



COMMONWEALTH of VIRGINIA

Scott Reiner, M.S.
Executive Director

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

September 20, 2024

Teresa Isom, CPMT Chair and Fiscal Agent
Carroll County Department of Social Services
605-8 Pine Street
Hillsville, VA 24343

RE: Carroll County CSA Program Self-Assessment Validation (SAV)
Final Report, File No. 30-2024

Dear Mrs. Isom,

In accordance with the Office of Children's Services (OCS) Audit Plan for Fiscal Year 2024, the Carroll 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. Based on the review and examination of the self-assessment workbook and supporting documentation completed by the Carroll County CSA program on November 30, 2023, and covering the period July 1, 2022 through June 30, 2023, our independent validation:

Concur

Partially Concur

Does Not Concur

The Carroll County CPMT concluded that no significant observations of non-compliance or internal control weaknesses were found in the design or operation of the processes or services conducted. The explanation for our assessment results are as follows:

The Carroll County CPMT reported internal control weaknesses that they concluded were not significant. A summary of internal control enhancements reported by the CPMT is included in Attachment A. However, validation procedures identified deficiencies indicating non-compliance by the local CSA program that the CPMT did not identify. 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. Specifics of the Carroll County CSA Program are detailed on pages 2-3.

SIGNIFICANT NON-COMPLIANCE – REPEAT OBSERVATIONS

Observation 1: The Virginia Department of Social Services (VDSS) conducted a Quality Assurance and Accountability (QAA) Title IV-E Compliance Review. A comparison of the QAA Reports issued by the VDSS and financial records documenting CSA and Title IVE transactions identified Title IVE-eligible expenditures funded from the State pool for a Title IVE-eligible clients. OCS financial reports do not indicate any recorded adjusting entry to refund state pool funds. Table A below documents the details.

Table A: Compliance Exceptions COV 2.2-5206, 2.2-5211, and CSA Policy 4.6 Denial of Funds				
<u>Alternate Funding Source.</u> CSA funds were used for foster care maintenance expenditures (i.e., basic maintenance, enhanced maintenance, and clothing) that met Title IV-E funding criteria.				
Client	Service Description	Service Month	Total Cost	State Share
A	Basic and Enhanced Maintenance	Nov 2022	\$166.80	\$118.26
Total Due to CSA				\$118.26

A similar audit observation regarding alternate funding sources was reported in the prior audit report dated December 18, 2019. A quality improvement plan (QIP) was submitted and reported as complete. The CPMT, as the governing body, is responsible for the ongoing monitoring of the QIP to ensure that the plan's implementation and actions are continually working as intended.

Observation 2: Six (6) client case files were examined to confirm that required documentation was maintained to support and validate FAPT or multi-disciplinary team (MDT) referrals and CPMT funding decisions. The results of that review indicate improvement is needed in the documentation of service planning and financial reporting. An exception was noted in 83% (5 of 6) of the client files reviewed. Exceptions indicated in Table B are deemed significant, as they are critical to evidencing the appropriateness of services and compliance with CSA statutory requirements.

TABLE B Client File Review Exceptions – No Fiscal Impact	
Exception Rate	Description
(50%) 3/6	<u>Data Integrity:</u> Service name coding errors and expenditures reported in the incorrect fiscal year.
(50%) 3/6	<u>Individual and Family Services Plan:</u> There are missing data elements, including measurable goals and objectives, treatment plans, progress reports, placement agreements, and discharge planning.
(33%) 2/6	<u>Utilization Review:</u> Missing evidence documenting review of individual progress and outcomes.

A similar audit observation about missing or incomplete documentation was reported in the prior report dated December 18, 2019. A quality improvement plan (QIP) was submitted and reported as complete. The CPMT, as the governing body, is responsible for the ongoing monitoring of the QIP to ensure that the implementation of the plan and its actions are continually working as intended.

