



COMMONWEALTH of VIRGINIA

Scott Reiner, M.S.
Executive Director

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

September 4, 2018

Ms. Kara Comer, CPMT Chair
Halifax County CSA Program
PO Box 430
Halifax, VA 24558

RE: Halifax County Children's Services Act (CSA) Program Audit
Self-Assessment Validation, File No. 24-2018

Dear Ms. Comer,

In accordance with the Office of Children's Service's (OCS) Audit Plan for Fiscal Year 2018, the Halifax County Community Policy and Management Team (CPMT) has completed and submitted the results of the self-assessment audit of your local CSA Program. An on-site visit was scheduled and conducted by OCS Program Auditors on June 27, 2018 to perform the independent validation phase of the process.

Based on the review and examination of the self-assessment workbook and supporting documentation provided by the Halifax County CSA program, our independent validation:

Concurs Partially Concurs Does Not Concur

with the conclusion reported by the Halifax County CPMT that no significant observations of non-compliance and/or internal control weaknesses were identified in the design or operation of the processes or services conducted on behalf of Halifax County CSA. The explanation for our assessment results are as follows:

The Halifax County CPMT concluded that there were only non-significant compliance and/or internal control weakness observations noted. However, validation procedures of the locally prepared CSA Self-Assessment Workbook identified major deficiencies¹ indicating non-compliance in the local CSA program. 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 pertaining to the Halifax County CSA Program are detailed on pages two (2) through four (4).

¹ 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.

**SIGNIFICANT NON-COMPLIANCE OBSERVATIONS
 and REPEAT OBSERVATIONS**

1. The CPMT has not documented a formal plan to substantiate coordination of long-range, community-wide planning as required by Code of Virginia (COV) [§ 2.2-5206](#), item 4. This non-compliance observation was also identified in the prior audit report issued April 5, 2017.
2. Formal performance measures and utilization management practices and procedures to assess overall program effectiveness have not been established in accordance with COV [§ 2.2-5206](#), items 6 and 13. CPMT monthly meeting minutes and accompanying reports did not evidence utilization management activities to include:
 - A. review of local and statewide data provided in the management reports on the number of children placed out of state, demographics, types of services provided, duration of services, service expenditures, child and family outcomes, and performance measures.
 - B. tracking the utilization and performance of residential placements using data and management reports to develop and implement strategies for returning children placed outside of the Commonwealth, preventing placements, and reducing lengths of stay in residential programs for children who can appropriately and effectively be served in their home, relatives homes, family-like setting, or their community.

This non-compliance observation was also identified in the prior audit report issued April 5, 2017.

3. Five (5) client case files were examined to validate conclusions reported by the Halifax County CSA program. The results of that review indicate improvement is needed in the documentation of service planning, funding decisions, and utilization reviews. Exceptions as noted in the table below are deemed significant as they are critical to evidencing appropriateness of services and compliance with CSA funding requirements. This observation was also identified in the prior audit report issued April 5, 2017. Criteria: COV [§ 2.2-5208](#), [§ 2.2-5210](#), and CSA Policy Manual Section 3.5 Records Management

EXCEPTION DESCRIPTION	ERROR RATE
A. Missing evidence of utilization reviews	60% (3 of 5)
B. Missing one or more key data elements from the Individual Family Services Plan (IFSP). Data elements included: discharge planning, and parent/guardian signature or evidence of participation.	60% (3 of 5)

4. The Halifax County CSA Program was reimbursed \$2,546 (state share) in FY 2018 for expenditures incurred that did not meet compliance requirements of CSA. IFSPs did not document and CPMT's authorization of funding was not evidenced for community-based services provided to one (1) of the five (5) clients for the period indicated below. Use of state pool funds under these circumstances constitutes non-compliance with CSA statutory requirements governing access to state pool funds. This observation was also reported in the prior audit of the Halifax County CSA Program dated April 5, 2017. Criteria: COV [§ 2.2-5206](#) and [§ 2.2-5208](#)

SERVICE DESCRIPTION	FY 2018	TOTAL COST**	STATE SHARE
Mentoring	July 2017 – September 2017	\$2,883	\$2,546
**Figures based on reports of client payment history and invoices.			

