



# City of New York

---

## OFFICE OF THE COMPTROLLER

Scott M. Stringer  
COMPTROLLER



## MANAGEMENT AUDIT

**Marjorie Landa**

Deputy Comptroller for Audit

Audit Report on Good Shepherd  
Service's Compliance with Its Close to  
Home Contract with the Administration  
for Children's Services

MD17-066A

**June 27, 2017**

<http://comptroller.nyc.gov>



THE CITY OF NEW YORK  
OFFICE OF THE COMPTROLLER  
SCOTT M. STRINGER

June 27, 2017

To the Residents of the City of New York:

My office has audited Good Shepherd Services (GSS) to determine whether it is in compliance with the key terms of its "Close to Home" contract with the Administration for Children's Services (ACS). We audit City contracts such as this as a means of ensuring vendor compliance with program requirements, contracts and applicable regulations.

The audit determined that GSS is not in compliance with some of the key terms of its contract with ACS. Among other things, the audit found limited evidence that GSS performed required assessments and provided certain services to the youths in the sampled cases reviewed in the audit. Specifically, we found that: (1) behavior plans were not consistently prepared; (2) mental health assessments were not consistently obtained or conducted; (3) educational assessments were not performed timely; (4) monthly team treatment meetings were not consistently conducted; and (5) there was limited evidence that required appropriate recreation was provided to the youths in residence. The audit also found that GSS did not consistently record incidents in the required records. Further, the hard-copy incident reports that GSS did complete were not consistently signed by supervisors and GSS' communication logs were not consistently maintained in good order. The audit also found that GSS incorrectly billed ACS (both over and under the proper amounts) for care days for 3 of the 10 sampled youth.

The audit made 15 recommendations, including that GSS should ensure that: behavior plans are prepared for all youths; mental health screenings are obtained for all youth in its care; educational assessments are performed timely; team treatment meetings are held monthly for all youths; recreational schedules are posted in the residences; communication logbooks document recreational activities that take place; all incidents are properly reported to ACS, and recorded in the CNNX database and the communication logbooks; ensure that communication logbooks are maintained in accordance with ACS policies; and Change of Status forms are completed and submitted so that care days are correctly billed.

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

If you have any questions concerning this report, please e-mail my Audit Bureau at [audit@comptroller.nyc.gov](mailto:audit@comptroller.nyc.gov).

Sincerely,

A handwritten signature in blue ink, appearing to read "Scott M. Stringer".

Scott M. Stringer

## TABLE OF CONTENTS

<b>EXECUTIVE SUMMARY .....</b>	<b>1</b>
Audit Findings and Conclusion .....	1
Audit Recommendations.....	2
Agency Response .....	2
<b>AUDIT REPORT .....</b>	<b>3</b>
Background .....	3
Objectives.....	4
Scope and Methodology Statement.....	4
Discussion of Audit Results with GSS and ACS .....	4
<b>FINDINGS AND RECOMMENDATIONS.....</b>	<b>5</b>
Limited Evidence That Required Assessments and Services Were Provided to Youths .....	5
Recommendations .....	11
Inadequate Recordkeeping and Reporting .....	13
Incidents Are Not Consistently Documented, Recorded and Reported.....	13
Communication Logbooks Are Not Properly Maintained.....	15
Insufficient Evidence of Census Reporting.....	15
GSS Policies and Procedures Are Incomplete.....	16
Recommendations .....	16
GSS Incorrectly Billed ACS for Care Days .....	17
Recommendations .....	18
Other Matters.....	18
GSS Vehicle Inspections Were Not Current.....	18
ACS Needs to Update the Contract Requirements for AWOL Reporting .....	19
Recommendations .....	20
<b>DETAILED SCOPE AND METHODOLOGY.....</b>	<b>21</b>
<b>APPENDIX .....</b>	<b>24</b>
<b>ADDENDUM I</b>	
<b>ADDENDUM II</b>	

# THE CITY OF NEW YORK OFFICE OF THE COMPTROLLER MANAGEMENT AUDIT

## Audit of Good Shepherd Services' Compliance with Its Close to Home Contract with the Administration for Children's Services

MD17-066A

### EXECUTIVE SUMMARY

The objective of this audit was to determine whether Good Shepherd Services (GSS) is in compliance with the key terms of its "Close to Home" contract with the Administration for Children's Services (ACS).

The Close to Home Program (CTH), started in 2012, is administered by ACS. It is intended to allow youths who are deemed juvenile delinquents by the Family Court to be placed in residential programs close to their families and communities. ACS contracts with non-profit providers to operate CTH Non-Secure Placement (NSP) group homes in or right outside of the five boroughs. Youths in the NSP program receive individualized educational services through the New York City Department of Education. They also receive medical, mental health and substance abuse services as needed, and participate in recreational, cultural and group activities within and outside of the group home.

ACS contracted with GSS to provide CTH NSP services to youths referred by ACS for July 1, 2012, through June 30, 2015. The contract with GSS was renewed for July 1, 2015, through June 30, 2018, with options to renew at the discretion of ACS through June 30, 2021. GSS currently operates two NSP residential facilities: the Barbara Blum residence (Barbara Blum) for boys, and Rose House for girls, both located in Brooklyn.

### Audit Findings and Conclusion

The audit determined that GSS is not in compliance with some of the key terms of its contract with ACS. Among other things, we found limited evidence that GSS performed required assessments and provided certain services to the youths in our audit sample or that they provided them timely. Specifically, we found that: (1) behavior plans were not consistently prepared; (2)

mental health assessments were not consistently obtained or conducted; (3) educational assessments were not performed timely; (4) monthly team treatment meetings were not consistently conducted; and (5) there was limited evidence that required appropriate recreation was provided to the youths in residence.

We also identified deficiencies in GSS' reporting and recording of "reportable" and "critical" incidents.<sup>1</sup> GSS did not consistently record incidents in the required three sets of records: (1) the Connection (CNNX) progress notes; (2) a hard-copy incident report; and (3) the communication log maintained at the NSP facility. Further, the hard-copy incident reports that GSS did complete were not consistently signed by supervisors and GSS' communication logs were not consistently maintained in good order. The audit also found that GSS incorrectly billed ACS (both over and under the proper amounts) for care days for 3 of the 10 sampled youth.

## Audit Recommendations

Based on the audit, we make 15 recommendations, including:

- GSS should ensure that behavior plans are prepared for all youths.
- GSS should ensure that it obtains or performs mental health screenings for all youth in its care.
- GSS should ensure that educational assessments are performed timely.
- GSS should ensure that team treatment meetings are held monthly for all youths and that the minutes are maintained at all times in the youth's case records.
- GSS should ensure that recreational schedules are posted in the residences and communication logbooks document recreational activities that take place.
- GSS should ensure that all incidents are properly reported to ACS; recorded in CNNX and the communication logbooks, including MCCU incident report numbers; and properly documented in hard-copy incident reports, signed by supervisors and maintained in the appropriate bound incident logs.
- GSS should ensure that communication logbooks are maintained in accordance with ACS policies.
- GSS should ensure that Change of Status forms are completed and submitted in all instances of youth movement from the youth's assigned NSP facility so that care days are correctly billed and that care days and payments are adequately reconciled to ensure accurate payments.

## Agency Response

In its response, GSS generally agreed with ten of the 15 recommendations addressed to GSS, disagreed with one recommendation, and did not specifically address four recommendations. In its response, ACS disagreed with the one recommendation addressed to ACS.

---

<sup>1</sup> A "reportable incident" is any event that might adversely affect the health, safety, and/or security of (1) youths in ACS physical or legal custody; (2) staff; (3) family; and/or (4) the community. A "Critical incident" is a reportable incident that is likely to have a serious impact that adversely affects the health, safety, and/or security of (1) youth; (2) staff; (3) family; and/or (4) the community (e.g., birth and death), or has a significant impact on a facility or the agency. Source: ACS' *Incident Reporting for Juvenile Justice Placement* policy.

# AUDIT REPORT

## Background

ACS is responsible for protecting the safety and promoting the well-being of New York City's children and strengthening their families by providing child welfare, juvenile justice, child care, and early education services. CTH, launched in 2012, is a program administered by ACS that allows youths who are deemed juvenile delinquents by the Family Court to be placed in residential programs close to their families and communities. A judge may order a youth to be placed in a residential placement program if the judge finds that the youth committed an offense and needs rehabilitative services. The average length of stay for youths placed in NSP is generally seven months, but stays may be shorter or longer based on the youth's behavior and other factors.

ACS contracts with non-profit providers to operate CTH NSP group homes in or right outside of the five boroughs. NSP facilities are located in or in close proximity to the New York City communities in which many of the youths and their families live, and each residence is designed to look and feel like a home environment. Youths in the NSP program receive individualized educational services through the New York City Department of Education (DOE). They also receive medical, mental health and substance abuse services as needed, and participate in recreational, cultural and group activities within and outside of the group home.

ACS contracted with GSS to provide CTH NSP services to youths referred by ACS for the period covering July 1, 2012, through June 30, 2015. The contract with GSS was renewed for the period July 1, 2015, through June 30, 2018 with options to renew at the discretion of ACS through June 30, 2021. GSS currently operates two NSP residential facilities: Barbara Blum and Rose House, both located in Brooklyn. Barbara Blum houses boys, and Rose House houses girls. Each facility has 12 beds. Services provided by GSS include youth care, food, clothing, transportation, recreation, court-related services, social work and case management services, access to mental health and substance abuse treatment, coordination of education and health care and the monitoring and supervision of these services. The contract requires GSS to provide NSP services as set forth in Appendix B – Scope of Services of the contract, as well as applicable laws, court orders and mandates, ACS policies and the ACS *Juvenile Justice Non-Secure Placement Quality Assurance Standards* (ACS QA Standards).

