

***CHILDREN'S SERVICES ACT***

***PROGRAM AUDIT***

***Greenville-Emporia***

***Audit Report No. 10-2015***

**September 29, 2016**



**Office of Children's Services**  
Empowering communities to serve youth

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## EXECUTIVE SUMMARY

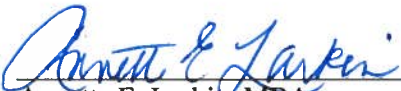
The Office of Children's Services has completed an audit of the Greenville-Emporia Children's Services Act (CSA) program. The Greenville-Emporia CSA program provided services and/or funding for 29 and 22 at-risk youth and families in fiscal year 2015 and 2016 respectively. The audit included review and evaluation of management oversight, operational and fiscal practices. Greenville-Emporia Community Policy Management Team (CPMT) demonstrated that efforts were made to ensure that services were provided to eligible youth and families. In fiscal year 2015 (FY15), 100% of foster care children Greenville-Emporia were in a family based placement. This is 18% above the state target and 15% above Greenville-Emporia's locally established target.

However, there are additional opportunities to effect quality improvement in other areas of the CSA program. The audit concluded that there were major deficiencies<sup>1</sup> in compliance and internal controls particularly in reference to operational and governance practices and fiscal activities. 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:

- Expenditure reimbursements were requested and processed for payment of services where the requirements for compliance with State CSA policies and procedures were not met, resulting in questioned cost of \$10,620 of which \$8,213.51 represents the state share.
- Documentation of service planning activities requires strengthening to ensure compliance with program requirements. Five 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. Omissions from client case files included child/family strengths, measurable goals and objectives, child and adolescent needs and strength assessments (CANS), consent to exchange information, and the Virginia Enhanced Maintenance Assessment Tool (VEMAT). Two or more exceptions were identified in each of the cases examined.
- The composition of members serving on Greenville-Emporia CMPT and FAPT does not meet the membership requirements established by CSA statute and local policy. The Health Department is not represented on either team due to staffing levels within the department and a parent representative has not been appointed to serve on the CPMT.

The Office of Children's Services appreciates the cooperation and assistance provided on behalf of the CPMT and other CSA staff. Formal responses from the CPMT to the reported audit observations are included in the body of the full report.

  
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Program Audit Manager

  
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Program Auditor

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<sup>1</sup> 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.

## INTRODUCTION

The Office of Children's Services has completed a financial/compliance audit of the Greensville – Emporia Children's Services Act 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 September 28, 2016 and covered the period March 1, 2015 through February 29, 2016.

The objectives of the audit were:

- 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 the local CSA program.
- To assess the level of coordination among local government CSA stakeholders and efforts to improve CSA performance by evaluating the local CSA program's operational and utilization review practices.

The scope of the audit included youth and their families who received CSA funded services during the last four months of FY15 and the first eight months of FY16. 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.

