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**MASSACHUSETTS
DEPARTMENT OF YOUTH SERVICES
2017-2018 INTERNAL CONTROL PLAN**

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May 11, 2018

Dear Colleagues,

It is with great pleasure that I present the Department of Youth Services' Internal Control Plan. We see the Plan as one that has been shaped to support the work we do and designed to address the challenges we face as an agency. We invite your review of and feedback on the plan.

I want to acknowledge the hard work of the DYS Internal Control Plan Work Group, as well as the many DYS staff who participated in identifying, verifying and prioritizing risks the Department faces in conducting the day-to-day work of the agency. DYS staff members have also been instrumental in identifying effective risk responses and solutions to immediate and on-going challenges the agency encounters in fulfilling its mission and achieving its annual goals and objectives. Thank you for your commitment to providing high-quality services for our clients, the youth of Massachusetts, one of the Commonwealth's most important resources for our future.

The DYS 2017-2018 Internal Control Plan is a tool designed to enhance the agency's ability to fulfill its mission and to ensure the agency's sustainability. As Commissioner, I am fully committed to implementing the DYS Internal Control Plan across the agency. One large component of implementation will be to educate all DYS managers and essential staff on DYS enterprise risks, DYS enterprise risk responses and our current internal controls enhancement strategies. Annual Internal Control Plan updates and on-going staff education will provide DYS with the capacity to continuously improve both our effectiveness and efficiency. To improve its internal controls, DYS has added an Internal Control Plan component to: a) the DYS Basic Training curriculum and b) will be reviewing the Internal Control Plan updates at periodic senior staff meetings.

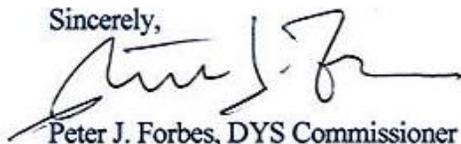
The attached DYS Internal Control Plan identifies agency enterprise risks and enterprise risk responses impacting all aspects of the DYS capacity to achieve our annual goals and objectives. Annual internal control plan updates will respond to new or changing risks identified during any fiscal year and will be aligned with our strategic planning process.

Some of the key risk responses from this initial DYS Internal Control Plan development process include targeting the following initiatives for 2017 and 2018:

- Implementation of the 2017-2018 Strategic Plan Work Groups;
- Continuing to improve our hiring, training and employee retention outcomes;
- Advocating for additional capital and equipment funding to improve building and program space,
- Continuing to improve safety for youth and staff across the DYS continuum,
- Implementing an improved agency communications strategy;
- Continued implementation of JJEMS training and system development;
- Defining more outcomes, performance metrics, and improving inventory procedures

I look forward to discussing aspects of the DYS Internal Control Plan with you at senior staff meetings on a quarterly basis and as needed. I'm extremely proud of our accomplishments and again want to thank all of you for your part in achieving them. I look forward to working with you to provide better outcomes for the young men and women in DYS care.

Sincerely,

A handwritten signature in black ink, appearing to read "Peter J. Forbes". The signature is fluid and cursive, with a large initial "P" and "F".

Peter J. Forbes, DYS Commissioner

CHARLES D. BAKER
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DEPARTMENTAL 2017-2018 INTERNAL CONTROL PLAN

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A. Introduction and Overview

1.00 A Brief Department Overview

A Brief Department Overview

The MA Department of Youth Services (“DYS” or “the Department”) is charged with the detention, custody, diagnosis, education, and care of youth charged or adjudicated as juvenile delinquents by the juvenile court. The Department’s mission is to make communities safer by improving the life outcomes for youth through investment in highly-qualified staff and the provision of a continuum of services that engage DYS youth, families and communities in strategies that support positive youth development. The services provided for youth include: health, clinical, substance abuse, education, career and vocational and community re-entry services. DYS operates forty-eight (48) staff secure and hardware secure residential programs, three (3) reception centers, two (2) independent living programs, nine (9) overnight arrest programs and twenty-three (23) community programs providing case management, community services and supervision for youth living with their family, foster parent, or in a transitional living program. **DYS Services, Types of Programs, and Youth Demographics exhibits are available upon request. For more detailed information on DYS committed and detained youth population statistics see DYS 2015 Annual Report** on the DYS website.

A. Introduction and Overview: Internal Environment

1.01. Organizational Accountability: Tone at the Top

Management Structure, Authority and Communication: Accountability and Tone at the Top

The DYS organization is led by the Commissioner and Executive Staff which consists of the Commissioner, the Deputy Commissioner for Operations, the Deputy Commissioner for Administration and Finance, the General Counsel, the Chief Financial Officer and the Assistant Commissioner for Program Services. This structure follows the mandates and guidelines established by the MA Administration and Finance Secretariat, Health and Human Services Secretariat, Comptroller, and Human Resources Division. Through regularly scheduled staff meetings (executive staff, regional staff, senior staff, program staff), the DYS newsletter and the DYS social intranet, Pulse, DYS messages to all staff their respective responsibilities for fulfilling the mission of the organization and achieving it goals and objectives and minimizing risks through fidelity with laws, regulations, policies and procedures. The Department is committed to working with families, partner agencies, and local communities to develop and implement strategies that will improve public safety and life outcomes of youth in the Department’s care and custody.

Management Philosophy:

The Department of Youth Services is a leader in the field of juvenile justice that collaborates with youth, families, communities, government, provider agencies, and others to provide treatment and rehabilitative programs and services towards changing the life trajectory of the youth in its care and custody in a positive direction. We provide innovative and effective treatment and skill development services to the youth committed to our care. The Department exemplifies diversity in the management of all our work and relationships. We effectively manage the resources necessary to achieve the Department’s mission.

The Department works to achieve this vision through 1) innovative and effective treatments, 2) collaboration and communication with stakeholders, 3) effective development of a diverse workforce, and 4) efficient management of resources.

A. Introduction and Overview: Internal Environment

1.02 DYS MISSION Statement *See attached exhibit for DYS Vision, Mission and Values Statements*

As the juvenile justice agency for the Commonwealth of Massachusetts, the Department of Youth Services promotes positive change in the youth in our care and custody. Our mission is to make communities safer by improving the life outcomes for youth in our care. We achieve our mission through investing in highly qualified staff and a service continuum that engages youth, families and communities in strategies that support positive youth development.

A. Introduction and Overview: Internal Environment

1.03 Standards of Conduct, and Standards Accountabilities

Ethics and Accountability: Standards of Conduct

All DYS employees at all levels of the organization are required to affirm in writing or through e-services verification that they have read and understand the Commonwealth of Massachusetts Employee Handbook, the DYS Code of Employee Conduct and the ICP summary. The first two documents address ethical behavior and job accountability with specific reference to the Massachusetts State Ethics Law, M.G.L. c.268A. Additionally, DYS requires staff to be trained on specific subject matters that

include conflict of interest, fraud, waste and abuse prevention; safety and security issues; PREA, sexual harassment, workplace violence, and reporting of abuse and neglect pursuant to M.G.L. c.51A. DYS staff, provider organizations and contractors working at DYS are also accountable for documenting that they have read and understand the Massachusetts conflict of interest law.

A. Introduction and Overview: Internal Environment

2.01 Management Structure and Oversight

Management Structure, Authority and Communication

The DYS Commissioner and Executive Staff oversee DYS organizational activities and operations as defined in the organizational structure and chart. Each position within the organization has a job description from which goals and objectives are developed, monitored and evaluated, at least annually, by a defined supervisor. Organizational communications protocols are followed throughout all reporting processes. Standard procedures are in place to ensure communication is timely, appropriately inclusive and clear. Active agency communication with oversight agencies for compliance purposes and with those agencies impacted by risks and events at DYS are on-going for purposes of effective management, control and risk mitigation.

