

Regular Meeting 12/13/01

TO: Juvenile Welfare Board Members

FROM: James E. Mills, Executive Director
Lisa A. Sahulka, Director of Programs & Finance**Quarterly Compliance Report**

This report keeps the Board advised of compliance matters related to funded agencies.

1. Repayment Plan Updates:

<u>As of 11/30/01</u>	<u>Asian FACE</u>	<u>Greater Ridgecrest*</u>
Beginning Balance:	\$ 18,159.21	\$ 13,100.85
Paid to Date:	\$ 1,159.21	\$ 0.00
Remaining Balance:	\$ 17,000.00	\$ 13,100.85

* Repayment to begin in January 2002

2. Other Current Matters: Girls, Inc. Corrective Action Plan

In view of a current ongoing evaluation of Girls Inc. of Pinellas and a history of concern over the financial stability of this agency, staff has outlined preliminary site visit findings, the current program description and a chronology of pertinent events to date.

FY 2001-02

October 2001 to date – There was a JWB site visit between October 30 and November 7, 2001. Major findings include:

- insufficient action on the citations of the previous financial audit;
- the need for a complete review of all aspects of financial accountability including the
- updating of all fiscal and personnel policies and procedures;
- significant staff turnover;
- the individual services component was only functional during quarter one of last fiscal year; and
- minimum service levels for FY 00-01 were not met.

Immediately after the site visit, the St. Petersburg center director resigned, indicating the possibility of legal action against the agency. The center is currently closed for lack of staff and the program is attempting to secure interim services for 15 to 25 families at the Wildwood Center.

The site visit report and a corrective action plan was delivered to the agency on December 7, 2001. Staff will bring an item to the Board in January regarding the status of the corrective action plan and a recommendation for continued funding. The corrective action plan was shared with the United Way prior to release for input/comment, as the agency is being funded on a contingency basis due to United Way concerns with governance.

PROGRAM DESCRIPTION:

Girls Inc. of Pinellas is contracted to provide youth development, before and after school care, individual services, and summer programs for girls ages 6-17 years old and their families. Program modules include life skills, physical fitness, cultural development and enrichment, homework assistance, arts and crafts, recreational activities and field trips and nutritional assistance. The Individual Services component provides assessment, referral and consultation services for girls who are at-risk of having physical, social, or emotional problems, and/or dropping out of school or becoming truant. The program's overall objectives are to prevent and/or intervene in youth related problems, and to provide girls and their families with the skills, knowledge, and resources necessary for positive youth development. Services are offered at three (3) locations: Pinellas Park, Jasmine Court, and St. Petersburg.

HISTORY:

1992 – Girls Clubs of Pinellas Park and Girls Clubs of Pinellas County merge. The agency ends the audit year with a financial deficit of (\$28,459).

1994-1996 – The agency ends each audit year in a deficit posture:

1994	(\$19,485)
1995	(\$24,180)
1996	(\$55,111)

June 6, 1999 – The Juvenile Welfare Board terminated a contract with Girls Inc. for the provision of a Pregnancy and Substance Abuse Prevention Program for non-performance on the contract.

1999 – The agency ended the audit year with a deficit of (\$29,414).

February, 2000 – The financial audit for FY 98-99 cited a “going concern”, namely, a critical shortage of working capital and related operating problems, which created questions in the opinion of the auditor as to the organization’s ability to survive.

April, 2000 – The JWB contract manager and fiscal monitor visited and placed the agency on a corrective action plan which requested the following: submit documentation for all reimbursements; take action to deal with shortage of working capital; submit a budget amendment to correct salary and fringe line items; submit rationale for changes in service locations, methodology and minimum service levels; submit a plan to repay advance.

April-September, 2000 – The executive director resigned in April. There were two interim executive directors in short succession. On September 11, 2000 the current executive director began employment.

October 2000 – September 2001 –

1. JWB issued a six (6) month contract for FY 00-01.
2. Since the financial audit for FY 99-00 no longer showed a “going concern” nor a deficit, JWB issued a contract for the remainder of FY 00-01.
3. When the above financial audit was received by JWB, there were a number of citations for lack of internal controls. JWB staff met with the agency in July and emphasized the need for speedy and diligent compliance with auditor citations.
4. The agency began the ASSET self-study in June 2001 and subsequently requested and received a one-month extension until the end of January 2002.
5. There was a pattern of staff turnover in key positions during the fiscal year.