**SIGNIFICANT NON-COMPLIANCE OBSERVATIONS
and REPEAT OBSERVATIONS CONTINUED**

5. The CPMT has not documented policies and procedures to govern the provision of intensive care coordination services in accordance with [§ 2.2-5206](#), item 17.

RECOMMENDATIONS

The Halifax County CPMT should take appropriate action to ensure that the non-compliance observations are addressed in the immediate future as follows:

1. The CPMT should ensure coordination of long-range planning is formally documented, which includes the establishment of locally specific goals, objectives, strategies, performance metrics (benchmarks or milestones), target dates, and responsible parties for monitoring and reporting progress toward achievement of identified goals.
2. The CPMT should immediately initiate and going forward periodically review and analyze OCS financial and performance reports as required by CSA statute to demonstrate compliance. Management reports are available on the CSA website in the tab labeled "Statistics and Publications". See links below:
 - <http://www.csa.virginia.gov/OCSDData/ReportsPublications>
 - [State & Local CSA Performance Measures \(Excel Application\)](#)
 - [CSA Utilization Reports](#)
3. The CPMT should consider adding utilization management as a standing agenda item for their regularly scheduled CPMT meetings. The recorded minutes of the CPMT meeting should reflect a summary of CPMT's discussions and actions to be taken, if any. A copy of reports reviewed should be retained with the minutes.
4. Prior to service planning, the CSA Coordinator and the FAPT should ensure that minimum documentation requirements are met and correspondence is maintained in the client case file or readily accessible in order to substantiate services recommended to CPMT for funding authorization. Periodic case reviews should be performed by someone other than the CSA Coordinator to establish quality control of client records and to ensure compliance with CSA policy and statutory requirements. As a component of the quality control process, the CPMT should consider adopting guidelines pertaining to [CSA Documentation Inventory](#) and [Utilization Review Guidelines](#), which are published on the CSA website.
5. Prior to approving expenditures for payment, the CSA Office should ensure that the proposed expenditure meets the criteria for CSA funding, to include matching the period services covered to the IFSP and documented authorization by the CPMT for the period services were incurred.
6. 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.
7. The CPMT should document policies and procedures to address ICC services.

The Halifax County CPMT submitted a Quality Improvement Plan (QIP) in response to the prior audit denoting April 2017 as the target date for completion. As indicated by the repeat observations in the current audit, tasks identified were not implemented satisfactorily. As the governing body of the Halifax County CSA program, the CPMT is responsible for on-going monitoring of the QIP to ensure timely implementation of the plan and the actions taken are continuously working as intended. Thus, the Office of Children's Services respectfully requests that you submit a quality improvement plan to address the observations outlined in this report no later than 30 days from receipt of this report. In addition, we ask that you notify this office as quality improvement tasks identified are completed. OCS will conduct a follow up validation to ensure the quality improvements have been implemented as reported.

We would like to thank the Halifax County CPMT and related CSA staff for their contributions in completing the CSA Self-Assessment Workbook. We also would like to acknowledge the assistance and cooperation that was provided by Melinda Elliott, CSA Coordinator during our on-site visit. Ms. Elliott's efforts enabled the audit staff to resolve any questions/concerns that we observed during the validation process. Please feel free to contact us should you have any questions.

Sincerely,


Stephanie S. Bacote, CIGA
Program Audit Manager

cc: Scott Reiner, Executive Director
William D. Sleeper, Interim Halifax County Administrator
Kathy Andrews, CPMT Fiscal Agent
Melinda Elliott, CSA Coordinator
SEC Finance and Audit Committee