

# Audit Report

## Thompson Emergency Shelter, Operated by Boysville, Inc.

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A Texas Department of Family and  
Protective Services Contractor



**Inspector  
General**

Texas Health  
and Human Services

February 28, 2023

OIG Report No. AUD-23-004



# Thompson Emergency Shelter, Operated by Boysville, Inc.

A Texas Department of Family and Protective Services Contractor

## Results in Brief

### Why OIG Conducted This Audit

The Texas Health and Human Services Office of Inspector General (OIG) initiated this audit as part of an ongoing risk assessment of DFPS contracts for the provision of essential services to children in the state's conservatorship.

Boysville, Inc. (Boysville) is a not-for-profit children's home and shelter. This audit focused on operations at the Thompson Emergency Shelter, near San Antonio, which provides emergency care for boys and girls, ages 0 through 17, for up to 90 days. During this time, Boysville identifies more permanent placement options for those children. Thompson Emergency Shelter served 142 children during state fiscal year 2022.

### Summary of Review

The audit objective was to determine whether Boysville had processes and controls in place to ensure it provided foster care services at Thompson Emergency Shelter in accordance with selected statutes, contract terms, and minimum standards.

The audit scope included processes and controls related to staff, child services, and revenue from September 1, 2021, through August 31, 2022, as well as processes and controls related to selected expenses from July 1, 2020, through June 30, 2021.

### Conclusion

Boysville, Inc. (Boysville) had processes and controls in place to ensure that the Thompson Emergency Shelter met selected requirements designed to ensure the health and safety of children in its care. For the sample of staff records tested, Boysville:

- Obtained background checks.
- Required drug testing.
- Ensured that staff completed required training.

Additionally, for the applicable children's records tested, Boysville completed preliminary and initial service plans that included all selected elements. These plans are important because they help providers identify and address children's needs.

However, it should strengthen its processes and controls over cost reporting and payments, and some caregiver services. Specifically, Boysville did not always:

- Support costs reported on its 2021 cost report. Boysville did not support 6 of 25 expenses tested (24 percent) totaling \$1,897.74. Failure to maintain documentation for expenses can result in unallowable costs being inappropriately reported on the cost report or costs being miscategorized on the cost report, which could impact the Texas Health and Human Services Commission's (HHSC's) future rates established for child care providers.
- Identify all discrepancies in payments received from the Texas Department of Family Protective Services (DFPS). The table shows the total overpayments, total underpayments, and net total for each month tested.

### Total Unreported Overpayment and Underpayment Amounts by Month

Month Tested	Overpayment	Underpayment	Net Total
12/2021	\$13,851	\$ 5,052	\$ 8,799 (overpayment)
02/2022	9,920	5,808	4,112 (overpayment)
06/2022	153	15,300	15,147 (underpayment)
Total	\$23,924	\$26,160	\$ 2,236 (underpayment)

Source: OIG Audit

## Background

Thompson Emergency Shelter is in Converse, Texas, a suburb of San Antonio. Boysville is contracted with DFPS and single source continuum contractors (SSCCs) to provide care for children from DFPS Region 1 (the Texas Panhandle) and Region 8 (the Texas Hill Country).

DFPS contracts within a geographic service area with a single source continuum contractor, known as an SSCC. The SSCC is responsible for finding foster homes or other living arrangements for children in state care and providing them a full continuum of services. These SSCCs then contract with various foster care providers to deliver those services within its geographic service area.

During August 2022, 421, or 3.5 percent, of the state's foster children were in emergency shelters: 20 were from Region 1; 126 were from Region 8; and a total of 29 were in the care of the Thompson Emergency Shelter.

Four cottages comprised Thompson Emergency Shelter. The two for emergency shelter placement had a combined maximum capacity of 32 children; the two for temporary emergency placement had a combined maximum capacity of 12.

## Management Response

Boysville agreed with the recommendations and responded that it had strengthened oversight to improve compliance in most areas.

For more information, contact:  
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Boysville verified payments received from DFPS and the SSCC monthly, but due to the volume of payments, related records, and timeframe allowed for reporting discrepancies, Boysville's review period of a single month was insufficient to ensure all discrepancies were identified and resolved.

- Provide support that it met child-to-caregiver ratio requirements. Based on its organization, Boysville must meet the applicable ratio for each cottage separately, rather than for the Thompson Emergency Shelter as a whole. Boysville had sufficient caregivers on duty to meet the required ratios for 150 of 164 shifts (91 percent) over the 25 days tested. Boysville could not provide support that there was sufficient coverage for the remaining 14 shifts. Adequate tracking and documenting of staff activities increases the likelihood children in care receive sufficient supervision.
- Ensure that children underwent initial health screenings within 72 hours of admission, as required. Specifically:
  - 19 of 21 children tested (90 percent) had initial health screenings performed by a medical professional; however, Boysville did not provide support that the remaining two children received an initial health screening.
  - For 15 of the 19 children (79 percent) who received initial health screenings, a medical professional performed the screening within 72 hours of admission. Of the remaining four children, three received health screenings 4 days after being admitted and one received theirs 77 days after admission.

## Recommendations

Boysville should:

- Develop and implement processes to ensure it supports the allowability and accuracy of expenses included on its cost report.
- Strengthen its processes and controls to identify, report, and resolve payment discrepancies to DFPS.
- Work with DFPS to determine if there is an overall underpayment or overpayment for 2022 and resolve that discrepancy, if applicable.
- Develop and implement processes and controls to:
  - Document the time all staff are on duty by cottage.
  - Monitor cottages to ensure minimum child-to-caregiver ratios are met.
- Strengthen its processes and controls to ensure health screenings and service plans are performed within required timelines and documented.