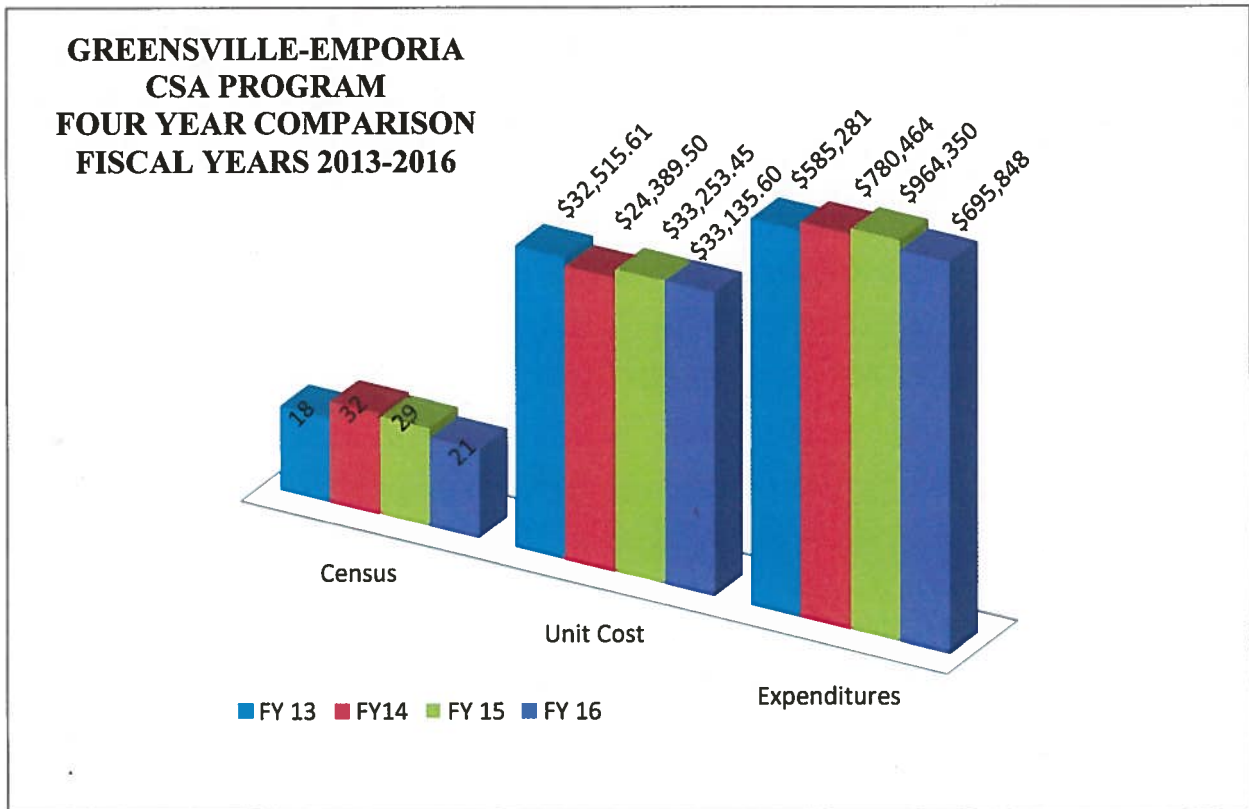
## BACKGROUND

Greenville County was established in 1781 from Brunswick County, in Southside Virginia. According to the US Census Bureau, State and County Quick Facts report, the estimated population in 2015 was 11,885 and the median household income from 2010-2014 was \$38,933.

In 1887, two towns in Greenville County merged (Hicksford and Belfield) to form the town of Emporia which later became an independent city in 1967 by an act of the General Assembly. According to the US Census Bureau, State and County Quick Facts report, the estimated population in 2015 for Emporia was 5,496 and the median household income from 2010-2014 was \$30,240.

