

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

City of Radford

Audit Report No. 15-2024

June 13, 2024



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 Radford CSA Program. The Radford CSA Program provided services and/or funding to 61 eligible youth and families in fiscal year (FY) 2023. The audit included reviewing and evaluating management oversight, operational, and fiscal practices. Based upon established statewide Children's Services Act (CSA) performance measures and outcomes data reported as of FY 2023, significant achievements for the Radford CSA Program were:

- Based on the 2019-2023 Child and Adolescent Needs Strength (CANS) assessments, behavioral and emotional needs improved for 45% of youth and families receiving funded service through CSA, which is 3% higher than the statewide average.
- The average length of stay for residential placements decreased 30% from FY 2022 to FY 2023.
- Foster care exits to permanency exceeded the established target by 14% and the statewide average by 22%. One hundred percent (100%) of youth in foster care exited foster care to a permanent living arrangement.

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

- Expenditure reimbursements were requested and processed for payment of services where CSA compliance requirements were not met. Services were not always documented in an approved service plan for one client as required by Code of Virginia (COV) [§ 2.2-5208](#). The total cost of questioned expenses is \$10,484.51 (state share).
- Data elements were omitted from the Individual and Family Services Plan (IFSP) of 90% (9/10) of client records examined. CSA Policy 3.5 Records Management requires child-specific documentation collected to demonstrate compliance, including desired outcomes and timeframes (i.e., goals/objectives), Family Assessment and Planning Team (FAPT) recommendations (i.e., duration of services), utilization review data (i.e., discharge planning), and parent/guardian participation.
- Membership of the Radford Community Policy and Management Team (CPMT) did not include a private provider representative as required by the Code of Virginia (COV) [§ 2.2-5205](#).

The Office of Children's Services appreciates the cooperation and assistance provided on behalf of the CPMT and other CSA staff. Formal responses from the Radford CPMT to the reported audit observations are attached to the report.



Stephanie S. Bacote, CIGA
Program Audit Manager

INTRODUCTION

The Office of Children’s Services has completed a financial/compliance audit of the Radford 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 to provide a reasonable basis for audit observations, recommendations, and conclusions. The audit was completed on June 13, 2024, and covered the period from April 1, 2023, through March 31, 2024.

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.
- Assess the implementation of quality improvement plans addressing prior audit observations reported by OCS and/or identified in the prior self-assessment evaluation completed by the Radford CPMT. The audit report date was April 8, 2019.

The audit scope included 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; flowcharts of operational and fiscal processes; various tests and examination of records; and other audit procedures deemed necessary to meet the audit objectives.

BACKGROUND

Founded in 1887, the City of Radford is a small independent city in Virginia's New River Valley area. Included in the Blackburg-Christianburg metropolitan area, it neighbors Pulaski and Montgomery counties. According to the US Census Bureau Quick Facts, the 2023 population was 16,971. The median household income from 2018-2022 was \$51,039.

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, the Community Policy and Management Team (CPMT), that plans and oversees services to youth. The Radford CPMT is supported by a Family Assessment and Planning Team (FAPT) responsible for recommending appropriate services to eligible children and families. Administrative services are managed through the local CSA office staffed by the CSA Coordinator. Expenditure demographics for fiscal years 2020 to 2023 are depicted below.

Source: CSA Data and Outcomes Dashboard

(Web link: [Data and Outcomes Dashboard \(CQI\)](#))

At-A-Glance

	2020	2021	2022	2023
Distinct Child Count	54	64	56	61
Net Expenditures	\$1.0M	\$1.3M	\$1.2M	\$1.4M
Local Net Match	\$0.2M	\$0.2M	\$0.2M	\$0.3M
Average Expenditure	\$18,927	\$20,093	\$21,755	\$22,683
Base Match Rate	0.2035	0.2035	0.2035	0.2035
Effective Match Rate	0.1888	0.1778	0.1735	0.1812

CQI dashboard data consists of information submitted by individual Virginia localities for youth receiving CSA-funded services in the reporting period. Statewide data was updated through 04/15 of the current program year.

OBSERVATIONS AND RECOMMENDATIONS

A) PROGRAM AND FISCAL ACTIVITIES

Observation 1:

Criteria:

Compliance and Internal Control

Expenditure reimbursements totaling \$10,484.51 (state share) were requested and processed for payment of services where the requirements for compliance with state statutes and local CSA policies and procedures were unmet. Ten (10) client files were examined to confirm that required documentation was maintained to support and validate FAPT referrals and CPMT funding decisions. At least one exception was observed in 90% (9/10) of client files reviewed. Exceptions noted in Tables A and B below are significant as they are critical to evidencing the appropriateness of services and compliance with CSA funding requirements.

