

# AUDIT REPORT

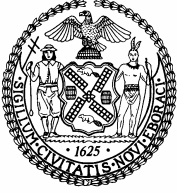


CITY OF NEW YORK  
OFFICE OF THE COMPTROLLER  
BUREAU OF MANAGEMENT AUDIT  
**WILLIAM C. THOMPSON, JR., COMPTROLLER**

## **Audit Report on Little Flower Children and Family Services Foster Care Contract with the Administration for Children's Services**

*ME07-054A*

**June 27, 2007**



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

WILLIAM C. THOMPSON, JR.  
COMPTROLLER

**To the Citizens of the City of New York**

Ladies and Gentlemen:

In accordance with the responsibilities of the Comptroller contained in Chapter 5, §93, of the New York City Charter, my office has audited the Little Flower Children and Family Services (LFCFS) foster care contract with the Administration for Children's Services (ACS).

LFCFS is a social service agency that delivers services and programs to children, families, and disabled adults in New York City. Under its contract with ACS, LFCFS provides foster care services to more than 1,000 foster children. We audit contracts such as this to ensure that entities with City contracts comply with the terms of their agreements.

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

I trust that this report contains information that is of interest to you. If you have any questions concerning this report, please e-mail my audit bureau at [audit@comptroller.nyc.gov](mailto:audit@comptroller.nyc.gov) or telephone my office at 212-669-3747.

Very truly yours,

A handwritten signature in cursive script that reads "William C. Thompson, Jr.".

William C. Thompson, Jr.  
WCT/ec

**Report:** ME07-054A  
**Filed:** June 27, 2007

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

**Audit Report on Little Flower Children and Family Services  
Foster Care Contract with the  
Administration for Children's Services**

**ME07-054A**

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**AUDIT REPORT IN BRIEF**

This audit determined whether Little Flower Children and Family Services (LFCFS) complied with the major programmatic provisions of its foster care contract with the Administration for Children's Services (ACS) and whether LFCFS's days-of-care payment requests to ACS were adequately supported. The scope period of this audit was Fiscal Year 2006 (July 1, 2005 to June 30, 2006).

LFCFS, established in 1929, is a social service agency that delivers services and programs to children, families, and disabled adults in New York City and on Long Island. Family foster care is the largest program at LFCFS. During Fiscal Year 2006, LFCFS provided services to 1,377 foster children in about 600 foster boarding homes. In March 2006, ACS renewed its foster care contract with LFCFS for three years for a total of \$84.1 million. ACS paid LFCFS \$24.9 million for foster care services provided during Fiscal Year 2006.

**Audit Findings and Conclusions**

Our audit revealed that LFCFS generally complied with most of the major programmatic provisions of its foster care contract with ACS. The Family Assessment and Service Plans (FASPs) were completed and included in the foster child case files, and the foster parents received the required background checks, home inspections, and initial training. In addition, LFCFS's days-of-care payment requests to ACS were adequately supported.

However, there were weaknesses in certain areas that should be addressed. Some foster child case files lacked evidence that the required contacts and visits to foster children and parents by LFCFS caseworkers were conducted. In addition, LFCFS did not follow up with those foster parents who did not attend annual refresher training. Finally, for the foster children in our sample, although LFCFS reported to ACS that it was due \$836,116 in administrative-rate and pass-through payments for Fiscal Year 2006, ACS paid LFCFS \$846,910—a difference of \$10,794. The difference appears to have resulted mostly from a lack of communication between ACS and LFCFS on reimbursement issues.

### **Audit Recommendations**

To address these issues, the audit recommends, among other things, that LFCFS:

- Ensure that caseworkers consistently document all visits and contacts with foster children and foster parents and maintain these records in the children's case files.
- Provide supervisory oversight to ensure that all required contacts and visits are conducted and documented.
- Follow up on all foster parents who do not attend the annual refresher training to ensure that they attend this required training.

The audit also recommends that ACS ensure that LFCFS receives clear instructions for presenting its reimbursement requests to ACS.

### **Agency Response**

In their response, ACS officials generally agreed with the audit's findings and recommendations.

## INTRODUCTION

### **Background**

The New York City Administration for Children's Services endeavors to protect the well-being of the City's children and families. ACS provides preventive, foster care and adoption services. It contracts with a network of 44 social service agencies to monitor and provide support services to 17,000 foster care children. For Fiscal Year 2006, ACS had a budget of approximately \$179 million for its foster care program.

