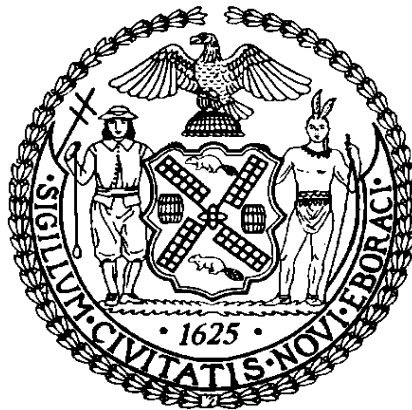


**CITY OF NEW YORK
OFFICE OF THE COMPTROLLER**

**John C. Liu
COMPTROLLER**

BUREAU OF MANAGEMENT AUDIT

**H. Tina Kim
Deputy Comptroller for Audit**



**Audit Report on the Oversight of the
St. John's Group Home Contract by the
Department of Juvenile Justice**

MD10-062A

June 30, 2010



THE CITY OF NEW YORK
OFFICE OF THE COMPTROLLER
1 CENTRE STREET
NEW YORK, N.Y. 10007-2341

John C. Liu
COMPTROLLER

June 30, 2010

To the Residents of the City of New York:

My office has audited the compliance of St. John's Group Home with the key terms of its contract with the Department of Juvenile Justice (DJJ) and the adequacy of DJJ's monitoring of the contract. We audit private entities such as this as a means of ensuring compliance with the terms of their agreements.

The audit found limited evidence to demonstrate that St. John's operated in accordance with the key terms of its contract with DJJ; St. John's met only 4 of 12 performance standards. A major contributing cause was inadequate monitoring of these standards on the part of DJJ. While DJJ did perform some contract monitoring, it monitored St. John's compliance with only 6 of the 12 standards. Regarding other key contract terms, St. John's conducted the required background checks, sent inquiries to the Statewide Central Register of Child Abuse and Maltreatment for its employees, and provided medical assessments and educational services for the youths. However, there was no evidence that St. John's provided case management services to all the sampled youths, and its facility and visitor logbooks were not maintained in accordance with the contract requirements. The audit also found that DJJ did not prepare discharge plans for all youths in the sample and did not ensure that annual external audits of St. John's were completed in a timely fashion.

The audit makes 14 recommendations to DJJ, including that it ensure that St. John's is aware of the performance standards to which it is being held and maintains evidence of its compliance with those standards, provides the required case management services, and instruct St. John's employees on logbook procedures. The audit also recommended that DJJ establish mechanisms to monitor the critical performance standards of its contract with St. John's, ensure that discharge plans or reentry plans are prepared for all youth, and ensure the timely completion of annual external audits.

The results of the audit have been discussed with ACS and DJJ officials, and their comments have been considered in preparing this report. Their complete written response is attached to this report.

If you have any questions concerning this report, please e-mail my audit bureau at audit@Comptroller.nyc.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "JCL".

John C. Liu

*The City of New York
Office of the Comptroller
Bureau of Management Audit*

**Audit Report on the Oversight of the
St. John's Group Home Contract by the
Department of Juvenile Justice**

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AUDIT REPORT IN BRIEF

The Department of Juvenile Justice (DJJ) is responsible for providing detention facilities for juveniles whose cases are pending adjudication or who are awaiting post-adjudication transfer to state facilities. DJJ oversees a network of 3 secure and 16 non-secure detention group homes in Queens, Manhattan, Brooklyn, and the Bronx that admit nearly 5,000 juveniles each year. In 1986, DJJ entered into a contract with St. John's Group Home (St. John's) for the purchase of non-secure detention group care for juveniles. The term of the most recent contract between DJJ and St. John's for the facility at 130-20 107th Avenue, Queens, was May 1, 2008, through April 30, 2011. Programs include services, such as case management, education, health, dental, and mental health; and activities, such as field trips, museum visits, sports, and recreation.

The audit determined whether St. John's Group Home operated in accordance with the key terms of its contract with DJJ and whether DJJ adequately monitored the contract.

Audit Findings and Conclusions

There is limited evidence to demonstrate that St. John's operated in accordance with the key terms of its contract with DJJ. One of the 13 performance standards—the preparation of discharge plans—was waived by DJJ. For the remaining 12 standards, we were provided evidence of St. John's meeting only four of them. A major contributing cause was inadequate monitoring of these standards on the part of DJJ.

DJJ did perform some monitoring of the contract; however, it had deficiencies with regard to ensuring that St. John's met all of the contract's performance standards. We found that DJJ made 34 site visits to St. John's during Fiscal Year 2009, including six night visits. DJJ also ensured that St. John's had a current operating certificate, annual fire inspection, and liability insurance and that it submitted monthly indicator reports. In addition, St. John's conducted the required background checks and sent inquiries to the Statewide Central Register of Child Abuse and Maltreatment for all employees sampled and monitored the driving records of the employees. Further, our review of the case management files for the sampled youths indicates

that the youths received medical assessments and educational services. However, DJJ did not adequately monitor St. John's to ensure that it met all of the contract's key terms. Of the 12 performance standards, DJJ could provide evidence of monitoring St. John's compliance for only 6 of them.

Regarding other key terms of the contract, (1) there was no evidence that St. John's provided case management services to all the youths in our sample, and (2) the St. John's facility and visitor logbooks were not maintained in accordance with the contract requirements. Regarding DJJ's monitoring, we found that DJJ did not prepare discharge plans for all youths in our sample, did not ensure that external audits were completed in a timely fashion, and lacked evidence of corrective action plans.

Audit Recommendations

Based on our findings, we make 14 recommendations, including that DJJ should:

- Ensure that St. John's is aware of the performance standards to which it is being held, complies with the performance standards, and maintains evidence of its compliance.
- Ensure that St. John's provides the required case management services to all youths and maintains evidence of the services, such as progress notes, in the case management files.
- Instruct St. John's employees on the correct procedures for filling out the logbooks.
- Ensure that it establishes mechanisms and uses them to monitor all performance standards to determine St. John's compliance with the contract.
- Ensure that discharge plans or reentry plans are prepared for all youth to identify their needs and to use for follow-up after discharge.
- Ensure the timely completion of annual external audits of the St. John's facility.
- Ensure that St. John's prepares and submits corrective action plans for all conditions requiring attention that are found during site visits.

INTRODUCTION

Background

The Department of Juvenile Justice (DJJ) is responsible for providing detention facilities for juveniles whose cases are pending adjudication or who are awaiting post-adjudication transfer to state facilities. DJJ oversees a network of 3 secure and 16 non-secure detention group homes in Queens, Manhattan, Brooklyn, and the Bronx that admit nearly 5,000 juveniles each year. In Fiscal Year 2009, the average length of stay of juveniles in secure and non-secure detention was 26 days, and the average daily cost of detention per juvenile was \$620. In January 2010, the Mayor announced that DJJ will be merged into the Administration for Children's Services (ACS) as a new division called the Division of Youth and Family Justice.

DJJ provides secure detention for alleged juvenile offenders¹ and provides non-secure detention for alleged juvenile delinquents,² who receive structured residential care in a less restrictive setting while they are awaiting disposition of their cases in Family Court. These facilities are characterized by the absence of physically restrictive hardware, construction, and procedures. Programs include services, such as case management, education, health, dental, and mental health; and activities, such as field trips, museum visits, sports, and recreation.

Chapter 28 of the New York City Charter allows DJJ to establish, initiate, control, maintain, and operate secure and non-secure facilities and to contract with public and private agencies for such services. In 1986, DJJ entered into a contract with St. John's Group Home (St. John's) for the purchase of non-secure detention group care for juveniles. The term of the most recent contract between DJJ and St. John's for the facility at 130-20 107th Avenue, Queens, was May 1, 2008, through April 30, 2011. That facility has a 10-bed capacity and was granted a waiver by the Office of Children and Family Services for two additional beds if needed. DJJ's contract states that St. John's will be compensated for actual expenditures not to exceed \$3,041,996, the total contract amount for the three-year period. The contract lists a number of key performance standards with which St. John's is to comply, 13 of which are listed in the Table I below.