Managers and Supervisors Authority

Managers and Supervisors have authority and responsibility as set forth in the Organizational Chart (*See attached Organization Chart-FY 2016*). Managers and Supervisors assign tasks and establish *written procedures for completing assignments using the controls in the DYS Internal Control Plan and other controls available at DYS*. The Employee Performance Review System (EPRS) and the Achievement and Competency Enhancement System (ACES) are tools used by DYS to ensure thoroughness, consistency and timeliness of supervision. Managers and Supervisors also review and evaluate the effectiveness of the DYS Internal Control Plan on a periodic basis.

A. Introduction and Overview: Internal Environment

2.02 Management Oversight for Internal Controls

Executive Staff and Shared Management of Risks, Internal Control Officer

All DYS administrative and management activities including programming, contracting, accounting and budgeting, and legal affairs are conducted through the DYS central office under the oversight of the Commissioner and the Executive Staff. The Commissioner has designated the DYS Chief Financial Officer (CFO) as the DYS Internal Control Officer. As Internal Control Officer, the CFO is responsible for ensuring the continued integrity of the internal control plan by periodically reviewing the document with other key agency executives necessary to update the plan, at least annually, and making appropriate changes and updates to the Plan after executive staff approval. Hard copies are kept on file for review. See Section 3.03 for more detail.

A. Introduction and Overview: Internal Environment

3.01 Organizational Structure

Organizational Structure

The DYS organization is led by the Commissioner and Executive Staff. The DYS executive staff team consists of six executive leaders: 1) the Commissioner who oversees the entire agency; 2) the Deputy Commissioner for Operations who oversees all regional, residential and community services as well as all program services, and serves as Commissioner as the need arises; 3) the Deputy Commissioner for Administration and Finance who oversees Human Resources, Communications, Finance, POS, Capital Planning and Facilities Management, Communications, Research and Information Technology Services; 4) the General Counsel who oversees all Legal, Hearings, Policy and Training, and Investigations activities; 5) the Chief Financial Officer who directly oversees all Fiscal and Administrative operations; and 6) the Assistant Commissioner of Program Services who directly oversees health, clinical, education, substance abuse, victims and female services. See DYS organizational chart attached. DYS Operations is organized into five regions: Metro, Central, West; Southeast, and Northeast. See the DYS Regional Map for more details. Each region has a Regional Director accountable for all services and activities in their region. The regional directors report to the Deputy Commissioner for Operations. Each region is staffed with management positions to oversee regional operations that include residential services, community services, clinical services, and fiscal administration. Each residential program and district office has a director who is responsible for the management of overall program services, safety, budget, and service delivery objectives for that program. All regions receive program oversight and support from central office specialty staff that include education, employment, medical, substance abuse, and clinical services.

A. Introduction and Overview: Internal Environment

3.02 Assignment of Responsibilities and Delegation of Control

Reporting Relationships and Delegation of Authority

As reflected in the current organizational chart, DYS has in place a clearly defined set of reporting relationships that are consistent with HRD, OSD and EOHHS requirements. DYS uses established review processes that provide for effective and efficient reporting and communications. Senior management is notified of any significant event, problem, or issue identified through the review processes. Specific reports are reviewed by identified key managers and referred, as appropriate, to the Director of Investigations, the Internal Control Officer, Executive Staff, or others to respond and/or address. Current IT systems are utilized to track and monitor service delivery. Measurable outcomes are being developed, refined and, integrated into JJEMS to continue to produce reports on quality, efficiency and effectiveness of DYS services and programs and to help DYS manage risk. Communication with the staff, providers, oversight agencies and external agencies is planned and designed to effectively manage operations and mitigate risks which enables the agency to achieve its goals and objectives.

A. Introduction and Overview: Internal Environment

3.03 Documentation of the Internal Control System

Control Activities and Documentation

The DYS Internal Control Plan, the agency's regulations, policies and procedures and other internal controls are based on management's assessment of the risks involved in the many aspects of effectively managing an organization to accomplish its mission. The internal controls are designed to ensure DYS meets its goals and objectives, efficiently and effectively. Executive, administrative, regional, fiscal, operations and program services staff are involved in reviewing and modifying the Plan on an annual basis to assure that controls are up to date. DYS Basic Training is mandatory for new-hires and Annual Review Training is mandatory for incumbents working in residential and community programs. While these are general trainings, there are a number of specialized topics, including Internal Controls (IC), that are discussed at Basic Training and where IC handouts are given to each trainee. The protection of confidential information, including personal identifying information (PII) is a topic also covered at Basic Training. Any updated confidentiality requirements are included in Annual Recertification trainings for appropriate employees. DYS fiscal staff has fraud, waste and abuse prevention training every quarter. DYS Policy 01.08.02, the DYS Information Security Policy, ensures every staff member is trained to be aware of and utilize strict safeguards to ensure that Department maintains the integrity, confidentiality and security of the personal information of DYS clients and staff in compliance with Executive Order 504. Additionally, the policies of the DYS and its oversight agencies, including ANF, serve as primary controls on the department's activities. The DYS policies, procedures and guidelines are updated, as needed. To ensure consistency and integration of the DYS policies, procedures, training activities and other control activities with the annual updates of the ICP, strategic plan and state and federal requirements, the ICP is reviewed periodically. Updates to the ICP are documented and changes communicated to relevant DYS Staff. DYS is requesting CTR to have senior managers trained and updated in Internal Controls through CTR IC trainings for public employees for current and future fiscal years.

A. Introduction and Overview: Internal Environment

4.01 Expectations of Competence

Expectations of Competence and Professional Behavior Standards

DYS employees at all levels of the organization are required to provide written verification that each individual employee has read and understands the Commonwealth of Massachusetts Employee Handbook and the DYS Code of Employee Conduct. The entire DYS ICP is available for all staff on the DYS Intranet, PULSE. An executive summary of the DYS Internal Control Plan is distributed to every employee and employees are required to verify having received and read the document. Additional trainings for conflicts of interest, fraud, waste and abuse, safety and security issues, PREA, sexual harassment, health issues, mechanical and physical restraints, and other DYS policies governing staff competence and conduct are available on a standard schedule. DYS evaluates the current status and accomplishment of objectives on a regular basis throughout the fiscal year. This review and updating of plans and assessment of progress allow DYS to actively respond to changing conditions while mitigating risks. Annual goals, objectives and outcomes measures are described in the DYS annual reports and the agency's strategic plan and are tracked in other periodic reports including the agency dashboard and JJEMS reports. They are also established and tracked in staff evaluations (EPRS and ACES). Contractors and provider staff working in DYS locations are required to submit documentation that they have read and understand the Massachusetts conflict of interest law and all applicable DYS policies and procedures.

A. Introduction and Overview: Internal Environment

4.02 Recruitment, Development & Retention of Individuals

Workforce Planning and Development

Since the kickoff of the Workforce Development Initiative in 2005, DYS has developed and implemented strategies for the improvement of recruitment, development and retention of employees. Internal controls have been put in place that include pre-employment screening and behavioral interviewing as part of the hiring process, mandatory direct care training, case worker and supervisor training curriculum, clinical training, monthly supervision processes, establishment of employee support services, and employee performance evaluations and employee recognition through the annual Commissioner's Awards and Years of Service events.

A. Introduction and Overview: Internal Environment

5.01 Enforcement of Accountability

Defined Working Relationships, Reporting and Accountability

DYS reporting relationships are set forth in the current organizational chart. Reporting and accountability may occur in the context of monthly supervision meetings, job performance evaluations through EPRS and ACES, review of outcome measures in management reports at staff meetings, internal reviews and investigations, and disciplinary processes prescribed by HRD or applicable collective bargaining agreements. In addition, communication with the staff, providers, oversight agencies and external agencies is planned and designed to effectively manage operations and mitigate risks that enables the agency to achieve its goals and objectives.

