



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

WILLIAM C. THOMPSON, JR.
Comptroller

**Audit Report on Edwin Gould Services for Children
And Its Compliance with Its Child Care Agreement
July 1, 2000, to June 30, 2001**

FN02-143A

July 24, 2002

*The City of New York
Office of the Comptroller
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**Audit Report on Edwin Gould Services for Children
And Its Compliance with Its Child Care Agreement
July 1, 2000, to June 30, 2001**

FN02-143A

EXECUTIVE SUMMARY

Edwin Gould Services for Children (Edwin Gould), at 41-51 East 11th Street in Manhattan, is a not-for-profit organization that provides services to children in its Boarding Home, Group Home, Agency Operated Boarding Home, and Diagnostic/PINS (Persons In Need of Supervision) programs. Foster care providers are reimbursed for expenses based on a per diem rate that is calculated according to a formula developed by the New York State Office of Children and Family Services. The per diem administrative rate is limited to the Maximum State Aid Rate (MSAR) established by the New York State Office of Children and Family Services and the New York City Administration for Children's Services (ACS).

This audit determined whether Edwin Gould maintained adequate internal controls over the recording and reporting of its expenses, revenues, and days-of-care; was paid based on the appropriate per diem rate in accordance with the New York State standards of payment and ACS regulations; and complied with certain promulgated announcements and regulations stated in the New York State *Standards of Payment* and the City's *CWA Foster-Care Reimbursement Bulletin No. 92-5* and applicable amendments.

From July 1, 2000, to June 30, 2001 (Fiscal Year 2001), ACS reimbursed Edwin Gould \$9,655,944 for providing services to 575 individuals in its foster care programs. In addition, Edwin Gould received \$264,862 from ACS for its Independent Living Skills Program, an educational program for individuals in its care who are at least 14 years of age and \$82,815 for its Substance Abuse Prevention Program.

Edwin Gould generally complied with the provisions of its child care agreement with regard to promulgated announcements and regulations stated in the New York State *Standards of Payment* and the City's *CWA Foster-Care Reimbursement Bulletin No. 92-5*. It had an adequate system of internal controls over the recording and reporting of its revenue, expenses, and days-of-care. In addition, Edwin Gould provided adequate and clean conditions for the residents in its care.

However, Edwin Gould owes the City \$22,965 for Fiscal Year 2001, because of differences between the funds that ACS advanced to Edwin Gould and the expenses incurred by Edwin Gould that we audited. In addition, Edwin Gould did not use \$6,928 in funding received from ACS for its Independent Living Skills Program. Consequently, Edwin Gould owes the City \$29,893. (See Table I on page 5 of this report.)

We recommend that Edwin Gould remit \$29,893 in excess funding to the City; include only those expenses allowed in the New York State *Standards of Payment for Foster Care of Children*

and the *CWA Foster-Care Reimbursement Bulletin No. 92-5* and applicable amendments on its *Report of Actual Expenditures DSS-2652*; and report days-of-care accurately, billing ACS for only those children in attendance at the foster homes. In addition, we recommend that ACS ensure that Edwin Gould complies with the report's recommendations.

ACS, which also responded on behalf of Edwin Gould, stated that both organizations agreed with the audit's findings and recommendations. ACS stated that Edwin Gould agreed to repay ACS \$29,893, to include only allowable expenses on its *Report of Actual Expenditures DSS-2652*, and to report its days-of-care accurately and in accordance with New York State and ACS regulations. ACS also stated that it notified Edwin Gould officials of the repayment terms for the \$29,893 assessment.

INTRODUCTION

Background

Edwin Gould Services for Children (Edwin Gould), at 41-51 East 11th Street in Manhattan, is a not-for-profit organization that provides services to children in its Boarding Home, Group Home, Agency Operated Boarding Home, and Diagnostic/PINS (Persons In Need of Supervision) programs. Foster care providers are reimbursed for expenses based on a per diem rate that is calculated according to a formula developed by the New York State Office of Children and Family Services. The per diem administrative rate is limited to the Maximum State Aid Rate (MSAR) established by the New York State Office of Children and Family Services and the New York City Administration for Children's Services (ACS). In addition, these reimbursements are governed by the rules and regulations found in the New York State *Standards of Payment*, and the City's *CWA Foster-Care Reimbursement Bulletin No. 92-5* and applicable amendments.

