



COMMONWEALTH of VIRGINIA

Scott Reiner, M.S.
Executive Director

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

August 30, 2018

Mr. Ande Banks, CPMT Chair-Harrisonburg
Ms. Patricia Davidson, CPMT Chair-Rockingham
Harrisonburg-Rockingham CSA Program
P.O. Box 1252
Harrisonburg, VA 22803

RE: Harrisonburg-Rockingham Children's Services Act (CSA) Program
Audit Self-Assessment Validation, File No. 42-2018

Dear Mr. Banks and Ms. Davidson,

In accordance with the Office of Children's Service's (OCS) Audit Plan for Fiscal Year 2018, the Harrisonburg-Rockingham Community Policy and Management Team (CPMT) has completed and submitted the results of the self-assessment audit of your local CSA Program. An on-site visit was scheduled and conducted by OCS Program Auditors on March 5, 2018 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 Harrisonburg-Rockingham CSA program, our independent validation:

Concurs Partially Concurs Does Not Concur

with the conclusion reported by the Harrisonburg-Rockingham CPMT that no significant observations of non-compliance and/or internal control weaknesses were identified in the design or operation of the processes or services conducted on behalf of Harrisonburg-Rockingham CSA. The explanation for our assessment results are as follows:

The Harrisonburg-Rockingham CPMT concluded that there were only non-significant compliance and/or internal control weakness observations noted. However, validation procedures of the locally prepared CSA Self-Assessment Workbook identified major deficiencies¹ indicating 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 Harrisonburg-Rockingham CSA Program are detailed on pages two (2) through three (3).

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 and REPEAT OBSERVATIONS

1. Ten (10) client case files were examined to validate conclusions reported by the Harrisonburg-Rockingham CSA program. The results of that review indicate improvement is needed in the documentation of service planning, funding decisions, and utilization reviews. Exceptions as noted in the table below are deemed significant as they are critical to evidencing of the appropriateness of services and compliance with CSA funding requirements. Criteria: COV [§ 2.2-2648](#), [§ 2.2-5208](#), [§ 2.2-5212](#), CSA Policy Manual Section 3.5, Records Management and Section 3.6 Mandatory Uniform Assessment Instrument, and [CANS Frequency of Administration - Updated 2013](#).

EXCEPTION DESCRIPTION	Locality	ERROR RATE
A. Missing Child and Adolescent Needs and Strengths Assessments (Initial, Annual, and/or Discharge) <i>Note: Reported in prior audit dated July 31, 2015</i>	Harrisonburg and Rockingham	40% (4 of 10)
B. Missing Individual and Family Services Plan (IFSP) data elements: strengths, needs, and/or discharge planning. <i>Note: Reported in prior audit dated July 31, 2015</i>	Harrisonburg and Rockingham	40% (4 of 10)
C. Missing evidence of client case specific utilization review <i>Note: Reported in prior audit dated July 31, 2015</i>	Rockingham	20% (2 of 10)
D. Missing provider placement agreements	Harrisonburg and Rockingham	20% (2 of 10)

The non-compliance observations referenced in this report were also identified in the prior audit report issued July 31, 2015. The Harrisonburg-Rockingham CPMT submitted a Quality Improvement Plan (QIP) with February 2016 as the target date for completion. The CPMT, as the governing body, is responsible for on-going monitoring of the QIP to ensure timely implementation of the plan and the actions taken are continuously working as intended.

2. Formal performance measures and utilization management practices and procedures to assess overall program effectiveness have not been established in accordance with COV [§ 2.2-5206](#), items 6 and 13. CPMT monthly meeting minutes and accompanying reports did not evidence utilization management/utilization review (UM/UR) activities to include:
 - a. review of local and statewide data provided in the management reports on the number of children served, children placed out of state, demographics, types of services provided, duration of services, service expenditures, child and family outcomes, and performance measures.
 - b. tracking the utilization and performance of residential placements using data and management reports to develop and implement strategies for returning children placed outside of the Commonwealth, preventing placements, and reducing lengths of stay in residential programs for children who can appropriately and effectively be served in their home, relatives homes, family-like setting, or their community.

