



COMMONWEALTH of VIRGINIA

Scott Reimer, M.S.
Executive Director

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

February 18, 2025

Leea Shirley, CPMT Chair
Lord Fairfax Health District
10 Baker Street
Winchester, VA 22601

RE: Warren County CSA Program Self-Assessment Validation (SAV)
Final Report, File No. 23-2024

Dear Ms. Shirley,

In accordance with the Office of Children's Services (OCS) Audit Plan for Fiscal Year 2024, the Warren County 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 Warren County CSA program on November 30, 2023, and covering the period July 1, 2022 through June 30, 2023, our independent validation:

Concurs

Partially Concurs

Does Not Concur

with Warren County CPMT's conclusion that there were significant observations of non-compliance or internal control weaknesses found in the design or operation of the processes or services conducted on behalf of Warren County. The explanations for our assessment results are as follows:

A summary of significant non-compliance and/or internal control weaknesses reported by the CPMT is attached to this report. Validation procedures performed by audit staff identified additional significant deficiencies indicating non-compliance with CSA's statutory requirements that the CPMT did not initially report. This is considered significant because the local program is not operating fully in accordance with the laws of the Commonwealth. Specifics pertaining to the Warren CSA Program are detailed on pages 2 through 6.

**SIGNIFICANT NON-COMPLIANCE OBSERVATIONS
 AND INTERNAL CONTROL WEAKNESSES**

Observation 1: Expenditure reimbursements were requested and processed for payment of services where the requirements for compliance with state and local CSA policies and procedures were unmet. Five (5) client files were examined to confirm that required documentation was maintained to support and validate FAPT referrals and CPMT funding decisions. An exception was observed in 100% (5/5) of the case files reviewed. Exceptions noted in Table A 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
 Code of Virginia (COV) Sections 2.2-5206, 2.2-5208, and 2.2-5211; Current Appropriation Act;
 CSA Policies 3.5 Records Management, 4.5 Fiscal Procedures, and 4.6 Denial of Funds

Rate	Description (Code)
80% (4/5)	1. <u>Incomplete Fiscal Documentation</u> . Missing Invoices and/or Purchase of Service Orders to support expenditure transactions.
20% (1/5)	2. <u>State-Funded Kinship Subsidy Program</u> : CSA funds were used for foster care maintenance expenditures that did not meet the criteria for State-Funded Kinship Subsidy (e.g. safety checks). Criteria: COV § 63.2-1306 Virginia Department of Social Services (VDSS) Policy E. Foster Care, Section 10.27 Overview of the State Funded Kinship Subsidy Program.
20% (1/5)	3. <u>Individual Family Service Plan (IFSP)</u> : Services were not documented on IFSP.
20% (1/5)	4. <u>Unlicensed Group Home</u> : CSA-funded services provided by an unlicensed group home.

Code	Client	Service Description	Service Period	Total Cost	State Share
1	A	Outpatient Services	August 2023	\$574.08	\$352.89
	B	Basic/Enhanced Maintenance	March 30-31, 2023	\$122.08	\$75.04
		Residential Education	May 2023	\$2,265.00	\$1,392.30
		Utilization Review	April 20-30, 2023	\$1,000.00	\$807.30
	C	Basic/Enhanced Maintenance	February 14-28, 2023	\$879.15	\$540.41
		Foster Care Support, Supervision, Administration	February 14-28, 2023	\$2,491.35	\$1,531.43
		Utilization Review	November 2023	\$400.00	\$322.92
	D	Basic/Enhanced Maintenance	September 26-28, 2022	\$189.18	\$116.29
		Foster Care Support, Supervision, Administration	September 26-28, 2022	\$463.50	\$284.91
		Residential Room and Board	November 07-30,	\$6,900.00	\$3,576.96
Residential Daily Supervision		May 12-31, 2023	\$7,900.00	\$4,095.36	
2	C	Basic Maintenance	March 1 – May 31, 2023	\$3,803.00	\$2,337.70
3	E	Individual Support Services	May 1-31, 2023	\$2,082.50	\$1,681.20
4	B	Residential Room and Board	April 28 – May 9, 2023	\$2,100.00	\$1,088.64
Total				\$31,169.84	\$18,203.35