RECOMMENDATIONS

OBSERVATION 1:

1. The CPMT should ensure that the proposed expenditure meets the criteria for CSA funding (i.e., meeting all federal and state requirements). Adequate documentation should be maintained as justification for CPMT funding decisions, such as, but not limited to, the consideration of other appropriate and available funding sources (i.e., Title IV-E).
2. Periodic case file reviews should be performed at least annually to establish quality control of client records and ensure compliance with CSA statutory requirements. As a part of the CPMT's quality assurance review and monitoring efforts, the CPMT should track CSA-funded cases pending title IV-E eligibility determination and confirm reimbursement of CSA pool funds for foster care maintenance costs where appropriate.
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 based on SEC-approved policy 4.7 Response to Audit Findings of whether the identified actions are acceptable or any additional actions that may be required.

OBSERVATION 2:

1. The FAPT should ensure that a properly completed IFSP records service planning activities, such as measurable goals and objectives, discharge planning, and utilization review.
2. The CPMT should perform periodic case file reviews at least annually to establish quality control of client records and ensure receipt of treatment plans, progress reports, and placement agreements are in the client's record.
3. The Fiscal Agent and the CSA Coordinator should work together to ensure expenses are reported correctly (under the correct service name) and in the proper fiscal year reporting period before the transaction is recorded into Thomas Brothers (payment processing system).

CLIENT RESPONSE

"The Carroll County CPMT agrees to the findings of the current audit process and will ensure the Quality Improvement Plan is followed. "

A quality improvement plan (QIP) has been submitted to address the observations prior to the release of the report. We ask that you notify this office when the specified QIP tasks are completed. OCS will conduct a follow-up validation to ensure that quality improvements have been implemented as reported.

We thank the Carroll County Community Policy and Management Team, CSA staff, and partners for contributing to the CSA Self-Assessment Workbook. We also acknowledge Jacqueline Roberts, CSA Coordinator, who provided excellent assistance and cooperation during our review. Mrs. Robert's efforts enabled the audit staff to resolve any questions/concerns observed during the validation process. Please feel free to contact us should you have any questions.

Sincerely,



Annette E. Larkin, MBA
Program Auditor



Stephanie S. Bacote, CIGA
Program Audit Manager

cc: Scott Reiner, Executive Director
Michael Watson, Carroll County Administrator
Jacqueline Roberts, CSA Coordinator

Attachment



CSA Self-Assessment Validation
Carroll County CSA Program Audit- SAV
Summary of Self-Reported Internal Control Enhancements

Observations	Criteria	Prior Audit Repeat Observation	Quality Improvement Plan Submitted	Quality Improvement Plan Action Date/Status
<u>Governance:</u> Document the tenure of CPMT/FAPT members	ARMICS ¹	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Completed
<u>Governance:</u> Review of local policies and procedures manual to ensure required updates are completed	ARMICS ¹	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Completed
<u>Governance:</u> Currently, there is no "formal" policy on how to report unethical or unfavorable news. The local CPMT/CSA Policy Manual will be updated to include the process of providing this information to the CPMT.	ARMICS ³	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Completed
<u>Governance - Contingency Planning:</u> Hire and train a CSA Assistant	ARMICS ¹	<input type="checkbox"/>	<input checked="" type="checkbox"/>	In progress July 31, 2025
<u>Governance:</u> The Local CSA/CPMT should develop an "official" plan of action to discuss risk, and incorporate the plan into the local CPMT/CSA Policy Manual.	ARMICS ²	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Completed
<u>Internal Control:</u> Develop a plan to evaluate internal controls with the local CSA program. Will complete Internal Control Questionnaire (ICQ) at the annual CPMT/FAPT retreat.	ARMICS ⁴	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Completed
<u>Training:</u> Maintain training log of CPMT/FAPT members.	ARMICS ³	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Completed
<u>Quality Assurance:</u> Compliance with required information and financial information. The CSA Coordinator is tasked with making sure all of this information is correct, implemented, and housed in the appropriate offices/records for the teams to use.	ARMICS ⁵	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Completed

ARMICS (Department of Accounts, Agency Risk Management and Internal Control Standards):

¹Control Environment

²Risk Assessment

³Information and Communication

⁴Control Activities

⁵Monitoring