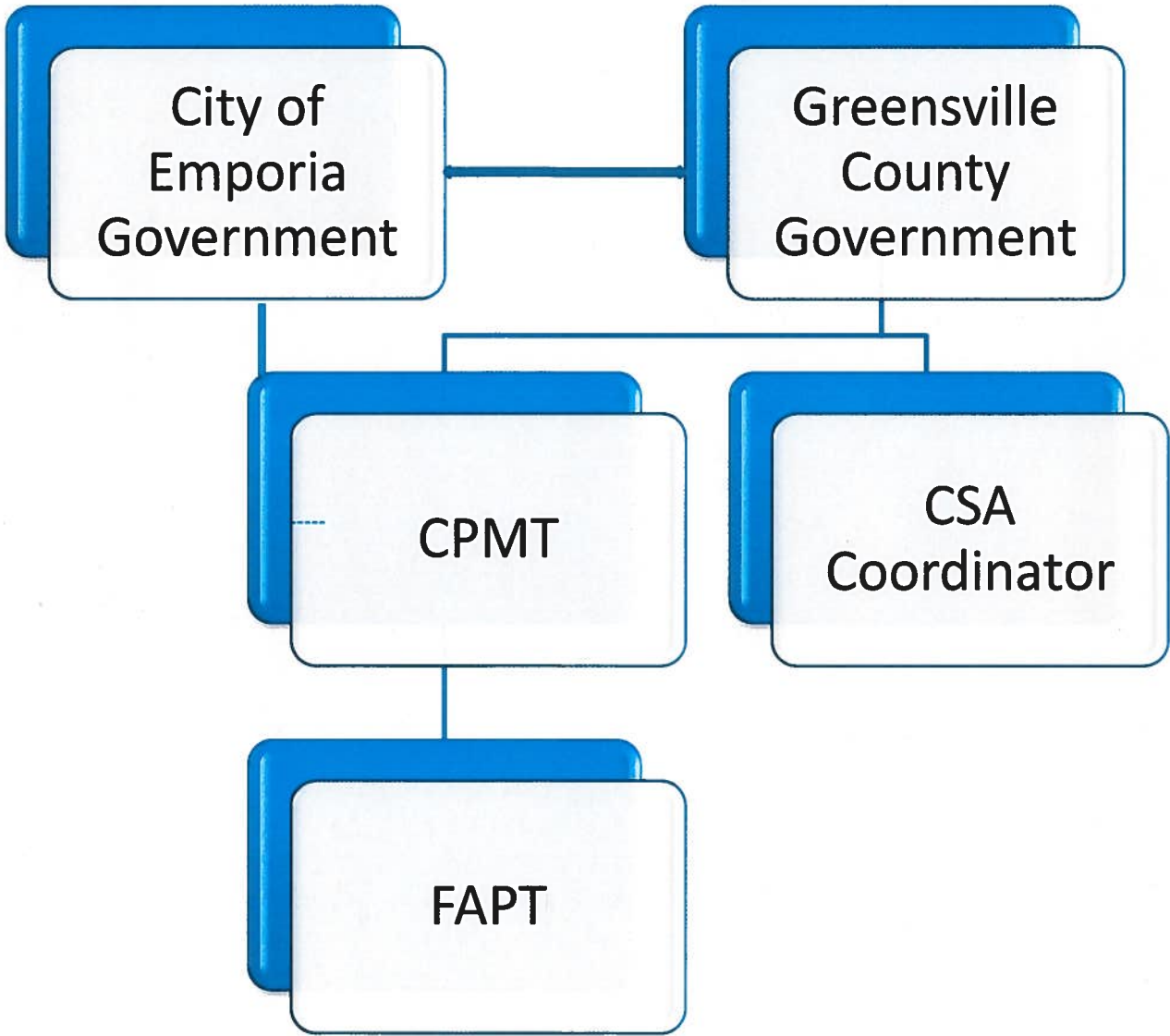
The Children’s Services Act (CSA) is a law enacted in 1993 that establishes a single state pool of funds to purchase services for at-risk youth and their families. Greenville-Emporia net CSA expenditures for FY15 totaled \$964,350, which was used to provide services to 29 at-risk youth and families. Based on reported figures for FY15, the average per capita cost for CSA was \$55.48.

An analysis of Greenville-Emporia CSA’s FY16 overall expenditures and the number of children served indicates a decrease of 39% and 38% respectively, compared to FY15. The cost per child (unit cost) remained unchanged compared to FY 15.



CSA state funds, combined with local community funds, are managed by a local interagency team, referred to as the Community Policy and Management Team (CPMT) which plans and oversees services to youth. Greenville-Emporia CPMT was established to comply with this statute. The CPMT is supported in this initiative administratively by a CSA Coordinator and a Family Assessment and Planning Team (FAPT) responsible for recommending appropriate services to at risk children and families. The local management structure for the Greenville-Emporia CPMT is as follows:

**Greenville-Emporia CSA Organizational Structure**



## OBSERVATIONS AND RECOMMENDATIONS

### A) FISCAL ACTIVITIES

**Observation #1:**

**Criteria:**

**Compliance and Internal Control**

Expenditure reimbursements were requested and processed for payment of services where the requirement for compliance with State CSA policies and procedures were not met.