Little Flower Children and Family Services, established in 1929, is a social service agency that delivers services and programs to children, families, and disabled adults in New York City and on Long Island. It has two offices in Brooklyn, one office in Queens, and one office in Wading River, Long Island. Family foster care is the largest program at LFCFS.

In addition to traditional foster care, LFCFS has specialized foster care programs such as therapeutic foster boarding homes and a campus-based residential treatment center (RTC). The therapeutic foster boarding homes offer special and intensive services for children with various forms of emotional or behavioral problems. The LFCFS residential treatment center is a seven-cottage complex in Wading River. It is home to nearly 100 children, ages 8 to 16. The RTC provides a therapeutic setting where the schedule and structure are designed to help children learn important skills for daily living, as well as the appropriate means to handle conflict and frustration.

LFCFS handles foster care placements for children who are removed from their primary families. ACS informs LFCFS of a possible foster care placement for the child, and LFCFS confirms a foster care opening and handles the actual placement. After placement, LFCFS monitors the children and provides support services while they are in foster care.

On a monthly basis, LFCFS reports to ACS the number of children who were in foster care during the month and the days of care the foster children received LFCFS supervision. Based on the information for the prior month, ACS pays LFCFS for the following month. The payment amount is calculated by multiplying the total days of care reported by LFCFS by a per diem rate, which consists of two parts—an administrative rate and a pass-through rate that is paid to the foster parents. The administrative rate is based on the level of difficulty in taking care of the child, while the pass-through rate, which is the rate at which LFCFS pays its foster parents, is a composite rate based on the age of the foster child and the level of difficulty in taking care of the child. These rates are determined by the New York State Office of Children and Family Services and presented in its schedule of Maximum State Aid Rates (MSAR).

LFCFS has its own computer system that maintains information on days of care, reimbursement and pass-through payments, and foster parent background checks and training. LFCFS also uses the New York State CONNECTIONS system to file Family Assessment and Service Plans and progress notes with ACS.

During Fiscal Year 2006, LFCFS provided services to 1,377 foster children in about 600 foster boarding homes. Of these, 1,011 were admitted to LFCFS prior to July 1, 2005 and the remaining 366 children were admitted during Fiscal Year 2006. In March 2006, ACS renewed its foster care contract with LFCFS for three years for a total of \$84.1 million. ACS paid LFCFS \$24.9 million for foster care services provided during Fiscal Year 2006.

### **Objectives**

The objectives of this audit were to determine whether Little Flower Children and Family Services complied with major programmatic provisions of its foster care contract with ACS and whether LFCFS's days-of-care payment requests to ACS were adequately supported.

### **Scope and Methodology**

The scope period of this audit was Fiscal Year 2006 (July 1, 2005 to June 30, 2006). We endeavored to determine whether foster child assessments and service plans were prepared and approved, whether caseworkers had regular contacts with foster children, whether caseworkers prepared reports on these contacts, whether background checks of foster parents were performed, whether pre-placement inspections of foster homes were conducted, whether training was provided to foster parents, and whether LFCFS days-of-care payment requests to ACS were adequately supported and in accordance with the MSAR schedule.

We did not evaluate the quality (1) of the services provided to foster children, (2) of the training provided to foster parents, or (3) of the determinations made on foster parents' qualifications since such qualitative judgments would have required specialized expertise.

To achieve the audit objective, we reviewed ACS policies and procedures for foster care services and reimbursement. To gain an understanding of LFCFS internal controls over its foster care processes, we reviewed its procedures manual and organization chart, interviewed ACS and LFCFS officials, reviewed foster child and foster parent case files, and performed a walkthrough of the foster care process.

To determine whether LFCFS was in compliance with major programmatic provisions of its foster care contract with ACS, we reviewed a randomly selected sample of 50 foster child case files. We selected 35 of the 1,011 children who were admitted to LFCFS prior to Fiscal Year 2006 and 15 of the 366 children who were admitted during Fiscal Year 2006. We reviewed the case files for information on the number of visits and contacts made by LFCFS caseworkers during our scope period. In addition, we reviewed the case files to determine whether initial and periodic FASPs were completed and whether progress notes were regularly prepared.

To determine whether the foster parents were qualified, we reviewed the files of the foster parents of the children in our sample to ensure that the required background checks were done, that pre-placement inspections of foster homes were conducted, and that the foster parents

received the appropriate training. We also determined whether their annual recertification were up to date.

