

**DEPARTMENT OF DEVELOPMENTAL SERVICES'**  
**AUDIT OF**  
**ROBIN HOME, INC.**

**Programs and Services:**

In-Home Day Program – HB0539

Residential Facility Serving Adults – Staff Operated – HB0539

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

**Audit Section**

**Auditors:** Alimou Diallo, Chief of Vendor Audit Unit  
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**ROBIN HOME, INC.**  
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## EXECUTIVE SUMMARY

The Department of Developmental Services (DDS) has audited Robin Home, Inc. (RH). The audit was performed upon the In-Home Day Program (IHDP) and Residential Facility Serving Adults – Staff Operated (RFSASO) for the period of January 1, 2022, through December 31, 2022.

The audit disclosed the following issues of non-compliance:

**Finding 1: Residential Facility Serving Adults – Staff Operated – Unsupported Staffing Hours**

The review of RH's RFSASO program, Vendor Number HB0539, revealed that RH had unsupported staffing levels, which resulted in a total of \$12,391 of overpayments to Regional Center of East Bay (RCEB).

**Finding 2: In-Home Day Program – Unsupported Billings**

The review of RH's IHDP, Vendor Number HB0539, revealed that RH had a total of \$1,043 unsupported billings to RCEB.

**Finding 3: Non-Compliance to Obtain an Independent Review of Financial Statements**

Upon further consideration, DDS will not pursue Finding 3.

The total findings identified in this audit amounts to \$13,434, which is due back to DDS. A detailed discussion of these findings is contained in the Findings and Recommendations section of this report.

## **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 RH's programs were compliant with the W&I Code, California Code of Regulations (CCR), Title 17, State and Federal laws and regulations and the regional centers' contracts with RH 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 RH, nor was this audit intended to express an opinion on the financial statements. The auditors limited the review of RH'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 RH complied with W&I Code and CCR, Title 17. Any complaints that DDS' Audit Section was aware of regarding non-compliance with laws and regulations were also reviewed and addressed during the course of the audit.

The audit scope was determined by reviewing the programs and services provided to RCEB that utilized RH's services during the audit period. RH provided three different types of services, of which DDS audited two. Services chosen by DDS were based on the amount of purchase of service (POS) expenditures invoiced by RH. 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.

## **Residential Facility Serving Adults – Staff Operated**

During the audit period, RH operated two RFSASO programs. The audit included the review of one of RH's RFSASO program, Vendor Number HB0539, SC 915 and testing was done for the sampled months of November 2022 and December 2022.

## **In-Home Day Program**

During the audit period, RH operated three IHDPs. The audit included the review of one of RH's IHDP, Vendor Number HB0539, SC 091 and testing was done for the sampled months of November 2022 and December 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 center(s).
- Analyzed the vendor's payroll and attendance/service records to determine if the appropriate level of staffing was provided.

## **CONCLUSION**

Based upon items identified in the Findings and Recommendations section, RH had findings of non-compliance with the requirements of CCR, Title 17.

## **VIEWS OF RESPONSIBLE OFFICIALS**

DDS issued a draft audit report on November 2, 2023. The findings in the report were discussed at an exit conference with RH on November 20, 2023. Subsequent to the exit conference, on December 21, 2023, RH submitted a response to the draft audit report via email. RH did not indicate whether it agreed or disagreed with the findings in the response, but did emphasize that “staffing issues are always challenging” and acknowledge that they may have “neglected or have remised in maintain records of services.”

## **RESTRICTED USE**

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

## FINDINGS AND RECOMMENDATIONS

### Finding 1: Residential Facility Serving Adults – Staff Operated – Unsupported Staffing Hours

The review of RH's RFSASO program, Vendor Number HB0539, for the sampled months of November 2022 and December 2022, revealed that RH did not meet the required Direct Care Staff (DCS) staffing requirements per Title 17 Regulations.

DDS reviewed the direct care service hours documented on the consumer attendance sheets, consumer daily notes, and employee timesheets for the sampled months.

RH's Burnham Place is a Service Level 4I Facility with six residents and is required to provide a minimum number of DCS hours per week. For November 2022 and December 2022, RH was required to provide a minimum of 3,252 DCS hours for the two months. However, RH only provided 2,745 which resulted in 507 of unsupported service hours. The total of 507 underprovided DCS hours was multiplied by the average salary of the staff. The underprovided DCS hours resulted in overpayments of services billed to RCEB in the amount of \$12,391, which is due back to DDS. (See Attachment A)

W&I Code, Section 4648.1(e)(1) states:

“(e) A regional center or the department may recover from the provider funds paid for services when the department or the regional center determines that either of the following has occurred:

- (1) The services were not provided in accordance with the regional center's contract or authorization with the provider, or with applicable state laws or regulations.”