This audit focused on GSS' compliance with contract requirements related to the operation of its two residences and its administration related to service provision, record keeping and reporting, resident safety, billing and procurement as detailed in the appendix. The contract requires GSS to document all processes and activities that pertain to youths in its care in New York State's CNNX database, the State-mandated case management system of record.<sup>2</sup> It also requires GSS to maintain a hard-copy case record for each youth in its care to document all services and treatment provided, including information that cannot be documented in CNNX, and to maintain supportive records, including assessments, evaluations and education, and medical reports.

GSS also uses Evolv CS (Evolv), an internal database, to track all of the youths in its NSP program. That system contains, among other things, information on enrollments, prior placements, placement disruptions, post-discharge follow-up information, family information,

---

<sup>2</sup> CNNX is a New York State computerized case management system that tracks the full life cycle of all child welfare cases, including juvenile justice services information.

billing/payment information and medical information. GSS uses Evolv to track care days for billing ACS.

GSS housed a total of 46 youths in the Barbara Blum and Rose House NSPs during the period of July 1, 2015 through November 14, 2016. GSS was paid a total of \$5.6 million from ACS for the Barbara Blum and Rose House residences in Fiscal Year 2016 (July 1, 2015 – June 30, 2016).

## **Objectives**

To determine whether GSS is in compliance with the key terms of its “Close to Home” contract with ACS.

## **Scope and Methodology Statement**

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 objective. 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 July 1, 2015 to April 3, 2017. Please refer to the Detailed Scope and Methodology at the end of this report for specific procedures and tests that were conducted.

## **Discussion of Audit Results with GSS and ACS**

The matters covered in this report were discussed with GSS officials during and at the conclusion of this audit. A preliminary draft report was sent to GSS and ACS and discussed at an exit conference held on May 18, 2017. On June 5, 2017, we submitted a draft report to GSS and ACS with a request for written comments. We received a written response from GSS on June 19, 2017 and received a written response from ACS on June 20, 2017.

In its response, GSS generally agreed with 10 of the 15 recommendations addressed to GSS, disagreed with one recommendation that it prepare behavior plans for all youth, and did not specifically address four recommendations: that it obtain mental health screenings for all youth; ensure that educational assessments are performed timely; complete and submit Change of Status forms for all youth; and timely record Change of Status forms in its system. In addition, GSS disagreed with a number of the audit’s findings. The specific areas of disagreement are discussed in the relevant sections of this report.

In its response, ACS disagreed with the one recommendation addressed to ACS that it amend the contract to reflect its changed requirements for AWOL reporting to the police.

After carefully considering the arguments presented by GSS and ACS, we find no basis for altering any of the audit’s findings or recommendations.

The full texts of the GSS and ACS responses are included as addenda to this report.

## **FINDINGS AND RECOMMENDATIONS**

The audit determined that GSS is not in compliance with certain key terms of its contract with ACS. We found limited evidence that GSS performed required assessments and provided certain services to the youths in our audit sample or that they provided them timely. Specifically, we found that: (1) behavior plans were not consistently prepared; (2) mental health assessments were not consistently obtained; (3) educational assessments were not performed timely; (4) monthly team treatment meetings were not consistently conducted for each youth; and (5) there was limited evidence that appropriate required recreation was provided.

We also identified deficiencies in GSS' reporting and recording of incidents. GSS did not consistently record incidents in the required three sets of records: (1) the CNNX progress notes; (2) a hard-copy incident report; and (3) the communication log maintained at the NSP facility. Further, the hard-copy incident reports that GSS did complete were not consistently signed by supervisors. In addition, GSS' communication logs were not consistently maintained in good order. The audit also found that GSS incorrectly billed (both over-billed and under-billed) ACS for care days for 3 of the 10 sampled youth.

Under other matters, we found that the inspections on some GSS vehicles used to transport youths were not up to date and that ACS needs to update the contract requirement with regard to reporting AWOLs to the local police precinct.

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

### **Limited Evidence That Required Assessments and Services Were Provided to Youths**

We found that GSS did not ensure that the required assessments were completed for, and services provided to, all youths in its care. Our review of the case files for 10 youths in our audit sample found that none of the young people received all the required assessments and services in a timely manner, if at all. Table I below contains a breakdown of our analysis for each youth in our sample, in which an "X" indicates that information in the case file reflects that a required step was timely taken by GSS.

**Table I**

Review of Files for Ten Sampled  
Youths

Youth Sample #	Complete Referral Packet	Behavior Plan	Mental Health Screening	Timely Educational Assessment	All Monthly Treatment Team Meetings Held	Notified of Rights	Total
1	X		X		X		3
2			X			X	2
3						X	1
4			X				1
5			X				1
6	X	X	X		X		4
7		X	X			X	3
8	X	X	X		X	X	5
9	X		X				2
10		X	X			X	3
Totals	4	4	9	0	3	5	25

As shown in Table I, the case files for all 10 youths were missing required assessments and services. Moreover, files for three of the youths (#3, #4, and #5) contained evidence that GSS provided only one of the six required services and assessments for each of the three young residents. In all, the sampled files reflected that only 25 (42 percent) of the 60 required assessments and services were provided.

These findings are discussed in more detail below.

*Incomplete Referral Packets*

Before GSS admits a youth to one of its facilities, ACS sends the agency a referral packet prepared by the youth's previous placement (e.g., a foster home or secure placement facility). The referral packet for each youth contains the previous placement's referrals and recommendations for health, psychological and other treatments, and the youth's academic history and legal history and is used by GSS to determine whether the youth is a good fit for its program.

According to GSS' contract with ACS,

Intake at both GSS NSPs will come directly from ACS. The NSP program director or social work supervisor will review the information packet sent by ACS. . . . The program director and/or case manager will review the ACS Information packet for crucial information such as updated medical summaries and pertinent court-related Information - e.g., the next court date. . . . If important information about the young person is missing, GSS will contact the ACS case manager and work with them to swiftly obtain that Information.

However, it appears that GSS staff do not review the referral packets for completeness. We reviewed the case records for a sample of 10 youths and determined that only four referral packets were complete. Of the six referral packets that were incomplete, five were missing referrals and recommendations from the previous placement. In addition, two of the six files contained no education records and one contained no mental health assessment. After the exit conference, ACS provided us with some of the information missing from the referral packets. However, we do

not know when these documents were prepared. In addition, GSS provided no evidence that it ever followed up with ACS to obtain the missing information. Without complete referral packets, GSS is lacking important information needed to develop the youth's treatment plan and may be delayed in providing needed services.

**GSS Response:** "When young people arrive at our NSP, ACS requires that they arrive with a referral packet prepared by the youth's prior placement. Our staff review the accompanying ACS referral packets. If any packet is incomplete, our policy is to contact ACS immediately, either by phone or email, and request the missing items."

**Auditor Comment:** As we state above, GSS had no evidence that it followed up with ACS to obtain the missing items. No additional documentation was provided with the audit response to support GSS' contention that such follow-ups occurred.

#### *Missing Behavior Plans*

The contract requires GSS to comply with ACS policies regarding behavior plans. The ACS QA Standards, which are included as an addendum to the contract, require that youth case records include an individual behavior plan so that each youth's need for behavioral health services can be identified and a treatment plan developed. However, the sampled files did not contain the behavior plans for 6 of the 10 sampled youth.

After we shared this issue with GSS officials, but prior to the issuance of our preliminary draft report, GSS officials informed us that they use other tools to support their behavior management practice and they provided copies of Individual Crisis Management Plans (ICMP). The ICMP is completed on the day of the youth's intake and, according to GSS officials, is intended to provide staff with an understanding of the youth's behavior. However, the ICMP is merely a preliminary assessment and does not include a plan for addressing a youth's behavior. Accordingly, it is not a substitute for the complete behavior plan that is required.

Without completing the required behavior plans, GSS is hindered in its ability to develop and document treatment plans for reducing youths' negative emotional and behavioral problems.

**GSS Response:** "The finding in this area reflects the auditors' misunderstanding of the practice model and differing terminology used for behavior plans. . . ."

ACS does not have a mandated behavior plan template and providers are permitted to develop their own form for documenting the resident's individual plan. QA Standards from 2013 state 'ACS requires that providers have a behavior management system that encourages and rewards positive behavior and ensure staff is knowledgeable about the system.' Development of the ICMP and Sanctuary Safety Plan fully meets these requirements. These documents for all but one youth were provided to the members of the auditing team as requested on 5/2/17 and again on 5/19/17."

**Auditor Comment:** This finding does not reflect a misunderstanding on the part of the auditors of the practice model or differing terminology used for behavior plans. To the contrary, it is based on the limited nature of the documents that GSS claims "comprise" a behavior plan. The ICMPs only consist of responses to seven questions made by the youths themselves upon their admission to GSS. The Sanctuary Safety Plans are also created by the youth and list the methods by which the youth manages their emotions during times of stress. While these two documents may be part of a treatment plan, they are by their nature, limited in scope. The ACS QA Standards specifically require that "the

NSP provider . . . develop individualized written treatment plans that address the . . . behavioral . . . issues that necessitated the youth's placement into residential care." During the audit, we found four such plans in four youths' files that were created by GSS' Behavior Specialist. We urge GSS to comply with ACS' requirements and prepare similar plans for all of the youths in its care.

#### *Mental Health Screenings Were Generally Performed*

The contract requires that GSS comply with ACS policies regarding mental health screenings. The ACS QA Standards require that GSS complete or obtain mental health screenings within 7 days of a youth's placement but no later than 14 days from the date of placement so that the young person's possible need for mental health treatment and services can be assessed and the necessary services provided.

Our review of the sampled youths' files found evidence that GSS obtained a mental health screening for all but one of the 10 sampled youths. When mental health screenings and surveys are not obtained, GSS cannot determine whether youths require specialized mental health services and behavioral therapy. After the exit conference, ACS provided us with a copy of the mental health assessment that was missing for the one youth. The date on the assessment was prior to the date that the youth was admitted to GSS. Neither ACS nor GSS provided an explanation for why it was not in the youth's file when we reviewed it.

