CDSS Title 22 regulations. In addition, determine whether Concept 7 conducted hiring clearances prior to hiring their staff and provided ongoing training and performance evaluations to staff.

Verification

We interviewed Concept 7's director and supervising social worker. 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

Generally, Concept 7's director, supervising social worker and social workers possessed the education and work experience required by the County contract and Title 22 regulations. Concept 7 also conducted hiring clearances and on-going training for staff working on the County contract.

However, one social worker did not have a master's degree in the required fields listed in Title 22 and did not have an exception granted from the State's Community Care Licensing Division on file. In addition, seventeen (77%) of twenty-two employees' personnel files did not contain current performance evaluations.

Recommendations

Concept 7 management:

7. **Ensure that social workers possess the appropriate educational requirements.**

8. **Ensure that staff receive annual performance evaluations.**

Celebrating 30 years of Fostering Hope for Children

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June 26, 2007

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

J. Tyler McCauley Auditor Controller

From: Cary Wong, CFO/COO
Concept 7, Inc.

Subject: **Response to Concept 7 Foster Family Agency Contract Review**

The following is Concept 7's response to the findings and recommendations made by the Auditor-Controller / Countywide Contract Monitoring Division during their contract compliance review.

Recommendations and Responses:

1. **Ensure that foster parents are certified in accordance with the County contract and Title 22 regulations and that their case files contain all required information.**

   Concept 7 (C7) will send letters to our foster parents on a quarterly basis to ensure that all missing or expired items are submitted in a timely manner. Concept 7 Social Worker's (C7SW's) will be made aware of which items are pending and will ensure that foster parents received the letter and are following-up on the requested items.

   C7 will send out letters updating foster parents on the number of training hours they've completed and how many hours they are pending on a quarterly basis in order to ensure that all foster parents are completing the required training hours annually.

2. **Ensure that Needs and Services Plans and Quarterly Reports contain all the information required and that DCFS social workers approve in writing all Needs and Services Plans.**

C7SW's will be retrained regarding addressing unmet needs in their quarterly reports. Regional Director and Supervising Social Worker will ensure that this is addressed at the time reports are reviewed.

C7SW's will continue making all efforts to obtain County Social Worker's (CSW's) signature on Needs and Services Plans. C7SW's will fax a copy of the report to the CSW's and fax transmittal will be saved. C7SW will also mail the original report to the CSW along with a cover letter requesting signature. The copy in the file will be stamped with a "Mailed" stamp including the date it was requested. If signature for approval of the report is not obtained within a week, C7SW will follow-up with a telephone call to the CSW requesting the approval. If approval is not received a week after telephone request, C7SW will request approval from CSW Supervisor and will document that request in case notes. If signature is not received a week after this request, C7SW will request approval in writing by fax and keep the fax transmittal for verification of attempt.

C7SW's will be retrained regarding obtaining DCFS Emancipation Preparation Contract (EPC) from CSW's for applicable minor's. C7SW will attach EPC to their quarterly reports. Regional Director and Supervising Social Worker will ensure that EPC is being requested and obtained from CSW. EPC will be maintained in C7 foster child file and a copy of EPC will be attached to quarterly reports forwarded to CSW and attorney.

3. **Ensure that staff contact the DCFS social workers on a monthly basis to discuss the children's progress.**

   C7SW's will be retrained regarding contacting CSW's on a monthly basis to address the children's progress. Training will address the need to accurately document the conversation or the message that was left for the CSW. Regional Director and Supervising Social Worker will review case notes on a quarterly basis to ensure that C7SW's are contacting CSWs and appropriately documenting such calls in case files.

4. **Ensure that children taking psychotropic medications have current court authorizations for the administration of their medications.**

   Concept 7 Regional Director and Supervising Social Worker will monitor the deadlines for court authorization and ensure that C7SW's are requesting new authorizations prior to the expiration dates.

5. **Ensure that children receive medical examinations within the timeframes specified in the County Contract.**

   C7SW's and foster parents will be retrained regarding medical examinations and the timeframes in which they need to be performed.

6. **Concept 7 management to ensure that staff does not maintain more cases than allowed by the County contract and Title 22 regulations.**

   Concept 7 Executive Review Team reviewed Title 22 regulations with the Regional Directors to ensure that they are not out of ratio.

7. **Ensure that social workers possess the appropriate educational requirements.**

   Concept 7 Social Worker who did not posses appropriate master's degree, as specified by title 22 regulations, is no longer employed by Concept 7.

   Concept 7 Regional Directors and Human Resources will closely review potential social workers for appropriate qualifications prior to hiring.

8. **Ensure that staff receive annual performance evaluations.**

   Concept 7 Director of Program and Human Resources will review the submission of performance evaluations by Regional Directors on a quarterly basis to ensure that performance evaluations are completed in a timely manner. All performance evaluations are now current.

I would like to thank you for your thorough review. Concept 7 takes pride in our quality foster homes, foster parents, staff and program. We welcome the feedback you have given us within the scope of this review and will utilize your input to help further refine and improve our services.

Sincerely,

Cary Wong

Cary Wong, MBA
CFO/COO
Concept 7, Inc.