

***COMPREHENSIVE SERVICES ACT
PROGRAM AUDIT***

CITY OF PETERSBURG

Audit Report No. 01-2013

October 10, 2012



**Office of
Comprehensive
Services**

Empowering communities to serve youth

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EXECUTIVE SUMMARY

The Office of Comprehensive Services has completed an audit of the City of Petersburg Comprehensive Services Act for At Risk Youth and Families program. Our audit concluded that there were material weaknesses in internal controls, particularly in reference to governance and accountability of the \$3.3 million of allocated (state and local) funding. Conditions were identified that could adversely impact the effectiveness and efficient use of resources, as well as non-compliance with statutory requirements. The following significant issues were identified:

- The management structure of the Petersburg Policy and Management Team's (PPMT) does not meet the minimum membership requirements established by CSA statute. Despite these challenges, the active participating members of the PPMT demonstrated a commitment to ensuring that access to services and funding were available to eligible youth and their families that is child centered, family focused, and community based.
- The PPMT has not documented a formal plan to substantiate coordination of long-range planning that includes an assessment of the current risks, strengths and needs of the existing system, as well as establishing and documenting measurable criteria for evaluating the effectiveness of the local CSA program.
- Policies, procedures, and guidelines established by the PPMT are outdated and do not adequately reflect current state and local CSA practices and requirements.
- Fiscal practices and procedures adopted by the PPMT needs strengthening to increase the operational effectiveness, specifically relating to lines of authority and responsibility, execution of transactions, and monitoring.

The Office of Comprehensive Services appreciates the cooperation and assistance provided on behalf of the Petersburg Policy and Management Team and other CSA staff. Formal responses from the Petersburg Policy and Management Team to the reported audit observations are included in the body of the full report.


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Program Auditor


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INTRODUCTION

The Office Comprehensive Services has completed a financial/compliance audit of the City of Petersburg's Comprehensive Services Act for At-Risk Youth and Families program. The audit was conducted in accordance with generally accepted government 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 October 3, 2012 and covered the period July 1, 2011 through June 30, 2012.

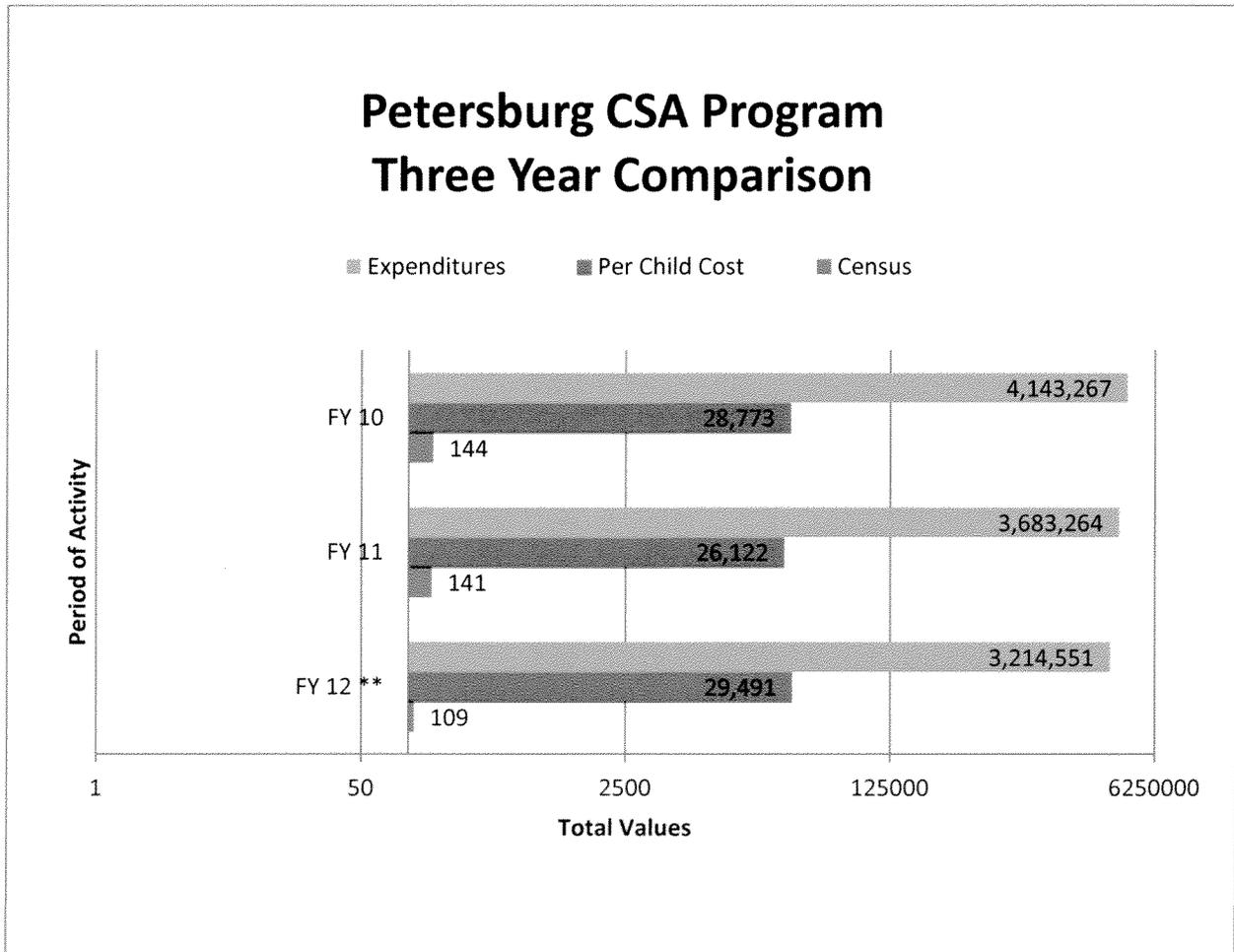
The objectives of the audit were to:

