



Robert E. Antonacci II, CPA  
Comptroller

COUNTY OF ONONDAGA

Office of the  
*County Comptroller*

John H. Mulroy Civic Center, 14th Floor  
421 Montgomery Street  
Syracuse, New York 13202-2998  
(315) 435-2130 • Fax (315) 435-2250  
[www.ongov.net](http://www.ongov.net)

James V. Maturo  
Deputy Comptroller

Thomas G. Squires  
Deputy Comptroller

January 5, 2009

The Honorable County Executive  
The Chairman of the County Legislature  
The Chair of the Social Services Committee  
The Administrator for Human Services  
The Commissioner of the Department of Social Services  
The Chief Fiscal Officer  
The Clerk of the County Legislature

An audit of Learn As You Grow Childcare Center's support for their billing to the Department of Social Services was completed. The period tested as part of the audit was September 1, 2007 through September 30, 2008. The audit was designed to review the accuracy of bills submitted to the Department of Social Services.

We conducted our audit in accordance with Generally Accepted Auditing Standards, Government Auditing Standards issued by the Comptroller General of the United States, the provision of the Office of Management and Budget (OMB) Circular A-133 and Audits of State and Local Governments. Generally Accepted Auditing Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial records are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial records. An audit includes assessing the accounting principles used and significant estimates used by management, as well as evaluating the overall financial records in compliance with established policies and procedures. It is the responsibility of Learn As You Grow to ensure attendance records are accurate, complete and that established procedures are adhered to.

The audit of bills submitted by Learn As You Grow found some minor errors in the bills as well as instances where sign in sheets were incomplete. Social Services requires childcare providers keep accurate and complete sign in sheets as backup for the bills submitted to Social Services.

A final issue raised during the audit was the county being behind with certain payments to childcare providers. Most payments are processed timely but questions relating to cases can prevent payment relating to care provided for a child. This has led to delays before Learn As You Grow receives payment for services rendered.

The recommendations, if implemented, will increase the accuracy of the billings as well as the supporting documentation.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert E. Antonacci II". The signature is stylized with a large, sweeping initial "R" and "A".

Robert E. Antonacci II, CPA

## **Learn As You Grow Audit Report**

The Department of Social Services is responsible for administering the childcare subsidy program and for paying childcare providers for services rendered. When a client is deemed eligible for their childcare to be paid for, an authorization notice is prepared. An authorization is an agreement the county will pay the client's childcare costs up to the appropriate allowance to a specific provider within the specified periods of authorization. The childcare center can only bill for hours the child is present up to the maximum number of hours authorized. In cases where a childcare center contracts with the county, a limited number of absences will be paid. Childcare centers submit monthly bills to the county for the care of children of clients authorized to receive their childcare subsidized. The county reviews the bill to make sure the amount billed for each child is in line with the case's authorization.

Learn As You Grow is a contracted childcare provider operating five childcare centers. A schedule of contracted rates for Learn As You Grow can be found in Exhibit A. Bills submitted by Learn As You Grow to the Department of Social Services for September 2007, February 2008 and July 2008 for the Cicero and Solvay centers were reviewed and the following findings were noted:

- 1) A review of the hours children were present based on sign in sheets versus the amounts billed to the county was completed. Based on the sign in sheets, overpayments by the county of \$827.42 and underpayments by the county of \$618.00 were noted for a net overpayment of \$209.42. A summary of these discrepancies can be found in Exhibit B. Certain calculated overpayments occurred when a child was absent but was billed as if present. It is possible absences could have been claimed in many of these cases, which would have made the billed amount accurate. Paid absences are limited to 12 per quarter for a child. Other overpayments were calculated based on actual number of hours present, based on sign in sheets, being less than hours billed. Underpayments were calculated based on the hours present being more than hours billed. In these cases, authorization notices were reviewed to ensure Learn As You Grow would have been entitled to additional billing.

*It is recommended Learn As You Grow carefully review sign in sheets as they prepare their monthly bills in order to bill for the proper amount of hours. If the child was absent, an absence should be claimed on the monthly billing unless the absence is not needed to reach 30 hours (full week amount) in a week.*

- 2) The testing period included billing for 154 children for whom Social Services was paying childcare. For 27 of 154, or 17.5%, sign in sheets were not completed for at least one week of one of the months tested. In these cases the ability to verify the accuracy of bills submitted to Social Services was limited to verifying the child was present based on the New York State Daily Attendance Record for Child Day Care. This form notes whether a child is present or absent and is required by New York State. In those cases, children were present for all days billed.