B. Strategic Priorities, Goals, Objective Setting Introduction and Risk Appetite

6.01 Defining Strategic Goals and Objectives

Goals and Objectives Setting

As part of its on-going management practices, strategic planning process, annual staff leadership conference and budget process, DYS sets annual goals and objectives. DYS evaluates the current status and accomplishment of objectives throughout the fiscal year to enable the agency to respond timely to changing conditions while mitigating risks. The DYS Goals and Objectives for FY 2017-2018 are listed below. Outcomes measures for each objective are included in the DYS Strategic Plan and will be the responsibility of the identified strategic plan work group to develop, implement and track strategies for achieving the objective. "DYS Annual ICP Update Calendar" is available as a tracking mechanism facilitating the agency's review, updating and monitoring of strategic goals and objectives with target dates.

Defining DYS 2017-2018 Strategic Goals and Objectives EOHHS guidelines and other Massachusetts directives require DYS to develop and regularly update a strategic plan. The DYS 2017-2018 Strategic Plan was developed and approved by the executive team after review and input from staff and other stakeholders. This Strategic Plan focuses on five priorities the agency has determined to be key building blocks for improving youth outcomes and improved public safety. The five strategic priorities are: 1) Youth and Staff Safety across the DYS continuum of youth programs; 2) Investing in "What Works" –Using promising and evidence-based practices; 3) Infusing Positive Youth Development into all aspects of service delivery; 4) Improving Agency Communications throughout our workforce, DYS providers, and key external partners; and 5) Working to identify and reduce racial and ethnic disparities in DYS work. See items below for Strategic Plan Priorities, Goals, Objectives and Improvement Areas (measurable outcomes). See Section 8.01 for stand alone ICP Risk Assessment description and activities. See attached Strategic Plan for more detail. (See appendices exhibit linking strategic objectives, enterprise risks and controls.) DYS will continue to achieve its goals through concentrated efforts in the five action priorities below:

PRIORITY #1: REALIGN RESOURCES BASED ON RISK, NEEDS of YOUTH & PUBLIC SAFETY

GOAL #1: Ensure optimal youth outcomes through effective services and strategies reflecting best & promising practices.

Objectives: Evaluate Current Use of Resources to Ensure Best Youth & Community Outcomes

Improvement Areas: a. New Regulations, b. Policy Review, c. Strategic Investment of Resources, d. Training Focus

PRIORITY #2: REHABILITATE YOUTH in the CARE & CUSTODY of the DEPARTMENT

GOAL 2: Improve the current DYS program continuum to ensure the most effective services are available to promote the success of youth in the care of the Department.

Objectives: Improve and Expand Programs to Meet the Needs of DYS Youth

Improvement Areas: a. Education, b. Employment Training, c. Voc. Rehabilitation, d. Behavioral Management, e. Empowering Your Future

PRIORITY #3: REINTEGRATE YOUTH Into THEIR COMMUNITIES

GOAL 3: Develop Best Practices for Youth Engaged-In-Services (YES), Revocation & Community Programs.

Objectives: Improve Programs to Ensure Successful Youth Return to Community

Improvement Areas: Community Placements and Transition, b. Youth Engaged-in-Services Program, c. Recidivism Reduction Strategies

PRIORITY #4: RESPECT YOUTH, FAMILIES & STAFF

Goal 4: Improve Safety for Youth and Staff Throughout the DYS Continuum.

Objectives & Improvement Areas Action Steps & Objectives:

Objectives: Create a safe and respectful environment for youth and staff.

Improvement Areas: Positive Youth Development, b. Safety for Youth and Staff, c. Fairness

PRIORITY#5: REPORT ON ALL VENUES

Goal 5: Improve data integrity and reporting capacity.

Objectives: Become more data-driven—set objective criteria to evaluate progress and create communication channels with staff and stakeholders.

Improvement Areas: a. Doing What Works, b. Best Practices, c. Communications Improvements, d. Measuring Outcomes

An exhibit in the DYS 2017-2018 Strategic Plan identifies specific initiatives under each priority, goal and objective. Measurable outcome targets and activities (improvement areas) for each objective will be developed by work groups and monitored by DYS executive staff sponsors for accountability purposes. See the last Risk Response for each of the five Enterprise Risks in Section 9.01 to illustrate how DYS 2017-2018 Strategic Plan and Internal Control Plan include risk mitigation activities.

B. Strategic Goals, Objective Setting Introduction and Risk Appetite

6.02 Defining Risk Appetite and Risk Tolerance

Risk Appetite and Tolerance

Given the mission of DYS is to protect the public through the rehabilitation of delinquent youth, the agency's appetite and tolerance for risk is balanced against a major tenet of the agency to place the right youth in the right place at the right time. The inherent risks of a care and custody organization require controls that are not typical of most public service agencies. Youth who are detained or committed to DYS present challenging risks that include risk for flight, and for aggressive behavior that can result in injuries to self and others, or property damage if certain conditions arise. DYS has preventive and detective controls in place to protect youth and staff safety, support asset stewardship, and promote and deliver positive youth development while youth are in DYS custody. DYS establishment of pre and post-custody and commitment controls and interagency collaborations support youth to sustain the behavioral gains made in treatment upon re-entry into the community and after discharge from DYS. With the passage in 2013 of the Massachusetts Raise the Age legislation (raising the juvenile court jurisdiction to 18 years of age), DYS recognizes that there are different challenges presented by this older population in terms of programming and strategies in terms of safety. DYS is addressing these risks with program reviews and innovative program pilots. Safety of youth and staff continues to be one of the highest agency priorities.

C. Risk Events Identification, Risks Assessments, Risk Responses

7.01 Identification of Risks

Risk in a Care and Custody Organization with De-Centralized Operations

DYS has inherent risks in conducting day-to-day business as an agency designed to maintain custody and provide care and rehabilitative services to juvenile justice involved population. As an organization created to provide services to: a) protect public safety, b) prevent crime and c) provide housing, educational, health, clinical, substance abuse, job readiness training and other services, DYS has risks in all aspects of the organization's activities. These risks include: program security and quality, client and staff injuries; drugs, drug abuse and medication management; escapes, unit disturbances, vandalism and violence; property maintenance resources, staffing quality and competency; abuse and neglect; youth re-offending, material breach of service contracts; and resource management risks in its day-to-day service delivery. There are also inherent risks to the agency's de-centralized operational structure where the continuum of services is essentially replicated in each of the five regions to allow for treatment to be provided within relative proximity to the natural communities of committed youth. Shared risk responsibilities, lines of authority regarding central office and regional roles and responsibilities, general and specific event communication

channels, and functional versus hierarchical reporting relationships are inherent risks that are also opportunities for continued improvement in the DYS internal controls systems related to de-centralized operations.

Stakeholders and Asset Categories as Sources of Risk

Youth, staff (DYS and provider staff), and members of the general public, including victims, witnesses, law enforcement officials, members of the judiciary, and other governmental staff are the DYS stakeholders who have a direct or indirect role in the MA juvenile justice system. The DYS assets consist of youth, staff, buildings, vehicles, equipment, information and data, funding and the general public. An asset is defined as a resource controlled by an entity as a result of past events and from which either economic benefits or public benefits are expected. Risks are the probability of damage, injury, liability, loss or other negative occurrences related to organizational assets that are caused by external or internal vulnerabilities and that may be neutralized through preemptive or responsive actions. A more detailed description of the specific risks identified for each asset category is available upon request.

