



**Florida Network for Youth and Family Services
Compliance Monitoring Report for**

Lutheran Services Florida NW – HOPE House

**5127 Eastland Street
Crestview, FL 32539**

March 20-21, 2024

Compliance Monitoring Services Provided by



EXECUTIVE SUMMARY

Forefront LLC conducted a Quality Improvement (QI) monitoring visit on behalf of the Florida Network of Youth and Family Services (FNYFS) for the Lutheran Services Florida NW HOPE House (LSF NW HOPE House) for the FY 2023-2024 at its program office located at 5127 Eastland Street, Crestview, FL 32539. Forefront LLC (Forefront) is an independent compliance monitoring firm that is contracted by the FNYFS to perform onsite program reviews to assess the agency's adherence to fiscal, programmatic and overall contract requirements. LSF NW HOPE House is contracted with the Florida Network of Youth and Family Services (FNYFS) to provide direct services to Children/Families in Need of Services (CINS/FINS). The services to be provided are identified in Contract Section A - Descriptions and Specifications and Section B - Delivery and Performance, and are funded with General Revenue Funds effective from July 2023 through June 30, 2024.

The compliance monitoring review was conducted by Keith Carr, Consultant for Forefront LLC. Agency representatives from LSF NW HOPE House present for the entrance interview were Sherri Kirkpatrick, Regional Director and LSF NW HOPE House Residential, Community Counseling and Administrative staff members. The last onsite QI visit was conducted in 2023.

In general, the Reviewer found that LSF NW HOPE House is in compliance with specific contract requirements. LSF NW HOPE House **received an overall compliance rating of 100% for achieving full compliance with 12 of the 14 compliance indicators** of the CINS/FINS Monitoring Tool. There were no recommendations or corrective actions as a result of the monitoring visit.

The following report represents the results of the in-depth evaluation of the provider's General Administrative performance, with all findings clearly documented. Copies of all completed tools utilized during the visit to determine these ratings will be maintained on file with the Reviewer. If any information or clarification is required, please contact Keith Carr by E-mail: keithcarr@forefrontllc.com.

2023-2024 CINS/FINS PROGRAM COMPLIANCE MONITORING TOOL

Report Number: CM 3-20-21-2024

Agency Name: Lutheran Services Florida-NW HOPE House					Monitor Name: Keith Carr, Lead Reviewer		
Contract Type : CINS/FINS					Region/Office: 5127 Eastland Street , Crestview, FL 32539		
Service Description: Comprehensive Onsite Compliance Monitoring					Site Visit Date(s): March 20-21, 2024		
Explain Rating							
Major Programmatic Requirements	Unacceptable	Conditionally Unacceptable	Fully Met	Exceeded	Not Applicable	Ratings Based Upon: I = Interview O = Observation D = Documentation PTV = Submitted Prior To Visit (List Who and What)	Notes Explain Unacceptable or Conditionally Acceptable:
I. Administrative and Fiscal							
DJJ Quality Improvement Peer Reviewer							
a. Provider shall demonstrate that a minimum of two (2) staff members have been trained to be certified as DJJ QI Peer reviewers. Provider shall participate in a minimum of one (1) on-site quality assurance review of a similar type of program in another judicial circuit during each 12-month period of the contract, if requested.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Interview/Documentation: The program currently has two staff members certified as DJJ QI Peer reviewers for this location that cover the LSF NW HOPE House programs: Cyndy Freshour and Chrissy Baker. The staff have participated and/or are scheduled for peer reviews this fiscal year.	No recommendation or Corrective Action.
Additional Contracts							
a. Provider shall provide a listing of all current federal, state, or local government contracts, as well as other contracts entered into with for profit and not-for-profit organizations. Such a listing shall identify the awarding entity and contract start & end dates. PTV	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Documentation: A list of additional grant contracts for FY 2023-2024 was provided by the provider. The list includes fund identification number, program name, funding source name, contract period start and end dates and contract amount.	No recommendation or Corrective Action.
Limits of Coverage							
a. Provider shall provide and maintain during this contract, the following minimum kinds of insurance: Worker's Compensation and Employer's liability insurance as required by Chapter 440, F.S. with a minimum of	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Documentation: The provider has a policy with Market Global Reinsurance Company for General Liability insurance with limits	No recommendation or Corrective Action.

