



COMMONWEALTH of VIRGINIA

Scott Reiner, M.S.
Interim Executive Director

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

September 29, 2016

Kathy Johnson, CPMT Chair
Bristol City Department of Social Services
621 Washington St
Bristol, VA 24201-4644

RE: Highland Interagency Consortium CSA Program Self-Assessment Validation, File No. 23-2014

Dear Ms. Johnson,

In accordance with the Office of Children's Services (OCS) Audit Plan for Fiscal Years 2013-2015, the Highland Interagency Consortium 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 by the established due date of November 30, 2013. An on-site visit was scheduled and conducted by OCS Program Auditors on November 19-20, 2015 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 Highland Interagency Consortium CSA program, our independent validation:

Concurs Partially Concurs Does Not Concur

with the conclusion reported by the Highland Interagency Consortium 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 Highland Interagency Consortium CSA program. The explanation for our assessment results are as follows:

The Highland Interagency Consortium Community Policy and Management Team concluded that there were no significant non-compliance and/or internal control weakness observations noted. However, validation procedures of the locally prepared CSA Self-Assessment Workbook identified major deficiencies¹ indicating non-compliance and internal control weaknesses 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. An adequate system of internal controls is contingent upon consistent and proper application of established policies and procedures affecting CSA funded activities, as well as monitoring oversight by the governing authority to ensure that the program is operating accordingly. Such breakdowns in an organization's

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.

internal control structure are considered significant. Specifics pertaining to the Highland Interagency Consortium CSA Program are detailed below.

SIGNIFICANT NON-COMPLIANCE AND INTERNAL CONTROL WEAKNESSES 1		
<p>Documentation of service planning activities requires strengthening to ensure compliance with program requirements. Nine (9) of forty-six case files (20%) reviewed by Highland Interagency Consortium were examined to confirm that required documentation was maintained in support of and to validate Family Assessment and Planning Team (FAPT) and/or multi-disciplinary team (MDT) referral and CPMT funding decisions. The results of the examination, identified opportunities for improvements. Eight (8) of the nine (9) client case files reviewed omitted documentation to demonstrate compliance with CSA requirements key to coordination and service planning by FAPT. Data omitted from the case files reviewed are included in the table below:</p>		
Description	# of Cases	Error Rate
Client and family strengths	5	56%
Individual Family Service Plan (IFSP)	1	11%
Measurable goals/ objectives and client needs	1	11%
Evidence of parental participation and consent to service planning activities	1	11%
Certificate of Need (CON)	1	11%
30 day Intensive Care Coordination (ICC) assessment plan	1	11%
Treatment plan(s) and progress notes for ICC services	2	40%
<p>Insufficient data collection and poor document management in service planning may affect efficiency and effectiveness of the local program. Further, this condition fosters an environment that makes the program more susceptible to potential loss of accessibility to State funding in support of local programs as a result of non-compliance with CSA statutes regarding service planning and access to pool funds.</p>		
<p>CRITERIA: COV Section §2.2-5209; §2.2-5208 and CSA Manual 3.5 Records Management; §2.2-2648(D)(20).</p>		
RECOMMENDATION:	<ul style="list-style-type: none"> • The CPMT and FAPT should perform periodic case reviews to establish quality controls of client records and compliance with CSA policy in order to ensure that all required documentation is maintained to attest to the service planning activities and funds expended. • The CPMT should ensure that the required data elements to evident services planning are included on the IFSP, such as child and family’s strengths and needs and parental consent to the services plan. 	
CLIENT COMMENT	<p>See attachment for client comment.</p>	

SIGNIFICANT NON-COMPLIANCE AND INTERNAL CONTROL WEAKNESSES 2

Expenditure reimbursements were requested and processed for payment of services where the requirement for compliance with State CSA policies and procedures were not met. To access CSA state pool funds, an IFSP must be developed for youths and families and an Individualized Education Program (IEP) must require the student to be placed in an approved private day school or residential program for educational purposes.

- The Code of Virginia and State Executive Council (SEC) policy state that the FAPT or approved MDT is responsible for assessing the child and family strengths and needs and recommending services to address their needs and documenting the services on the IFSP. One of the nine cases examined did not have an IFSP. The associated questioned cost is shown in the table below.
- The placement decision in the IEP of two special education cases reviewed was public day school (separate school facility). The Highland Consortium CSA Program accessed CSA pool funds for private day special education inappropriately. Special education costs incurred in a public school setting are the responsibility of the local school division under the federal requirement of Free Appropriate Public Education (FAPE). The table below documents these exceptions and the associated questioned cost.