From July 1, 2000, to June 30, 2001 (Fiscal Year 2001), ACS reimbursed Edwin Gould \$9,655,944 for providing services to 575 individuals in its foster care programs. In addition, Edwin Gould received \$264,862 from ACS for its Independent Living Skills Program, an educational program for individuals in its care who are at least 14 years of age and \$82,815 for its Substance Abuse Prevention Program.

Objectives

Our audit objectives were to determine whether Edwin Gould:

- maintained adequate internal controls over the recording and reporting of its expenses, revenues, and days-of-care;
- was paid based on the appropriate per diem rate in accordance with the New York State standards of payment and ACS regulations; and

- complied with certain promulgated announcements and regulations stated in the New York State *Standards of Payment*, and the City's *CWA Foster-Care Reimbursement Bulletin No. 92-5* and applicable amendments.

Scope and Methodology

To achieve our audit objectives, we reviewed and abstracted the rules and regulations governing foster care reimbursements in the New York State *Standards of Payment* and the *CWA Foster-Care Reimbursement Bulletin No. 92-5* and applicable amendments. We matched the revenue and expenses recorded on Edwin Gould's general ledger to the amounts reported on its *Report of Actual Income DSS-2654* and *Report of Actual Expenditures DSS-2652*.

We evaluated Edwin Gould's internal control structure over the recording and reporting of revenue, expenses, and days-of-care for its foster care programs. To gain an understanding of its operations, we reviewed Edwin Gould's organizational chart and conducted a walk-through of its operations, documenting the results through written narratives and memoranda. In addition, we observed the conditions of Edwin Gould's three Group Homes in Brooklyn and its two Agency Operated Boarding Homes in Manhattan, on May 15 and 16, 2002.

To verify whether the expenses Edwin Gould charged to its foster care programs were accurate and allowable, we obtained and reviewed Edwin Gould's *Report of Actual Expenditures DSS-2652* and matched each reported expense item to the related account(s) in the general ledger. We selected a sample of expenses and traced them to such documentation as invoices, petty cash vouchers, and canceled checks. We also verified that the salaries of Edwin Gould personnel were charged to the correct cost centers and programs and that health insurance payments, pension contributions, and social security payments were actually for employees assigned to Edwin Gould's foster care programs.

We verified the revenue that Edwin Gould received from ACS was accurate and was reported correctly on the *Report of Actual Income DSS-2654*. We matched each reported revenue amount to the corresponding amounts in the general ledger. We then traced for accuracy the reported revenue to Edwin Gould's bank statements and ACS payment records.

To determine whether Edwin Gould reported its days-of-care accurately, we obtained Edwin Gould's *Change of Status or Information Files (EGS-3)* and *Monthly Days-of-Care Report* for Fiscal Year 2001 and compared it to various ACS documents. In addition, we determined whether the payments made by ACS to Edwin Gould matched the amounts billed by Edwin Gould, and we determined whether ACS made the proper reconciliation payments. Finally, we determined whether specific expenses charged to Edwin Gould's contract complied with New York State and ACS guidelines.

This audit was conducted in accordance with Generally Accepted Government Auditing Standards (GAGAS) and included tests of the records and other auditing procedures considered necessary. This audit was performed in accordance with the City Comptroller's audit responsibilities 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 officials from Edwin Gould and ACS during and at the conclusion of this audit. A preliminary draft report was sent to Edwin Gould and ACS officials and was discussed at an exit conference on June 13, 2002. Also, on June 13, 2002, we submitted a draft report to Edwin Gould and ACS officials with a request for comments. We received a written response from ACS on June 26, 2002. ACS also responded on behalf of Edwin Gould. ACS stated that both organizations agreed with the audit's findings and recommendations. ACS stated that Edwin Gould agreed to repay ACS \$29,893, to include only allowable expenses on its *Report of Actual Expenditures DSS-2652*, and to report its days-of-care accurately and in accordance with New York State and ACS regulations. ACS also stated that it notified Edwin Gould officials of the repayment terms for the \$29,893 assessment.