C. Risk Events Identification, Risks Assessments, Risk Responses

7.02 Fraud Risk Factors and Types

Identification of Fraud, Waste and Abuse Prevention through On-going DYS Forums

DYS identifies and documents plans to mitigate fraud, waste and abuse potentials through its Fraud, Waste and Abuse Prevention (FWAP) Committee that meets on a quarterly basis. The Committee has DYS executive staff members including: General Counsel, Deputy Commissioner for Operations, Deputy Commissioner for Administration and Finance, and the CFO. Other members participating include the Comptroller, Regional Fiscal Administrative Staff, and key fiscal and senior staff. Additionally, DYS provides FWAP education and discussions in additional statewide quarterly fiscal staff meetings. During FY 2017, individual fiscal managers across the Commonwealth began working on specific improvements to their individual unit internal controls.

C. Risk Events Identification, Risks Assessments, Risk Responses

8.01 Analyze Risks

Risk Assessment

Under the direction of the DYS Internal Control Plan Work Group, a comprehensive enterprise risk assessment was conducted as part of developing the ICP. The risk assessment was undertaken to identify and validate risk events, types of risks, and enterprise risks that prevent or could prevent DYS from achieving its goals and objectives and fulfilling its mission. It also reviewed DYS risk controls, weaknesses in current controls, and current and proposed risk responses to further mitigate risks to the agency's fulfillment of its mission and accomplishment of its strategic goals and objectives.

Establishment of an Internal Control Work Group

Prior to initiating the risk assessment process as part of the Internal Control Plan development, the DYS Commissioner established the Internal Control Work Group. Members include: Deputy Commissioner for Administration and Finance, Deputy Commissioner for Operations, General Counsel, CFO, Budget Director, POS Director, and Directors of Residential and Community Operations. The DYS Internal Control Work Group serves as an internal control to ensure all items in the plan continue to be addressed on an annual and as needed basis.

Risk Assessment Core Activities

The 2016-2017 DYS Risk Assessment included standard questionnaires, group and individual risk assessment interviews, and written feedback loops to verify accuracy of recorded risks. Questionnaires were the basis for risk assessment interviews and written feedback. In total, five (5) regional management teams, twenty-four (24) operational management teams and six (6) direct care worker staff groups were interviewed (over 100 individuals) over the course of eleven months participated in the risk assessment process. Interviewed DYS staff reported 439 risks and perceived risks (with some duplication) during the course of the risk assessment.

Operational and regional teams were asked to complete risk response analyses for each reported risk or reported perceived risk: 1) type of asset identified for each risk (client, staff, building, information/data or funding), 2) likelihood of occurrence-level of impact assessment; 3) a risk response identification (accept & monitor, avoid & eliminate, reduce risk & add controls, find partner); 4) an inventory of best methods to: mitigate or prevent risk; policies & procedures on risk; available information to track risks; and 5) review each risk and eliminate any duplicate risks.

MA DYS Internal Control Plan Working Draft for Department Review Purposes

The completed risk response analyses from the regional and operational teams were studied using the “Internal Control Level Analysis” test to determine the degree to which the reported risks and perceived risks were within the Department’s control or outside the scope of control as set forth in the table below.

- | | |
|---|---|
| 5 | High--Added Controls, Training, Policy & Procedure, IT Systems or Regular Reports |
| 4 | Very Good--Added Controls, Some Training, Policy or Procedure, Some reporting |
| 3 | Good--Limited Added Controls, Limited Training, No Policy or Procedure, Limited Reporting |
| 2 | Needs Attention--Accept & Monitor, No SOPs, Incidental Reporting Only |
| 1 | Lacks Controls of Any Kind--No Training, No Policy or SOP, Anecdotal Reporting |

DYS used a risk assessment model shared at the MA CTR Risk Summit in 2015 (with Ernst & Young) to categorize twenty types of organizational risks in order to group individual risk categories into enterprise risk categories. This analysis is described in an attached Exhibit and assigns risks into four quadrants: Improve, Optimize, Monitor or Accept. Analyses were completed for the combined regional management teams and the combined twenty-four (24) operations units. An exhibit with graphics illustrating the quantitative categorization of identified risks -- is available upon request. Also, an exhibit illustrating additional quantitative analysis on development of enterprise risks is available upon request. Key undertakings in the risk assessment included: a) Established an Internal Control Plan Work Group; b) Reviewed previous State Auditor reports and recommended activities; c) Selected reviews of legacy information systems for QA, accuracy and consistency; d) Reviewed three years of DYS operating budgets for trends, changes, and unit costs; e) Completed nineteen NASC Self-Assessment tools to identify key risk interventions, strengths and potential weaknesses; f) Sent Uniform Risk Assessment Questionnaires to all interviewed Senior Staff; g) Conducted Risk Assessment Interviews of executive leadership, central office special unit(s) leadership and regional management leadership; h) Undertook information verification feedback loop for all questionnaire and interview results; i) Conducted Probability of Occurrence Analysis related to DYS strategic goals and objectives; j) Conducted Level of Impact Analysis related to DYS strategic goals and objectives; k) Conducted Control Level Analysis based on risk mitigations activities, policies, procedures and available information to mitigate reported risks and perceived risks; l) Identified Current Policies, Procedures and Available Information to Mitigate Risks; m) Identified Proposed Risk Responses for Actions to Best Mitigate Risks; n) Reviewed key risk control impact areas, i.e., funding, property and equipment, security, etc. for all risk events and across agency strategic goals and objectives to determine most effective control areas to maximize risk mitigation; o) Conducted systematic risk categorization of 439 reported and perceived risks into twenty organizational risk categories; p) Quantitatively and qualitatively consolidated and ranked twenty organizational risk categories into five enterprise risks; q) Integrated key and significant control impact areas into seven enterprise risk categories; r) Verified enterprise risks, consequences and identified responses with key staff; s) . Identified Key Risk Responses for enterprise risks; t) Reviewed and correlated enterprise risks with DYS goals and objectives in the DYS 2017 - 2018 Strategic Plan as part of the risk assessment process. Note the last risk response for each of the five prioritized enterprise risks in Section 9.01 illustrates how the agency’s 2017-2018 Strategic Plan goals, objectives and improvement areas (measurable outcomes) in Section 6.01 are included, controlled and measured within the DYS 2017-2018 Internal Control Plan. See attached Strategic Plan for more detail.

C. Risk Events Identification, Risks Assessments, Risk Responses

9.01 Risk Response Categories

Risk Assessment Prioritized Risks

The risk assessment identified five broad-based enterprise risks that DYS will focus on mitigating. DYS has evaluated the significance of each reported risk and reported perceived risk, as well as the likelihood and frequency of the risks occurring. DYS staff have considered how they want to manage risks by determining what steps need to be taken to eliminate or reduce each risk to an acceptable level as a component of the risk assessment process. The five identified enterprise-wide risks, risk responses, risk weaknesses and risk response summaries are discussed below. DYS will continue to mitigate each identified enterprise risk through available and appropriate internal controls and through partnering with other agencies and stakeholders to accomplish these objectives, as appropriate. The final risk response for each enterprise risk illustrates how the agency’s strategic goals and objectives are addressed in both the DYS 2017-2018 Strategic Plan and the DYS 2017-2018 Internal Control Plan.

