

Talbot House Organizational Review

April 2012



**Family & Youth Services
Family and Community Supports Division**

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Disclaimer

The purpose of this review carried out by the Department of Community Services, with the approval and assistance of the Board of Directors of Talbot House, is to assist the Board with the improvement of the organization and operations of Talbot House.

This report is for the use of the Board and is submitted to Talbot House in confidence. This report includes recommended areas for improvement in the management and operations of Talbot House. The report contains confidential and identifiable personal information. Disclosure of this review by the Department of Community Services is governed by the provisions of the Nova Scotia *Freedom of Information and Protection of Privacy Act*.

It is strongly recommended that the Board of Talbot House consult with legal counsel before disclosing this report beyond the intended audience, or making any use of the report or its contents other than for the purpose outlined above.

Talbot House discharged its residents and ceased operations as a Recovery House on March 9, 2012. Their Service Agreement with the Department of Community Services has expired and there is now no arrangement respecting services or funding between Talbot House and the Department. The usefulness of this document is limited to a historical operational review, rather than suggestions to a functioning organization continuing to provide services pursuant to an agreement with the Department of Community Services.

Background

Talbot House (TH) is located in Frenchvale, Nova Scotia. It was established in 1959 and served men 19 years and over. On occasion TH accepted referrals of young men under 18 years old.

TH describes the majority of its residents as “chronic addicts who, because of their addiction, find themselves homeless, involved with the court system, and isolated from their families”.¹ Their mission statement was as follows:

*Talbot House is a vibrant caring, innovative and healing community created by individuals participating in long-term recovery from addictions through self-discovery and growth in a life-giving environment of faith, hope and courage.*¹

TH describes itself as a “community”, its core values being “integrity, community, accountability, spirituality, and respect”.¹

TH’s core services included:

- Pre-admission phase
- Acceptance and residency
- Transition and after-care phase

In 2008, the Department of Community Services (DCS) completed a sector review of the 5 recovery houses in Nova Scotia. As a result of the review:

- A set of established Standards for Recovery Houses was approved;
- Service agreements were developed with the 5 recovery house organizations;
- Grant funding for recovery houses was established and;
- Responsibility for recovery houses fell under the auspice of Community Services.

Review Purpose

In 2011, the Department of Community Services (DCS) received from the Department of Health and Wellness a letter of complaint from a former resident of TH. In response to receiving this letter, DCS and the Board of TH agreed that DCS would carry out an organizational review.

The focus of an organizational review is to ensure that programs/services are delivered in a way that is effective, efficient, and in compliance with DCS’ Standards. Under Section 8.04 of TH’s Service Agreement with DCS, the department has the authority to conduct an organizational review.

The purpose of this organizational review was to evaluate the operations of TH against the recovery house standards.

¹ Talbot House website

Methodology

The DCS Family & Youth Services' review team conducted in-person interviews with Talbot House's (TH) Board of Directors, Staff, the Executive Director, current residents, and community stakeholders including: staff from Strait Richmond Detox, Cape Breton Regional Hospital Detox and Staff from Addiction Services.

In addition to these interviews, financial and operational policies, protocols, minutes of Board meetings and other documents were reviewed and analyzed. DCS' Finance Division reviewed TH's financial records provided by the TH Board of Directors.

Current Situation

On February 2nd, 2012, DCS' Family & Youth Services review team met with the TH Board of Directors to provide an oral summary of information gathered to date. The Board relieved the Executive Director of his duties on February 2nd, 2012, pending the completion of the organizational review and the Board's own investigation.

On February 15th, 2012 DCS offered to provide additional funding to backfill any necessary staff positions at TH to insure that adequate staffing was maintained and to mitigate potential disruption in services for the residents. The TH Board did not act on this offer, and on March 6th, 2012, the Board advised DCS they were discharging all residents.

DCS worked with staff at Talbot House to insure that discharge plans were developed for all residents. Five of the residents who wished to continue to work on their recovery were transferred to an alternate recovery house/facility in the province.