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SIGNIFICANT NON-COMPLIANCE and REPEAT OBSERVATIONS

3. The Harrisonburg-Rockingham CSA Program expended \$43,230 was reimbursed \$27,186 (state share) in FY 2017-2018 for expenditures incurred that did not meet compliance requirements of CSA. Exceptions were noted in 80% (4 of 5) cases reviewed. Areas of non-compliance observed included:

- A. CANS assessment was not completed as required; no evidence of initial, annual, or discharge assessments.
- B. Services funded were not documented in an approved service plan, specifically an Individual Education Program (IEP); and
- C. Services funded were the responsibility of another public child-serving agency funded outside of the State Pool. The IFSP identified “case management (children’s) CSB” as the service requested. However, the locality purchased case support for foster care prevention case open to the local Department of Social Services (LDSS). The LDSS caseworker, caseworker supervisor, and CSA Coordinator signed the purchase order. As described in the Standardized Service Names (January 2015) issued by OCS:

Case Support

Service may be purchased from a public child serving agency and includes basic case oversight for a child not otherwise open to a public child-serving agency, for whom a case manager is not available through the routine scope of work of a public child-serving agency, and for whom the worker’s activities are not funded outside of the State Pool. Services may include administration of the CANS, collection and summary of relevant history and assessment data and representation of such information to the FAPT; with the FAPT, development of an IFSP; liaison between the family, service providers and the FAPT.

Thus, case support is not an allowable expenditure because the foster care prevention case is open to the LDSS (public child-serving agency) and a case manager is available through the LDSS’ routine scope of work.

Use of state pool funds under these circumstances constitutes non-compliance with CSA statutory requirements, making it local government’s responsibility for funding the purchased services. Refer to table below for a detailed breakdown of the exceptions. Criteria: [COV § 2.2-2648](#), [§ 2.2-5206](#), [§ 2.2-5208](#), [§ 2.2-5209](#), [§ 2.2-5211](#), and [§ 2.2-5212](#)

Client	Locality	Service Description	Error Type	Period Covered	Questioned Costs		
					Total	State Share	Local Share
H1	Harrisonburg	Special Education Private Day	A and B	9/16 – 4/17	\$ 41,224	\$ 25,526	\$ 15,698
R1	Rockingham	Individual Therapy	A	10/16 – 1/17	\$ 700	\$ 579	\$ 121
R2	Rockingham	Case Support	A and C	3/17 – 6/17	\$ 1,306	\$ 1,081	\$ 225
<i>Notes: Figures derived from client payment history</i>					\$ 43,230	\$ 27,186	\$ 16,044

The non-compliance observations referenced in this report were also identified in the prior audit report issued July 31, 2015. The Harrisonburg-Rockingham CPMT submitted a Quality Improvement Plan (QIP) with February 2016 as the target date for completion. The CPMT, as the governing body, is responsible for on-going monitoring of the QIP to ensure timely implementation of the plan and the actions taken are continuously working as intended.

RECOMMENDATIONS

The Harrisonburg-Rockingham CPMT should take appropriate action to ensure that the non-compliance observations are addressed in the immediate future as follows:

