



DEPARTMENT OF HEALTH & HUMAN SERVICES

**Office Of Inspector General
Office Of Audit Services**

**Region II
Jacob K. Javits Federal Building
26 Federal Plaza
New York, NY 10278**

May 31, 2001

Our Reference: Common Identification No. A-02-00-02001

Mr. John A. Johnson
Commissioner, New York State
Office of Children and Family Services
52 Washington Street
Rensselaer, New York 12144-2796

Dear Mr. Johnson:

Enclosed are two copies of the U.S. Department of Health and Human Services, Office of Inspector General, Office of Audit Services' final report entitled "Review of the New York State's Home Approval and Certification Process for Title IV-E Foster Care Homes Administered by the New York City Administration for Children and Services for the Period January 1, 1998 to December 31, 1998." A copy of this report will be forwarded to the action official noted below for his/her review and any action deemed necessary.

Final determination as to actions taken on all matters reported will be made by the HHS action official named below. We request that you respond to the HHS action official within 30 days from the date of this letter. Your response should present any comments or additional information that you believe may have a bearing on the final determination.

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Page 2 – Mr. John A. Johnson

To facilitate identification, please refer to Common Identification Number A-02-00-02001 in all correspondence relating to this report.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Timothy J. Horgan", written over a horizontal line.

Timothy J. Horgan
Regional Inspector General
for Audit Services

Enclosure – as stated

Direct Reply to HHS Action Official:

Ms. Mary Ann Higgins
DHHS, Northeast Hub Director
ACF, Region 2
26 Federal Plaza, Room 4114
New York, NY 10278

Department of Health and Human Services

**OFFICE OF
INSPECTOR GENERAL**

**REVIEW OF THE NEW YORK STATE'S
HOME APPROVAL AND CERTIFICATION
PROCESS FOR TITLE IV-E FOSTER CARE
HOMES ADMINISTERED BY
THE NEW YORK CITY ADMINISTRATION
FOR CHILDREN AND SERVICES
FOR THE PERIOD JANUARY 1, 1998
TO DECEMBER 31, 1998**



**MAY 2001
A-02-00-02001**

Office of Inspector General

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OAS FINDINGS AND OPINIONS

The designation of financial or management practices as questionable or a recommendation for the disallowance of costs incurred or claimed as well as other conclusions and recommendations in this report represent the findings and opinions of the HHS/OIG/OAS. Final determination on these matters will be made by authorized officials of the HHS divisions.



EXECUTIVE SUMMARY

Background

The New York State Department of Family Assistance (NYSDFA) and its local social services districts are responsible for placing children in need of protection into foster care. Under Title IV-E of the Social Security Act, Federal matching of State foster care maintenance payments is available for children in foster care. In order to claim reimbursement from the Title IV-E program, the child must meet eligibility requirements and be placed in a foster boarding home that met State requirements for licensing, certification and approval.

In a prior review (A-02-97-02002) which was requested by the Department of Health and Human Services, Administration for Children and Families, we evaluated whether NYC kinship foster care children were living in homes that had been approved as meeting New York State (NYS) standards for licensing. This review covered the period October 1, 1994 through September 30, 1996. In conducting this review, we worked with NYS and Administration for Children's Services (ACS) officials. The ACS was created in January 1996 by the Mayor of NYC to strengthen and improve services for NYC's children. Our review showed that of 200 sample kinship children reviewed, ACS failed to establish that 108 children were living in approved homes. We recommended that ACS take immediate and effective corrective action to ensure that children are only placed in approved homes and that NYS monitor and test on a periodic basis that actions taken by ACS and NYC are sufficiently adequate to ensure compliance with the home approval eligibility requirement of the Title IV-E Foster Care program. In its response to our report, ACS stated that since its creation in 1996, it has taken aggressive action to improve compliance in all Federal eligibility areas, including home approvals and this corrective action has resulted in dramatic increase in the ACS rate of compliance as reflected in NYS's Statewide Automated Child Welfare Information System (called CONNECTIONS). In our response to NYC comments, we stated that we attempted to review CONNECTIONS, however, we were unable to complete this part of our review due to ACS officials failure to respond to our audit requests. We also stated that we planned to begin a review of ACS's current system.

