

Department of Rehabilitation
Final Audit Report of the
Advocacy for Respect and Choice-Long Beach

Fieldwork Date: January 28-31, 2013

Final Report Date: July 1, 2013

Control Number: 2012A-109

DOR Audit Services Team:
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Introduction

The Department of Rehabilitation (DOR) Audit Services has completed an audit of supported employment services provided by our community rehabilitation program, Advocacy for Respect and Choice-Long Beach (AR&C-Long Beach).

AR&C-Long Beach is a California nonprofit public benefit corporation which serves people with disabilities in Los Angeles and Orange County California. Per their website:

AR&C-Long Beach is a private, non-profit organization that has been providing services for adults with intellectual disabilities since 1951. At least 400 adults and their families receive daily support services such as, training in the activities of daily living, vocational training, employment development and job retention. By emphasizing each person's abilities AR&C-Long Beach promotes competence and self-sufficiency while also respecting each person's right to choose from a full array of service options designed to meet their individual needs.

In 1968, AR&C-Long Beach established Hillside Enterprises to provide pre-vocational and vocational services for adults with intellectual and other developmental disabilities. The organization is supported through fees for service from California's Department of Developmental Services (Regional Centers) and the Department of Rehabilitation, friends, service organizations, grants, and the community at large.

Audit Scope/Procedures

Our on site audit fieldwork was conducted the week of January 28th, 2013 and our exit teleconference was held on May 14, 2013. We conducted our audit in accordance with Government Auditing Standards as defined by the Government Accountability Office except Standard 3.52 requiring an external peer review. Our audit is subject to the inherent risk that material errors and irregularities, fraud, or non-compliance will not be identified.

The scope of our audit included a review of invoices submitted to DOR for supported employment services to individuals and groups during 2012 and a limited review of the accounting systems and internal controls applicable to these invoices. The audit was conducted to obtain reasonable assurance that AR&C-Long Beach is compliant with applicable federal and state regulatory and legal requirements as well as the DOR CRP Guide to Certification and Vendorization. We also assessed whether the invoices submitted were adequately supported by appropriate records.

Summary of Findings/Recommendations

The invoices billed for supported employment services were supported by appropriate records; and were materially compliant with applicable Federal and State laws/regulations, DOR CRP Guide to Certification and Vendorization, and AR&C-Long Beach internal policies and procedures.

We appreciate AR&C-Long Beach's commitment to provide exemplary service and be fully compliant and as such, we noted a few areas for improvement as follows:

1. AR&C-Long Beach routinely adheres to DOR's requirement that an authorization for services be in place; however, prior authorization was not in place for one consumer where job coaching services were billed starting July 9, 2012 rather than the authorization start date of the 18th. In an effort to initiate the consumer's employment in an optimal position, AR&C-Long Beach felt it was imperative that job coaching began expeditiously.

Criteria

DOR requires that job coaching hours for group placement be identified and authorized on the DR383A in advance of the job coach start date. The DR383A stipulates, "This form authorizes the named service provider to provide the consumer group job coaching in accordance with Welfare and Institutions Code, Section 4860 and 19150 (a)(5)."

Recommendation

AR&C-Long Beach shall comply with requirements of the supported employment program by ensuring authorization for job coaching services is received from DOR prior to providing and billing for the service.

2. Job Coaching services for individual placement consumers were not consistently tailored to the individual's need. AR&C-Long Beach projected the Percentage of Intervention consistently at 100%, 80%, 60%, 40%, 20%, 20%. AR&C-Long Beach explained that they utilized this as a means to inform the employer that this would be the maximum level of job coaching support available.

Criteria

California Code of Regulations and DOR requirements identify SE services as ongoing support services needed to support an individual in SE prior to transition to extended services. Appropriate ongoing services must be suitable, meaning they must meet the individual's need and they must also be sufficient so as to meet the individual's need both on and off the job which varies over time.