Review Findings

Board of Directors

By-laws

- The Talbot House (TH) Society Board of Directors is governed by a set of By-laws, which state that Board membership is 'not less than five or more than twenty' members'. At the time of writing the review and according to documents received from the Board, TH had 12 Board of Directors.
- The TH By-laws are consistent with those of many non-profit organizations. They define Membership, Fiscal Year, Meetings, Votes of Members, Directors, Powers of Directors, officers, Review of Accounts, Repeal and Amendment of By-laws, Dissolution and Miscellaneous.
- There is no policy to address conflict of interest.
- There is no policy regarding the recruitment of Board members.

Committees

- The following Board Committees are in place: Standards, Human Resources, Branding, Financial, and Physical Plant. There has been approval in principle to change the By-laws to establish an Executive Committee.
- The Board stated that committees rarely do work without involvement of a TH resident, and that they have been busy in various capacities to insure that TH complied with the RH Standards.

Governance Model

- In addition to the By-laws, the Board has a nine-page document that outlines its governance model, including a Mission Statement, Governance Process, End Policies, Code of Conduct, Board Committee Principles, Agenda Planning, Chairperson's Role, Board/Staff Relationships, Monitoring Executive Performance, and Executive Limitations.

Other

- Board members stated as follows:
 - They have regular visits at TH and have a good relationship with the residents;
 - Funding and succession planning is a priority for the TH Board;
 - The Board addresses things on 'an ongoing basis and do everything (we) can to make TH a success'.

Compliance with the By-laws, Governance Policy, and DCS Recovery House Standards

- Although both the By-laws and Governance Policy are written relatively well, there are several examples where the By-laws, Policies and DCS Recovery House Standards are not followed. These include but are not limited to the following:
 - Board meetings do not occur on a monthly basis;
 - Although the TH By-laws reference Annual General Meetings (AGM), the Board has not had an AGM in thirteen years;
 - Board members cite confusion between Board and committee functions;
 - The ED and staff do not have job descriptions;
 - Programs are not evaluated or developed based on best practices;
 - Prior to January 2012, there was no resident complaint policy/process;

- The Board does not prepare/approve budgets on an annual basis;
- There are no organizational policies to define how staff receive training funds. One staff had university courses paid for by TH, but there is both an absence of transparent decision-making around the disbursement of training funds to staff, as well as a lack of connection to the performance appraisals/goals of staff;
- There is no policy respecting the relationship between staff and residents, including travel and visits to staff homes.
- Board members indicated to the review team that they were 'never in a position to hire an Executive Director'. The Catholic Church (Antigonish Diocese) paid the ED's salary. The Board stated they were unclear as to who the ED reports, and who is responsible for ED's performance appraisal
- Board members stated that staff had performance appraisals completed and cited an example where a Board member met with a staff to review a change in duties. Board members also indicated that the ED reports to the Board and the Board's contact with residents formed part of the ED's performance appraisal. However, both the ED and staff reported never having had a performance appraisal.
- Board members decide at the end of the year whether to provide a 'discretionary bonus' to staff. These bonuses are not associated with the performance appraisals of staff.
- The by-laws refer to the use of a "review engagement" format for financial reporting; however, a "Notice to Reader" format is used when the financial statements are prepared, which provides more limited information around financial accountability.
- Board members expressed concern that formalizing some of the policies may result in losing 'what works well'.
- The Board was not aware of the complaints stakeholders had received from residents. These are the complaints the stakeholders had told the review team about.
- The Board stated that TH's relationship with Addiction Services and Mental Health had improved and that TH has seen an increase in referrals from Addiction Services. However according to information received from stakeholders, most stakeholders are hesitant to refer clients to TH, or do not refer at all.
- The Board stated they have accepted their fiduciary responsibility; however, there is no evidence that the Board has carried out oversight or supervisory activities with regard to governance, policy, finances, human resource and administration.

Executive Director

The Executive Director (ED) was accompanied by a member of the TH Board of Directors, who stated his attendance at the interview with review staff was to be a "representative of the Board and bear witness to the interview".

