

***CHILDREN'S SERVICES ACT  
PROGRAM AUDIT***

***Amherst County  
Self-Assessment Validation***

***Audit Report No. 37-2022***

**October 25, 2023**



**Office of Children's Services**  
Empowering communities to serve youth

## **Report Disclaimer**

**Due to the COVID-19 pandemic, onsite visits to validate management's conclusions were suspended. In lieu of onsite visits, self-assessment validation activities were conducted remotely.**



# COMMONWEALTH of VIRGINIA

Scott Reizer, M.S.  
Executive Director

OFFICE OF CHILDREN'S SERVICES  
*Administering the Children's Services Act*

October 25, 2023

Amanda Sheppard, CPMT Chair  
Amherst County Government  
P.O. Box 1170  
Amherst, VA 24521

RE: Amherst County CSA Program Self-Assessment Validation (SAV)  
Final Report, File No. 37-2022

Dear Ms. Sheppard:

In accordance with the Office of Children's Services (OCS) Audit Plan for Fiscal Year 2022-2023, the Amherst County Community Policy and Management Team (CPMT) has completed and submitted the results of the self-assessment audit of the local Children's Service Act (CSA) Program. Based on the review and examination of the self-assessment workbook and supporting documentation completed by the Amherst County CSA program on March 9, 2022, and covering the period of July 1, 2020 through June 30, 2021 our independent validation:

Concurs

Partially Concurs

Does Not Concur

with the conclusion reported by the Amherst County CPMT that no significant observations of non-compliance or internal control weaknesses were found in the design or operation of the processes or services conducted. The explanations for our assessment results are as follows:

***The Amherst County CPMT concluded that there were no significant non-compliance and/or internal control weakness observations noted. A summary of non-compliance observations reported by the CPMT is included as Attachment A to this report. However, validation procedures identified deficiencies indicating non-compliance in the local CSA program not identified by the CPMT. Non-compliance with the statutory requirements of CSA is considered significant because the local program is not operating fully in accordance with the laws of the Commonwealth. An adequate system of internal controls is contingent upon the consistent and proper application of established policies and procedures affecting CSA-funded activities and oversight by the governing authority to ensure that the program is operating accordingly. Such breakdowns in an organization's internal control structure are considered significant. Specifics are detailed on pages 2-4.***

**SIGNIFICANT NON-COMPLIANCE OBSERVATIONS  
 and  
 INTERNAL CONTROL WEAKNESSES**

1. Expenditure reimbursements were requested and processed for payment of services where the requirements for compliance with state and local CSA policies and procedures were not met. Code of Virginia (COV) [2.2-5211](#) states, “the community services board, the local school division, local social services agency, court services unit or Department of Juvenile Justice shall continue to be responsible for providing services identified in individual family service plans that are within the agency’s scope of responsibility and that are funded separately from the state pool.” CSA pool funds were used for Title IV-E eligible expenses, resulting in questioned costs of \$1,203.85 (state share).

Table A					
Client File Review Exception Summary – Fiscal Impact					
Exception Rate	Client	Service Description	Period	Total Cost	State Share
1/5 Cases (20%)	A	Therapeutic Foster Care	April 2021	\$1,654.10	\$1,203.85

2. The Virginia Department of Social Services conducted a Quality Assurance and Accountability Title IV-E Compliance Review. A comparison of IV-E and CSA expenditures for those clients determined:

- A. CSA reimbursed maintenance payments totaling \$3,595.27 (state share) for four (4) confirmed IV-E eligible clients. For the period of review, OCS financial reports do not indicate any recorded adjusting entries to correct/refund the payment errors as required by CSA Policy 4.5.2, Items e and f, Pool Fund Reimbursement. (See Table B)

Table B			
COV <a href="#">2.2-5211</a> and CSA Policy 4.5.2 Pool Fund Reimbursement			
Client	Service Period	Questioned Costs	State Share
1	April 2021	\$1,599.67	\$1,170.68
2	April 2021	\$1,579.22	\$1,153.01
3	April 2021	\$1,631.54	\$1,187.43
4	March – April 2021	\$115.62	\$84.15
<b>Total</b>		<b>\$4,926.05</b>	<b>\$3,595.27</b>

- B. The incorrect transaction code was used to report expenditure refunds from Title IV-E to CSA. Transactions were recorded as vendor payments (code 1) rather than recoveries previously paid from CSA funds/transfers from IV-E to CSA (Code 7). These adjusting entries resulted in duplicate totals. (See Table C)

Table C			
CSA Policy 4.5.2 Pool Fund Reimbursement			
Client	Service Period	Questioned Costs	State Share
4	March – April 2021	\$1,792.60	\$1,304.65
5	May 2020 – April 2021	\$1,256.36	\$914.38
<b>Total</b>		<b>\$3,048.96</b>	<b>\$2,219.03</b>

**SIGNIFICANT NON-COMPLIANCE OBSERVATIONS  
and  
INTERNAL CONTROL WEAKNESSES CONTINUED**

3. Amherst County CSA policies and procedures (last revised 01/09/2019) are inconsistent with established state CSA requirements and/or best practices to govern local CSA programs. The CPMT has not developed and incorporated policies for providing Intensive Care Coordination (ICC) services for children at risk of entering or placed in residential care through the CSA program within the existing policy manual. The requirement for written policies is established in COV 2.2-5206, which governs CPMT powers and duties.

