

Finding No. 2017-008: Inadequate Controls over Subrecipient Monitoring – Aging Cluster

Condition:

Department of Social Services (DSS) policy requires LTSS staff to perform monitoring assessments for each adult day and transportation site at least every two years and at least every three years for nutrition sites.

Title III Aging Cluster providers that contract with DSS for grant funding operate multiple sites. During testing, we selected a judgmental sample of 16 sites out of a population of 147 sites. DSS was unable to provide documentation of monitoring assessments for three sites. For an additional two sites, DSS was unable to provide documentation that monitoring assessments had been completed within three years per DSS policy. Per documentation received from DSS, one of these two sites had not been reviewed since FY 2012.

We verified that DSS monitoring assessments considered provision of services, quality and effectiveness, voluntary contributions, and coordination of services. For four of the monitoring assessments in our sample, we were unable to verify that concerns noted within the monitoring assessments were communicated to the sites so that they could be addressed and corrected.

Cause:

The controls in place over subrecipient monitoring within the Aging Cluster failed. We noted turnover and a short vacancy of the Nutrition Specialist position which may have contributed to this failure.

Effect:

As a result of the control failure over subrecipient monitoring, LTSS was not able to ensure that every site had a monitoring assessment on a timely basis, ensure that issues arising from monitoring assessments were communicated to and addressed by subrecipients, or ensure that all subrecipients complied with federal regulations.

Questioned Costs:

None

Recommendation:

We recommend that LTSS implement procedures over the subrecipient monitoring process to ensure that controls remain effective in the event of turnover.

Views of Responsible Officials:

The Department of Social Services concurs with the finding.

Corrective Action Plan: Long Term Services and Support (LTSS) will review and enhance internal controls to ensure monitoring assessments occur on a timely basis, and are communicated to and addressed by subrecipients. LTSS completed the communication of the monitoring assessments to the four subrecipients referred to in the finding on March 22, 2018. LTSS will review and enhance procedures to ensure subrecipients comply with regulations. LTSS will implement a second level review of subrecipient assessments.

Contact Person: Laurie Mikkonen, Chief Financial Officer and Yvette Thomas, Director of Long Term Services and Support

Anticipated Completion Date: June 30, 2018

Summary Response for Aging Cluster Audit Finding
June 11, 2018

Corrective Action Plan Implementation:

Department of Social Services (DSS) and Long Term Services and Supports (LTSS)) have implemented procedures and oversight to ensure controls over the subrecipient monitoring process are effective.

Steps taken to ensure corrective action plan is met:

1. Created formal policy documents for program staff to assure continuity in program operations:
 - a. Policy and procedure documents have been created for each program under the Aging Cluster to include Adult Day Services, Nutrition and Transportation
 - b. These policies are in addition to the internal control document and are more comprehensive to program day to day operation.
2. Designated a location for storage of site assessments schedules:
 - a. Assessments schedules are readily available to program and staff and management staff.
 - b. Assessment schedules will be reviewed at the beginning of each fiscal year in a joint meeting with the Program Specialist and Supervisor to ensure the assessments scheduled for the current year cycle are included and within the allowed rotation schedule.
 - c. Additions and deletions from the assessment schedule will be addressed for new and/or closed sites.
3. Implemented an oversight process:
 - a. Program Specialists for each program (Adult Day, Nutrition, Transportation) include information in their monthly report regarding progress on scheduled assessments.
 - b. Program Specialists for each program (Adult Day, Nutrition, Transportation) submit completed assessments for second level review by their Supervisor.
 - c. Supervisor reviews the assessments for compliance with the process and are verified against the yearly assessment schedule.