The full text of ACS's comments is included as an addendum to this final report.

**OFFICE OF THE COMPTROLLER
NEW YORK CITY**

DATE FILED: July 24, 2002

FINDINGS AND RECOMMENDATIONS

Edwin Gould generally complied with the provisions of its child care agreement with regard to promulgated announcements and regulations stated in the New York State *Standards of Payment*, and the City's *CWA Foster-Care Reimbursement Bulletin No. 92-5*. It had an adequate system of internal controls over the recording and reporting of its revenue, expenses, and days-of-care. In addition, Edwin Gould provided adequate and clean conditions for the residents in its care.

However, Edwin Gould owes the City \$22,965 for Fiscal Year 2001, because of differences between the funds that ACS advanced to Edwin Gould and the expenses incurred by Edwin Gould that we audited. In addition, Edwin Gould did not use \$6,928 in funding received from ACS for its Independent Living Skills Program. Consequently, Edwin Gould owes the City \$29,893, as shown in Table I.

TABLE I

Edwin Gould Services for Children
Schedule of Amount Due
July 1, 2000, to June 30, 2001

Category	Amount
Excess Advances over Expenditures Incurred. (See Appendix V)	\$22,965
Unused Funds Related to Independent Living Skills Program	6,928
Total Due ACS	\$29,893

These matters are discussed in greater detail in the following sections of this report.

Edwin Gould Owes ACS \$22,965 for Excess Advances Over Expenditures Incurred Rather Than \$202,210 It Would Have Received Based on ACS's Preliminary Year-end Reconciliation

Edwin Gould owes ACS \$22,965 rather than being owed \$202,210 by ACS that it would have paid Edwin Gould based on ACS's Preliminary Year-end Reconciliation.¹ At the end of each year, ACS determines the amount due to or from its foster care agencies by using agency submissions of reported expenses and reported days-of-care. When ACS completed its Fiscal Year 2001 preliminary reconciliation for Edwin Gould, ACS determined that it owed Edwin Gould \$202,210. However, based on our audit, Edwin Gould incorrectly reported the number of days-of-care on its billings, and improperly included expenses not allowed under New York State and ACS regulations on its *Report of Actual Expenditures DSS-2652*, the documents upon which ACS based its Preliminary Year-end Reconciliation.

Specifically, Edwin Gould's billings to ACS and ACS's Preliminary Year-end Reconciliation indicated that it provided 1,003 days in its Diagnostic/PINS; 12,400 days in its group home; 4,294

¹ Based on ACS's preliminary reconciliation for Edwin Gould, ACS would have paid Edwin Gould \$202,210, the difference between Edwin Gould's reported expenses and ACS's advances. However, ACS decided not to pay Edwin Gould until our audit was completed.

days in its agency operated boarding home; and 189,506 days in its boarding home. However, Edwin Gould incorrectly billed ACS for 301 days-of-care in which children under its care were not in attendance because they were: on vacation; discharged from the facility; admitted to a hospital facility; and absent without leave. Edwin Gould overstated its days-of-care by 9 days in its Diagnostic/PINS; 87 days in its group home; 19 days in its agency operated boarding home; and 186 days in its boarding home.

In addition, Edwin Gould included expenses totaling \$120,981 on its *Report of Actual Expenditures DSS-2652* that are not allowable under New York State and ACS regulations. Audit disallowances affect the final per diem rate that ACS will pay, and therefore, do not result in a dollar-for-dollar reduction to Edwin Gould. The unallowable expenses are listed in Table II, which follows.

TABLE II
Schedule of Disallowances

Disallowed Expenses	Amount
Monthly allowances for children in boarding homes	\$72,574
Undocumented expenses	12,862
Fund-raising costs	10,358
Non-“child-specific” legal fees	8,283
Legal fees for non-foster care programs	4,740
Consultant fees not related to foster care programs	6,559
Christmas party and staff gifts	3,040
Fines and penalties	843
Organization dues	657
Lunches and unrelated conferences	475
Clothing for children no longer in the program	275
Classified advertisements	215
Children’s holiday party paid for by a donor	100
Total Disallowances	\$120,981

Furthermore, Edwin Gould’s reported pass-through expenses were overstated by \$2,863 for the boarding home.