Objective

The objectives of this review were:

1. To evaluate the effectiveness of ACS's current system to assess whether the home approval deficiencies related to relative foster boarding homes noted during our prior review have been addressed and corrected and to determine whether non relative foster boarding homes met State requirements for certification.

2. To validate whether the foster boarding home certification and approval information entered into CONNECTIONS was consistent with ACS and voluntary agencies case file documentation.

Summary of Findings

We selected a statistical sample of 100 children placed in foster boarding homes. Based on our review of the first 50 sample children randomly selected, we found that the children were residing in homes that were in compliance with foster care eligibility requirements related to boarding home certifications and relative home approvals. As a result, we concluded with reasonable assurance that ACS's current system related to foster boarding home certifications and approvals was effective. However, our analysis to validate whether the home certification and home approval information entered into CONNECTIONS was consistent with the case file documentation disclosed that for 3 of the 50 children reviewed, voluntary agencies recorded the re-certifications of the foster homes prior to performing the actual assessments of the homes. Although the re-certification dates entered into CONNECTIONS were erroneous, we found the assessments of these homes were performed in a timely manner. Nevertheless, in order to preserve the integrity and accuracy of the data entered into CONNECTIONS, ACS must ensure that the automated certification system is only updated after the actual re-certifications are performed.

Recommendation

We recommend that NYS notify all foster care agencies throughout the State on the importance of ensuring that all certification and approval activity is performed and documented prior to recording re-certifications and re-approvals in CONNECTIONS.

Auditee Comments

In comments dated April 19, 2001 (see Appendix), NYS officials indicated that there is a pending release by NYS that will address our recommendation. In addition, NYS requested that we make a distinction in the report that foster child cases were not being reviewed but rather the foster boarding home provider records and that provider eligibility and child eligibility are two separate components that must exist for claiming reimbursement for care and maintenance under Title IV-E. Also, NYS commented that since the audit, the state and ACS criteria for foster boarding home approval and recertification have been amended and consolidated into one set of regulations (18 NYCRR Part 443) and that our report cites now obsolete regulations.

Lastly, NYS requested that our report should acknowledge the significant improvement in the ACS audit response process.

OIG Comments

We are pleased that NYS concurred with our recommendation and a release is pending to all foster care agencies throughout the State on the importance of ensuring that all certification and approval activity is performed and documented prior to recording re-certifications and re-approvals in CONNECTIONS.

We made appropriate changes to our report to address the distinction that we reviewed provider case files and that provider and child eligibility are two separate components that must exist for claiming reimbursement for care and maintenance under Title IV-E.

Regarding NYS's comment that our report cites now obsolete regulations for foster home approval and recertification, the regulations we cite were in effect during the period of our review.

Finally, we appreciate the excellent cooperation extended to us by ACS and NYS during this review, especially the timely retrieval of foster boarding home case files that were selected for review.

INTRODUCTION

Background

The Administration for Children and Families (ACF) is the Operating Division within the Department of Health and Human Services (HHS) that administers the Title IV-E Foster Care program. Under Title IV-E of the Social Security Act (Act), Federal matching of State foster care maintenance payments is available for children in foster care. In order to claim reimbursement from the Title IV-E program, the child must meet eligibility requirements.

At the State level, the New York State Division of Family Assistance (NYSDFA) submits claims to ACF and is responsible for establishing State policy, issuing guidance and monitoring the activities of local governments in administering the Title IV-E program. The State has primary responsibility and oversight for this program but delegates day-to-day responsibilities to the local governments. In January 1996, the Mayor of New York City (NYC) signed an executive order that removed the Child Welfare Administration from the Health Resources Administration, renamed it the Administration for Children Services (ACS) and made it an independent NYC agency. The ACS was created to strengthen and improve services for NYC children.