To determine whether LFCFS's days-of-care payment requests to ACS were adequately supported, we assessed the accuracy of the days-of-care information submitted by LFCFS officials for the 50 children in our sample. We also reviewed foster child case files to determine whether ACS had authorized special or exceptional boarding rates for the 19 of the 50 children in our sample for whom such rates were paid. Based on this information and the MSAR schedule, we checked the accuracy of LFCFS's requests to ACS for days-of-care payments relating to the foster children in our sample. We also determined whether the foster parents in our sample received the correct pass-through payments from LFCFS.

We determined whether the LFCFS foster care contract with ACS was registered with the Comptroller's Office, as required by Chapter 13, §328, of the New York City Charter.

The results of the above tests, while not projected to their respective populations, provided a reasonable basis to assess LFCFS compliance with the major provisions of its foster care contract with ACS.

To determine whether LFCFS computer system data were reliable, we randomly selected 50 hard-copy foster child case files and compared certain information in the files to data in the system. We also randomly selected 50 cases from a key LFCFS system database and compared information in the database to information found in the corresponding hard-copy case files.

We relied on the 2006 determination of the New York State Comptroller that CONNECTIONS was reliable. Its April 6, 2006 audit report, entitled *Implementation of CONNECTIONS (2004-S-70)*, concluded that controls had been implemented to verify that the system was being used as designed.

Our audit was conducted in accordance with generally accepted government auditing standards (GAGAS) and included tests of records and other auditing procedures considered necessary. This audit was performed in accordance with the audit responsibilities of the City Comptroller, as set forth in Chapter 5, §93, of the New York City Charter.

### **Discussion of Audit Results**

The matters covered in this report were discussed with ACS and LFCFS officials during and at the conclusion of this audit. A preliminary draft report was sent to ACS officials on May 2, 2007 and discussed at an exit conference held on May 14, 2007. On June 1, 2007, we submitted a draft report to ACS officials with a request for comments. We received a written response from ACS officials on June 13, 2007. In their response, ACS officials generally agreed with the audit's findings and recommendations.

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



## FINDINGS AND RECOMMENDATIONS

Our audit revealed that LFCFS generally complied with most of the major programmatic provisions of its foster care contract with ACS. The FASPs were completed and included in the foster child case files, and the foster parents received the required background checks, home inspections, and initial training. In addition, LFCFS's days-of-care payment requests to ACS were adequately supported.

However, there were weaknesses in certain areas that should be addressed. Some foster child case files lacked evidence that the required contacts and visits to foster children and parents by LFCFS caseworkers were conducted. In addition, LFCFS did not follow up with those foster parents who did not attend annual refresher training. Finally, for the foster children in our sample, although LFCFS reported to ACS that it was due \$836,116 in administrative-rate and pass-through payments for Fiscal Year 2006, ACS paid LFCFS \$846,910—a difference of \$10,794. The difference appears to have resulted mostly from a lack of communication between ACS and LFCFS on reimbursement issues.

The following sections of this report discuss our findings in more detail.

### **LFCFS Generally Ensured That FASPs Were Completed**

FASPs are prepared by the caseworker and reviewed by an LFCFS supervisor. The FASP is based upon a Service Plan Review conference attended by representatives from LFCFS and ACS, the foster parent, the foster child (if the child is over 10 years of age), and any party interested in the foster child's case (e.g., attorneys, doctors, grandparents). The FASP is a periodically updated document that specifies the goals for each child and family, including permanency goals, which relate to efforts to discharge the child to a permanent, stable living situation.

The FASP consists of multiple components, including a natural family update and an analysis of the child's strengths, needs, and risks. It also contains information regarding foster care issues, such as adjustments to foster care, life skills assessments, and progress toward permanency.

The initial FASP must be prepared within 30 days of the case-initiation date, which is the date of the placement of the child with ACS. A follow-up FASP must be prepared within 90 days of the case-initiation date. A reassessment FASP must be completed within six months of the case-initiation date and subsequently at six-month intervals for as long as the case is active. FASPs are forwarded to ACS via CONNECTIONS for review and approval. The case files of the 50 foster children in our sample indicated that the required FASPs were completed.

### **Progress Notes Not Consistently Prepared**

Progress notes in the case files for 14 of our sample of 50 foster children did not show that LFCFS caseworkers had conducted many of the required contacts and visits with the foster children and parents. Regular interaction between caseworkers and foster children and parents is important to ensure appropriate living conditions in the foster home and to monitor the child's health, safety, and development.

