

AUDIT REPORT
CENTENARY-WILBUR NEIGHBORHOOD YOUTH CARE CENTER
PORTLAND, OREGON
AUGUST 1, 1971 THRU APRIL 30, 1974

— — —
PREPARED BY

ADMINISTRATIVE SERVICES SECTION
CHILDREN'S SERVICES DIVISION
DEPARTMENT OF HUMAN RESOURCES

AUG 29 1974



CHILDREN'S SERVICES DIVISION

DEPARTMENT OF HUMAN RESOURCES

PUBLIC SERVICE BUILDING • • SALEM, OREGON • • 97310

July 3, 1974

OM McCALL
GOVERNOR

DON MILLER
Administrator

DEPARTMENT OF
HUMAN RESOURCES

WIGHTON PENWELL
Director

DIVISIONS
Children's Services
Corrections
Employment
Health
Mental Health
Personal Rehabilitation
Welfare

SPECIAL PROGRAMS
Aging
Camps
Economic Opportunity
Multi-Service Centers

Mr. Dean Orton, Program Director
Private Treatment Resources
Children's Services Division
Salem, Oregon 97310

Dear Mr. Orton:

Pursuant to your request, we have audited the financial records of Centenary-Wilbur Neighborhood Youth Care Center for the period August 1, 1971 through April 30, 1974. The audit was performed by Mr. Gene Hickam.

The financial records were in good condition.

Specific audit comments are as follows:

- (1) CSD payments to the contractor totaled \$68,583.83 during the period (Exhibit A). This is within the contractual limitation of \$111,584.
- (2) The revenue of \$68,583.83 from CSD does not include \$1,798.75 due the center for encumbrances for salaries and vendors through December 15, 1973. No services were provided after that date. The \$1,798.75 is the final payment due the center from CSD.
- (3) The child care days for the period were 3,450.
- (4) The cost per child care day for the period is \$25.21 as computed as follows:

Total expenditures - Exhibit A	\$92,802.03
Deduct non-categorical expenditures-	
Exhibit B	5,824.01
Total categorical expenditures	<u>\$86,978.02</u>
Number of child care days	3,450
Child care days cost ($86,978.02 \div 3,450$)	<u>\$ 25.21</u>

Respectfully submitted,

V.H. Osborn, Director
Administrative Services

VHO:ls
Enclosure

AUG 29 1974

Centenary-Wilbur Neighborhood Youth Care Center

Revenue and Expenditure Statement

for the period August 1, 1971 through April 30, 1974

EXHIBIT A

<u>Revenue</u>	<u>Totals</u>	<u>Percentage of Total</u>
CSD	\$68,583.83	73.3%
CSD - supplemental payments	8,882.10	9.6
Savings account	7,450.39	8.0
Private donations	3,413.59	3.6
Earnest money returned	507.00	.5
Insurance rebates	453.00	.5
Group insurance receipts	219.84	.2
Model Cities	3,423.72	3.7
Yaun Youth Care Centers	200.00	.2
Loans	205.00	.2
Parent support	32.00	-
SAIF Dividend	32.00	-
Acheson House petty cash returned	237.35	.2
Total Revenue	<u>\$93,639.82</u>	<u>100.0%</u>
 <u>Expenditures</u>		
Payroll and Payroll related	\$44,859.24	48.2%
Food	6,613.34	7.1
Boys allowance	1,192.29	1.3
Recreational supplies	1,018.35	1.1
Recreational activities	435.15	.5
Cleaning and laundry	231.41	.2
Office supplies	437.63	.5
Household supplies	889.41	1.0
Bank charges	7.25	-
Taxes	427.53	.5
Advertisement	3.25	-
Utilities (including telephone)	2,467.17	2.7
Counseling service	6,056.65	6.5
Rent	8,773.05	9.5
Clothing	1,346.62	1.5
School expenses	486.19	.5
School fees	190.60	.2
Travel expenses (including school bus tickets)	1,332.50	1.4
Maintenance and supplies	491.37	.5
Accounting/Legal	849.26	.9
General Liability Insurance	990.49	1.1
Board members functions	120.00	.1
Savings account	7,407.27	8.0
Miscellaneous	352.00	.4
Non-categorical expenditures	5,824.01	6.3
Total Expenditures	<u>\$92,802.03</u>	<u>100.0%</u>
 Excess of Revenue over Expenditures	 837.79	
Cash Balance - August 1, 1971	156.65	
Cash Balance - April 30, 1974	<u>\$ 994.44</u>	

