

CHILDREN'S SERVICES ACT
PROGRAM AUDIT

Powhatan County

Audit Report No. 11-2019

December 20, 2018



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 Powhatan County Children's Services Act (CSA) program. Powhatan County CSA program provided services and/or funding to 41 youth and families in fiscal year (FY) 2018. The audit included a review and evaluation of management oversight, operational, and fiscal practices. Based on the review and examination of the Powhatan County CSA Program and supporting documentation provided, internal controls governing management oversight, operational, and fiscal practices were determined as adequate and functioning as intended. No significant reportable non-compliance issues were observed. Notable accomplishments of the Powhatan County Community Policy and Management Team (CPMT) included the following:

- Fifty (50%) of youth had a decrease in the Child and Adolescent Needs and Strengths (CANS) Assessment school domain, which is 1.6% above the statewide average. Decreases in CANS score are indicative of improved functioning.
- Fifty-nine (59%) of youth served received community-based services out of all the youth served in Powhatan, which exceeds the statewide target by 9% and the statewide average by 7%.

OCS appreciates the cooperation and assistance provided on behalf of the Powhatan County CPMT and other CSA staff. We also would like to acknowledge the excellent assistance and cooperation that was provided by Ms. Audra Morris, Children Services Manager, during our on-site visit. Ms. Morris' efforts enabled the audit staff to quickly resolve any questions/concerns observed throughout the audit process. Formal responses from the Powhatan County CPMT are included in the body of the full report.



Stephanie S. Bacote, CIGA
Program Audit Manager



Annette E. Larkin, MBA
Program Auditor

INTRODUCTION

The Office of Children's Services has completed a financial/compliance audit of Powhatan 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 in order to provide a reasonable basis for audit observations, recommendations, and conclusions. The audit was completed on December 20, 2018 and covered the period November 1, 2017 through October 31, 2018.

The objectives of the audit were:

- To determine whether adequate internal controls have been established and implemented over CSA expenditures.
- To determine the adequacy of training and technical assistance by assessing local government CSA staff knowledge and proficiency in implementing local CSA programs.
- To 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.
- To 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.
- To assess implementation of quality improvements addressing prior audit observations reported by OCS and/or identified in the prior self-assessment evaluation completed by the Powhatan County CPMT. The CSA program audit self-assessment validation was completed April 4, 2016.

The scope of the audit included youth and their families who received CSA funded services during the last eight (8) months of FY2018 and the first four (4) months of FY2019. Audit procedures included reviews of relevant laws, policies, procedures, and regulations; interviews with various CSA stakeholders; flowcharts of operational and fiscal processes; various tests and examination of records; and other audit procedures deemed necessary to meet the audit objectives.