#### *Education Assessments Were Not Performed Timely*

The contract requires GSS to ensure that all youths receive a comprehensive education assessment to determine the most appropriate level of educational services for each resident. Such assessments must be completed within two weeks (14 days) of the youths' arrival. We found evidence of an education assessment in all 10 of the youths' files in our sample; however, they were not completed timely. The number of days taken to complete education assessments ranged from 28 to 190 days, well exceeding the 14-day requirement.

A residential program's failure to complete a youth's educational assessment on time causes a delay in that youth's receiving the appropriate level of educational services.

**GSS Response:** "Auditors were unaware of a change in practice in which Good Shepherd and other NSP providers are no longer charged with the responsibility for primary education planning and transition. As the program evolved, the role of Education Transitional Specialist was created by the Department of Education (DOE) as a member of their staff, who is now responsible for this function. This DOE staff member is responsible for carrying out Education Assessments and works closely with the ACS Juvenile Justice Program Services team and the provider to ensure that these plans are created and meet the needs of the youth in our care.

It is also important to understand that youth placed in the NSP program are immediately enrolled in school with the Passages Academy and begin attending class and receiving academic supports in mixed ability classes on the first day after arrival at the NSP. The education assessment is informed by the young person's educational and classroom experience while in NSP, not a pre-requisite to it, and is particularly critical to guide the young person's educational next steps after leaving our care."

**Auditor Comment:** Although we have had extensive conversations with GSS officials during the audit, including specifically about educational planning requirements, the formal

response to our draft report is the first time that GSS has mentioned that it is no longer charged with education planning. However, GSS provided no contract amendment supporting this assertion or any other documentation. At the same time, the ACS QA Standards states that “NSP providers shall provide for and work *in collaboration with DOE* to develop an educational plan for every youth that is appropriate based on an assessment of the youth’s educational level.” [Emphasis added.] Accordingly, pursuant to that standard, it is not solely DOE’s responsibility to deal with youths’ educational planning and transition. While ACS states in its response to the audit that “DOE has fully assumed the responsibility for educational assessments over the past year,” that statement is neither precise about the time period when such responsibility was assumed nor is it clear as to what it actually means to have DOE “fully assume[] responsibility.” However, in no event can this statement be read to include July 1, 2015 (the beginning of the audit scope period) through the beginning of June 2016, nearly an entire year in the audit scope.

To determine the most appropriate level of educational services for youths, the contract requires that GSS ensure that a comprehensive education assessment be completed within two weeks (14 days) of the youths’ arrival. Our audit found that the number of days taken to complete education assessments ranged from 28 to 190 days.

#### *Limited Evidence That Treatment Team Meetings Were Conducted for Each Youth*

The GSS contract with ACS requires that GSS ensure that its staff conduct, at a minimum, monthly team treatment meetings to review treatment plans and goals for each youth. According to the ACS QA Standards, “[t]he NSP provider shall establish a Treatment Team for each youth, led by provider staff, to determine the most appropriate treatment plan for each child. . . . Each youth will have a treatment team meeting monthly.”

GSS had only limited evidence in our review of sampled files to demonstrate that treatment team meetings were held monthly for each of the youths in our sample. We reviewed 10 case files that, combined, covered 72 months in which the 10 youths in our sample resided with GSS (an average of 7.2 months for each youth) and found no evidence of treatment team meeting minutes in those files for 31 (43 percent) of the 72 sampled months.

After we shared this issue with GSS officials, they provided 17 of the 31 missing treatment team meeting minutes and stated that not all treatment team notes are kept in youths’ files. GSS officials claimed that these minutes were maintained in the individual records of the staff. However, the contract requires that all hard copies of records that cannot be captured in CNNX be stored in the physical case records, not an individual staff member’s records.

The GSS officials further stated that, as to one youth for whom no evidence of treatment team meetings was provided, the agency encountered computer-system challenges during a transition period from its Shirley Chisholm facility to Rose House and was, therefore, unable to retrieve some documentation.<sup>3</sup> No explanation was provided of why there were no records of treatment team meetings from the period when the youth resided at Rose House.

Without monthly treatment team meetings, GSS cannot determine whether revisions to youths’ treatment plans are needed. Consequently, the risk that areas of concern may not be identified and appropriate action plans not created is increased.

---

<sup>3</sup> GSS previously operated an NSP facility for girls known as the Shirley Chisholm Non-secure Placement Residence, which was closed in December 2015.

**GSS Response:** “Good Shepherd Services holds weekly Treatment Team meetings in each program. Several youth are discussed in each meeting, and every resident is discussed in depth at least once per month and often more frequently as emergent issues are also reviewed in each meeting. Minutes of these meetings have been saved either in the program shared drive, or in the worker’s own Good Shepherd Services work computer and are distributed to the members of the treatment team by email. The audit team reviewed the program shared drive but not individual staff’s work computer drives, thus coming to the initial conclusion that some treatment team meetings either had not occurred or had not been documented. As part of the audit, we gathered minutes filed outside of the shared drive and provided these to the audit team when requested. . . . Additionally, any updates to treatment plans are recorded in CNNX or, when necessary, the physical record and we will review our process to ensure thoroughness. ”

**Auditor Comment:** Although GSS claims that every youth is discussed in team treatment meetings every month, it was unable to provide evidence to support this assertion. We requested team treatment minutes on multiple occasions. As we state in the report, GSS provided us with minutes for only 17 of 31 missing team treatment meetings. In addition, GSS provided no evidence that treatment plans are recorded in CNNX or the physical records, so we cannot comment on this claim.

#### *Limited Evidence That Youths Are Notified of Their Rights*

The contract states that youth should have certain rights including access to a telephone to call their attorneys and the right to voice concerns and complaints. According to the GSS manual,

Upon admission, youth are given a copy of the GSS NSP houses resident's manual . . . [during] the initial intake. The manual describes the . . . program expectations of youth, and their rights. During the admission process, youths are also informed about their rights to lodge grievances, internally, with the ACS Permanency Planning Specialist (PPS), with their lawyer, or with the relevant ACS and/or the New York State Office of Children and Family Services (OCFS) oversight body or ombudsman.

Only 5 of the 10 sampled files contained evidence that the respective youths were provided with and signed a copy of the Bill of Rights. After we shared this issue with GSS, they provided us with a Bill of Rights for two of the other five youths. In one of those two instances, the Bill of Rights was signed by the youth in March 2017, although the youth had been placed with GSS approximately seven months earlier, in August 2016. For the second youth, the Bill of Rights was dated one day prior to the youth’s discharge.

#### *Limited Evidence That Adequate Recreation Is Provided*

According to its contract with ACS, GSS must provide enrichment/recreational activities in accordance with the applicable laws and ACS policies. Section 442.20 of Title 18, Chapter II, Subchapter C, Article 3 of New York Codes, Rules and Regulations (NYCRR) states that there shall be provision for leisure activity and planned recreation and that recreation programs shall include sports and cultural activities. Further, according to the ACS QA Standards, recreation schedules should reflect the availability of more than one type of recreation and both indoor and outdoor activities, trips, and should include events emanating from outside sources. The standards also require providers to design structured therapeutic recreational events, to post recreation schedules in all NSP facilities, and to record recreation events in logs.

Our review of GSS' daily schedules and communication logs for the week of May 30, 2016 through June 5, 2016 at both residences revealed that the recreation of the youth at Barbara Blum consisted mostly of playing cards and video games during their off-school hours. In addition, recreation schedules were not posted in the Barbara Blum residence as required. We found at Rose House, while its recreation schedule had minimal references to video games and card playing, it did not consistently reconcile with the entries in the communication logbooks, which should reflect the youths' actual activities. The Rose House recreation schedule reconciled with the corresponding logbook entries for only three of the seven days we reviewed.

Recreational activities are intended to engage the interests and needs of the youths. Such activities at NSP facilities are important to help develop the youths' creative and communication skills. In addition, recreational activities held outside of the NSP facilities can assist youths with a gradual transition to the community.

**GSS Response:** "All youth in our NSP programs are provided with required recreational activities. Twice a week, youth attend the afterschool programming that is provided by Center for Community Alternatives' Department of Youth and Community Development-funded SONYC program operated at the Passages Academy School, which our youth attend. ACS approves the recreational activities provided at the afterschool program. Additionally, on the weekend youth have structured activities that include physical fitness, community and group games, activities and discussions, such as Circle Up and Rap sessions. ACS verified that the SONYC program was in operation during the audited week (this documentation was provided to the Comptroller's Office after the preliminary findings meeting on May 18, 2017). . . ."

**Auditor Comment:** Although ACS provided us information on SONYC, we did not accept it as evidence of recreation because it appears to be an educational program. In addition, one of our main concerns was that weekly recreation schedules did not always reconcile with the communication logbook entries. If GSS is not able to perform certain planned activities due to aggressive behavior of the youths, they should state so in the communication logbooks.

## Recommendations

1. GSS should ensure that adequate reviews of referral packets are performed and attempts are made to obtain any missing information.

**GSS Response:** GSS generally agreed, stating, "[t]here is no required formal or specific process for documenting packet review or outreach to obtain missing items, but moving forward we will develop a process to ensure that our steps related to packet review and completion are documented in writing."

**Auditor Comment:** While we are pleased that GSS will develop a process to ensure that steps related to packet reviews are documented in writing, most importantly, GSS should ensure that its staff makes adequate efforts to obtain missing information and document its requests.

2. GSS should ensure that behavior plans are prepared for all youths.

**GSS Response:** GSS disagreed, stating, "[d]evelopment of the ICMP and Sanctuary Safety Plan fully meets these requirements."

**Auditor Comment:** As stated previously, we disagree that ICMPs and Sanctuary Safety Plans comprise a complete behavior plan. GSS needs to ensure that sufficient behavior plans are prepared for all youths as required by the contract. Consequently, we urge GSS to implement this recommendation.

