

**DEPARTMENT OF DEVELOPMENTAL SERVICES'**  
**AUDIT OF**  
**AS ONE, INC.**

**Programs and Services:**

Community Integration Training Program – HK6626

Transportation – Additional Component – PK5240

Audit Period: January 1, 2022, through December 31, 2022

**Audit Section**

**Auditors:** Hung Bang, Chief of Vendor Audit Unit  
Grace Gwarada, Supervisor  
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# AS ONE, INC.

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## **EXECUTIVE SUMMARY**

The Department of Developmental Services (DDS) has audited As One, Inc. (AO). The audit was performed upon the Community Integration Training Program (CITP) and Transportation – Additional Component (TAC) for the period of January 1, 2022, through December 31, 2022.

The result of the audit disclosed no issues of non-compliance.

## **BACKGROUND**

DDS is responsible, under the Lanterman Developmental Disabilities Services Act, for ensuring that persons with developmental disabilities receive the services and supports they need to lead more independent, productive and normal lives. DDS contracts with 21 private, nonprofit regional centers that provide fixed points of contact in the community for serving eligible individuals with developmental disabilities and their families in California. In order for regional centers to fulfill their objectives, they secure services and supports from qualified service providers and/or contractors. Pursuant to the Welfare and Institutions (W&I) Code, Section 4648.1, DDS has the authority to audit those service providers and/or contractors that provide services and supports to persons with developmental disabilities.

## **OBJECTIVE, SCOPE AND METHODOLOGY**

### **Objective**

The audit was conducted to determine whether AO's programs were compliant with the W&I Code, California Code of Regulations (CCR), Title 17, State laws and regulations, and the regional centers' contracts with AO for the period of January 1, 2022, through December 31, 2022.

### **Scope**

The audit was conducted in accordance with the Generally Accepted Government Auditing Standards (GAGAS) issued by the Comptroller General of the United States. The auditors did not review the financial statements of AO, nor was this audit intended to express an opinion on the financial statements. The auditors limited the review of AO's internal controls to gain an understanding of the transaction flow and invoice preparation process, as necessary, to develop appropriate auditing procedures. The audit scope was limited to planning and performing audit procedures necessary to obtain reasonable assurance that AO complied with W&I Code and CCR, Title 17. Also, any complaints that DDS' Audit Section was aware of regarding non-compliance with laws and regulations were reviewed and addressed during the course of the audit.

The audit scope was determined by reviewing the programs and services provided to four regional centers that utilized AO's services during the audit period. DDS audited services provided to Frank D. Lanterman Regional Center (FDLRC), Kern Regional Center (KRC), North Los Angeles County Regional Center (NLACRC), and Westside Regional Center (WRC). These four regional centers were chosen due to the large volume of services utilized by the centers as measured by Purchase of Service (POS) expenditures.

AO provided two different types of services, which DDS audited. Services chosen were based on the amount of POS expenditures invoiced by AO. By analyzing the information received from the vendor, an internal control questionnaire and a risk analysis, it was

determined that a two-month sample period would be sufficient to fulfill the audit objectives.

### **Community Integration Training Program**

During the audit period, AO operated one CITP. The audit included the review of AO's CITP, Vendor Number HK6626, SC 055 and testing was done for the sampled months of March 2022 and April 2022.

### **Transportation – Additional Component**

During the audit period, AO operated one TAC service. The audit included the review of AO's TAC service, Vendor Number PK5240, SC 880 and testing was done for the sampled months of March 2022 and April 2022.

### **Methodology**

The following methodology was used by DDS to ensure the audit objectives were met. The methodology was designed to obtain a reasonable assurance that the evidence provided was sufficient and appropriate to support the findings and conclusions in relation to the audit objectives. The procedures performed included, but were not limited to, the following:

- Reviewed vendor files for contracts, rate letters, program designs, POS authorizations and correspondence pertinent to the review.
- Interviewed regional center staff for vendor background information and to obtain insight into the vendor's operations.
- Interviewed vendor staff and management to gain an understanding of the vendor's accounting procedures and processes for regional center billing.
- Obtained and reviewed the vendor's internal control questionnaire.
- Reviewed vendor service/attendance records to determine if the vendor had sufficient and appropriate evidence to support the direct care services billed to the regional centers.
- Analyzed the vendor's payroll and attendance/service records to determine if the appropriate level of staffing was provided.

## **CONCLUSION**

The audit of AO revealed that this vendor maintained its records in accordance to the requirements of CCR, Title 17. For the sampled months tested, DDS was able to obtain the evidence necessary to achieve the audit objectives. The billing for the programs audited were found to have sufficient, competent, and relevant evidence to support the direct-care hours billed.

## **VIEWS OF RESPONSIBLE OFFICIALS**

This section of the audit report was discussed during the informal exit with the vendor. The vendor was in compliant with the W&I Code, CCR, Title 17, State laws and regulations and the regional centers' contracts, and applicable audit criteria.

## **RESTRICTED USE**

This report is solely for the information and use of DDS, Department of Health Care Services, FDLRC, KRC, NLACRC, WRC, and AO. This restriction is not intended to limit distribution of this report, which is a matter of public record.

## **ATTACHMENT A – VENDOR’S RESPONSE**

### **AS ONE, INC.**

As part of the audit report process, AO was afforded the opportunity to respond to the draft audit. However, AO did not submit a response to the draft audit report.