The ED advised the following:

- He has been in his position for approximately 13 years.
- He reports directly to the Board and their role is to 'insure that the Board's 3-5 year vision quest unfolds'.
- He does not have a job description, has not had a performance appraisal in 13 years and does not have a personnel file.
- He does not have regular supervision by members of the TH Board.
- He sees his role as being the lead person on programs and staff, including being responsible for making the final decision to accept new residents into TH and leader of the TH community.
- He facilitates larger group programs on a daily basis; 90% of the time the ED facilitates the larger group by himself. The ED and staff are not present for the smaller group sessions.
- He reported that when clients are denied services from TH, referral sources are given the reasons for the refusal. When stakeholders were interviewed, they stated there was no explanation provided about why their referrals to TH were not accepted.
- He stated more might need to be done to better explain TH's intake process/eligibility criteria to referring agents.
- He advised that the majority of clients are be eligible for Income Assistance; however, some clients may have Employment Insurance, others have insurance plans, and some do not pay.
- He stated clients who do pay for their stay at TH pay a standard \$32 per diem.
- He stated that clients have individual recovery plans, but these are not included in client files and staff do not track clients' progress other than to review 'things with clients'.
- He stated that there is limited documentation in clients' files because of concerns related to Access to Information legislation.
- He reported there were currently six staff including the ED at TH; one intake worker, one bookkeeper, one maintenance worker, one weekend staff, and one backshift staff.
- He reported that TH has a number of volunteers who often provide transportation for residents to attend various self-help meetings throughout the week. One volunteer, who is also a Board member, facilitates a weekly group with residents for 5 hours on Wednesdays.

- In terms of professional development opportunities for staff, the ED advised that staff are asked to bring their requests for training to the ED's attention. ED stated that because many times training opportunities are in Halifax, staff find it difficult to attend because of family commitments.
- He stated that staff have not had performance appraisals; however seven of the last Board meetings have included discussions related to the need to complete performance appraisals.
- Although no formal staff meetings occur, ED does discuss with staff issues related to clients.
- There is a spirituality component to the program at TH, but religion is not infused into the program.
- Weekend passes are dealt with on an individual basis and are not an absolute right for a resident. Before passes are approved, questions are asked of the residents (e.g. where is the resident going? What is their exit plan? Who will be there?). The resident handbook contains information about weekend passes, but there is no clear criteria to determine how passes were granted.
- In relation to unauthorized drugs being in TH, ED stated it is difficult to 'keep them out' given 'men use' them; however with the exception of diabetic/heart disease medication, the expectation is that all other medications upon admission, should be turned over to staff.
- He advised that resident medications are stored in the staff office, which is locked.
- He advised there is an absence of a residents' complaint policy, an overnight travel policy when residents and staff travel together, and a policy about residents spending time in the home of the ED or Staff.
- He stated there has been some overnight travel and shared accommodations with clients, but stated that residents were never in ED's private residence, other than to come to the door to drop something off.
- He stated that although ED has requested partnerships with Mental Health and Addiction Services, these services advised they lacked the resources to assist.
- According to ED, residents have opportunities to participate in the wider community, but these are not necessarily church activities.
- In terms of what is going well at TH, the ED stated that TH places a high value on community/belonging and attempts to make TH as 'un-institutional' as possible while maintaining the program. The ED acknowledged there was 'a lot of commitment by the men, staff and Board', however 'not everyone can live what is expected by TH'. ED stated he 'knows and believes that healing happens in the life of the community' and it is 'important for the men to belong to something and each other'.

- As far as challenges, the ED stated it is difficult 'to know how to reconcile TH's style with the formal pieces (e.g. policies and procedures), and that the relationship with the men and staff is the most important'.
- As far as suggestions for improvement, the ED stated there is a need to move towards formalizing aspects of program and policies.
- By profession, he is a priest and besides the responsibilities for TH, has other duties within the context of the Antigonish Diocese.

Staff

- Of the five staff interviewed, three had been former residents of TH; all have worked at TH for a minimum of six years.
- None of the staff have written job descriptions or have had performance appraisals during the time they worked at TH.
- Staff stated they did not have staff meetings; nor did they have individual supervision time with the ED.
- Both staff and residents advised they have a close connection with one another. Staff advised that although there was an absence of formal job descriptions, they work well together and assume additional duties as required to insure that the needs of residents were met.
- The staff member who works backshift lives on the premises.
- The intake worker/counselor is responsible for the majority of group programming (besides the sessions done by the ED) and is also the main point of contact for intakes or referrals.
- Both the intake worker and ED interview approximately 95% of the individuals referred to TH. The ED has the final say in terms of who was accepted into TH.
- There is no formal orientation for staff.
- Staff stated that 'TH is a community, a place where people sleep, eat and it is (the orientation) communicated by the atmosphere'.
- Staff advised that residents are given a handbook upon admission, and that a mentor (senior resident) is assigned to a new resident and it is their responsibility to go through the handbook with the new resident.
- Staff advised that residents sign forms that acknowledge having read the resident handbook. These forms include residents' rights and responsibilities, release of information, and personal property rules. This includes signing an indemnification form as a condition of stay at TH. The indemnification document has the name of another Recovery House on it.