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# Audit Overview

## Overall Conclusion

Boysville, Inc. (Boysville) had processes and controls in place to help ensure that the Thompson Emergency Shelter met selected requirements designed to ensure the health and safety of children in its care. However, it should strengthen its processes and controls over cost reporting and payments, and some caregiver services.

## Key Audit Results

For the sample of staff records tested, Boysville:

- Obtained background checks.
- Required drug testing.
- Ensured that staff completed required training.

Additionally, for the applicable children's records tested, Boysville completed preliminary and initial service plans that included all selected elements.

However, Boysville should strengthen its processes and controls to ensure compliance with selected requirements. Specifically, Boysville did not always:

- Maintain documentation to support costs reported on its 2021 cost report.
- Identify and report discrepancies in payments received from the Texas Department of Family and Protective Services (DFPS).
- Maintain documentation to verify compliance with child-to-caregiver ratio requirements.
- Perform, or perform within the required timeframe, initial health screenings.

### Objective

The audit objective was to determine whether Boysville had processes and controls in place to ensure it provided foster care services at Thompson Emergency Shelter in accordance with selected statutes, contract terms, and minimum standards.

### Scope

The audit scope included processes and controls related to staff, child services, and revenue from September 1, 2021, through August 31, 2022. The scope also included processes and controls related to selected expenses from July 1, 2020, through June 30, 2021.

The Texas Health and Human Services Office of Inspector General Audit and Inspections Division (OIG Audit) offered recommendations to Boysville, which, if implemented, will help ensure compliance with applicable requirements.

The “Detailed Audit Results” section of this report presents additional information about the audit results.

OIG Audit presented preliminary audit results, issues, and recommendations to Boysville in a draft report dated February 14, 2023. Boysville agreed with the recommendations and responded that it had strengthened oversight to improve compliance in most areas. Boysville’s management responses are included in the report following each recommendation.

OIG Audit communicated other, less significant issues to Boysville in a separate written communication.

## Key Program Data

Boysville is a not-for-profit children’s home and shelter licensed by the Texas Health and Human Services Commission (HHSC) to provide 24-hour residential child-care services to children in Converse, Texas, a suburb of San Antonio. Boysville is contracted with DFPS<sup>1</sup> and single source continuum contractors (SSCCs) to provide care for children from DFPS Region (the Texas Panhandle) and Region 8 (the Texas Hill Country). On its 2021 cost report, Boysville reported \$1,283,852 in payments from DFPS and SSCCs and \$1,650,533 in expenditures for the Thompson

Emergency Shelter. For more information about Boysville, see Appendix B, “Entity at a Glance.”

DFPS contracts within a geographic service area with a single contractor, known as an SSCC. The SSCC is responsible for finding foster homes or other living

### What Prompted This Audit

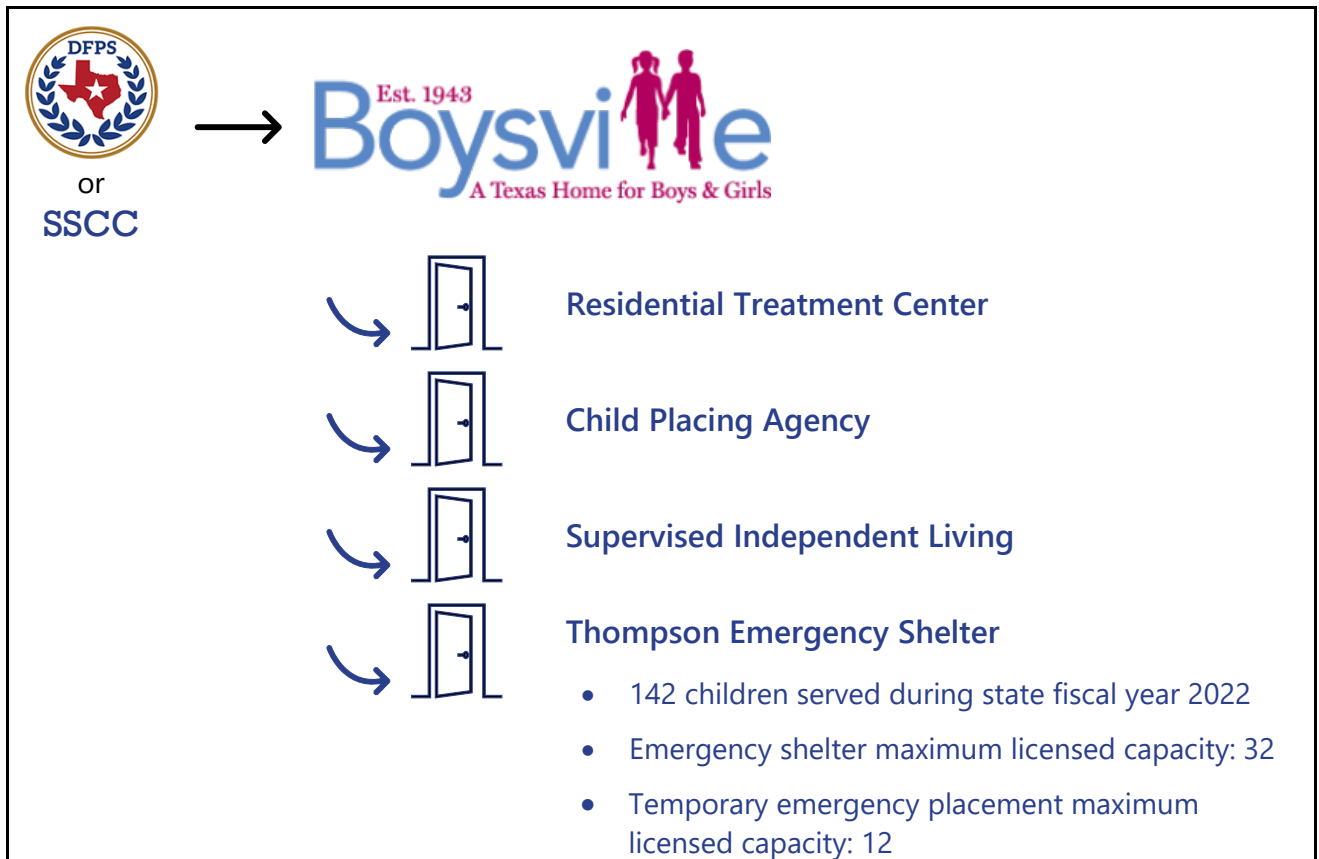
The Texas Health and Human Services Office of Inspector General (OIG) initiated this audit as part of an ongoing risk assessment of DFPS contracts for the provision of essential services to children in the state’s conservatorship.