¹ A juvenile offender is a youth 13 to 15 years of age who is charged as an adult and convicted for committing one or more of 18 specific crimes.

² A juvenile delinquent is a person at least 7 and less than 16 years of age who has committed an act that would be a crime if he or she were an adult and who is found to be in need of supervision, treatment, or confinement.

Table I
Key Contract Performance Standards

Standards
Possess a Current Operating Certificate
Ensure on-time arrival of residents for scheduled court appearances
Ensure on-time pick-up of residents from family court
Ensure on-time arrival of residents at school
Prevention of absconders from the facility
Submission of incident reports to DJJ
Reporting of incidents to DJJ
Preventing the occurrence of serious security breaches
Timely response to pages
Timely submission of census reports to DJJ
Submission of weekly management indicators to DJJ
Preparation and submission of discharge plans
Keeping of clinic and medical appointments

In addition to the above standards, the contract calls for St. John’s to provide case management services to youths (e.g., weekly meetings with youth and weekly case reviews) and to maintain facility and visitor logbooks to monitor incoming and outgoing activity at the group home.

Objectives

The objectives of this audit were to determine whether St. John’s Group Home has operated in accordance with the key terms of its contract with DJJ and whether DJJ has adequately monitored the contract.

Scope and Methodology

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives. This audit was conducted in accordance with the audit responsibilities of the City Comptroller as set forth in Chapter 5, §93, of the New York City Charter.

The audit scope was Fiscal Year 2009.

To gain an understanding of DJJ’s and St. John’s operations, we interviewed DJJ officials, including the Assistant Commissioner of Non-Secure Detention (NSD), Executive Director of NSD, Case Manager Supervisor, Contract Monitor, Fiscal Officer, Audit Director,

and Operations Liaison. We also interviewed St. John's Central Office employees, including the Program Director, the Human Resources Director, and the Chief Financial Officer. In addition, we met with St. John's Facility Director and Case Manager.

In addition, to gain an understanding of the program requirements and the criteria applicable to our audit objectives, we reviewed the contract between DJJ and St. John's. To determine whether St. John's was meeting and DJJ was tracking the key contract performance standards, we requested and reviewed documentation to support the following 13 performance standards: a current operating certificate; on-time arrival for scheduled appearances; on-time pick-up from family court; on-time arrival at school; prevention of absconding from the facility; submission of incident reports; reporting of incidents; occurrence of serious security breaches; submission of census reports; response to pages; submission of management indicators; preparation of discharge plans; and the keeping of medical appointments.

We reviewed the case management files for a randomly selected sample of 20 of the 127 juveniles who received residential care at the St. John's facility during Fiscal Year 2009 to determine whether the files were maintained in compliance with the contract requirements. We looked for evidence of intake information and family interviews, education, medical and mental health assessments, and progress notes.

In addition, we reviewed the St. John's facility logbook, visitor logbook, and incident reports for completeness and accuracy. To determine whether all visitors signed the logbook upon arrival, we compared the date and time of visits as recorded on DJJ's site visit checklists to the entries in the logbook. We also compared the information in facility incident reports to DJJ's called-in incident database to determine whether all incidents were recorded in both places and reported promptly to DJJ, as required by the contract. We also requested from the New York City Fire Department any ambulance calls made to St. John's to ascertain whether the calls, if any, were reported to DJJ as required.

To determine whether St. John's monitored employee personnel backgrounds, we examined the personnel files for a randomly selected sample of 20 of the 46 individuals employed by St. John's during Fiscal Year 2009. We determined whether St. John's conducted criminal background checks for each of the 20 employees and made inquiries to the Statewide Central Register of Child Abuse and Maltreatment (which includes a check of the sex offender registry) for any history of child abuse or maltreatment, or status as a sex offender prior to their employment. We also determined whether St. John's ensured that all employees authorized to drive had valid licenses.

To determine whether St. John's made payments in accordance with its contract, we randomly selected for review the St. John's expenditure reports for the months of September 2008, April 2009, and May 2009 along with accompanying back-up documents. To determine whether St. John's maintained complete and accurate records to support its Other Than Personal Services (OTPS) expenditures and whether DJJ reviewed the records, we reviewed the payments listed on the expenditure reports submitted to DJJ for the three randomly selected months to verify the \$52,861 in OTPS expenditures reimbursed by DJJ. Each payment was traced to its

supporting documents to determine whether the expenditures were properly authorized, reasonable, and necessary for the operation of the facility.

We compared the payroll registers to the expenditure reports for the randomly selected months of September 2008, April 2009, and May 2009 to verify the accuracy of the \$136,562 in payroll expenses reimbursed by DJJ. We also performed detailed testing for two judgmentally selected pay periods for the pay dates of May 8, 2009 (covering April 20–May 3, 2009) and May 22, 2009 (covering May 4–17, 2009). These pay periods were selected because they were the most recent time periods of the three months randomly selected. We determined whether employees were paid correctly by comparing the hours on the weekly timecards with the hours listed on the payroll register. We ascertained whether the employees' gross pay was correctly calculated and whether checks for the employees who received them were written for the correct amounts.

We also reviewed copies of the discharge plans DJJ prepared for the youths in our sample. To determine the extent of DJJ's oversight of activities at the St. John's facility, we requested documentation of site visits and corrective action plans. We reviewed the documents that DJJ was able to provide, which included 34 site visits checklists and 16 corrective action plans. We also reviewed the four final external audits of St. John's for the years ending March 31, 2002, 2003, 2004, and 2005 (which were the ones most recently completed) provided to us by DJJ, and we requested copies of any internal audits that were performed by DJJ from Fiscal Year 2007 through Fiscal Year 2009. In addition, we requested any performance evaluations that DJJ conducted for the St. John's facility and reviewed the information for the facility entered in VENDEX³ from July 1, 2004, through April 30, 2008, to determine how DJJ rated the facility.

We reviewed DJJ policies regarding certain day-to-day activities of the St. John's facility. To determine whether St. John's census reports were completed and sent to DJJ in a timely fashion, we reviewed the census reports for the randomly selected months of September 2008, April 2009, and May 2009. In addition, to identify the topics discussed, we reviewed the agendas for each facility director's monthly meeting and for the case management meetings that occur every two months. We also reviewed (1) monthly court transportation reports to determine whether the youths arrived at Family Court on time, (2) recreational schedules to determine whether recreation was being provided in accordance with the contract, and (3) incident reports to determine whether incidents were appropriately reported to DJJ.

We reviewed the following documents maintained by St. John's and determined whether DJJ received the reports as required: weekly reports on contraband searches; monthly reports that list a number of indicators including admissions, transfers, case management statistics, staff training, and fire safety; an annual inventory listing of the furniture purchased by the St. John's facility with DJJ funds; and other documents submitted to DJJ annually, such as liability insurance certification, automobile insurance, annual training schedules, and annual fire inspections.

³ VENDEX is a computerized system that provides comprehensive City contract-management information.

The results of the above-mentioned tests, while not projected to their respective populations, provided a reasonable basis to determine whether St. John's operated in accordance with the key terms of its contract and whether DJJ adequately monitored the contract.

Discussion of Audit Results

The matters covered in this report were discussed with DJJ officials during and at the conclusion of this audit. A preliminary draft report was sent to DJJ officials and discussed at an exit conference held on May 17, 2010. On June 1, 2010, we submitted a draft report to DJJ officials with a request for comments. We received a written response on June 18, 2010 from ACS, which included specific responses of DJJ officials to the audit's recommendations. ACS and DJJ officials generally agreed with the audit's findings and recommendations.

The full text of the ACS and DJJ response is included as an addendum to this report.

