

DEPARTMENT OF DEVELOPMENTAL SERVICES

1600 NINTH STREET, Room 320, MS-3-9
SACRAMENTO, CA 95814
TDD 654-2054 (For the Hearing Impaired)
(916) 654-1954



May 2, 2013

Stephen Bell, Acting Board President
Far Northern Coordinating Council on Developmental Disabilities
1900 Churn Creek Road, #319
Redding, CA 96002

Dear Mr. Bell:

The Department of Developmental Services' (DDS) Audit Branch has completed the audit of the Far Northern Regional Center (FNRC). The period of review was from July 1, 2010, through June 30, 2012, with a follow-up as needed into prior and subsequent periods. The enclosed report discusses the areas reviewed along with the findings and recommendations. The report includes the response submitted by FNRC, which is included as Appendix A, and DDS' reply, which is enclosed on page 15 of the report.

If there is a disagreement with the audit findings, a written "Statement of Disputed Issues" may be filed with DDS' Audit Appeals Unit, pursuant to California Code of Regulations, Title 17 (CCR, title 17), section 50730, Request for Administrative Review (excerpt enclosed). The "Statement of Disputed Issues" must be filed within 30 days of receipt of this report to:

Department of Developmental Services
Audit Appeals Unit
1600 Ninth Street, Room 240, MS 2-13
Sacramento, CA 95814

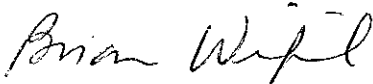
The cooperation of FNRC's staff in completing the audit is appreciated.

"Building Partnerships, Supporting Choices"

Stephen Bell, Acting Board President
May 2, 2013
Page two

If you have any questions regarding the report, please contact Edward Yan, Manager,
Audit Branch, at (916) 654-3695.

Sincerely,

A handwritten signature in cursive script that reads "Brian Winfield".

BRIAN WINFIELD
Acting Deputy Director
Community Operations Division

Enclosures

cc: Laura Larson, FNRC
Mike Mintline, FNRC
Evie Correa, DHCS
Jean Johnson, DDS
Nancy Bargmann, DDS
Karyn Meyreles, DDS
Tim Gonsalves, DDS
Edward Yan, DDS
Luciah Ellen Nzima, DDS
Debie Pritchard, DDS
Oscar Perez, DDS

California Code of Regulations
Title 17, Division 2
Chapter 1 - General Provisions
SubChapter 7 - Fiscal Audit Appeals
Article 2 - Administrative Review

§50730. Request for Administrative Review.

(a) An individual, entity, or organization which disagrees with any portion or aspect of an audit report issued by the Department or regional center may request an administrative review. The appellant's written request shall be submitted to the Department within 30 days after the receipt of the audit report. The request may be amended at any time during the 30-day period.

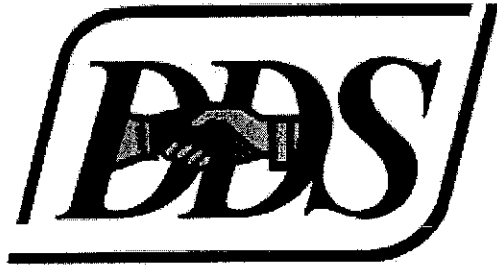
(b) If the appellant does not submit the written request within the 30-day period, the appeals review officer shall deny such request, and all audit exceptions or findings in the report shall be deemed final unless the appellant establishes good cause for late filing.

(c) The request shall be known as a "Statement of Disputed Issues." It shall be in writing, signed by the appellant or his/her authorized agent, and shall state the address of the appellant and of the agent, if any agent has been designated. An appellant shall specify the name and address of the individual authorized on behalf of the appellant to receive any and all documents, including the final decision of the Director, relating to proceedings conducted pursuant to this subchapter. The Statement of Disputed Issues need not be formal, but it shall be both complete and specific as to each audit exception or finding being protested. In addition, it shall set forth all of the appellant's contentions as to those exceptions or findings, and the estimated dollar amount of each exception or finding being appealed.

