

**DEPARTMENT
OF
DEVELOPMENTAL SERVICES'
AUDIT
OF
THE GOLDEN TOUCH, LLC**

Service:

Supported Living Service – SV0026

Audit Period: January 1, 2023, through December 31, 2023

Audit Section

Auditors: Alimou Diallo, Chief of Vendor Audit Unit
Lucy Lao-Hernandez, Supervisor
Charles Willert, Auditor

THE GOLDEN TOUCH, LLC

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EXECUTIVE SUMMARY

The Department of Developmental Services (DDS) has audited The Golden Touch, LLC (TGT). The audit was performed upon the Supported Living Service (SLS) for the period of January 1, 2023, through December 31, 2023.

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 TGT's program was compliant with the W&I Code, California Code of Regulations (CCR), Title 17, State laws and regulations and the regional centers' contracts with TGT for the period of January 1, 2023, through December 31, 2023.

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 TGT, nor was this audit intended to express an opinion on the financial statements. The auditors limited the review of TGT'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 TGT 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 Valley Mountain Regional Center (VMRC) that utilized TGT's services during the audit period. TGT provided two different types of services, of which DDS audited one. Services chosen by DDS were based on the amount of purchase of services (POS) expenditures invoiced by TGT. 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.

Supported Living Service

During the audit period, TGT operated one SLS program. The audit included the review of Vendor Number SV0026, SC 896 and testing was done for the sampled months of November and December 2023.

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.
- Analyzed the vendor's payroll and attendance/service records to determine if the appropriate level of staffing was provided.
- Interviewed the vendor's Chief Executive Officer and Senior Director, for vendor background information and to gain understanding of accounting procedures and financial reporting process.

CONCLUSION

The audit of TGT 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 services 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 TGT. TGT was in compliant with the W&I Code, CCR, Title 17, State laws and regulations and the regional center's contract.

RESTRICTED USE

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

ATTACHMENT A – VENDOR’S RESPONSE

THE GOLDEN TOUCH, LLC

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