FINDINGS AND RECOMMENDATIONS

There is limited evidence to demonstrate that St. John’s operated in accordance with the key terms of its contract with DJJ. One of the 13 performance standards—the preparation of discharge plans—was waived by DJJ. For the remaining 12 standards, we were provided evidence of St. John’s meeting only four of them. A major contributing cause was inadequate monitoring of these standards on the part of DJJ.

DJJ did perform some monitoring of the contract; however, it had deficiencies with regard to ensuring that St. John’s met all of the contract’s performance standards. We found that DJJ made 34 site visits to St. John’s during Fiscal Year 2009, including six night visits. DJJ also ensured that St. John’s had a current operating certificate, annual fire inspection, and liability insurance and that it submitted monthly indicator reports. In addition, St. John’s conducted the required background checks and sent inquiries to the Statewide Central Register of Child Abuse and Maltreatment for all employees sampled and monitored the driving records of the employees. Further, our review of the case management files, for the sampled youths, indicates that the youths received medical assessments and educational services. However, DJJ did not adequately monitor St. John’s to ensure that it met all of the contract’s key terms. Of the 12 performance standards, DJJ could provide evidence of monitoring St. John’s compliance for only 6 of them. Table II, below, summarizes St. John’s compliance and DJJ’s monitoring of the 13 performance standards.

Table II
Thirteen Key Performance Standards

Key Contract Performance Standards	St. John's Meeting Performance Standard?			DJJ Monitoring St. John's Compliance?	
	Yes	No	Unable to determine	Yes	No
Current Operating Certificate	x			x	
On-time arrival for scheduled appearances		x		x	
On-time pick-up from family court			x		x
On-time arrival at school	x			x	
Prevention of absconders from the facility		x		x	
Submission of incident reports			x		x
Reporting of incidents		x			x
Occurrence of serious security breaches			x		x
Response to pages			x		x
Submission of census reports		x			x
Submission of management indicators	x			x	
Keeping of clinic and medical appointments	x			x	
Preparation of discharge plans*	N/A	N/A	N/A	N/A	N/A
TOTALS	4	4	4	6	6

*DJJ waived this contract performance provision.

Regarding other key terms of the contract, (1) there was no evidence that St. John's provided case management services to all the youths in our sample, and (2) the St. John's facility and visitor logbooks were not maintained in accordance with the contract requirements. Regarding DJJ's monitoring, we found that DJJ did not prepare discharge plans for all youths in our sample, did not ensure that external audits were completed in a timely fashion, and lacked evidence of corrective action plans.

DJJ Response: "The audit focused on what the Comptroller refers to as 12 key indicators as outlined in the current contract between DJJ and St. John's.

"In addition to the contract indicators, over the last few years DJJ has developed a system of measuring performance that may not be fully reflected in the existing contract language. . . . And, DJJ recognizes that the contract indicators are, in some instances, outdated and in need of revision. The practice at DJJ has been to update contract language when a new contract is negotiated."

Auditor Comment: We used as criteria the performance standards for key aspects of the program as outlined in DJJ's contract with St. John's. We can understand that over time DJJ may develop new systems for measuring performance. However, the contract should be updated regularly to reflect these new standards, which would help ensure that St. John's is aware of and understands the standards against which its performance is being assessed.

Contracted programs should be monitored to ensure compliance with the provisions of the contract; this is critically important when at-risk young men are involved. In the absence of periodic monitoring of the key contract performance standards, DJJ cannot be assured that the St. John's facility is operating within the terms of its contract and that all of the required services are being provided. Moreover, we believe that the youths, their families, and the City, may not have received the full contractual benefit from the non-secure detention program.

These weaknesses are discussed in detail in the following sections.

Limited Evidence That St. John's Complied with Key Performance Standards

St. John's was able to provide evidence of meeting only 4 of 12 applicable performance standards. These standards related to (1) possessing a current operating certificate, (2) on-time arrivals at school, (3) submission of management indicators to DJJ, and (4) keeping of clinic and medical appointments. For the remaining 8 standards, St. John's either did not comply with the standard or there was inadequate evidence on the part of both St. John's and DJJ to assess whether the standard was met.

St. John's Did Not Meet Four Performance Standards

Our review of the evidence maintained at St. John's and DJJ revealed that the contractor did not meet the performance standards related to on-time arrivals to family court, preventing

absconders, reporting incidents to DJJ in a timely fashion, and submitting census reports to DJJ on time.

Late Arrivals at Family Court

St. John's did not always ensure the on-time arrival of residents at Family Court. The contract states that St. John's should "ensure that each youth with a scheduled appearance (i.e. court, mental health, probation) arrives by 9:30 a.m." We reviewed the court lateness reports maintained by DJJ and identified 14 of the 204 days that 24 residents were required to be in court but arrived after 9:30 a.m.

At the exit conference DJJ officials stated, and we confirmed, that the majority of these tardy arrivals occurred prior to DJJ's request for the removal of the then-Director of the St. John's Facility Director, who was not adequately performing his duties. In addition, the DJJ officials stated that none of the youths who arrived late missed their court appointments.

Arriving at Family Court on time is important so that the youths can be prepared for court, receive any court-related services, and be present to see the judge at the time ordered by the Court.

Resident Absconded from Facility

St. John's failed to prevent a resident from absconding from the facility. The contract requires that St. John's implement measures to reduce the risk of absconding, ensure that staff are trained to recognize the signs of potential absconding, and act promptly if situations present the possibility of absconding. However, on April 4, 2009, a resident absconded from St. John's custody. The resident in question got his jacket and footwear, which St. John's had not locked up as required, and went out the front door. At that time the alarm went off. Since St. John's allowed the resident access to his jacket and footwear, DJJ deemed the absconding to have been preventable and imposed liquidated damages of \$500 against St. John's.

St. John's notified the Movement Control and Communications Unit (MCCU) and the local police precinct as required, and a warrant was issued for the resident, but he was never found nor returned to DJJ custody. We note that this youth was only one out of 127 who resided at St. John's during Fiscal Year 2009. Nevertheless, this incident highlights a security risk that must be corrected. When residents abscond, it poses a risk to their own safety and can complicate their current juvenile justice involvement.

Incidents Are Not Always Reported to DJJ within the Required Timeframe

The contract requires St. John's to report all incidents, critical⁴ and non-critical, to MCCU within one hour of their occurrence. Reportable incidents include accidents; physical

⁴ A critical incident is an incident, such as death, a suicide attempt, serious accident or injury, absconding, serious medical illness, fire, and major security breach, that is likely to adversely affect the health, safety, or security of residents, staff, or the community, or has a significant impact on a facility, the agency, or agency property.

altercation with or without injury; attempts to abscond; physical restraint (with or without injury); mechanical breakdowns (including alarm system malfunctions); and threats of physical injury to residents or staff.

Thirteen (20%) of the 64 incidents recorded in the DJJ MCCU database were not reported within an hour as required by the contract. Two of these incidents were not reported until the day after the occurrence, and two were called in four and five days later.

In addition, we reviewed incident reports we received from St. John's and three months of the facility logbook and identified seven and eight additional incidents, respectively, that were never reported to DJJ as required. The incidents were varied and included residents hitting other residents, threats, and a malfunctioning alarm. Further, we found that incident reports were not completed as required for the eight incidents identified in our review of the logbook.

It is clear that St. John's is not preparing or is not maintaining copies of reports for all incidents that occur, as required by the contract. St. John's was able to provide copies of incident reports for only 22 (34%) of the 64 incidents that were listed in DJJ's MCCU database. However, since the incident reports are not assigned a control number and a log of incidents is not maintained, we cannot determine whether additional incidents occurred for which reports were not prepared or maintained. Likewise, we cannot determine whether St. John's may have had additional incidents that it did not report to DJJ as required.