According to ACS and LFCFS policies and procedures, the minimum requirement for caseworker contacts with foster children and foster parents are two contacts per month for the first three months (with at least one of the two contacts being a home visit), and one contact per month thereafter (with at least one contact per quarter being a home visit). Such contacts and visits are reported in progress notes prepared by the caseworker.

Progress notes document caseworker contacts and visits with the foster child and foster parents and discuss the current condition of the child and the foster home. The progress notes are recorded in CONNECTIONS and provide documentation of all caseworker activities associated with the provision of child welfare services.

According to the *CONNECTIONS Case Management Step-by-Step Guide*, progress notes should document caseworker activities and update case information. Progress notes should be recorded as soon as possible after an event (such as a contact or a visit) or when case information is received in order to provide an accurate account of pertinent information and to preserve the integrity of the information being recorded.

There was insufficient evidence in the case files to demonstrate that 14 (28%) of the 50 foster children in our sample received all the required caseworker contacts and visits during Fiscal Year 2006. For the 14 cases, there was a range of two to ten visits per case for which there was no documentary evidence that the required number of contacts and visits were ever conducted. Of the 141 contacts and visits required for these 14 cases, there was no documentary evidence that 73 (52%) were conducted. In one case, 12 contacts or visits were required but only 2 were documented. In another case, nine contacts or visits were required but none were documented.

LFCFS officials claimed that the caseworkers are making the required visits and contacts but occasionally fail to prepare progress notes on them. However, without such progress notes, LFCFS could not demonstrate, nor could we verify, that the required visits and contacts were made.

Additionally, although LFCFS has a policy that requires supervisors to review the foster child case files, including caseworkers' progress notes, there is no procedure as to how the supervisors should indicate that a review was conducted. As a result, there was little evidence of supervisory review in the case files in our sample. Supervisory oversight of caseworkers' progress notes would help to ensure that the required contacts and visits are being made.

Regular interaction between caseworkers and foster children and parents is important to ensure appropriate living conditions in the foster home and to monitor the child's health, safety, and development. Furthermore, even if the required contacts and visits are made, without progress notes LFCFS is hindered in ensuring that relevant issues are identified and followed up by the caseworkers or their supervisors in an appropriate and timely manner.

### **Recommendations**

LFCFS should:

1. Ensure that caseworkers consistently document all visits and contacts with foster children and foster parents and maintain these records in the children's case files.

**ACS Response:** "LFCFS, Using Data Warehouse information, IS department will produce monthly reports of workers' and supervisors' compliance with progress notes. Foster Boarding Home Directors will conduct case record audits of 30% of all records to monitor progress notes. Supervisors will be held accountable for insuring timely progress notes."

2. Provide supervisory oversight to ensure that all required contacts and visits are conducted and documented.

**ACS Response:** "LFCFS supervisors will give each caseworker a monthly calendar of required contacts. Caseworkers will submit weekly calendars to supervisors who will monitor that all contacts are made. Directors will monitor that supervisors and caseworkers comply with the planning process. Supervisors will monitor the timeliness of progress notes for all contacts that were made or attempted. At random, calls will be made to foster parent's homes to ascertain when the caseworker last visited the home."

### **LFCFS Generally Ensured That Foster Parents Met Standards**

LFCFS generally ensured that its foster parents complied with applicable standards. For our sample of 50 foster children, LFCFS ensured that background checks were done on the foster parents and other adults who lived in the foster homes during Fiscal Year 2006.<sup>1</sup> In addition, LFCFS conducted pre-placement inspections of the homes of the foster parents. LFCFS also ensured that these foster parents received the required initial training and annual recertifications.

The LFCFS Homefinding unit is responsible for recruiting suitable foster parents and conducting the initial certification home study. The initial home study is conducted after each prospective foster parent has completed a detailed application form and attended an orientation meeting. The home study process involves a detailed review of the applicant's home and family that includes an inspection of the applicant's home, a criminal background check of all adult

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<sup>1</sup> There were only 49 foster parents in our review because one of the 50 children in our sample resided at the LFCFS campus-based residential treatment center in Wading River, Long Island.

household members, and a review of the State Central Register (SCR) to ensure no prior allegations of child abuse or neglect.