Client ID	Error	State Share
BR 13042	No IFSP	\$864.60
WA 13003	SPED Services in a Public School Setting	\$13,314.86
WA 13038	SPED Services in a Public School Setting	\$ 1,189.53
Total		\$14,504.39

The CSA Coordinator advised the OCS auditor that the CPMT consulted with OCS regarding the appropriateness of using pool funds for the separate public day facility. The Coordinator stated that the former OCS Executive Director informed them that this was not an appropriate uses of CSA state pool funds thus, the CPMT discontinued this practice and local school division are covering these cost and/or utilizing other funding sources where appropriate

CRITERIA: § 2.2-5212. Eligibility for state pool of funds. § 2.2-5211.D State pool of funds for community policy and management teams. 2 § 2.2-5208 Family assessment and planning team; powers and duties

RECOMMENDATION:

- The CPMT ensure all CSA requirements are met prior to accessing state pool funds.
- CPMT should submit a quality improvement plan, for review by the OCS Finance Office, to address whether the funds will be 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:

See attachment for client comment.

SIGNIFICANT NON-COMPLIANCE AND INTERNAL CONTROL WEAKNESSES 3	
<p>The CPMT has not documented a formal plan to substantiate coordination of long-range planning. While the CPMT has formally adopted guiding principles; formal goals have not been established. The ability of the CPMT 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 CPMT efforts to better serve the needs of youth and families in the community and to maximize the use of state and community resources.</p>	
<p>CRITERIA: COV § 2.2-5206, Items 4, 6, and 13, Highland Interagency Consortium Service Philosophy and Guiding Principles; COV DOA Agency Risk Management and Internal Control Standards, Control Environment, Risk Assessment, and Control Activities</p>	
RECOMMENDATION:	<p>As required by CSA statute the Highland Interagency Consortium should develop, document, and implement a long range plan to guide the locally administered CSA program. The process should include development of formal risk assessment process and measurable criteria to be used for evaluating program accountability and effectiveness.</p>
CLIENT COMMENT:	<p>See attachment for client comment.</p>

The CPMT has submitted a complete and satisfactory quality improvement plan addressing all observations which included tasks, responsible parties, and target completion dates. OCS Program Auditors conducted a follow-up of the quality improvement plan and determined that tasks identified have been implemented.

We would like to thank the Highland Interagency Consortium Community Policy and Management Team 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 Andre Richmond, CSA Coordinator during our on-site visit. Mr. Richmond's efforts enabled the audit staff to quickly 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
 Program Auditor

- cc: Scott Reiner, Interim Executive Director
 Tabitha Crowder, Bristol City Manager
 Jason Berry, Washington County Administrator
 Allen Anderson, Fiscal Agent
 Andre Richmond, CSA Coordinator
 Stephanie S. Bacote, Audit Manager
 SEC Finance and Audit Committee

HIGHLANDS INTERAGENCY CONSORTIUM QUALITY IMPROVEMENT PLAN

September 14, 2016

Weakness Area I: Documentation of Service Planning Activities

The self-assessment and subsequent validation process has provided clarity into the program requirements in this area. We are in the final stages of revising our documentation instruments into a format that more clearly and explicitly identifies client and family strengths, consolidates evidence of participation of the family and FAPT members. The information and expectations for documentation of ICC activities gained from this review will be transferred into practice as follows: require monthly submission (to the CSA record) of ICC program documentation prior to payment of service invoices – the CSA Coordinator will work with the CSB Program Director (of ICC) to develop and implement an effective process; documentation will be submitted along with monthly invoice. Also, the local practice regarding Community Respite will be corrected to comply with CSA requirements – require completion of an IFSP and documentation of FAPT participation; CPMT participation is already in effect and documented by action upon new purchase orders. The CPMT commissioned a standing committee to perform periodic case reviews and issue a report of results and recommended actions thereafter.

Weakness Area II: Expenditure Reimbursements for Non-Compliant Services

We've identified the problem regarding the case with no IFSP as it lies with a previous practice for community respite services. As mentioned above, this practice will be corrected and administered in compliance with CSA requirements going forward; our local policy (re: Community Respite) will be reviewed to ensure that it properly supports and aligns with CSA standards.

With regard to the two SPED cases:

- We've maintained 100% compliance with this standard from our point of knowledge of our inappropriate use of CSA funds.
- We implemented an alternative funding process to avoid service disruptions.
- As noted in the validation report, (in September 2013) we worked closely with the previous OCS Director, OCS staff, and the Department of Education (Pat Haynes) to investigate and ultimately ameliorate this issue as soon as a final determination of its appropriateness was arrived upon. At that time, we were advised to submit a plan to OCS (which we did verbally) outlining our actions to discontinue use of CSA funds; this plan was to use alternative funding sources to avoid service disruption of existing cases and to use a combination of school system funds and/or public funding to purchase services going forward. We continue to follow this plan of action without exception.

Weakness Area III: No Formal Document to Indicate Long-Range Planning

Though we have the basis for long-range planning within our current policy, we did not have a formal stand-alone document that outlines our long-range plan for the community. The CSA Coordinator is in the process of drafting such a document to present at the next CPMT meeting (9-14-16) for action. This document was reviewed and accepted by the CPMT on 9-14-16.

APPROVAL AND AUTHORITY TO PROCEED

We approve the plan as described above, and authorize the recommended actions to proceed.

Name	Title	Date
Kathy M. Johnson	CPMT, Chairwoman	9/29/16