CCR, Title 17, Section 54326(a)(3) and (10) states:

“(a) All vendors shall: ...

- (3) Maintain records of services provided to consumers in sufficient detail to verify delivery of the units of service billed: ...
- (10) Bill only for services which are actually provided to consumers and which have been authorized by the referring regional center.”

CCR, Title 17, Section 50604(d) and (e) states:

- “(d) All service providers shall maintain complete service records to support all billing/invoicing for each regional center consumer in the program....
- (e) All service providers’ records shall be supported by source documentation.”

CCR, Title 17, Section 56004 (c)(2)(D) and (d) states:

“(d) In addition to the basic level of staffing described in subsection (c)(2)(A) through (D), facilities providing residential services to a greater number of consumers shall provide a cumulative number of additional weekly direct care staff hours for consumers based upon the facility’s service level, as specified in the table below:

<b>ADDITIONAL DIRECT CARE STAFF HOURS BY SERVICE LEVEL</b>							
<b>Service Level</b>	<b>Number of Additional Weekly Hours for Each Additional Consumer</b>						
	<b>1*</b>	<b>2*</b>	<b>3*</b>	<b>4*</b>	<b>5*</b>	<b>6*</b>	<b>7 or more*</b>
<b>2</b>	<b>Basic Staffing Level</b>						<b>12</b>
<b>3</b>	<b>Basic Staffing Level</b>						<b>19</b>
<b>4A</b>	<b>Basic Staffing Level</b>						<b>21</b>
<b>4B</b>	<b>Basic Staffing Level</b>						<b>24</b>
<b>4C</b>	<b>Basic Staffing Level</b>						<b>27</b>
<b>4D</b>	<b>Basic Staffing Level</b>						<b>30</b>
<b>4E</b>	<b>Basic Staffing Level</b>						<b>34</b>
<b>4F</b>	<b>4</b>	<b>38</b>	<b>38</b>	<b>38</b>	<b>38</b>	<b>38</b>	<b>38</b>
<b>4G</b>	<b>12</b>	<b>42</b>	<b>42</b>	<b>42</b>	<b>42</b>	<b>42</b>	<b>42</b>
<b>4H</b>	<b>22</b>	<b>47</b>	<b>47</b>	<b>47</b>	<b>47</b>	<b>47</b>	<b>47</b>
<b>4I</b>	<b>36</b>	<b>54</b>	<b>54</b>	<b>54</b>	<b>54</b>	<b>54</b>	<b>54</b>

\*Consumer(s)

**Recommendation:**

RH must reimburse to DDS \$12,391 for the overpayments. In addition, RH should provide services in accordance with RCEB contract and authorizations to ensure that hours are accurately billed to RCEB.

## Vendor's Response:

In their response, RH did not indicate whether they agreed or disagreed with the finding.

See Attachment B for the full text of RH's response to the draft audit report and Attachment C for DDS' evaluation of RH's response.

## Finding 2: In-Home Day Program – Unsupported Billings

The review of RH's IHDP, Vendor Number HB0539, revealed that RH had unsupported billings for services billed to RCEB. Unsupported billings occurred due to a lack of appropriate documentation to support the hours of service billed to RCEB and non-compliance with Title 17.

DDS reviewed the direct care service hours documented on the consumer attendance sheets, consumer daily notes, and employee timesheets for the sampled months of November 2022 and December 2022.

DDS found that the actual direct care service hours on the employee timesheets which were reconciled with payroll registers were 60 hours less than the direct service hours billed to RCEB. RH billed for 60 hours not supported by the employee timesheets and payroll registers. The lack of documentation resulted in unsupported billings to RCEB in the amount of \$1,043, which is due back to DDS. (See Attachment A)

W&I Code, Section 4648.1(e)(1) states:

“(e) A regional center or the department may recover from the provider funds paid for services when the department or the regional center determines that either of the following has occurred:

- (1) The services were not provided in accordance with the regional center's contract or authorization with the provider, or with applicable state laws or regulations.”