The Title IV-E program grew out of congressional concern that the public child welfare system responsible for serving dependent and neglected children had become a holding system for children living away from their parents. Congress intended to lessen the emphasis on foster care placement and to encourage greater efforts to find permanent homes for children either by making it possible for them to return to their own families or by placing them in adoptive homes. In a prior review (A-02-97-02002) which was requested by the Department of Health and Human Services, Administration for Children and Families, we evaluated whether NYC kinship foster care children were living in homes that had been approved as meeting New York State (NYS) standards for licensing. This review covered the period October 1, 1994 through September 30, 1996. In conducting this review, we worked with NYS and Administration for Children's Services (ACS) officials. Our review showed that of 200 sample kinship children reviewed, ACS failed to establish that 108 children were living in approved homes. We recommended that ACS take immediate and effective corrective action to ensure that children are only placed in approved homes and that NYS monitor and test on a periodic basis that actions taken by ACS and NYC are sufficiently adequate to ensure compliance with the home approval eligibility requirement of the Title IV-E Foster Care program. In its response to our report, ACS stated that since its creation in 1996, it has taken aggressive action to improve compliance in all Federal eligibility areas, including home approvals and this corrective action has resulted in dramatic increase in the ACS rate of compliance as reflected in NYS's Statewide Automated Child Welfare Information System (called CONNECTIONS). In our response to NYC comments, we stated that we attempted to review CONNECTIONS, however, we were

unable to complete this part of our review due to ACS officials failure to respond to our audit requests. We also stated that we planned to begin a review of ACS's current system.

Objectives, Scope And Methodology

The objectives of this review were:

1. To evaluate the effectiveness of ACS's current system to assess whether the home approval deficiencies related to relative foster boarding homes noted during our prior review have been addressed and corrected and to determine whether non relative foster boarding homes met State requirements for certification.
2. To validate whether the foster boarding home certification and approval information entered into CONNECTIONS was consistent with ACS and voluntary agencies case file documentation.

To accomplish our objectives, we:

- T Met with ACF officials to discuss our objectives.
- T Met with representatives of NYS and ACS to obtain an understanding of the following:
 - C The State's requirements for licensing of foster family boarding homes.
 - C The State's requirement for approval of relative foster boarding homes.
 - C The responsibility of ACS regarding the review, licensing, certification and approval of foster boarding homes.
 - C The responsibility of the voluntary agencies regarding the review, licensing, certification and approval of foster boarding homes.
 - C The implementation, capabilities and application of CONNECTIONS.
- T Obtained a universe of 33,488 children placed in foster family boarding homes and relative foster boarding homes who were categorized as Title IV-E and on whose behalf a claim was made by NYS under the Title IV-E Foster Care program for at least one day in CY 1998. These parameters were agreed to by NYS.
- T Reached agreement with NYS and ACS on the completeness and accuracy of the universe.
- T Used simple random sampling techniques to select a sample of 100 children from our

universe for CY 1998. For the first 50 children randomly selected, we:

- C Reviewed home certification and approval documentation in ACS and voluntary agencies provider case files to determine if foster care children claimed under Title IV-E foster care were placed in foster boarding homes that have been certified or approved as meeting NYS standards.
 - C Reviewed CONNECTIONS output data for 63 homes in which the 50 children had been placed to validate whether the information entered into the system was consistent with the case file documentation.
 - C Reviewed provider case file documentation for calendar year 1999 and subsequently in instances where our review indicated potential deficiencies.
 - C Briefed NYSDFA and local district officials on each deficiency identified and furnished them with information as to what additional documentation was needed. Where provided, we reviewed additional documentation to support the claim.
- T Based on the results of our review of the first 50 children, we concluded with reasonable assurance that ACS's current system related to foster boarding home certifications and approvals was effective. Consequently, we decided to discontinue our review of the remaining 50 children in our sample.

Our review was performed in accordance with generally accepted standards for governmental auditing. Our review was limited to obtaining an understanding of ACS's procedures for performing boarding home certifications and relative home approvals and the recording of this information in CONNECTIONS. We did not rely on internal controls because the objective of our review was accomplished through substantive audit testing.

Our field work was conducted at ACS in NYC during the period May 1, 2000 to December 31, 2000.

FINDINGS AND RECOMMENDATION

We selected a statistical sample of 100 children placed in foster boarding homes. Based on our review of the first 50 sample children randomly selected, we found that the children were residing in homes that were in compliance with foster care eligibility requirements related to boarding home certifications and relative home approvals. As a result, we concluded with reasonable assurance that ACS's current system related to foster boarding home certifications and approvals was effective. However, our analysis to validate whether the home certification

and home approval information entered into CONNECTIONS was consistent with the case file documentation disclosed that for 3 of the 50 children reviewed, voluntary agencies recorded the re-certifications of the foster homes prior to performing the actual assessments of the homes. Although the re-certification dates entered into CONNECTIONS were erroneous, we found the assessments of these homes were performed in a timely manner. Nevertheless, in order to preserve the integrity and accuracy of the data entered into CONNECTIONS, ACS must ensure that the automated certification system is only updated after the actual re-certifications are performed.