1. Prior to service planning, the CSA Coordinator and the FAPT should ensure that minimum documentation requirements are met and correspondence is maintained in the client case file or readily accessible in order to substantiate services recommended to CPMT for funding authorization. Periodic case reviews should be performed by someone other than the CSA Coordinator to establish quality control of client records and to ensure compliance with CSA policy and statutory requirements. As a component of the quality control process, the CPMT should consider adopting guidelines pertaining to [CSA Documentation Inventory](#) and [Utilization Review Guidelines](#), which are published on the CSA website.
2. The Harrisonburg-Rockingham CPMT should immediately initiate and going forward periodically review of OCS financial and performance reports as required by CSA statute to demonstrate compliance. Management reports are available on the CSA website in the tab labeled "Statistics and Publications". See links below:
 - A. <http://www.csa.virginia.gov/OCSDData/ReportsPublications>
 - B. [State & Local CSA Performance Measures \(Excel Application\)](#)
 - C. [CSA Utilization Reports](#)
3. The Harrisonburg-Rockingham CPMT should consider adding utilization management as a standing agenda item for their regularly scheduled CPMT meetings. The recorded minutes of the CPMT meeting should reflect a summary of CPMT's discussions and actions to be taken, if any. A copy of reports reviewed should be retained with the minutes.
4. Prior to authorizing funding, the CPMT should ensure that the proposed expenditure meets the criteria for CSA funding. Adequate documentation should be maintained as justification for CPMT funding decisions. The FAPT and CSA Coordinator should ensure that CANS assessments and IEPs have been completed and verified prior to submitting funding requests to CPMT for authorization.
5. 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 of whether the identified actions are acceptable or any additional actions that may be required.
6. The CPMT should frequently monitor implementation of the quality improvement plan. Responsible parties for identified task should periodically provide status/progress reports to the CPMT, which should be captured in the CPMT minutes. To facilitate the process, the CPMT should consider establishing an ad-hoc committee and/or incorporate QIP review as a standing agenda item.

CLIENT COMMENT

See Attachment: Client Response

Mr. Ande Banks, CPMT Chair-Harrisonburg
Ms. Patricia Davidson, CPMT Chair-Rockingham
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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 Harrisonburg-Rockingham CPMT and related CSA staff for their contributions in completing the CSA Self-Assessment Workbook. We also would like to acknowledge the assistance and cooperation that was provided by Christine Thompson, CSA Coordinator during our on-site visit. Ms. Thompson's efforts enabled the audit staff to resolve any questions/concerns that we observed during the validation process. Please feel free to contact us should you have any questions.

Sincerely,



Stephanie S. Bacote, CIGA
Program Audit Manager

cc: Scott Reiner, Executive Director
Office of Children's Services
Eric D. Campbell, Harrisonburg City Manager
Steven G. King, Rockingham County Administrator
Christine Thompson, CSA Coordinator

Attachment: Client Response
Attachment: Auditor Comments to Client Response

ATTACHMENT: CLIENT RESPONSE

Harrisonburg Rockingham CSA

20 E. Gay Street, Harrisonburg, VA 22803
Phone: 540-438-5935 • Fax: 540-438-5938
Christine A. Thompson, CSA Manager

August 29, 2018

Ms. Stephanie Bacote
Office of Children's Services
1604 Santa Rosa Road, Suite 137
Richmond, Virginia 23229

Re: Harrisonburg-Rockingham Children's Services Act (CSA) Program
Audit Self-Assessment Validation, File No. 42-2018
Response to Draft Report

Ms. Bacote,

In response to the draft report issued to the Harrisonburg-Rockingham Children's Services Act (CSA) Program, the CPMT would like to uphold the opinion that there are minimal observations of non-compliance and/or internal control weaknesses. The draft report states that the independent validation through the OCS office is that there is a partial concurrence with that statement.

Although repeat citing's were identified, the CSA office works diligently to follow all statutory requirements and has implemented several actions in order to minimize the risk of default.

The draft report cites cases in which the proper documentation wasn't on file during the observation in 2015 and again in 2018. The CANS assessments noted in item A refers to the absence of annual, ongoing and/or discharge assessments. We acknowledge that the CANS assessments for the cases that were reviewed were absent from the client files and CANVAs system. In this instance, the CSA office was under the assumption that there was a submission of the CANS assessment for these cases as indicated by the case worker on the individual's IFSP. In an effort to minimize the potential for future missing documentation, the CSA office will formalize a process to verify the CANS submission prior to funding approval, the revised process will include a checklist for the initial, ongoing and discharge CANS. We will also implement a process to enhance communication with agency supervisors regarding the importance of completing the CANS assessment in a timely fashion, as well as, remind case workers of the expectations and necessity for completing the CANS assessments. The CSA office will schedule annual reviews of clients' records to ensure ongoing quality control measures and that the files maintain the required documentation.

