

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

***Scott County***

***Audit Report No. 21-2020  
February 17, 2021***



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

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## EXECUTIVE SUMMARY

The Office of Children's Services (OCS) has completed an audit of the Scott County Children's Services Act (CSA) program. The Scott County CSA program provided services and/or funding to 56 youth and families in fiscal year (FY) 2020. The audit included review and evaluation of management oversight, operational and fiscal practices. Based on the review and examination of the Scott County CSA Program and supporting documentation provided, internal controls governing management oversight, operational and fiscal practices were determined to be adequate and functioning as intended. No significant, reportable non-compliance issues were observed. Notable accomplishments of the Scott County CSA Program as indicated by established CSA performance measures reported as of FY 2019 include:

1. Percent of youth indicating improvement in the Child and Adolescent Needs and Strengths (CANS) school domain has remained steady from FY 18 to FY 19 at a rate consistent with the state average for both periods.
2. Percent of children in foster care in family based placements rose 8.3% over FY 2018, exceeded the statewide average by 14.8% and exceeded the established performance target by 11.1%.
3. Percent of youth receiving community based services out of all CSA youth exceeded the statewide average by 5.0%.

OCS appreciates the cooperation and assistance provided on behalf of the Scott County CPMT and CSA staff. We would also like to acknowledge the excellent assistance provided by Ms. Becky Riggs, CSA Coordinator, during our audit. Ms. Riggs efforts enabled the audit staff to quickly resolve any questions or concerns observed throughout the audit process. Formal responses from the Scott County CPMT are included in the body of the full report.



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Stephanie S. Bacote, CIGA  
Program Audit Manager



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D. Brent Barcomb  
Program Auditor

## INTRODUCTION

The Office of Children's Services (OCS) has completed a financial/compliance audit of the Scott County Children's Services Act (CSA) 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 in order to provide a reasonable basis for audit observations, recommendations, and conclusions. The audit was completed on February 17, 2021 and covered the period November 1, 2019 through October 31, 2020.

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 local CSA programs.
- Assess the level of coordination among local government CSA stakeholders and efforts to improve CSA performance by evaluating local CSA program's operational and utilization review practices.
- Assess implementation of quality improvements addressing prior audit observations reported by OCS on and/or identified in the prior self-assessment evaluation completed by the Scott County CSA in the audit report dated September 17, 2018.

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

## BACKGROUND

Located in southwest Virginia, Scott County was established in 1814 by an act of the General Assembly from parts of Washington, Lee and Russell counties, and was named after Virginia born General Winfield Scott. Scott County has a total area of 539 square miles. According to the U.S. Census Bureau Quick Facts, the population of Scott County in 2019 was 21,902 and the median household income from 2015-2019 was \$39,820.

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. State funds, combined with local community funds, are managed by a local interagency team, referred to as the Community Policy and Management Team (CPMT) who plan and oversee services to youth. The CPMT is supported in this initiative by one Family Assessment and Planning Team (FAPT) responsible for recommending appropriate services. Administrative services are managed through the local CSA office staffed by a full-time CSA Coordinator. Expenditure and demographic information for fiscal years 2017 to 2020 are depicted below:

### CSA Pool & Census Data by Fiscal Year for Scott County (2017-2020)

Source: CSA Continuous Quality Improvement (CQI) Dashboard

#### At-A-Glance

<b><u>FY 2017</u></b>	<b><u>FY 2018</u></b>	<b><u>FY 2019</u></b>	<b><u>FY 2020</u></b>
<b>78</b>	<b>70</b>	<b>76</b>	<b>56</b>
Distinct Child Count	Distinct Child Count	Distinct Child Count	Distinct Child Count
<b>0.9M</b>	<b>1.0M</b>	<b>1.2M</b>	<b>0.8M</b>
Gross Expenditures	Gross Expenditures	Gross Expenditures	Gross Expenditures
<b>0.8M</b>	<b>0.9M</b>	<b>1.1M</b>	<b>0.7M</b>
Net Expenditures	Net Expenditures	Net Expenditures	Net Expenditures
<b>\$10,835</b>	<b>\$13,401</b>	<b>\$14,698</b>	<b>\$13,071</b>
Average Expenditure	Average Expenditure	Average Expenditure	Average Expenditure
<b>0.3154</b>	<b>0.3154</b>	<b>0.3154</b>	<b>0.3154</b>
Base Match Rates	Base Match Rates	Base Match Rates	Base Match Rate
<b>0.3222</b>	<b>0.3131</b>	<b>0.3083</b>	<b>0.3154</b>
Effective Match Rate	Effective Match Rate	Effective Match Rate	Effective Match Rate

## OBSERVATIONS AND RECOMMENDATIONS

None Reported

### CONCLUSION

This audit concluded that internal controls governing management oversight, operational and fiscal practices were adequate and functioning as intended. No significant reportable non-compliance issues were observed. An exit conference was conducted on February 16, 2021 to present the audit results to the Scott County CPMT. Persons in attendance representing the Scott County CPMT were:

**CPMT:** Lana Mullins, CPMT Chair

**CSA Staff:** Becky Riggs, CSA Coordinator

Representing the Office of Children's Services was Donald Barcomb, Program Auditor.

We would like to thank the Scott County CPMT and CSA staff for their cooperation and assistance on this audit.

## **REPORT DISTRIBUTION**

Scott Reiner, Executive Director  
Office of Children's Services  
Freda R. Starnes, Scott County Administrator  
Lana Mullins, CPMT Chair  
Mitzi Owens, CPMT Fiscal Agent  
Becky Riggs, CSA Coordinator

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