



COMMONWEALTH of VIRGINIA

Scott Reiner, M.S.
Executive Director

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

September 4, 2018

Mr. James Weber, CPMT Chair
Craig County CSA Program
POB 330
New Castle, VA 24127

RE: Craig County Children's Services Act (CSA) Program Audit Self-Assessment Validation,
File No. 35-2018

Dear Mr. Weber,

In accordance with the Office of Children's Service's (OCS) Audit Plan for Fiscal Year 2018, the Craig County Community Policy and Management Team (CPMT) has completed and submitted the results of the self-assessment audit of your local CSA Program. An on-site visit was scheduled and conducted by OCS Program Auditors on June 26, 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 Craig County CSA program, our independent validation:

Concur

Partially Concur

Does Not Concur

with the conclusion reported by the Craig County CPMT that no significant observations of non-compliance and/or internal control weaknesses were identified in the design or operation of the processes or services conducted on behalf of Craig County CSA. The explanation for our assessment results are as follows:

The Craig County CPMT concluded that there were 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 Craig County CSA Program are detailed on page two (2).

SIGNIFICANT NON-COMPLIANCE and REPEAT OBSERVATIONS

1. Formal performance measures and utilization management practices and procedures to assess overall program effectiveness have not been established in accordance with COV § [2.2-5206](#), items 6 and 13. CPMT monthly meeting minutes and accompanying reports did not evidence utilization management/utilization review (UM/UR) activities to include:
 - A. review of local and statewide data provided in the management reports on the number of children served, children placed out of state, demographics, types of services provided, duration of services, service expenditures, child and family outcomes, and performance measures.
 - B. 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, preventing placements, and reducing lengths of stay in residential programs for children who can appropriately and effectively be served in their home, relatives homes, family-like setting, or their community.

This observation was also reported in the prior audit of the Craig County CSA Program dated June 11, 2013.

2. The Craig County CSA Program was reimbursed \$2,982 (state share) in FY 2018 for expenditures incurred that did not meet compliance requirements of CSA. A comprehensive Child and Adolescent Needs and Strengths (CANS) assessment is required initially, annually, and upon discharge of CSA funded services. The data collected is used to inform decision-making regarding the appropriateness of services recommended. However, the annual CANS due December 2016 was not completed timely for one client record examined. There was a lapse of two years between completed comprehensive assessments (December 2015 – December 2017). Reassessments were completed during the two-year lapse. The last reassessment was dated June 2016. Allowing for substitution of the reassessment version, an annual CANS assessment would have been due June 2017 but was not completed until December 2017 (5-month lapse). Use of state pool funds under these circumstances constitutes non-compliance with CSA statutory requirements governing collection of data. Criteria: COV § [2.2-2648](#) Item 16, [§ 2.2-2649](#) Item 12, [§ 2.2-5212](#), and [CANS Frequency of Administration - Updated 2013](#)

SERVICE DESCRIPTION	FY 2018	TOTAL COST**
Foster Care Maintenance	July 17 – Nov 17	\$4,200
State Share		\$2,982

**Figures based on reports of client payment history and invoices.

RECOMMENDATIONS

1. The Craig County CPMT should immediately initiate and going forward periodically review and analyze OCS financial and performance reports as required by CSA statute to demonstrate compliance. Management reports are available on the CSA website in the tab labeled “Statistics and Publications”. See links below:
 - A. <http://www.csa.virginia.gov/OCSDData/ReportsPublications>
 - B. [State & Local CSA Performance Measures \(Excel Application\)](#)
 - C. [CSA Utilization Reports](#)

RECOMMENDATIONS CONTINUED

2. The Craig County CPMT should consider adding utilization management as a standing agenda item for their regularly scheduled CPMT meetings. The recorded minutes of the CPMT meeting should reflect a summary of CPMT's discussions and actions to be taken, if any. A copy of reports reviewed should be retained with the minutes.
3. Prior to approving expenditures for payment, the CSA Office should ensure that the proposed expenditure meets the criteria for CSA funding. The FAPT and CSA Coordinator should ensure that comprehensive CANS assessments are completed annually in accordance with established requirements.
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 of whether the identified actions are acceptable or any additional actions that may be required.

CLIENT COMMENTS

"We have had UM/UR as a standing item on our CPMT agenda for quite a while; however, I understand that the issue was the need to examine a wide range of factors and to compare the data we find with that of other localities. Without researching minutes I can recall that we used this time on the agenda to discuss some items such the functionality of our IFSP forms and how well this captured information for the UR process."

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 Craig County CPMT 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 Kelie Smith, CSA Coordinator during our on-site visit. Ms. Smith'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,



Stephanie S. Bacote, CIGA
Program Audit Manager

cc: Scott Reiner, Executive Director
Dan Collins, Craig County Administrator
and CPMT Fiscal Agent
Kelie Smith, CSA Coordinator
SEC Finance and Audit Committee