- To determine whether adequate internal controls have been established and implemented over CSA expenditures.
- To determine the adequacy of training and technical assistance by assessing local government CSA staff knowledge and proficiency in implementing local CSA programs.
- To 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.
- To 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.

The scope of our audit included all youth and their families who received CSA funded services during fiscal year 2012. Audit procedures performed included reviews of relevant laws, policies, procedure, and regulations; interviews with various CSA stakeholders; flowcharts of operational and fiscal processes; various tests and examination of records; and other audit procedures deemed necessary to meet the audit objectives.

BACKGROUND

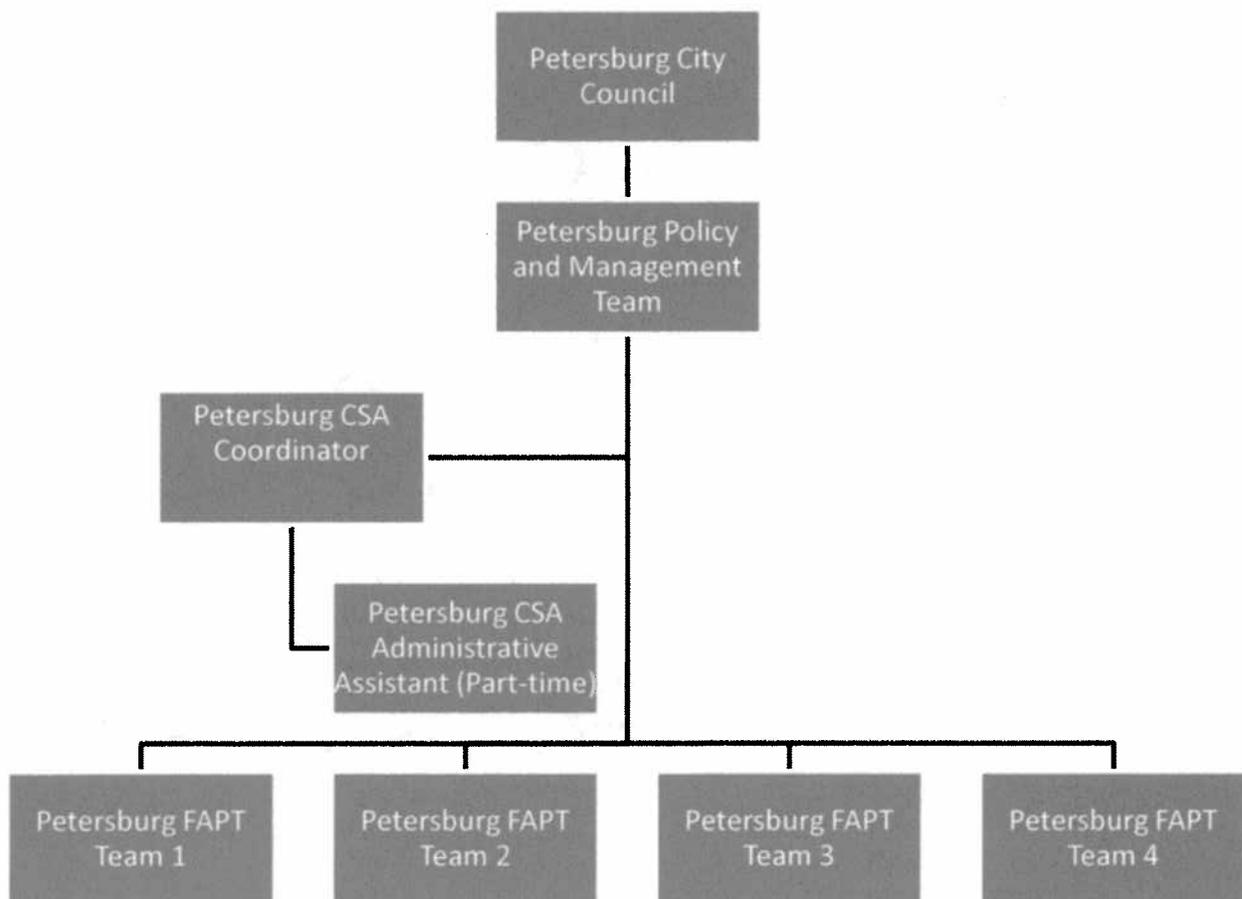
The Comprehensive Services Act for At-Risk Youth and Families (CSA) is a law enacted in 1993 that establishes a single state pool of funds to purchase services for at-risk youth and their families. Of the approximate \$300 million appropriated by the Virginia General Assembly and local governments to fund CSA, the total combined state and local allocation for the City of Petersburg was \$3.3 million for fiscal year 2012. The \$3.3 million was used to provide services to approximately 109 youths in the Petersburg community. Based on reported figures for fiscal year 2011, the average per capita cost for CSA in the City of Petersburg is \$112. Petersburg has the second highest per capita cost among Central Region localities. However, the Petersburg CSA program has shown continual reduction in expenditures and population served since 2010. Expenditures have declined approximately 22%, while the population has been reduced by approximately 24%. Though expenditures and the population are on a downward trend, the unit cost per child has seen a slight increase of 3%. The chart below depicts a comparison for fiscal years 2010 through 2012.



