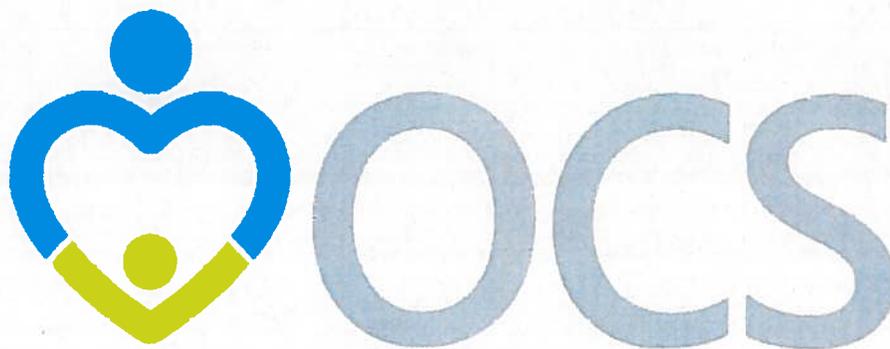


***CHILDREN'S SERVICES ACT
PROGRAM AUDIT***

City of Suffolk

Audit Report No. 12-2019

June 17, 2019



Office of Children's Services

Empowering communities to serve youth

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EXECUTIVE SUMMARY

The Office of Children's Services (OCS) has completed an audit of the City of Suffolk Children's Services Act (CSA) Program. The City of Suffolk CSA Program provided services and/or funding for approximately 42 youth and families in Fiscal Year (FY) 2018. The audit included review and evaluation of management oversight, operational, and fiscal practices. Based on the review and examination of the City of Suffolk CSA Program and supporting documentation provided, internal controls governing management oversight, operational, and fiscal practices were determined as adequate and functioning as intended. No significant reportable non-compliance issues were observed. Notable accomplishments of the City of Suffolk Community Policy and Management Team (CPMT) included the following as reported in the FY 2018 CSA Performance Measures:

- The percentage of youth with a decrease in the Child and Adolescent Needs and Strengths Assessment (CANS) for behavioral/emotional needs domains exceeded the statewide average by 26% and the school domain 8.5%.
- Sixty-three (63%) of youth demonstrated improvement in the CANS strengths domain, which is 8% above the statewide average.
- The percentage of foster care children in family-based placements met the statewide target and exceeded the statewide average by 4.8%.

OCS appreciates the cooperation and assistance provided on behalf of the City of Suffolk CPMT and other CSA staff. We also would like to acknowledge the excellent assistance and cooperation that was provided by Ms. Rachel Lewis, CSA Coordinator, during our on-site visit. Ms. Lewis efforts enabled the audit staff to quickly resolve any questions/concerns observed throughout the audit process. The formal response from the City of Suffolk CPMT is included in the body of the full report.


Stephanie S. Bacote, CIGA
Program Audit Manager


Rendell R. Briggs, CAMS
Program Auditor

INTRODUCTION

The Office Children's Services (OCS) has completed a financial/compliance audit of the City of Suffolk Children's Services Act (CSA) program. The audit was conducted in conformance with the International Standards for the Professional Practice of Internal Auditing (Standards). The Standards require planning and performance of the audit pursuant to stated audit objectives in order to provide a reasonable basis for audit observations, recommendations, and conclusions. The audit was completed on June 17, 2019 and covered the period February 1, 2018 through January 31, 2019.

The objectives of the audit were to:

- Determine whether adequate internal controls have been established and implemented over CSA expenditures.
- Determine the adequacy of training and technical assistance by assessing local government CSA staff knowledge and proficiency in implementing local CSA programs.
- Assess whether operations have maintained high standards for sound fiscal accountability and ensured responsible use of taxpayer funds by evaluating fiscal activities of local CSA programs.
- Assess the level of coordination among local government CSA stakeholders and efforts to improve CSA performance by evaluating local CSA program's operational and utilization review practices.
- Assess implementation of quality improvements addressing prior audit observations reported by OCS and/or identified in the prior self-assessment evaluation completed by the City of Suffolk CPMT. The CSA program audit self-assessment validation was completed July 19, 2016.