- In order to be eligible for funding for services through the state pool of funds, a youth, or family with a child, per the Code of Virginia § 2.2-5212 requires eligibility determination to include the use of a uniform assessment instrument and process by policies of the Community Policy and Management Team (CPMT) to have access to these funds. The Child and Adolescent Needs and Strengths (CANS) Assessment is the approved uniform assessment instrument per CSA policy adopted in 2009. In two (2) of the five (5) cases tested a current CANS Assessment had not been completed. The associated questioned cost is shown in the table below.
- The Virginia Department of Social Services (VDSS) Foster Care Manual requires that the Virginia Enhanced Maintenance Assessment Tool (VEMAT) must be administered within 60 days of a child coming into care to receive payments above the basic maintenance rate for children in foster care for the purpose of meeting the child’s need for additional support and supervision. During this 60-day window, an emergency rate of \$1,120 is allowable. A valid VEMAT was not completed for one case tested because a trained rater was not available in Greenville-Emporia to administer the assessment tool. The emergency rate of \$1,120 was reimbursed through CSA pool funds beyond the 60-day requirement. VDSS policy states that CSA funds shall not be accessed to pay enhanced maintenance when the VEMAT has not been used; the local department must use local only funds for payments. The associated questioned cost is shown in the table below.

Client ID	Description	Questioned Cost State Share
9081	No valid CANS between 6/10/15-8/26/15	\$255.22
1361	No valid CANS between 12/16/15 -1/27/16	\$2,761.04
8823	No valid VEMAT after 60 day requirement Oct 2014 – March 2015	\$5,197.25
<b>Total</b>		<b>\$8,213.51</b>

**Recommendations:**

- The CPMT should ensure that all requirements for compliance with State CSA policies and procedures are met prior to accessing CSA pool funds.
- The CPMT and FAPT should ensure CANS assessments (initial, re-assessment and discharge in accordance with Greenville-Emporia Utilization Review Policy) are completed in CANVaS and maintained in the client record.

- The CPMT should adhere to VDSS polices regarding the funding of enhanced maintenance in the absence of a valid VEMAT assessment. VDSS policy encourages Local Department of Social Services (LDSS) to train as many qualified individuals to serve as VEMAT raters and/or share raters across jurisdiction so that access to a qualified rater is not a hindrance to completing the VEMAT. As of March 2015, the LDSS had a trained VEMAT rater on staff to complete the VEMAT assessment.
- The Greenville-Emporia 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:

“CPMT Chairman, FWH:

Comments on occurrence and the EGCPMT Quality Improvement Plan.

There are two separate issues regarding this discussion point that EGCPMT has addressed.

Regarding the absence of CANS, both of these cases were part of the caseload of a part time worker in the Greenville Public Schools. In Case 9081, the subject did not receive summer program services during the period of absence of a valid CANS. In Case 1361, no services were provided during the Christmas period for this subject. It is acknowledged that this does not eliminate the need for a continuous, ongoing valid CANS assessment. Accordingly, the EGCPMT Coordinator has worked with the GPS system to have additional CANS raters identified and certified to serve as backups. She has also altered the timing of the CSA program’s alert system to trigger earlier notification and discussion of coming due dates to allow for more time between notification and due date of the CANS reassessment. This has been well received and seems to have led to a more orderly process.

Regarding the absence of valid VEMAT assessments, the Emporia Greenville Social Services Department has undergone a great deal of turnover and is currently under the direction of the 5<sup>th</sup> Director in the last seven years. (Two were interim Directors.) There has also been a significant turnover in staff throughout the agency. When this issue was brought to light by the EGCSA Coordinator, the DSS Director moved to address the situation but there was a time lag in correcting the deficiency. Appropriate steps have been taken and this is no longer an issue within the agency.

Accordingly, whereas the above referenced conditions are fully acknowledged by EGCPMT, and whereas the issues have been quickly and successfully addressed by the EGCPMT and Coordinator at their direction, even before identification by the OCS auditor (the auditor acknowledges in her note that the local DSS has a trained staff able to complete VEMATs as of March, 2016,) it is respectfully requested that consideration be given to the information discussed above and that a waiver of repayment for the costs in error be considered by OCS. EGCPMT has commended the Coordinator for her quick identification of these issues and the School Superintendent and DSS Director for their quick actions in addressing the identified problems.”