Prospective foster parents also receive up to 30 hours of pre-service training, which is used to inform them about the types of children needing foster care, ACS and LFCFS policy on discipline, and the role of LFCFS and the foster parent. All foster parents must complete ACS required training in order to provide foster care services to the children in their care and custody. The Model Approach to Parenting Program (MAPP) is used in the foster parent training process. A full MAPP session is 30 hours and a Mini-MAPP session, given to emergency licensed foster parents (who are usually relatives of the child), is 15 hours. In addition, the foster parents with children who require special or exceptional care need an additional two to five hours of training. All foster parents need annual refresher training of four to five hours. According to LFCFS procedures, training records are to be maintained in the foster parent files, including attendance records and copies of certificates of attendance or completion of required training.

Foster parents must be recertified each year on the anniversary of the date that the children were first placed in the home. The recertification review is conducted by the caseworker with primary responsibility for the child. The recertification reviews such issues as changes in the foster care household, living conditions in the foster home, the care provided to the child during the year, and the working relationship between the foster parents and LFCFS. The completed recertification form is submitted by the caseworker to the Homefinding unit for review and forwarded to the State to support the foster home's continued certification.

LFCFS records indicated that the foster parents in our sample had properly applied to serve as foster parents, that the required foster home inspections were conducted, that the adult members of each foster boarding household had the required criminal background checks and SCR clearance, that required initial training was provided, and that the foster parents had received the required annual recertifications.

However, two foster parents in our sample had not completed any refresher training in the past two to three years. LFCFS did not send any follow-up letters to the parents who did not attend to remind them of the need to complete this training. ACS officials told us that foster children would not be removed from a foster home simply due to the foster parents' failure to attend refresher training. Nonetheless, due to the importance of foster parents receiving ongoing training to enhance their understanding of their responsibilities, LFCFS should actively follow up with these parents to ensure attendance.

### **Recommendation**

3. LFCFS should follow up on all foster parents who do not attend the annual refresher training to ensure that they attend this required training.

**ACS Response:** "LFCFS Training Director will send notices to all foster parents who have not attended refresher training by the 9<sup>th</sup> month of their certification anniversary. Foster parents who do not complete the refresher training will receive a letter from the Assistant Executive Director for training advising them they are out of compliance. If

foster parents do not complete refresher training within three months following their certification anniversary date, their home will be placed on hold.”

### **Inadequate Communication Between ACS and LFCFS on Reimbursement Issues**

Each month LFCFS reports to ACS the number of foster children and days of care the foster children were under LFCFS supervision for that month. Based on the information for the prior month, ACS pays LFCFS for the following month. The payment amount is calculated by multiplying the total days of care reported by LFCFS by a per diem rate. This per diem rate consists of two parts—an administrative rate to compensate LFCFS for its services and a pass-through rate that LFCFS in turn pays to the foster parents.

ACS officials told us that the administrative rate is based on the certification of the boarding home to which the child is assigned. There are three main types of boarding home certifications: regular, special, and therapeutic. The pass-through rate is based on the age of the foster child and the level of difficulty in taking care of the child. There are three levels of difficulty: regular care (Level 1); special care (Level 2); and exceptional care (Level 3). According to ACS officials, regular foster boarding homes can only serve children requiring regular care; special foster boarding homes can serve children requiring regular or special care; and therapeutic foster boarding homes can serve children requiring regular, special, or exceptional care. The levels of difficulty are determined by the medical and mental health units at LFCFS and are sent to ACS for approval. Pass-through rates increase with the level of difficulty and administrative rates increase with the level of care that a home is certified to provide.

To determine whether LFCFS’s days-of-care payment requests to ACS were adequately supported, we reviewed the accuracy of the reported days of care for the children in our sample and whether the correct administrative and pass-through rates were used. Nineteen of the 50 children in our sample were approved by ACS for special or exceptional care.

For the 50 foster children in our sample, LFCFS reported to ACS that it was due \$836,116 in administrative-rate and pass-through payments for Fiscal Year 2006. However, ACS reimbursed LFCFS \$846,910 for the services provided to these children—a difference of \$10,794. We found eight instances in which the reimbursements that LFCFS received were different than the amounts LFCFS requested. According to LFCFS officials, they are occasionally reimbursed by ACS at different administrative rates than the ones they requested. This was the problem for five of the eight instances in which the reimbursements differed from the requested amounts. For example, in one instance LFCFS was reimbursed \$10,253 more than it requested because ACS calculated the administrative-rate payment for 333 days of care based on the therapeutic boarding rate of \$70.23 per day, rather than the requested special boarding rate of \$39.44 per day. LFCFS official informed us that they based their request on the fact that the child had required a special level of care rather than the exceptional level of care that the therapeutic boarding home was certified to provide.