AUG 29 1974

CENTENARY-WILBUR NEIGHBORHOOD YOUTH CARE CENTER
OPERATING EXPENDITURES NOT REIMBURSED BY CSD

(for the period December 16, 1973 through April 15, 1974)

Expenditures claimed by the Center while boys were in residence	\$2,195.00
Expenditures claimed by the Center without boys in residence	<u>914.57</u>
Total Expenditures	\$3,109.57
Less Reimbursement by CSD	<u>1,798.75</u>
Expenditures not qualified for re- imbursement by CSD	<u><u>\$1,310.82</u></u>

Reconciliation of Expenditures not qualified for reimbursement by CSD

Budgeted expenditures claimed while boys were in residence disallowed payment by CSD	\$ 396.25
Budgeted expenditures incurred without boys in residence	<u>914.57</u>
Total Expenditures not reimbursed by CSD	<u><u>\$1,310.82</u></u>

AUG 29 1974



CHILDREN'S SERVICES DIVISION

DEPARTMENT OF HUMAN RESOURCES

PUBLIC SERVICE BUILDING • • SALEM, OREGON • • 97310

July 2, 1974

TOM McCALL
GOVERNOR

DON MILLER
Administrator

DEPARTMENT OF
HUMAN RESOURCES

CLEIGHTON PENWELL
Director

DIVISIONS
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Health
Mental Health
Vocational Rehabilitation
Welfare

SPECIAL PROGRAMS
Aging
Camps
Economic Opportunity
Multi-Service Centers

Mr. Dean Orton, Program Manager
Private Treatment Resources
Children's Services Division
Salem, Oregon 97310

Dear Mr. Orton:

Pursuant to your request we have examined the \$2,195.00 expenditure submitted to you for payment by Centenary-Wilbur Neighborhood Youth Care Center, for the period December 1, 1973 through March 31, 1974.

Of the \$2,195.00 expenditure, \$1,798.75 was related to the care of children through December 15, 1974. The \$1,798.75 is reconciled as follows:

Total expenditure		\$2,195.00
Deduct:		
Vendor rebates	\$361.69	
Encumbrances after 12-15-73	<u>34.56</u>	<u>396.25</u>
Child Care related expenditures		<u>\$1,798.75</u>

We hope the above is to your satisfaction.

Very truly yours,

Gene Hickam
Auditor

GH:ls

cc: Vern Osborn

AUG 29 1974



CHILDREN'S SERVICES DIVISION

DEPARTMENT OF HUMAN RESOURCES

PUBLIC SERVICE BUILDING • • SALEM, OREGON • • 97310

TOM McCALL
GOVERNOR

August 27, 1974

Fred Segrest
Administrator

DEPARTMENT OF
HUMAN RESOURCES

CLEIGHTON PENWELL
Director

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Mr. Al Jamison, Director
City of Portland
Model Cities
5329 N. E. Union Avenue
Portland, Oregon

Dear Mr. Jamison:

Please find enclosed a copy of the audit of Centenary-Wilbur Youth Care Center (Acheson House) for the period of August 1, 1971, through April 30, 1974. You will observe in this audit and accompanying letter from Gene Hickam, our staff person who conducted the audit, that Children's Services Division is sending to Centenary Wilbur Youth Care Center (Acheson House) a check in the amount of \$1,798.75 for the final and total payment under the conditions of our contract for the remaining children in care before closing the facility between the period of December 15, 1973, through the date of this audit.