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<sup>1</sup> DFPS and HHSC have joint oversight of foster care in Texas. DFPS contracts with entities that provide foster care services in a variety of settings, including emergency shelters. HHSC is responsible for setting the rates paid by DFPS to foster care providers and licensing each foster care provider’s operations. Each type of operation must have both a separate license and contract.

arrangements for children in state care and providing them a full continuum of services. These SSCCs then contract with various foster care providers to deliver those services within its geographic service area. Figure 1 shows the various programs Boysville operated during the audit scope through contracts with SSCCs and DFPS.

**Figure 1: Boysville Services for Foster Children**



Source: OIG Audit

This audit focused on operations at the Thompson Emergency Shelter, which is licensed to provide emergency care services for boys and girls, ages 0 through 17, for up to 90 days.

Boysville’s contract with DFPS for the Thompson Emergency Shelter was amended in August 2021 to include provision of services under the Temporary

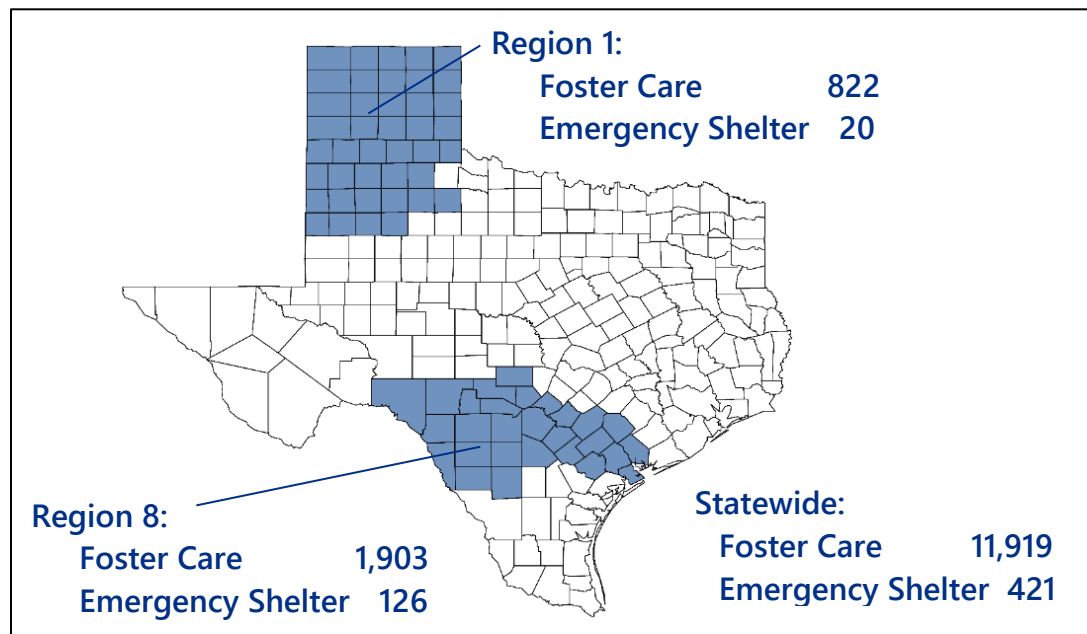


Emergency Placement (TEP) Program<sup>2</sup> in addition to the emergency care services. On July 6, 2022, after the start of this audit, Boysville notified DFPS that it was ending the TEP portion of its Emergency Shelter services. Boysville remains a contractor of DFPS and the SSCCs for emergency shelter services. Both emergency shelter services and temporary emergency placement services were included in the scope of this audit.

Boysville identifies placement options for the children in its temporary care, such as transferring each child to a long-term residential foster home, family reunification, or kinship care.

A snapshot of the children in DFPS care for August 2022, statewide and by region, as well as of those specifically in emergency shelters, is given in Figure 2. For that month, 29 children stayed at Thompson Emergency Shelter.

**Figure 2: Selected Populations of Children Under DFPS Guardianship During August 2022**



Source: DFPS, "Regional Statistical Information About Children in the Texas Department of Family Protective Services (DFPS) Care" (Aug. 2022)

<sup>2</sup> The Temporary Emergency Placement Program (TEP) is designed to provide highly structured quality residential care and services when DFPS encounters high-needs children from whom DFPS is working to identify a safe and suitable longer-term placement to meet their unique needs. Unlike emergency services, under TEP, a provider cannot reject a child for placement or end the placement without notice.



## **Auditing Standards**

### **Generally Accepted Government Auditing Standards**

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

# Detailed Audit Results

The following sections of this report provide additional detail about the results of the audit. This audit included reviews of selected staff and children’s records from state fiscal year 2022 for the following areas:

- Staff background checks, training files, and drug tests.
- Service plans and health screenings for children placed in the Thompson Emergency Shelter.
- Payments received from DFPS and SSCCs.
- Child-to-caregiver ratios.

