

**IN THE MATTER OF PITTSYLVANIA COUNTY-DANVILLE COMMUNITY POLICY AND MANAGEMENT BOARD:**

COMES NOW the State Executive Council ("SEC"), pursuant to Section 3.4.4b and c of the Comprehensive Services Manual and Section 2.2-2648(D)(4) of the Code of Virginia, after conducting a formal review at the request of the Pittsylvania County-Danville Community Policy and Management Board ("CPMB") relating to the Office of Comprehensive Services' ("OCS") reimbursement demand for \$7,699,933.00. The SEC makes the following Findings of Fact and Conclusions of Law:

**FINDINGS OF FACT**

1. Pittsylvania County spent \$7,699,933.00 in CSA funds for ineligible students and services based upon the audit conducted by the Auditor of Public Accounts. Reimbursement to the Commonwealth for these inappropriate expenses is appropriate.
2. The testimony and exhibits demonstrated that the CPMB did not have adequate policies, procedures and controls over the CSA program. The testimony and exhibits also demonstrated a lack of communication and coordination between the Pittsylvania County School Board ("School Board"), the CPMB and the CSA Coordinator.
3. The testimony and exhibits demonstrated a lack of cooperation by the School Board with the CPMB. This lack of cooperation limited the CPMB's ability to provide the appropriate determination as to the need and eligibility for services.

4. The testimony and exhibits demonstrated that the School Board did not have proper policies, procedures and controls in place to properly contract with CSA service providers.
5. The testimony and exhibits demonstrated that in 2011 the SEC clarified the 2004 CSA policy relating to use of CSA pool funds for behavioral aides in schools. That CPMB asserted that the clarification could reasonably be interpreted as a change in the 2004 policy. However, the portion of the policy that was revised by the SEC was not the basis for finding that inappropriate payments were made by the CPMB.
6. The 2004 policy and the 2011 clarification of the special education mandate provided that if the IEP made provision for certain services it would be improper to include the services in the Individual Family Service Plan.
7. More effective technical assistance and training by OCS may have mitigated this issue prior to 2011. However, this does not absolve the CPMB of their responsibility to ensure proper requests for reimbursement of services.
8. The testimony and exhibits further demonstrate that the CPMB self reported non-compliance, sought technical assistance and has begun the process of corrective action.
9. The forgoing findings of fact are supported by the exhibits introduced and testimony received during the formal review, which constitutes the record of this proceeding. The record is incorporated by reference.

### **CONCLUSIONS OF LAW**

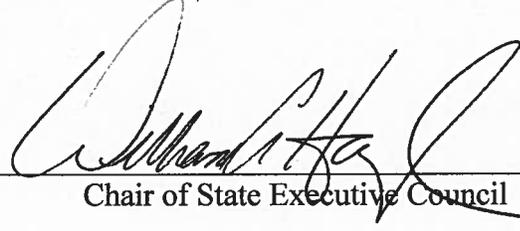
1. Findings of Fact 1-9 constitute a failure to comply with Virginia Code § 2.2-5206 (1), (6), (8), (17) by the CPMB.

2. Findings of Fact 1-9 constitute a failure to comply with Virginia Code § 2.2-5412 by the CPMB

**WHEREFORE**, based on the forgoing Findings of Fact and Conclusions of Law, the CPMB owes the Commonwealth \$7,699,933.00. The CPMB will pay the Commonwealth of Virginia \$250,000.00 per year for ten years. Simultaneously, the CPMB will immediately implement a quality improvement program that will be monitored by the OCS and supervised by the SEC. This will include implementation of best practices, annual audits, staff training, and regular reporting to the OCS. If at the end of ten years this quality improvement program has been implemented and sustained satisfactorily as determined by the SEC, the remainder will be forgiven. If the CPMB fails to comply with the terms of this Order, it will be subject to full repayment of the unpaid remainder of the \$7,699,933.00.

Entered:

12/10/12



Chair of State Executive Council