Observation 2: CSA pool funds were expended on behalf of five (5) clients eligible for another funding source (i.e., Title IV-E). A comparison of IV-E and CSA expenditures for those clients determined that CSA reimbursed \$7,904.15 (state share) in maintenance payments for confirmed IV-E eligible clients. For the review period, OCS financial reports do not indicate adjusting entries to correct/refund the payment errors as required by CSA Policy 4.5.2, Items e and f, Pool Fund Reimbursement. Refer to Table B for a detailed breakdown of questioned costs.

Table B:			
Title IVE/CSA Payment Errors – Fiscal Impact			
COV § 2.2-5211 and CSA Policy 4.5.2 Pool Fund Reimbursement			
Client	Service Period	Total	State Share
T1	September 15 – October 31, 2023	\$2,697.08	\$1,657.90
T2	February 14-28, 2023	\$926.25	\$569.37
T3	February 14-28, 2023	\$879.15	\$540.41
T4	February 14-28, 2023	\$879.15	\$540.41
T5	December 3, 2022 – May 31, 2023	\$5,693.12	\$4,596.06
Total		\$11,074.75	\$7,904.15

Observation 3: Formal performance measures and continuous quality improvement practices and procedures to assess overall program effectiveness have not been established following COV § 2.2-5206.6 and 13. CPMT monthly meeting minutes and accompanying reports did not evidence continuous quality improvement/utilization review (CQI/UR) activities as follows:

1. The Warren County CPMT has not adopted a formal plan to substantiate coordination of long-range planning that includes an assessment of the current risks, strengths, and needs of the existing system, as well as establishing and documenting measurable criteria for evaluating the effectiveness of the local CSA program.
2. Review of local and statewide data provided in the management report on the number of children served, children placed out of state, demographics, duration of services, child and family outcomes, and performance measures.
3. Tracking 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.

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/FAPT funding decisions, such as but not limited to invoices/case actions forms, the consideration of other appropriate and available funding sources (i.e., local only funds), compliance with partnering agency policies as it pertains to the State Funded Kinship Subsidy program, and licensure for group homes.

RECOMMENDATIONS CONTINUED

Observation 1 Continued:

2. 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. A quality assurance procedure should be established by the CPMT that includes but is not limited to (a) a review of Quarterly IV-E Quality Assurance Accountability (QAA) Reports to assess fiscal implications for CSA funding; (b) monitoring foster care cases funded by CSA pending IV-E eligibility determinations; and (c) monitor CSA financial reports to ensure adjusting entries and refunds are recorded accurately and timely.
2. 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 3:

1. Warren County CPMT should coordinate long-range planning activities within their community. The strategic plan should consider the development of resources and services needed by children and families in their community. The process should include developing a formal risk assessment process and measurable criteria for evaluating program effectiveness. The strategic plan should incorporate S.M.A.R.T. (Specific, Measurable, Attainable, Relevant, Timely) goals and objectives to facilitate effective and meaningful overall evaluations of the Warren County CSA program.
2. The CPMT should immediately initiate periodic reviews of OCS financial and performance reports depicting local and statewide data as CSA statute requires to demonstrate compliance. Tools to aid the continuous quality improvement process (i.e., utilization management) are available on the CSA website and listed below for your convenience:
 - [Data and Outcomes Dashboard \(COI\)](#)
 - Utilization Reports
(<https://csa.virginia.gov/OCSReports/Reports/UtilizationReport.aspx>)
 - Strategic Planning Tools
 - [Strategic Planning Tools \(COI\) Documentation Template with Instructions \(Download\)](#)
 - [Strategic Planning Tools \(COI\) Terms and Definitions](#)
 - [Strategic Planning Tools \(COI\) Training](#)

CLIENT RESPONSE


“Thank you for providing us with your audit findings. At this time the Warren County CPMT Board and CSA Office concur with these findings. We do however, reserve the right to provide additional documentation regarding the financial portion of this audit should it become available. Including but not limited to licenses, PO's, corrections, etc.”