**B) PROGRAM ACTIVITIES**

**Observation #2:**

**Criteria:**

**Compliance and Internal Control**

Documentation of service planning activities requires strengthening to ensure compliance with program requirements. Five (5) case files, representing 29% of the local client records for the second quarter of FY 16, 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 depicted in the table below.

Description	# of Cases	Error Rate
Consent to Exchange Information	4/5	80%
Child and family strengths documented on Individual Family Service Plan (IFSP)	3/5	60%
Measurable goals and objectives with established targets and discharge planning documented on the IFSP	3/5	60%
Child and Adolescent Needs and Strengths (CANS) Assessment (reassessments)	2/5	40%
Valid Virginia Enhanced Maintenance Assessment Tool (VEMAT)	1/5	20%

Insufficient data collection and poor document management in service planning may lead to increased operational and fiscal inefficiency and ineffectiveness 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.

**Recommendations:**

- The CPMT and FAPT should perform periodic case reviews to establish quality controls for 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 and the FAPT should adhere to state and local policy in obtaining parental consent to exchange information.
- The CPMT and the FAPT should ensure that IFSPs contain measurable goals and objectives with stated target dates for completion, and evidence discharge planning.
- The CPMT and the FAPT should ensure CANS assessments (initial, re-assessment and discharge in accordance with Greenville-Emporia Utilization Review Policy) are completed in CANVaS and maintained in the client record.

- The CPMT and CSA fiscal staff should ensure that expenditure payments for enhanced maintenance do not exceed amounts allowable per VDSS policy.

#### Client Comment:

“EGCPMT Chairman, FWH:

- Recommendation 1 re: periodic case reviews. The EGCPMT Coordinator routinely reviews all cases to ensure all documentation required has been completed.
- Recommendation 2 re: release of information. This is routinely done. On the school cases (#1361 and #9081) there were signed releases in the file. The GCPS worker left blank the line for “Date consent expires.” The auditor recommended a change to the form specifying for this line “until case closes to CSA or parent revokes authorization in writing.” The form has been updated and the form for those two cases has been updated by the school worker. On the DSS cases (#8823, #0138 and #8843) EGCSA was not aware releases were needed for DSS cases. The auditor suggested having the DSS worker sign the release. That has been done with cases #8823 and #0138. Case #8843 is over 18 and the DSS worker has been asked to have the subject sign this release form.
- Recommendation 3 re: IFSP goals and objectives: All case workers are now using the adopted and current IFSP form and format, including the referenced information. It has been a challenge to get all caseworkers to complete the full form and to address all information in the format. The EGCPMT Coordinator has held meetings with all caseworkers to address this and to stress the importance of the information being fully included. This will need to be repeated at intervals due to turnover.
- Recommendation 4 re: CANS: The EGCPMT Coordinator has worked with the GPS system to have additional CANS raters identified and certified to serve as backups. She has also altered the timing of the CSA program’s alert system to trigger earlier notification and discussion of coming due dates to allow for more time between notification and due date of the CANS reassessment. This has been well received and seems to have led to a more orderly process.
- Recommendation 5 re: Expenditure payments for enhanced maintenance in DSS cases: It appears this refers to emergency VEMAT payments that are made until a VEMAT has been completed by the DSS worker. This use of an emergency rate is only allowable for the first 60 days. In the case cited, the emergency rate was paid until a DSS worker was trained and the VEMAT for the case was updated. This has been addressed by the training of additional DSS workers on the VEMAT instrument.”

### C) CPMT GOVERNANCE

#### Observation #3:

#### Criteria:

#### Compliance and Internal Control

The composition of members serving on Greensville-Emporia CMPT and FAPT does not meet the membership requirements established by CSA statute and local policy. Greensville- Emporia CPMT does not have a parent representative or a representative from the Health Department due to staffing levels within the department. Greensville- Emporia locally policy states that a member of the Health Department also will serve on the FAPT. The absence of the Health Department and parent representatives from the governing body responsible for the administration and implementation of the local CSA program represents a material weakness in oversight and governance of the program. The absence of the Health Department representative from the team responsible for service planning could potentially impede the achievement of the highest degree of multi-disciplinary collaboration as service planning is contingent upon the all agency participation.