(d) If the appeals review officer determines that a Statement of Disputed Issues fails to state the grounds upon which objections to the audit report are based, with sufficient completeness and specificity for full resolution of the issues presented, he/she shall notify the appellant, in writing, that it does not comply with the requirements of this subchapter.

(e) The appellant has 15 days after the date of mailing of such notice within which to file an amended Statement of Disputed Issues. If the appellant does not amend his/her appeal to correct the stated deficiencies within the time permitted, all audit exceptions or findings affected shall be dismissed from the appeal, unless good cause is shown for the noncompliance.

(f) The appellant shall attach to the Statement of Disputed Issues all documents which he/she intends to introduce into evidence in support of stated contentions. An appellant that is unable to locate, prepare, or compile such documents within the appeal period specified in Subsection (a) above, shall include a statement to this effect in the Statement of Disputed Issues. The appellant shall have an additional 30 days after the expiration of the initial 30-day period in which to submit the documents. Documents that are not submitted within this period shall not be accepted into evidence at any stage of the appeal process unless good cause is shown for the failure to present the documents within the prescribed period.



**AUDIT OF THE
FAR NORTHERN REGIONAL CENTER
FOR FISCAL YEARS 2010-11 AND 2011-12**

Department of Developmental Services

This report was prepared by the
California Department of Developmental Services
1600 Ninth Street
Sacramento, CA 95814

Jean Johnson, Deputy Director, Administration Division
Edward Yan, Manager, Audit Branch
Luciah Ellen Nzima, Chief of Regional Center Audits, Audit Branch
Oscar Pérez, Supervisor, Audit Branch

Audit Staff: Abel Chappell, Diosdado Agustin, and Carlos Whylesmenchaca

For more information, please call: (916) 654-3695

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EXECUTIVE SUMMARY

The Department of Developmental Services' (DDS) fiscal compliance audit of Far Northern Regional Center (FNRC) revealed that FNRC was in compliance with the requirements set forth in the California Code of Regulations, Title 17 (CCR, title 17), the California Welfare and Institutions (W&I) Code, the Home and Community-Based Services (HCBS) Waiver for the Developmentally Disabled, and the contract with the DDS. The audit indicated that, overall, FNRC maintains accounting records and supporting documentation for transactions in an organized manner. This report identifies some areas where FNRC's administrative, operational controls could be strengthened, but the finding was not of a nature that would indicate systemic issues or constitute major concerns regarding FNRC's operations.

Finding that needs to be addressed.

Finding 1: Family Cost Participation Program - Late Assessments

The sample review of 20 Family Cost Participation Program (FCPP) consumer files revealed three instances in which FNRC did not assess the parents' share of cost participation timely after completion of the consumer Individual Program Plan (IPP) review. The assessments were completed more than a month after the signing of the IPP. This is not in compliance with W&I Code, section 4783(g)(1).

BACKGROUND

DDS is responsible, under the Lanterman Developmental Disabilities Services Act (Lanterman Act), for ensuring that persons with developmental disabilities (DD) receive the services and supports they need to lead more independent, productive and normal lives. To ensure that these services and supports are available, DDS contracts with 21 private, nonprofit community agencies/corporations that provide fixed points of contact in the community for serving eligible individuals with DD and their families in California. These fixed points of contact are referred to as regional centers. The regional centers are responsible under State law to help ensure that such persons receive access to the programs and services that are best suited to them throughout their lifetime.

DDS is also responsible for providing assurance to the Department of Health and Human Services, Centers for Medicare and Medicaid Services (CMS) that services billed under California's HCBS Waiver program are provided, and that criteria set forth for receiving funds have been met. As part of DDS' program for providing this assurance, the Audit Branch conducts fiscal compliance audits of each regional center no less than every two years, and completes follow-up reviews in alternate years. DDS also requires regional centers to contract with independent Certified Public Accountants (CPA) to conduct an annual financial statement audit. The DDS audit is designed to wrap around the independent CPA's audit to ensure comprehensive financial accountability.