Census Reports Are Not Submitted Promptly

The contract requires that St. John's submit the daily census reports⁵ by 5:00 a.m.; however, DJJ officials stated that the deadline for submission has been changed to midnight, although the change was not reflected in the contract. We reviewed the census reports submitted by St. John's to DJJ for the months of September 2008, April 2009, and May 2009. All of the census reports for September 2008 were faxed to DJJ, and the time they were faxed was printed on the reports. Therefore, we were able to ascertain that 16 (53%) of the 30 census reports for September were received by DJJ after midnight.

The census reports for the months of April and May were not imprinted with the time they were faxed to DJJ because they were faxed to the MCCU e-mail account using Rightfax so the time sent was not listed on the reports when printed, nor was there any other indication of the actual time the reports were received. Accordingly, neither we nor DJJ can ascertain the timeliness of the census report submissions for these months.

Unable to Determine Compliance with Four Performance Standards

We were unable to determine St. John's compliance with four additional performance standards, primarily due to the fact that DJJ has not required St. John's to maintain evidence that standards were met, nor does DJJ itself maintain such evidence. Those four standards were on-

⁵ The census report contains a list of residents in the facility along with various details of each resident's status, including the resident's next court date, any transfer or release of residents, and any transfer to secure detention.

time pick-up from Family Court; submission of incident reports; occurrence of serious security breaches; and the response to pages. In the absence of such evidence, DJJ has limited assurance that these standards are being met and that the City, and, more important, the youths served, are obtaining the full services for which St. John's is being paid.

Pick-up from Family Court

The contract requires that St. John's have the youths picked up from the Family Court detention room by 5:00 p.m. DJJ can impose liquidated damages against St. John's for late pick-ups. Each Family Court detention room is staffed by a court representative who can track pick-up times and provide this information to DJJ. When we questioned DJJ officials about the tracking of court pick-ups, they stated that if St. John's is late, DJJ will receive a call or e-mail from the court liaison, but that late pick-ups do not usually occur. However, with no evidence of monitoring, there can be no assurance that late pick-ups have not in fact occurred.

Submission of Incident Reports

The contract requires that St. John's submit written incident reports to MCCU within four hours of the occurrence of the incident. However, when we requested copies of the incident reports from DJJ, it was able to provide incident reports for only 20 of the 64 incidents listed in the MCCU database.

When we met with DJJ officials, we asked how they track the timely submission of incident reports and were told that it is not tracked and that if DJJ is concerned about a particular incident, it will request the individual incident report. We question how DJJ officials are able to find out an incident has occurred if they not receiving incident reports from St. John's. DJJ cannot track the receipt of incident reports if it does not require St. John's to submit them or if DJJ does not keep copies, noting on the copies the time of receipt.

If DJJ is not aware of incidents that occur, it cannot ensure that all incidents are receiving the appropriate attention and that the necessary corrective actions have been taken. In addition, DJJ may not have pertinent information that would assist in deciding the best placement for some residents, as residents who tend to be involved in a large number of incidents may need to be moved to a secure detention facility.

Occurrence of Serious Security Breaches

The contract states that for each serious security breach DJJ is to impose liquidated damages of \$200. A serious security breach is defined as "any incident that poses a serious risk to the security of staff or residents, including but not limited to: unauthorized movement; lost, misplaced, or unattended items; discovery of an open door; and any act of making, importing, possessing, selling or exchanging any type of abscond paraphernalia." We asked DJJ officials how serious security breaches are monitored. They responded that breaches are tracked in the MCCU database. However, as mentioned above, DJJ does not track the submission of incident reports, and St. John's did not report to DJJ all incidents that occurred. As a result, DJJ has no

assurance that all serious security breaches are being reported and should not simply rely on the incident database as a means for monitoring serious security breaches.

Response to Pages

The contract requires that St. John's staff respond to pages from certain DJJ officials within 30 minutes and that liquidated damages of \$50 can be imposed in the first half-hour or portion thereof that St. John's does not respond. We questioned DJJ officials on how responses to pages are monitored. They stated that they do not track the response to pages all the time. They added that the St. John's staff is always very responsive and that there have been no instances of lack of response. However, DJJ was unable to provide evidence that the response time to pages is being monitored.

At the exit conference, DJJ officials stated that they do not use pagers anymore and acknowledged that the contract language needs to be revised. However, when we discussed this issue with DJJ officials prior to the exit conference, they did not state that pagers were no longer used but said that they do not always track the response to pages. Regardless of how DJJ attempts to contact St. John's staff, it is important that St. John's staff be responsive to DJJ.

Recommendations

DJJ should:

1. Ensure that St. John's is aware of the performance standards to which it is being held, complies with the performance standards, and maintains evidence of its compliance.

DJJ Response: "DJJ will reissue mandated Contractual Requirements Summary Chart to St. John's.

"DJJ issued policy on site visits that includes monitoring instrument that inform the NSD providers of DJJ's expectations during a site visit and standards the program must attain in terms of care provided at the facility and case management.

"DJJ has, and continues to, work with St. John's to ensure compliance with established performance standards. At the insistence of DJJ, during fiscal year 2009, the facility director at St. John's was replaced as a result of a few continuing noncompliance issues. Since the hiring of the new director in March 2009, there has been a marked improvement in the facility's compliance with DJJ's performance standards."

2. Revise the contract with St. John's to reflect the change in time for the submission of census reports.

DJJ Response: "When the contract expires, the new contract will be updated to reflect current performance requirements such as the change in the submission time of census reports."

No Evidence St. John's Provided Case Management Services

There was no evidence that all case management services (e.g., weekly meetings with youth and weekly case reviews) were provided to every youth. Progress notes were either lacking in the files or were incomplete. The contract states, "A current, up-to-date case management record shall be maintained on each youth in custody. Each client folder . . . shall include . . . progress notes and monthly summaries of case management services."

Nine (45%) of the 20 sampled case management files had insufficient progress notes. In fact, six were lacking progress notes altogether. The progress notes for the remaining three were not present for the entire stay of the youth. Progress notes are evidence that the St. John's Case Manager is meeting with the youth at least weekly to discuss the youth's relationships with group home residents, staff, and family, and the youth's school progress and adjustment to detention.

The Case Manager stated that the lack of progress notes could be attributed to the age and unreliability of the computer system at the residence. She added that there have been many instances in which the system crashed and files were lost. The Case Manager stated she was given a flash drive to save her files. However, she left the flash drive in the computer one evening and upon returning to the facility the next day she was unable to find it.

DJJ officials stated that they verify St. John's compliance with its contract by reviewing case records. However, we found limited review of the case management files. DJJ's Case Manager Supervisor informed us that she normally reviews the case management files quarterly. However, we reviewed the site visit checklists and identified just two visits that were made by DJJ's Case Manager Supervisor during Fiscal Year 2009. On one visit the Case Manager Supervisor reviewed only two case files. The site visit checklist for one of the files indicated that progress notes were not present in the file. In addition, there were two comprehensive site visit checklists, completed by DJJ's Operations Liaison, which indicated that case management files were reviewed. Although neither of these checklists stated the specific files or the number of files reviewed, one of the checklists, dated January 2, 2009, also noted that progress notes were not recorded. However, the checklist did not indicate that any discussion took place about the lack of the progress notes.

DJJ did identify the lack of progress notes on a limited basis, but there is no evidence that DJJ took the steps necessary to correct this deficiency. In the absence of progress notes, there is no assurance that the Case Manager is meeting with the youths, as required, or meeting often enough to ensure that any issues or problems are discussed and addressed in a timely manner.

Recommendations

DJJ should:

3. Ensure that St. John's provides the required case management services to all youths and maintains evidence of the services, such as progress notes in the case management files.

DJJ Response: “DJJ did cite the contractor on the updating of progress notes four times during the fiscal year that was reviewed. The case manager in question has now left the contractor and was replaced on June 7, 2010.

“A policy has been issued requiring the DJJ Case Manager Supervisor to review records at a minimum quarterly.

“Tracking instrument in place to ensure that case management record reviews are conducted quarterly.”

