

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

***Dinwiddie County***

***Audit Report No. 03-2023***

**September 7, 2023**



**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 Dinwiddie County Children's Services Act (CSA) program. The Dinwiddie County CSA program provided services and/or funding for approximately 76 youth and families in fiscal year 2023 (FY23). The audit included reviewing and evaluating management oversight, operational, and fiscal practices. Based upon established statewide CSA performance measures reported for fiscal year 2022, significant achievements for the Dinwiddie County CSA program were as follows:

- Child and Adolescent Needs and Strengths (CANS) school domain is 11% higher than the statewide average and 3% higher than the previous fiscal year.
- CANS behavioral/emotional needs domain exceeds the statewide average by 17%.
- Family-based foster care placements surpassed the established target by 8% and the statewide average by 19%.

However, additional opportunities exist to improve quality in other CSA program areas. The audit concluded that there were deficiencies in compliance and internal controls, particularly regarding fiscal, governance, and operational practices. Conditions that could adversely affect the effective and efficient use of resources and compliance with statutory requirements were identified. The following significant issues were identified:

- Dinwiddie County was reimbursed \$3,205.87 (state share) in fiscal year 2023 for expenditures incurred that did not meet compliance requirements set forth in Code of Virginia (COV) sections 2.2-5208, 2.2-5211, and CSA Policy 6.3. At least one exception was noted in 30% (3/10) of the client files reviewed, including significant exceptions such as: (a) services not documented in an Individual Family Service Plan (IFSP); (b) determination of medical necessity criteria was not completed for community-based behavioral health services; and (c) alternate funding was not utilized for a purchased service within the scope of responsibility of another public child-serving agency.
- All potentially eligible refunds have not been collected and reported along with pool fund reimbursement requests, including parental contributions, SSA/SSI (social security) beneficiary payments, and Division of Child Support Enforcement (DCSE) collections. CSA Policy 4.5.2 Pool Fund Reimbursement requires localities to report at least quarterly all CSA-eligible expenditures and applicable refunds in accordance with appropriate expenditure-reporting categories and refund classification.

The Office of Children's Services appreciates the cooperation and assistance provided on behalf of the CPMT and other CSA staff.

  
Stephanie S. Bacote, CIGA  
Program Audit Manager

## **INTRODUCTION**

The Office of Children's Services has completed a financial/compliance audit of the Dinwiddie County Children's Services Act program. The audit was conducted in conformance with the International Standards for the Professional Practice of Internal Auditing (Standards). The standards require planning and performance of the audit pursuant to stated audit objectives to provide a reasonable basis for audit observations, recommendations, and conclusions. The audit was completed on September 6, 2023, and covered June 1, 2022 through May 31, 2023.

The objectives of the audit were to:

- Determine whether adequate internal controls have been established and implemented over CSA expenditures.
- Determine the adequacy of training and technical assistance by assessing local government CSA staff knowledge and proficiency in implementing local CSA programs.
- 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.
- 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.
- Assess the implementation of quality improvements addressing prior audit observations reported by OCS in the final report dated April 15, 2019.

The scope of our audit included all youth and their families who received CSA-funded services during the audit period. Audit procedures included reviews of relevant laws, policies, procedures, and regulations; interviews with various CSA stakeholders; tests and examination of records; and other necessary audit procedures to meet the audit objectives.

## BACKGROUND

Dinwiddie County was formed on May 1, 1752 from Prince George County. The county is in southern Virginia and named for Robert Dinwiddie, Lieutenant Governor of Virginia, 1751-58. According to the U.S. Census Bureau, State and County Quick Facts, the population estimate as of July 1, 2022 is 28,161. The median household income from 2017-2021 was \$68,918.

The Children’s Services Act (CSA) is a law enacted in 1993 that establishes a single state pool of funds to purchase services for youth and their families. The state funds, combined with local community funds, are managed by local interagency teams, referred to as the Community Policy and Management Team (CPMT), which plans and oversees services to youth. The Dinwiddie County CPMT has established a Family Assessment and Planning Team (FAPT) responsible for recommending appropriate services to eligible children and families. The CPMT is supported administratively by the CSA office referred to as the Dinwiddie County Department of Children’s Services. The Dinwiddie Department of Children’s Services staff includes the Director/CSA Coordinator and the CSA Management Specialist. Expenditure demographics for fiscal years 2019 to 2023 are depicted below.