As a result, Edwin Gould is required to return \$22,965 to ACS. (See Appendices I through V for our detailed calculations of the amounts Edwin Gould owes ACS.)

Unused Funds Totaling \$6,928
Related to Edwin Gould’s
Independent Living Skills Program

For Fiscal Year 2001, Edwin Gould received \$264,862 from ACS for its Independent Living Skills Program. However, based on Edwin Gould’s books and records and its *Report of Actual Expenditures DSS-2652*, actual program costs incurred for the year totaled only \$257,934. Consequently, Edwin Gould is required to return to ACS the remaining \$6,928 in unused program funds.

Recommendations

We recommend that Edwin Gould:

1. Remit \$29,893 in excess funding to the City.
2. Include only those expenses allowed in the New York State *Standards of Payment for Foster Care of Children* on its *Report of Actual Expenditures DSS-2652*.
3. Include only those expenses allowed in the *CWA Foster-Care Reimbursement Bulletin No. 92-5* and applicable amendments on its *Report of Actual Expenditures DSS-2652*.
4. Report days-of-care accurately, and bill ACS for only those children in attendance at the foster homes.

We recommend that ACS:

5. Ensure that Edwin Gould complies with the report's recommendations. In that regard, ACS should issue a written notice to Edwin Gould requiring that these recommendations be implemented and that Edwin Gould return \$29,893 in excess funding to the City.

ACS Response: ACS stated that Edwin Gould agreed to repay ACS \$29,893, to include only allowable expenses on its *Report of Actual Expenditures DSS-2652*, and to report its days-of-care accurately and in accordance with New York State and ACS regulations. ACS also stated that it notified Edwin Gould officials of the repayment terms for the \$29,893 assessment.

APPENDIX I

EDWIN GOULD SERVICES FOR CHILDREN
 STATEMENT OF BASIS FOR THE PER DIEM RATE AS "AUDITED"
 BOARDING HOME
 JULY 1, 2000 to JUNE 30, 2001

	TOTAL BOARDING HOME	ADMINISTRATIVE	PASS THROUGH
TOTAL REPORTED EXPENSES PER DSS-2652	\$ 7,489,149.00	\$ 3,615,717.00	\$ 3,873,432.00
LESS: AUDIT DISALLOWANCES	(113,841.05)	(110,977.90)	(2,863.15)
TOTAL ALLOWABLE EXPENSES AS AUDITED	<u>\$ 7,375,307.95</u>	<u>\$ 3,504,739.10</u>	<u>\$ 3,870,568.85</u>
ACS PAID DAYS-OF-CARE	189,506	189,506	189,506
LESS: DISALLOWED DAYS-OF-CARE	(186)	(186)	(186)
TOTAL ACS DAYS-OF-CARE AS AUDITED	<u>189,320</u>	<u>189,320</u>	<u>189,320</u>
OPERATING PER DIEM RATE	\$ 38.95	\$ 18.51	\$ 20.44
MAXIMUM ADMINISTRATIVE PER DIEM RATE			\$ 18.63
FINAL PER DIEM RATE	<u>\$ 38.95</u>	<u>\$ 18.51</u>	<u>\$ 20.44</u>

FINAL RATE IS THE LOWER OF MAXIMUM OR OPERATING ADMINISTRATIVE RATE PLUS PASS-THROUGH RATE

CALCULATION OF AMOUNT DUE EDWIN GOULD

FINAL PER DIEM RATE AS AUDITED	\$ 38.95	\$ 18.51	\$ 20.44
TOTAL ACS DAYS-OF-CARE AS AUDITED	<u>189,320</u>	<u>189,320</u>	<u>189,320</u>
TOTAL AMOUNT DUE	<u>\$ 7,374,014.00</u>	<u>\$ 3,504,313.20</u>	<u>\$ 3,869,700.80</u>

APPENDIX II

**EDWIN GOULD SERVICES FOR CHILDREN
STATEMENT OF BASIS FOR THE PER DIEM RATE AS "AUDITED"
GROUP HOME
JULY 1, 2000 to JUNE 30, 2001**