LFCFS officials informed us that they were unaware of ACS's policy of paying foster care agencies an administrative rate that reflected the certification of the foster home serving the child rather than the approved level of difficulty for taking care of the child. LFCFS officials stated that they believed that when a child was approved for special care, LFCFS would receive the administrative rate associated with a special foster boarding home rate even if the home caring for the child was approved to serve as a therapeutic foster boarding home. ACS officials claim that although the pass-through rate is determined by the level of difficulty, the administrative rate is determined by the certification of the boarding home serving the child. The apparent lack of communication between ACS and LFCFS on administrative-rate payments appears to have led to the differences between the requested and reimbursed amounts discussed above. The lack of communication between ACS and LFCFS on administrative-rate payments increases the risk of ACS not providing the correct reimbursement amounts to LFCFS.

### **Recommendation**

4. ACS should ensure that LFCFS receives clear instructions for presenting its administrative-rate payment requests to ACS.

**ACS Response:** "Each year the appropriate administrative rates and pass through rates are distributed for each foster care agency program contracted to provide foster care services. ACS Payment Services plans to meet with LFCFS officials to ensure that the agency has a clear understanding of the payment process and the conditions under which administrative payments are made."



ADMINISTRATION FOR CHILDREN'S SERVICES  
FINANCIAL SERVICES  
150 William Street - 10<sup>th</sup> Floor  
New York, NY 10038

JOHN B. MATTINGLY, Ph.D., M.S.W.  
*Commissioner*

ZEINAB CHAHINE  
*Executive Deputy Commissioner*

SUSAN NUCCIO  
*Deputy Commissioner  
Financial Services*

## MEMORANDUM

June 13, 2007

Mr. John Graham  
Deputy Comptroller  
Policy, Audits, Accountancy & Contracts  
The City of New York Office of the Comptroller  
Executive Offices  
1 Centre Street, Room 5000  
New York, New York 10007-2341

Re: NYC Comptroller's Draft Report ME07-054A Audit on  
Little Flower Children and Family Services Foster Care  
Contract with the Administration for Children's Services

Dear Mr. Graham:

Thank you for sharing with us the Draft Report for the above captioned audit.

Attached is our response to your recommendations and appropriate Audit Implementation Plans (AIP's). ACS looks forward to working with your office to improve the delivery of services to the children of the City of New York.

If you have any questions, please do not hesitate to contact me.

Sincerely,

Susan Nuccio

City of New York Office of the Comptroller (NYCC)  
Audit on Little Flower Children and Family Services (LFCFS) Foster Care  
Contract with the Administration for Children's Services (ACS)  
Audit Number ME07-054A

**Administration for Children's Services**  
**Response to Recommendations**  
June 13, 2007

ACS is pleased to learn that LFCFS generally complied with most of the major programmatic provisions of its foster care contract with ACS. The Family Assessment and Services Plans (FASP's) were completed and included in the foster care files, and the foster parents received the required background checks, home inspections, and initial training. In addition LFCFS's days-of-care payment requests to ACS were adequately supported. ACS and LFCFS are taking steps to address the recommendations listed below.

**RECOMMENDATION 1**

LFCFS, Using Data Warehouse information, IS department will produce monthly reports of workers' and supervisors' compliance with progress notes. Foster Boarding Home Directors will conduct case record audits of 30% of all records to monitor progress notes. Supervisors will be held accountable for insuring timely progress notes.

**RECOMMENDATION 2**

LFCFS supervisors will give each caseworker a monthly calendar of required contacts. Caseworkers will submit weekly calendars to supervisors who will monitor that all contacts are made. Directors will monitor that supervisors and caseworkers comply with the planning process. Supervisors will monitor the timeliness of progress notes for all contacts that were made or attempted. At random, calls will be made to foster parent's homes to ascertain when the caseworker last visited the home.

**RECOMMENDATION 3**

LFCFS Training Director will send notices to all foster parents who have not attended refresher training by the 9<sup>th</sup> month of their certification anniversary. Foster parents who do not complete the refresher training will receive a letter from the Assistant Executive Director for training advising them they are out of compliance. If foster parents do not complete refresher training within three months following their certification anniversary date, their home will be placed on hold.