DYS 2017 and 2018 SPECIFIC ENTERPRISE RISKS ACTION ITEMS

- | |
|---|
| 1. Maintaining a stable workforce in certain programs is a challenge that is impacting the agency’s capacity to meet its residential programming goals & objectives. |
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Risk Responses

- i. Additional agency resources have been allocated to improve DYS HR administration.
- ii. Pilot in recruiting directly from colleges for qualified candidates

- iii. Pilot 4 ten hour day work week
- iv. Recruitment process now includes more detailed pre-screening and interviewing of candidates to improve candidate pool matches.
- v. Pilot “New Hire” training that changes 3 consecutive weeks of basic training classes to completion of courses within 90 days of hire to give new recruits more “on floor” time to better understand the nature of the work.
- vi. Review of Training Model to provide for more one-on-one trainee time.
- vii. Newly hired employees receiving additional “On Boarding” mentoring during initial months of employment
- viii “Exit” and “Stay” interviews of employees who left within recent six month period have been conducted.
- ix Annual training re-certification requirements provide employees with updated skills and education each year.
- x. Safety Committee meetings regularly to review injuries statistics, types of injuries, causes of injuries and discuss safety improvements for staff and youth.
- xi. DYS Safety Task Force developing strategies and recommendations for reducing assaults in DYS programs.
- xii DYS Research Team is working to capture and analyze data on assaults.
- xiii The Department has completed an OSHA Gap Analysis
- xiv. DYS is developing a Safety Manual including reports and protocols for all programs
- xv DYS will address this Enterprise Risk through DYS 2017–2018 Strategic Plan Goal 1, Initiatives 3, 4, 5; Goal 4, Initiative 1, 2; Goal 5, Initiative 2,3, 4, 5 and 6.

Risk Weaknesses

DYS considers the recruitment and retention of entry level group workers to present risks to fully achieving its youth programming and outcomes and the agency’s strategic goals and objectives. Safe and quality programs require a stable workforce with the mindset and skill set to work with challenging youth and emerging adults within a positive youth development framework. A tight labor market coupled with competition from other sectors offering better compensation, benefits, and work schedules have contributed to the agency’s challenge of attracting quality job candidates. The highly structured residential program model with required staff to client ratios on each shift creates stress and burnout when there is forced overtime caused by unplanned absences such as staff who call in sick, out on industrial accident, out on family medical leave, or out on leave during the pendency of an abuse/neglect investigation. High turnover of workers in this job category also impacts the stability of a program. Without a stable team in a residential program, there is a higher risk for injuries, stress and burn-out for the program staff. The basic training that new employees are required to complete before working on the floor of a program provides the theoretical and some practical foundation and framework for performing the work as a group worker; however, the amount of time supervisors can provide to coach new staff is variable from program to program. The new employee is expected to serve as a mentor and advocate for youth but also have the situational awareness to stay alert to potential problems or deviations from procedures and practices that could present a safety risk to the youth and staff in the program. This risk area is considered to be a weakness in DYS internal controls.

Risk Response Summary

DYS leadership has implemented strategies and added resources to address the recruitment and retention risk. DYS has implemented Mass Careers staff training and similar types of training that have helped expedite and make more efficient hiring processes. DYS is piloting a four 10 hour days on and three days off work week that will offer a better work life balance for staff, allow for scheduling of shifts that will increase coverage and promote safety in the program during busy times without requiring additional FTEs or overtime. DYS, in collaboration with EOHHS Human Resources and Human Resources Division, has implemented the community college pipeline pilot that will attract candidates that believe in the DYS mission, give the students a realistic preview of the work that group workers are expected to perform, and give students possible internships to learn by actually working in a DYS program. Other pilots launched include 6 month ‘exit’ and ‘stay’ interviews of new employees, a more structured and intensive On-Boarding program in one of the DYS regions, and the creations of skills development coaches that will be deployed to provide support and coaching to new staff, Supervisory Academy that will include DYS specific modules; change in the 3 consecutive weeks of basic training to completion of basic training within 90 days of hire where the mandatory course for working on the floor is delivered

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the first week and staff can apply what was learned and through the experience come to understand the training provided within the context of how a program operates; annual re-certification training to provide updated content information as well as refresher on use of restrains and defensive disengagement. In addition, DYS has an active workforce planning and development work group that is addressing staff recruitment, on-boarding, training, coaching, retention, evaluations, and other strategies for improving and supporting the DYS workforce.

DYS continues to be highly invested in the safety of youth and staff. The DYS Safety Committee, composed of DYS management, union representing the direct care workers, labor relations staff and workers compensation staff, meets every 6-8 weeks to review safety issues and concerns of the line staff and collaborate on solutions including on how best to address assaults through training, mentoring, new skill development, and programming. Data on industrial accidents, staff turnover, assaults, room confinement and restraints are reviewed at the meetings to identify patterns and trends that are used to identify specific programs that are doing well and can share best practices or locations that merit special attention and assistance.

The Department has completed an OSHA Safety Gap Analysis in compliance with Executive Order 511 guidelines and is currently working to complete a DYS Safety Manual listing all of forms, reports and record keeping requirements to maintain DYS safety standards in programs. In addition to DYS controls above being in place, DYS is hosting a Safety Task Force of multiple human services agencies, legislators and labor to review and recommend strategies and solutions for improving safety in DYS residential programs. The DYS 2017-2018 Strategic Plan will also address this enterprise risk through two initiatives: the first is to realign resources to improve communication procedures, protocols and policies; the second is to invest in strategic activities that increase youth and staff safety throughout the DYS continuum. Additionally, the DYS 2017-2018 Strategic Plan Goal Five with four initiatives to improve data integrity and reporting capacity will contribute to mitigating this enterprise risk.

DYS will address this Enterprise Risk through DYS 2017–2018 Strategic Plan Goal 1, Initiatives 4, 5; Goal 4, Initiative 1

2. Infrastructure limitations including buildings, space configurations, equipment, maintenance and procurement capacities, impact the agency’s ability to ensure safe and secure facilities and programs.

Risk Responses:

- i. Strengthen and leverage relationship with DCAMM for awareness of on-going funding opportunities.
- ii. Continued education and advocacy work with ANF regarding previously approved projects and plans.
- iii. Continued work with ANF to improve COMM-BUYS compatibility with Chapter 149 and related procurements.
- iv. Continued updating of regional infrastructure priorities lists for implementation through operating budget.
- v. DYS will address this Enterprise Risk through DYS 2017 - 2018 Strategic Plan Goal 1, Initiative 6; Goal 4, Initiative 1; Goal 5, Initiative 3.

Risk Weaknesses Summary

DYS considers the general condition, configurations, locations and age of buildings to be significant risks in providing safe and secure buildings, adequately serving its clients, complying with applicable laws, regulations and guidelines; and achieving strategic and programmatic goals and objectives. DYS requires EOHHS and ANF (DCAMM) for approvals for capital projects and capital funds prior to any major building and grounds improvements. A number of DYS buildings have been “inherited” from other state agencies and were not designed for juvenile justice programming. In four of five regions, properties and property infrastructures have aged beyond their “useful lives.” A small statewide facilities management team and limited building maintenance resources impede the agency’s ability to effectively address critical infrastructure issues. This risk area is considered to be a weakness in DYS internal controls.

Risk Responses Summary

DYS leadership will continue to work closely with EOHHS, DCAMM and ANF to advocate for the agency’s needs for appropriate, safe and secure property and program space that includes features and capacities to deliver adequate and

required standardized services, and comply with state and federal laws, regulations and guidelines for juvenile justice facility requirements. DYS will continue to monitor building status and repair needs to enforce safety and quality of care standards. Through various reporting mechanisms and control activities, including on-going mandatory periodic reports, the DYS leadership team is aware of the limits in, failures of and necessary repairs required for DYS properties. DYS will continue to advocate for the DYS Master Plan to improve current DYS properties and reduce risk to agency staff and youth. DYS will continue its efforts to strengthen, leverage relationships and the department's priorities for properties maintenance and properties improvements to effectively improve this essential component of the agency's capacity to provide safe and compliant housing and program space for youth and staff.

3. Multiple communications channels contribute to inconsistent organizational messaging and uneven and varying implementation of new or modified statewide policies, procedures and standards.

