



## Office for People With Developmental Disabilities

**KATHY HOCHUL**  
Governor

**KERRI E. NEIFELD**  
Commissioner

**WILLOW BAER**  
Executive Deputy Commissioner

March 6, 2024

### VIA USPS CERTIFIED MAIL & EMAIL

Stacey Chizzik, Executive Director  
Carl Fenichel Community Services, Inc.  
483 Clermont Avenue  
Brooklyn, NY 11238

Courtney Benenson, President, Board of Directors  
[REDACTED]  
[REDACTED]  
[REDACTED]

### Re: Agency Placement on Early Alert

Dear Ms. Chizzik and Ms. Benenson:

The purpose of this letter is to formally notify you that Carl Fenichel Community Services, Inc. (CFCS) was placed on Early Alert effective February 16, 2024, due to fiscal concerns identified by the Office of Audit Services (OAS) and the Bureau of Fiscal Reporting and Data Analysis (FRDA).

To ensure that individuals with developmental disabilities in New York State receive appropriate services and protections, the Office for People with Developmental Disabilities (OPWDD) has established an internal Early Alert Committee. The purpose of the Early Alert process is to monitor the performance of a provider that has not achieved and maintained compliance with applicable laws and regulations and/or has significant fiscal issues that may affect the health and safety of individuals receiving services.

OPWDD has placed your agency on Early Alert due to the following fiscal concerns identified by OPWDD's Bureau of Fiscal Reporting and Data Analysis and the Office of Audit Services:

- Four fiscal years (2020 through 2023) with consolidated certified financial statements issued with substantial doubt about the Agency's ability to continue as a going concern. Operating losses ranged from \$1.5M to \$5.3M for the last 5 fiscal years – 2019 through 2023. Interim financial as of 11/30/2023 has an operating loss of \$1.4 M with a net asset of (\$853K).
- There has not been a substantive Plan of Corrective Action (POCA) over the past year of OAS monitoring. The Agency informed OAS there would be a board meeting on 1/10/2024 to discuss the current financial situation. However, OAS' request for the meeting minutes with attachments remain outstanding.
- Agency received a 2% penalty in December 2023 and January 2024 on all Medicaid billings for the late submission of its 2023 CFR. The Agency's failure to submit timely CFRs appears to be a recurring issue.
- The Agency also reported Hygiene Worker Bonus (HWB) Program funding, of which \$232,521 remains to be distributed and is recorded as deferred revenue.

While on Early Alert, OPWDD will monitor the Agency's progress in remediating areas on non-compliance and the agency's financial condition and will determine when the agency has demonstrated that compliance has been systemically achieved and has effective systems in place to maintain on-going compliance. While in Early Alert status, OPWDD will not consider any Agency requests for expansion of services and suspend any expansion that is in process.

Representatives from OPWDD will meet with Agency leadership and the Board of Directors to further discuss concerns, the Early Alert process and OPWDD's expectations. This meeting will be scheduled at a time that is convenient for the agency and the Board. If you have any questions prior to the meeting, please contact Robert Borchers, Deputy Director, Office of Audit Services at: robert.borchers@opwdd.ny.gov and (518) 402-4259.

Sincerely,



Megan O'Connor-Hebert  
Deputy Commissioner  
Division of Quality Improvement

cc:  
Board of Directors  
Kerri Neifeld, Commissioner  
Willow Baer, Executive Deputy Commissioner  
Brian O'Donnell, Statewide Director, Bureau of Program Certification  
Maryellen Moeser, Deputy Director, Division of Quality Improvement  
Mary Jane Vogel, Deputy Director, Division of Quality Improvement  
Karisa Capone, Director, Continuous Quality Improvement  
Meg Adams, Director, Incident Management Unit  
Robert Borchers, Deputy Director, Office of Audit Services  
Richard Cicero, Director, Office of Internal Controls  
Abiba Kindo, Deputy Commissioner, Service Access, Program Implementation & Stakeholder Support  
Ann Marie Peterson, Associate Commissioner, Service Access, Program Implementation & Stakeholder Support  
Eileen Haynes, Acting General Counsel, Counsel's Office  
Joanne Howard, Director, Fiscal Reporting and Data Analysis  
Earl Jefferson, Director, Central Operations  
Delia Tucker, Regional Director, Region 4 Service Access, Program Implementation & Provider Relations  
James Doherty, Deputy Director, Region 4 Service Access, Program Implementation and Provider Relations  
Josh Olsen, Deputy Counsel, Counsel's Office  
Angela Hernandez, Senior Attorney, Counsel's Office  
Ellie Smith, Director, Statewide Director, Continuous Quality Improvement and Quality Strategies  
Michele Schwartz, Area Director, Continuous Quality Improvement