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<p>\$100,000 per accident, \$100,000 per person and \$500,000 policy aggregate. Commercial General Liability with a limit of \$500,000 per occurrence, and \$1,000,000 policy aggregate. Automobile Liability Insurance shall be required and shall provide bodily injury and property damage liability covering the operation of all vehicles used in conjunction with performance of this contract, with a minimum limit for bodily injury of \$250,000 per person; with a minimum limit for bodily injury of \$500,000 per accident; with a minimum limit for property damage of \$100,000 per accident and with a minimum limit for medical payments or \$5,000-\$10,000 per person. Florida Network is listed as payee or co-payee. PTV</p>						<p>of coverage of \$1,000,000 each/\$3,000,000 aggregate and \$10,000 each for medical expenses. Additional policies with this carrier include Professional Liability insurance provides limits of coverage of \$1,000,000 each/\$3,000,000 aggregate and Abuse/Molestation insurance provides limits of coverage of \$1,000,000 each/\$3,000,000 aggregate.</p> <p>The provider has a policy with Florida Insurance Trust for Automobile insurance that provides limits of coverage of \$1,000,000 combined for each accident.</p> <p>The provider has a policy with Century Surety Company for Excess/Umbrella Liability insurance which provides limits of coverage of \$1,000,000 each/aggregate.</p> <p>Coverage for the above policies is in</p>	

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						effect for the current FY 6/01/2023-6/01/2024. The certificate does list the Florida Network on the consolidate certificate of liability as a certificate holder.	
External/Outside Contract Compliance a. Provider has corrective action item(s) cited by an external funding source (Fiscal or Non-Fiscal). ON SITE	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Documentation/Interview: N/A – Regional Director indicated that there are no outstanding corrective action item(s) cited by an external funding source.	Not Applicable.
Fiscal Practice a. Agency must have employee and fiscal policy/procedures manuals that are in compliance with GAAP and provide sound internal controls. Agency maintains fiscal files that are audit ready. PTV	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Documentation: The provider has several policies that address general accounting practices which are maintained by the Chief Financial Officer for the agency. Fiscal policies and procedures are contained in the agency's Financial Services Policy and Procedures Manual. The procedures appear to be consistent with GAAP and provide for limited internal controls. Provider provided 45 policies which include procedures for general ledger, cost	No recommendation or Corrective Action.

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						accounting, payroll, petty cash, computer backup, and other relevant financial processes.	
b. Agency maintains a general ledger and the corresponding source documents. A general ledger must be set up to track the activity of the grant separately (standard account numbers / separate funds for each revenue source, etc.). PTV	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Documentation: Detailed General Ledger for the current FY2023-2024 for July 2023 – Feb 2024. Provider maintains a detailed general ledger that includes breakdown of GL code, GL title, effective date, Doc number, ID number, Name of funding source, transaction description, fund code, year code, program code, location code, and debit and credit columns. Ledgers included current balances and differences.	No recommendation or Corrective Action.
c. Petty cash ledger system is balanced and all cash disbursements are compliant with financial policies and allowable under the contract. (Disbursements/invoices are approved & monitored by management.) – ON SITE	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Observation/Documentation: The agency utilizes a system of managing petty cash. Petty cash is stored in a secure locked location and must be verified and approved by management on a monthly basis. At the time of this program review, the agency's Administrative Assistant is	No recommendation or Corrective Action.

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						the steward of the agency's petty cash. When this staff member is not available the Regional Director and Residential Supervisor are the only other staff members with access to the petty cash drawer. The petty cash on hand, checks, and receipts were reconciled onsite on the second day of review by the Administrative Assistant and was verified to be consistent with March 2024 petty cash reconciliation documentation onsite.	
d. Financial records and reports are current. Includes bank statements reconciled within 6 weeks of receipt. Vendor invoices past 6 months. Invoices are submitted on a monthly basis with supporting documentation. (Disbursements/invoices are approved & monitored by management). ON SITE	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Documentation: Reviewed Bank Statements and Bank Reconciliations for months September 2023-January 2023 for one account with Ameris Bank. Bank reconciliations are conducted each month for the activities and bank statements for the preceding month and are reviewed by two parties. Invoices are submitted on a monthly basis with supporting documentation.	No recommendation or Corrective Action.