TOTAL REPORTED EXPENSES PER DSS-2652	\$ 1,574,565.00
LESS: AUDIT DISALLOWANCES	7,471.17
TOTAL ALLOWABLE EXPENSES AS AUDITED	<u>\$ 1,567,093.83</u>
ACS PAID DAYS-OF-CARE	12,400
LESS: DISALLOWED DAYS-OF-CARE	(87)
TOTAL ACS DAYS-OF-CARE AS AUDITED	<u>12,313</u>
OPERATING PER DIEM RATE	<u>\$ 127.27</u>
MAXIMUM PER DIEM RATE	<u>\$ 128.91</u>
FINAL PER DIEM RATE (LOWER OF MAXIMUM OR OPERATING RATE)	<u>\$ 126.91</u>
<u>CALCULATION OF AMOUNT DUE TO ACS (AGENCY)</u>	
FINAL PER DIEM RATE AS AUDITED	\$ 126.91
TOTAL ACS DAYS-OF-CARE AS AUDITED	<u>12,313</u>
TOTAL AMOUNT DUE	<u>\$ 1,562,642.83</u>

APPENDIX III

EDWIN GOULD SERVICES FOR CHILDREN
STATEMENT OF BASIS FOR THE PER DIEM RATE AS "AUDITED"
AGENCY OPERATED BOARDING HOME
JULY 1, 2000 to JUNE 30, 2001

TOTAL REPORTED EXPENSES PER DSS-2652	\$	503,122.00
LESS: AUDIT DISALLOWANCES		1,801.16
TOTAL ALLOWABLE EXPENSES AS AUDITED	\$	<u>501,320.84</u>

ACS PAID DAYS-OF-CARE		4,294
LESS: DISALLOWED DAYS-OF-CARE		(19)
TOTAL ACS DAYS-OF-CARE AS AUDITED		<u>4,275</u>

OPERATING PER DIEM RATE	\$	<u>117.27</u>
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MAXIMUM PER DIEM RATE	\$	<u>130.98</u>
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FINAL PER DIEM RATE (LOWER OF MAXIMUM OR OPERATING RATE)	\$	<u>117.27</u>
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CALCULATION OF AMOUNT DUE TO ACS (AGENCY)

FINAL PER DIEM RATE AS AUDITED	\$	117.27
TOTAL ACS DAYS-OF-CARE AS AUDITED		<u>4,275</u>

TOTAL AMOUNT DUE	\$	<u>501,329.25</u>
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APPENDIX IV

EDWIN GOULD SERVICES FOR CHILDREN
 STATEMENT OF BASIS FOR THE PER DIEM RATE AS "AUDITED"
 DIAGNOSTIC/PINS
 JULY 1, 2000 to JUNE 30, 2001

TOTAL REPORTED EXPENSES PER DSS-2652	\$	223,014.00
LESS: AUDIT DISALLOWANCES		730.64
TOTAL ALLOWABLE EXPENSES AS AUDITED	\$	<u>222,283.36</u>

ACS PAID DAYS-OF-CARE		1,003
LESS: DISALLOWED DAYS-OF-CARE		(9)
TOTAL ACS DAYS-OF-CARE AS AUDITED		<u>994</u>

OPERATING PER DIEM RATE	\$	<u>223.63</u>
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MAXIMUM PER DIEM RATE	\$	<u>196.17</u>
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FINAL PER DIEM RATE (LOWER OF MAXIMUM OR OPERATING RATE)	\$	<u>196.17</u>
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CALCULATION OF AMOUNT DUE TO ACS (AGENCY)

FINAL PER DIEM RATE AS AUDITED	\$	196.17
TOTAL ACS DAYS-OF-CARE AS AUDITED		<u>994</u>

TOTAL AMOUNT DUE	\$	<u>194,992.98</u>
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APPENDIX V

EDWIN GOULD SERVICES FOR CHILDREN
STATEMENT OF AMOUNT DUE ACS
JULY 1, 2000 to JUNE 30, 2001

AMOUNT ADVANCED BY ACS	\$ 9,655,944.00
BOARDING HOME EXPENDITURES	\$ 7,374,014.00
GROUP HOME EXPENDITURES	1,562,842.83
AGENCY OPERATED BOARDING HOME EXPENDITURES	501,329.25
DIAGNOSTIC RECEPTION CENTER EXPENDITURES	<u>194,992.98</u>
TOTAL AMOUNT DUE EDWIN GOULD	\$ <u>9,632,979.06</u>
AMOUNT DUE ACS	\$ <u><u>22,964.94</u></u>



