



COMMONWEALTH of VIRGINIA

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

Scott Reiner, M.S.
Executive Director

May 9, 2017

Ms. Angie W. Jones, CPMT Chair
Clarke County Department of Social Services
311 East Main Street
Berryville, VA 23611

RE: Clarke County CSA Program Self-Assessment Validation, File No. 33-2015

Dear Ms. Jones:

In accordance with the Office of Children's Services (OCS) Audit Plan for Fiscal Years 2016, the Clarke County Community Policy and Management Team (CPMT) has completed and submitted the results of the self-assessment audit of your local Children's Service Act (CSA) Program. An on-site visit was scheduled and conducted by OCS Program Auditors on March 29, 2016 to perform the independent validation phase of the process.

Based on the review and examination of the self-assessment workbook and supporting documentation provided by the Clarke County CSA program, our independent validation:

Concurs Partially Concurs Does Not Concur

with the conclusion reported by the Clarke 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 on behalf of the Clarke County CSA program. The explanation for our assessment results are as follows:

Clarke County CPMT concluded that only non-significant compliance and/or internal control weakness observations were noted. However, validation procedures of the locally prepared CSA Self-Assessment Workbook identified major deficiencies ¹indicating non-compliance in the local CSA program. 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. Specifics pertaining to the Clarke County CSA Program are detailed on pages 2 - 4.

¹ Major deficiency is defined as an internal control deficiency or combination of deficiencies that severely reduces the likelihood that the entity can achieve its' objectives." Committee of Sponsoring Organizations of the Treadway Commission (COSO) Internal Control Integrated Framework, May 2013.

SIGNIFICANT NON-COMPLIANCE

1. Internal Controls established by the CSA statues were not effectively implemented by the CPMT in order to safeguard against conflicts of interest. Statements of Economic Interest Forms (SOEI) were not completed by members of the CPMT and Family Assessment Planning Teams (FAPT) that did not represent a public agency. The SOEI form was not completed by the parent representative on the CPMT and private provider representatives on FAPT.

The effectiveness of the controls to ensure accountability and appropriate use of CSA pool funds may have been significantly reduced since the required parties did not appropriately disclose personal interests.

CRITERIA: Code of Virginia (COV) §2.2-3100, §2.2-3101, §2.2.-5205, §2.2.-5207, §2.2.5210

2. The composition of members serving on Clarke County CPMT/FAPTs does not meet the membership requirements established by CSA statute and local policy. The government representative does not attend regularly scheduled CPMT meetings. The composition of the FAPT does not include a parent representative as required by the CSA. Due the absence of a government representative, parent representative, and/or named/designated alternates, CPMT/FAPT membership is not aligned with established statutory and/or local policy adopted by the Clarke County CPMT.

CRITERIA: COV § 2.2-5205, § 2.2-5207; Clarke County CPMT By-Laws Article III-Membership (E)

3. Adequate measures have not been established and/or implemented by the Clarke County CPMT to evaluate and ensure accountability and effectiveness of the locally managed CSA program. Opportunities for improvement were noted based on instances of non-compliance with CSA statutory requirements. The CPMT has established ongoing key performance goals; however, the evaluation of the achievements of stated goals were not being monitored.

The ability and likelihood of the CPMT to adequately monitor and provide oversight of the local CSA program is an essential component of the organizational governance. The absence of a formal planning, coordination and program evaluation to ensure that the goals and objectives of the program are met ultimately impacts the CPMT efforts to better serve the needs of the youth and families in the community to maximize the use of state and community resources.

CRITERIA: COV § 2.2-5206, Items 6, and 13; Department of Accounts (DOA) Agency Risk Management and Internal Control Standards (ARMICS), Control Environment, Control Activities

RECOMMENDATIONS:

- The Clarke County CPMT should ensure that the SOEI forms are completed immediately for all non-public participating members of the FAPT. Forms should be updated annually and retained in accordance with records retention procedures.
- The CPMT should obtain a parent representative to serve on the FAPT to comply with the statutory requirement. The CPMT should seek to obtain a new government representative that will be able to attend monthly meetings.
- The CPMT should monitor the achievement of its stated goals and objectives and report progress to all stakeholders at least annually.

CLIENT COMMENT

- “The first concern addressed the fact that the Statements of Economic Interest were not completed by members of the CPMT and FAPT that did not represent a public agency. The form was not completed by the parent representative on the CPMT and the private provider representative on the FAPT. This concern will be remedied by having the non-public agency representatives complete the SOEI forms as soon as possible.”
- “The second concern states that the Clarke County CPMT and FAPT do not meet the membership requirements established by statute. Clarke County needs a parent representative on its FAPT and the school representative on the CPMT is exploring options within the school system. Also, the government representative does not attend the regularly scheduled CPMT meetings. The CPMT Chairperson will request a new government representative who has more availability to attend the CPMT monthly meetings.”
- “The third concern in your letter states that adequate measures have not been established or implemented to evaluate and ensure accountability and effectiveness of the local CSA program. The CPMT agrees that we need a new Strategic Plan in place. I will schedule a strategic planning session within the next three months.”

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

We would like to thank the Clarke County Community Policy and Management Team and related CSA staff for their contributions in completing the CSA Self-Assessment Workbook. We also would like to acknowledge the excellent assistance and cooperation that was provided by Ms. Ann Lamanna, CSA Coordinator during our on-site visit. Her efforts enabled the audit staff to quickly resolve any questions/concerns that we observed during the validation process. Please feel free to contact us should you have any questions.

Sincerely,



Annette E. Larkin
Program Auditor

cc: Scott Reiner, Executive Director
David L. Ash, Clarke County Administrator
Sharon Keetor, Fiscal Agent
Ann Lamanna, CSA Coordinator
Stephanie Bacote, OCS Program Audit Manager
SEC Finance and Audit Committee