Recommendation

AR&C-Long Beach ensure the level of individual placement job coaching support is personalized to the unique needs of each consumer. For example, a consumer that has experience in the job field and a good work history may start at 40% rather than 100%.

3. We recognize that AR&C-Long Beach does a good job of allocating, tracking, maintaining, and documenting SE expenses submitted to DOR. However, in our sample month of July 2012, we noted that the supporting documents contained inaccuracies and inconsistencies. Some examples are as follows:

- a. Data fields on the Monthly Progress Reports (DR384) were inaccurate. AR&C-Long Beach advised that this was primarily a result of utilizing a template, for example:
- Work Schedule field--work hours show 6am-2pm when the consumer timesheet and job coach timesheet shows 8am-5pm.
 - Total Hours Consumer Worked field--group job coaching hours were input where only individual placement off-site hours should be input.
 - Total Hours Coached field--incorrectly input as 10 hours when it should have been 168 hours.
 - Percent of Intervention field--incorrectly input as 20% when it should have been 100%.
 - Page 2 of 2--shows work hours for consumer and job coach on the July 4th holiday.
- b. Consumer hours were recorded inconsistently on various supporting documents, for example:
- The DR384 and Job Coach Timesheet indicate a work schedule of 12pm-6pm; however, the Group Job Coach Tracking Sheet reflected 12pm-6:30pm.
 - The Group Job Coach Tracking Sheet, DR383, and Consumer Timesheet indicate work hours of 6pm-2:30am Mon-Thu and 3pm-11:30pm Fri; however, the DR384 indicates work hours of 8am-5pm Mon-Fri.
- c. Errors were found on the Group Job Coach Tracking Sheet and Job Coach timesheets, for example:
- The Job Coach worked until 6:30pm, however, the Job Coach Timesheet incorrectly reflected an end time of 4pm.
 - The daily work hours were not accurately summed (e.g. 2pm-11:30 calculates as 9hrs, but only a total of 8hrs were reported).
 - The Job Coach did not initial each day on the Group Job Coach Tracking Sheet, as required.
- d. Inaccurate and incomplete entries were found on the Production Record (Consumer Timesheet), for example:
- The consumer worked 3pm-11:30pm; however, the Production Record incorrectly reflected 6pm-11:30pm.
 - The Production Record reflected a Start time, but there was no recorded Stop time.

- The Production Record shows consumer did not work on 7/5 and 7/6, but should have reflected 8hrs on each of those days as the consumer was paid for two training days.
- There was a miscalculation on the Production Record whereby the consumer was paid for 46 hours rather 52 hours of work time.

AR&C-Long Beach advised during the exit teleconference that the use of the Production Record has been discontinued in an effort to streamline supporting documentation and alleviate inaccurate and incomplete entries.

- e. Job coach names and work hours were incorrectly reported on the DS1964, for example:
- Substitute Job Coaches were not identified on the DS1964.
 - Job Coach hours were reported on the DS1964 even though the Job Coach Timesheet did not reflect work hours.

Criteria

The DOR Guide to Certification and Vendorization provides the following guidance:

- Accounting records shall be supported by appropriate and adequate source documentation.
- Procedures shall be in place that guides the CRP service delivery billing practices to assure that services are billed appropriately.

DOR requires that the DR384 Monthly Progress Report be submitted to DOR with the provider's invoice. A progress report shall be considered complete if appropriate information has been provided in all of the required data fields.

The SEP Group Tracking Form, DS 1964 requires that the time each job coach worked on a daily basis for each specific group be entered onto the spreadsheet.

Recommendation

AR&C-Long Beach shall ensure the completeness and accuracy of the accounting records, source documentation, monthly progress reports, and invoices submitted to DOR.

The contents of this report have been discussed with Harry Van Loon (Executive Director), Debra Davis (SEP Manager), and Roland Simpao (Job Developer).

We truly appreciate AR&C-Long Beach's assistance with our audit.