3. GSS should ensure that it obtains mental health screenings for all youths in its care.

**GSS Response:** GSS did not specifically address this recommendation.

4. GSS should ensure that educational assessments are performed timely.

**GSS Response:** GSS stated in its response that it was “no longer charged with responsibility for primary education planning and transition,” which does not specifically address this recommendation.

**Auditor Comment:** As noted, the contract requires that GSS ensure that a comprehensive education assessment be completed within two weeks (14 days) of the youths’ arrival. Moreover, our audit found that the number of days taken to complete education assessments ranged from 28 to 190 days. We urge GSS to implement this recommendation.

5. GSS should ensure that Team Treatment meetings are held monthly for all youths and that the minutes are maintained at all times in the youth’s case records.

**GSS Response:** GSS generally agreed, stating, “Auditors’ findings will inform changes in how minutes of Treatment Team meetings are documented and filed.”

6. GSS should ensure that all youths are informed of their rights upon arrival and that Bill of Rights are signed and maintained in the youths’ case records as evidence they have been notified.

**GSS Response:** GSS generally agreed, stating “Auditors’ findings will inform a more comprehensive notification process and completed documentation in each youths’ file.”

7. GSS should ensure that it provides enrichment/recreational activities in accordance with the applicable laws and ACS policies.

**GSS Response:** GSS generally agreed, stating “Auditors’ findings highlighted areas in which daily recreation schedules and communication logs must be more thoroughly updated to reflect completed activities and any scheduling changes.”

8. GSS should ensure that recreational schedules are posted in the residences and communication logbooks document recreational activities that take place.

**GSS Response:** GSS generally agreed, stating, “Going forward we will ensure that all activities are recorded in the communication log and that it is reconciled with the activities schedule. Additionally, staff will be instructed to note changes in planned activities and the reason for the change.”

## Inadequate Recordkeeping and Reporting

### Incidents Are Not Consistently Documented, Recorded and Reported

The audit revealed significant gaps in GSS' compliance with incident-reporting procedures required by its ACS contract and applicable ACS policies. We reviewed and compared three sets of records maintained by GSS, each of which should have contained entries regarding all reportable incidents involving the youths residing in the Barbara Blum and Rose House NSP facilities during a 16-month period—September 2015 through December 2016.<sup>4</sup> Specifically, we reviewed: (1) progress notes in the CNNX database; (2) GSS' hard-copy incident reports (for externally and internally reportable incidents); and (3) communication logbooks maintained at each facility.<sup>5</sup> We found that GSS did not consistently record all incidents as required in each of those three sets of electronic and hard-copy records. In addition, some of the documents that GSS did prepare and retain lacked required elements, including ACS incident numbers and the signatures of GSS supervisors to signify that the reports had been reviewed for completeness.

ACS' incident-reporting requirements applicable to GSS emanate from several different sources:

- The ACS QA Standards require providers such as GSS to document in CNNX all processes and activities regarding the youths in their care.
- In addition, the contract requires that each GSS employee who is involved in, or witnesses, an incident complete an incident report.
- The applicable ACS incident-reporting policy, in turn, states that all such incident reports should be reviewed by supervisors and managers to confirm they are sufficiently detailed and complete, and in accordance with that policy the incident report form includes a line for the supervisor's signature.
- ACS policy further requires that all incidents be documented in the appropriate logbooks; accordingly, incidents reflected in hard-copy incident reports, must also be recorded in two types of logbooks described below.
  - According to the ACS logbook procedures, GSS must maintain separate incident report logs that distinguish its incident reports as either "critical" or "reportable." That logbook must be arranged chronologically in a file or binder.
  - ACS' policy regarding communication logs states that the purpose of that log is to keep a running narrative account of activities and events—including incidents—as they occur.
  - Moreover, the updated ACS draft policy issued in June 2016 states that incident-entries in the communication logbook must match the incident report called in to ACS, including the time of occurrence, the youth(s) and staff involved, a brief

---

<sup>4</sup> Our review consisted of a comparison of the incidents reported in at least one of the three records. We would not, as a result, have any way to know if an incident occurred that was not reported in any of these records.

<sup>5</sup> All incidents are reportable externally to ACS' MCCU and some incidents are also required to be internally reported to GSS.

description of the event, and the report number assigned by ACS's Movement Control and Communications Unit (MCCU).<sup>6</sup>

Our testing revealed the following gaps in GSS' compliance with the abovementioned ACS incident-reporting requirements:

- Fifty-three (52 percent) of 102 incidents involving the youths in our sample were not documented in the CNNX progress notes. Examples of incidents not reported in CNNX included a youth's violent altercation with staff and a youth's pulling the fire alarm in an attempt to leave the facility without permission.
- GSS had limited evidence to show that it had prepared hard-copy ACS incident reports for 24 (24 percent) of the 102 incidents.
- Of the 78 incident reports that were completed by GSS, 40 (51 percent) were not signed by supervisors.
- Twelve (12 percent) of the 102 incidents were not recorded in the relevant communication logbook.
- GSS' communication logbook entries for 26 (39 percent) of 67 incidents that occurred between June 2, 2016 and December 27, 2016 were missing required ACS MCCU incident numbers.

In addition, we identified one incident involving an assault that was recorded in GSS' internal incident database only. This incident was not reported in CNNX, the communication logbook, or an incident report. This incident was categorized in GSS' internal incident database as "aggressive rule breaking." We found no evidence that GSS ever reported this incident to ACS as required.

Incidents should all be reported to ACS and in CNNX to insure that all relevant information is taken into consideration when therapy or placement decisions are being made.

**GSS Response:** "As confirmed by ACS during our debriefing meeting with the Comptroller's Office, reconciliation between our internal and external reporting system is not a contractual requirement. [The incident referenced on page 11 that 'was in GSS' internal database only', was in fact reported to ACS, called into MCCU, entered into Connections, and entered into the communications logbook. The date of the incident was incorrectly entered into the internal database, which is why the Comptroller's Office was unable to locate this correlating information, however it was provided to the Comptroller's Office on Friday, 6/2/17.]"

**Auditor Comment:** The audit does not fault GSS for a failure to reconcile its databases. Rather, we looked at multiple sources to determine if there was evidence that incidents were properly reported. We identified one that was not as noted. The information that GSS provided was insufficient to support that the incident in question was reported to ACS. The information that GSS provided on June 2<sup>nd</sup> indicated that it was for a different incident that occurred on a different date than the one in question. As such, we found no basis to alter this finding.

---

<sup>6</sup> Incidents are required to be called into ACS' Movement Control and Communications Unit (MCCU), which assigns and provides the NSP operator with an incident number. GSS officials stated that they based their policies on ACS policies, including draft policies.

## Communication Logbooks Are Not Properly Maintained

Our review of the communication logbooks at Rose House revealed that a number were in poor condition. Overall the books lacked uniformity and some lacked safeguards, such as numbered pages and intact bindings, to ensure their integrity as accurate and continuous chronological records of the events they are supposed to document. Specifically, some logbooks were missing covers and were bound with rubber bands; some appeared to be general purpose notebooks or diary books with significantly fewer pages than the logbooks normally used by GSS; some did not have numbered pages, as required; and some were incomplete—as though GSS staff stopped filling them out mid-book, without properly closing the books before starting new ones.

The contract requires that GSS comply with ACS policies regarding the maintenance of logbooks. According to ACS policy, all logbooks must be maintained in good condition and should be replaced if the cover becomes detached or whenever pages containing written entries become separated from the logbook or when pages are skipped. If any of those conditions occur, the affected logbook must be immediately closed and replaced and any missing pages must be the subject of an incident report. The ACS policy also requires that closing procedures be followed regardless of how many blank pages remain in the current logbook.

When logbooks are not sufficiently maintained, there is an increased risk that pages will go missing and that lapses and gaps in information-recording can occur, all without detection.

## Insufficient Evidence of Census Reporting

According to the contract, GSS is required to report its current census, capacity, and vacancies to ACS on a daily basis to ensure that youth are accounted for and to enhance safety and security. According to an ACS memorandum, census reporting is required six times a day as follows:

Time Frame	Type of Report
2:00 am-3:00 am	Call-In
4:00 am-5:00 am	Call-In
8:00 am-11:00 am	Fax/Scan/E-Mail Census roster
12:00 pm-1:00 pm	Call-In
4:00 pm-6:00 pm	Call-In
7:00 pm-11:00 pm	Fax/Scan/E-Mail Census Roster

Our review of communication logbooks and census reports for the selected week of May 30, 2016 through June 5, 2016 revealed that the census for the Barbara Blum residence was not reported six times on any of the seven days reviewed. There was evidence that staff at the Rose House residence reported the daily census to MCCU six times a day for only one of the seven days reviewed. In total, the census for both residences should have been reported 84 times over the seven-day period, but we found evidence of only 59 (70 percent) census reports—both call-ins and printed rosters—noted in the logbooks.

GSS officials stated that the census was most likely provided to ACS but not recorded in the communication logbooks. However, GSS was unable to provide corroborating evidence (e.g., emails, fax receipts) that the missing census information was sent to ACS on the days and times in question. Inconsistent recording of required census reporting could indicate that the information is not being reported to ACS in all required instances. Moreover, the missing information is an indication that GSS may not be appropriately tracking and monitoring the whereabouts of the youths committed to its care.

## **GSS Policies and Procedures Are Incomplete**

The GSS contract with ACS that took effect on July 1, 2012 requires GSS to develop a comprehensive program manual. It also requires that GSS prepare a safety and security protocol for each NSP facility that includes: (1) precautions for dealing with individuals who may be dangerous; (2) actions to be taken when dangerous or potentially dangerous incidents occur; and (3) circumstances under which the police should be called. In addition, GSS signed a contract modification agreement with ACS in September 2016 that states that the “Contractor shall prepare and submit for ACS’s review, edit and approval a safety and security protocol for each NSP facility.”

Although GSS has started to develop an NSP manual, we found that as of December 2, 2016, it was still incomplete. For example, the manual’s table of contents listed 103 subsections, but GSS provided evidence of having completed only 77 of them. In addition, GSS did not create a safety and security protocol as required.