#### Recommendations:

The CPMT should secure a representative from the Health Department to serve on both the CPMT and FAPT and a parent representative to serve on CPMT in accordance with statute and local policy.

#### Client Comment:

“CPMT Chair, FWH:

- A potential parent rep for EGCPMT has been identified.
- Discussion was held, and a bylaws change will be discussed at the October EGCPMT meeting to change wording to clarify that a Health department rep and private provider are optional for EGFAPT.
- The EGCPMT does not have control over EG Health Department staffing issues. We do understand their concerns and agree that their level of staffing presents an issue to their participation in CSA. While citation of this issue is consistent with the Code of Virginia, OCS needs to understand that this is beyond the ability of the EGCPMT to control.”

#### Observation #4:

#### Criteria:

#### Compliance and Internal Control

A formal process documenting utilization management (UM) activity has not been implemented by Greensville-Emporia CPMT. Program oversight by the CPMT has not included review and/or assessment of specific reports that summarizes, in aggregate, program outcomes to demonstrate accomplishment of local program goals and objectives and effectiveness of the services provided correlated with the funds expended. The Quality Assurance and Accountability local policies and procedures states that the following information would be gathered annually; however, there is no evidence in CPMT board minutes documenting a discussion of the matter:

1. “Number of children in each service type.

2. Assessment scores at admission versus discharge.
3. Number and percentage of FAPT meetings attended by parent/guardians.
4. Number of CSA alternative funding streams.
5. Average amount expended in each service type.
6. Percentage of each service type to overall expenditures.
7. Amount and percentage of services funded through alternative funding sources and what (if any) impact this has on family satisfaction.
8. Amount of state and local funding split.”

The ability of the Greenville-Emporia CPMT to adequately monitor and provide oversight of the local CSA program is an essential component of organizational governance. The absence of formal program evaluation activities 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.

#### **Recommendations:**

The CPMT should:

1. Implement their UM plan,
2. Establish benchmarks and targets, and
3. Report on their progress in meeting their stated goals and objectives to all stakeholders.

#### **Client Comment:**

“CPMT Chairman, FWH: This can easily be done, but will have minimal impact on utilization management of the CSA program. This body of information and the metrics mentioned above are outlined under the ‘Quality Assurance’ document of EGCPMT. It is acknowledged that sufficient time has not been dedicated to an in depth aggregate review, outside of the annual budget process in estimating costs for coming fiscal years.

The vast majority of cases funded through CSA in Emporia Greenville are mandated cases. The delineated metrics are not universally applicable to all service types. For example, parents of subjects receiving alternative day placements are almost always present at IEP meetings, but may not attend FAPT meetings as the belief is held (correctly) that the IEP is not likely to be overturned. Similarly, some subjects are not likely to see significant (if any) changes in assessment scores due to the nature of their handicapping issue resulting in the need for the service. EGCPMT has historically had a relatively low number of residential placements.”

## CONCLUSION

Our audit concluded that there were major deficiencies in compliance and internal controls over the Greenville-Emporia CSA program, particularly in reference to operational and governance practices and fiscal activities. Conditions were identified pertaining to the programmatic/statutory compliance, operating, and fiscal practices of the locally administered program that could adversely impact the effective and efficient use of resources, as well as non-compliance with statutory requirements. An exit conference was conducted on Tuesday, September 27, 2016 to present the audit results to the Greenville-Emporia CPMT. Persons in attendance representing the Greenville-Emporia CPMT were as follows: Woody Harris, CPMT Chair and Kim Swenson, CSA Coordinator. Representing the Office of Children's Services was Annette Larkin, Program Auditor. We would like to thank the Greenville-Emporia Community Policy and Management Team and related CSA staff for their cooperation and assistance on this audit.

**REPORT DISTRIBUTION**

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Treasurer, Greenville County

Kim Swenson, CSA Coordinator

SEC Finance and Audit Committee