BACKGROUND

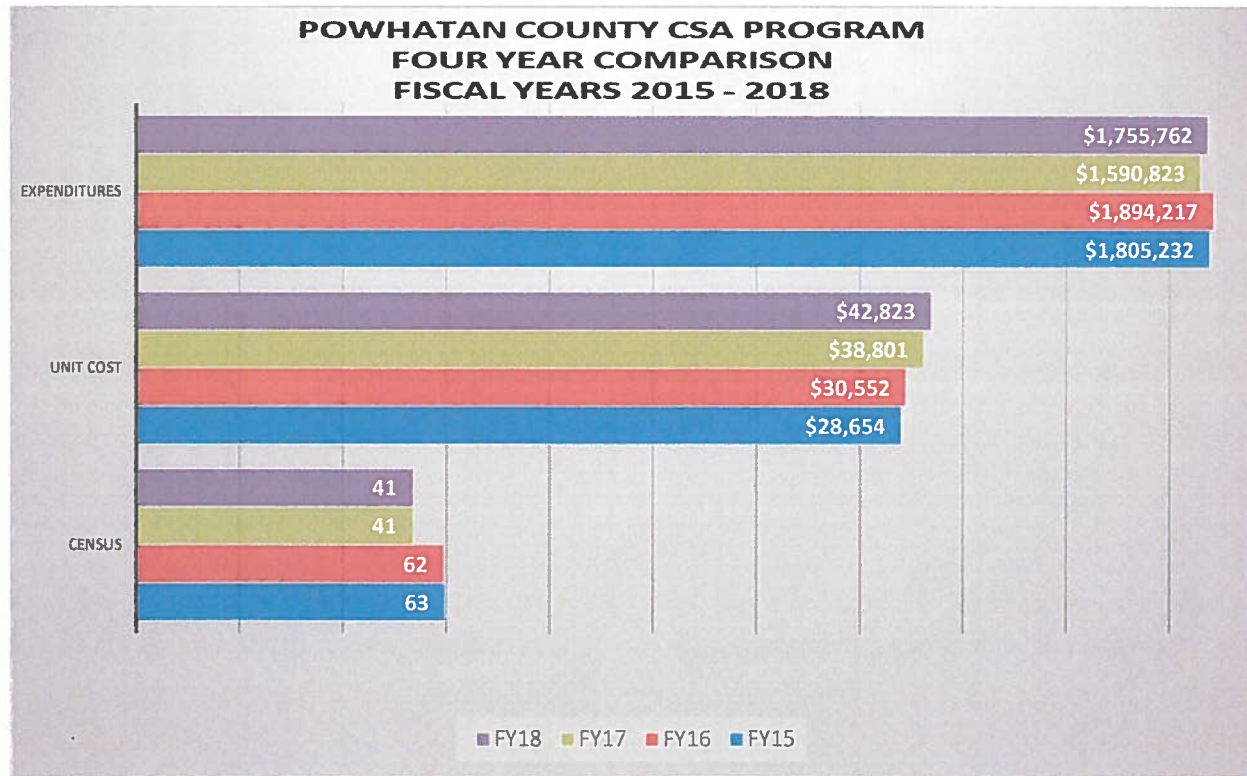
Powhatan County, located in central Virginia was established in 1777. Powhatan County borders the Counties of Amelia, Chesterfield and Goochland. According to the US Census Bureau Quick Facts, Powhatan County's estimated population in 2017 was 128,601 and median household income from 2012-2016 was \$77,684.

The Children's Services Act (CSA) is a law enacted in 1993 that establishes a single state pool of funds to purchase services for eligible youth and their families. The state funds, combined with local community funds, are managed by a local interagency team, referred to as the Community Policy and Management Team (CPMT) that plans and oversees services to youth. The CPMT is supported by a Family Assessment and Planning Team (FAPT) responsible for recommending appropriate services to children and families, a Children Services Manager and an office associate. Expenditure demographics for fiscal years 2015 to 2018 are depicted below.

CSA Pool & Census Data by FY for Powhatan County(2015-2018)

FY	Census	Census Change	Census % Change	Pool Expenditures	Expenditures \$ Change	Expenditures % Change	Unit Cost	Unit Cost % Change
15	63	12	24%	\$ 1,805,232	\$ 112,701	7%	\$ 28,654	-14%
16	62	-1	-2%	\$ 1,894,217	\$ 88,984	5%	\$ 30,552	7%
17	41	-21	-34%	\$ 1,590,823	\$ -303,394	-16%	\$ 38,801	27%
18	41	0	0%	\$ 1,755,762	\$ 164,940	10%	\$ 42,823	10%

Note: Changes recorded for FY 15 are based on difference from fiscal year 2014 to 2015



OBSERVATIONS AND RECOMMENDATIONS

None reported

CONCLUSION

Our 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 December 20, 2018 to present the audit results to the Powhatan County CPMT. The CPMT elected not to provide a formal response to the report. Persons in attendance representing Powhatan County CPMT were:

Susan Berquist, CPMT Chair
Charla Schubert, CPMT Fiscal Agent
Vicki Stamps, Health Department
Jeff Searfoss, Sheriffs' Office
Rob Johnson, Private Provider
Phoebe Wright Parent Representative
Audra Morris, Children Services Manager

Representing the Office of Children's Services was Annette Larkin, Program Auditor. We would like to thank the Powhatan County CPMT and related CSA staff for their cooperation and assistance on this audit.

REPORT DISTRIBUTION

Scott Reiner, Executive Director
Office of Children's Services
Susan Berquist, CPMT Chair
Ted Voorhees, Powhatan County Administrator
Charla Schubert, CPMT Fiscal Agent
Audra Morris, Children Services Manager
SEC Finance and Audit Committee