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April 17, 1998

Mr. John A. Johnson
Commissioner
Office of Children and Family Services
Capital View Office Park
52 Washington Street
Rensselaer, NY 12144

Re: Report 97-F-44

Dear Mr. Johnson:

Pursuant to the State Comptroller's authority as set forth in Section 1, Article V of the State Constitution and Section 8, Article 2 of the State Finance Law, we have reviewed the actions taken by officials of the Office of Children and Family Services (Office) as of March 6, 1998 to implement the recommendations contained in our prior audit, Report No. 95-S-95 issued September 23, 1996. That audit examined selected security, safety and payroll management practices at the former Division for Youth's Highland Residential Center.

Background

In 1997, the former Division for Youth and certain children and family service units of the Department of Social Services were combined into the Office of Children and Family Services. The Highland Residential Center (Center), located in Ulster County, is one of eight limited secure facilities operated by the Office.

The Center consists of a 299-acre campus that includes 12 residential units, two academic/vocational buildings and seven other buildings. The Center provides for the care, treatment, education, rehabilitation and guidance of youth. The Center has specialized residential programs for sex offenders, chemically-dependent youth, and mentally ill youth. The Center's budget for the year ended March 31, 1998 totaled nearly \$9 million. At the time of this review the Center had 240 staff and 222 residents.

Summary Conclusion

Our prior report concentrated on the security, safety and payroll management practices at the Center. We found that: Center management needed to establish an effective internal control system; improve security practices; correct certain fire safety deficiencies; reexamine its paid meal policy; and more closely monitor sick leave usage.

In our follow-up review, we found that the Center's management has made progress in implementing all of the prior report recommendations.

Summary of Status of Implementation

Center officials fully implemented all of the six recommendations in our prior report.

Follow-up Observations

Recommendation 1

Strengthen internal controls by:

- *having greater management involvement in establishing, evaluating and monitoring Center controls;*
- *communicating control information in such a manner so that Center managers and staff correctly understand, interpret and implement internal control directives;*
- *assessing and identifying risk and determining what corrective action is needed and when it will be implemented; and*
- *monitoring, on an ongoing basis, Center control systems.*

Status - Fully Implemented

Agency Action - The Assistant Director has been designated as the internal control officer. He is responsible for the Facility Self-Assessment (FSA) which is done each year. The Center established 12 teams, composed of Center staff to complete the self-assessment which covers areas such as: health services; fiscal management; security and control; and counseling, residential, and educational services. The FSA document requires staff completing it to identify risk and implement corrective action plans. In addition, Center administrators and staff review office policies annually to determine if the Center is complying with them. These processes promote accountability and allow staff to better understand and implement policies that are part of the internal control system.

The Center also is accredited by the American Correctional Association (ACA). For re-accreditation, every three years ACA ensures the Center's control system is evaluated and monitored on an ongoing basis. The review by the ACA includes looking at supporting documentation, interviewing staff and

residents, conducting physical inspections, and assessing quality of life issues.

Recommendation 2

Improve security by ensuring that all unusual incidents are reported to the Division and by adhering to Division requirements for searches and drug testing.

Status - Fully Implemented

Agency Action - Center and Central Office staff monitor Unusual Incident Reports. During our follow-up review we reviewed 141 Unusual Incident Reports for the last six months (September 1997-February 1998) and found that all reports had been forwarded to Central Office.

Monthly facility-wide contraband searches are conducted, as required by Office policy. The searches are documented and conducted on a random basis. Other searches can be done on “an as needed basis.” Visitors are now subject to electronic searches using a hand held scanner. Visitors’ coats, bags and other personal items are secured during the duration of the visit. Residents are strip searched at the conclusion of the visits, and all packages are searched prior to being turned over to the resident.

In addition, the Center has expanded resident drug testing to include urine screening for residents returning from jail or from AWOL status. Also, the Center is currently installing a \$2 million secure perimeter fence that will have lighting and a guarded entrance.

Recommendation 3

Comply with all Division requirements relating to fire safety. This would include ensuring that the Fire Safety Officer is knowledgeable about all fire safety requirements.

Status - Fully Implemented

Agency Action - Since our prior audit, the Center has hired a part-time fire safety officer who has an extensive background in fire science. The New York State Department of State has certified this individual as meeting the minimum standards for code enforcement. We confirmed that monthly fire drills are conducted. Operation of the cellular telephone, used in the event of an emergency, has been simplified. All Central Service staff has been trained in its use and instructions for using it are kept in the carrying case.

Recommendation 4

Ensure that all Center fire safety equipment is functioning properly.

Status - Fully Implemented

Agency Action - The Center followed up on the deficiencies noted in our prior audit. We verified during this follow up review that weekly fire safety inspections and monthly fire drills are conducted.

The fire alarm system in Building 28 is now functional. The Center hired independent contractors to test pull stations, heat and smoke detectors and fire hydrant flow. The few deficiencies noted by the contractors have been corrected.

Recommendation 5

The Division needs to examine the Center's paid meal policy and eliminate paid meals where appropriate.

Status - Fully Implemented

Agency Action - The Office's Deputy Commissioner of Rehabilitative Services reviewed the meal policy for residential facility employees. He issued a revised policy effective April 1, 1998 stating that employees working 40 hours per week in residential rehabilitative services programs are required to remain on duty for the eight-hour workday, and will receive a paid lunch/meal period not to exceed 30 minutes. Employees who work 37 ½ hours per week will have an unpaid, duty free lunch/meal period of not less than one-half hour and not more than one hour.

Recommendation 6

Establish an effective system for identifying, counseling and disciplining sick leave abusers.

Status - Fully Implemented

Agency Action - The Center has a system to monitor sick leave abuse. Supervisory action is intended to correct sick leave abuse prior to pursuit of formal discipline. Patterns of attendance are reviewed annually by the facility director. Our follow up review found that the Center's Leave Usage Tracking System is an effective means to track leave abuse. We verified that several employees were disciplined under Sections 71 and 73 of the Civil Service Law.

We would appreciate your response to this report within 30 days, indicating any action planned or taken to address any unresolved matters discussed in this report.

Major contributors to this report were Richard Sturm, Richard Loveless and Steve Lynch.

We wish to thank the management and staff of Office of Children and Family Services and the Highland Residential Center for the courtesies and cooperation extended to our staff during this review.

Yours truly,



William P. Challice
Audit Director

cc: Robert L. King