Additionally, auditors reviewed selected expenses reported on Boysville’s 2021 cost report<sup>3</sup> for allowability and accuracy.

The scope of this audit covered both emergency care services and temporary emergency placement (TEP) services, consistent with Boysville’s contracts. While Boysville stopped providing TEP services during the audit scope, the requirements for TEP and emergency shelter care are the same in regard to the issues identified in the chapters that follow. The related recommendations are still applicable as of the date of this report.

Unless otherwise described, any year referenced is the state fiscal year, which covers the period from September 1 through August 31.

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<sup>3</sup> Boysville’s 2021 cost report covered the time period from July 1, 2020, through June 30, 2021.

## Chapter 1: Boysville Could Not Support Some Selected Expenses Included on Its Cost Report

Boysville did not always ensure that it maintained documentation to adequately support the allowability and accuracy of expenses included on its 2021 cost report as required.<sup>5</sup>

Specifically, Boysville did not maintain documentation for 6 of 25 expenses tested (24 percent). For one of the six expenses, it obtained supporting documentation from the vendor after auditors brought it to Boysville's attention. However, the remaining five of those six expenses did not have documentation to support that the expense was allowable or recorded in the cost report accurately.

Descriptions provided identified these five expenses were for clothing, gasoline, food, and office supplies and printing, and the expenses totaled \$1,897.74.

Failure to maintain documentation for expenses can result in unallowable costs being inappropriately reported on the cost report or costs being miscategorized on the cost report, which impacts HHSC's future rates established for child care providers.

### Recommendation 1

Boysville should develop and implement processes to ensure it supports the allowability and accuracy of expenses included on its cost report.

#### 24-Hour Residential Child Care Cost Reporting

The purpose of a cost report is to gather financial and statistical information for HHSC to use in developing reimbursement rates and other cost analyses.

For the providers' 2021 fiscal years, HHSC required each residential child care provider that was contracted with DFPS to submit a 2021 24-Hour Residential Child Care Cost Report to HHSC in accordance with the cost reporting instructions published by HHSC.<sup>4</sup>

Source: DFPS, "2021 Cost Report Instructions for 24 Hour Residential Child Care Program (Jan. 2022)."

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<sup>4</sup> 2021 Cost Report Instructions for 24-Hour Residential Child Care Program (Jan. 2022).

<sup>5</sup> 1 Tex. Admin. Code §§ 355.102 and 355.105 (Jan. 1, 2019) and 40 Tex. Admin. Code §§ 700.1751 (Nov. 3, 2017) and 700.1753 (Nov. 3, 2017, and Dec. 9, 2020).

## Management Response

### Action Plan

Boysville accounting department will continue to insist that staff must keep and turn in all receipts, invoices or documentation associated with credit card charges. Will re-distribute credit card policy to all program supervisors, reminding them of what they and staff have to adhere to, when utilizing Boysville credit cards. Controller will start taking a more in depth look into all credit card charges and invoices, to make sure correct expense account number is being used for coding and to ensure that there is proper and accurate documentation, for the expenses.

### Responsible Manager

Controller

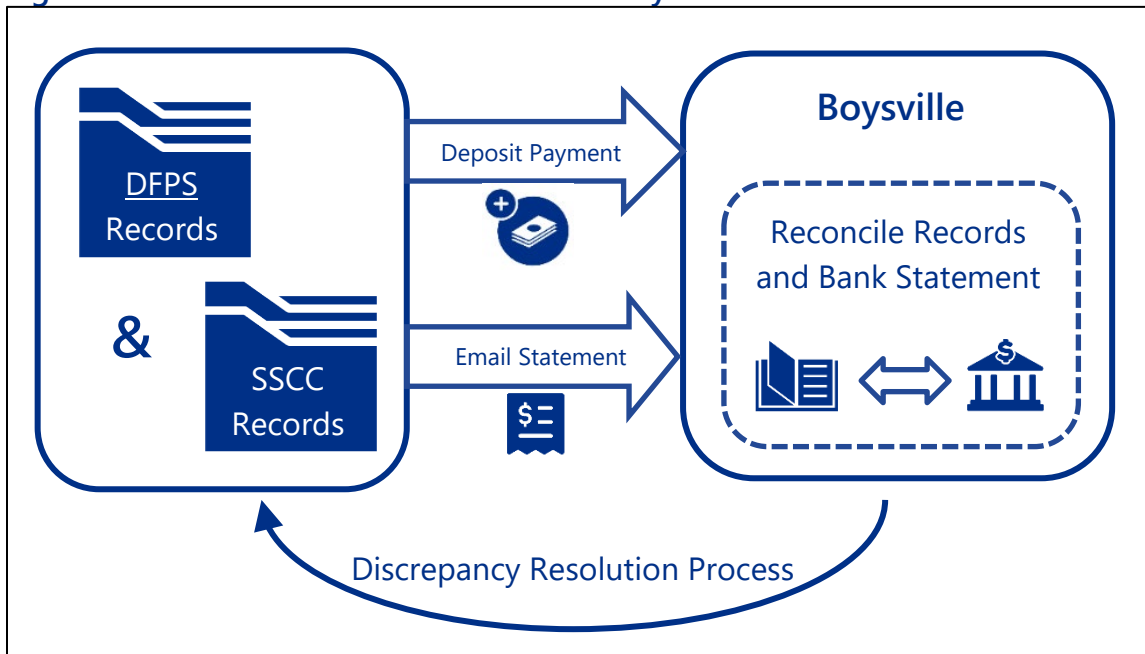
### Implementation Date

January 2023

## Chapter 2: Boysville Should Strengthen its Process to Identify and Report Inaccurate Payments from DFPS

DFPS and SSCCs make payments for delivery of 24-hour residential child care services to Boysville using the required rates.<sup>6</sup> DFPS bases payment on its records of children placed at the provider. SSCCs base payments on records from client management systems. Figure 3 illustrates the payment and reconciliation process.

