

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

***Caroline County
Self-Assessment Validation***

Final Audit Report No. 17-2022

May 10, 2022



Office of Children's Services
Empowering communities to serve youth

Report Disclaimer

Due to the COVID-19 pandemic, onsite visits to validate management's conclusions have been suspended until further notice. In lieu of onsite visits, self-assessment validation activities were conducted remotely.



COMMONWEALTH of VIRGINIA

Scott Reiser, M.S.
Executive Director

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

May 10, 2022

Alan Partin, CPMT Chair
Caroline County
PO Box 447
Bowling Green, VA 22427

RE: Caroline County CSA Program Self-Assessment Validation
Final Report, File No. 17-2022

Dear Mr. Partin,

In accordance with the Office of Children's Services (OCS) Audit Plan for Fiscal Year 2022, the Caroline 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. Based on the review and examination of the self-assessment workbook and supporting documentation provided by the Caroline County CSA program completed February 1, 2022 and covering the period November 1, 2020 through October 31, 2021, our independent validation:

Concurs Partially Concurs Does Not Concur

with the conclusion reported by the Caroline County 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 Caroline County CSA Program. The explanations for our assessment results are as follows:

The Caroline County CPMT concluded that there were only non-significant compliance and/or internal control weakness observations noted. A summary of non-compliance and/or internal control weaknesses reported by the CPMT are included as Attachment A to this report. However, validation procedures identified a deficiency indicating non-compliance in the local CSA program not identified by the CPMT. 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 are detailed on page 2.

SIGNIFICANT NON-COMPLIANCE OBSERVATION

As a result of a recent Title IV-E (T4E) compliance review conducted by the Virginia Department of Social Services (VDSS) and related corrective actions taken, ineligible T4E payments were adjusted and improperly shifted to CSA. The improper adjustments were confirmed in CSA refund reports for FY 2021. In two cases, the VDSS IV-E reviewer disallowed cost for the following reasons:

- an annual judicial review was not conducted timely, and
- best interest and/or reasonable efforts language did not align with current permanency goals.

The payments were not in accordance with policies referenced in the *VDSS Child and Family Services Manual, Section I Title IV-E Foster Care*. The total questioned cost equals \$14,907.56 of which \$8,743.28 represents the state share.

Code of Virginia (COV) §2.2-5206 directs the CPMT to “establish quality assurance and accountability procedures for program utilization and funds management.” Further, OCS Administrative Memo #12-06 dated June 13, 2012 Title IV-E Adjustments informed CPMTs and Fiscal Agents that errors identified through VDSS IV-E reviews for not conducting court reviews timely were not eligible for CSA reimbursements. However, the expenditure adjustments were processed as CSA-funded expenditures. See the table below for details.

Improper Expenditures – Adjusted T4E Errors				
Client	Service Name	Period of Service	Total Expenditures	State Share
A	Foster Care Maintenance	7/1/2020 – 2/28/2021	\$10,797.83	\$6,332.93
B	Foster Care Maintenance	7/1/2020 – 2/28/2021	\$4,109.37	\$2,410.36
Total			\$14,907.56	\$8,743.28

RECOMMENDATIONS

1. Prior to authorizing funding, the CPMT should ensure that the proposed expenditure meets the criteria for CSA funding i.e., meeting all federal and state requirements. Documented verification that Title IV-E errors are eligible for CSA funding should be maintained as justification for CPMT funding decisions.
2. CPMT quality assurance procedures and practices should include a review of Title IV-E Compliance Reports to ensure disallowed expenditures are not shifted improperly to CSA.
3. CPMT should establish and implement policies to address the review and authorization of expenditure adjustments from other funding sources to CSA pool funds.
4. 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 based on SEC-approved policy 4.7 Response to Audit Findings of whether the identified actions are acceptable or any additional actions that may be required.

CLIENT COMMENT

“CPMT will establish and implement procedures to review adjustments from IV-E. We request that OCS suggest a comparable review process for proper use of funds in Special Education cases which currently uses 82% of our annual budget. We do not agree that CSA should not cover the questioned costs in this audit. This observation was based on an Administrative Memo from 2012 that has not been incorporated into OCS policy and was not accessible on the OCS website.”

The Office of Children’s Services respectfully requests that you submit a quality improvement plan (QIP) to address the observation outlined in this report no later than 30 days from receipt of this report. We ask that you notify this office as QIP tasks identified to address significant observations 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 Caroline County Community Policy and Management Team and CSA staff and partners 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 Wendy Sneed, Social Services Director during our review. Ms. Sneed’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,



Annette E. Larkin, MBA
Program Auditor



Stephanie S. Bacote, CIGA
Program Audit Manager

cc: Scott Reiner, Executive Director
Charles M. Culley Jr., County Administrator
Anne Tyree, CPMT Fiscal Agent
Wendy Sneed, DSS Director
Dayna Kirby, CSA Coordinator

Attachment



CSA Self-Assessment Validation
Caroline County CSA Program Audit- SAV
Summary of Self-Reported Non-Compliance and/or (Non-significant) Internal Control Weakness

Observations	Criteria	Prior Audit Repeat Observation	Quality Improvement Plan Submitted	Quality Improvement Plan Action Date/Status
Caroline County CSA Program will continue to expect IFSPs to identify the specific services to be purchased and have behaviorally specific measurable outcomes.	SEC Policy Manual and CSA User Guide Policy Manual, Section 3.5	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	03/31/2022 Completed