**RECOMMENDATION 4**

Each year the appropriate administrative rates and pass through rates are distributed for each foster care agency program contracted to provide foster care services. ACS Payment Services plans to meet with LFCFS officials to ensure that the agency has a clear understanding of the payment process and the conditions under which administrative payments are made.



**ADMINISTRATION FOR CHILDREN'S SERVICES AUDIT IMPLEMENTATION PLAN  
NEW YORK CITY COMPTROLLER'S AUDIT ON  
LITTLE FLOWER CHILDREN AND FAMILY SERVICES FOSTER CARE CONTRACT  
WITH THE ADMINISTRATION FOR CHILDREN'S SERVICES  
AUDIT NUMBER: ME07-054A**

RECOMMENDATION # 1: LFCES should ensure that caseworkers consistently document all visits and contacts with foster children and foster parents and maintain these records in the children's case files.

RESPONSIBLE MANAGER'S NAME: GRACE LO GRANDE

CORRECTIVE ACTIONS TO BE TAKEN	RESPONSIBLE PERSON	START DATE	END DATE	COMMENTS
Using Data Warehouse information, IS department will produce monthly reports of workers' and supervisors' compliance with progress notes.	Kate von der Heyden	06/01/07	On-Going	
Foster Boarding Home Directors will conduct case record audits of 30% of all records to monitor progress notes.	Modistine Pearson	07/01/07	03/01/08	
Supervisors will be held accountable for insuring timely progress notes	Modistine Pearson	07/01/07	On-Going	

**ADMINISTRATION FOR CHILDREN'S SERVICES AUDIT IMPLEMENTATION PLAN  
NEW YORK CITY COMPTROLLER'S AUDIT ON  
LITTLE FLOWER CHILDREN AND FAMILY SERVICES FOSTER CARE CONTRACT  
WITH THE ADMINISTRATION FOR CHILDREN'S SERVICES  
AUDIT NUMBER: ME07-054A**

RECOMMENDATION # 2: LFCFS should provide supervisory oversight to ensure that all required contacts and visits are conducted and documented.

RESPONSIBLE MANAGER'S NAME: GRACE LO GRANDE

CORRECTIVE ACTIONS TO BE TAKEN	RESPONSIBLE PERSON	START DATE	END DATE	COMMENTS
Supervisors will give each caseworker a monthly calendar of required contacts. Caseworkers will submit weekly calendars to supervisors who will monitor that all contacts are made. Directors will monitor that supervisors and caseworkers comply with the planning process.	Program Directors	07/01/07	On-Going	
Supervisors will monitor the timeliness of progress notes for all contacts that were made or attempted.	Program Directors	07/01/07	On-Going	
At random, calls will be made to foster parent's Homes to ascertain when the caseworker last visited the home.	Executive Director Designee	07/01/07	On-Going	

ADMINISTRATION FOR CHILDREN'S SERVICES AUDIT IMPLEMENTATION PLAN  
 NEW YORK CITY COMPTROLLER'S AUDIT ON  
 LITTLE FLOWER CHILDREN AND FAMILY SERVICES FOSTER CARE CONTRACT  
 WITH THE ADMINISTRATION FOR CHILDREN'S SERVICES  
 AUDIT NUMBER: ME07-054A

RECOMMENDATION # 3: LFCFS should follow up on all foster parents who do not attend the annual refresher training to ensure that that they attend this required training.

RESPONSIBLE MANAGER'S NAME: GRACE CALDERONE

CORRECTIVE ACTIONS TO BE TAKEN	RESPONSIBLE PERSON	START DATE	END DATE	COMMENTS
Training Director will send notices to all foster parents who have not attended refresher training by the 9 <sup>th</sup> month of their certification anniversary.  Foster parents who do not complete the refresher training will receive a letter from the Assistant Executive Director for training advising them they are out of compliance.  If foster parents do not complete refresher training within three months following their certification anniversary date, their home will be placed on hold.	Madeline Green  Grace Calderone  Tanisha Washington	09/01/07  09/01/07  09/01/07	On-Going  On-Going  On-Going	

ADMINISTRATION FOR CHILDREN'S SERVICES AUDIT IMPLEMENTATION PLAN  
 NEW YORK CITY COMPTROLLER'S AUDIT ON  
 LITTLE FLOWER CHILDREN AND FAMILY SERVICES FOSTER CARE CONTRACT  
 WITH THE ADMINISTRATION FOR CHILDREN'S SERVICES  
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RECOMMENDATION # 4: ACS should ensure that LFCFS receives clear instructions for presenting its administrative-rate payment requests to ACS.