Boarding Home Certifications and Relative Home Approvals

In NYS, the NYSDFA was responsible for establishing licensing, certification and approval standards for foster family homes and institutional facilities. Standards for licensing and certification of foster boarding homes and approval of relative foster homes are set forth in Chapter II of the regulations of the Department of Social Services Parts 443 and 444.

The State agency also issued Administrative Directive 86 ADM-33 dated October 6, 1986 which addressed the requirements for approving relative foster homes and the policy on the use of relatives as foster care providers as an alternative to placement. The process for approving relatives as foster care providers closely parallels the foster home certification process but, because of the special relationship of these children with their relative foster parents, the regulations were modified to include a number of less prescriptive requirements to expedite the approval process. Provisions of both the certification and approval requirements include:

- C A home study entailing a physical inspection of the home and an assessment of family circumstances.
- C A character evaluation of the adult household members including an inquiry of the State's Central Registry of child abuse/maltreatment information.
- C Foster parent application and orientation processes, including the completion of the foster parent agreement and a report of the foster parent's and family medical well-being.

With respect to the physical inspection of the home, agency procedures as required by Chapter II Parts 444.5 and 444.8 of the regulations of NYSDFA include:

- C Review of the prospective foster home family boarding home for health and safety conditions.
- C The home must be in good condition and present no hazard to health or safety of children.
- C The home must be in substantial compliance with all applicable provisions of State and

local laws, ordinances, rules and regulations concerning health and safety.

- C The home must be kept in sufficiently clean and sanitary condition and the agency must be satisfied that: there are sufficient sleeping arrangements and space; there is adequate water supply; the home is free of fire hazards and equipped with at least one fire detector; and there must be adequate bathing, toilet and lavatory facilities.
- C Relative foster homes can be approved on an emergency basis. The home study and application process must be completed before placement of the foster child in the home. The character evaluation must be initiated before placement. These steps are to be carried out pursuant to an emergency approval of the home. The character evaluation medical report and any remaining requirements must be completed within 60 days of placement as a part of a full approval of the home.
- C Certified or approved homes were licensed for 1 year from the child's placement and must be reevaluated annually. A re-certification consisted of evaluations of the home and family, the care provided the foster children and the working relationship with the agency, and a biannual medical evaluation by a physician of the foster family's health.

In NYC, the ACS was responsible for establishing and implementing procedures for performing home certifications and approvals. For non-relative foster boarding homes, the initial certifications or re-certifications were performed by either ACS direct foster care agencies or by voluntary foster care agencies under contract with ACS. For relative foster homes, the ACS's Office of Field Services was responsible for performing the initial evaluation and an expedited home study of a relative's home. If the home was approved, it was approved for 60 days of placement of the child. Upon placement, ACS's Division of Direct Foster Care Services or a selected foster care agency completed the follow-up "full home study" to formally approve the home. This home study had to be completed within 60 days of the child's placement in the home. Re-approvals are completed either by ACS or voluntary agencies under contract.

We determined the first 50 children reviewed had been placed in 63 different foster boarding homes.

- C 40 children had individually been placed in one foster home.
- C Seven children had individually been placed in two foster homes.
- C Three children had individually been placed in three foster homes.

The home placements included 18 relative homes and 45 non-relative boarding homes. We also determined that 92 assessments were required during CY 1998 for the 63 foster boarding homes.

- C For the 18 relative homes, there were 28 assessments (5 initial approvals and 23 re-approvals).
- C For the 45 non-relative boarding homes, there were 64 assessments (8 initial certifications and 56 re-certifications).

The ACS was responsible for performing the assessment for 13 homes and the remaining 50 homes were assessed by voluntary agencies.

We determined that all 63 homes were in compliance with NYS requirements for licensing, certification and approval of foster boarding homes. The assessments had been done timely and were adequately documented. These results support ACS contention that its actions to improve compliance with home approvals have resulted in a dramatic increase in ACS's rate of compliance.