Source: CSA Website, Statewide Statistics, Pool Expenditure Reports (http://www.csa.virginia.gov/publicstats/csa_pool.cfm)

** Subject to change pending figures reported upon final year end close (October 2012).

The state funds, combined with local community funds, are managed by local interagency teams, referred to as “Community Policy and Management Teams (CPMT) who plan and oversee services to youth. The City of Petersburg’s Policy and Management Team (PPMT) was established to comply with this statute. The PPMT is also supported in this initiative by four Family Assessment and Planning Teams responsible for recommending appropriate services and through administrative support provided by the CSA Coordinator. The local management structure for the City of Petersburg is as follows:



OBSERVATIONS AND RECOMMENDATIONS

A) PPMT ADMINISTRATION

Observation 1: The local management structure of the Petersburg Comprehensive Services Act (CSA) program does not meet the membership requirements established by CSA statute and the by-laws established by the Petersburg Policy and Management Team that governs member participation. Based on information collected during the audit, it was determined that half of the representatives required to serve on the PPMT were not actively involved. The following exceptions were observed:

- The Petersburg Policy and Management Team's (PPMT) composition did not include representation by the following: (1) a local elected or government official or designee, Department of Health official or designee, and a parent representative. A parent representative was also absent from each of the four established Family Assessment and Planning Teams (FAPT).
- While the PPMT acknowledged membership of the Petersburg Public School System (PPSS), PPSS active participation in the PPMT has remained an ongoing concern. Concerns date back to December 2011 when a letter was sent by the PPMT to the PPSS Superintendent regarding the school system's lack of participation. For 11 of the 12 months that the PPMT was convened, the recorded minutes of those meetings reflected only 18% (2 of 11) attendance by schools. School's attendance at another 4 (36%) of the 11 meetings could not be validated because the recorded minutes did not document the attendees.

The absence of a significant portion of the governing body responsible for the administration and implementation of the local CSA program represents a material weaknesses in oversight and governance of the program, which may ultimately impede the intent of CSA to create a collaborative system of services that is contingent upon the participation of the member agencies to provide the expertise in their respective areas. Despite these challenges, the active participating members of the PPMT demonstrated a commitment to ensuring that access to services and funding were available to eligible youth and their families that is child centered, family focused, and community based.