- Staff reported that they tailor the program to meet the needs of residents. Some clients have complex needs while others' needs are simple such as a dentist appointment. If a resident has mental health issues (depression), staff make referrals to Addiction Services, or seek out other appropriate services.
- One staff indicated their university tuition was paid for by TH. Other staff advised that they did not have access to professional development opportunities aside from First Aid. Staff indicated a desire to have increased professional development opportunities.
- Staff stated that the need for residents' aftercare was important, yet not a part of their formal program. Some former residents do remain connected with TH and provide support to current residents once they leave TH.
- One staff reported doing 'the church books'; this is done afterhours or during a shift when 'things are slow'.

Program

- Decisions on acceptance of clients are not based on clear eligibility criteria. Admission occurs on a case-by-case basis. The majority of stakeholders interviewed mentioned the lack of clarity around the admission criteria to TH.
- There is no defined orientation for residents.
- Client files viewed by the review team did not contain the information required by the Recovery House Standards.
- There is no management system for client files, including procedures to allow residents to read their files.
- There is no clear policy or criteria for weekend passes.
- Daily programming is limited to group work facilitated either by the intake worker or the ED.
- There is no program manual that includes a structured, planned approach to group work. Topics are selected on an ad hoc basis.
- The Program is based on the 12 Step Program.
- There is a policy on residents having a Charter of Rights, which states that residents have "the right to complain", however there is no process for residents to make complaints.
- There is no documentation showing that the program is evaluated on a regular basis and that program best practices are incorporated, as required by the Recovery House Standards.

- The Program focuses primarily on addiction and does not address men's needs in a holistic manner, as outlined in the Recovery House Standards (e.g. parenting, family reunification, redefining identity beyond addiction).
- Staff advised that individual work with men is limited and these sessions are initiated by the resident.

Stakeholders

Stakeholders from Addiction Services, Cape Breton Regional Hospital Detox, and the Strait Richmond Detox were interviewed as part of the TH organizational review. The following information emerged from stakeholder interviews:

- Eight stakeholders had received complaints from clients regarding the behavior of the ED. Some of these complaints were as recent as 2011. Although stakeholders indicated that they had encouraged these clients to come forward and make a formal complaint, it appears that no complaints were made to the TH Board.
- Stakeholders who received complaints from residents felt compelled to keep the information confidential given their therapeutic relationship with clients. However, they passed these complaints along to their managers. Two Managers advised their respective Directors of the complaints.
- As a result of these complaints, stakeholders either refused to make referrals to TH, or they had clients call TH on their own for self-referral. Some stakeholders will assess a client's vulnerability and only refer those who 'could take care of themselves' to TH.
- Stakeholders noted there is a lack of clarity in terms of the TH referral/intake process, including eligibility criteria for potential residents.
- When stakeholders make calls to TH, the calls are seldom, if ever, returned. Several stakeholders stopped calling to refer clients to TH.
- When clients are not accepted into TH, stakeholders are not provided with the reason.
- Stakeholders stated that TH is not viewed as a service on the continuum of addiction services in Cape Breton.
- Stakeholders offered to go to TH and provide programming for residents. TH did not take stakeholders up on these offers of assistance.
- Stakeholders expressed concern over the length of time some residents stayed at TH. There is a sense that TH may be creating client dependency on the TH program.
- Stakeholders stated they could not contact clients while the clients were residing at TH.

- Stakeholders expressed concern that a client or former client was hired to dispose of church property.
- The stakeholders had been advised that the ED made inappropriate comments to the residents during the group program.
- The stakeholders had been advised that the ED exhibited favoritism towards some residents.
- Some clients made positive comments to stakeholders about the staff of TH.
- Two stakeholders had a number of clients at TH and had not received complaints from clients, but advised they had concerns about programming. One had a number of clients at TH and stated clients are doing 'pretty well'. This stakeholder advised that one client raised the issue of residents staying in the ED's house.
- One stakeholder indicated that TH 'finally got to the point that it works as a therapeutic community' (e.g. the men support one another). In the past this stakeholder noticed more favoritism on the part of the ED towards some clients, more 'slips' (relapse) and discord among residents, but indicated these issues appeared to have improved.