Re-certifications Recorded in CONNECTIONS Prior to Assessments

In 1994, NYSDFA (formerly the New York State Department of Social Services) began developing and implementing CONNECTIONS. This computer system was intended to give child welfare workers state of the art computer equipment and software to support and improve their efforts on behalf of children in foster care and their families. It was expected to be a single, integrated system for the recording and collection of child protective, preventive, foster care, and adoption service information statewide.

The CONNECTIONS application was to be rolled-out in four phases called releases. Release 3 provided automated foster and adoption home support and became operational in August 1997. Input data for all foster home assessments was handled functionally under Release 3 during our audit period.

We performed an assessment of the CONNECTIONS output data to validate whether the information entered into the system was consistent with ACS and voluntary agencies case file documentation. Our assessment disclosed that for 3 of the 50 children reviewed, voluntary agencies had recorded re-certifications in CONNECTIONS prior to actually performing the assessments of the foster boarding homes. Specifically, we found the re-certifications of three foster boarding homes were recorded in the system from 27 days to 50 days prior the agency performing the actual home assessments as illustrated by the following example:

Sample No. 46 - The foster home re-certification for this case covered the period April 25, 1998 through April 25, 1999. The voluntary agency responsible for performing the foster home assessment recorded the re-certification in CONNECTIONS on March 13, 1998. The actual assessment of the home was not performed until April 25, 1998 which was 43 days after the supervisor recorded the approved re-certification in CONNECTIONS.

We requested an explanation from ACS officials as to why these voluntary agencies recorded the foster boarding home re-certifications in CONNECTIONS prior to performing the assessments. The ACF advised us that according to the voluntary agencies, they were concerned about getting the home re-certification into CONNECTIONS in a timely manner. Further, ACS officials advised us that because of our review, corrective action plan letters were sent to all contract boarding home agencies, ACS Direct Foster Care Services and Direct Care Adoption agencies. The letters convey to the agencies that while they may be apprehensive about missing the re-certification date in CONNECTIONS because CONNECTIONS will then close the home and stop payment, it is mandatory to adhere to Federal, State and ACS policy and procedures. The letters directed the agencies to take certain corrective or preventive actions:

- C Compliance with policy and procedure must be reinforced when recording CONNECTIONS data. You must take action on a case first and then record the action in CONNECTIONS;
- C Train your staff to document CONNECTIONS data in their progress notes, which should describe the action taken and justification for the action;
- C Supervisors are not to accept CONNECTIONS activity unless progress notes reflecting the action(s) taken are submitted simultaneously.

Although our review indicated that the agencies ultimately performed the assessments for the three boarding homes in a timely manner, the practice of recording re-certifications in CONNECTIONS prior to performing the actual assessment raises concerns as to the accuracy and integrity of the CONNECTIONS data. In order to preserve the integrity and accuracy of the data entered into CONNECTIONS, ACS must ensure the automated certification system is only updated after the actual re-certifications are performed.

Recommendations

We recommend that NYS notify all foster care agencies throughout the State on the importance of ensuring that all certification and approval activity is performed and documented prior to recording re-certifications and re-approvals in CONNECTIONS.

Auditee Comments

In comments dated April 19, 2001 (see Appendix), NYS officials indicated that there is a pending release by NYS that will address our recommendation. In addition, NYS requested that we make a distinction in the report that foster child cases were not being reviewed but rather the foster boarding home provider records and that provider eligibility and child eligibility are two separate components that must exist for claiming reimbursement for care and maintenance under Title IV-E. Also, NYS commented that since the audit, the state and ACS criteria for foster boarding home approval and recertification have been amended and consolidated into one set of regulations (18 NYCRR Part 443) and that our report cites now obsolete regulations.

Lastly, NYS requested that our report should acknowledge the significant improvement in the ACS audit response process.