Risk Responses:

- i. Review and update agency communications strategy and plan
- ii. Standardize information distribution channels, policies and procedures
- iii. Implemented regular standing meetings across the agency (executive staff, senior staff, central office staff, division and regional staff)
Increase use of PULSE as standard format for improved electronic communication for the agency and work groups.
- v. Continue publication of DYS News and other written communications on a regular basis.
- vi. DYS will address this Enterprise Risk through DYS 2017 - 2018 Strategic Plan Goal 1, Initiative 3, 6; Goal 5, 1-5

Risk Weaknesses Summary

DYS considers the combination of multiple communications channels, decentralized structure, and complex reporting relationships to be risks to the agency's long term capacity to communicate effectively across the agency, achieve strategic goals and objectives, and fulfill its mission. Multiple email distribution lists for similar tasks result in both too much and too little messaging within the agency. In some cases, there is confusion about the purpose of the communication or expectations related to the process and timelines for implementation of new and revised policies and procedures. Dissemination of information and directives from Central Office appears to be particularly acute for staff on second and third shifts. This risk area is considered to be a weakness in its internal controls.

Risk Responses Summary

With assistance from EOHHS and ITD, DYS has received additional tools for communication including a new agency intranet, PULSE that should significantly improve communication for the entire organization and especially the many internal work groups. DYS leadership continues to actively pursue on-going communication with internal staff as well as feedback from oversight agencies and non-governmental provider and advocacy organizations to update current DYS communications protocols and create an effective communication strategy, including clarified multi-lateral communications channels to mitigate communications risks to the agency fulfilling its mission and accomplishing its goals and objectives. DYS has just completed a full strategic planning process in FY 2017 which calls for improving DYS communications strategy to include enhancing the availability of technology to improve agency communications, efficiency and effectiveness, and expanding distribution and frequency of reports on agency's efforts in meeting its goals and objectives. The agency's Communications Plan will be reviewed and updated on an annual and as needed basis.

4. Outside agency compliance, internal policies and procedures modifications, and on-going documentation requirements reduce the agency's capacity to consistently maintain timely compliance responses.

Risk Responses:

- i. Additional agency resources have been allocated to compliance tasks to improve response times.
- ii. The DYS Policy Steering Committee holds regular meetings to ensure high priority tasks are addressed.
- iii. DYS regulations have been updated, revised, approved and in effect since January 1, 2017.

- iv. DYS is developing a compliance calendar for publication on the department's intranet (PULSE) to ensure all compliance deadlines are known.
- v. DYS Fiscal has developed and is implementing statewide procedures manual to address compliance issues.
- vi. DYS will address the Enterprise Risk through Strategic Plan Goal 1, Initiative 1, 5, 6; Goal 4, Initiative 1; Goal 5, Initiative 1,3,4, 5, 6,and 7.

Risk Weaknesses Summary

DYS considers its limited capacity to respond to external agency compliance requests, complete internal policy and procedures reviews and perform on-going documentation on a timely basis to be significant risks related to the agency's ability to provide timely and accurate reports, review and modify policies and procedures, and comply with applicable laws, regulations and guidelines to be a significant risk. Multiple oversight agencies, executive orders, public records requests, local building inspector and other state and federal agency compliance and documentation requirements are time consuming and require professional staff expertise. Employee background checks, annual policy and procedure review are time consuming for staff to complete. This risk area is considered to be a significant weakness in DYS internal controls.

Risk Responses Summary

DYS leadership has and continues to work on effective and efficient allocation of resources to ensure organizational compliance with applicable state and federal laws, regulations, and guidelines and to update policies and procedures as issues arise and at least annually. In 2017, DYS allocated additional personnel resources to ensure organizational compliance, policies and procedures review and standardized documentation are a priority. DYS executive staff meets weekly and included in their agenda is time to review and respond to agency compliance, policy, procedure and public records requests, as needed. In January, 2017, updated and revised regulations became effective after a thorough review process. Additional DYS controls in place include a Policy Steering Committee that meets to address compliance concerns and ensure high priority policy issues are reviewed, and current policies and procedures are reviewed and updated, as appropriate. DYS is in the process of developing an agency "Compliance Calendar" so compliance activities can become more routinized. DYS addresses these risks through initiatives in its 2017-2018 Strategic Plan including: Enhancing availability of technology to improve agency communications, efficiency and effectiveness; and Investing in strategic activities to increase staff leaders and supervisor positions knowledge of compliance requirements as well as implementing leadership training including managing compliance matters. One strategic goal is to Report on all Venues including increasing effective communication and inclusion among Central Office, regional staff and staff and programs. An additional control being discussed is to formalize a uniform methodology for the development, monitoring and documentation of how DYS agency documents are completed, approved and, where applicable, made public.

<p>5. Current IT systems hardware and software, IT personnel gaps and IT implementation resources constrain data collection, program monitoring, data management and fully integrated reporting capabilities for youth demographics, serious incidents and program and youth outcomes.</p>

Risk Responses:

- i. The National Association of State Comptrollers' Self-Assessment for Information Services and Technology was completed for this enterprise risk and will be part of risk mitigation.
- ii. DYS will leverage features and functionality available through the next JJEMS software, Jasper Soft, within several months, to continue to improve reporting and data quality assurance.
- iii. DYS leadership will continue to advocate with and educate EOHHS IT and Massachusetts ITD Offices on its needs for additional hardware, mobile electronic equipment, and software to improve the agency's capacity to better monitor and improve service quality and safety in our programs and communities.
- iv. DYS has established a Research Team that meets weekly, reviews current data collection procedures, definitions and assesses current measures and reports for more effective data-driven "key indicators" reporting.
- v. The Youth-In-Custody-Practice-Model (a national best practices model) Consulting Team and DYS management staff are assessing current practices in the areas of case management, family engagement, behavioral support and

racial and ethnic disparity in the DYS service continuum, current program monitoring and outcomes reporting, and identifying actions to be implemented in FY 2018 that will lead to improved life outcomes for the youth.

- vi. Juvenile Detention Alternative Initiative and Racial and Ethnic Disparities reporting upgrades.
- vii. DYS will continue to review its needs list for facility improvements and improve agency IT capacity.
- viii. DYS will continue to utilize Continuous Quality Improvement as a guiding management principle.
- ix. DYS will address this Enterprise Risk through DYS 2017 -2018 Strategic Plan Goal 1, Initiative 6; Goal 2, Initiative 2, Goal 3, Initiative 3, and Goal 5 Initiatives 2-7.

Risk Weaknesses Summary

DYS considers the current condition of the Juvenile Justice Enterprise Management System (JJEMS), computer and electronic equipment capacities, other legacy information systems and current level of DYS IT staffing to be risks to the agency's long term capacity to fulfill its mission, achieve strategic goals and objectives, and effectively monitor and report on the DYS service continuum.

The servers currently housing JJEMS software (2009) and the current software utilized at the Center for Information and Communications (CIC) are outdated and limit the agency's capacity for faster transactions, improved data integrity and for having the "bandwidth" to implement effective electronic program monitoring, reporting functions, quality assurance and other potential system functions. Different ISP providers among DYS and DYS provider locations impact ease of workers access to JJEMS. In addition, the variability in the types of hardware and other electronic tools across the state limit the agency's ability to create a robust and uniform information reporting environment. Variability in the application of data entry protocols, limited capacity for JJEMS training beyond basics, and inconsistent use of JJEMS reporting contribute to difficulties with JJEMS data integrity. The agency's capacity to bring more quickly on line new reporting applications and features, as well as interactive dashboards, that would allow the agency to track and monitor data quality and integrity, program operations, constrained by IT resources and the IT life cycle for implementing new IT applications and youth outcomes. A more robust system would allow the agency to more comprehensively monitor youth status, inventory services offered, provide more timely and accurate statistical and management reports and, in some cases, respond more quickly to requests related to applicable laws, regulations and guidelines outside of DYS' direct control. To some extent, this risk is outside of DYS control as the JJEMS development team is composed of EOHHS employees and any major hardware acquisitions must be approved by EOHHS, EOHHS IT and other oversight agencies. This risk area is considered to be a weakness in DYS internal controls.