Criteria: CSA code section COV § 2.2-5200 § 2.2-5205; § 2.2-5207.
PPMT By-laws Article III, Section I

Recommendation: The Petersburg Policy and Management Team in coordination with local government officials should ensure that a local government official (elected, appointed, or designee) and local agency heads (or designees) are active participants of the PPMT. The PPMT should report, in writing to the governing body, repeated instances of non-compliance by any of the member local government officials and agencies. The PPMT should also initiate a recruiting campaign to meet the requirements for a parent representative for both the PPMT and FAPT.

Client Comments: Concur. "City Manager has appointed the Finance Director as the local government representative effective August 2012. CPMT will solicit former/retired CPMT and FAPT members to serve as parent representatives. CPMT will contact the Petersburg Health Department to assign representative. CPMT will send letter to acting Petersburg City Public School Superintendent to assign required designee to CPMT."

Observation 2: Internal controls established by CSA statutes were not effectively implemented by the PPMT in order to safeguard against conflicts of interest and separation of duties pertaining to the referral of services and approval of access to CSA pool funds by eligible youth and their families. Two instances were observed that demonstrated that the established controls were not working as intended.

- First, Statement of Economic Interest Forms were not completed by PPMT and FAPT members that did not represent a public agency. In addition, the PPMT did not verify that team members representing public agencies that were required to file such forms complied with the requirement.
- Second, one member of the PPMT and two FAPT members served dual roles in the local CSA program structure. The CSB representative on the CPMT was also a CSB representative for one of the four FAPT teams. School and CSB representatives on the FAPT were also designated case managers. Interviews with staff confirmed that the school representative participated in the approval of the FAPT referred services and also provided the case management of the same.

The effectiveness of the controls to ensure accountability and appropriate use of CSA pool funds are significantly reduced, based on the increased opportunity for a single individual to engage in the referral, approval, and/or case management of CSA funded services.

Criteria: COV Sections: § 2.2-3100; § 2.2-3101; § 2.2-3117; § 2.2-5205; COV § 2.2-5207;

PPMT By-laws Article III, Section I
DOA Agency Risk Management and Internal Control Standards, Control
Activities

Recommendation: The PPMT should ensure that the Statement of Economic Interests Form is completed immediately for all non-public participating members of the PPMT and FAPT. Forms should be updated annually and retained in accordance with records retention procedures. In addition, the PPMT should identify public employees required to complete such forms and implement a process to confirm and document compliance with the requirement. Lastly, the PPMT should ensure that different people are assigned in roles representing PPMT, FAPT, and Case Managers as it provides greater accountability and control. Otherwise, individuals serving dual roles should be required to abstain from decision making involving cases for which they participated as a FAPT member (i.e. CPMT) or Case Manager (i.e. FAPT).

Client Comments: Concur. "CPMT will complete the economic interest form currently used by the City Government and will be notified by City Manager's office annually by January 15th to ensure form are completed."

"Petersburg City Public Schools case manager will no longer serve as a FAPT team member. They have assigned personnel from the Central Office Staff as the FAPT team representative. The CSB representative will serve only on CPMT and they have designated a CSB clinician to serve on the FAPT Team."

Observation 3: The PPMT has not documented a formal plan to substantiate coordination of long-range planning that includes an assessment of the current risks, strengths and needs of the existing system, as well as establishing and documenting measurable criteria for evaluating the effectiveness of the local CSA program. The ability and likelihood of the PPMT to adequately monitor and provide oversight of the local CSA program is an essential component of organizational governance. The absence of formal planning, coordination, and program evaluation to ensure that the goals and objectives of the program are met ultimately impacts the PPMT efforts to better serve the needs of youth and families in the community and to maximize the use of state and community resources.

Criteria: COV § 2.2-5206, Items 4, 6, and 13
CSA Manual 3.1.5 Duties and Responsibilities
Toolkit Coordinated Long Range Planning
DOA Agency Risk Management and Internal Control Standards, Control
Environment

Recommendation: As required by CSA statute, the PPMT should develop procedures for documenting long-range planning that ensures the development of resources and services needed by children and families in the Petersburg community. The process should include development of a formal risk assessment process and measurable criteria to be used for evaluating program effectiveness, including but not limited to: (1) 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, (2) preventing placements, and (3) reducing lengths of stay in residential programs for children who can appropriately and effectively be served in their home, relative's homes, family-like setting, or their community. The PPMT should consider consulting with the City of Petersburg's Risk Management Office for assistance in facilitating strategic planning and assessment discussions.