In addition to the fiscal compliance audit, each regional center will also be monitored by the DDS Federal Programs Operations Section to assess overall programmatic compliance with HCBS Waiver requirements. The HCBS Waiver compliance monitoring review will have its own criteria and processes. These audits and program reviews are an essential part of an overall DDS monitoring system that provides information on regional center fiscal, administrative and program operations.

DDS and Far Northern Coordinating Council on Developmental Disabilities (FNCC), entered into contract, HD099005, effective July 1, 2009, through June 30, 2016. The contract specifies that FNCC will operate an agency known as the Far Northern Regional Center (FNRC) to provide services to persons with DD and their families in the Butte, Glenn, Lassen, Modoc, Plumas, Shasta, Siskiyou, Tehama and Trinity Counties. The contract is funded by State and Federal funds that are dependent upon FNRC performing certain tasks, providing services to eligible consumers, and submitting billings to DDS.

This audit was conducted at FNRC from September 17, 2012, through October 12, 2012, and was conducted by DDS' Audit Branch.

AUTHORITY

The audit was conducted under the authority of the W&I Code, section 4780.5, and Article IV, section 3 of the State Contract.

CRITERIA

The following criteria were used for this audit:

- California's W&I Code
- "Approved Application for the HCBS Waiver for the Developmentally Disabled"
- CCR, title 17
- Federal Office of Management Budget (OMB) Circular A-133
- State Contract between DDS and FNRC, effective July 1, 2009

AUDIT PERIOD

The audit period was July 1, 2010, through June 30, 2012, with follow-up as needed into prior and subsequent periods.

OBJECTIVES, SCOPE, AND METHODOLOGY

This audit was conducted as part of the overall DDS monitoring system that provides information on regional centers' fiscal, administrative, and program operations. The objectives of this audit are:

- To determine compliance with the W&I Code (or the Lanterman Act),
- To determine compliance with CCR, title 17 regulations,
- To determine compliance with the provisions of the HCBS Waiver Program for the Developmentally Disabled, and
- To determine that costs claimed were in compliance with the provisions of the State Contract.

The audit was conducted in accordance with Generally Accepted Government Auditing Standards issued by the Comptroller General of the United States. However, the procedures do not constitute an audit of FNRC's financial statements. DDS limited the scope to planning and performing audit procedures necessary to obtain reasonable assurance that FNRC was in compliance with the objectives identified above. Accordingly, DDS examined transactions, on a test basis, to determine whether FNRC was in compliance with the Lanterman Act, CCR, title 17, HCBS Waiver for the Developmentally Disabled, and State Contract.

DDS' review of FNRC's internal control structure was conducted to gain an understanding of the transaction flow and the policies and procedures as necessary to develop appropriate auditing procedures.

DDS reviewed the annual audit report that was conducted by an independent accounting firm for fiscal year 2010-11, issued on December 8, 2011. No management letter was issued by the independent accounting firm. This review was performed to determine the impact, if any, upon the DDS audit and as necessary, develop appropriate audit procedures.

The audit procedures performed included the following:

I. Purchase of Service

DDS selected a sample of Purchase of Service (POS) claims billed to DDS. The sample included consumer services, vendor rates, and consumer trust accounts. The sample also included consumers who were eligible for the HCBS Waiver Program. For POS claims, the following procedures were performed:

- DDS tested the sample items to determine if the payments made to service providers were properly claimed and could be supported by appropriate documentation.
- DDS selected a sample of invoices for service providers with daily and hourly rates, standard monthly rates, and mileage rates to determine if supporting attendance documentation was maintained by FNRC. The rates charged for the services provided to individual consumers were reviewed to ensure that the rates paid were set in accordance with the provisions of CCR, title 17 and W&I Code of regulations.
- DDS selected a sample of individual consumer trust accounts to determine if there were any unusual activities and whether any account balances exceeded \$2,000 as prohibited by the Social Security Administration (SSA). In addition, DDS determined if any retroactive Social Security benefit payments received exceeded the \$2,000 resource limit for longer than nine months. DDS also reviewed these accounts to ensure that the interest earnings were distributed quarterly, personal and incidental funds were paid before the tenth of each month, and that proper documentation for expenditures was maintained.
- The Client Trust Holding Account, an account used to hold unidentified consumer trust funds, was tested to determine whether funds received were properly identified to a consumer or returned to the SSA in a timely manner. An interview with FNRC's staff revealed that FNRC has procedures in place to determine the correct recipient of unidentified consumer trust funds. If the correct recipient cannot be determined, the funds are returned to SSA (or other source) in a timely manner.
- DDS selected a sample of Uniform Fiscal Systems (UFS) reconciliations to determine if any accounts were out-of-balance or if there were any outstanding items that were not reconciled.
- DDS analyzed all of FNRC's bank accounts to determine whether DDS had signatory authority as required by the contracts with DDS.