RESPONSIBLE MANAGER'S NAME: DELROY DAVEY

CORRECTIVE ACTIONS TO BE TAKEN	RESPONSIBLE PERSON	START DATE	END DATE	DOCUMENTS
Each year the appropriate administrative rates and pass through rates are distributed for each foster care agency program contracted to provide foster care services.  ACS Payment Services plans to meet with LFCFS officials to ensure that the agency has a clear understanding of the payment process and the conditions under which administrative payments are made.	Judy Wolpoff  Lethem Duncan	On-Going  06/01/2007	On-Going  On-Going	Attached is a letter dated 11/23/05 informing LFCFS of the Foster Care Payment Rates for Fiscal Year 2006.



ADMINISTRATION FOR CHILDREN'S SERVICES  
 OFFICE OF THE COMMISSIONER  
 150 WILLIAM STREET- 18<sup>th</sup> FLOOR  
 NEW YORK, NEW YORK 10038

JOHN B. MATTINGLY  
 Commissioner

To: Executive Directors and Fiscal Directors  
 Foster Care Contract Agencies

From: John B. Mattingly

Date: November 23, 2005

Subject: Foster Care Rates for Fiscal Year 2006

I am pleased to inform you that your January 2006 payment (for November 2005 care days) will be based on the 2005-2006 Maximum State Aid Rates (MSAR), as referenced below, that were issued by the State Office of Children and Family Services (OCFS) last month. Rates are effective July 1, 2005 and retroactive adjustments will be included in the January Single Issue payment (for July 1 – October 31 care days).

In addition, the rates paid to Foster Parents will increase for the first time in several years. Children's Services will reimburse agencies 100% of the New York State 2005/2006 Maximum State Aid Rates for payments to Foster Parents including clothing and diaper allowances. These increases will be effective beginning with the January 1, 2006 service period.

Rates will be paid as follows:

**Family Foster Boarding Home programs:**

- **Therapeutic, Emergency and Special Medical Foster Boarding Home programs:**  
 The FY06 paid rate will be 100% of the 2005/2006 MSAR.
- **Regular Foster Boarding Home programs:**  
 The current Performance Based Rates will continue to be the paid rate.

**Congregate Care Programs:**

Consistent with OCFS's Administrative Directive, 05-OCFS-ADM-04 (dated June 28, 2005), the MSAR minimum payment requirement will be phased in so that by July 1, 2006, all local districts will be required to pay no less than 100 percent of the applicable MSAR established by OCFS for each congregate care program.

In the 2005-2006 MSAR rate cycle, ACS will reduce its payment percentage gap for each affected program by two-thirds. For example if your FY 06 MSAR is \$120, your FY 05 MSAR was \$100 and your FY 05 paid rate was \$94 you were paid at 94% and the percentage gap is 6%. We will reduce the gap by two thirds which is equal to (4%) and pay you at 98% of your FY 06 MSAR (\$120\*.98=\$117.60).

ACS Approved Foster & Adoptive Parent Per Diem Stipends  
for Fiscal Year 2006

Effective January 1st, 2006 (service period)

Regular		Age Ranges			
Need Level	0-5	6-11	12 & over		
Normal	\$15.78	\$18.58	\$21.50		
Special	\$34.55	\$34.55	\$34.55		
Exceptional	\$52.34	\$52.34	\$52.34		
Emergency		Age Ranges			
Need Level	0-5	6-11	12 & over		
Normal	\$31.56	\$37.16	\$43.00		
Diaper & Clothing		Age Ranges			
	0-3	4-5	6-11	12-15	16+
Diaper	\$1.68				
Clothing	\$0.91	\$0.91	\$1.27	\$1.96	\$2.40



**FOSTER BOARDING HOME**  
**Fiscal Year 2006 Payment Rates**

**LITTLE FLOWER**

**FBH**  
**TFBH**

<b>ACS RATES</b>	<b>ACS RATE</b>
<b>07/01/2005 - 12/31/2005</b>	<b>01/01/2006 - 06/30/2006</b>
\$24.84	\$26.14
70.23	70.23

**LITTLE FLOWER**

FACILITY	ACS RATES 07/01/2005 12/31/2005	REVISED RATE 07/01/2005 - 06/30/2006
00A01234	\$185.82	\$192.59
00A09805	\$95.19	\$102.95