In compliance with item #3 of Mr. Gregg Watson's letter of May 2, 1974, Children's Services Division is submitting a request for the remaining \$1,310.82 of the operating costs for the audited period stated above.

I urge that this matter be given your earliest attention in order that Children's Services Division may close their contract records.

I await your early response.

Sincerely,

FRED SEGREST, Administrator

Fred Segrest
for
Dean B. Orton, Manager
Private Resource Section

Encl.
DBO:sh
cc: Phillipa Harrison

AUG 29 1974



OPERATING AGENCY INVOICE,
FOR ADVANCE OR REIMBURSEMENT

DATE 8/26/74

Children's Services Division
NAME OF AGENCY
505 Public Service Building
STREET
Salem, Oregon 97310
CITY STATE ZIP

O/A ACCOUNT NO. 15-09-00

CONTRACT NO. _____

PAYMENT NO. _____

CONTRACT PERIOD June 16, 1973 through
June 30, 1974

INVOICE PERIOD March 1974

—NOTICE— INVOICE MUST ACCOMPANY
MONTHLY REPORT.....

I. TOTAL CASH ADVANCES AND/REIMBURSEMENTS TO DATE:	<u>-0-</u>
II. TOTAL EXPENDITURES OF MCA SHARE TO DATE (SUPPLEMENTAL):	<u>1,310.82</u>
III. TOTAL EXPENDITURES (CATEGORICAL):	<u>-0-</u>
IV. CASH BALANCE (I MINUS II)	_____
V. ESTIMATED CASH REQUIREMENTS <u>-0-</u>	_____
NEXT TWO MONTHS: <u>-0-</u>	_____
TOTAL	<u>-0-</u>
VI. AMOUNT OF THIS REQUEST	<u>1,310.82</u>

CERTIFICATION BY OPERATING AGENCY—

We hereby certify, that, to the best of our knowledge and belief, this invoice and its supporting Financial Report, is true in all respects and that ALL expenditures have been made solely for the purposes set forth in the statement of work contained in contract entered into by this agency and City of Portland and that ALL Payroll Taxes have been paid for the month of _____, 19____.

<u>Dean B. Orton</u> Name of Program Manager	<u><i>Dean B. Orton</i></u> SIGNATURE	<u>8/27/74</u> DATE
<u>Fred Segrest</u> NAME OF AGENCY DIRECTOR	<u><i>Fred Segrest</i></u> SIGNATURE	<u>8/28/74</u> DATE
<u>Vern Osborn</u> Name of Administrative Serv. Director	<u><i>Vern Osborn</i></u> Signature	<u>8/26/74</u> Date



OPERATING AGENCY INVOICE
CATEGORICAL BREAKDOWN

PROJECT TITLE Child Care Center FUNCTION NO. Acheson House

CATEGORY CODE	CATEGORY TITLE	I BUDGET	II CURRENT COSTS	III CUMMULATIVE COSTS	IV ESTIMATED CASH REQUIREMENT FOR THE NEXT TWO MONTHS.
10	SALARIES (INCLUDING FRINGE BENEFITS)				
20	CONTRACTED SERVICES (INCLUDING AUDITING)		35.00		
30	TRAVEL, LOCAL		7.11		
35	TRAVEL, OUT OF TOWN				
40	CONSUMABLE SUPPLIES				
80	SPACE (INCLUDES RENOVATION)		401.50		
85	UTILITIES (INCLUDING TELEPHONE)		572.21		
60	FURNITURE & EQUIPMENT (RENT)				
65	FURNITURE & EQUIPMENT (PURCHASE)				
70	INSURANCE		295.00		
71	MAINTENANCE & EQUIPMENT				
79	MISC. EXPENSES				
TOTALS			\$1,310.82		