4. Perform more substantial reviews of the case management files to ensure that the Case Manager is meeting with the youths as required and is maintaining evidence of the meetings.

DJJ Response: “Policy has been issued requiring the case management supervisor to review records at a minimum quarterly.

“Tracking instrument in place to ensure that case management record reviews are conducted at minimum quarterly.”

St. John’s Logbooks Are Not Maintained in Accordance with the Contract

The St. John’s facility logbook and visitor logbook are not maintained in accordance with the contract requirements, and logbook reviews are not documented in accordance with DJJ’s policies. The contract requires that St. John’s “maintain a [facility] log which lists . . . all events, and activities occurring in the facility or with the youth.” In addition, DJJ requires that a summary of incidents be clearly recorded in the appropriate logbook. St. John’s failed to ensure that all incidents that occurred were recorded in the facility logbooks.

Of 71 incidents, consisting of 64 listed in the MCCU database and another 7 from incident reports not in the database, we identified 6 (8%) that were not recorded in the facility logbook—five incidents recorded in the database and one incident from an incident report.

DJJ’s housing logbook policy states that DJJ staff should record in the facility logbook their review of the logbook during a site visit to ensure that entries are being made in accordance with DJJ policy. It further states that entries should be made in red ink and signify that a review was made of the logbook by noting the specific pages that were reviewed. Although we did note some instances in which DJJ’s Operations Liaison made notes in the logbook of the number of residents and staff present, there was no indication that the logbook was reviewed as required to ensure that entries were made in accordance with DJJ’s policy.

The contract also states, “A visitor log shall be maintained which records every non-staff visitor to the facility.” We compared the site visit checklists to the visitor logbook and found at least nine instances in which the checklists indicated that DJJ’s Operations Liaison visited the facility; however, he did not sign in the visitor logbook on those dates. St. John’s was unable to

demonstrate that all visitors to the residence were recorded in the logbook; therefore, the logbook is not an accurate record of who is visiting the residence and being allowed access to the youths.

Recommendations

DJJ should:

5. Instruct St. John’s employees on the correct procedures for filling out the logbooks.

DJJ Response: “Policy on Logbooks will be reviewed with all NSD providers on an annual basis.”

6. Ensure that periodic reviews of the St. John’s logbooks are conducted and that logbooks are complete and up to date. It should also ensure that evidence of its own review is documented in accordance with its policies.

DJJ Response: “DJJ will review the logbook policy with the DJJ Operations Liaisons, and the DJJ Case Management Supervisor to ensure correct documentation of logbook reviews in the facility logbook.”

Inadequate Monitoring of Contractor Performance

DJJ was unable to provide evidence that it monitors or tracks 6 of the 12 applicable key performance standards we reviewed. In addition, we found limited evidence of monitoring with regard to St. John’s providing case management services and maintaining the required logbooks. As a result, DJJ has no assurance that St. John’s is providing the required services to the youth in its care.

The contract states that DJJ “shall have a mechanism to monitor compliance with these standards.” DJJ set performance standards to ensure St. John’s compliance with the contract, but DJJ officials were unable to provide evidence that they are monitoring achievement of the standards.

As stated previously, DJJ has not even required that St. John’s maintain evidence of meeting four performance standards (e.g., on time pick-up from Family Court, submission of incident reports), nor does DJJ itself maintain evidence that the standards were met. Of the eight standards for which evidence exists, we found that DJJ does not monitor compliance with two of them—the reporting of incidents and the submission of census reports. For the six standards that DJJ does monitor, our examination revealed that St. John’s did not meet two of them: on-time arrival for scheduled appearances and prevention of absconding. However, DJJ took action (assessment of liquidated damages) for only the absconding incident.

By failing to adequately monitor compliance, DJJ is increasing the risk that youths are not receiving the services and care that St. John’s is contractually obligated to provide. The contract allows for the assessment of liquidated damages for those standards that are not met.

We found that this provision was rarely enforced for the period we reviewed. Of the potential damages totaling \$6,600 that could have been assessed based on the instances we identified, only \$500 was actually assessed. The results of our analysis are shown in Table III below.

Table III
Potential Assessments of Liquidated Damages Based on Audit Findings

Performance Standard	Liquidated Damages for Noncompliance	Audit Finding	Potential Assessment Based on Audit Findings	Actual Assessment
On-time arrivals for scheduled appearances	\$100 first hour late; \$200 each subsequent hour, up to maximum of \$500 per day	late appearances for 14 of 204 days reviewed	\$2,500	\$0
Prevention of absconding from the facility	\$500 per incident	1 absconder	\$500	\$500
Reporting of incidents	\$100 per incident not called in within one hour of occurrence	13 incidents called in late, 15 not called in at all	\$2,800	\$0
Submission of census reports	\$50 per instance of late submission	16 instances reports submitted late	\$800	\$0
Total			\$6,600	\$500

It is important to note that the damages listed in Table III are limited to those instances in which adequate evidence exists to determine whether the standards were met. As we state in this report, evidence for half (6 out of 12) of the performance standards is inadequate for us to assess compliance. Even for those standards for which some evidence exists, we have limited assurance that all instances of noncompliance were recorded. Accordingly, the actual number of instances of noncompliance for which liquidated damages could be assessed may be much greater.

In conclusion, since DJJ itself established the performance standards in the contract, it must have considered them important in assessing whether contractual services are being provided. Therefore, if DJJ does not monitor the performance standards and impose penalties for noncompliance, there is limited incentive for St. John's to comply with them. Further, there is an added risk that events are occurring without DJJ's knowledge that may have a negative effect on the well-being of the youths under DJJ's care.

Recommendations

DJJ should:

7. Ensure that it establishes mechanisms and uses them to monitor all performance standards to determine St. John's compliance with the contract.

DJJ Response: “DJJ does have mechanisms in place to monitor, what it now considers, the critical performance standards with regard to its contract with St. John’s. As stated previously, as new contracts are awarded, they are updated to reflect current key performance standards.”

8. Impose liquidated damages against St. John’s for any performance standards it determines are not consistently met.

DJJ Response: “DJJ will continue to impose liquidated damages as it deems appropriate in accordance with the contract.”

DJJ Did Not Prepare Discharge Plans for All Youth

DJJ waived the contractual requirement for St. John’s to prepare discharge plans for youths being released, assuming that responsibility itself. However, we found no evidence that they were completed for 13 of the 20 youths sampled.

The contract requires that St. John’s “prepare and submit a discharge plan for a youth at least five (5) working days before release, or as soon as the release date is known if five (5) days notice is not provided.” When we questioned DJJ officials about how they monitor the submission of discharge plans, they stated that this stipulation was put in the contract but was never implemented. They added that the contract should have been revised and that during Fiscal Year 2009 DJJ had its own discharge planning unit responsible for discharge planning. However, due to budget cuts, the discharge planning unit no longer exists, and discharge planning is now the responsibility of each facility’s case manager.

We requested from DJJ the discharge plans for the 20 youths in our sample, and DJJ provided us with discharge plans for only 7 of them. DJJ officials stated that in Fiscal Year 2009, DJJ provided discharge plans for only those youths who were identified as having a mental health concern or a medical issue that required follow up. We questioned DJJ officials about whether there was a written policy on discharge planning and requested a copy, but did not receive one. However, the discharge plans we received from DJJ for the seven youths list not only medical and mental health services, but also substance abuse services, education services, and other services, such as discharge planning, transitional services, recreation and vocational services, life-skills and skill-building services.

These youths are at-risk young men who all have some needs that require follow-up upon discharge. In fact, DJJ officials stated that discharge planning has been replaced with reentry planning and that all residents who remain in DJJ custody for 10 or more days receive a reentry plan. It is important for all residents to receive a discharge or reentry plan to indicate what services are required upon discharge and, it is hoped, to prevent their reentry into detention.

Recommendations

DJJ should:

9. Ensure that discharge plans or reentry plans are prepared for all youth to identify their needs and to use for follow-up after discharge.