Source: CSA Data and Outcomes Dashboard  
(Web link: [Data and Outcomes Dashboard \(COI\)](#))

<b><u>FY 2019</u></b>	<b><u>FY 2020</u></b>	<b><u>FY 2021</u></b>	<b><u>FY 2022</u></b>	<b><u>FY 2023</u></b>
<b>72</b>	<b>67</b>	<b>59</b>	<b>68</b>	<b>76</b>
Distinct Child Count	Distinct Child Count	Distinct Child Count	Distinct Child Count	Distinct Child Count
<b>\$2.1M</b>	<b>\$2.2M</b>	<b>\$2.2M</b>	<b>\$2.2M</b>	<b>\$1.5M</b>
Net Expenditures	Net Expenditures	Net Expenditures	Net Expenditures	Net Expenditures
<b>\$0.7M</b>	<b>\$0.7M</b>	<b>\$0.7M</b>	<b>\$0.7M</b>	<b>\$0.5M</b>
Local Net Match	Local Net Match	Local Net Match	Local Net Match	Local Net Match
<b>\$29,746</b>	<b>\$32,887</b>	<b>\$36,978</b>	<b>\$32,048</b>	<b>\$19,606</b>
Average Expenditure	Average Expenditure	Average Expenditure	Average Expenditure	Average Expenditure
<b>0.3358</b>	<b>0.3358</b>	<b>0.3358</b>	<b>0.3358</b>	<b>0.3358</b>
Base Match Rates	Base Match Rates	Base Match Rate	Base Match Rate	Base Match Rates
<b>0.3280</b>	<b>0.3312</b>	<b>0.3288</b>	<b>0.3393</b>	<b>0.3344</b>
Effective Match Rate	Effective Match Rate	Effective Match Rate	Effective Match Rate	Effective Match Rate

*COI dashboard data consist of information submitted by individual Virginia localities for youth receiving CSA-funded services in the reporting period.*

Statewide data updated through: **07/14/2023**

## OBSERVATIONS AND RECOMMENDATIONS

### A) PROGRAM AND FISCAL ACTIVITIES

**Observation #1:**

**Criteria:** **Compliance and Internal Control**

Dinwiddie County CSA was reimbursed \$3,205.87 (state share) in fiscal year 2023 for expenditures incurred that did not meet compliance requirements. Ten (10) client case files were examined to confirm that required documentation was maintained to support and validate Family Assessment and Planning Team (FAPT) service planning recommendations and Community Policy and Management Team funding decisions. At least one exception was noted in 30% of the client files reviewed. Exceptions noted in Table A below are deemed significant, as they are critical to evidencing the appropriateness of services and compliance with CSA funding requirements.

<b>Table A</b>				
<b>Client File Review Exceptions – Fiscal Impact</b>				
Exception Rate	Exception Description (Code)			
(1/10)	1. Client A - Ineligible Expense: Services were not documented in an Individual Family and Service Plan (IFSP) signed by FAPT. (COV <a href="#">2.2-5208</a> ).			
(1/10)	2. Client B - Ineligible Expense: Documentation evidencing the client met medical necessity criteria for funding of community-based behavioral health services was not completed. (CSA Policy 6.3 Community-Based Behavioral Health Services)			
(1/10)	3. Client C - Alternate Funding Source: CSA funded the purchase of case support when there was noted involvement by another public child-serving agency (Dinwiddie Department of Social Services). Further, the placement was established as a CSA parental agreement when the appropriate placement type was a DSS Non-Custodial Agreement. (COV 2.2-5211, VDSS Foster Care Manual, Section E. 3.7.5.1.1)			
Exception Code	Service Description	Period	Total Cost	State Share
1	Case Support	Feb 2023 – Mar 2023	\$1,200.00	\$998.52
2	Intensive In-Home	Nov 2022 – Feb 2023	\$852.75	\$709.57
3	Case Support	Sep 2022 – Dec 2022	\$1,800.00	\$1,497.78
Total			\$3,852.75	\$3,205.87
<b>Reimbursement Due to CSA</b>				<b>\$3,205.87</b>

**Recommendations:**

- CPMT should utilize a checklist that documents deliberations of individual funding authorizations. Section 7 of the CSA User Guide includes a “CAN CSA Pay?” process flow chart that could be adapted for such purposes. The completed checklist should be maintained with the CPMT minutes.

2. Periodic case file reviews should be performed by someone other than the CSA Coordinator to establish quality control of client records and to ensure compliance with CSA statutory requirements and CSA policy.
3. 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.

