



COMMONWEALTH of VIRGINIA

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

SCOTT REINER, M.S.
Executive Director

August 20, 2018

Mr. Warren Bull, CPMT Chair
Specialized Youth Services, Inc.
230 South Crater Road
Petersburg, VA 23803

RE: City of Petersburg CSA Program Self-Assessment Validation, File No. 22-2018

Dear Mr. Bull,

In accordance with the Office of Children's Services (OCS) Audit Plan for Fiscal Years 2018, the City of Petersburg 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 June 8, 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 City of Petersburg CSA program, our independent validation:

Concurs Partially Concurs Does Not Concur

with the conclusion reported by the Petersburg 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 City of Petersburg CSA program. The explanation for our assessment results are as follows:

Petersburg Community Policy and Management Team concluded that only non-significant compliance and/or internal control weakness observations noted. However, validation procedures of the locally prepared CSA Self-Assessment Workbook identified deficiencies 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 City of Petersburg CSA Program are detailed on page 2.

SIGNIFICANT NON-COMPLIANCE REPEAT OBSERVATIONS

- 1) Expenditure reimbursements were requested and processed for payment of services occurring July 2016 – April 2017 where the requirements for compliance with State CSA policies and procedures were not met. Petersburg CSA funded room and board costs for a student with an individualized education program (IEP) that did not require private residential services (i.e. group home). The approved IEP indicated the least restrictive placement as private day school. In addition, a service plan was not documented by FAPT that identified residential services. Further, a note on the approved purchase order stated “parental placement residential R&B”. Therefore, residential services were not eligible for CSA funding. The total questioned cost equaled \$18,544 of which \$10,349.41 represents the state share.

CRITERIA: Code of Virginia (COV) Sections: § 2.2-5212; § 2.2-2508; CSA Policy Manual Sections 4.1. Eligible Population.

- 2) Statement of Economic Interest (SOEI) forms were not completed by non-public members serving on the CPMT or FAPT as required by statute. In addition, CPMT did not verify that team members representing public agencies that were required to file such forms complied with the requirement. Based on the increased possibility that required parties may not have appropriately disclosed personal interests the effectiveness of the controls to ensure accountability and appropriate use of CSA pool funds could be significantly reduced. This observation was identified in the Oct 10, 2012 audit report.

CRITERIA (COV) Sections: § 2.2-3100; § 2.2-3115; § 2.2-3117; and § 2.2-5205

RECOMMENDATION

- 1) The CPMT should ensure that all requirements for compliance with State CSA policies and procedures are met prior to accessing CSA pool funds. 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.
- 2) The CPMT should ensure that the SOEI form is completed immediately for all non-public participating members serving on the CPMT and FAPT and verify that all public members required to complete the form as a condition of employment complied with the statute. Completed forms should be filed with the clerk of the local governing body, per the guidance provided in OCS Administrative Memo #18-02 January 2018.

CLIENT COMMENTS

See Attachment 1 for CPMT comment.

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 City of Petersburg 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 Jacqueline Zermitt, CSA Coordinator during our on-site visit. Their efforts enabled the audit staff to resolve quickly 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, MBA
Program Auditor



Stephanie S. Bacote, CIGA
Program Audit Manager

cc: Scott Reiner, Executive Director
Aretha R. Ferrell-Benavides, City Manager
W. Renea Evans-House, CPMT Fiscal Agent
Jacqueline Zermitt, CSA Coordinator
SEC Finance and Audit Committee

Attachment



Department of Social Services Office of Children's Services

400 Farmer Street
Petersburg, Virginia 23803
(804) 861.4720 Office
(804) 861.0137 Facsimile

August 15, 2018

Annette E. Larkin, Program Auditor
Office of Children's Services
1604 Santa Rosa Road
Suite 137
Richmond, VA 23229

Re: City of Petersburg CSA Program Self-Assessment
Validation, File No. 22-2018

Dear Ms. Larkin,

The Petersburg Community Policy and Management Team reviewed the report that was submitted to us regarding the Petersburg CSA Program Self-Assessment. We agree with your findings and have developed a quality improvement plan to address our deficits. We have also secured the IEP which identifies residential education as the least restrictive environment. I have attached those documents to this correspondence.

We thank you for your support and guidance that was afforded to us. And we will strive to make the necessary improvements to the Petersburg CSA Program to ensure continued adherence to state policy and guidelines.

If there are any further questions, please feel free to contact me at Specialized Youth Services of Virginia, Inc., 455 Old Wagner Rd., Petersburg, VA 23805, Phone: (804) 733-2180

Thank You

Warren Bull
Petersburg CPMT Chair