Table A				
Client File Review Exceptions- Fiscal Impact				
COV 2.2-5206 and CSA Policy 4.5 Fiscal Procedures				
Rate	Description (Code)			
(1/10) 10%	Missing Documentation: Services funded were not documented in an IFSP for verification. (COV 2.2-5208)			
Client	Service Description	Service Period	Total Cost	State Share
A	Independent Living Services	July 2023	\$11,671.50	\$10,484.51
Reimbursement Due to CSA				\$10,484.51

Table B	
Client File Review Exceptions- No Fiscal Impact	
COV 2.2-5208 and CSA Policy 3.5 Records Management	
Rate	Description
(9/10) 90%	Missing IFSP Data Elements: family input, measurable goals/objectives, discharge planning, and/or duration of services.

Recommendations:

1. During service planning, the FAPT and the CSA Coordinator should ensure that minimum documentation requirements are met, and relevant documents are maintained in individual client case files.
2. Before authorizing funding, the CPMT should ensure that the proposed expenditure meets the criteria for CSA funding.
3. 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.

4. 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.

Client Comment:

See Attachment.

B) CPMT GOVERNANCE

Observation 2:

Criteria:

Compliance and Internal Control

The composition of members on the Radford CPMT does not meet the membership requirements established by CSA statute and local policy. The Radford CPMT does not have a private provider representative as required by COV [§ 2.2-5205](#). The CPMT membership roster identifies the Radford Health Department Representative as the community representative/private provider. The same individual cannot represent both roles. Further, the health department is an official government agency. Consequently, the Radford CSA program has a private provider representative on FAPT (where optional per COV 2.2-5207) and not CPMT (where required).

Recommendations:

The CPMT should ensure that its composition meets the minimum requirements of the CSA statute. The CPMT should actively recruit to fill the vacancies. Documentation of recruitment efforts should be maintained and/or documented in the CPMT minutes.

Client Comment:

See Attachment.

CONCLUSION

This audit concluded that there were deficiencies in internal controls that could affect compliance with statutory requirements. An exit conference was conducted on June 6, 2024, to present the audit results to Radford CPMT. Persons in attendance representing Radford CPMT were as follows:

Vicky Collins, CPMT Chair, Radford Department of Social Services
Jessie Foster, Radford City Government
Daniel Hill, Radford City Schools
Erin Brosius, New River Valley Community Services
Zach Cousins, 27th District Court Service Unit
Jamie Welch, Parent Representative
Amber Quinney, CSA Coordinator

Stephanie Bacote, Program Audit Manager, represented the Office of Children's Services. We thank Radford CPMT and related staff for their cooperation and assistance on this audit.

ATTACHMENT – CLIENT RESPONSE



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June 13, 2024

To Whom it May Concern:

Radford City CSA underwent an audit from periods 04/01/2023-03/31/2024. During the audit, deficiencies were found regarding information that was not included in the IFSPs or service plans. The information cited to be missing from the IFSPs were the following: Family Input, Duration of Services, and SMART Goals. Radford City CSA office immediately acted regarding the deficiencies and held an in-service. The in-service included representatives and members of the local Community Services Board, Court Services Unit, and Social Services. During the in-service the importance of using SMART goals in the IFSPs and or Service Plan was discussed. The current CSA Coordinator devised an example IFSP as a guide for the case managers. The CSA Coordinator followed up with additional examples of SMART Goals. The deficiency pertaining to Family Input and Duration of Service, will be addressed no later than June 13th. The CSA Coordinator will request this information to be included on any future IFSP received after the issue has been addressed.

An additional deficiency was noted regarding periodic case file reviews with CPMT not being completed. This has been addressed at CPMT and the process of case file reviews will begin July 11, 2024. The reviews will occur every other month. One file will be picked at random to review. The review will consist of ensuring that all IFSP's are completed in its entirety, including SMART Goals, Family Input, and Duration of Service.

The last deficiency included an expenditure for an Independent Living foster child. During the time of the deficiency, the previous CSA Coordinator was completing most of the IFSP's for the case managers. For the month in question, the CSA Coordinator paid the independent living invoice, but failed to record the cost and request on the IFSP. The expenditure was for one month. The reports that were received regarding the child, indicate the service was used the month in question. The service and the charge were valid. Since the inception of CSA, Radford has never had an audit finding involving financial issues or funds. Radford CSA realizes the issue took place in the transition of one CSA Coordinator to a new CSA Coordinator. Radford CSA acknowledges the severity of this finding and once discovered, immediate

steps were taken to avoid an opportunity of an error such as this to occur in the future. The steps that were taken to avoid errors in the future included an in-service with all case managers and FAPT representatives to explain the importance of completing and requesting appropriate funds. Due to the unusual nature that created the opportunity of this error as well as Radford's long history of no other financial findings, we ask that the payback amount be forgiven or reduced.

Thank you for giving us the opportunity to respond and thank you in advance for considering our request.

Sincerely,


Vicky Collins
Director


Amber Quinney
CSA Coordinator

REPORT DISTRIBUTION

Scott Reiner, Executive Director
Office of Children's Services
David Ridpath, Radford City Manager
Vicky Collins, CPMT Chair
Chelista Linkous, CPMT Fiscal Agent
Amber Quinney, CSA Coordinator