— FOR MODEL CITIES USE ONLY —

KEY PUNCH _____
VERIFY _____

EVALUATION _____
FISCAL SPECIALIST _____
ADM. MGT. COORD. _____
REQUISITION NO. _____
DATE SUBMITTED FOR PAYMENT _____

AUG 29 1974

AUDIT REPORT
CENTENARY-WILBUR NEIGHBORHOOD YOUTH CARE CENTER
PORTLAND, OREGON
AUGUST 1, 1971 THRU APRIL 30, 1974

PREPARED BY
ADMINISTRATIVE SERVICES SECTION
CHILDREN'S SERVICES DIVISION
DEPARTMENT OF HUMAN RESOURCES

AUG 29 1974



CHILDREN'S SERVICES DIVISION

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PUBLIC SERVICE BUILDING • • SALEM, OREGON • • 97310

July 3, 1974

DM McCALL
GOVERNOR

DON MILLER
Administrator

DEPARTMENT OF
HUMAN RESOURCES

WIGHTON PENWELL
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Mr. Dean Orton, Program Director
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The financial records were in good condition.

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V.H. Osborn, Director
Administrative Services

VHO:ls
Enclosure

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(for the period December 16, 1973 through April 15, 1974)

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Reconcilliation of Expenditures not qualified for reimbursement by CSD

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AUG 29 1974



CHILDREN'S SERVICES DIVISION

DEPARTMENT OF HUMAN RESOURCES

PUBLIC SERVICE BUILDING • • SALEM, OREGON • • 97310

July 2, 1974

TOM McCALL
GOVERNOR

DON MILLER
Administrator

DEPARTMENT OF
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CLEIGHTON PENWELL
Director

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Mr. Dean Orton, Program Manager
Private Treatment Resources
Children's Services Division
Salem, Oregon 97310

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Child Care related expenditures		<u>\$1,798.75</u>

We hope the above is to your satisfaction.

Very truly yours,

Gene Hickam
Auditor

GH:ls

cc: Vern Osborn

AUG 29 1974

Yaun Youth Care Centers, Inc.

P. O. BOX 11531
PORTLAND, OREGON 97211
PHONE 284-5480

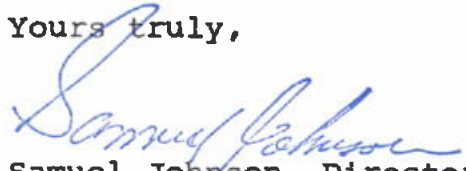
April 16, 1973

Mr. Andy Roberson, Acting Director
Model Cities
5329 N.E. Union Avenue, Rm. 210
Portland, Oregon

Dear Mr. Roberson:

Enclosed is a copy of the Audit Report for the YAUN Youth Care Centers conducted by the Fiscal Auditor for the State of Oregon for your files and information.

Yours truly,


Samuel Johnson, Director

SJ:sw

Enclosure

RECEIVED
MODEL CITIES

March 26, 1973

AUDIT REPORT
(Referenced to Work Papers)

To: Don Miller, Administrator
Children's Services Division

From: Administrative Services

Re: Yaun Youth Care Centers, Inc.
P.O. Box 11531
Portland, Oregon 97211

I. Reason for the Audit

To determine if the provider is in compliance with the related federal rules and regulations, and the state contractual agreement.

II. Summary of the Audit

The audit period covered was August 1, 1971, through June 30, 1972. Several financial problems were encountered during the audit examination. However, they appear to be resolved at the present time. Verification, examination and testing of program and fiscal requirements as outlined in the federal rules and regulations disclosed:

- (1) In our opinion, the books of record during the period present the correct balance. (20/ & 20/2)
- (2) Federal Employment Payroll taxes including penalties and interest for the quarter ending June 30, 1972, were in arrears in the amount of \$6,308.38. (19/1) (Paid 11/21/72)
- (3) State Employment Payroll taxes including penalty and interest for the quarter ending June 30, 1972, were in arrears in the amount of \$796.04. (19/2) (Paid 10/31/72)
Note: (2) & (3) evolved because of budgetary problems which was later resolved by a more realistic budget and Model Cities furnishing additional funds.
- (4) The director, Reverend Samuel Johnson, appears to be well qualified and has the respect of the community. The center visited was clean and the children observed appeared to be well adjusted to the center.