Figure 3: 24-Hour Residential Child Care Payments



Source: OIG Audit

Boysville typically receives multiple payments per month for the Thompson Emergency Shelter from DFPS and one payment per month from each SSCC.

<sup>6</sup> DFPS, "24-Hour Residential Child Care Payment Rates (Jun. 1, 2020)," <https://pfd.hhs.texas.gov/sites/rad/files/documents/long-term-svcs/2020/2020-24rcc-rates.pdf> (accessed Dec. 12, 2022).

Boysville verified payments from SSCCs and DFPS monthly, and when compared to Boysville’s records:

- All 6 payments OIG Audit tested from SSCCs were accurate.
- 104 of 121 DFPS payments (86 percent) were accurate.

However, Boysville’s process did not identify all payment discrepancies in payments received from DFPS. Specifically, for the three months tested, Boysville did not identify 15 of the 17 discrepancies (88 percent) and, therefore, could not report them to DFPS.

Table 1 shows the total overpayments, total underpayments, and net total for the 15 discrepancies that Boysville did not report to DFPS.

**Table 1: Total Unreported Overpayment and Underpayment Amounts by Month**

Month Tested	Overpayment	Underpayment	Net Total
December 2021	\$13,850.80	\$ 5,051.97	\$ 8,798.83 (overpayment)
February 2022	9,920.34	5,808.40	4,111.94 (overpayment)
June 2022	153.09	15,299.98	15,146.89 (underpayment)
Total	\$23,924.23	\$26,160.35	\$ 2,236.12 (underpayment)

Source: OIG Audit

For the three months tested, Boysville did not identify or report a total of \$23,924.23 in overpayments and \$26,160.35 in underpayments as of October 2022. Due to the volume of payments, related records, and timeframe allowed for reporting discrepancies, Boysville’s review period of a single month was insufficient to ensure all discrepancies were identified and resolved.

## Recommendation 2

Boysville should:

- Strengthen its processes and controls to identify, report, and resolve all payment discrepancies to DFPS.
- Work with DFPS to determine if there is an overall underpayment or overpayment for 2022 and resolve that discrepancy, if applicable.

## Management Response

### Action Plan

Boysville, Inc. will strengthen processes and controls to identify all payment discrepancies.

A dedicated staff member will check and report differences to DFPS.

Program Directors will check payments for residents and note any discrepancies or non-payments before it is checked with the dedicated staff, who will review and submit payment discrepancies. This process will provide an extra level of oversight.

However, we are at the mercy of DFPS providing provider statements.

### Responsible Managers

- Director of Human Resources
- Shelter Director

### Implementation Date







February 2023



## Chapter 3: Boysville Could Not Always Provide Support That It Met Child-to-Caregiver Ratios

Texas Administrative Code requires 24-hour residential child care providers to meet minimum child-to-caregiver ratios depending on the treatment services, time of day, and ages of the children. Texas Administrative Code also allows for children to be separated into groups if those groups are easily distinguishable and separated.<sup>7</sup> Figure 4 shows the organization of the Thompson Emergency Shelter during the audit scope.

Figure 4: Thompson Emergency Shelter Organization

 <b>Emergency Shelter Placement</b>	 <b>Temporary Emergency Placement</b>
 <b>West Cottage</b> <b>Ages 5 to 17</b>	 <b>Sien Cottage</b> <b>Ages 0 to 17</b>
 <b>Lovlace Cottage</b> <b>Ages 0 to 4</b>	 <b>Ellison Cottage</b> <b>Ages 0 to 17</b>
<b>Combined Capacity: 32</b>	<b>Combined Capacity: 12</b>

Source: Boysville and DFPS





Based on its organization, Boysville must meet the applicable ratio for each cottage separately, rather than for the Thompson Emergency Shelter as a whole.<sup>8</sup>

<sup>7</sup> 26 Tex. Admin. Code §§ 748.1003 and 748.1007 (Mar. 9, 2018) require that children under the age of five years old count as two children when determining the child-to-caregiver ratio and children may be separated into groups for ratio purposes, if those groups are easily distinguishable.

<sup>8</sup> 26 Tex. Admin. Code §§ 748.1005 (Mar. 9, 2018).

Figure 5 shows the maximum number of children a single caregiver could supervise depending on the treatment services of the children and the applicable time of day.

**Figure 5: Maximum Children a Single Caregiver Is Allowed to Supervise**

	 Awake Hours	 Sleeping Hours <sup>9</sup>
 Treatment Services	5 children per caregiver	15 children per caregiver
 Non-Treatment Services	8 children per caregiver	24 children per caregiver

Source: 26 Tex. Admin. Code §§ 748.1003 (Jan. 1, 2017) and 748.1007 (Sep. 1, 2010)

Boysville had caregivers on duty to meet the required ratios for 150 of 164 shifts (91 percent) over the 25 days tested. However, Boysville could not provide support that sufficient caregivers were at each cottage to provide coverage for the remaining 14 shifts. Boysville asserted that staff provided sufficient coverage for all shifts to meet the applicable ratios either by (a) having management supervise the children or (b) having hourly caregivers split a shift between multiple cottages. However, Boysville did not have processes in place to (a) monitor ratios to ensure sufficient caregivers were on duty, or (b) track and document when management covered shifts or hourly caregivers split a shift between cottages.

Adequately tracking and documenting staff activities helps ensure minimum child-to-caregiver ratios are met and increases the likelihood children in care receive sufficient supervision.