Properly designed and implemented policies and procedures serve as a strong internal control and can assist GSS to improve the effectiveness and efficiency of its processes and services provided to youth. Moreover, without a complete program manual, GSS has limited assurance that policies and procedures are effectively communicated to staff. Additionally, in the absence of a safety and security protocol for the residences, GSS’s ability to provide for the safety and security of all individuals on the premises could be compromised and staff may be ill-prepared in the event of dangerous situations.

## **Recommendations**

9. GSS should ensure that all incidents are properly reported to ACS; recorded in CNX and the communication logbooks, including MCCU incident report numbers; and documented in hard-copy incident reports, signed by supervisors and maintained in the appropriate bound incident logs.

**GSS Response:** GSS generally agreed, stating, “Good Shepherd Services has hired a social service supervisor and part of their remit will be to ensure that the Connections record for every youth is complete along with proper documentation in the communications log books. This individual will also manage the training of new case planners to ensure continuity of full record keeping.”

10. GSS should ensure that communication logbooks are maintained in accordance with ACS policies.

**GSS Response:** GSS generally agreed, stating, “Good Shepherd Services will review the practice of logbook maintenance with staff and will ensure that new, and hopefully sturdier, logbooks can be purchased.”

11. GSS should ensure that census reporting is documented in the communication log and that other documentation such as faxes and emails is maintained as evidence of census reporting.

**GSS Response:** GSS generally agreed, stating, “The report highlighted the need to strengthen documentation of census reporting as this information was in some cases missing from our logbooks. Going forward we will designate one staff person plus one additional back-up staff person from the intake section as a liaison who will report census to ACS and ensure inclusion in the log.”

12. GSS should develop a complete program manual, including a safety and security protocol.

**GSS Response:** GSS generally agreed, stating, “Auditors’ recommendation that Good Shepherd Services develop a complete program manual, including a safety and security protocol, is already in progress as our NSP manual is currently in the process of being completed and will be regularly updated. . . . We are also developing individual, specific safety and security protocols for each residence as part of the overhaul of our manual that has already begun.”

## GSS Incorrectly Billed ACS for Care Days

We identified discrepancies in the care days billed by GSS during the period of July 1, 2015 to December 31, 2016; specifically, 3 of 10 submitted claims contained overbillings totaling \$16,541 and under-billings totaling \$13,895 for a net overbilling of \$2,646.

According to its contract with ACS, GSS “shall receive a preliminary base per diem of \$360.00 per bed plus, if located in New York City, \$68.00 for expenses related to qualified behavior management staff per bed multiplied by days program in operation.” The contract also states, “[a] contractor’s ACS-approved annual budget shall be based upon the Contractor’s preliminary base per diem, projected allowable care days, and youth per program.”

GSS overbilled ACS by 15 days for one youth, which resulted in the City’s overpaying GSS \$16,541. GSS provided a copy of a claims report that showed that it attempted to cancel the incorrect billing. GSS explained that it attempted to resubmit corrected claims for an adjustment for the 15 days, but that the resubmitted claims were not processed through the ACS billing system due to a processing error.

We also found that GSS under-billed ACS for two of the three sampled claims for which we found discrepancies, specifically, instances in which GSS charged ACS for fewer care days than allowed. For one claim, GSS did not bill for six days. Officials explained that once the six days are confirmed billable by the GSS Program Evaluation and Planning department, they will be billed by the end of the fiscal year. For that same claim, GSS also did not bill for an additional four days when the youth was in detention, even though the New York State Office of Children and Family Services (OCFS) policy allows GSS to receive payment for those days. The total amount under billed for that claim was \$11,027.

**GSS Response:** “Findings in this area reflect the auditors’ incomplete understanding of the multiple steps in the billing and annual census reconciliation process. . . . The underpayment noted in the findings was due to a delayed change of status from July 2016 that once belatedly received by our Program Evaluation and Planning department was

then entered and the corresponding claims were automatically generated for the six days noted. Proof of these claims were provided to the auditors in the preliminary meeting on 5/18/17. The four legal detention days noted will be billed with the final care days for the year.”

**Auditor Comment:** Contrary to GSS’ response, we obtained a full understanding of the claims submission process and thoroughly discussed billing with GSS, including the issues of under- and overbilling identified. During those discussions and through documentation, GSS did not identify a procedure for ensuring that funds were recouped when claims were incorrectly billed. Moreover, the \$11,027 underpayment did not result from a delay in processing a Change of Status form. GSS simply failed to complete a Change of Status form when the youth returned to the facility from detention. The original claim was for the period of 7/23/2016 through 7/27/2016 and the Change of Status form was still not processed in March 2017—over seven months later—when we made our first request for clarification on this issue. If we did not bring this underpayment to GSS’ attention, the agency might never have been aware of it.

We also found that GSS failed to record three 24-hour AWOL incidents in the Evolv database. GSS officials agreed that Change of Status forms were not submitted at the time of those AWOLs, but stated that the agency had improved that process by comparing the weekly census submitted by program staff with the data in Evolv.<sup>7</sup> GSS officials also stated that because the three AWOLs were for periods of under seven days, the care days GSS billed for those AWOL periods were allowable and did not result in an overpayment. However, the failure of GSS to submit Change of Status forms timely could lead to errors in billing.

## Recommendations

13. GSS should ensure that Change of Status forms are completed and submitted in all instances of youth movement from the youth’s assigned NSP facility so that care days are correctly billed and that care days and payments are adequately reconciled to ensure accurate payments.

**GSS Response:** GSS did not specifically address this recommendation.

14. GSS should ensure that Change of Status forms are submitted timely and recorded in Evolv.

**GSS Response:** GSS did not specifically address this recommendation.

## Other Matters

### GSS Vehicle Inspections Were Not Current

During our audit, we observed that GSS used vehicles with expired inspection stickers to transport youth in its care. The New York State Department of Motor Vehicles requires all vehicles registered in New York to have a safety inspection every 12 months.

---

<sup>7</sup> Change of Status forms are used by GSS to keep track of all movements of youth out of their assigned NSP facilities, such as AWOL, detention, hospitalization, and discharge of each resident while in the NSP program. All changes in youths’ movements are recorded in Evolv and CNNX based on these forms.

Our observations of the six vehicles operated by GSS for the transport of youth in January 2017 revealed that three (two at Barbara Blum and one at Rose House) had safety inspection stickers that expired in December 2016. The inspection sticker for two vehicles at Barbara Blum had been expired 17 and 18 days and the sticker for one vehicle at Rose had been expired 30 days, as of the dates of our observations.

In addition, a 15-passenger van that is used by the Barbara Blum residence to transport youth to school had a license number on the vehicle plate that was different from the license number on the registration card. We brought that issue to the attention of GSS officials. The GSS Senior Associate Accountant provided us with revised vehicle documentation indicating that the vehicle plate number on the physical plate matched the plate number on the registration and the insurance policy as of January 23, 2017 (several days after our observation of the mismatched plate and registration card).

Without current documentation of required vehicle inspections and current registrations, GSS has limited assurance that its vehicles conform to safety regulations, which could put youths and staff at risk of injury.

## **ACS Needs to Update the Contract Requirements for AWOL Reporting**

According GSS' contract with ACS, within 24 hours after learning of an AWOL, GSS must notify the local police precinct so that the precinct can issue a Missing Person's report, which the contract states is in accordance with 18 NYCRR 431.8 and the Social Services law 404(13). Our review of incident logbooks at Barbara Blum, Rose House and GSS's 7th Avenue office revealed that 32 of 45 incidents qualified as AWOL incidents under the contract criteria. Of those 32 AWOLs, 20 involved periods of 24 hours or more and therefore should have been reported to the applicable police precincts. However, GSS had no evidence that it had reported 18 of those 20 AWOLs to the police.

After we brought these preliminary concerns to the attention of GSS officials, they provided us with an ACS policy, entitled *AWOLs and Attempted AWOLs from Juvenile Justice Placement Facilities and During Transport*, which states that ACS' MCCU will issue a warrant for the youth. GSS officials contended that under the cited ACS policy the ACS MCCU issues a warrant for an AWOL youth after 24 hours has passed and that the policy does not mention the contractor's contacting the police within 24 hours of learning of an AWOL. GSS officials further stated that ACS had instructed them to contact ACS' MCCU, and not the local police precinct, when a youth is AWOL for 24 hours or more, notwithstanding the abovementioned requirement to the contrary.

We followed up with ACS, and officials confirmed that, in the interim policy ACS issued to providers, providers are required to notify MCCU, not the police, when a youth is AWOL. In an email, ACS stated that "In 2013, after NSP began, it became clear that NYPD would not accept both a Missing Persons Report and a warrant, and since ACS is statutorily required to issue a warrant, that is what ACS required in its interim policy." Officials further stated, "Under the interim policy ACS issued to our providers in 2013, ACS requires NSP Providers to notify ACS' Movement Control and Communications Unit (MCCU), and then MCCU would notify Law Enforcement (NYPD Juvenile Crime Squad & Sheriff's Department) through the issuance of a warrant."

ACS also provided a copy of the abovementioned policy that GSS previously provided; however, that ACS policy does not expressly state that it supersedes the contract or address the question of whether the contractor has any independent obligation under NYCRR 431.8 or the Social

Services Law to report an AWOL youth to the police, as suggested by the contract. ACS also stated that it has been working with OCFS to finalize an AWOL policy, but that the effort is still ongoing.

## Recommendations

15. GSS should ensure that all of its vehicles have up to date inspections and that the license plates on vehicles match the registration documents.

**GSS Response:** GSS generally agreed, stating, “All issues identified in this area were immediately addressed and resolved by our Facilities Department, which will enhance procedures to ensure that even short-term lapses do not occur in the future.”

16. ACS should amend the contract with NSP providers to update the contract requirement regarding AWOL-reporting to the police and ensure that the relevant provisions of its NSP contracts conform to both current ACS policy and the applicable statutes and regulations.