DJJ Response: “Effective July 2009, all residents discharged to the community from detention were provided with reentry plans.”

10. Revise the contract with St. John’s to reflect any changes that have been made with regard to the performance standards.

DJJ Response: “When the contract expires, the new contract will be updated to reflect current key performance standards.”

Auditor Comment: DJJ should strongly consider amending the current contract as changes to performance requirements are made so that the contract accurately reflects current standards and St. John’s responsibilities.

11. Ensure that amendments to existing contracts are made to reflect any changes so that the agreement reflects the actual responsibilities of the contractor.

DJJ Response: “When the contract expires, the new contract will be updated to reflect current key performance standards.”

Auditor Comment: Again, we recommend that when DJJ makes changes to performance requirements, it amend the contract to reflect those changes.

DJJ Does Not Ensure the Timely Completion of External Audits

DJJ does not ensure that external audits of St. John’s operations are completed in a timely fashion. According to DJJ’s contract with St. John’s, DJJ “shall engage an independent certified public accounting firm to perform a final audit of the Contractor’s operations during each Contract Year.” However, the most recent final audit report that DJJ provided to us was for the period ending March 2005. The audit reports for the periods ending March 2006, March 2007, March 2008, and April 2009 had not yet been completed at the time of our initial request. We made another request for the external audits and received draft copies of the audits from DJJ on March 4, 2010. Copies of the final audits were not given to us until the exit conference, which was held on May 17, 2010. (The final audits were dated December 22, 2009.)

According to DJJ, it “contracts with an independent Certified Public Accountant to audit the contract to determine whether all contractual obligations were met. Based on the results of the audit, a final reconciliation is performed to settle any over or under payment by DJJ.”

DJJ officials stated that DJJ reviews expenditure reports for clerical accuracy and compares line expenditures with the approved budget and payroll data with the amounts billed to DJJ. However, no one from DJJ reviews back-up documentation, such as invoices, receipts, and timekeeping records, to ensure that expenditures are adequately supported. DJJ’s Audit Director

stated that at the end of the contract period, when conducting the external audit, the auditor reviews the expenditures. However, the external audits are not being completed in a timely fashion. Since DJJ does not review back-up documentation to support expenditures and does not ensure the timely completion of the external audits, it does not have the necessary information needed to rate St. John's accurately in the Fiscal Administration and Accountability section of the performance evaluations for St. John's. (This portion of the performance evaluation asks whether the vendor maintained adequate records and submitted accurate requisitions, fiscal reports, invoices and timesheets; and whether a fiscal audit was performed.) DJJ's performance evaluation for the period May 1, 2008, through April 30, 2009, rated St. John's Fiscal Administration and Accountability as "fair." We question how DJJ came to this conclusion without reviewing back-up documentation and in the absence of external audits.

Recommendation

12. DJJ should ensure the timely completion of annual external audits of the St. John's facility.

DJJ Response: "DJJ will work with ACS to integrate the annual financial audit function into existing operations."

DJJ Lacked Evidence of Corrective Action Plans for Some Site Visits

The contract states, "DJJ shall conduct regular monitoring visits. Plans for corrective action shall be developed by the Contractor as indicated based on the results of the monitoring." However, DJJ was unable to provide us with copies of the corrective action plans for 9 (36%) of the 25 site visits that required them.

Of the 34 site visit checklists provided by DJJ for Fiscal Year 2009, 25 indicated that a corrective action plan was required from St. John's. We requested the corrective action plans for all of the site visits from both DJJ and St. John's. DJJ was able to provide corrective action plans for only 16 of the visits, and St. John's was able to provide only 10 of the same 16 corrective action plans. There is no evidence that the remaining eight corrective action plans were prepared, as required. Accordingly, we are unable to ascertain whether a plan was devised to appropriately address and correct the conditions cited during those eight visits, which is of concern since the conditions cited, if not corrected, could affect the well-being, health, and safety of the residents.

Recommendations

DJJ should:

13. Ensure that St. John's prepares and submits corrective action plans for all conditions requiring attention that are found during site visits.

DJJ Response: "DJJ has assigned a staff person to track all corrective action plans."

14. Ensure that copies of corrective action plans are maintained by both DJJ and St. John's that address the steps taken to correct the deficiencies identified.

DJJ Response: "DJJ to retain all corrective action plans.

"The newly assigned facility director at St. John's to maintain copies of corrective action plans."



Susan Nuccio
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Chief Financial Officer
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June 21, 2010

Ms H. Tina Kim
Deputy Comptroller for Audit
City of New York
Office of the Comptroller
1 Centre Street, Room 1100
New York, New York 10007-2341

**Re: Audit Report on the Oversight of the St. John's Group Home
Contract by the Department of Juvenile Justice
Audit Report: MD10-062A**

Dear Ms Kim:

Attached please find DJJ/ACS's response to the Draft Report for the above captioned audit. As requested, our response addresses each recommendation made in the audit and includes the corresponding Agency Implementation Plan (AIP).

Sincerely,


Julie Bittman
Director, ACS External Audit

Attachments

NYC Office of the Comptroller
Audit Report on the Oversight of the St. John's Group Home Contract by the Department of Juvenile Justice
Audit # MD10-062A
DJJ RESPONSE TO AUDIT RECOMMENDATIONS
June 18, 2010

DJJ and ACS appreciate the opportunity to respond to the Comptroller's findings and recommendations regarding its contract with St. Johns for FY'09, for children undergoing juvenile delinquency proceedings and remanded by the Family Court.

The audit focused on what the Comptroller refers to as 12 key indicators as outlined in the current contract between DJJ and St. John's.

In addition to contract indicators, over the last few years DJJ has developed a system of measuring performance that may not be fully reflected in the existing contract language. These performance measurements, we believe, go to the heart of the work that the contractor is providing on behalf of the children served. During Fiscal Year 2009, DJJ conducted 34 documented site visits to St. John's. Many of these visits were conducted outside of normal business hours, including early morning hours and weekends, which provides us an opportunity to observe the facility and the interactions of staff and residents. During these site visits, DJJ staff are also assessing the many facets of group home operation including, but not limited to facility maintenance, security systems, fire safety, supply levels, the quality of food served, staff and resident interactions, and programs and recreation. And, DJJ recognizes that the contract indicators are, in some instances, outdated and in need of revision. The practice at DJJ has been to update contract language when a new contract is negotiated.

DJJ is in the process of being integrated into the Administration for Children's Services as the Division of Youth and Family Justice. Non-secure detention will report within this division. We anticipate this new partnership will provide greater opportunities and a wider range of services for the children in our care.

<p><i>RECOMMENDATION # 1 – DJJ should ensure that St. John's is aware of the performance standards to which it is being held, complies with the performance standards, and maintains evidence of its compliance.</i></p>
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DJJ RESPONSE

DJJ has, and continues to, work with St. John's to ensure compliance with established performance standards. At the insistence of DJJ, during fiscal year 2009, the facility director at St. John's was replaced as a result of a few continuing noncompliance issues. Since the hiring of the new director in March 2009, there has been a marked improvement in the facility's compliance with DJJ's performance standards.

Late arrivals at Family Court – According to the information gathered in the audit, St. John's had a 93% compliance for on-time arrivals at court. As the Comptroller indicates, there were no missed court appointments.

Resident absconded from facility – For Fiscal Year 2009, 1 resident out of 137 absconded from St. John's, which is lower than expected for a system that admitted over 1,800 youth to NSD in Fiscal Year 2009. As noted in the audit, DJJ exercised its prerogative to liquidate damages for this incident after reviewing the case.

Incidents are not always reported to DJJ within the required timeframe - The new Facility Director, hired at the request of DJJ in the beginning of calendar year 2009, has improved facility performance in this area.

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Census reports are not submitted promptly – Census reports submissions are monitored daily by DJJ.

Pick up from family court – Staff from the contractor are present with the clients throughout the day at court. Pick up from court is not an issue at this time.