III. History of the Case

Yaun Centers became operative in February 1969 through Multnomah County, and in February 1970 through July 31, 1971 they were funded by Model Cities. On August 1, 1971, the Children's Services Division commenced funding the centers. Yaun Center #1 now has an attendance of 7 boys and Yaun #1 Center has 5 girls. The Center also provides after family services to former residents of both the Child Care Centers.

III. History of the Case (Continued)

Both Centers furnish "acting out" services to children between the ages of 12 thru 18 who are unable to adjust in their own home or regular foster care from the Portland Model Cities neighborhood. The children must attend public schools. The Center's accounting books of records consist of a General Ledger, General Journal, Cash Receipts Journal, Payroll Register, a Check Register, and a monthly unexpended allotment budget report, all of which are controlled through a well organized data processing system on the double entry accrual method. Reverend Samuel Johnson, Director, and his staff were cooperative and receptive during the audit.

IV. Type and Scope of Audit

1. Fiscal audit was in depth using audit fundamentals of examination, verification and testing as deemed necessary during the audit.
 - (a) Bank deposits were analyzed. The deposits were verified with original records of receipts and Children's Services Division vouchers and found to be accurate. (10/6)
 - (b) The expenditure account transactions were identified. (11) They appeared to be ordinary, necessary and reasonable except for the payroll tax penalties and interest previously mentioned. (19/1 and 19/2)
 - (c) The balance sheet accounts were tested for accuracy and found to be as reported. (20/2)
2. Program Personnel Policies, Personnel qualifications and contractual requirements. No irregularities were noted. (4-5-9)

V. Audit Briefs

1. Fiscal Audit

- (a) The cash accounts (including the 3 petty cash funds) were reconcilled and found to be in balance. (20/3)
- (b) An analysis of cash receipts adequately identifies all income. (10/6)
- (c) No excessive or unqualified expenditures were noted. (11 & 20/1)
- (d) The insurance requirements appear to be adequate. (7/1)
- (e) The employees dishonesty bond appears to be adequate. (7/2 & 7/3)

V. Audit Briefs (Continued)

1. Fiscal Audit (Continued)

- (f) Travel and travel expense were tested and found to be in accordance with prevailing rates. (2/1)
- (g) Internal control of cash receipts and the bookkeeping functions are both currently administered by the bookkeeper. (1/4) This was discussed with the Director and commencing 3/22/73 the functions will be separate. (1/4)
- (h) The accounting records appear to be adequate and all expenditures may be easily identified. (12/1 thru 12/4 and 20/1) Some difficulty was encountered in identifying all the bank deposits. (10/1 thru 10/5) This was discussed with the Director and the bookkeeper and effective 3/22/73 the amount deposited will be identified on the deposit slips. (1/2)
- (i) All non petty cash payments are vouchered and checks are prepared by Bowen and Duncan, Public Accountants. (1/4) The payment checks require a combination of two of three signatures. (Sam Johnson, Director; Sally Wilson, Secretary; and Pennessie Robertson, Social Worker) (1/3)

2. Program Audit

- (a) The program monitoring appears to be constant and adequate. (1/2)
- (b) The program appears to be well coordinated. (3)
- (c) The hiring and staffing functions appear to be adequate. (4)
- (d) The personnel policy appears to be satisfactory and all personnel are paid above the minimum federal requirements. (5)

Respectfully Submitted,



Gene Hickam,
Fiscal Auditor

Noted:

Edw. F. McCormack, Director
Administrative Services