**ACS Response:** “The ACS NSP contracts already contemplate that changes such as these can be made through “ACS Policies” as defined in the NSP contracts. . . . The issuance of policies — rather than a contract amendment — is a far more efficient manner for ACS to quickly hold a provider to ACS policy changes.”

**Auditor Comment:** While the issuance of policies may be more efficient, in this instance, the ACS policy that GSS provided does not expressly state that it supersedes the contract or address the question of whether the contractor has any independent obligation under NYCRR 431.8 or the Social Services Law to report an AWOL youth to the police, as suggested by the contract. Consequently, we urge ACS to implement this recommendation.

## DETAILED SCOPE AND METHODOLOGY

We conducted this performance audit in accordance with Generally Accepted Government Auditing Standards (GAGAS). 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 objective. 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 primary audit scope was July 1, 2015 to April 3, 2017.

To gain an understanding of the operations within GSS' NSPs and the responsibilities of GSS' NSP personnel, we conducted interviews with GSS' NSP officials and staff from both, Barbara Blum NSP and Rose House NSP, including an Associate Executive Director; a Division Director; a Program Director; NSP Assistant Site Directors, NSP Tour I and Tour II supervisors; a Behavior Specialist; an Educational/Vocational Specialist; Recreational Specialists; a Case Planner; and Social Workers. In addition, to obtain an understanding on GSS' management of the program and its operation, we conducted walkthroughs and interviews with GSS administrative personnel, including a Data Integrity Manager; a Senior Program Analyst and a Program Analyst from the GSS Program Evaluation and Planning department; a GSS Assistant Executive Director and an Assistant Director of Learning and Development from the GSS Department of Professional Learning; an Application Specialist; an Assistant Director of Revenue; an Assistant Director of Accounts Payable; and a Senior Associate Accountant. In addition, we conducted walkthrough and observations at the Barbara Blum and Rose House residences, as well as the GSS Fiscal Departments.

To gain an understanding of GSS' responsibilities under and to assess its compliance with its contract with ACS as well as applicable rules and regulations, we reviewed the GSS contract, and all contract amendments and appendices. We also reviewed NYCRR, NYCRR Title 18. Department of Social Services, Chapter II; Regulations of the Department of Social Services, Subchapter 2. Family and Children Services, Parts 428, 430, 431, 441, and 442 (18 CRR-NY 428, 430, 431, 441, and 442); GSS's Non-Secure Placement Manual; ACS's NSP draft and final policies; ACS's QA Standards effective August 17, 2012 and any relevant documentation from GSS's and ACS's websites. These materials formed the basis of our audit criteria. In addition, we reviewed GSS NSP Organizational Charts that highlighted direct Barbara Blum and Rose House staff personnel and their supervisors.

To determine whether GSS' *Client Roster FY16 to Date* report (the report covered the period of July 1, 2015 to November 14, 2016) was reliable, using the Audit Command Language program, we tested the list that contained 50 NSP residents' records for duplicate identification numbers, Medicaid and case numbers and removed two duplicates and youths without case numbers. We randomly selected five boys from the population of 20 boys that were residents of Barbara Blum and five girls from the population of 25 residents of Rose House. In addition, we compared the information from hard-copy NSP residents' case files for the 10 sampled youths to the information from Evolv to determine whether the information entered in Evolv was accurate. Next, we judgmentally selected 10 hard-copy case files from the 35 remaining youth records in our population and traced information from the hard-copy files to the Client Roster FY16 to Date report fields to determine whether information entered in Evolv was complete.

We compared the information on active care days for the 10 judgmentally selected NSP residents' case files from the population of 45 youths to the data contained in the report. In addition, using documentation on the youths' placement movement obtained from the GSS Program Evaluation and Planning (PEP) department we determined whether the number of active care days contained in the electronic report reconciled with the number of care days we calculated using the PEP hard-copy files.

To determine whether GSS designed and implemented CTH NSP internal policies and procedures, we requested and reviewed its NSP manual. In addition, we verified that GSS maintained required insurance policies.

To determine whether GSS established and maintains a safe and healthy environment in the NSP residencies, we conducted walkthroughs and inspections of the Barbara Blum and Rose House residence. During our visits to each location we determined whether each residence had a functioning camera and fire alarm system, locked windows and doors, evacuation plans on each floor, periodically inspected fire extinguisher, secured medication cabinets and first aid kits, posted emergency telephone numbers, operating certificates, certificates of occupancy, clean and home-like premises for NSP residents, functioning kitchen, and laundry equipment and sufficient amount of food and hygiene supplies. In addition, we inspected all vehicles utilized by the residencies and ensured that the vehicles had up-to-date registrations, inspections and insurance.

To determine whether GSS complies with the ACS contract terms pertaining to record-keeping and reporting to ACS and other outside parties, we randomly selected a period of one week—May 30, 2016 through June 5, 2016—from Fiscal Year 2016. We reviewed records for this week to determine whether required records (e.g., communication logs, incident logs) were maintained by the Barbara Blum and Rose House residences. We determined whether GSS prepared daily tour reports; reports daily census to ACS; reports and recorded incidents, maintained weekly progress school reports; and completed weekly camera review reports. We also determined whether GSS conducted weekly Team and Tour Turn-Over meetings.

In addition, using the randomly selected period of April 1, 2016 through June 30, 2016, we determined whether GSS conducted monthly fire drills; monthly Treatment Team meetings; and monthly leadership and supervision meetings. Further, we assessed whether GSS properly recorded and reported AWOL incidents that occurred and whether GSS retains the NSP residences video footage for at least 90 days.

To determine whether GSS complies with the key ACS contract terms and established adequate internal controls over the provision of CTH NSP services to youth, we obtained the hard-copy case files that contained the youths' case source documentation and requested incident reports, communication logbooks and facility search and facility visitors logbooks for the period of July 1, 2015 through January 2017 for the 10 randomly selected youth. Further, we obtained read-only access to the CNNX database and determined whether required documents were recorded. We reviewed the case files and logbooks to determine whether GSS maintained proper record keeping for each youth.

Further, to assess whether GSS complied with ACS requirements regarding the recording and reporting of AWOLs, we obtained 45 hard-copy AWOL incident reports from Barbara Blum, Rose House and the GSS Compliance and Risk Management department for the period of July 1, 2015 through April 3, 2017. In addition, we received an electronic incident report generated by GSS Compliance and Risk Management department from their SPSS electronic system. We tested the entire population of 45 AWOLs to determine whether AWOL incident reports contained valid

MCCU numbers; whether AWOLs over 24 hours were recorded in Evolv for billing purposes and reported to a local precinct.

To assess the accuracy of the monthly billing claims submitted by GSS to ACS, for the period of July 1, 2015 to December 31, 2016, we examined care days billed for our 10 randomly selected youths. We obtained the following for review: Active Care Days reports and Placement Disruption reports for Barbara Blum and Rose House. We also reviewed the hard-copy case files for each sampled youth and reviewed documentation contained therein, including admission and change of status forms detailing billable care days and admission forms and change of status forms from the GSS PEP department. We calculated the number of active care days for each youth based on the hard-copy forms and compared them to the number of active care days included in the Active Care Days and Placement Disruption reports generated from Evolv.

To evaluate GSS' controls over its procurement process, we randomly selected a sample of 25 payment transactions from a population of 1,460 transactions over \$100 incurred by Barbara Blum and Rose House NSPs during the period July 1, 2015 through March 9, 2017. We reviewed invoices, request forms, receipts, bank statements, copies of checks and petty cash reconciliation statements to determine whether the CTH NSP residences made authorized purchases that were supported by sufficient documentation.

The results of the above tests, while not projectable to their respective populations, provided a reasonable basis for us to evaluate and support our conclusion about GSS' compliance with key provisions of its contract with ACS.

## APPENDIX

<b>Key Contract Terms Tested</b>	
GSS NSP provision of services:	<ul style="list-style-type: none"> <li>• Intake procedures;</li> <li>• Mental and psychosocial assessment;</li> <li>• Educational assessment;</li> <li>• Behavior assessment;</li> <li>• Housing;</li> <li>• Food and beverages;</li> <li>• Recreational activities;</li> <li>• Medical services;</li> <li>• Education and tutoring.</li> </ul>
Recordkeeping:	<ul style="list-style-type: none"> <li>• Uniform youth case records maintained;</li> <li>• Logbooks;</li> <li>• Certificates of Operations;</li> <li>• Certificates of Occupancy;</li> <li>• Menus;</li> <li>• Weekly activities schedules;</li> <li>• FASP in CNNX;</li> <li>• Progress notes in CNNX;</li> <li>• Court Permanency Hearing in CNNX;</li> <li>• Educational history in CNNX;</li> <li>• AWOLs and other absences in Evolv.</li> </ul>
Reporting:	<ul style="list-style-type: none"> <li>• Incident reporting;</li> <li>• AWOL reporting to police;</li> <li>• Grievance reporting;</li> <li>• Census reporting;</li> <li>• Internal daily tour reports.</li> </ul>
Safety of NSP residents and community:	<ul style="list-style-type: none"> <li>• Hazard-free environment;</li> <li>• Alarm and security system functionality;</li> <li>• Camera system functionality;</li> <li>• Periodic fire inspections and fire drills;</li> <li>• Vehicles;</li> <li>• Facility and Personal searches.</li> </ul>
Billing to ACS:	<ul style="list-style-type: none"> <li>• Billing for actual care days applying effective administrative rates.</li> </ul>
Procurement:	<ul style="list-style-type: none"> <li>• Review of purchases.</li> </ul>



We see what can be.

We envision a New York City where children grow up in thriving neighborhoods, and all individuals and families can realize their fullest potential.

### Our Mission

Good Shepherd Services goes where children, youth, and families face the greatest challenges and builds on their strengths to help them gain skills for success. We provide quality, effective services that deepen connections between family members, within schools, and among neighbors. We work closely with community leaders to advocate, both locally and nationally, on behalf of our participants to make New York City a better place to live and work. Good Shepherd Services leads in the development of innovative programs that make a difference in the lives of children, youth and families today.