- DDS selected a sample of bank reconciliations for Operations and Consumer Trust bank accounts to determine if the reconciliations were properly completed on a monthly basis.

II. Regional Center Operations

DDS audited FNRC's operations and conducted tests to determine compliance with the State Contract. The tests included various expenditures claimed for administration to ensure that FNRC's accounting staff is properly inputting data, transactions were recorded on a timely basis, and to ensure that expenditures charged to various operating areas are valid and reasonable. These tests included the following:

- A sample of the personnel files, time sheets, payroll ledgers and other support documents was selected to determine if there were any overpayments or errors in the payroll or the payroll deductions.
- A sample of operating expenses, including, but not limited to, purchases of office supplies, consultant contracts, insurance expenses, and lease agreements was tested to determine compliance with CCR, title 17 and the State Contract.
- A sample of equipment was selected and physically inspected to determine compliance with requirements of the State Contract.
- DDS reviewed FNRC's policies and procedures for compliance with the DDS Conflict of Interest regulations and DDS selected a sample of personnel files to determine if the policies and procedures were followed.

III. Targeted Case Management and Regional Center Rate Study

The Targeted Case Management (TCM) Rate Study is the study that determines the DDS rate of reimbursement from the Federal Government. DDS reviewed applicable TCM records and FNRC's Rate Study for the months of May 2010 and June 2011, and traced the reported information to source documents.

The last Case Management Time Study was performed in May 2010, which was reviewed in the prior DDS audit that included fiscal year 2009-10. As a result, there was no Case Management Time Study to review for this audit period.

IV. Service Coordinator Caseload Survey

Under W&I Code, section 4640.6(e), regional centers are required to provide service coordinator caseload data to DDS. The following average service coordinator-to-consumer ratios apply per W&I Code, section 4640.6(C)(3):

- A. For all consumers that are three years of age and younger and for consumers enrolled in the Waiver, the required average ratio shall be 1:62.

- B. For all consumers who have moved from a developmental center to the community since April 14, 1993, and have lived continuously in the community for at least 12 months, the required average ratio shall be 1:62. The required average ratio shall be 1:45 for consumers who have moved within the first year.
- C. For all consumers who have not moved from the developmental centers to the community since April 14, 1993, and who are not covered under A above, the required average ratio shall be 1:66. The 1:66 ratio was suspended in February 2009, upon imposition of the 3 percent operations reduction to regional centers as required per W&I Code, section 4640.6(i) and (j). The ratio continues to be suspended from July 2010 until July 2013 with imposition of the subsequent 4.25 percent and 1.25 percent payment reductions.

However, under W&I Code, section 4640.6(i)(2), for the period commencing February 1, 2009, to June 30, 2010, inclusive, regional centers were no longer required to provide service coordinator caseload data to DDS annually. Regional centers were instead to maintain sufficient service coordinator caseload data to document compliance with the service coordinator-to-consumer ratio requirements in effect.

Therefore, DDS also reviewed the Service Coordinator Caseload Survey methodology used in calculating the caseload ratios to determine reasonableness and that supporting documentation is maintained to support the survey and the ratios as required by W&I Code, section 4640.6(e). This requirement is temporarily suspended for the February 2009 and 2010 caseload surveys, which is reported in the month of March.

V. **Early Intervention Program (Part C Funding)**

For the Early Intervention Program, there are several sections contained in the Early Start Plan. However, only the Part C section was applicable for this review.