The scope of our audit included all youth and their families who received CSA funded services during the audit period. Audit procedures performed included reviews of relevant laws, policies, procedures, and regulations; interviews with various CSA stakeholders; various tests and examination of records; and other audit procedures deemed necessary to meet the audit objectives.

BACKGROUND

The City of Suffolk was established in 1742 as a port town on the Nansemond River in the Hampton Roads metropolitan area. According to the published estimates by the Weldon Cooper Center for Public Service-University of Virginia, Suffolk has a population estimate of 92,533 as of July 1, 2017. The U.S. Census Bureau, State and County Quick Facts reports the median household income from 2011-2016 as \$68,089.

The Children's Services Act (CSA) is a law enacted in 1993 that establishes a single state pool of funds to purchase services for youth and their families. The state funds, combined with local community funds, are managed by local interagency teams, referred to as the CPMT who plan and oversee services to youth. The City of Suffolk CPMT was established to comply with this statute. The CPMT is supported in this initiative by the Family Assessment and Planning Team (FAPT) responsible for recommending appropriate services. Administrative services are managed through the local CSA office staffed by a full-time CSA Director. Expenditure and demographics for fiscal years 2016 to 2018 are depicted below:

**CSA Pool & Census Data by Fiscal Year for City of Suffolk
(2016-2018)**

| FY | Census | Census Change | Census % Change | Pool Expenditures | Expenditures \$ Change | Expenditures % Change | Unit Cost | Unit Cost % Change |
|------|--------|---------------|-----------------|-------------------|------------------------|-----------------------|-----------|--------------------|
| 2016 | 40 | -1 | -2% | \$935,673 | -\$359,753 | -28% | \$23,392 | -26% |
| 2017 | 35 | -5 | -13% | \$1,108,926 | \$173,253 | 19% | \$31,684 | 35% |
| 2018 | 41 | 6 | 17% | \$1,216,179 | \$107,253 | 10% | \$29,663 | -6% |

Note: Changes recorded for FY 2016 are based on differences from fiscal year 2015 to 2016.

| FY | Pool Expenditures |
|------|-------------------|
| 2016 | \$935,673 |
| 2017 | \$1,108,926 |
| 2018 | \$1,216,179 |

| FY | Census |
|------|--------|
| 2016 | 40 |
| 2017 | 35 |
| 2018 | 41 |

| FY | Unit Cost |
|------|-----------|
| 2016 | \$23,392 |
| 2017 | \$31,684 |
| 2018 | \$29,663 |

OBSERVATION AND RECOMMENDATION

None reported.

CONCLUSION

Our audit concluded that internal controls governing management oversight, operational, and fiscal practices were adequate and functioning as intended. No significant reportable non-compliance issues were observed. An exit conference was conducted on June 17, 2018 to present the audit results to the City of Suffolk CPMT. Persons in attendance representing the City of Suffolk CPMT were:

Kimberly Jennings, CPMT Chair, City of Suffolk Court Services Unit
Rachel Lewis, CSA Coordinator, Office of Children's Services; and
Representing the Office of Children's Services was: Rendell R. Briggs, Program Auditor.

We would like to thank the City of Suffolk CPMT and related CSA staff for their cooperation and assistance on this audit.

CLIENT COMMENT

"I concur with your findings-no reportable non-compliance issues were observed."

REPORT DISTRIBUTION

Scott Reiner, Executive Director
Office of Children's Services
Patrick Roberts, Suffolk City Manager
Kimberly Jennings, CPMT Chair
Denise Daughtrey, CPMT Fiscal Agent
Rachel Lewis, CSA Coordinator