Client Comments: Concur. "CPMT will schedule a retreat/advance/work session to develop a strategic plan to establish long range goals to include an assessment of the current risks, strengths and needs of the existing system, as well as establishing and documenting measurable criteria for evaluating the effectiveness of the local CSA program. One CPMT meeting each year will be extended to review policy and procedures, job description and strategic planning."

Observation 4: Policies, procedures, and guidelines established by the PPMT are outdated and do not reflect current state requirements and local CSA practices and procedures, which leads to inconsistent application and enforcement of internal controls governing the activities of the local CSA program. The PPMT By-laws were established in 1993 and have not been updated in the 19 years since. The language of the By-laws is not consistent with the criteria established by the Comprehensive Services Act, which has changed in code section references. Additionally, the policies and procedures established by the PPMT have not been updated since December 1996. The PPMT has not developed and incorporated policies for providing intensive care coordination services for children who are at risk of entering or are placed in residential care through the CSA program in accordance with the criteria established by Code of Virginia Section 2.2-5206 item 17. Further, procedures regarding the collection of data for students with disabilities receiving congregate care education services or private day education services have not been documented as required by the joint memorandum issued October 29, 2010 by the Department of Education (DOE) and the Office of Comprehensive Services (OCS). Supplemental procedures for FAPT, purchasing, and records purging have been added over the years. However, those procedures do not evidence approval/adoption by the PPMT and have not been incorporated into the formal procedures, resulting in conflicting requirements.

Criteria: COV § 2.2-5206, Item 17
CSA Manual 3.1.5 Duties and Responsibilities
OCS/DOE Joint Memorandum Issued October 29, 2010: Reporting of Student Testing Identifier to CPMT for IEP Placements in Private Programs
DOA Agency Risk Management and Internal Control Standards, Control Activities

Recommendation: The PPMT should initiate an immediate review of the By-laws and policies and procedures, which should be revised as necessary to reflect current state and local CSA practices and requirements. The PPMT should also implement a process for managing procedure reviews to include, but not limited to: effective dates, evidence of periodic reviews, mandatory dates for updating procedures, and PPMT approval of adopted procedures.

Client Comments: Concur. "This will be included as a part of the retreat/advance/work session. One CPMT meeting each year will be extended to review policy and procedures, job description and strategic planning."

Observation 5: Opportunities exist for the PPMT to improve communication of the local CSA program's philosophy, ethics, goals, objectives, and performance outcomes. While the PPMT, FAPT, and Case Managers receive periodic updates regarding matters affecting the local CSA program, there is little evidence to support how youth, families and community stakeholders access this information or how the PPMT communicates its views on ethical behaviors of the representing agencies. The broader dissemination of information to all CSA stakeholders promotes consistency in awareness and understanding regarding accessibility to services, and also demonstrates high standards for sound fiscal accountability and responsible use of taxpayer funds.

Criteria: COV § 2.2-5200
CSA Manual Section 1, Items 4 through 6
CSA Manual Section 3.1.5.c, Toolkit Family Engagement Policy adopted by SEC
DOA Agency Risk Management and Internal Control Standards, Control Environment (Governance) and Control Activities (Monitoring)

Recommendation: The PPMT should implement a process to enhance communications with youth, families, and community stakeholders to promote the local CSA program and share information on accessing services, philosophy, ethics, goals, performance, etc. Actions to be considered that could be instituted immediately, if adopted, would include: (1) adopting the code of ethics established by the local governing body with reference made in the PPMT

By-laws and or policies and procedures and (2) creating a brochure/handout that can be placed in the FAPT waiting room on days when FAPT meetings are scheduled. The same brochure can be distributed to participating agencies for dissemination when referring families to FAPT for services.

Client Comments: Concur. "CPMT will develop a brochure for public dissemination. CPMT will sponsor community forums to educate the public and share information on how to access CSA services."

"CPMT will review with consideration of adopting the code of ethics established by local government. This can be addressed at the retreat/advance/work session."

"One CPMT meeting each year will be extended to review policy and procedures, job description and strategic planning."