For this program, DDS reviewed the Early Intervention Program, including the Early Start Plan and Federal Part C funding to determine if the funds were properly accounted for in the regional center's accounting records.

VI. **Family Cost Participation Program**

The FCPP was created for the purpose of assessing consumer costs to parents based on income level and dependents. The family cost participation assessments are only applied to respite, day care, and camping services that are included in the child's IPP. To determine whether FNRC is in compliance with CCR, title 17 and the W&I Code, DDS performed the following procedures during the audit review:

- Reviewed the list of consumers who received respite, day care and camping services, for ages 0 through 17 who live with their parents and are not Medi-Cal eligible, to determine their contribution for the FCPP.

- Reviewed the parents' income documentation to verify their level of participation based on the FCPP Schedule.
- Reviewed copies of the notification letters to verify that the parents were notified of their assessed cost participation within 10 working days of receipt of the parents' complete income documentation.
- Reviewed vendor payments to verify that FNRC is paying for only its assessed share of cost.

VII. Procurement

The Request for Proposal (RFP) process was implemented to ensure regional centers outline the vendor selection process when using the RFP process to address consumer service needs. As of January 1, 2011, DDS requires regional centers to document their contracting practices, as well as how particular vendors are selected to provide consumer services. By implementing a procurement process, regional centers will ensure that the most cost effective service providers, amongst comparable service providers, are selected as required by the Lanterman Act and the State Contract as amended.

To determine whether FNRC implemented the required RFP process by January 1, 2011, DDS performed the following procedures during our audit review:

- Reviewed FNRC's contracting process to ensure the existence of a Board approved procurement policy, and to verify that the RFP process ensures competitive bidding as required by Article II of the State Contract as amended.
- Reviewed the RFP contracting policy to determine whether the protocols in place include applicable dollar thresholds and comply with Article II of the State Contract as amended.
- Reviewed the RFP notification process to verify that it is open to the public, and clearly communicates to all vendors. All submitted proposals are evaluated by a team of individuals to determine whether proposals are properly documented, recorded and authorized by appropriate officials at FNRC. The process was reviewed to ensure that the vendor selection process is transparent, impartial, and avoids the appearance of favoritism. Additionally, DDS verified that supporting documentation is retained for the selection process, and in instances where a vendor with a higher bid is selected, there is written documentation retained as justification for such a selection.

DDS performed the following procedures to determine compliance with Article II of the State Contract for new contracts in place as of January 1, 2011:

- Selected a sample of Operational, Start-Up and negotiated POS contracts subject to competitive bidding to ensure FNRC notified the vendor community and the public of contracting opportunities available.
- Reviewed the contracts to ensure that FNRC has adequate and detailed documentation for the selection and evaluation process of vendor proposals, written justification for final vendor selection decisions, and those contracts were properly signed and executed by both parties to the contract.

In addition, DDS performed the following procedures to determine compliance with the W&I Code, section 4625.5 for new contracts in place as of March 2011:

- Reviewed to ensure FNRC has a written policy requiring the Board to review and approve any of its contracts of two hundred fifty thousand dollars (\$250,000) or more, before entering into a contract with the vendor.
- Reviewed FNRC board approved POS, Start-Up and Operational vendor contracts over \$250,000 to ensure the inclusion of a provision for fair and equitable recoupment of funds for vendors that cease to provide services to consumers. Verified that the funds provided were specifically used to establish new or additional services to consumers and that the usage of funds are of direct benefit to consumers, and that contracts are supported with sufficiently detailed and measurable performance expectations and results.

The process above was conducted in order to assess FNRC's current RFP process and Board approval of contracts over \$250,000 as well as to determine whether the process in place satisfies the W&I Code and the State Contract requirements as amended.

VIII. Statewide/Regional Center Median Rates

The Statewide or Regional Center Median Rates were implemented on July 1, 2008, and amended on December 15, 2011, to ensure regional centers are not negotiating rates higher than the set median rates for services. Despite the median rate requirement, rate increases could be obtained from DDS under health and safety exemptions where regional centers demonstrate the exemption is necessary for the health and safety of the consumers.