On page 7, section 4.1 B, of the Onondaga County Child Care Policy, Procedures and Billing Manual, issued by the Department of Social Services in 2005, it states, "All providers must maintain a daily sign-in sheet, which contains the child's name, and a parent's signature for both the time in, and time out each day."

## **Learn As You Grow Audit Report**

*Efforts should be made to ensure sign in sheets are complete and accurate in accordance with the county's billing manual. This provides necessary backup for the bills submitted to the Department of Social Services.*

- 3) One of the Executive Directors of Learn As You Grow mentioned the county has been tardy with certain payments. While on a month to month basis most payments are processed timely, there are instances when payments for certain children cannot be processed with the rest of the bill due to questions regarding the client's case or other issues. While Learn As You Grow understands questions may arise preventing immediate payment of certain cases, the length of delay can become an issue. Per Learn As You Grow, this has been less of an issue recently but 2 invoices were provided for October 2008 payments relating to October 2007 services. The two invoices related to 3 children for whom Learn As You Grow provided care totaling \$2,045.85. Per Social Services, proper authorizations were not in place, which prevented timely payments.

*It is recommended the Department of Social Services make efforts to prevent lengthy delays in payments to childcare providers. Increased communication between providers and the department could also help prevent extended delays.*

**Learn As You Grow  
Rates**

**Exhibit A**

<b>7/08 Rates</b>	<b>Age Range</b>	<b>Full Week</b>	<b>Daily</b>	<b>Part Day</b>	<b>Hourly</b>
	0 - 1.5 years old	186.00	37.50	25.00	6.50
	1.6 - 2.9 years old	173.00	35.00	24.00	6.00
	3 - 5.9 years old	162.00	33.00	22.00	6.00
	6 - 12 years old	156.00	32.00	21.00	6.00
<b>2/08 Rates</b>	<b>Age Range</b>	<b>Full Week</b>	<b>Daily</b>	<b>Part Day</b>	<b>Hourly</b>
	0 - 1.5 years old	179.00	35.80	23.85	5.95
	1.6 - 2.9 years old	165.90	33.20	21.50	5.95
	3 - 5.9 years old	155.10	31.00	20.30	5.40
	6 - 12 years old	145.00	29.85	20.30	5.95
<b>9/07 Rates</b>	<b>Age Range</b>	<b>Full Week</b>	<b>Daily</b>	<b>Part Day</b>	<b>Hourly</b>
	0 - 1.5 years old	173.80	34.75	23.15	5.75
	1.6 - 2.9 years old	161.00	32.20	20.85	5.75
	3 - 5.9 years old	150.60	30.10	19.70	5.25
	6 - 12 years old	144.80	28.95	19.70	5.75

Full Week - 30 or more hours

Daily - At least 6 but less than 12 hours in a day

Part Day - At least 3 but fewer than 6 hours in a day

Hourly - Fewer than 3 hours in a day

**Learn As You Grow  
Billing Discrepancies**

**Exhibit B**

<b>Location</b>	<b>Case #</b>	<b>Beg Date of Error</b>	<b>End Date of Error</b>	<b>Amount Billed</b>	<b>Corrected Amount</b>	<b>Difference</b>	<b>Amount Overbilled</b>	<b>Amount Underbilled</b>
Cicero	60744	02/18/08	02/18/08	\$ 21.30	\$ -	\$ 21.30	\$ 21.30	\$ -
Cicero	63281	07/03/08	07/03/08	33.00	22.00	11.00	11.00	-
Cicero	63281	07/03/08	07/03/08	37.50	25.00	12.50	12.50	-
Cicero	65489	07/28/08	07/28/08	32.00	-	32.00	32.00	-
Cicero	65489	07/28/08	07/28/08	33.00	-	33.00	33.00	-
Solvay	53907	09/14/07	09/14/07	19.14	-	19.14	19.14	-
Solvay	59667	09/10/07	09/14/07	150.60	106.66	43.94	43.94	-
Solvay	62267	09/17/07	09/21/07	150.60	106.66	43.94	43.94	-
Solvay	62317	09/17/07	09/21/07	95.70	58.80	36.90	36.90	-
Solvay	63130	02/01/08	02/29/08	341.00	280.60	60.40	60.40	-
Solvay	62267	02/04/08	02/08/08	155.10	133.60	21.50	21.50	-
Solvay	63730	02/01/08	02/29/08	651.40	565.60	85.80	85.80	-
Solvay	63130	07/28/08	07/28/08	33.00	22.00	11.00	11.00	-
Solvay	64168	07/02/08	07/02/08	33.00	22.00	11.00	11.00	-
Solvay	48501	07/01/08	07/31/08	717.00	588.00	129.00	129.00	-
Solvay	63730	07/01/08	07/31/08	750.00	495.00	255.00	255.00	-
Solvay	64271	07/01/08	07/31/08	429.00	746.00	(317.00)	-	317.00
Solvay	64271	07/01/08	07/31/08	463.00	764.00	(301.00)	-	301.00
							<u>\$ 827.42</u>	<u>\$ 618.00</u>

