



COMMONWEALTH of VIRGINIA

OFFICE OF CHILDREN'S SERVICES

Administering the Children's Services Act

Scott Reiner, M.S.
Executive Director

April 3, 2017

Ms. Juli Gibson, CPMT Chair
Rockbridge Area CSA Program
2329 Chestnut Avenue
Buena Vista, VA 24417

RE: Rockbridge Area Children's Services Act (CSA) Program
Audit Self-Assessment Validation, File No. 47-2014

Dear Ms. Gibson,

In accordance with the Office of Children's Service's (OCS) Audit Plan for Fiscal Years 2013-2015, the Rockbridge Area CSA 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 6, 2016 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 Rockbridge Area CSA program, our independent validation:

Concurs Partially Concurs Does Not Concur

with the conclusion reported by the Rockbridge Area 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 Rockbridge Area CSA. The explanation for our assessment results are as follows:

The Rockbridge Area 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 and internal control weaknesses 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. An adequate system of internal controls is contingent upon consistent and proper application of established policies and procedures affecting CSA funded activities, as well as monitoring oversight by the governing authority to ensure that the program is operating accordingly. Such breakdowns in an organization's internal control structure are considered significant. Specifics pertaining to the Rockbridge Area CSA Program are detailed on pages two (2) and three (3).

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
INTERNAL CONTROL WEAKNESSES**

1. Membership of CPMT was not consistent with state and locally established requirements. The composition of the CPMT did not include a parent representative as required by the Children’s Services Act. Criteria: COV§2.2-5205
2. Statement of Economic Interests Forms has not been completed by the parent and private provider representatives of the CPMT and Family Assessment and Planning Team (FAPT). Criteria: COV § [2.2-5205](#) and COV § [2.2-5207](#)
3. Coordination of long-range, community-wide planning in the development of services and resources that explicitly addresses the Rockbridge/Lexington/Buena Vista CSA program has not been formally documented. Criteria: COV § [2.2-5206](#), Item 4
4. The Rockbridge Area CPMT had not established formal performance measures and utilization management practices and procedures to assess overall program effectiveness. Monthly meeting minutes and accompanying reports did not evidence review of aggregated local and statewide data provided in the management reports on the children placed out of state, demographics, types of services provided, duration of services, and, child and family outcomes. Existing reporting appears limited to the number or children served, expenditures, funding category (mandated/non-mandated), cases opened and closed during the period. Criteria: COV§2.2-5206
5. Four (25%) of sixteen client case files reviewed by the Rockbridge Area CSA were selected to validate conclusions reported by the CPMT. The results of that review indicate improvement is needed in the documentation of service planning, funding decisions, and utilization reviews. Exceptions noted as below are deemed significant as they are critical to evidencing of the appropriateness of services and compliance with CSA funding requirements. Criteria: COV§2.2-5208; CSA Policy Manual Section 3.5, Records Management

Exception Description	Error Rate
Individual Family Service Plans (IFSP) missing data elements: discharge planning, duration of services, parent signatures, etc.	100% (4 of 4)
Missing Child and Adolescent Needs and Strength (CANS) Assessments (initial, reassessments, annual, and/or discharge)	75% (3 of 4)
Vendor documents (i.e. placement agreement)	25% (1 of 4)

6. The Rockbridge Area CSA Program incurred expenditures totaling \$22,708.50 in Fiscal Year 2014 for which the Child and Adolescent Needs Strengths (CANS) assessment was not completed in accordance with CSA statutes and policies. A comprehensive CANS assessment is required initially, annually, and upon discharge of CSA funded services. Access to pool funds requires completion of the mandatory uniform assessment (CANS). The state share of total questioned expenditures incurred for two (2) of the four (4) cases examined was \$17,332.16. References: § [2.2-5212](#); [CANS Frequency of Administration - Updated 2013](#)

Client	Locality	Fiscal Year	Questionable Costs** (State Share Only)
001	Buena Vista	2014	\$5,513.53
002	Rockbridge	2014	\$11,818.65
Total			\$17,332.16
**Figures were based on client payment history reports.			