To determine whether FNRC was in compliance with the Lanterman Act, DDS performed the following procedures during the audit review:

- Reviewed sample vendor files to determine whether FNRC is using appropriately vendorized service providers, have correct service codes, and that FNRC is paying authorized contract rates and complying with the median rate requirements of the W&I Code, section 4691.9.

- Reviewed vendor contracts to verify that FNRC is reimbursing vendors using authorized contract median rates and verified that rates paid represented the lower of the statewide or regional center median rate set after June 30, 2008. Additionally, DDS verified that providers vendorized before June 30, 2008, did not receive any unauthorized rate increases, except in situations where health and safety exemptions are granted by DDS.

IX. Other Sources of Funding from DDS

Regional centers may receive other sources of funding from DDS. DDS performed sample tests on identified sources of funds from DDS to ensure FNRC's accounting staff were inputting data properly, and that transactions were properly recorded and claimed. In addition, tests were performed to determine if the expenditures were reasonable and supported by documentation. The sources of funding from DDS identified in this audit are:

- Start-Up Funds, Community and Placement Program.
- Early Start-American Recovery and Reinvestment Act (ARRA) Funds.
- First Five California.
- Prevention Program.

X. Follow-Up Review on Prior DDS Audit Findings

As an essential part of the overall DDS monitoring system, a follow-up review of the prior DDS audit findings was conducted. DDS identified prior audit findings that were reported to FNRC and reviewed supporting documentation to determine the degree and completeness of FNRC's implementation of corrective actions.

CONCLUSIONS

Based upon the audit procedures performed, DDS has determined that except for the items identified in the Finding and Recommendation Section, FNRC was in compliance with applicable sections of CCR, title 17, the HCBS Waiver, and the State Contract with DDS for the audit period, July 1, 2010, through June 30, 2012.

The costs claimed during the audit period were for program purposes and adequately supported.

From the review of prior audit issues, it has been determined that FNRC has taken appropriate corrective actions to resolve the prior audit issues.

VIEWS OF RESPONSIBLE OFFICIALS

DDS issued a draft report on March 21, 2013. The finding in the report was discussed at an exit conference with FNRC on March 27, 2013. At the exit conference, DDS stated that the final report will incorporate the views of responsible officials.

RESTRICTED USE

This report is solely for the information and use of DDS, Department of Health Care Services, Centers for Medicare and Medicaid Services, and FNRC. This restriction does not limit distribution of this report, which is a matter of public record.

FINDING AND RECOMMENDATION

Finding that needs to be addressed.

Finding 1: Family Cost Participation Program - Late Assessments

The sample review of the 20 FCPP consumer files revealed three instances in which FNRC did not assess the parents' share of cost participation timely after completion of the consumer's IPP review. The assessments were completed more than a month after the parents' signing of the IPP. FNRC stated that this occurred because the Service Coordinators did not provide the IPP approval packet to the FCPP Coordinator in a timely manner. (See Attachment A.)

W&I Code, section 4783(g)(1) states in relevant part:

“(g) Family cost participation assessments or reassessments shall be conducted as follows:

- (1) (A) A regional center shall assess the cost participation for all parents of current consumers who meet the criteria specified in this section. A regional center shall use the most recent individual program plan or individualized family service plan for this purpose.
- (B) A regional center shall assess the cost participation for parents of newly identified consumers at the time of the initial individual program plan or the individualized family service plan.
- (C) Reassessments for cost participation shall be conducted as part of the individual program plan or individual family service plan review”

Recommendation:

FNRC must continue to inform all Service Coordinators that the parents' assessed share of cost is to be completed at the IPP review. FNRC must also ensure that the completed IPP be submitted to the FCPP Coordinator timely for the processing of the FCPP assessments.

EVALUATION OF RESPONSE

As part of the audit report process, FNRC has been provided with a draft report and was requested to provide a response to the finding. FNRC's response dated April 1, 2013, is provided as Appendix A. This report includes the complete text of the finding in the Finding and Recommendation section, as well as a summary of the finding in the Executive Summary section.