In regards to Item B, the CSA office holds trainings on a regular basis to help workers strengthen the documentation in the IFSP. Strengths, needs and discharge planning are all items that are discussed during the review of every case that comes before FAPT. Some of the agency workers have a challenge with writing appropriate detail in the IFSP, however, CSA works diligently to assist these agencies with improving their documentation.

In regards to Item C, the local CSA office hired a Utilization Review Specialist, who started in October of 2017. She has been working to actively manage cases as required. A number of

cases reviewed during the field audit were prior to the addition of this position. There were only two cases cited in the observation that were lacking. Since October 2017, the UM/UR activities have drastically improved.

Procedures are in place to ensure that provider placement agreements are on file.

Number two on the report goes back to UM/UR practices and procedures. Rockingham-Harrisonburg CPMT understands the need for these practices and made major improvements to address this weakness prior to the audit.

The last item on the report addresses expenditures that were reimbursed by CSA that may not have had the proper documentation. CANS assessments are done for every case that comes through the CSA office. It is unfortunate that the CANS discharge assessment wasn't properly understood. A process has been in place since May of 2018 to ensure that all parts of the CANS assessments are complete.

In regards to IEPs not being provided to confirm eligibility for special education private day placement, the local CSA office requires that the case worker submit these plans prior to presenting their case to FAPT for approval of services. This information is entered into the CSA database once our office has received the document and is then filed in the child's case file. In the case that was cited in the audit, the CSA office received the signature page at FAPT and was anticipating receiving the entire document after FAPT approval, unfortunately our office failed to follow up with the case worker. The CSA office has since developed a spreadsheet that tracks the IEP renewal dates.

In regards to the local CSA office utilizing funds for case support services to a child who was receiving foster care prevention services. We acknowledge that an error was made when generating the purchase order for this particular case. As mentioned in past discussions, this was an oversight on the part of the CSA office. In the future, the CSA staff will review the IFSP prior to FAPT approval to ensure that the service the case worker is requesting on the paperwork is in accordance with the State Standardized Service Names for CSA purchased services.

In addition to the responses noted above, the CSA office and CPMT have taken the following steps:

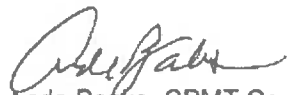
1. **Hiring Utilization Review Specialist**
The Utilization Review Specialist started in October of 2017 and has been working to actively manage cases as required. A number of cases reviewed during the field audit were prior to the addition of this position.
2. **Quality Improvement Plan**
The CSA office submitted prior to the draft report the corrective actions that will be taken in order to maintain and improve compliance. The Quality Improvement Plan was discussed in May at the CPMT/FAPT retreat. (Appendix A)
3. **Update CSA Policies and Procedures**
An update to the CSA policies and procedures was provided to the CPMT in June and were adopted at the August CPMT meeting.
4. **Documentation Requirements**
Ensure that minimum documentation requirements are met prior to funding, specifically the CANS and IEP requirements. In the future, a case will not be reviewed by FAPT until all necessary documentation is returned to the CSA office.

5. Review of Financial Performance Report by CPMT
The CSA Manager will add the review of financial and performance reports to the CPMT monthly agenda.
6. Utilization Management Review by CPMT
The CSA Manager will add Utilization Management Review to the CPMT Agenda (Appendix B)
7. Weekly Feedback to Member Agencies
Weekly feedback is given to member agencies regarding FAPT paperwork and the areas in need of improvement. Those communications are performed via email and can be provided to support the effort (Appendix C).
8. Training for all new employees
All new employees are required to attend CSA training; the agenda for that training session includes training on CANS assessments and IFSP's. An agenda for the training is provided (Appendix D)
9. Refresher training for all active employees
All employees are required to attend refresher training. One of the most recent trainings helped employees improve their skills on writing effective goals and objectives. The PowerPoint from the training is provided (Appendix E)
10. Retreats for CPMT and FAPT Teams
A retreat was held in 2015 which identified goals and objectives to be accomplished, many of which were successful. A repeat retreat was held in 2018 to establish and set new goals and objectives. Both the CPMT and FAPT teams are currently working on those goals.