Residents

The review team interviewed a group of thirteen residents of TH. Residents were concerned about the review, to which the review team responded by providing the residents with an explanation about the purpose of the review.

The following are the findings from the interview with residents:

- The length of stay for the residents ranged between 5 days to 9 months.
- Residents spoke of the 'community' or 'brotherhood' that was created among the men (e.g. 'we're all here for each other; everyone tries to help each other').
- Residents were complimentary of front line staff; 'staff stand up for the guys'.
- Residents stated that the ED would see them individually and 'sometimes will take residents for coffee'.
- Some residents reported that the 'Come and See Program' (a probationary-type program for new residents) was stressful. Others indicated this was an opportunity to 'make you feel you worked for it'.
- Residents were not clear about how or when they had to pay for their stay at TH.
- Some residents had been referred to services in the community such as mental health and addiction services.

- Residents reported there was no complaint policy and it would be helpful if there was one.
- Residents reported that 'you get what you put into' TH. According to the residents, the 'daily book reflections, which formed the basis for the daily group program, provided an opportunity 'to talk about anything'.
- The residents provided the following comments regarding what was working well at TH: 'these are my brothers/extended family'; 'support'; 'food'; 'gym/exercise'.

Financial

- Compiled statements for 2010 and 2011 were reviewed along with Registered Charities Returns for 2007 to 2011.
- By-laws reference the use of a "review engagement" format; however, a "Notice to Reader" format is used when the financial statements are developed. A Notice to Reader indicates that the information contained in the financial statements has not been subjected to audit or review. Accordingly, the firm who compiled the information to create the statements does not provide assurances around the accuracy to the information contained within.
- There was no annual budget.
- Financial statements provided were not signed by the Board of Directors.
- Prior to the March 31, 2010 fiscal year, Talbot House has accumulated a surplus of \$109,741. During the 2009-10 fiscal year, they had an operating deficit of \$33,338 which reduced their accumulated surplus to \$76,403. Of this amount, \$33,327 was liquid and could be used in operations.
- The Depreciation Schedule and Accumulated Depreciation of property and equipment in the 2010 financial statements show that over \$96,000 in operating funds were spent on capital assets.
- It is not sound financial practice to use current assets (cash) to purchase long term assets as it affects the organizations working capital.
- In the fiscal year ended March 31, 2011, Talbot House had an operating deficit of \$25,289 which reduced their accumulated surplus to \$51,114.
- TH is in a negative cash flow position as of March 31, 2011 due to the decision to purchase long term assets with current assets (cash).
- Individual expense lines that have experienced significant fluctuations between 2007 and 2011 include: Travel & Vehicle, Office Supplies & Expenses, Occupancy Costs, Utilities and purchased supplies. This would also apply to Program spending which was \$26,201 in 2010 and 19,889 in 2011; however, there was nothing allocated to this expense line prior to 2010.

Summary

DCS Family & Youth Services commenced an organizational review of Talbot House (TH) in the fall of 2011. The Department of Health and Wellness forwarded to the Department of Community Services a letter of complaint from a former resident of TH. The letter identified a number of organizational concerns in regards to programming and finances. With agreement from the TH Board of Directors, the Department initiated the organizational review to gather information about Talbot House's administrative, program and fiscal practices, and to identify areas for improvement.

The organizational review did not focus on the complaint that was received from the former resident, but rather examined various components of TH including Board governance/oversight, the Executive Director, staffing, programming, and finances. Interviews were conducted with TH residents, staff, the Executive Director, Board of Directors, and community stakeholders.

In summary, the key findings of the review are as follows:

1. Talbot House is not operated in compliance with the majority of the Standards for Recovery Houses.
2. There is no evidence that the Board has been actively overseeing the operation of Talbot House.

The recommendations are attached to this report as Schedule A. These recommendations are limited to a historical operational review, rather than suggestions to a functioning organization continuing to provide services pursuant to an agreement with the Department of Community Services