<sup>9</sup> Boysville requires staff on duty during sleeping hours to always remain awake.

### **Recommendation 3**

Boysville should develop and implement processes and controls to:

- Document the time all staff are on duty by cottage.
- Monitor cottages to ensure minimum child-to-caregiver ratios are met.

### **Management Response**

#### **Action Plan**

The Shelter Director will create/edit/update a master schedule for every month with changes in staffing occurring. The schedule will also note the number of children in each cottage to ensure the correct child-to-caregiver ratio.

Shelter Director and Team Leads will monitor child-to-caregiver ratios continuously.

#### **Responsible Manager**

Shelter Director

#### **Implementation Date**

December 2022

## Chapter 4: Boysville Completed Service Plans and Most Health Screenings, but It Did Not Always Perform the Tasks Timely

When a child comes into Boysville’s care, Texas Administrative Code requires Boysville to complete initial planning and screening within certain timeframes to identify and address the child’s needs. Those requirements—preliminary service plans, initial service plans, and health screenings—are detailed in the text box. While Boysville completed the service plans tested mostly within required timeframes, some health screenings were not documented or not performed timely.

### Service Plans

For all children’s records tested, Boysville completed preliminary and initial service plans, when applicable, that included all selected information in accordance with required minimum standards. Texas Administrative Code requires general residential operations, including emergency shelters, to develop service plans specifying services to be provided to meet the specific needs of each child in their care.<sup>10</sup>

For all 21 children’s records tested, Boysville completed the preliminary service plans with all selected information. For 20 of those 21 children (95 percent), Boysville completed the preliminary service plans within 72 hours of admission, as required.<sup>11</sup> The remaining preliminary service plan was completed five days after admission.

**Preliminary service plans** must be completed within 72 hours of placement and must address the immediate needs of the child, such as supervision requirements, enrolling the child in school, or obtaining needed medical care or clothing.

**Initial service plans** must be completed within 45 days of placement and must address the child’s needs identified in the preliminary service plan, in addition to basic needs related to day-to-day care.

**Health screenings** must be completed by a health-care professional within 72 hours of placement in an emergency shelter unless an acceptable medical examination was performed prior to placement.

Source: 26 Tex. Admin. Code 748.1331, 748.1335, 748.1337, and 748.4203 (Mar. 9, 2018)

<sup>10</sup> 26 Tex. Admin. Code §§ 748.1331 and 748.1337 (Mar. 9, 2018).

<sup>11</sup> 26 Tex. Admin. Code § 748.1331 (Mar. 9, 2018).

For all 15 records of children tested who resided in the shelter for at least 45 days, Boysville had a service planning team with selected required participants develop the initial service plan within 45 days of placement, as required, and included all selected information.<sup>12</sup>

## Health Screenings

Boysville mostly ensured it performed initial health screenings. However, it did not always ensure that children underwent initial health screenings within 72 hours of admission, as required.<sup>13</sup>

Specifically:

- 19 of 21 children tested (90 percent) had initial health screenings performed by a medical professional; however, Boysville could not provide support that the remaining two children received an initial health screening as required.
- For 15 of those 19 children (79 percent) who received initial health screenings, a medical professional performed the screening within 72 hours of admission. Of the remaining four children, three received health screenings 4 days after being admitted and one received theirs 77 days after admission.

Boysville had a quarterly monitoring process in place that included a review of selected children's records, including health screenings and service plans. This process was sufficient to identify issues with documentation for those selected records and, for both quarterly reviews tested, Boysville developed corrective actions for all issues identified. While this process was sufficient to identify and mitigate issues after the fact, it did not ensure Boysville performed health screenings and developed service plans timely.

Timely initial health screening helps caregivers identify and address a child's initial medical needs when they arrive at Boysville.

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<sup>12</sup> 26 Tex. Admin. Code §§ 748.1335, 748.1337, and 748.1339 (Mar. 9, 2018).

<sup>13</sup> 26 Tex. Admin. Code § 748.4203 (Mar. 9, 2018).

## **Recommendation 4**

Boysville should strengthen its processes and controls to ensure health screenings and service plans are performed within required timelines and documented.

### **Management Response**

#### **Action Plan**

The Shelter Director monitors timelines for service plans conducted by the Shelter Case Manager through triggers and alerts. Health screenings are monitored by Shelter Administrative Assistant with oversight from Shelter Director to ensure compliance with deadlines. Reviewing files and deadlines is part of the Performance and Quality Improvement quarterly file review process.

#### **Responsible Manager**

Shelter Director

#### **Implementation Date**

December 2022

## Chapter 5: Boysville Ensured that Staff Met Certain Employment Requirements

To safeguard the health and safety of the children in foster care, Texas Administrative Code requires 24-hour residential child care providers to only employ people who meet the following conditions:

- Undergoing background checks upon hire. Fingerprint-based background checks are required to be repeated no more than five years after their most recent check.
- Passing a drug test prior to being allowed to work with children.
- Completing specific courses and total hours of training upon hire and annually, thereafter.

For all 9 records tested,<sup>14</sup> Boysville ensured that staff (a) passed their most recent background checks and those checks were performed within the required timelines and (b) met the minimum training requirements. For the four staff tested who were hired during the audit scope, Boysville ensured they passed a drug test prior to beginning to work with children.

To ensure staff stay current with required training, Boysville develops and distributes a monthly training memo to staff and supervisors identifying trainings due that month. For all three memos tested, all upcoming trainings due for selected staff were accurately identified on the memo.

Boysville's quarterly monitoring process discussed in Chapter 4 also included a review of selected personnel records, including training, background checks, and drug testing.

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<sup>14</sup> One of the nine employees had worked at Boysville previously and was rehired soon enough that their previous background check was still valid.