Submission of incident reports – DJJ tracks incidents in real time through a 24-hour data base that is maintained by its Movement Control and Communication Unit (MCCU). St. John's staff are required to call into MCCU within one hour of an incident. Performance in this area has greatly improved under the supervision of the new Facility Director, hired at the request of DJJ.

Occurrence of serious security breaches – Serious security breaches are called into MCCU and entered in the database.

Response to pagers – Pagers are no longer in use. The Facility Director is equipped with a cell phone and responds to calls.

RECOMMENDATION # 2 – *DJJ should revise the contract with St. John's to reflect the change in time for the submission of census reports.*

DJJ RESPONSE – When new contracts are awarded, the new contract is updated to reflect current key performance standards.

RECOMMENDATION # 3 – *DJJ should ensure that St. John's provided the required case management services to all youths and maintains evidence of the services, such as progress notes in the case management files.*

DJJ RESPONSE – DJJ did cite the contractor on the updating of progress notes four times during the fiscal year that was reviewed. The case manager in question has now left the contractor and was replaced on June 7, 2010.

RECOMMENDATION # 4 – *DJJ should perform more substantial reviews of the case management files to ensure that the Case Manager is meeting with the youth as required and is maintaining evidence of the meetings.*

DJJ RESPONSE – DJJ has issued a policy concerning site visits in January of 2010 addressing this issue.

RECOMMENDATION # 5 – *DJJ should instruct St. John's employees on the correct procedures for filling out logbooks.*

DJJ RESPONSE – This policy will be reviewed on an annual basis. We note that 92% of incidents were recorded in the log books.

RECOMMENDATION # 6 – *DJJ should ensure that periodic reviews of the St. John's logbooks are conducted and that logbooks are complete and up to date. It should also ensure that evidence of its own review is documented in accordance with its policies.*

DJJ RESPONSE – DJJ does review the St. John's logbook and will improve the documentation of its own review.

RECOMMENDATION # 7 – *DJJ should ensure that it establishes mechanisms and uses them to monitor all performance standards to determine St. John's compliance with the contract.*

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DJJ RESPONSE TO AUDIT RECOMMENDATIONS
June 18, 2010

DJJ RESPONSE – DJJ does have mechanisms in place to monitor, what it now considers, the critical performance standards with regard to its contract with St. John's. As stated previously, as new contracts are awarded, they are updated to reflect current key performance standards.

RECOMMENDATION # 8 – *DJJ should impose liquidated damages against St. John's for any performance standards it determines are not consistently met.*

DJJ RESPONSE – DJJ does review key performance standards to ensure that they are consistently met and imposes liquidated damages as it deems appropriate, in accordance with the contract.

RECOMMENDATION # 9 – *DJJ should ensure that discharge plans or reentry plans are prepared for all youth to identify their needs and to use for follow-up after discharge.*

DJJ RESPONSE – Beginning in July of 2009, all residents in detention for ten days or more who are released to the community receive reentry plans.

RECOMMENDATION # 10 – *Revise the contract with St. John's to reflect any changes that have been made with regard to the performance standards.*

DJJ RESPONSE – As new contracts are awarded, the new contract is updated to reflect current key performance standards.

RECOMMENDATION # 11 – *Ensure that amendments to existing contract are made to reflect any changes so that the agreement reflects the actual responsibilities of the contractor.*

DJJ RESPONSE - As new contracts are awarded, the new contract is updated to reflect current key performance standards.

RECOMMENDATION # 12 – *DJJ should ensure the timely completion of annual external audits of the St. John's facility.*

DJJ RESPONSE – DJJ will work with ACS to integrate the annual financial audit function into existing operations.

RECOMMENDATION # 13 – *DJJ should ensure that St. John's prepares and submits corrective action plans for all site visits that require them.*

DJJ RESPONSE – During the fiscal year, DJJ advised St. John's to terminate their Facility Director. A new Director was hired in March of 2009 and the provision of corrective action plans has greatly improved.

RECOMMENDATION # 14 – *DJJ should ensure that copies of corrective action plans are maintained by both DJJ and St. John's that address the steps taken to correct the deficiencies identified.*

DJJ RESPONSE – DJJ monitors and maintains all corrective action plans it receives. As stated previously, during the fiscal year, DJJ advised St. John's to terminate their Facility Director. A new Director was hired in March of 2009 and the maintenance of corrective action plans has greatly improved. DJJ monitors and maintains all corrective action plans.

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 NEW YORK CITY COMPTROLLER'S AUDIT OF THE ST. JOHN'S GROUP HOME CONTRACT
 BY THE DEPARTMENT OF JUVENILE JUSTICE
 AUDIT NUMBER: MD10-062A**

RECOMMENDATION # 1: DJJ should ensure that St. John's is aware of the performance standards to which it is being held, complies with the performance standards, and maintains evidence of its compliance.

RESPONSIBLE MANAGER'S NAME: STEPHANIE PRUSSACK, ASST. COMMISSIONER NSD

CORRECTIVE ACTIONS TO BE TAKEN	RESPONSIBLE PERSON	DATES START END	COMMENTS
<p>DJJ will reissue mandated Contractual Requirements Summary Chart to St. John's.</p> <p>DJJ issued policy on site visits that includes monitoring instruments that inform the NSD providers of DJJ's expectations during a site visit and standards the program must attain in terms of care provided at the facility and case management.</p>	<p>Marva Chevalier</p> <p>Stephanie Prussack</p>	<p>6/17/2010 6/17/2010</p>	<p>Completed. Facility Order #01/10 titled NSD/SEEDS Site Visits was issued on 1/20/10.</p>

**DEPARTMENT OF JUVENILE JUSTICE AUDIT IMPLEMENTATION PLAN
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RECOMMENDATION # 2: DJJ should revise the contract with St. John's to reflect the change in time for the submission of census reports.

RESPONSIBLE MANAGER'S NAME: STEPHANIE PRUSSACK, ASST. COMMISSIONER NSD

CORRECTIVE ACTIONS TO BE TAKEN	RESPONSIBLE PERSON	DATES START END	COMMENTS
When the contract expires, the new contract will be updated to reflect current performance requirements such as the change in the submission time of the census reports.	To be determined pending completion of the ACS/DJJ merger	4/30/2011 4/30/2011	St. John's contract expires 4/30/2011.

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RECOMMENDATION # 3: DJJ should ensure that St. John's provided the required case management services to all youths and maintains evidence of the services, such as progress notes in the case management files.

RESPONSIBLE MANAGER'S NAME: STEPHANIE PRUSSACK, ASST COMMISSIONER, NSD

CORRECTIVE ACTIONS TO BE TAKEN	RESPONSIBLE PERSON	DATES START END	COMMENTS
<p>The case manager at St. Johns was replaced.</p> <p>A policy has been issued requiring the DJJ Case Manager Supervisor to review records at a minimum quarterly.</p> <p>Tracking instrument in place to ensure that case management record reviews are conducted quarterly.</p>	<p>Stephanie Prussack</p> <p>Marva Chevalier</p>	<p>6/7/2010</p> <p>6/7/2010</p>	<p>Facility Order #01/10 titled NSD/SEEDS: Site Visits was issued on 1/20/10.</p>

**DEPARTMENT OF JUVENILE JUSTICE AUDIT IMPLEMENTATION PLAN
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RECOMMENDATION # 4: DJJ should perform more substantial reviews of the case management files to ensure that the Case Manager is meeting with the youth as required and is maintaining evidence of the meetings.

RESPONSIBLE MANAGER'S NAME: STEPHANIE PRUSSACK, ASST COMMISSIONER NSD

CORRECTIVE ACTIONS TO BE TAKEN	RESPONSIBLE PERSON	DATES START END	COMMENTS
<p>Policy has been issued requiring the case management supervisor to review records at a minimum quarterly.</p> <p>Tracking instrument in place to ensure that case management record reviews are conducted at minimum quarterly.</p>	<p>Stephanie Prussack</p> <p>Marva Chevalier</p>		<p>Facility Order #01/10 titled NSD/SEEDSS: Site Visits was issued on 1/20/10.</p>

**DEPARTMENT OF JUVENILE JUSTICE AUDIT IMPLEMENTATION PLAN
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RECOMMENDATION # 5: – DJJ should instruct St. John's employees on the correct procedures for filling out logbooks.