Observation 6: The job description of the CSA Coordinator has not been updated since 2002 and no longer accurately reflects the requirements of the position. The PPMT and the CSA Coordinator have emphatically stressed that the duties, responsibilities, and expectations of this position have increased significantly. The CPMT is actively petitioning local government officials to rename the position as CSA Director and increase the financial compensation to be commensurate with other CSA Coordinators in the surrounding localities, which is significantly higher. During the course of the audit, it was confirmed that the CSA Coordinator duties were expanding. The addition of the expanded responsibilities without revision/update of the job description creates an environment where the lines of authority and responsibility eventually become blurred, undermining the integrity of the structure of the local CSA program in ensuring access to services and CSA pool funds.

Criteria: CSA Manual Section 2.2, Item 17 CSA Coordinator Job Description
DOA Agency Risk Management and Internal Control Standards, Control Environment, Workforce Competence

Recommendation: The PPMT and the CSA Coordinator were successful in obtaining approval for the job title change to CSA Director effective July 1, 2012. The PPMT and CSA Director should revise the current job description to accurately reflect the current duties, responsibilities and expectations of the CSA Director. A process should be implemented to perform periodic reviews to ensure that stated and actual responsibilities are consistent and that lines of authority and responsibility are clearly drawn.

Client Comments: Concur. "The job description will be updated at the retreat/advance/work session. One CPMT meeting each year will be extended to review policy and procedures, job description and strategic planning."

B) PROGRAM ACTIVITIES

Observation 7: Individual and Family Service Plans (IFSPs) are not developed according to the Code of Virginia requirements and the locally adopted policy, which establish as documentation criteria: (1) identification of short and long term goals, (2) time lines for period of service, (3) detailed information about the providers and costs of services, and (4) evidence of FAPT, case manager and parent collaboration. These criteria were not documented in the Petersburg CSA case file, partly due to the lack of the required data elements on the form used to document service planning approved by the FAPT. Also, current operating practices by the FAPT demonstrate significant reliance on service provider service plans to serve as the IFSP, which are not developed through interagency/multidisciplinary collaboration in accordance with statutory requirements.

Criteria: Code of Virginia Section 2.2-5209
CSA Manual 3.2.5 FAPT Duties and Responsibilities

Recommendation: PPMT should establish a policy for the development of IFSPs that is consistent with CSA statute and policy. The PPMT should ensure that local procedures are implemented per local policy and state requirements and conduct periodic reviews to ensure compliance. In addition, the PPMT should consider amending the forms used for FAPT meetings to document service plans to reflect all of the required service plan elements to be documented in the initial IFSP and subsequent changes as they are developed in FAPT. Adjusting working documents to reflect accurate IFSP development will increase internal controls for compliance.

Client Comments: Concur. "CPMT will work with OCS technical assistant to develop appropriate IFSP. FAPT Team members and FAPT case managers will be trained on the appropriate documentation of the IFSP."

"One CPMT meeting each year will be extended to review policy and procedures, job description and strategic planning."

Observation 8: Utilization Management and Utilization Review (UM/UR) policies and procedures established in 2004 have not been incorporated into the PPMT policy manual and updated to reflect all required elements such as the use of the CANS (Virginia Child and Adolescent Needs and Strengths

Assessment), frequency in which reviews will occur, data reporting and communication. As a result, current UM/UR practices do not track data, document progress or effectiveness, or document the specific service delivery dates or other required elements in support of the IFSP. Further, there is no process by which the results of UM/UR activities are communicated to the PPMT. This reduces the reliability and integrity of data and the effectiveness of monitoring activities in order to support the validity of the purchase and/or effectiveness of services received.

Criteria: 2011 Appropriations Act, Chapter 890, Item 274 § B. 3.
CSA Manual 8.1 and Toolkit “Utilization Management”
Local Policy “Petersburg Office of Comprehensive Services: Utilization Management Process”

Recommendation: The PPMT should initiate an immediate review of the UM/UR policies and procedures, which should be included in the comprehensive policy manual and revised as necessary to reflect current state requirements and local CSA practices and procedures. As FAPT is part of utilization review, the PPMT should consider amending the forms used for FAPT meetings to develop service plans to include all criteria for recording results of UR. The PPMT should establish a process for periodic reporting of the results of UM/UR to evaluate progress towards meeting the established performance measures identified during utilization management. Adjusting working documents to reflect measurable criteria in IFSP development will increase internal controls for compliance.

Client Comments: Concur. “A review and update of UM/UR policies and procedures will be conducted at the retreat/advance/work session.”

“The updated revisions of the UM/UR procedures will be included in the updated forms developed with the assistance of the OCS technical assistant.”