ADMINISTRATION FOR CHILDREN'S SERVICES
150 WILLIAM STREET - 19th FLOOR
NEW YORK, N.Y. 10038

WILLIAM C. BELL
Commissioner

ADDENDUM

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June 26, 2002

Mr. Roger D. Liwer, Assistant Comptroller for Audits
The City of New York Office of the Comptroller
Bureau of Audits
1 Centre Street, Room 1100
New York, NY 10007-2341

Re: NYC Comptroller's Audit Report FN02-143A
Edwin Gould Services for Children and its
Compliance With Its Child Care Agreement

Dear Mr. Liwer:

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

Attached is our response to your recommendations and our Audit Implementation Plan (AIP). We would like to thank the Comptroller's Office for the professionalism of your staff while conducting this audit.

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

Sincerely,

William C. Bell

Attachments

City of New York Office of the Comptroller
New York City Administration for Children's Services
Edwin Gould Services for Children
Audit Number FN02-143A

Administration for Children's Services
Response to Recommendations
June 26, 2002

ACS was pleased to have confirmation from the Comptroller's audit report that:

Edwin Gould generally complied with the provisions of its child care agreement with regard to promulgated announcements and regulations stated in the New York State Standards of Payment, and the City's CWA Foster-Care Reimbursement Bulletin No. 92-5. It had an adequate system of internal controls over the recording and reporting of its revenue, expenses, and days-of-care. In addition, Edwin Gould provided adequate and clean conditions for residents in its care.

Recommendation 1

Edwin Gould agrees to remit \$29,893 to the City of New York. Edwin Gould is awaiting notification from the Administration for Children's Services (ACS) of the repayment terms.

Recommendation 2, 3, and 4

Edwin Gould has implemented a software system (Fundware) that links the General Ledger System to the SOP and will include only those expenses allowed in the New York State Standards of Payments for Foster Care of Children on its Report of Actual Expenditures DSS-2652.

Edwin Gould will include only those expenses allowed in the CWA Foster-Care Reimbursement Bulletin No. 92-5 and applicable amendments on its Report of Actual Expenditures DSS-2652.

Edwin Gould will report days-of-care accurately and in accordance with New York State and ACS regulations.

Recommendation 5

ACS has sent Edwin Gould written notice of the terms of recovery for the amount of \$29,893. It is anticipated that the funds will be recovered by offset by October 2002. ACS has also given Edwin Gould written notice that they are required to comply with the Comptroller's recommendations.

ADMINISTRATION FOR CHILDREN'S SERVICES
AUDIT IMPLEMENTATION PLAN
NEW YORK CITY COMPTROLLER'S AUDIT NUMBER FN02-143A
EDWIN GOULD SERVICES FOR CHILDREN AND ITS COMPLIANCE WITH ITS CHILD CARE AGREEMENT

RECOMMENDATION # 1: Edwin Gould should remit \$29,893 in excess funding to the City.

RESPONSIBLE MANAGERS' NAME: Tom Welsh, Director Audit Services ACS

CORRECTIVE ACTIONS TO BE TAKEN	RESPONSIBLE PERSON	DATES		DOCUMENTATION	COMMENTS
		START	END		
Edwin Gould agrees to remit \$29,893 to the City of New York. Edwin Gould is awaiting notification from the Administration for Children's Services (ACS) of the repayment terms.	Leona Braithwaite-Goldstein, Executive Office Associate Director Finance	10/02	10/02	10/02 Advance	

ADMINISTRATION FOR CHILDREN'S SERVICES
AUDIT IMPLEMENTATION PLAN
NEW YORK CITY COMPTROLLER'S AUDIT NUMBER FN02-143A
EDWIN GOULD SERVICES FOR CHILDREN AND ITS COMPLIANCE WITH ITS CHILD CARE AGREEMENT

RECOMMENDATION # 2: Edwin Gould should include only those expenses allowed in the New York State Standards of Payments for Foster Care of Children on its Report of Actual Expenditures DSS-2652.