RECOMMENDATIONS

The Rockbridge Area CPMT should take appropriate action to ensure that the non-compliance observations and internal control weaknesses are addressed in the immediate future as follows:

1. The CPMT should ensure that composition of CPMT meets the minimum requirements as established by CSA. The CPMT should actively recruit to fill vacancies on the respective teams.
2. The CPMT should ensure that the Statement of Economic Interests Form is completed immediately for all non-public participating members serving on CPMT and FAPT, and annually thereafter.
3. The CPMT should ensure coordination of long-range planning is formally documented.
4. The CPMT should establish performance criteria to monitor and analyze overall effectiveness of the local CSA program. In addition the CPMT should adopt policies/procedures to govern utilization review and utilization management activities. The CPMT could initiate the discussion using the [Utilization Management Guidelines](#) published on the CSA website. The CPMT has contracted with OCS for utilization review of residential treatment.
5. 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.
6. Prior to authorizing funding, the CPMT should ensure that the proposed expenditure meets the criteria for CSA funding. Adequate documentation should be maintained as justification for CPMT funding decisions. The FAPT and CSA Coordinator should ensure that CANS assessments have been completed and verified prior to submitting funding requests to CPMT for authorization.
7. The CPMT should submit a quality improvement plan, for review by the OCS Finance Office, including whether the questioned costs will be voluntarily restored. 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.

CLIENT COMMENT:	See Attachment
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The Office of Children’s Services respectfully requests that you submit a quality improvement plan to address the observation outlined on this page 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.

Ms. Juli Gibson, CPMT Chair

April 3, 2017

Page 4

We would like to thank the Rockbridge Area 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 Nathaniel Leonard, CSA Coordinator during our on-site visit. Mr. Leonard'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
Spencer H. Suter, Rockbridge County Administrator
Noah Simon, Lexington City Manager
Jay Scudder, Buena Vista City Manager
Betty Trovato, CPMT Fiscal Agent
Nathaniel Leonard, CSA Coordinator



Serving Rockbridge County and the Cities of Lexington and Buena Vista

March 13, 2017

Ms. Stephanie Bacote, Program Audit Manager
Office of Children's Services
1604 Santa Rosa Road, Suite 137
Richmond, VA 23229-5008

RE: Rockbridge Area Children's Services Program
Audit Self-Assessment Validation, File No.47-2014

Dear Ms. Bacote,

The Rockbridge Area Children's Services Act Program is in receipt of your validation of our Audit Self-Assessment, from your June 6, 2016 on-site visit.

During our CPMT meeting on Thursday March 9, our team was in agreement with all observations.

According to the Program Audit Charter of July 2015, the intent of the audit system is "bringing a systematic and disciplined approach to evaluate and improve the effectiveness of the Children's Services Act program's governance, risk management, and internal control." I believe the audits are a great learning tool and came at an opportune time, as this was the time period the CSA program was transitioning from county control to DSS oversight and program Coordination was transitioning, too (and in fact the program was without a Coordinator for part of 2015). Much was learned from this audit and significant steps have been taken to resolve all six observations, including enhancements to how the CANS assessments are tracked - to ensure all are completed - in the online application. We do not feel as if a punitive action is necessary in this case.

I am proud of the changes made and the steps we have already taken to address areas of concern and weakness: necessary members filed their Statements of Economic Interest; the focus of the position under the Coordinator is now fully dedicated to utilization review including CANS oversight; we are actively pursuing parent representation, we are revamping our IFSPs, etc. In short, we are taking steps that will increase our effectiveness, work systemically, and improve outcomes for the most vulnerable among us. Our team is committed to ensuring children and families in our community have access to the services that can provide opportunities for success.

Sincerely,

A handwritten signature in black ink, appearing to read 'Nat Leonhard', written over a horizontal line.

Nat Leonhard
Rockbridge Area CSA Coordinator