## Appendix A: Objective, Scope, and Criteria

### Objective and Scope

The audit objective was to determine if Boysville had processes and controls in place to ensure it provided foster care services at Thompson Emergency Shelter in accordance with selected statutes, contract terms, and minimum standards.

The audit scope included processes and controls related to staff, child services, and revenue from September 1, 2021, through August 31, 2022. The scope also included processes and controls related to selected expenses from July 1, 2020, through June 30, 2021.

### Criteria

OIG Audit used the following criteria to evaluate the information provided:

- Texas Hum. Res. Code, Chapter 42 (2005)
- 1 Tex. Admin. Code Chapter 355 (2019)
- 40 Tex. Admin. Code Chapter 700 (2017 and 2020)
- 26 Tex. Admin. Code Chapters 745 (2019) and 748 (2018 and 2022)
- DFPS, "24-Hour Residential Child Care Requirements: Residential Contracts (RCC)" (2021)
- Department of Family Protective Services Vendor Contract for Residential Child Care Services Open Enrollment, Contract #200152918 (2018), as amended
- SSCC Provider Services Specialty Agreement for DFPS Region 1 between St. Francis Community Services in Texas, Inc. and Boysville (2020)
- SSCC Provider Services Specialty Agreement for DFPS Region 8b between Belong, a division of SJRC Texas and Boysville (2021)
- 2021 Cost Report Instructions for 24-Hour Residential Child Care Program

## Appendix B: Entity at a Glance

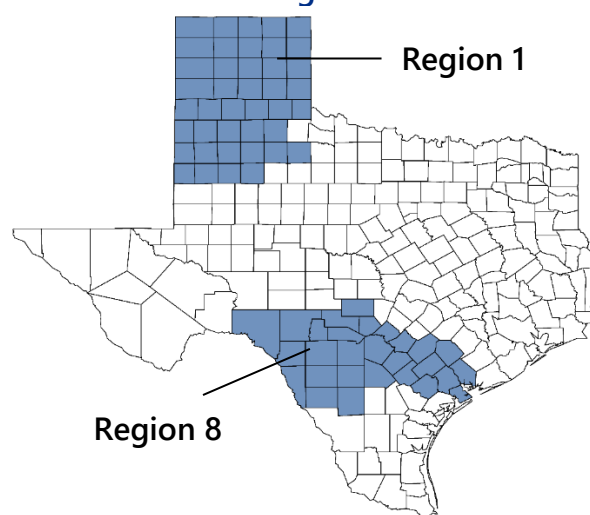
Boysville is a 24-hour residential care provider contracted with DFPS and single-source continuum contractors<sup>15</sup> to deliver foster care services at Thompson Emergency Shelter for children from DFPS Regions 1 and 8, as shown in Figure B.1.

Thompson Emergency Shelter is categorized as a general residential operation providing short-term emergency placement. General residential operations provide 24-hour care and supervision for seven or more children, aged 17 or under. A general residential operation may provide any of the following services:

- Child care services.
- Programmatic services, including emergency short-term care services, therapeutic camp services, a transitional living program or assessment services.
- Treatment services for children with an emotional disorder, an intellectual disability, an autism spectrum disorder, or a primary medical need.

All general residential operations must meet minimum standards as codified in Texas Administrative Code, Title 26, Chapter 748.

**Figure B.1: Boysville Operations by DFPS Region**



Source: Texas Department of Family Protective Services (DFPS) Map of DFPS Regions, accessed in November 2022.

<sup>15</sup> Single-source continuum contractors, or SSCCs, are organizations contracted by DFPS within a geographic service area to find foster homes or other living arrangements for children in state care and provide them a full continuum of services.

## Appendix C: Detailed Methodology

OIG Audit issued an engagement letter to Boysville on September 16, 2022, providing information about the upcoming audit, and conducted fieldwork from September 16, 2022, through November 16, 2022.

OIG Audit also reviewed Boysville's system of internal controls, including components of internal control,<sup>16</sup> within the context of the audit objectives by:

- Interviewing Boysville staff with oversight responsibilities for financial processes, staff training and background checks, child service planning, and supervision of children.
- Reviewing relevant documentation, such as policies, procedures, and training records.
- Performing selected tests of the relevant documentation.

### Data Reliability

To assess the reliability of data, auditors (a) reviewed parameters used to extract data, (b) traced selected records to source documents, and (c) interviewed relevant Boysville staff knowledgeable about the systems and data. Auditors determined that the data was sufficiently reliable for the purpose of this audit.

### Testing Methodology

OIG Audit collected information for this audit through discussions, interviews, and electronic communications with Boysville management and staff. OIG Audit reviewed supporting documentation for the following:

- Selected expenses reported on Boysville's 2021 cost report.
- Selected payments received during 2022.
- Child-to-caregiver ratios for a sample of days during 2022.

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<sup>16</sup> For more information on the components of internal control, see the United States Government Accountability Office's *Standards for Internal Control in the Federal Government*, (Sept. 2014), <https://www.gao.gov/assets/gao-14-704g.pdf> (accessed Apr. 16, 2021).

- Records for a sample of staff who worked with children at Thompson Emergency Shelter during 2022.
- Records for a sample of children placed at the Thompson Emergency Shelter during 2022.
- Quarterly reviews performed by Boysville’s management and staff to identify areas of concern.

For this audit, OIG Audit tested the selected records to determine Boysville’s compliance with selected requirements in six areas:

- Allowability of expenses.
- Identification of discrepancies between payments received and services provided.
- Staff training, background checks, and drug testing.
- Child service planning.
- Initial medical screening of children.

### Sampling Methodology

Auditors selected nonstatistical samples, primarily through random sample generation, of relevant populations for testing. Table C.1 details the populations and samples for each test.

