

**Washington State Auditor's Office**  
**Whistleblower Report**

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**Department of Social  
and Health Services**

Report No. 1007231

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**February 7, 2012**



WASHINGTON  
**BRIAN SONNTAG**  
STATE AUDITOR



**Washington State Auditor  
Brian Sonntag**

February 7, 2012

Robin Arnold-Williams  
Department of Social and Health Services

***Report on Whistleblower Investigation***

Attached is the official report on Whistleblower Case No. WB 11-033 at the Department of Social and Health Services.

The State Auditor's Office received an assertion of improper governmental activity at the Department. This assertion was submitted to us under the provisions of Chapter 42.40 of the Revised Code of Washington, the Whistleblower Act. We have investigated the assertion independently and objectively through interviews and by reviewing relevant documents. This report contains the result of our investigation.

Questions about this report should be directed to Special Investigations Manager Kim Hurley at (360) 725-5352 or Director of Special Investigations Jim Brittain at (360) 902-0372.

Sincerely,

**BRIAN SONNTAG, CGFM**  
WASHINGTON STATE AUDITOR

BS:kh

cc: Jacob White, Public Disclosure and Ethics Administrator, Department of Social and Health Services  
Governor Chris Gregoire  
Melanie de Leon, Executive Director, Executive Ethics Board

# **Whistleblower Investigation Report**

## **State of Washington Department of Social and Health Services Thurston County**

### ***BACKGROUND***

State law requires the Department of Social and Health Services to prioritize the placement of children in need of out-of-home care with relatives, usually grandparents. The law also requires the Department to seek federal and private grants and to contract with nonprofit community-based agencies to provide financial support to grandparents and relatives who are the primary caregivers to children under the age of 19. The Department created a Kinship and Family Caregiver Program that contracts with local governments and nonprofits to provide services to grandparents and other family members caring for children under age 19.

### ***ABOUT THE INVESTIGATION***

The Department contracted with the City of Seattle to provide financial assistance to kinship caregivers in King County. The City then contracted with non-profit entities that directly provide caregivers with needed supplies and/or services. The contract indicates that the maximum assistance a kinship caregiver can receive is \$1,500 per year. The type of assistance a caregiver can receive includes, but is not limited to, food; home furnishings to accommodate children; auto repair to allow transportation for children to appointments and activities; tutoring and counseling services; school clothes; payments to prevent a caregiver from being evicted from a rented residence and one-time rent deposits.

### ***ASSERTION***

**The Kinship and Family Caregiver Program Manager did not monitor its grant recipient, the City of Seattle, to ensure funding was used for approved purposes.**

### ***RESULTS***

We found no reasonable cause to believe an improper governmental action occurred. We reviewed correspondence sent by and received from the Program Manager and found the contract between the Department and the City was adequately monitored.

Our investigation reviewed the contract between the City and the non-profit organization and gathered documentation that pertained to this grant funding. We also interviewed several City and non-profit employees to obtain an understanding of how the grant funding was passed from the City to the non-profit organization.

During our analysis of the documentation, we found some questionable transactions generated by a non-profit organization that received state funds through the City of

Seattle. We initiated a fraud investigation to address this matter and will separately report what we found in a special investigation report.

***STATE AUDITOR'S OFFICE REMARKS***

We thank Department officials and personnel for their assistance and cooperation during the investigation.

# Whistleblower Investigation Criteria

State of Washington  
Department of Social and Health Services  
Thurston County

We came to our determination in this investigation by evaluating the facts against the criteria below:

RCW 74.36.120 Community programs and projects for the aging – Standards for eligibility and approval – Informal hearing on denial of approval.

(1) The secretary of his designee shall adopt and set forth standards for determining the eligibility and approval of community projects and priorities therefor, and shall have final authority to approve or deny such projects and funding requested under RCW 74.36.110 through 74.36.130.

(2) Only community project proposals submitted by local public agencies, by private nonprofit agencies or organizations, or by public or other nonprofit institutions of higher education, shall be eligible for approval . . . .

Kinship Caregivers Support Program (KCSP) Administration, Uses for the KCSP funds Policy, Pages 1 and 2:

Emergent needs incurred by grandparents or other relatives at the time a child(ren) comes to live with them as well as after the initial period.

Examples of items for which the KCSP funds can be used include, but not limited to:

First/last month's rent or utility hook-ups for relatives who must move in order to take a child into their home;

One-time rent and/or utility assistance may be available on a case-by-case basis after all other rent/utility supports are accessed and when a family is at immediate risk of eviction and/or utility shut-off;

Purchase of bedding, furniture, supplies, clothes, safety locks, etc. so that a child(ren) can live with the kinship caregiver;

Gas and bus vouchers/car repairs;

Food;

Transition counseling for the kinship caregiver and child(ren) to adjust to their living arrangement;

School supplies/uniforms/band instrument rentals/school field trips, etc.;

Sports and youth activity registrations/fees/uniforms;

Durable medical equipment or assistive technology devices to benefit the child;

Medications for the child;

Tutoring;

Interpreter services; or

Supervision for child(ren) during kinship caregiver appointments\*\*.

Facilitation of third party custody for relatives when all relevant parties agree upon the action. Payment for services such as medication, Guardian Ad Litem (GAL), court facilitation, attorney fees are allowed.\*

\*AAA should establish lids for legal fees. For example; \$1,000 for third party custody, \$500 for GAL services, etc.

\*\*A background check is required before payment can be authorized to an individual for supervision of children during caregiver appointments.

Kinship Caregivers Support Program (KCSP) Administration, Uses for the KCSP funds Policy, Page 3:

. . . Cash may be provided to a third party service provider accompanied by a receipt, invoice or other documentation, but direct award of cash to a relative caregiver is not allowed.

State Administrative and Accounting Manual, Section 16.20.55.a

Proactively manage and monitor. Once the contract is fully executed by all parties, agency staff must proactively manage and monitor the contract to ensure the quality and quantity of services are received. Effective management and monitoring of client services contracts are keys to successful contracting results.”

State Administrative and Accounting Manual, Section 16.20.55.c

Monitoring the contract. Monitoring means any planned, ongoing or periodic activity that measures and ensures contractor compliance with the terms and conditions of the contract. The level of monitoring should be based on a risk assessment of the services provided and the contractor’s ability to deliver those services. Every communication with a contractor is an opportunity to monitor activity.

The purpose of monitoring is to ensure the contractor is:  
Complying with the terms and conditions of the contract and applicable laws and regulations;

Adhering to the project schedule and making appropriate progress toward the expected results and outcomes;

Providing the quality of services expected;

Ensuring the health and safety of clients; and

Identifying and resolving potential problems and providing constructive, timely feedback.

Effective contract monitoring can assist in identifying and reducing fiscal or program risks early in the process, thus protecting public funds.

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