DDS' Audit Branch has evaluated FNRC's response. FNRC's response addressed the audit finding and provided reasonable assurance that corrective action would be taken to resolve the issue. During the follow-up review of the next scheduled audit, the DDS Audit Branch will confirm FNRC's corrective action in its response to the draft audit report.

Finding 1: Family Cost Participation Program- Late Assessments

FNRC concurs with the finding that FCPP assessments were not completed in a timely manner. FNRC stated it will send an e-mail reminding all Service Coordinators to give parents income information forms at the time of the IPP review. The e-mail will also remind Service Coordinators to inform parents of the 10 working day period to submit income documentation. In addition, the e-mail will state the deadline needs to be followed, even if parents are applying for Institutional Deeming status, and that IPP's must be submitted to the FCPP Coordinator timely for processing of the FCPP assessments. Follow-up will be performed during the next scheduled audit to ensure FNRC has fully complied with the FCPP requirements.

**Far Northern Regional Center
Family Cost Participation Program - Late Assessments
Fiscal Years 2009-10 and 2010-11**

	Unique Client Identification Number	IPP Date	Assessment Date
1	6233871	5/6/2011	9/22/2011
2	6335596	10/5/2011	11/17/2011
3	6333745	5/18/2011	6/28/2011

APPENDIX A

FAR NORTHERN REGIONAL CENTER

**RESPONSE
TO THE AUDIT FINDING**

Perez, Oscar@DDS

From: Mike Mintline <mmintline@farnorthernrc.org>
Sent: Monday, April 01, 2013 10:33 AM
To: Yan, Ed@DDS
Cc: Executive Staff; Perez, Oscar@DDS; Chappell, Abel@DDS
Subject: Far Northern Regional Center response to DDS audit finding
Attachments: Far Northern Regional Center Response to Finding in DDS FY 2010-11 and 2011-12 audit report.doc

Hello Ed,

Attached is FNRC's response to its audit report. We thank you and your audit team for a positive experience. Your team members did a great job of adjusting to our scanning system and they were nice to work with.

You may want to consider adding the word "timely" to the language of the finding (see red highlight in Word document) as it appears to be about timely completion of the assessments versus completion of them.

Regards, Mike

WARNING: The information contained in this message (including any attachments) is intended only for the use of the individual or entity to which it is addressed. This message may contain information that is privileged, confidential and exempt from disclosure under applicable law. You are hereby notified that any unauthorized dissemination, distribution or copying of this communication is strictly prohibited. If you have received this communication in error, please notify HIPAA@farnorthernrc.org by E-Mail and then destroy this communication in a manner appropriate for privileged information.

Finding 1: Family Cost Participation Program – Late Assessments

The sample review of 20 Family Cost Participation Program (FCPP) consumer files revealed three instances in which FNRC did not assess the parents' share of cost participation timely after completion of the Individual Program Plan (IPP) review. The assessments were completed more than a month after the signing of the IPP. This is not in compliance with W&I Code, sections 4783(g) (1).

Response: California Code of Regulations Title 17, Section 2, Chapter 1, Subchapter 2.5, Article 2, Section 50261 requires the Regional Center to assess parents the maximum cost participation amount if they do not return proof of gross annual income within ten working days after they sign the IPP. One ten working day extension may be granted if the parents have acted in good faith.

Review of the three instances indicated the maximum amount was not assessed timely because of Service Coordinator miscommunication with the parents regarding income submission deadlines (#6335596), untimely follow up by the Service Coordinator after a change clarifying Medi-Cal status (#6233871), and a decision to allow the parents more time to submit information because they were applying for institutional deeming status that would have exempted them from the program (#6333745).

The Regional Center will send an e-mail reminding all Service Coordinators to give parents income information forms at the IPP review. The e-mail will also ask the Service Coordinators to remind the parents of the ten working day deadline for submission of income information. Finally, the e-mail will state this deadline needs to be followed even if the parents are applying for institutional deeming status and IPP's must be submitted to the FCPP Coordinator timely for processing of the FCPP assessments.