RESPONSIBLE MANAGERS' NAME: Aubrey Featherstone, Executive Director Edwin Gould Services for Children

CORRECTIVE ACTIONS TO BE TAKEN	RESPONSIBLE PERSON	DATES		DOCUMENTATION	COMMENTS
		START	END		
Edwin Gould has implemented a software system (Fundware) that links the General Ledger System to the SOP and will include only those expenses allowed in the New York State Standards of Payments for Foster Care of Children on its Report of Actual Expenditures DSS-2652.	Leona Braithwaite-Goldstein, Executive Office Associate Director Finance	Fall 2001	Continuing	The next SOP, due in the fall of 2002.	

**ADMINISTRATION FOR CHILDREN'S SERVICES
 AUDIT IMPLEMENTATION PLAN
 NEW YORK CITY COMPTROLLER'S AUDIT NUMBER FN02-143A
 EDWIN GOULD SERVICES FOR CHILDREN AND ITS COMPLIANCE WITH ITS CHILD CARE AGREEMENT**

RECOMMENDATION # 3: Edwin Gould should include only those expenses allowed in the *CWA Foster-Care Reimbursement Bulletin No. 92-5* and applicable amendments on its Report of Actual Expenditures DSS-2652.

RESPONSIBLE MANAGERS' NAME: Aubrey Featherstone, Executive Director Edwin Gould Services for Children

CORRECTIVE ACTIONS TO BE TAKEN	RESPONSIBLE PERSON	DATES		DOCUMENTATION	COMMENTS
		START	END		
Edwin Gould will include only those expenses allowed in the <i>CWA Foster-Care Reimbursement Bulletin No. 92-5</i> and applicable amendments on its Report of Actual Expenditures DSS-2652.	Leona Braithwaite-Goldstein, Executive Office Associate Director Finance	Fall 2002	Continuing	The next SOP due in the fall of 2002	

**ADMINISTRATION FOR CHILDREN'S SERVICES
 AUDIT IMPLEMENTATION PLAN
 NEW YORK CITY COMPTROLLER'S AUDIT NUMBER FN02-143A
 EDWIN GOULD SERVICES FOR CHILDREN AND ITS COMPLIANCE WITH ITS CHILD CARE AGREEMENT**

RECOMMENDATION # 4: Edwin Gould should report days-of-care accurately and bill ACS for only those children in attendance at the foster homes.

RESPONSIBLE MANAGERS' NAME: Aubrey Featherstone, Executive Director Edwin Gould Services for Children

CORRECTIVE ACTIONS TO BE TAKEN	RESPONSIBLE PERSON	START	DATES END	DOCUMENTATION	COMMENTS
Edwin Gould will report days-of-care accurately and in accordance with New York State and ACS regulations.	Leona Braithwaite-Goldstein, Executive Office Associate Executive Director Finance	06/02	Continuing	Care Day Reports and Movement Reports	

ADMINISTRATION FOR CHILDREN'S SERVICES
AUDIT IMPLEMENTATION PLAN
NEW YORK CITY COMPTROLLER'S AUDIT NUMBER FN02-143A
EDWIN GOULD SERVICES FOR CHILDREN AND ITS COMPLIANCE WITH ITS CHILD CARE AGREEMENT

RECOMMENDATION # 5: ACS should ensure that Edwin Gould complies with the report's recommendations. In that regard, ACS should issue written notice to Edwin Gould requiring that these recommendations be implemented and that Edwin Gould return \$29,893 in excess funding to the City.

RESPONSIBLE MANAGERS' NAME: Tom Welsh, Director Audit Services ACS

CORRECTIVE ACTIONS TO BE TAKEN	RESPONSIBLE PERSON	DATES		DOCUMENTATION	COMMENTS
		START	END		
ACS has sent Edwin Gould written notice of the terms of recovery for the amount of \$29,893. It is anticipated that the funds will be recovered by offset by October 2002. ACS has also given Edwin Gould written notice that they are required to comply with the Comptroller's recommendations.	Antoine Gautier, Assistant Director, Contract Audit	06/25/02	Continuing	10/02 Advance	