Risk Responses Summary

DYS continues to maintain and improve its relationship with EOHHS IT to ensure continued collaboration and receiving and support from EOHHS in its JJEMS software development as well as continued updating of JJEMS and other DYS hardware concerns. The agency will maximize utilization of the next Maven software upgrade to Jasper Soft through working closely with EOHHS IT at 600 Washington Street in Boston. This effort will be directed at adding JJEMS reports, improving QA functionality and making limited JJEMS reports available on a statewide basis. Through its 2017-2018 Strategic Plan implementation, DYS will address this enterprise risk through an initiative to enhance availability of technology to improve agency communications and efficiency/effectiveness. Additionally, the strategic plan has a goal (Goal 5) Improve Data Integrity and Reporting Capacity. Increasing effective communications and inclusion among Central Office, regional staff and program staff; Expanding JJEMS and JASPER reporting capacity and staff training; Committing to improving data integrity in JJEMS; Improving Serious Incident reporting in JJEMS and Improving demographic data collection of youth served to improve equity and fairness in the DYS system. DYS is committed to continuously improve agency data systems capacity and data integrity. JJEMS was competitively bid and is designed with the goals of improving information technology; capturing; reporting on completeness of events that occur as recorded; accuracy of records in all aspects; and validity of recorded transactions that were executed according to prescribed procedures. Continuous improvement of JJEMS user security is also a high priority and reports and procedures are continuously updated to ensure the system is as secure as possible.

C. Risk Events Identification, Risks Assessments, Risk Responses

9.02 Response to Fraud Risks

DYS Responses to Fraud Risks

DYS has designed its risk reviews to address Fraud, Waste and Abuse Prevention. See previous section 7.02 for additional details. Risk event identification is correlated with the agency's strategic priorities and classified within organizational asset categories including: youth, staff, the general public, property or other assets, information or data and funding. Quarterly meetings of the Fraud, Waste and Abuse Prevention (FWAP) Committee and the use CTR FWAP materials in quarterly statewide DYS Fiscal staff meetings provide frameworks to identify, monitor and, where appropriate, intervene as necessary to address control weaknesses or deficiencies. Posting the CTR whistleblower "Time Out" posters in all DYS programs also gives DYS staff an avenue to report potential fraudulent incidents without having to discuss a concern with DYS supervisors.

D. How DYS Controls Risk

10.01- 12.02 Response to Objectives/ Risks , Appropriate Controls, Segregation of Duties, Documentation

Internal Controls Responses Required from State Agencies: Governing Statutes, Regulations, and Executive Orders

The Commonwealth of Massachusetts Chapter 647 of the Act of 1989, An Act Relative to Improving the Internal Controls within State Agencies, directed the Office of the Comptroller (CTR) to develop internal control guidelines for state agencies. DYS has developed this Internal Control Plan based upon guidelines prepared by the Office of the State Comptroller. The purpose of DYS internal controls are to provide accountability, sound management practices, proper resource management, provide provisions for audit preparation, provide documented policies and procedures that encourage sound business practices, ensure proper resource management, safeguard its assets, and ensure public funds are being administered in compliance with the Commonwealth's laws and regulations.

Compliance with Authorizing Legislation and Other Mandates

The Department of Youth Services (DYS) Internal Control Plan (ICP) was developed in accordance with the Committee of Sponsoring Organizations (COSO) guidelines, and the DYS ICP addresses the eight Enterprise Risk Management (ERM) components of: 1) Internal Environment, 2) Objective Setting, 3) Event Identification, 4) Risk Assessment, 5) Risk Response, 6) Control Activities, 7) Information and Communication and 8) Monitoring. Consistent with Chapter 647's internal control standards, the DYS Internal Control Plan has been developed to ensure: a) DYS Internal Control systems are clearly documented and readily available for examination; b) All transactions and other significant events are promptly recorded and classified; c) All authorizations for specific types of decisions are clearly specified and communicated; d) Key duties are assigned systematically for effective segregation of duties and checks and balances in responsibilities; e) Qualified and continuous supervision is provided to employees regarding job duties; f) Access to resources and records is limited to authorized individuals to protect agency assets; g) All instances of unaccounted for variances, losses, shortages or thefts of funds or property are immediately reported to the State Auditor's Office, and h) Management reviews and responses to any state audit findings and recommendations is prompt and contains appropriate action(s) to address any internal control weaknesses. Chapter 647 also requires DYS to assign a senior official, "...equivalent in title or rank to an assistant or deputy to the department head, whose responsibility, in addition to his regularly assigned duties, shall be to ensure the agency has written documentation of its internal accounting and administrative control system on file." The DYS Internal Control Officer is the Chief Financial Officer (CFO). See Exhibit on DYS Internal Control Officer Responsibilities for more detail.

DYS Information System Development, Design, Security and Control Activities

All DYS information systems, computer and other technology capacities, equipment and software are subject to EOHHS, EOHHS IT and MA ITD protocols, development standards, equipment specifications and annual budget appropriations. The primary DYS information system, the Juvenile Justice Enterprise Management System (JJEMS) was competitively bid and requires compliance with EOHHS IT-approved system development, maintenance, and update protocols as well as being overseen by a DYS JJEMS Governance Board that meets monthly. All hardware acquisitions, updates, and maintenance as well as software updates, systems changes and systems improvement guidelines are subject to EOHHS IT approvals and signoffs. EOHHS has provided IT development personnel to DYS for maintaining and updating the JJEMS system, a system designed specifically to provide comprehensive youth-centered information and reports regarding individuals in the care and custody of DYS. JJEMS and other DYS system security are effective and based on strict DYS staff roles approved prior to any JJEMS or other DYS systems access. The JJEMS information technology infrastructure, security management, and approved control activities are all consistent with EOHHS IT and ITD policies, procedures and protocols, including four continuous months of review prior to any JJEMS systems changes. DYS also has JJEMS Regional Administrators to train and work with DYS staff.

DYS pays close attention to ensuring departing employees and provider staff have their DYS network and IT systems (including JJEMS) access cut off in a timely manner.

DYS Policies, Procedures and Manuals

The policies and practices of DYS are supported and strengthened by adherence to written internal control procedures in compliance with State laws, regulations, and administrative policies. DYS will continue to monitor, update, amend and add new policies procedures and supporting documentation to ensure sustainable Internal Control Plan compliance with all mandated requirements. DYS has a Director of Policy and a Training Academy to ensure staff are consistently and continuously updated on new policies, procedures, requirements and skills. DYS provides a number of manuals to staff including Case Work, Residential Facility Operations, Clinical Practices, etc. Safety is a major risk that is mitigated through new policies, updating of procedures and improvement of manuals and advisories and bulletins. Certain essential skills require annual re-certifications and are mandatory for all employees in relevant job positions. In 2014-2015, DYS received a federal Office of Juvenile Justice and Delinquency Prevention OJJDP grant to enhance the agency's emergency preparedness plan. A **DYS Emergency Operations Plan** for each region and for the agency is active and incorporates emergency operations planning documents from each DYS facility and residential program site. DYS also has a **Continuity of Operations Plan (COOP)** and a **Continuity of Governance (COG) Plan** in accordance with Commonwealth requirements. Documentation is available for the **DYS Case Management Practice and Procedure Manual; Residential Treatment Services Operations Procedures Manual; and Fiscal Operations Manual; Emergency Operations Plan**

E. Information and Communication: Internal and External Communication

13.01-15.02 Communication through Organization & with Outside Agencies & Other Stakeholders

Reporting Relationships and Communication

A continuous review process is utilized to ensure reporting and communication cycles and routines are effective and efficient. Senior management is notified of any irregularities or inconsistencies identified during any review processes. Those reports are reviewed by identified key managers and any significant irregularities are reported to the Director of Investigations, the Internal Control Officer, and executive staff for possible actions, course corrections and potential referral. Communication with the staff, providers, oversight agencies and external agencies is planned and designed to effectively manage operations and mitigate risks, enabling achievement of agency goals and objectives. See Section 1.01 for interagency compliance and communication.