### Overview

As part of our work to fulfill our mission, in October 2012 we opened our Close to Home Non-Secure Placement (NSP) programs. Since then, Good Shepherd Services has welcomed over 200 young people who had experienced juvenile justice involvement to spend their time in placement in one of our residences while gaining the tools needed to embark on a new path forward and toward success in life. Working with young people at such a pivotal moment in their lives is at the very heart of our Good Shepherd mission.

As an organization committed to learning and development, Good Shepherd Services welcomes every opportunity to review our work with fresh eyes and continuously identify ways to improve our practice, policies and procedures. We appreciate the Office of the Comptroller's interest in and close review of our NSP programs and welcome the learning that has emerged from it, in particular areas in which we can improve documentation of our work.

Launched by the Administration for Children's Services (ACS) in 2012 and with programs first opening shortly thereafter, Close to Home is still a young government initiative. As with any new effort, there is significant learning and adjustment that takes place during implementation. In fact, some of the areas discussed in the report reflect policies and procedures that have changed over time, both areas in which initial contract guidelines were later amended to improve practice and operations (such as the change in AWOL reporting procedures noted on page 15 of the report), as well as areas where new guidelines are still in the process of being developed.

Also not surprising with a young and complex initiative, some of the report's findings stem from misunderstandings of the NSP program and practice model, while others highlight areas in which ongoing collaboration continues to bring policy and contract guidelines into better alignment with best practice. We are committed to working closely with ACS to use these learnings to inform our ongoing work together, to continuously strengthen our work with young people, and to benefit the field.

### Improved Outcomes

Good Shepherd Services is deeply honored to be a part of the Close to Home initiative and to be able to work with the young people who spend their time in placement with us. Few other areas of our work present as meaningful an opportunity to impact a young person at such a critical moment in their life, and it is truly inspiring to be a part of each young person's journey. Immediately upon entering one of our NSP programs, young people begin attending school and resuming credit accumulation toward graduation. For many young people this represents a return to education for the first time in many months or years and an opportunity to earn academic credits which did not exist in the former state-run upstate detention system.

Moreover, the opportunity for young people to spend their time in placement in or near their own communities enables their families to stay connected, visit their child, and participate in family counseling and activities. Young people also have the ability to earn "home passes", which many achieve.

After completing the residential portion of placement, young people receive strength-based aftercare services, with a focus on educational transition planning and return to a regular Department of Education (DOE) school.

Taken together, these factors lead to improved long-term outcomes and reduced recidivism.

### Good Shepherd Services' Response to Audit Findings and Recommendations:

#### ***Referral Packet Review***

When young people arrive at our NSP, ACS requires that they arrive with a referral packet prepared by the youth's prior placement. Our staff review the accompanying ACS referral packets. If any packet is incomplete, our policy is to contact ACS immediately, either by phone or email, and request the missing items. There is no required formal or specific process for documenting packet review or outreach to obtain missing items, but moving forward we will develop a process to ensure that our steps related to packet review and completion are documented in writing.

#### ***Behavior Plans***

The finding in this area reflects the auditors' misunderstanding of the practice model and differing terminology used for behavior plans. Good Shepherd Services' positive youth and family development practice framework recognizes and builds on the strengths and competencies of each NSP resident. Our NSP programs incorporate strategies and tools from the Missouri approach, Sanctuary Model and Trauma-Focused Cognitive-Behavior Therapy. The Missouri approach is intended to aid in the reduction of recidivism, emphasizing the process of group work. Youth are enabled to exercise their voice, strengthen self-accountability and problem solving. The group process is supported through the Sanctuary model which provides trauma-informed interventions to our residents, maintaining a trauma sensitive culture among the residents and staff members that is physically, socially and morally safe. This model incorporates the four stages of recovery: safety, emotional management, loss, and future. The emotional management component enables youth to self-identify and manage their emotional state, understand the difference between positive and negative affect and promotes positive self-resolution and expression.

It is within this framework that creation of the behavior plan occurs jointly with each NSP resident. This process begins with development of the Individual Crisis Management Plan (ICMP): during intake the youth development counselor guides each youth to assess their own triggers, areas of challenge and strategies for addressing them. This plan also serves as a tool for building the youth's Sanctuary Safety Plan which includes their individual tools for de-escalation. These plans are frequently updated based on current situations. ACS does not have a mandated behavior plan template and providers are permitted to develop their own form for documenting the resident's individual plan. QA Standards from 2013 state "ACS requires that providers have a behavior management system that encourages and rewards positive behavior and ensure staff is knowledgeable about the system." Development of the ICMP and Sanctuary Safety Plan fully meets these requirements. These documents for all but one youth were provided to the members of the auditing team as requested on 5/2/17 and again on 5/19/17.

### ***Education Assessments***

Auditors were unaware of a change in practice in which Good Shepherd Services and other NSP providers are no longer charged with responsibility for primary education planning and transition. As the program evolved, the role of Education Transitional Specialist was created by the Department of Education (DOE) as a member of their staff, who is now responsible for this function. This DOE staff member is responsible for carrying out Education Assessments and works closely with the ACS Juvenile Justice Program Services team and the provider to ensure that these plans are created and meet the needs of the youth in our care.

It is also important to understand that youth placed in the NSP program are immediately enrolled in school with the Passages Academy and begin attending class and receiving academic supports in mixed ability classes on the first day after arrival at the NSP. The education assessment is informed by the young person's educational and classroom experience while in NSP, not a pre-requisite to it, and is particularly critical to guide the young person's educational next steps after leaving our care. The Educational Specialist is involved with each youth's education from day one and works closely with both of the NSP programs and the DOE Guidance Counselor to ensure that the appropriate education is provided. If a youth does not arrive to the program with an Individual Education Plan (IEP), but the Education Specialist feels an assessment for an IEP is necessary, they work with both DOE and ACS to complete this.

While full academic results are not yet available for the current school year, during the 2016 school year the 34 young people placed in our care earned a total of 201.5 credits and passed 10 regents exams. 20 of the young people advanced at least one school grade level.

### ***Documentation of Treatment Team Meetings***

Auditors' findings will inform changes in how minutes of Treatment Team meetings are documented and filed. Good Shepherd Services holds weekly Treatment Team meetings in each program. Several youth are discussed in each meeting, and every resident is discussed in depth at least once per month and often more frequently as emergent issues are also reviewed in each meeting. Minutes of these meetings have been saved either in the program shared drive, or in the worker's own Good Shepherd Services work computer drive and are distributed to the members of the treatment team by email. The audit team reviewed the program shared drive but not individual staff's work computer drives, thus coming to the initial conclusion that some treatment team meetings either had not occurred or had not been

documented. As part of the audit, we gathered minutes filed outside of the shared drive and provided these to the audit team when requested. Going forward, staff are being instructed to save all meeting minutes in the shared drive. Additionally, any updates to treatment plans are recorded in CNNX or, when necessary, the physical record and we will review our process to ensure thoroughness.

### ***Notifying Youth of their Rights***

Auditors' findings will inform a more comprehensive notification process and completed documentation in each youth's file. While posters with information including contact details for the NYS Office of Children and Family Services' Ombudspersons and ACS contact staff are clearly displayed in each residence, going forward we will ensure and document in each participant's file that he or she has received an individual notification of their rights.

### ***Recreation***

Auditors' findings highlighted areas in which daily recreation schedules and communication logs must be more thoroughly updated to reflect completed activities and any scheduling changes. All youth in our NSP programs are provided with the required recreational activities. Twice a week, youth attend the afterschool programming that is provided by Center for Community Alternatives' Department of Youth and Community Development-funded SONYC program operated at the Passages Academy school, which our youth attend. ACS approves the recreational activities provided at the afterschool program. Additionally, on the weekend youth have structured activities that include physical fitness, community and group games, activities and discussions, such as Circle Up and Rap sessions. ACS verified that the SONYC program was in operation during the audited week (this documentation was provided to the Comptroller's office after the preliminary findings meeting on May 18, 2017). In addition, Good Shepherd Services has an outside gym nearby that youth are able to use contingent upon good behavior. Following the Missouri model, our staff may need to change the schedule to fit the real-time needs of the youth and whatever is happening in the house overall. Going forward we will ensure that all activities are recorded in the communication log and that it is reconciled with the activities schedule. Additionally, staff will be instructed to note changes in planned activities and the reason for the change.

### ***Recordkeeping and Reporting***

**Incident Reporting:** The report highlights areas in our incident reporting and record keeping practices that we will review and adjust. As a government-funded provider agency, we are responsible for adhering to multiple incident reporting systems. The report adequately describes the procedures for reporting incidents to ACS and other oversight departments. Good Shepherd Services' internal reporting process is managed by our Compliance and Risk Management team, whose staff read every internal incident report for accuracy and completeness. When information is missing, these staff follow up with the NSP programs for the additional information until it is received.

The primary goal of Good Shepherd Services' internal incident reporting system is always the safety and well-being of the children in our care. We seek to track trends across programs and to identify risks that need to be addressed. ACS' definition for incidents differs in some areas from the parameters we have internally defined for review, so they will not always be in sync. As confirmed by ACS during our debriefing meeting with the Comptroller's Office, reconciliation between our internal and external reporting systems is not a contractual requirement. [The incident referenced on page 11 that "was in GSS' internal database only", was in fact reported to ACS, called into MCCU, entered into Connections,

and entered into the communications logbook. The date of the incident was incorrectly entered into the internal database, which is why the Comptroller's Office was unable to locate this correlating information, however it was provided to the Comptroller's Office on Friday, 6/2/17.] Good Shepherd Services has hired a social service supervisor and part of their remit will be to ensure that the Connections record for every youth is complete along with proper documentation in the communications log books. This individual will also manage the training of new case planners to ensure continuity of full record keeping.