**Table C.1: Testing Populations and Samples**

Test	Population	Sample
Payments Received	12 months	3 months (121 payments)
Child-to-Caregiver Ratios	365 days	25 days (164 shifts)
Staffing Requirements	36 staff	9 staff
Children’s Records	141 children	21 children

Source: OIG Audit

The sample items were not necessarily representative of the population; therefore, it would not be appropriate to project the test results to the population.

Auditors selected a risk-based, nonstatistical sample of 25 non-payroll expenses from those expenses reported on Boysville’s 2021 cost report. This sample design was chosen to address specific risk factors, such as unique categories of expenses and high-dollar amount transactions, identified in the population. The sample items were generally not representative of the population for the entities; therefore, it would not be appropriate to project the test results to those populations.

## Appendix D: Summary of Recommendations

**Table E.1: Summary of Recommendations to Boysville**

No.	Recommendation
1	Boysville should develop and implement processes to ensure it supports the allowability and accuracy of expenses included on its cost report.
2	Boysville should: <ul style="list-style-type: none"> <li>• Strengthen its processes and controls to identify, report, and resolve all payment discrepancies to DFPS.</li> <li>• Work with DFPS to determine if there is an overall underpayment or overpayment for 2022 and resolve that discrepancy, if applicable.</li> </ul>
3	Boysville should develop and implement processes and controls to: <ul style="list-style-type: none"> <li>• Document the time all staff are on duty by cottage.</li> <li>• Monitor cottages to ensure minimum child-to-caregiver ratios are met.</li> </ul>
4	Boysville should strengthen its processes and controls to ensure health screenings and service plans are performed within required timelines and documented.

Source: OIG Audit

## Appendix E: Related Reports

- Benchmark Family Services, Inc., A Former Texas Department of Family and Protective Services Contractor, [AUD-21-020](#), August 12, 2021
- Passage of Youth Family Center, Inc., Child-Placing Agency Residential Child-Care Contract with the Texas Department of Family and Protective Services, [AUD-19-007](#), November 30, 2018
- Children’s Hope Residential Services, Inc., Residential Child-Care Contract with the Texas Department of Family and Protective Services, [AUD-18-007](#), November 30, 2017



## Appendix F: Resources for Additional Information

The following resources provide additional information about the topics covered in this report.

### For more information on Foster Care:

"Foster Care," DFPS, [https://www.dfps.state.tx.us/Child\\_Protection/Foster\\_Care/default.asp](https://www.dfps.state.tx.us/Child_Protection/Foster_Care/default.asp) (accessed Nov. 22, 2022)

"Child Care Regulation," HHSC, <https://www.hhs.texas.gov/providers/protective-services-providers/child-care-regulation> (accessed Nov. 22, 2022)

### For more information on Boysville:

Homepage, Boysville, <https://boysvilletexas.org> (accessed Nov. 22, 2022)

## Appendix G: Report Team and Distribution

### Report Team

OIG staff members who contributed to this audit report include:

- Kacy J. VerColen, CPA, Chief of Audit and Inspections
- Tammie Wells, CIA, CFE, Audit Director
- Scott Armstrong, CISA, CGAP, Audit Project Manager
- Jude Ugwu, CFE, CRMA, CICA, Senior Auditor
- Kimberly Lee, Staff Auditor
- Christine Alexander, Staff Auditor
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- Jim Hicks, CISA, Quality Assurance Reviewer
- Karen Mullen, CGAP, Quality Assurance Reviewer
- Leia Villaret, CGAP, Quality Assurance Reviewer
- Kay Allred, Quality Assurance Reviewer
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### Report Distribution

#### Health and Human Services

- Cecile Erwin Young, Executive Commissioner
- Kate Hendrix, Chief of Staff
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- Michelle Alletto, Chief Program and Services Officer

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#### **Department of Family and Protective Services**

- Stephanie Muth, DFPS Commissioner
- Jennifer Sims, DFPS Deputy Commissioner
- Erica Bañuelos, Associate Commissioner for Child Protective Services
- Lisa Kanne, Chief Operating Officer
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#### **Boysville, Inc.**

- Kelly Compton, President, Board of Directors
- Patrick Ruder, Vice President, Board of Directors
- Micha McBride, Treasurer, Board of Directors
- Letty Gonzales, Secretary, Board of Directors
- Paula Tucker, Chief Executive Officer
- Stephanie Harvey, Senior Director of Programs
- LeAnna McKinney, Compliance Director
- Darren Bauman, Controller
- Alexis Harris, Human Resources Director
- Eve Garcia, Shelter Director

## Appendix H: OIG Mission, Leadership, and Contact Information

The mission of OIG is to prevent, detect, and deter fraud, waste, and abuse through the audit, investigation, and inspection of federal and state taxpayer dollars used in the provision and delivery of health and human services in Texas. The senior leadership guiding the fulfillment of OIG's mission and statutory responsibility includes:

- Sylvia Hernandez Kauffman, Inspector General
- Audrey O'Neill, Principal Deputy Inspector General
- Susan Biles, Chief of Staff, Chief of Policy and Performance
- Erik Cary, Chief Counsel
- Matt Chaplin, Chief of Operations
- Steve Johnson, Chief of Investigations and Utilization Reviews

### To Obtain Copies of OIG Reports

- OIG website: [ReportTexasFraud.com](https://www.reporttexasfraud.com)

### To Report Fraud, Waste, and Abuse in Texas HHS Programs

- Online: <https://oig.hhs.texas.gov/report-fraud-waste-or-abuse>
- Phone: 1-800-436-6184

### To Contact OIG

- Email: [OIGCommunications@hhs.texas.gov](mailto:OIGCommunications@hhs.texas.gov)
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