Communication and Information Center (CIC)

The Communications Information Center (CIC) is the central communications center for DYS. CIC serves as a major control for DYS reporting of significant events impacting clients, staff, programs and communities and CIC also communicates with outside agencies including law enforcement, the courts, lawyers and families. Staffed 24 hours each day, seven days per week, CIC is the essential hub of the statewide on-call communications system and control point for situations related to important DYS policies and procedures including: serious incident reporting, hospital and emergency client placements, client transfers, contraband reporting, and escapes and parole violations, among others. CIC communications protocols follow strict guidelines on data collection standards and timely notification of relevant DYS staff and outside agencies as risk events unfold and require monitoring. Regional DYS staff and contract provider programs are trained on and have strict criteria for notifying CIC regarding specific client, program, and facility or staff problems. This component of the DYS internal controls system is an essential component for reporting, communication, resources allocation and monitoring on serious incidents and other reportable events.

Serious Incident and Immediate Risk Communications

DYS communicates about immediate risks and incidents related to clients, staff and property through the DYS daily bed count, nightly situation, serious incident reports, and critical incident reports. Agency leaders, managers and staff are notified and kept up-to-date on all necessary topics through a clearly defined process, detailed in the DYS Serious Incident Policy. Periodic management reports on various topics and situations regarding: clients, court dates, education, vendors and other key service delivery outcomes are distributed to appropriate management staff. The DYS intranet, "PULSE" is available for posting additional information as needed.

Unaccounted For Variances, Losses, Shortages or Thefts Discrepancy Reporting to Office of the State Auditor: As required by Chapter 647 of the Acts of 1989, any unresolved discrepancies will be resolved within a reasonable amount of time after identification of a problem. The Internal Control Officer (CFO at DYS) or designee is responsible to resolve discrepancies and all unaccounted-for variances. In cases where the discrepancies cannot be reconciled and assets are missing, the Internal

Control Officer reports the incident directly to the Commissioner and executive staff and then, immediately, reports the unresolved discrepancy directly to the Office of the State Auditor.

Additional Communications and Risk Mitigation meetings are listed in the Exhibits

F. Monitoring Activities

16.01-17.03 Monitoring ERM Components, Evaluating Results, Reporting, Corrective Actions

Monitoring Identified Areas of Risk

DYS utilizes its Internal Control Plan (ICP) as well as daily, weekly, bi-weekly, monthly, quarterly and annual reporting mechanisms and management meetings to monitor areas of risk identified in the annual risk assessment process. The ICP is also designed to address risks that emerge on a case-by-case basis. A continuous review process is utilized for updating internal controls and monitoring and responding to incidents, reports, and risk events. On-site reviews of programs, program services and serious incidents are conducted, both internally and externally, by the DYS program monitoring, fiscal staff, executive staff and, where appropriate, outside agencies. Additionally, the department works closely with the Commonwealth's oversight agencies including ANF, CTR, OSD and EOHHS to ensure oversight agency priorities and mandates are implemented and monitored. Audit findings from outside agencies are reviewed and, where appropriate, corrective action plans are approved, implemented and monitored for compliance purposes. The current DYS ICP contains significant controls to monitor, manage and mitigate risks the agency encounters in its on-going business activities within the scope of available resources. Youth and staff safety are risks the agency seeks to address in the most effective manner on a case-by-case basis. Infrastructure issues are an on-going concern that is addressed as effectively as possible given the "aged out" nature of the buildings DYS has inherited for many of its program space. The DYS ICP identifies the major risks and proposes risk responses for enterprise risks identified through the risk assessment process. The DYS Legal Department's Investigations Unit and the Residential Program Monitors are key forces addressing youth and staff safety and ensuring laws, regulations, and policies are monitored and enforced. Through its 2016-2017 Risk Assessment process, DYS identified over sixty (60) organizational preventive and detective control and monitoring mechanisms.

Quality Assurance Activities

DYS provides quality assurance in many areas of the agency's operations, program services and administration to ensure appropriate responses are made to critical incidents, emergency and other situations requiring action(s). JJEMS and other information systems provide quality assurance reports and activities for the agency (Serious Incident, Benchmark, Recidivism, Utilization, etc.) for the agency. A number of plans and related activities (Affirmative Action, Diversity Plan, Corrective Action Plans, and Workforce Development) also provide quality assurance functions for the agency. DYS also utilizes evidence-based practices to provide quality assurance controls for program development and services delivery. A redesigned DYS Dashboard of Critical Indicators is also under development that will be an interactive dashboard allowing users to drill down on information displayed by agency program, region, youth, or specific metrics. Additional quality assurance tools utilized at DYS are available upon request.

DYS 2017-2018 ICP EXHIBITS AVAILABLE UPON REQUEST --

DYS 2015 Annual Report; DYS 2017-2018 Strategic Plan (including DYS Vision, Mission and Values Statement); DYS Organizational Chart; DYS Regional Map of Massachusetts; DYS Internal Controls Work Group Description; Completed National Association of State Comptroller Self Assessments; Uniform Questionnaire Templates; Detailed Tasks and Key Questions for Risk Assessment Purposes; Additional Questions Asked in Processing Organizational & Enterprise Risks; Control, Likelihood-Level of Impact Templates; Twenty Risk Categories Templates; DYS Operations and Regional Risks in "Require Improvement" Quadrant; DYS 2017-2018 Strategic Plan Work Teams; DYS 2017-2018 Internal Control Plan Annual Update Items; Additional Risk Management Methods and Forums; Additional Monitoring of Enterprise Risk Management Components; Enterprise Risks Strengths & Weaknesses Outline – Reported Factors; DYS Code of Employee Conduct; Appendix-Exhibit linking Strategic Objectives, Enterprise Risks and Controls.

Exhibits are available for Tools Utilized in Monitoring DYS Youth Health, Mental Health and Skills Development Utilizing Clinical and Medical Tools designed for Improving Youth Outcomes and Monitoring Youth Status. These tools include: Evidence-based Practices (EBPs) Utilization at DYS; Dialectical Behavioral Treatment (DBT); DYS Medical Services; DYS Evidence-based or Best Practices Under Development; DYS Institutional Review Board, Incident Response Team; Trauma Guidelines.

ADDITIONAL COMMONWEALTH of MASSACHUSETTS CONTROL DOCUMENTS IN USE

Commonwealth of Massachusetts Employee Manual (mass.gov); Massachusetts General Law 268A: Conflicts of Interest Law; The Employee Performance Review System (EPRS) (mass.gov); Achievement Competency Enhancement System (ACES) (mass.gov); CTR Internal Controls Guide, June, 2015. Other applicable federal, state, and local statutes, regulations, policies, procedures and protocols, as appropriate.

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This Internal Control Plan and the documents and exhibits above are secured within the Department's Digital Document Database (PULSE) as well as with the Deputy Commissioner for Administration and Finance and the Chief Fiscal Officer in hardcopy.