Communication Logbooks: The auditors highlighted the standards to which logbooks should be maintained in proper condition. Our staff work to ensure that the logbooks are kept to these standards but, given the nature of the program, the physical state of the books is often compromised by daily handling by a large group of staff members, causing a lot of wear and tear. Good Shepherd Services will review the practice of logbook maintenance with staff and will ensure that new, and hopefully sturdier, logbooks can be purchased.

Census Reporting: The report highlighted the need to strengthen documentation of census reporting as this information was in some cases missing from our logbooks. Going forward we will designate one staff person plus one additional back-up staff person from the intake section as a liaison who will report census to ACS and ensure inclusion in the log. However, it is important to note that while the youth are in school, documentation of census reporting cannot be recorded in the log book since the log book does not leave the building and this daily report occurs while youth are in school.

Policies and Procedures: Auditors' recommendation that Good Shepherd Services develop a complete program manual, including a safety and security protocol, is already in progress as our NSP manual is currently in the process of being completed and will be regularly updated. As changes in ACS policy, procedures and protocols occur and are disseminated to providers, our internal records must be continually amended. New and updated policies are circulated to all relevant staff and are also discussed in the programs' weekly team meetings. Staff are required to sign that they have received and understand particularly critical or impactful changes in policy. We are also developing individual, specific safety and security protocols for each residence as part of the overhaul of our manual that has already begun.

On an ongoing basis, all our staff are trained in:

- Precautions for dealing with individuals who may be dangerous;
- Actions to be taken when dangerous or potentially dangerous incidents occur;
- Circumstances when the police should be called.

Safe Crisis Management (SCM) is the behavior management method mandated in NSP and our staff are trained in it. SCM teaches graduated responses, from non-verbal prompts, through verbal prompts/directions, de-escalation methods, to emergency safety physical interventions (ESPIs). Use of SCM is underpinned by the Good Shepherd Services Behavior Management Policy. Staff are trained to call police when a true emergency occurs, and when unsure whether to call 911 to consult with the supervisor on duty.

As described earlier, our programs use Sanctuary, a trauma-informed model approved for use in NSP. Staff receive training in its use and are expected to help further implement primary, secondary and tertiary prevention/de-escalation methods in program.

Incident debriefing procedures are in place to both understand what occurred and as a teaching method. Serious incidents and occasions on which police have been called are discussed and analyzed in team meetings and incident video review is used with staff as a teaching tool to improve responses in challenging situations. Formal improvement plans/corrective actions are implemented as necessary.

All new staff are trained in the DYFJ-specified procedures for pat-frisk and security searches of persons, and when searches are required. All staff are also trained in how to conduct area, room and perimeter searches and team meetings provide refreshers in the areas.

Billing (over and under):

Findings in this area reflect the auditors' incomplete understanding of the multiple steps in the billing and annual census reconciliation process. The noted over- and under-billings are the result of changes in status that are typically received after the affected service period has been processed. When this happens the process is to create and resubmit adjustment claims. As was clarified in the preliminary meeting, it is routine practice for there to be adjustment claims after the initial claims have been processed for the month due (i.e. change of statuses that go through a process with inherent delays).

The overpayment mentioned in the findings was due to both an AWOL and legal detention change of status that was received and entered by our Program Evaluation and Planning department after claims for the affected periods were processed. The adjustment claims were generated and submitted to ACS but were not processed due to a processing error as noted in the findings.

The underpayment noted in the findings was due to a delayed change of status from July 2016 that once belatedly received by our Program Evaluation and Planning department was then entered and the corresponding claims were automatically generated for the six days noted. Proof of these claims were provided to the auditors in the preliminary meeting on 5/18/19. The four legal detention days noted will be billed with the final care days for the year.

In regard to the three instances of 24-hour AWOL incidents that were not recorded in the Evolv database, as noted in the findings, these instances had no impact on payment but instead resulted in an "incorrect status of care days billed" which should have been listed as payable AWOL days rather than regular payable care days.

***Vehicle Inspections***

All issues identified in this area were immediately addressed and resolved by our Facilities Department, which will enhance procedures to ensure that even short-term lapses do not occur in the future.



June 20, 2017

Office of the Comptroller  
1 Centre Street  
New York, NY, 10007

David A. Hansell  
Commissioner  
Attn: Marjorie Landa, Deputy Comptroller for Audit

150 William Street  
18th Floor  
New York, NY 10038

212-341-0900 tel.  
212-341-0916 fax.

Dear Ms. Landa:

Thank you for the opportunity to review and comment on the Office of the Comptroller's Audit Report on Good Shepherd Services' (GSS) Compliance with its Close to Home Contract with the Administration for Children's Services (ACS).

ACS is committed to rigorous oversight and monitoring of our Close to Home provider agencies. We are focused on maintaining public safety and ensuring the development and well-being of our Close to Home youth. We strive to provide our partner agencies with the guidance and tools they need to best serve Close to Home youth.

ACS will use the Office of the Comptroller's recommendations to inform our ongoing compliance and contract process work. Since 2014, ACS has taken numerous steps to strengthen Close to Home. A number of recent changes to our oversight and monitoring directly address some of the issues raised in the audit of GSS' Close to Home programs:

- In July 2014, the ACS Division of Youth and Family Justice created the (DYFJ) Office of Policy Planning and Performance (OPPP), which oversees program development, monitoring, quality assurance, and targeted technical assistance for ACS' juvenile justice programs, including Close to Home. OPPP conducts on site Monitoring Inspections at all of our residential providers at least quarterly. In FY 2016 OPPP conducted 348 inspections.
- DYFJ has adopted Performance-based Standards (PbS), a data-driven quality improvement model grounded in research that holds juvenile justice agencies, facilities and residential care providers to the highest standards for operations, programs and services. In October 2016, we began to collect data both qualitative (such as surveys of youths, staff and families) and quantitative (administrative record and incident data) and using what we learn to implement Quality Improvement activities.
- ACS works closely with the Department of Education (DOE) on education plans for youth in Close to Home. In 2015, the DOE created the position of Educational Transition Counselor; ETC staff are assigned to youth in order to facilitate seamless transitions from detention to placement to the community. The DOE has fully assumed the responsibility for educational assessments over the past year. This spring, DOE agreed to share information with CTH providers regarding its assessments and recommendations. Going forward, the Juvenile Justice Program Services team and the ACS Placement and

Permanency Specialists will collaborate with DOE and the Close to Home providers to ensure that these plans are created and meet the needs of the youth in our care. ACS is updating our Quality Assurance Standards to reflect this change of responsibility. In addition, ACS will be requiring that contracted providers document the plan in the CNNX Education Tab.

- In the fall of 2017, DYFJ will launch a “Provider Agency Measurement System” (PAMS) for the Close to Home residential providers. PAMS is a twice-per-year review of documented casework practice in a statistically valid sample of cases from each provider agency. The PAMS review will capture compliance with key ACS policies and standards, and assess the quality of case practice by each provider. Performance on the PAMS review is scored. Significant gaps in case practice are immediately flagged for corrective action. PAMS will improve ACS’s ability to detect some of the concerns raised in this audit, including ensuring whether appropriate behavior plans are in place, whether appropriate enrichment/ recreational activities are scheduled and implemented, if monthly team meetings are taking place as required, and tracking incident reporting.
- ACS continues to upgrade our incident data system, GOALS, which is used to monitor census reporting by providers. One of the latest improvements is the addition of a new incident type to be named “provider non-compliance.” Use of this new field will allow ACS to run reports to more effectively analyze census reporting compliance.

ACS continues to strengthen our oversight of our Close to Home providers. In response to this audit’s recommendations, DYFJ’s OPPP will increase existing systematic monitoring of the following elements:

- OPPP will review the provider notes to determine evidence of monthly team meetings.
- OPPP will add a quarterly review of the Notification Rights Forms as part of the site visit assessments.
- OPPP will add an annual review of the program manuals.
- OPPP will review documentation of recreational plans for youth and determine compliance with programming goals.

In addition, to further strengthen the Close to Home intake process, ACS Juvenile Justice Program Services has created a checklist of the core documents required in a referral packet. If a core document is not available to the Intake Unit or is not applicable to the youth in question, the checklist will include a field that indicates why a document is not included in the referral packet.

#### **ACS’ RESPONSE TO THE OFFICE OF THE COMPTROLLER’S RECOMMENDATION:**

**#16. ACS should amend the contract with NSP providers to update the contract requirement regarding AWOL-reporting to the police and ensure that the relevant provisions of its NSP contracts conform to both current ACS policy and the applicable statutes and regulations.**

The ACS NSP contracts already contemplate that changes such as these can be made through “ACS Policies” as defined in the NSP contracts.<sup>1</sup> The issuance of policies – rather than a contract

---

<sup>1</sup> Section 2.08 of Appendix B to the NSP contracts states “Contractor shall comply with ACS Policies and the Law regarding AWOL youth, including reporting the AWOL to ACS.” The language regarding reporting to the police does not appear in Appendix B, but is included in the 2012 Quality Assurance Standards, which are attached to the contract. However, as Section 2.02(E) of Appendix B makes clear, ACS is able to modify ACS Policies, which includes the QAS, upon 30 days’ notice to the providers. Section 2.02(C) of Appendix B further clarifies that ACS retains the ability to modify the QAS upon 30 days’ notice to the providers.

amendment -- is a far more efficient manner for ACS to quickly hold a provider to ACS policy changes.

In addition, ACS has always issued warrants for AWOL youth and communicated with the NYPD regarding their issuance. ACS has supplied copies of all AWOL warrants/fax cover sheets sent to NYPD for the youth listed in the Comptroller report.

Thank you again for the opportunity to respond to the draft report. ACS has carefully considered the audit findings and recommendations. We appreciate the Comptroller's support in our work for the children and families of New York City.

Sincerely,

A handwritten signature in black ink, appearing to read "David A. Hansell". The signature is written in a cursive, flowing style with a large initial "D".

David A. Hansell  
Commissioner