# *Learn As You Grow, Inc*

P.O. Box 218

*Camillus New York 13031*

(315) 468-9077

May 12, 2009

Mr. Robert E. Antonacci II, CPA  
County of Onondaga  
Office of the Comptroller  
John H. Mulroy Civic Center, 14<sup>th</sup> Floor  
421 Montgomery Street  
Syracuse, New York 13202-2998

Dear Mr. Antonacci,

I am writing in response to the audit performed by the Department of Social Services. Auditors from Onondaga County performed an audit of two of the Learn As You Grow locations for the months of September 07, February 08, and July 08. After the audit, there were two recommendations made to Learn As You Grow. The first recommendation is as follows: *it is recommended Learn As You Grow carefully review sign in sheets as they prepare their monthly bills in order to bill for the proper amount of hours. If the child was absent, an absence should be claimed on the monthly billing unless the absence is not needed to reach 30 hours (full week amount) in a week.* The second recommendation was that *efforts should be made to ensure sign in sheets are complete and accurate in accordance with the county's billing manual. This provides necessary backup for the bills submitted to the Department of Social Services.*

In response to these two recommendations, it is my position that the issues related to the two recommendations are similar and therefore I will address them as one. The primary concern is that the system that the County currently has in place for attendance requirements as per the Billing Manual is inherently flawed. The county requires that actual hours of attendance are recorded daily at drop off and pick up time. This information is to be provided and authenticated by the parent or legal guardian of the child. With parent's busy schedules, and in some cases multiple children to get to different places as well as having to get to work or school on time themselves; parents fail to sign their child or children in or out accurately if at all. The burden is then placed on the childcare staff to estimate the drop off or pick up time. It is the center's position that this is impossible to accurately accomplish without perhaps having staff take time away from their busy day to ensure that this takes place. This is neither functional nor practical, but it is also not appropriate to ask the childcare teachers to continually distract themselves from their main responsibility of maintaining the health, safety and programming for the children in their care. It is incumbent upon the parents to provide

such information in accordance with their agreement with the county and the county billing manual. It is my position that it is impossible to assure the accuracy of the parents signing in and out. The issue is not as much the prudent review of the sign in and out sheets as much as the accuracy of the information provided. Unfortunately there is no practical way to assure the accuracy of the information needed to be able to bill according to the current policies. Currently providers are legally required by OCFS to record only if a child is present or absent. The use of this information ensures that the county is not being billed for a child that is not actually present. To further complicate matters, the billing form asks the provider to certify that the services charged in the claim have actually been performed for the county of Onondaga on behalf of the recipient(s). Providers should not be asked to attest to the accuracy of something that they are not responsible to provide.

My recommendation to resolve these issues would be that the county should contract with the providers just like all private pay clients are required. Each county client would be authorized to use a "slot" in the center. The advantages to this method would be that there would be considerably less paperwork for the county and the providers as well as removing the stigma associated with a county client having to sign a separate attendance form which would identify them as a county subsidized client. It is our understanding that there is no legal foundation for the current requirement to use actual hours of service for billing and therefore this should be able to be accomplished very easily. The providers could then work with the county caseworkers to ensure that clients use the provider as contracted.

Respectfully,



Kevin R. LaGrow  
Executive Director  
Learn As You Grow, Inc

*"PROVIDING EARLY CHILDHOOD, PRE-SCHOOL AND SCHOOL AGE  
PROGRAMING TO THE CENTRAL NEW YORK COMMUNITY  
SINCE 1986"*

<i>Camillus A</i>	<i>487-4132</i>	<i>North Syracuse</i>	<i>458-4233</i>	<i>Solvay</i>	<i>487-0821</i>
<i>Camillus B</i>	<i>468-1491</i>	<i>Syracuse</i>	<i>474-5627</i>	<i>Cicero</i>	<i>699-7189</i>