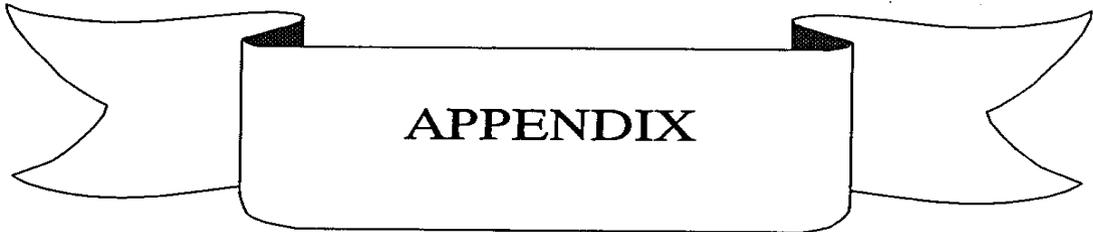
OIG Comments

We are pleased that NYS concurred with our recommendation and a release is pending to all foster care agencies throughout the State on the importance of ensuring that all certification and approval activity is performed and documented prior to recording re-certifications and re-approvals in CONNECTIONS.

We made appropriate changes to our report to address the distinction that we reviewed provider case files and that provider and child eligibility are two separate components that must exist for claiming reimbursement for care and maintenance under Title IV-E.

Regarding NYS's comment that our report cites now obsolete regulations for foster home approval and recertification, the regulations we cite were in effect during the period of our review.

Finally, we appreciate the excellent cooperation extended to us by ACS and NYS during this review, especially the timely retrieval of foster boarding home case files that were selected for review.



APPENDIX



New York State
Office of
Children & Family
Services

George E. Pataki
Governor

John A. Johnson
Commissioner

Capital View Office Park

52 Washington Street
Rensselaer, NY 12144-2796

April 19, 2001

Mr. Timothy J. Horgan
Regional Inspector General
For Audit Services
Office of Inspector General
Department of Health and Human Services
26 Federal Plaza
New York, New York 10278

Re: CIN # A-02-00-02001

Dear Mr. Horgan:

We have reviewed the draft report of March 14, 2001 entitled "Review of the New York State's Home Approval and Certification Process for Title IV-E Foster Care Homes administered by the New York City Administration for Children's Services (ACS) for the period January 1, 1998 to December 31, 1998". This letter is the response of the Office of Children and Family Services (OCFS) to that draft report.

This audit was conducted by your office as a follow-up to the DHHS Office of Inspector General Title IV-E Kinship Audit of the New York City Administration for Children Services (ACS). In that audit, OIG reviewed both the Title IV-E physical removal criteria and the home approvals for kinship foster homes for the audit period October 1, 1994 through September 30, 1996, and reported that home approvals were not completed timely.

The ACS response (July 23, 1999) to the IV-E Kinship audit stated that the current rate of compliance with home approvals was 97.6% for contracted care and 96.4% for direct care homes as of July 17, 1999. Based on this ACS statement of compliance, OIG conducted this follow-up audit reviewing home approvals only. The compliance standard set by OIG for the first 50 sample children (full sample was 100 children), was that any error rate greater than three home approvals, which were not complete and timely, would result in the next 50 sample children being audited.

The audit had two objectives as stated in this draft report:

- "1. To evaluate the effectiveness of ACS's current system to assess whether the home approval deficiencies related to relative foster boarding homes noted during our prior review have been addressed and corrected and to determine whether non-relative foster boarding homes met State requirements for certification."
- "2. To validate whether the foster boarding home certification information entered into CONNECTIONS was consistent with ACS and voluntary agencies case file documentation."



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The review looked at 50 ACS foster children who were placed in 63 foster homes during the review period.

For the first objective, the audit finding was that all homes were in compliance with foster boarding home certification and home approval requirements, as required by New York State.

For the second objective, OIG found that of the 63 homes reviewed, the home approval and certification information entered into CONNECTIONS was fully supported for 60 homes compared to the provider records. The three homes cited in the report, were homes that met the certification requirements of New York State. The certifications were entered into CONNECTIONS prior to all required activities having been completed.

It is important to note that these were not foster child cases being reviewed, but rather the foster boarding home provider records. Thus, the three instances were not related to the 50 Title IV-E children, but to the eligibility of the 63 homes those children were placed in. The three homes were certified by contract foster care agencies and were not ACS direct care homes.

We request that this distinction be made in the final report.