RESPONSIBLE MANAGER'S NAME: STEPHANIE PRUSSACK, ASST COMMISSIONER NSD

CORRECTIVE ACTIONS TO BE TAKEN	RESPONSIBLE PERSON	DATES START END	COMMENTS
Policy on Logbooks will be reviewed with all NSD providers on an annual basis.	Marva Chevalier	6/17/2010 Ongoing	Policy to be reviewed annually: Facility Order #01/08 Revised 5/19/08 titled NSD/SEEDS Housing Logbook for both DJJ Operated and Contracted Facilities

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RECOMMENDATION # 6: DJJ should ensure that periodic reviews of the St. John's logbooks are conducted and that logbooks are complete and up to date. It should also ensure that evidence of its own review is documented in accordance with its policies.

RESPONSIBLE MANAGER'S NAME: STEPHANIE PRUSSACK, ASST COMMISSIONER, NSD

CORRECTIVE ACTIONS TO BE TAKEN	RESPONSIBLE PERSON	DATES		COMMENTS
		START	END	
DJJ will review the logbook policy with the DJJ Operations Liaisons, and the DJJ Case Management Supervisor to ensure correct documentation of logbook reviews in the facility logbook.	Marva Chevalier	7/1/2010	7/15/2010	Policy to be reviewed: Facility Order #01/08 Revised 5/19/08 titled NSD/SEEDS Housing Logbook for both DJJ Operated and Contracted Facilities.

**DEPARTMENT OF JUVENILE JUSTICE AUDIT IMPLEMENTATION PLAN
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RECOMMENDATION # 7: DJJ should ensure that it establishes mechanisms and uses them to monitor all performance standards to determine St. John's compliance with the contract.

RESPONSIBLE MANAGER'S NAME: STEPHANIE PRUSSACK, ASST COMMISSIONER NSD

CORRECTIVE ACTIONS TO BE TAKEN	RESPONSIBLE PERSON	DATES START END	COMMENTS
<p>DJJ has the following mechanisms in place to monitor St. John's:</p> <ul style="list-style-type: none"> • Four different site visit monitoring forms (Quarterly, Case Management, Night, and Summary). • Court Liaisons document daily on-time court arrivals. • DJJ staff visit the NSD group home during the week, at night and on weekends several times each month. • School Liaisons monitor daily on-time school arrival. • Movement Control and Communication Unit (MCCU) records the receipt of a daily census. • DJJ monitors the interactions between St. John's staff and its residents everyday at school. • DJJ's medical contractor provides documentation of any missed clinic appointments. • Incidents called into the Operations Liaisons and to MCCU within an hour of occurrence. • Case Manager Supervisor reads and reviews every Adjustment Report submitted to the Family Court. 			<p>Already in place.</p>

CORRECTIVE ACTIONS TO BE TAKEN	RESPONSIBLE PERSON	DATES START END	COMMENTS
<ul style="list-style-type: none"> • Executive Director tracks the submission of contractually mandated documents (e.g. fire inspections, drivers license reviews, quarterly training, insurances, inventories, etc.). • Executive Director reviews monthly recreation schedules. • Executive Director receives weekly management indicators regarding factors such as searches conducted, residents on special watches, resident transfers because of behavior, etc. • Executive Director meets monthly with all the NSD Facility Directors. • The Executive Director and Case Manager Supervisor meet monthly with all the NSD case managers. <p>When the contract expires, the new contract will be updated to reflect current key performance standards.</p>		<p>4/30/2011</p> <p>4/30/2011</p> <p>To be determined pending completion of the ACS/DJJ merger</p>	<p>Already in place.</p> <p>The St. John's contract expires 4/30/2011.</p>

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RECOMMENDATION # 8: DJJ should impose liquidated damages against St. John's for any performance standards it determines are not consistently met.

RESPONSIBLE MANAGER'S NAME: STEPHANIE PRUSSACK, ASST COMMISSIONER NSD

CORRECTIVE ACTIONS TO BE TAKEN	RESPONSIBLE PERSON	DATES		COMMENTS
		START	END	
DJJ will continue to impose liquidated damages as it deems appropriate in accordance with the contract.	Stephanie Prussack/Marva Chevalier	ongoing		

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RECOMMENDATION #9: DJJ should ensure that discharge plans or reentry plans are prepared for all youth to identify their needs and to use for follow-up after discharge.

RESPONSIBLE MANAGER'S NAME: STEPHANIE PRUSSACK, ASST COMMISSIONER NSD

CORRECTIVE ACTIONS TO BE TAKEN	RESPONSIBLE PERSON	DATES START END	COMMENTS
Effective July 2009, all residents discharged to the community from detention were provided with reentry plans.	Miles Jackson	7/1/09 ongoing	Residents must have been in detention for ten days to receive a plan.

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RECOMMENDATION #10: Revise the contract with St. John's to reflect any changes that have been made with regard to the performance standards.

RESPONSIBLE MANAGER'S NAME: STEPHANIE PRUSSACK, ASST COMMISSIONER, NSD

CORRECTIVE ACTIONS TO BE TAKEN	RESPONSIBLE PERSON	DATES START END	COMMENTS
When the contract expires, the new contract will be updated to reflect current key performance standards.	To be determined pending completion of the ACS/DJJ merger	4/30/2011 4/30/2011	St. John's contract expires 4/30/2011.

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RECOMMENDATION #11: Ensure that amendments to existing contract are made to reflect any changes so that the agreement reflects the actual responsibilities of the contractor.

RESPONSIBLE MANAGER'S NAME: STEPHANIE PRUSSACK, ASST COMMISSIONER, NSD

CORRECTIVE ACTIONS TO BE TAKEN	RESPONSIBLE PERSON	DATES		COMMENTS
		START	END	
When the contract expires, the new contract will be updated to reflect current key performance standards.	To be determined pending completion of the ACS/DJJ merger	4/30/2011	4/30/2011	The St. John's contract expires 4/30/2011.

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RECOMMENDATION #12: DJJ should ensure the timely completion of annual external audits of the St. John's facility.

RESPONSIBLE MANAGER'S NAME: MARCIA GILLIARD, ACTING EXEC DIR CONTRACT AUDIT

CORRECTIVE ACTIONS TO BE TAKEN	RESPONSIBLE PERSON	DATES START END	COMMENTS
DJJ will work with ACS to integrate the annual financial audit function into existing operations.	Marcia Gilliard	7/1/2010 ongoing	

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RECOMMENDATION #13: DJJ should ensure that St. John's prepares and submits corrective action plans for all site visits that require them.

RESPONSIBLE MANAGER'S NAME: STEPHANIE PRUSSACK, ASST COMMISSIONER NSD

CORRECTIVE ACTIONS TO BE TAKEN	RESPONSIBLE PERSON	DATES START END	COMMENTS
DJJ has assigned a staff person to track all corrective action plans.	Stephanie Prussack	5/25/2010 ongoing	

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RECOMMENDATION #14: DJJ should ensure that copies of corrective action plans are maintained by both DJJ and St. John's that address the steps taken to correct the deficiencies identified.

RESPONSIBLE MANAGER'S NAME: STEPHANIE PRUSSACK, ASST COMMISSIONER NSD

CORRECTIVE ACTIONS TO BE TAKEN	RESPONSIBLE PERSON	DATES		COMMENTS
		START	END	
DJJ to retain copies of all corrective action plans. The newly assigned facility director at St. John's to maintain copies of corrective action plans.	Marva Chevalier			
	Marva Chevalier	3/2010	ongoing	