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e. Agency maintains inventory in accordance with a written policy and FNYFS contractual requirements. If over \$1,000 inventory has DJJ Property Inventory Number/Tag. In the event the provider has purchased computer equipment an Informational Resources Request (IRR) has been submitted to DJJ. PTV/ON SITE	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Documentation/Interview: N/A – The agency has not purchased any items with FNYFS funds since the last time on-site.	Not Applicable.
f. Agency submits payroll taxes and deposits (and retirement deposits as applicable), <u>Employee</u> IRS Form W-2 and <u>Independent Contractors</u> IRS Form 1099 forms prior to federal requirements. ON SITE	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Documentation: Provider submitted evidence of payroll taxes and deposits for first and second quarters for FY2024. A Deposit Recap report showed funds deposited every two weeks via EFT or check and showed all payments made.	No recommendation or Corrective Action.
g. Budget to actual reports prepared and reviewed by appropriate management. Variance from the budget are investigated and explained. PTV/ON SITE	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Documentation: Agency provided a detailed CINS/ FINS Budget Report which included months July 2023-Feb 2024. The report tracks all budget categories by current period actual and current period contract separately. Variances if applicable are identified.	No recommendation or Corrective Action.

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h. A Single Audit is performed as part of the annual audit if expenses are greater than \$750,000. The agency must submit a Corrective Action Plan for findings cited in the management letter and single audit. An annual financial audit was completed within 120 days after the previous fiscal year/calendar year and that a copy was provided to the Network unless and extension has been requested and approved in writing. Copy of Audit is submitted to the FNYFS by December 31st. Can obtain from FNYFS	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Documentation: Financial audit was conducted for the fiscal year beginning June 30, 2022 – 2021 by RSM US LLP. A letter dated December 22, 2022, stated no corrective action was needed. A copy was submitted directly to the Florida Network of Youth and Family Services. The agency reported that the auditors are still working on the FY2023 audit. As of March 2024, this is the most recent Financial Audit report provided by the agency. They report that they will submit the Audit report for 2023 once completed.	No recommendation or Corrective Action.
i. Agency maintains confidentiality policy with written policies and procedures to ensure the security and privacy of all employee and client data. Personal information is not easily accessible. Agency maintains a backup system in case of accidental loss of financial information. Security procedures are in place to protect laptops. Obsolete documents are shredded and computer hard drives are wiped prior to discarding. ON SITE	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Documentation: The agency maintains a procedure manual with several sections (Information Technology, Risk Prevention and Management) to address security and privacy of employee and client data. The agency provided 7 Policies and Procedures for review including: Confidentiality of Clients, Records Retention, IT Disposal of Hardware, IT Security,	No recommendation or Corrective Action.

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						Data Backup Retention and Recovery, Access to Case Records, and Case Record Keeping. The agency CEO oversees authority for administration for these policies and the Senior Director of Information Technology is responsible for maintaining policies are current.	
j. Agency provided evidence that every direct care staff employee, as of October 1, 2023, is being paid at least \$19.00 per hour. This also includes funding for additional staff as approved by the Department. ON SITE	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	As of October 2023, all direct staff member salaried employees have a minimum of \$19 per hour pay rate. Agency provided payroll and hour pay rate documentation.	No recommendation or Corrective Action.

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CONCLUSION

Lutheran Services Florida NW HOPE House has met the requirements for the CINS/FINS contract as a result of full compliance with --- applicable indicators of the Administrative and Fiscal Contract Monitoring Tool. Two of fourteen indicators were not applicable because 1) the provider does not have any outstanding corrective action item(s) cited by an external funding source, and 2) does not have any current inventory purchased with DJJ/FN Funds. Consequently, **the overall compliance rate for this contract monitoring visit is 100%**. There are no corrective actions or recommendations cited as a result of the contract monitoring visit. Overall, the provider is performing satisfactorily in meeting the fiscal and administrative terms of its contract. In addition, the majority of indicators reviewed were carried out in a manner which meets the standard described in the report findings.

SUMMARY OF RECOMMENDATIONS

No Corrective Actions or Recommendations.

If required, the provider must submit a corrective action plan to address corrective actions cited in the corresponding section of this report. The provider's Corrective Action Plan should address the issues, corrective actions item cited, time frames and staff responsible. Responses to items cited for corrective actions are due to the Florida Network and the Florida Network Contract Manager within fourteen (14) working days of receipt of this report (See Florida Network Site for the Service Provider Corrective Action Form). The Florida Network Contract Manager will then review the response to the corrective action(s) to determine if the response adequately addresses the problem identified in the report within three (3) days. Upon approval the provider will then implement the approved measure to address the item(s) cited in the report. If the corrective action is successful in resolving the items cited in the report the contract monitor will notify the Provider in writing that the desired resolution has been achieved. Log on to the Florida Network (www.floridanetwork.org) website forms section and download the Service Provider Corrective Action Tracking Form.