**RECOMMENDATIONS**

1. Before funding authorization, the CPMT should ensure that the proposed expenditure meets the criteria for CSA funding and/or other appropriate funding sources. Adequate documentation, such as consideration of other funding streams, should be maintained as justification for CPMT funding decisions.
2. A quality assurance procedure should be established by the CPMT that includes, but not limited to (a) review of Quarterly IV-E Quality Assurance Accountability (QAA) Reports to assess fiscal implications for CSA funding; (b) monitor foster care cases funded by CSA pending IV-E eligibility determinations; and (c) monitor CSA financial reports to ensure adjusting entries and/or refunds are recorded accurately and timely.
3. The CPMT should submit a quality improvement plan for review by the OCS Finance Office, including whether the CPMT agrees with the observations regarding questioned costs. Upon review and recommendations presented by OCS Finance staff, the CPMT will be notified of the final determination made by the Executive Director based on SEC-approved policy 4.7, Response to Audit Findings, of whether the identified actions are acceptable or any additional actions that may be required.
4. The CPMT should immediately review and revise local policies and procedures to ensure alignment with COV statutes and policies promulgated by state child-serving agencies that apply to youth accessing state pool funds.
5. The CPMT should establish a process whereby local policies are periodically reviewed and updated accordingly. As a best practice, policy/procedure reviews should occur annually but not less than every three years.



**CLIENT COMMENTS**

Item #1. The Amherst CPMT concurs that CSA pool funds were used for Title IV-E eligible expenses, resulting in questioned costs of \$1,203.85 (state share). The local DSS position that was responsible for submitting the IV-E NOA's to the CSA office incurred multiple staff turn overs including the death of the person who had been submitting them previously. IV-E NOA's were not consistently received by the CSA office. We have recently been informed by the OCS Audit Department of a IV-E QAA Report (that CSA will be requesting from DSS, effective immediately) so that there is a more effective system of checks and balances where IV-E/CSA reimbursements are concerned.

Item #2.A. The Amherst CPMT concurs that CSA reimbursed maintenance payments totaling \$3,595.27 (state share) for four (4) confirmed IV-E eligible clients. The local DSS position that was responsible for submitting the IV-E NOA's to the CSA office incurred multiple staff turn overs including the death of the person who had been submitting them previously. IV-E NOA's were not consistently received by the CSA office. We have recently been informed by the OCS Audit Department of a IV-E QAA Report (that CSA will be requesting from DSS, effective immediately) so that there is a more effective system of checks and balances where IV-E/CSA reimbursements are concerned.

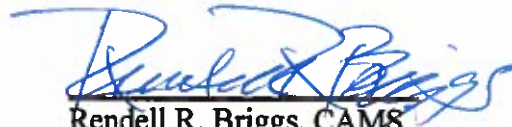
Item #2 B. The Amherst CPMT concurs that the incorrect transaction code was used to report expenditure refunds from Title IV-E to CSA. This was a date entry error on the part of the CSA office. The correct codes for these types of refunds has been entered correctly on subsequent refund entries.

Item #3. The Amherst CPMT concurs that The CPMT has not developed and incorporated policies for providing Intensive Care Coordination (ICC) services for children at risk of entering or placed in residential care through the CSA program within the existing policy manual. The CSA office has been using a service similar to ICC for all such children placed in residential care since our CSB no longer offers ICC in our locality (combined with other additional evidence based in-home services). Our CPMT will implement ICC into our local policy and collaborate with vendors to acquire an ICC provider.

The Office of Children's Services respectfully requests that you submit a quality improvement plan (QIP) to address the observations outlined in this report no later than thirty (30) days from receipt of this report. In addition, we ask that you notify this office as QIP tasks identified to address significant observations are completed. OCS will conduct a follow-up validation to ensure the quality improvements have been implemented as reported.

We thank the Amherst County Community Policy and Management Team, CSA staff, and partners for contributing to the CSA Self-Assessment Workbook. We also acknowledge the excellent assistance and cooperation of Joni Tables, CSA Coordinator, provided during our review. Ms. Table's efforts enabled the audit staff to resolve any questions/concerns observed during the validation process. Please feel free to contact us should you have any questions.

Sincerely,

  
Rendell R. Briggs, CAMS  
Program Auditor

  
Stephanie S. Bacote, CIGA  
Program Audit Manager

cc: Scott Reiner, Executive Director  
Jeremy Bryant, Amherst County Administrator  
Stacey McBride, CPMT Fiscal Agent  
Joni Tables, CSA Coordinator

Attachment



Office of Children's Services  
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CSA Self-Assessment Validation  
Amherst County CSA Program Audit- SAV  
Summary of Self-Reported Non-Compliance Observation Weakness

Observations	Criteria	Prior Audit Repeat Observation	Quality Improvement Plan Submitted	Quality Improvement Plan Action Date
Identify recruitment activities to fill the parent representative vacancy on FAPT.	COV 2.2-5207	<input type="checkbox"/>	<input checked="" type="checkbox"/>	6/1/2022 Completed

**Auditor Comment:** Amherst County CPMT self-reported the non-compliance observation in the table above as non-significant. However, the criterion for compliance is established in the Code of Virginia. Non-compliance with the statutory requirements of CSA is considered significant because the local program is not operating fully in accordance with the laws of the Commonwealth.