

Department of Rehabilitation

Audit Report of Community Gatepath

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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, Community Gatepath (Gatepath).

Gatepath is a California nonprofit public benefit corporation which serves people with disabilities in San Mateo County, California. Per their website:

"Community Gatepath has grown to become the largest non-profit serving people with disabilities in San Mateo County. Last year, we serviced over 8,000 individuals, family members, care providers, professionals and students.

Our service portfolio offers individuals a variety of options to choose from, including early intervention, inclusive preschool, transition for young adults, life skills development, vocational services, day services and disability awareness.

Community Gatepath operates according to the principles of social entrepreneurship by combining direct service care with traditional business models, making it unique to traditional agencies serving people with disabilities. Our Business Enterprise divisions employ people with disabilities while offering companies professional services including, landscaping, production and assembly and staffing solutions."

Audit Scope/Procedures

Our on site audit fieldwork was conducted the week of January 28th, 2013 and our exit conference was held on February 1, 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 Gatepath is compliant with applicable federal and state regulatory and legal requirements as well as the CRP Guide to Certification and Vendorization. We also assessed whether the invoices submitted were adequately supported by appropriate records.

Summary of Observations/Recommendations/Response

The invoices billed for supported employment services were supported by appropriate records; and were materially compliant with applicable Federal and State laws/regulations, DOR's Guide to Certification and Vendorization, and Gatepath's internal policies and procedures.

We appreciate Gatepath's commitment to provide exemplary service and be fully compliant and as such, we noted a few areas for improvement as follows:

1. Gatepath routinely adheres to DOR's requirement that an authorization for services be in place; however, prior authorization for job coaching services for one consumer was not in place resulting in an overbilling of job coach hours of 31.95 hours totaling \$984.77 for August 2012.

Gatepath's case manager advised that the consumer's authorization for job coaching services was effective 9/14/12 even though job coaching services began on 8/15/12. The intake coordinator at the time had been facilitating the consumer's intake and placement into Landscape Services but left the agency prior to submitting all the necessary paperwork to DOR. The paperwork oversight was realized in September when the case manager reviewed authorizations for the month.

Recommendation

Gatepath 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. Gatepath shall reimburse the DOR for the overpayment of \$984.77.

Gatepath Response to Finding 1:

A safeguard that prevents billing without an authorization was integrated into the billing system of Employment Services in November 2012.

2. While we recognize that Gatepath does a good job of allocating, tracking, maintaining, and documenting expenses submitted to DOR, we observed the following:
 - a. The DR384 Monthly Progress Reports for the landscape groups were not fully and properly completed. Specifically:

- page 2 of the progress reports do not contain the job coach hours worked on a daily basis
 - progress reports for two consumers indicated the consumers worked on July 4th, a holiday recognized by Gatepath
 - page 2 of the progress report contained an incorrect amount of consumer hours
 - progress reports for one consumer contain the wrong start date
 - page 1 of the progress report reflected incorrect total hours coached which should be exclusive of lunch break support
- b. Consumer case file notes are not documented during the first six months of supported employment for those consumers participating in the landscape groups. The group landscape manager advised that they consider the first six months of a consumers supported employment to be a training period time.
- c. Job coach hours were incorrectly reported on the DS1964 (Supported Employment Program Group Tracking Form Invoice Back up Documentation) and Gatepath's internal group tracking form while the assigned job coach was on vacation. The leave record affirmed the vacation leave for this particular job coach. There was a substitute job coach present for this week so the correct amount of job coach hours were allocated and billed to DOR.

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 DOR Guide to Certification and Vendorization provides the following guidance:

- A confidential consumer record shall be maintained that communicates information that is complete, clear, and current. Includes consumer case notes, progress, activity and follow-up reports.
- Written guidelines exist for the reporting of a consumers' progress, which will identify the activities provided towards the achievement of the objectives.
- Written progress reports are required monthly that identify status of goals and objectives, hours and dates of service provided,

approach(es) utilized, and identify activities to be addressed the following month

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

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.

Gatepath's own policies & procedures provide the following guidance:

- PSR -030-01, Participant Paperwork Procedure-require program staff to comment on progress/positive events; to note calls/conversations with stakeholders concerning on-going participant issues or concerns; & use complete staff signatures;
- SEC-030-01 -Job Site Records Procedure-states that each job site will contain a group site binder that will contain all trainee face sheets, work-site job task analysis, current schedule of CG holidays, Trainee time sheets and group tracking forms, case notes and goal summaries, participants monthly meetings forms, abuse reporting procedures, trainee attendance records, paperwork samples, DR progress reports. Job coaches are responsible for maintaining the binders.
- BFM-030-01- Billing Procedure-Fees will be calculated on either manual attendance sheets or time and attendance system reports. These billable hours or days will be checked for errors and verified each month before billings are sent

Recommendation

Gatepath shall comply with DOR's and Gatepath's supported employment policies and procedures to ensure the completeness and accuracy of the consumer case record, monthly progress reports, and invoices submitted to DOR.

Gatepath Response to Finding 2a:

Gatepath has identified that mistakes were made on job coaching hours by staff because additional training was needed on proper completion of DR384 forms. In April 2013, case managers communicated with area DOR counselors to obtain the proper method of completing DR384 forms.

Management has created a step-by-step guide on completion of DR384 forms using a power point presentation that will be reviewed with all responsible Gatepath staff moving forward. Gatepath is also exploring the feasibility of generating Page 2 of the DR384 forms directly from SalesForce.

Gatepath Response to Finding 2b:

This issue arose due to the need for standardization in the way case notes are completed for newly placed participants in Landscape. Landscape job coaches were tracking participant progress on the DR384A. The Landscape Services department manager now requires coaches to submit case notes during the DOR funding period, following the same procedures that are in use for case noting of Regional Center-funded participants. This requirement was put into effect on May 1, 2013.

Gatepath Response to Finding 2c:

Landscape Services manager met with Accounting Department and Landscape job coaches to identify the reason for this discrepancy. The landscape manager retrained staff to put their signature/initials next to a date/hour entry only if they attend work. Landscape job coaches now understand that signatures are not a confirmation that they had reviewed the accuracy of DS1964 paperwork, but rather a confirmation that they attended work on that specific day