Additional comments:

- In the first paragraph of the first page of the Executive Summary, under "Background", the third sentence should be revised to reflect that provider eligibility and child eligibility are two separate components that must exist for claiming reimbursement for care and maintenance under Title IV-E. The two sets of criteria are independent of each other and one is not a function of the other as the third sentence indicates.
- ACS has already promptly notified the three contract agencies cited in the audit, and all other contract agencies, that all certification and approval authority must be performed and documented prior to recording re-certification and re-approvals in CONNECTIONS.
- Since this audit, the state and ACS criteria for foster home approval and recertification have been amended and consolidated into one set of regulations (18 NYCRR Part 443) to comply with federal Adoption and Safe Families (ASFA) requirements as well as the federal child welfare regulations Part 42 CFR 1355 and 1356. The OIG draft report cites now obsolete regulations on page 4 of the report.
- The OIG report also should acknowledge the significant improvement in the ACS audit response process, i.e., all records were produced on a very timely basis.

In response to the recommendation that New York State notify all foster care agencies that all certification and approval activities be performed and documented prior to recertification and re-approvals being recorded in CONNECTIONS, there is a pending release by OCFS that will address this.

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The Foster and Adoptive Home Step by Step Guide, along with the existing Foster and Adoption Home (FAD) Curriculum, and lab-based training specifically address and clarify how to perform updates for homes, as well as all the functions and how and when to perform these functions in accordance with NYS regulations.

Furthermore, CONNECTIONS is incorporating new design features that will make it the system of record for all certification and approval requirements. All notes pertaining to the foster boarding home will be documented directly in the CONNECTIONS application, not in a paper record. Checklists will be completed directly in the system prior to a home being (re)certified or (re)approved and a supervisor will review them before approving. Only documents that come from outside sources (e.g., doctor's medical report) will be retained outside the CONNECTIONS application. It is our intent to have a seamless on-line foster boarding home record, without double entries or inconsistent information in two different places.

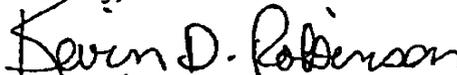
OCFS has also issued an Informational Letter addressing the certification and approval documentation requirements, and, as part of our Program Improvement Plan, disseminated a self assessment tool to help districts and agencies review their foster boarding home records.

This report also has been sent by OCFS to ACS Commissioner Nicholas Scoppeta, and the ACS response is attached.

We are pleased that New York City ACS has successfully passed this federal review, and it is an example of the efforts New York State and New York City have taken to address this issue.

Should you have any questions, please contact Veronica Lynch at (518) 473-0143.

Sincerely,



Kevin D. Robinson, Director
Office of Audit & Quality Control

Enclosure

cc: John A. Johnson, Commissioner
Nicholas Scoppeta, Commissioner, ACS
Roger Biagi, Executive Deputy Commissioner



ADMINISTRATION FOR CHILDREN'S SERVICES
OFFICE OF FINANCIAL SERVICES
150 William Street - 10th Floor
New York, NY 10038

NICHOLAS SCOPPETTA
Commissioner

DAVID FAZIO
*Deputy Commissioner/
Chief Financial Officer*

SUSAN NUCCIO
Associate Commissioner, Acting

April 6, 2001

Ms. Veronica Lynch
Office of Children and Family Services
Audit and Quality Control
52 Washington Street, Room 292
Rensselaer, New York 12144-2796

Re: DHHS/OIG Audit (A-02-00-02001) Review of New York State Home Approval and Certification Process for Title IV-E Foster Care Homes Administered by the New York City Administration for Children's Services for the Period January 1, 1998 to December 31, 1998.

Dear Ms. Lynch:

Thank you for sharing with us the above captioned draft report and for giving ACS the opportunity to comment on the audit results.

ACS was pleased the audit found that the children reviewed were residing in homes that were in compliance with foster care eligibility requirements related to boarding home certifications and relative home approvals, and that assessments had been done timely and were adequately documented.

ACS has already addressed the audit's recommendation. During the course of the audit, ACS notified the three cited voluntary agencies in writing that all certification and approval activity must be performed and documented prior to recording re-certifications and re-approvals in CONNECTIONS. ACS sent a similar general notification to all contract foster care agencies.

We would like to thank the Office of Children and Family Services for the assistance provided to ACS during the audit and look forward to working with your office in the future.

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

Sincerely,


Susan Nuccio