

**DEPARTMENT
OF
DEVELOPMENTAL SERVICES'
AUDIT
OF
RECESS SPEECH THERAPY, A PROFESSIONAL CORPORATION**

Service:

Early Start Specialized Therapeutic Services – PP6447

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

Audit Section

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

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EXECUTIVE SUMMARY

The Department of Developmental Services (DDS) has audited Recess Speech Therapy, A Professional Corporation (RST). The audit was performed upon the Early Start Specialized Therapeutic Services (ESSTS) 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 RST'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 RST 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 RST, nor was this audit intended to express an opinion on the financial statements. The auditors limited the review of RST'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 RST 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 service provided to SGPRC that utilized RST's services during the audit period. RST provided one type of service, which DDS audited. 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.

Early Start Specialized Therapeutic Services

During the audit period, RST operated one Early Start Specialized Therapeutic Services. The audit included the review of ESSTS' service, Vendor Number PP6447, SC 116 and testing was done for the sampled months of June and July 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 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.
- Interviewed the vendor's Founder for vendor background information and to gain understanding of accounting procedures and financial reporting process.

CONCLUSION

The audit of RST 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 the vendor. The vendor 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, SGPRC and RST. This restriction is not intended to limit distribution of this report, which is a matter of public record.

ATTACHMENT A – VENDOR’S RESPONSE

RECESS SPEECH THERAPY, A PROFESSIONAL CORPORATION

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

ATTACHMENT B – DDS' EVALUATION OF RST'S RESPONSE

DDS evaluated RST's written response to the draft audit report, dated September 12, 2024, and determined that RST agreed with the result of the audit.