“One CPMT meeting each year will be extended to review policy and procedures, job description and strategic planning.”

C) FISCAL ACTIVITIES

Observation 9: Practices and procedures adopted by the PPMT for contracting and purchasing of services need strengthening to increase the operational effectiveness in terms of establishing clear lines of authority and responsibility, execution of transactions, and monitoring. Based upon the review of existing contracts and approved purchase orders, the following opportunities for improvement were observed:

- PPMT policies and procedures for purchase of services contain conflicting language regarding the preparation of purchase orders by caseworkers and the CSA Coordinator. As a result, purchase orders for foster children accessing CSA funds were not provided to and signed by the CSA coordinator or PPMT Fiscal Agent. The compensating control established by the Petersburg DSS was that the Accounting Office signature served as the Fiscal Agent. Such practices weaken the effectiveness of the monitoring capabilities of CSA related purchasing activities by CSA staff.
- Vendor contracts were signed by a non-government official serving as the PPMT Chair. The PPMT chair expressed concerns about a non-government official's explicit authority to encumber government funds. The Petersburg Department of Social Services serves as the PPMT Fiscal Agent and the designated member agency for the CSA operating budget. However, the Fiscal Agent's signature was not required for contracts.

Criteria: COV § 2.2-5205 ; Reference: CSA Manual Section 3.1.2.b Agency Representatives.
 PPMT Policy and Procedure Manual
 City of Petersburg, Agreement for Services Contract
 DOA Agency Risk Management and Internal Control Standards, Control Activities

Recommendation: The PPMT should consider revising current procedure and practice to clarify responsibility for preparation and notification of purchased services, and adding the PPMT Fiscal Agent signature as a requirement for contract agreements.

Client Comments: Concur. "The CSA Coordinator will review and sign off on each purchase order that encumbers CSA funds."

"The CPMT fiscal agent's signature will be added to the CSA Provider contract."

Observation 10: Adequate measures were not always consistently applied to ensure effective and efficient use of financial resources that could be used to offset the costs incurred for CSA pool funded services. Assessments of parental co-payments were not documented to evidence parental ability to share financial responsibility for costs associated with services provided to eligible youth, including non-educational services provided to youth meeting the special education mandate criteria. Further, the sliding fee scale referenced in the PPMT policies and procedures has not been revised

since 1993 when the scale was established. Under these conditions, the opportunity lost for collection of additional funds is significant and could materially impact the local program's ability to increase funding availability for services required to meet the needs of the community.

Criteria: COV § 2.2-5206 (3); COV § 2.2-5208 (6)
CSA Manual Section 3.1.5 Duties and Responsibilities
CSA Manual Section 4.5.4 Sliding Fee Scale
PPMT Policies and Procedures

Recommendation: The PPMT should review and revise (if appropriate) the sliding fee scale to ensure that income requirements and applicable co-pay fees are reflective of the current economic values. The procedure should also address the frequency for which the co-pay assessment should be revisited. In addition, the PPMT should ensure that the CSA Coordinator documents parental ability to pay supported by verification of stated income or certification stating indigent status. The amount assessed should be reported to the PPMT along with the request for approval for funding of FAPT referred services. Such documentation should be retained in the case file for the required records retention period.

Client Comments: Concur. "CPMT will update the current co-pay assessment process to document parental ability to pay supported by verification of stated income or certification stating indigent status."

"One CPMT meeting each year will be extended to review policy and procedures, job description and strategic planning."

Observation 11: Expenditures incurred for CSA funded services were not always properly categorized and/or recorded in the appropriate fiscal period. Approximately \$1200 in expenditures incurred as special education wrap-around services were improperly categorized as community based services. Transportation costs totaling \$600 incurred in fiscal year 2011 were recorded as fiscal year 2012 expenditures. While the values of the errors may not be material, accuracy errors potentially lessen the reliability and integrity of financial data used in the financial reporting of the CSA pool funds.

Criteria: CSA Manual Section 3.1.5, Duties and Responsibilities
CSA Manual Section 4.5.3, Disbursement Procedures, Toolkit
Disbursement Procedure Overview
DOA Agency Risk Management and Internal Control Standards, Control Activities

Recommendation: The PPMT and the CSA Coordinator should ensure that expenditures are recorded in the appropriate categories and in the appropriate period. Periodic reviews should be performed and results communicated to the PPMT, no less than annually, to validate the accuracy of the financial reporting of CSA related expenditures.

