



AUDIT SUMMARY

Department of Children and Families

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Fiscal Years Ended June 30, 2019, 2020, and 2021

ABOUT THE AGENCY



The Department of Children and Families (DCF) is charged with specific responsibilities related to overseeing the welfare of children. Its mission is to partner with communities and empower families to raise resilient children who thrive. The department's strategic goals are to:

- Keep children and youth safe, with focus on the most vulnerable populations.
- Engage the workforce through an organizational culture of mutual support.
- Connect systems and processes to achieve timely permanency.
- Contribute to child and family wellbeing by enhancing assessments and interventions.
- Eliminate racial and ethnic disparate outcomes within the department.

ABOUT THE AUDIT

We have audited certain operations of the Department of Children and Families in fulfillment of our duties under Section 2-90 of the Connecticut General Statutes. The scope of our audit included, but was not necessarily limited to, the fiscal years ended June 30, 2019, 2020, and 2021. The objectives of our audit were to evaluate the:

1. Department's internal controls over significant management and financial functions;
2. Department's compliance with policies and procedures internal to the department or promulgated by other state agencies, as well as certain legal provisions; and
3. Effectiveness, economy, and efficiency of certain management practices and operations, including certain financial transactions.

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.

[Link to full report](#)

 **18**
Findings

 **15**
Repeat Findings

Our audit identified internal control deficiencies; instances of noncompliance with laws, regulations, or policies; and a need for improvement in practices and procedures that warrant management's attention.

NOTEWORTHY FINDINGS



Findings

- 1** The Department of Children and Families (DCF) did not complete internal reviews for the child abuse or neglect registry within 30 days in 21% of the appeals it received.

Our review of ten therapeutic foster care (TFC) children placed in foster homes with a current TFC placement, disclosed one instance in which DCF did not provide an approved waiver request, one instance in which DCF did not approve the waiver request, and two instances in which DCF did not promptly approve the waiver request.

- 2** DCF advised us it conducted reviews of the wraparound funding close-out reports provided by the child placing agencies. However, DCF could not provide us with a complete reconciliation showing the amounts held by each child placing agency and the total excess funds due and returned to the state.

DCF incorrectly settled one contract. As a result, the department owed the provider \$1,610 for fiscal year 2021.

- 3** For three contracts, DCF did not reconcile its fiscal year 2021 cost settlements to the providers' state or federal single audits. Further review revealed that the department did not reconcile any purchase of service contract cost settlements to the providers' state and/or federal single audits for fiscal year 2021. We did not identify the number of providers required to have a state and/or federal single audit.

DCF did not pursue collection on its past due accounts. In addition, the department did not identify and report all inactive providers with account receivables balances. We analyzed the accounts receivable balance and identified 225 accounts, totaling \$606,553, in which the balances did not change from fiscal year 2020 to 2021.

- 4** The DCF daycare policy does not explicitly state that the department will not pay a foster parent who is also a daycare provider to provide daycare services for their foster child. However, DCF's practice has been not to pay for these types of services.

- 5** Our review disclosed that a DCF area office authorized a foster parent, who was a licensed daycare provider, to provide daycare services to their two foster children. DCF paid the foster parent \$19,525 for in-home daycare services from February 2020 through February 2021. DCF's central office Child Welfare Accounting Unit suspended these payments several times during this time because there were no approved policy waivers to continue these payments. However, the area office continued to authorize the payments. Central office management intervened and clarified that these payments were not allowed and were never approved.



Recommendations

DCF should continue to improve its procedures to ensure it promptly completes internal reviews for the child abuse or neglect registry.

DCF should strengthen internal controls over monitoring child placing agencies responsible for overseeing the placement and care of children in therapeutic foster care.

DCF should strengthen internal controls to ensure it accurately calculates cost settlements and reconciles purchase of service contract year-end cost settlements to providers' state and/or federal single audit reports.

DCF should strengthen internal controls to ensure receivable amounts reported to the Office of the State Comptroller are accurate and should establish procedures to collect amounts owed from inactive providers.

DCF should clarify its daycare policy to prohibit the department from paying foster parents who are also daycare providers for providing daycare for their foster children.