



COMMONWEALTH of VIRGINIA

Scott Reiner, M.S.
Interim Executive Director

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

April 17, 2017

Jean Cobb, CPMT Chair
6th District CSU
401 B. Main Street
Emporia, VA 23847

RE: Sussex County CSA Program Limited Scope Audit, File No. 08-2017

Dear Ms. Cobb,

The OCS has completed a limited scope audit of the Sussex County's CSA Program. The audit was conducted in accordance with generally accepted government auditing standards. The objective of the limited scope audit was to assess the appropriate uses of CSA pool funds for foster care services and to determine the extent of non-compliance for foster children being placed in unlicensed foster care homes. The scope of our audit included an evaluation of four (4) foster care cases who received CSA funded services. Audit procedures performed included reviews of relevant laws, state policies and procedures, interviews with various CSA stakeholders; various tests and examination of records; and other audit procedures deemed necessary to meet the audit objective.

Our audit concluded that there were major deficiencies¹ in compliance over the Sussex County CSA program; client responses to the reported non-compliance observations are included in the attachment. An exit conference was conducted on Monday, March 20, 2017 to present the audit results to the Sussex County CPMT. Persons in attendance representing the Sussex County CPMT were as follows: Jean Cobbs, CPMT Chair; Patrick Plourde, DSS Director and Fiscal Agent; Vandy V. Jones III, Sussex Interim County Administrator. Representing the Office of Children's Services were Stephanie S. Bacote, Program Audit Manager, Annette E. Larkin, Program Auditor and Rendell Briggs, Program Auditor.

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.

Ms. Jean Cobb, CPMT Chair
Sussex County CSA Program Limited Scope Audit, File No. 08-2017
April 17, 2017

We would like to thank the Sussex County Community Policy and Management Team and related CSA staff for their cooperation and assistance on this audit.

Sincerely,


Annette E. Larkin, MBA
Program Auditor

Cc: Scott Reiner, Executive Director
Vandy V. Jones III, Sussex Interim County Administrator
Patrick Plourde, CPMT Fiscal Agent
Joy Rawlings, CSA Coordinator
Stephanie S. Bacote, OCS Audit Manager

Attachment – Audit Observations and Recommendations

Attachment A

OBSERVATIONS AND RECOMMENDATIONS

Observation #1:

Criteria:

Compliance

According to Virginia Administrative Code (VAC) 22VAC40-201-40 Foster Care Placement, “the local department shall ensure a child in foster care is placed in an approved home or licensed facility that complies with all applicable federal and state requirements for safety. The State Executive Council (SEC) Denial of Funds policy adopted on June 23, 2011, states that CSA pool funds can be withheld if a locality fails to comply with, or is in violation of statutory requirements and policies, whether they are specific to the CSA or promulgated by participating agencies. Moreover, the denial of funds policy explicitly states that any service which requires licensure can only be rendered by a provider licensed to provide that service in Virginia.

On September 4, 2014, a sibling group of three (3) was removed from a licensed child placement agency and placed in a foster home that had not been approved by the local social services agency at the request of the social worker. The siblings’ placement in an unapproved home was for 23 months (September 4, 2014 – August 9, 2016). The duration of questioned cost is detailed in the table below.

	Expenditures *	Questioned Cost (State Share)
Client A	\$16,376.20	\$12,521.48
Client B	\$20,442.18	\$15,613.93
Client C	\$29,878.03	\$22,792.77
Total	\$66,696.41	\$50,919.18

*Expenditures represent payments made directly to the foster family

Recommendations:

- Prior to authorizing funding, the CPMT should ensure that all providers for foster care placements of youth to be funded by CSA are appropriately approved or licensed in accordance with federal and state requirements.
- The Sussex CPMT should establish a quality assurance review to include periodic review of client case files to ensure federal and state compliance requirements are met.
- The Sussex CPMT should submit a quality improvement plan, for review by the OCS Finance Office, to address whether the funds will be voluntarily restored. 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.

Client Comment:

“The CPMT agrees with the limited scope audit and are committed to taking corrective action.”

Observation #2:**Criteria:****Compliance**

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.

- In accordance with the Code of Virginia (COV) § 2.2-5212 , to be receive funding for services through the state pool of funds, a youth, or family with a child, shall be determined eligible through the use of a uniform assessment instrument. The approved assessment tool is Child and Adolescent Needs and Strength Assessments (CANS). Sussex County CSA program completed the initial CANS on the sibling group; however, the annual CANS was not completed.
- The Sussex County Department of Social Services sought and received reimbursement for payment to a contactor to complete the Virginia Enhanced Maintenance Assessment Tool (VEMAT) for the sibling group.
- The Sussex County Department of Social Services requested a counselor to provide court testimony in the case for the older sibling, and sought and received reimbursement for those services.

Pursuant to the COV § 2.2-5211 State pool of funds for community policy and management teams section D states, that "... the community services board, the local school division, local social services agency, court service 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." Administering the VEMAT and expert testimony requested by the agency is the responsibility of social services and therefore is not eligible for reimbursement through CSA pool funds. The associated questioned cost is detailed in the table below.

	Description	Total Expenditures	Questioned Cost (State Share)
Client A, B, C	**No annual CANS	\$5,226.70	\$4,178.76
Client A, B, C	VEMAT	\$675.00	\$513.87
Client C	Court Testimony	\$600.00	\$528.36
Total		\$6,501.70	\$4,178.76

** Questioned cost associated with the CANS represent the child care and community bases services not captured in observation 1.

Recommendations:

- The CPMT and FAPT should ensure CANS assessments (initial, re-assessment, annual and discharge in accordance with Sussex County Utilization Review Policy) should be completed in CANVaS and maintained in the client record.
- The CPMT should ensure that all expenditures sought for Pool Fund reimbursement are not the responsibility of another agency.

- The Sussex CPMT should submit a quality improvement plan, for review by the OCS Finance Office, to address whether the funds will be voluntarily restored. 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.

Client Comment:

“The CPMT agrees with the limited scope audit and are committed to taking corrective action.”

Observation #4:

Criteria: Compliance

Documentation of service planning activities requires strengthening to ensure compliance with program requirements. Four (4) case files were examined to confirm that required documentation was maintained in support of and to validate FAPT and/or multi-disciplinary team (MDT) referral and CPMT funding decisions. The results of the examination noted that client case files did not always contain sufficient information demonstrating compliance with CSA requirements key to the coordination and service planning by FAPT. Data omitted from case files reviewed are detailed in the table below:

Description	# of Cases	Error Rate
Expired Consent to Exchange Information Forms	3/4	75%
Child and Adolescent Needs and Strength Assessments (CANS)	3/4	75%

Recommendations:

- The CPMT should ensure that all required documentation is completed and maintained in client case files, such as current consent to exchange information forms and CANS assessments (initial, re-assessment and discharge) in accordance with Sussex County Utilization Review Policy).
- The Sussex CPMT should establish a quality assurance review to included periodic review of client case files to ensure federal and state compliance requirements are met.

Client Comment:

“The CPMT agrees with the limited scope audit and are committed to taking corrective action.”