**B) CPMT GOVERNANCE**

**Observation 2:**

**Criteria:**

**Compliance and Internal Control**

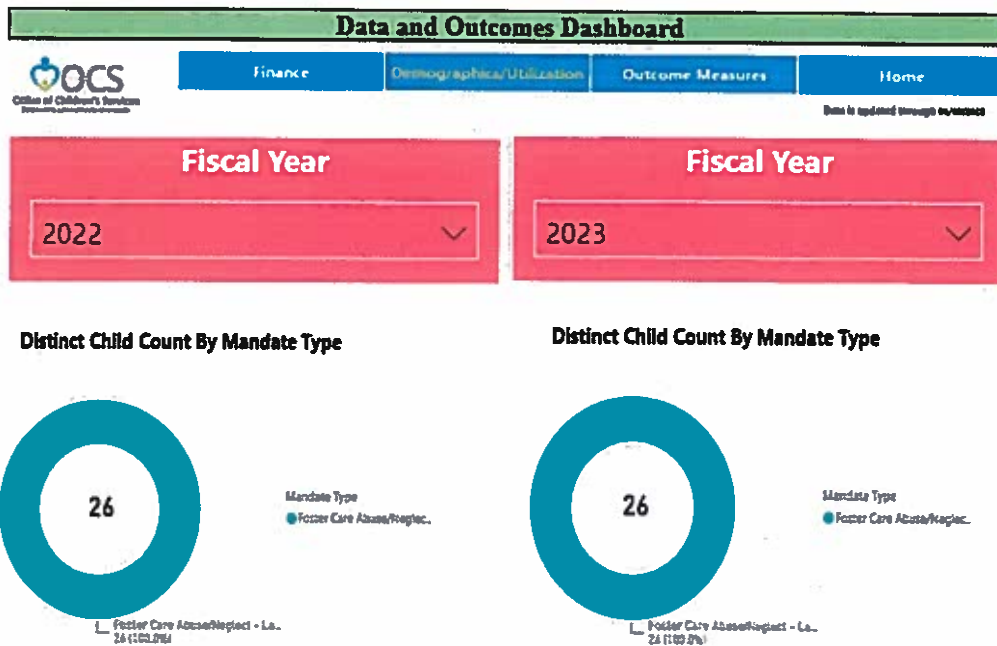
All potentially eligible refunds have not been collected and reported along with pool fund reimbursement requests, including parental contributions (FY 2023), SSA/SSI (social security) beneficiary payments (FY 2022-2023), and Division of Child Support Enforcement (DCSE) collections (FY 2022-2023). Co-pay assessments had not been completed for five (5) eligible clients. Further, a process has not been established to report and monitor social security beneficiary payments and DCSE collections related to CSA-funded clients. CSA Policy 4.5.2 Pool Fund Reimbursement requires localities to report at least quarterly all CSA-eligible expenditures and applicable refunds in accordance with appropriate expenditure-reporting categories and refund classification. Financial and demographic data collected are presented in Exhibits 1 and 2.

**Exhibit 1 – Refund History**

FY	Vendor Refunds	Parental Copay	SSA, SSI, VA, Benefits	Support through DCSE	Reclaimed Under IV- E	Other	Total
22	\$11,658.53	\$300.00	\$0.00	\$0.00	\$1,256.22	\$9,606.92	\$22,821.67
23	\$8,901.41	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$8,901.41

Source: <https://csa.virginia.gov/OCSPoolReports/PoolReports/RefundReport>

## Exhibit 2 – FOSTER CARE DEMOGRAPHICS (Potential Social Security and DCSE Recoveries)



### Recommendations:

1. Upon scheduling the FAPT meeting and periodically after that, the CSA Office should ensure that copay assessments have been completed in accordance with COV 2.2-5206 and COV 2.2-5208. Where information needed to complete assessments cannot be obtained, the CSA Office should report those cases to CPMT for consideration of further action according to locally established CSA policies and procedures.
2. In accordance with SEC Policy 4.5.2, the CPMT should determine if there were any:
  - child support collections for the current and previous fiscal years,
  - eligible/uncollected SSA/SSI benefits, and
  - report the refunds in LEDRS with their subsequent pool reimbursement.



## **CONCLUSION**

Our audit concluded that there were major deficiencies in compliance and internal controls over the Dinwiddie County CSA program. Conditions were identified pertaining to operating and fiscal practices of the locally administered program that could adversely affect the effective and efficient use of resources and compliance with statutory requirements. An exit conference was conducted on August 23, 2023, to present the audit results to the Dinwiddie County CPMT. Persons in attendance representing the Dinwiddie County CPMT were as follows:

Anne Howerton, CPMT Chair/Fiscal Agent

Deputy County Administrator, Finance and General Services

Tracy King, 11<sup>th</sup> District Court Services Unit

Donna Harrison, Dinwiddie County Department of Social Services

Pam Joyner, Dinwiddie County Public Schools

Donna Harrison, Parent Representative

Myisha Smith, Private Provider Representative

Angel Young-Gill, CSA Coordinator

Amanda Skalsky, CSA Management Specialist

Stephanie Bacote, Program Audit Manager, represented the Office of Children's Services.

We thank the Dinwiddie County Community Policy and Management Team and CSA staff for their cooperation and assistance on this audit.

## **REPORT DISTRIBUTION**

Scott Reiner, Executive Director  
Office of Children's Services

Kevin Massengill, Dinwiddie County Administrator

Anne Howerton, CPMT Chair/CPMT Fiscal Agent  
Deputy County Administrator, Finance and General Services

Tracy King, Former CPMT Chair  
11<sup>th</sup> District Court Services Unit

Angel Young-Gill, CSA Coordinator  
Director, Dinwiddie County Department of Children's Services