
Response to Audit Findings

**FultonCounty Senior Collaborative, LLC
2010 Performance Report
September 20, 2010**

**Visiting Nurse Health Systems
Senior Citizen Services
Open Hand /Atlanta**

INTRODUCTION

A team of auditors from the Fulton County Internal Audit Division, Office of the County Manager conducted a performance audit of the Fulton County Senior Collaborative (FCSC) that began July 29, 2010 and concluded September 16, 2010. Members of the FCSC thank the auditors for their thoroughness and appreciate their efforts to improve its operations and maximize the value to the seniors of Fulton County.

While it is our objective to have no audit findings, we are pleased to note that these findings only targeted areas where internal controls can and will be strengthened. The following includes the FCSC's response to findings in the audit.

Finding 1 - Inaccurate Number of Units Billed - Auditor Recommendation

All monthly reports submitted should agree to supporting documentation. Senior center managers should review attendance and congregate meal logs to ensure that the accurate number of units is recorded on the service/unit logs. Another review of monthly reports and supporting documentation should be conducted by SCS before submission to the Office of Aging. The Office of Aging should also provide adequate monitoring of the Collaborative on a regular basis.

FCSC Response:

SCS had been operating on direction from its auditor, LeDuc Phillips CPA, who communicated that while agreement of the five to eight various daily logs were important, the burden of proof for attendance should be focused on the Center Managers' eye witness account of attendance as is reflected on the Mandated Attendance Sheets. Based upon that guidance, and no conflicting direction from Fulton County Monitors or Atlanta Regional Commission Monitors, the Mandated Attendance Sheets were utilized as the justification for reimbursement, not the various logs utilized in the Center each day (meals, transportation, attendance, class attendance, etc.).

Meal logs were especially problematic since they were utilized to order meals in advance, not necessarily account for meal consumption/attendance. While agreement of logs was encouraged, it was not reviewed or enforced by SCS management since the Center Managers witnessed each senior to fill out their Mandated Attendance Sheets. The Mandated Sheets were reviewed and scrutinized by both SCS' Director of Senior Centers and Director of Finance to ensure accuracy and agreement with invoices.

When discrepancies between logs were identified by Fulton County Auditors, SCS was able to justify the majority of discrepancies. For instance, a senior refused to sign in on the attendance log, but was shown as being picked up by transportation and as attending a sewing class, thereby verifying the Center Manager's eyewitness account of the senior's attendance per the Mandated Attendance Sheet. Furthermore, the net effect of the discrepancies revealed that SCS had under-billed Fulton County for attendance as opposed to over-billing.

Implementation Status:

Additional controls have been enacted so that all of the aforementioned logs and sheets agree, are reviewed onsite by a second eye-witness, are subsequently peer reviewed, and finally are reviewed by management. These processes have already been implemented. SCS will review log agreement requirements with Fulton County management to ensure that any new concerns are addressed. We will await the final report's circulation to the Office of Aging staff to request this meeting. SCS will also review the software that was introduced but not implemented by Fulton County in 2006 to assist with Senior Center paperwork requirements. Lack of agreement in any Senior Center reports is now rejected. The original software package has been reviewed and due to its cost, two alternatives are being investigated by SCS' Technology Specialist. While we would like to have the new software installed, implemented and in use in November, we have been advised that a more reasonable timeline is January 1, 2011.

Finding 2 - Lack of Internal Controls - Auditor Recommendation

The Director should develop sufficient internal controls for reviewing and verifying monthly reports and supporting documentation submitted to Fulton County.

FCSC Response:

Visiting Nurse Heath Systems' Fulton County case manager's unit log will add two additional internal control steps. 1) Case Managers will print off all unit logs and sign prior to presenting to supervisor. 2) Case Manager's unit log will be countersigned by supervisor. The Operations Manager will validate that the totals match prior to submission of the monthly report to Fulton County. The signed logs will be maintained on file at the VNHS office and available for inspection by Fulton County at any time.

Implementation Status:

These changes will be implemented immediately – effective with the September 2010 monthly report to Fulton County.

Finding 3 - Incomplete Files - Auditor Recommendation

All client files should contain required documentation for receiving services from the Home Repair Program, and six-month follow-up inspections should be performed.

FCSC Response:

The nature of the expansion of the Home Repair program in 2009 was both dramatic and rapid. SCS developed a detailed process to ensure that repairs were completed quickly with high levels of satisfaction. This process allowed internal operations to make adjustments to client file requirements since there were no federal, state or county requirements for them.

Detailed accounting of expenses and complete application and eligibility materials were completed for each file and reviewed by management. Other forms were utilized operationally. For instance, paint card forms had been used in files. Subsequently, better relationships with Home Depot allowed for lower cost paint and donated paint, negating the

necessity for clients to provide their own paint and negating the necessity for paint cards in files. Similar operational shifts explain the presence or absence of other forms as well. Since there were no procedures manual or requirements provided by the Older Americans Act or by FultonCounty, SCS made internal adjustments as was operationally necessary. These adjustments were subject to annual audit, scrutinized and passed.