CCR, Title 17, Section 54326(a)(3) and (10) states:

“(a) All vendors shall: ...

- (3) Maintain records of services provided to consumers in sufficient detail to verify delivery of the units of service billed: ...

- (10) Bill only for services which are actually provided to consumers and which have been authorized by the referring regional center.”

CCR, Title 17, Section 50604(d) and (e) states:

“(d) All service providers shall maintain complete service records to support all billing/invoicing for each regional center consumer in the program....

(e) All service providers’ records shall be supported by source documentation.”

**Recommendation:**

RH must reimburse to DDS \$1,043 for the unsupported billings. In addition, RH should provide services in accordance with RCEB contract and authorizations to ensure that hours are accurately billed to RCEB.

**Vendor’s Response:**

In their response, RH did not indicate whether they agreed or disagreed with the finding. .

See Attachment B for the full text of RH’s response to the draft audit report and Attachment C for DDS’ evaluation of RH’s response.

**Finding 3: Non-Compliance to Obtain an Independent Review of Financial Statements**

Upon further consideration, DDS will not pursue Finding 3.

# **ATTACHMENT A**

## **ROBIN HOME, INC.**

**To request a copy of the attachment for this audit report, please contact the DDS Audit Section at (916) 654-3695.**

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

### **ROBIN HOME, INC.**

**To request a copy of the vendor’s response to the audit findings, please contact the DDS Audit Section at (916) 654-3695.**

## ATTACHMENT C – DDS’ EVALUATION OF RH’S RESPONSE

DDS evaluated Robin Home, Inc. (RH)’s written response to the draft audit report and determined that RH did not indicate whether they agreed or disagreed with the findings in their response for Finding 1 and 2 but did emphasize that “staffing issues are always challenging” and acknowledge that they may have “neglected or have remised in maintain records of services.” RH provided supporting documentation for Finding 3. Below is a summary of the vendor’s response as well as the DDS’ evaluation of the vendor’s response.

### **Finding 1: Residential Facility Serving Adults – Staff Operated – Unsupported Staffing Hours**

RH states, “...I would like to address the Department’s concerns regarding RH weekly schedules which included my service hours and that of my husband... We must sacrifice and volunteer our time...”

RH did not submit any documentation that addressed the Department’s concern or warrant an adjustment to the draft audit report. As stated in the exit meeting, the weekly schedules do not reflect actual service hours. A comparison of shifts recorded in the weekly schedules against shifts recorded in staff timesheets revealed that weekly schedules do not match staff timesheets and do not reflect actual hours of service provided to consumers.

CCR, Title 17, Section 56004, requires a Level 4I facility to have a basic staffing level of “direct care staff” hours. Per RH’s program design, “job duties described for volunteers are to support the facility employee, and they are never to be alone with a resident”. In addition, RH’s volunteers are not required, nor do they possess the proper certifications, and trainings as direct care staff, which is synonymous with “Direct Support Professionals,” (DSP) to provide direct care and supervision to consumers in an adult residential facility. Per CCR, Title 17, Section 56033, DSPs are mandated to complete direct care training to work in licensed community care facilities vendored by regional centers.

Whether RH use “volunteers or Administrators,” RH was allowed credit for all the verifiable hours identified using consumer daily notes, and employee timesheets, staff schedules, payroll records, etc.

### **Finding 2: In-Home Day Program – Unsupported Billings**

RH states, “...I would like to address the Department’s concerns regarding RH weekly schedules which included my service hours and that of my husband... We must sacrifice and volunteer our time...”

## **ATTACHMENT C – DDS’ EVALUATION OF RH’S RESPONSE**

As mentioned above for Finding 1, RH did not submit any documentation that will address the Department’s concern or warrant an adjustment to the draft audit report.

### **Finding 3: Non-Compliance to Obtain an Independent Review of Financial Statements**

RH states, “... *find my engagement letter with Ms. Pascual, CPA regarding her independent review of RH financial statements.*”

DDS received an engagement letter from Pascual & Associates, LLP as email attachment in the response to the Draft Audit Report. The engagement letter states, “*We will audit the financial statements of Robin Home, Inc... as of December 31, 2021, and 2022.*”

DDS adjusted the Draft Audit Report to reflect the hours of service provided by the owner and to reflect additional documentation received. As a result, the amount of Finding 1 was reduced from \$12,782 to \$12,391. Also, upon further consideration, DDS will not pursue Finding 3.