Client Comments: Concur. "On the data set to be submitted on October 15, 2012, the wraparound services will be correctly recorded as the Thomas Brothers system has been updated to include this category."

Observation 12: Expenditure reimbursements were requested and processed for payment of services where the requirements for compliance with state requirements and local policies and procedures were not met. Fiscal records reviewed indicated instances of procedural non-compliance and internal control weaknesses in reviews, approvals/authorizations, and documentation. Examples of the non-compliance and internal control weaknesses identified included:

- The placement of a foster child by a caseworker in a therapeutic residential facility was managed outside of the FAPT process. The CSA Coordinator and FAPT were never made aware of the placement. However, education services of \$1,475 were charged to CSA. The remaining costs were charged as Title IV-E funds, although costs for therapeutic services could have been charged to Medicaid.
- Documentation was not always maintained to validate appropriate use of CSA funds as follows:
 - Evidence of completed VEMAT assessments was not included in the case file to support the amounts recorded as enhanced maintenance payments.
 - An updated signed parental agreement had not been obtained upon its expiration date. The youth continued to receive services approximately 1 ½ months after the expiration period of the agreement.
 - Services were not always documented in the IFSP and/or IEP.
- Alternate funding should have been solicited for two transactions processed that should not have been paid using CSA pool funds. In the first instance, a cancellation fee of \$500 was paid to a vendor for services that were not rendered. In the second instance, \$75 was paid for respite care of three children that were the custody of the State of New York foster care system.

The issues identified further demonstrate opportunities to circumvent established policies and procedures that over time may further erode the

effectiveness of established controls and increase the likelihood for non-compliance with CSA statutes, policies and procedures and the potential denial of funds as a result.

Criteria: 2011 Appropriations Act, Chapter 890, Item 274, § B.1.e.
CSA Manual Section 2.1.3, Duties of the SEC Toolkit, Policies Regarding Denial of Funding to Local Governments (CPMTs) not in Compliance with Provisions of the Comprehensive Services Act for At-Risk Youth and Families (CSA)
COV § 2.2-5209
CSA Manual Section 3.1.5.b. Referrals to Family Assessment and Planning Teams
CSA Manual Section 3.2.6. Access to Pool Funds from Community Policy & Management Teams
CSA Manual Section 3.5, Records Management Toolkit, CSA Documentation Inventory
CSA Manual Section 4.5.8, Fund Audit

Recommendation: The PPMT should request from responsible agencies the reimbursement of \$2,050 in CSA pool funds for the payments charged to CSA that were not referred and approved by FAPT and for services provided where alternate funding sources should have been utilized. The CSA Coordinator should utilize the CSA Documentation Inventory Checklist to ensure that required documents are maintained in the case file to substantiate the appropriateness of the use of pool funds.

Client Comments: Concur. “CPMT will conduct periodic training and monitoring for FAPT case managers to ensure compliance with CSA policy and procedures regarding utilization of CSA funds.”

“The recommendation for reimbursement of CSA pool funds will be addressed by CPMT resolution utilizing the CSA Documentation Inventory Checklist to ensure that required documents are maintained in the case file to substantiate the appropriateness of the use of pool funds.”

CONCLUSION

Our audit concluded that there were material weaknesses in internal controls over the City of Petersburg's CSA program, particularly in reference to governance and accountability of the \$3.3 million of allocated (state and local) funding. Conditions were identified pertaining to the current management structure, operating, and fiscal practices of the locally administered program that could adversely impact the effectiveness and efficient use of resources, as well as non-compliance with statutory requirements. An exit conference was conducted on September 28, 2012 to present the audit results to the Petersburg Policy and Management Team. Persons in attendance representing the Petersburg Policy and Management Team were: William Johnson, Petersburg City Manager; Warren Bull, Specialized Youth Services/PPMT Chair; Kimberly Willis-Miles, Director, Petersburg Department of Social Services/PPMT Fiscal Agent; Irving Carter, Jr., Petersburg Finance Director; Jimmy Frederick, Intern; and Jacqueline Zemmitt, CSA Director. Representing the Office of Comprehensive Services were: Stephanie Bacote, Program Auditor; Ty Parr, Program Auditor; and Stacie Fisher, Program Consultant.

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

REPORT DISTRIBUTION

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Office of Comprehensive Services

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City of Petersburg

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Specialized Youth Services

Mrs. Kimberly Willis-Miles, CPMT Fiscal Agent
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