Flood victims from 2009 were not required to have complete files due to in-person, phone and electronic communications from FultonCounty management that agreed that the urgency of the situation could not be delayed by awaiting such forms as income verification or assessments. Immediate action was both requested and reviewed on a daily basis.

Six-month inspections were a part of the former Vulcan Grant performed by SCS, but were neither required for the grant in review, nor appropriate based upon the completion of follow-up surveys and the eligibility allowance that seniors were able to re-apply for services 12 months from their prior service. Furthermore, evidence that SCS responded to any incomplete or unsatisfactory feedback from clients up to twelve months after repairs were completed can be found in files. This responsiveness has been a strength of the SCS HOMES program, according to both FultonCounty management and senior clients.

Implementation Status:

SCS will review file requirements with Fulton County management, enact additional controls for completion, and will perform follow-up inspections as are deemed appropriate by Fulton County management. We will await the final report's circulation to the Office of Aging staff to request this meeting. These changes appear to be easily implemented within ten days of the meeting. SCS appreciates this opportunity to strengthen procedures and strengthen the home repair program.

Finding 4 - Direct Labor Hours - Auditor Recommendation

The schedule of standard labor hours should be updated on a regular basis to reflect current standard labor hours.

FCSC Response:

For projects that were unique in scope and may have required higher labor hours than may be normal, SCS discussed projects and requested approval from FultonCounty management before proceeding with work. The menu utilized to determine direct labor hours and compute the direct labor rate is broad, but not inclusive of such projects as water removal, plumbing repairs and other unique projects. Such projects had very unpredictable rates since each home was different and ranged from less than one hour to multiple days. In each case, technicians or the manager wrote in the hours needed for the project so it would be billed accurately. These hours were reviewed by the Director of Operations for an additional control.

Implementation Status:

SCS will ensure that the menu is updated monthly and that unique projects are included in the menu. These changes will be implemented immediately effective with the September 2010 monthly report to Fulton County. These processes should continue to ensure that the

home repair program is a “best practice” model for other home repair programs to emulate.

Finding 5 – Lack of Monitoring - Auditor Recommendation

The Office of Aging should conduct regular site visits and complete on-going evaluations of all contractors.

FCSC Response:

While the FultonCounty Senior Collaborative welcomes more frequent site visits by the FultonCounty Office of Aging, below are additional audits and inspections conducted regularly by other external agencies.

External Agency Audit		Entity Evaluated	Freq	Last Audit
Atlanta Regional Commission	Fulton HCBS Program Monitoring	VNHS	Annually	03/2010
Atlanta Regional Commission	DeKalb HCBS Program Monitoring	VNHS	Annually	02/2010
Atlanta Regional Commission	CCSP Program Monitoring Review	VNHS	Ongoing	05/2010
Georgia Dept. of Human Services	CCSP Compliance Review	VNHS	Annually	05/2010
GA Dept. of Community Health	SOURCE Compliance Review	VNHS	Varies	09/2009
Pershing Yoakley & Associates	Financial & A133 Audit	VNHS	Annually	04/2010
Atlanta Regional Comm. Auditor	Financial Audit of CCSP	VNHS	Annually	09/2009
Brooks, McGinnis & Co	Financial & A133 Audit	Open Hand	Annually	4/09
Ryan White Program	Ryan White Program Audit	Open Hand	Annually	3/10
HOPWA Program	HOPWA Program Audit	Open Hand	Annually	4/09
Philadelphia Insurance	Building inspection	Open Hand	Annually	10/09
GA Dept of Community Health	Utilization & Compliance Review	Open Hand	Varies	12/09
Fulton Co Dept of Health/Wellness	Food Service Inspection	Open Hand	Annually	3/10
FultonCounty Human Services	FRESH Performance Audit	Open Hand	Annually	10/09
FultonCounty Human Services	Food Safety	Open Hand	Varies	8/10
Atlanta Regional Commission	Site Visit – Kitchen Monitoring	Open Hand	Varies	6/10
Atlanta Regional Commission	Comprehensive Monitoring –Centers	SCS	Annually	9/09
FultonCounty Human Services	Monitoring/Satisfaction—Centers	SCS	Annually	10/09
FultonCounty Human Services	Monitoring/Food Service—Centers	SCS	Annually	9/10
FultonCounty Human Services	Monitoring/Building Inspections	SCS	Quarterly	9/10
LeDuc, Phillips & Associates	Financial & A133 Audit, Tax Return	SCS	Annually	1/10
Georgia Dept. of Human Services	Program Monitoring	SCS	Annually	10/10
Fulton Co Dept of Health/Wellness	Food Service Inspection	SCS	Annually	Varies