The statement that was made in the draft report that "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" is a stern statement considering the amount of diligence and hard work that is performed on a daily basis to manage this program. In addition, much of what was identified as non-compliance is not within the direct authority of CSA to effect change. As you can see from the corrective actions taken thus far and previously, CSA staff has implemented multiple levels of checks and balance systems to ensure that the office is in compliance with the Code of VA and OCS policies. With that being said, the Harrisonburg-Rockingham CPMT has little oversight of the member agencies that come before the FAPT for approval of services and funding with regards to their inconsistencies with following local and state policies. Our CPMT and CSA staff will continue to work diligently with the staff of these agencies to provide adequate training opportunities and the need for compliance. CPMT will review the system for providing oversight of the CSA office and will implement strategies to internal controls and collaboration from community partners and stakeholders.

Thank you for the guidance offered during the course of this audit. Your insightful feedback on ways to strengthen our local CSA operating procedures has been extremely helpful. Please let us know if there is any additional information that you may require regarding our audit,

Sincerely,



Ande Banks, CPMT Co-Chair



Christine A. Thompson, CSA Manager



Trish Davidson, CPMT Co-Chair

ATTACHMENT: AUDITOR COMMENTS to CLIENT RESPONSE

- CPMT's response states that Observation 1A of the report refers to the absence of annual, ongoing, and/or discharge CANS assessment. However, the report indicates that the exception applied to ***initial, annual, and discharge assessments***. A CANS is required initially, annually, and upon discharge from CSA funded services. The data collected is used to assess eligibility for state pool funds (initial) evaluate outcomes (annual and discharge) and to inform decision-making (initial, annual, and discharge) at the state and local level. The distinction is particularly relevant to the determination of eligibility for state pool funds and potential questioned costs resulting from non-compliance with CSA statutes and/or policies.
- CPMT's response to Observation 1C of the report pertaining to utilization review of client records stated, "There were only two cases cited in the observation that were lacking." The significance of the observation was not limited solely to the number of exceptions ("only two"). The exception was deemed significant because it was a repeat observation from the prior audit, and the two cases represented two of the three cases for which a CANS assessment (initial, annual, or discharge) had never been completed. Properly implemented, the utilization review process would have timely identified the absence of the assessments and minimized the fiscal impact for not having met the compliance requirement.
- CPMT's response to Observation 3 of the report addressing expenditure reimbursements that did not meet CSA compliance requirements states "CANS assessments are done for every case that comes through the CSA Office. It is unfortunate that the CANS discharge Assessment wasn't properly understood." The exceptions included in the report are in direct contrast to this statement, and did not pertain to discharge CANS assessments. CANS assessments (initial, annual, or discharge) were never completed for two of the three cases, and an initial CANS had not been completed in concert with the initial Family Assessment and Planning Team (FAPT) referral and service planning process for the third case. Thus, the observation reflects the expenditures incurred during the period for which compliance was required but not met.
- The CPMT expressed concern that the statement "non-compliance with the statutory requirements of CSA is considered significant because the local program is not operating fully in accordance with the law" is a stern statement. The statement is not intended to diminish the efforts performed on a daily basis to manage the program. However, the Children's Services Act is not just a state agency program. The Act (law) establishes minimum requirements to access state pool funds, by local governments and citizens. Compliance is required by law and therefore significant when not met. While the language may appear stern, it is also necessary. The intent is to ensure that those responsible for oversight of the program act timely to address instances of non-compliance and monitor to ensure measures implemented are functioning as intended going forward, even more so when the audit report includes repeat observations.
- Lastly, all non-compliance observations cited in the report are within the scope of authority of the CPMT. As the governing authority of the local program and through its oversight and monitoring, the CPMT is positioned to effect change in within their local CSA.