The Office of Children's Services respectfully requests that you submit a quality improvement plan (QIP) to address the observations outlined in this report no later than 30 days from receipt of this report. We ask that you notify this office as QIP tasks identified to address significant observations are completed. OCS will conduct a follow-up validation to ensure that quality improvements have been implemented as reported.

We thank the Warren County Community Policy and Management Team, CSA staff, and partners for contributing to the CSA Self-Assessment Workbook. We also acknowledge Warren County CSA staff, who provided excellent assistance and cooperation during our review. The CSA staff'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,


Rendell R. Briggs, CAMS
Program Auditor


Stephanie S. Bacote, CIGA
Program Audit Manager

cc: Scott Reiner, Executive Director
Dr. Edwin C. Daley, Warren County Administrator
Alisa Scott, CPMT Fiscal Agent
Genel Clark, CSA Coordinator

Attachment



CSA Self-Assessment Validation
Warren County CSA Program Audit- SAV
Summary of Self-Reported Non-Compliance and Internal Control Weaknesses

Observations	Criteria	Prior Audit Repeat Observation	Quality Improvement Plan (QIP) Submitted	QIP Action Date/ Status
Section I Governance Worksheet/ Code of Ethics. CPMT has not documented a Code of Ethics or adopted policies established by the local governing authority. The document should be publicly accessible.	ARMICS ¹	<input type="checkbox"/>	<input checked="" type="checkbox"/>	02/28/25 In Progress
Section I Governance Worksheet/ Statement of Economic Interest Form. Ensure SOEI forms are filed by Feb 1st for applicable public officials serving as CPMT/FAPT members.	COV 2.2-5205 COV 2.2-5207 ARMICS ^{1,3,5}	<input type="checkbox"/>	<input checked="" type="checkbox"/>	10/31/24 Completed
Section I Governance Worksheet/ Confidentiality. Verify and maintain confidentiality statements signed by CPMT/FAPT/MDT and related parties.	ARMICS ^{3,4,5}	<input type="checkbox"/>	<input checked="" type="checkbox"/>	10/31/24 Completed
Section I Governance Worksheet/ Frequency for Review Policy Manual. Establish a process/frequency for review of all policies and procedures.	ARMICS ^{1,3,5}	<input type="checkbox"/>	<input checked="" type="checkbox"/>	02/28/25 In Progress
Section I Governance Worksheet/Policies and Procedures. Maintain evidence that policies/procedures are current and are reviewed in accordance with the established process.	ARMICS ^{3,5}	<input type="checkbox"/>	<input checked="" type="checkbox"/>	02/28/25 In Progress
Section I Governance Worksheet/Flowchart Worksheet. Prepare a narrative or flowchart to describe the process for requesting additional supplements and monitoring of expenditures and related reimbursements.	ARMICS ^{3,4,5}	<input type="checkbox"/>	<input checked="" type="checkbox"/>	02/28/25 In Progress
Section I Governance Worksheet/ Central Repository of Reports. Maintain a central repository of reports issued by internal auditors, external auditors, and other advisory resources.	ARMICS ³	<input type="checkbox"/>	<input checked="" type="checkbox"/>	02/28/25 In Progress

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

¹Control Environment

²Risk Assessment

³Information and Communication

⁴Control Activities

⁵Monitoring

Observations	Criteria	Prior Audit Repeat Observation	Quality Improvement Plan (QIP) Submitted	QIP Action Date/ Status
Section I Governance Monitoring/Corrective Action Plan. Ensure that Corrective Action Plans were implemented by the established due dates.	COV 2.2-5206 ARMICS ⁵	<input type="checkbox"/>	<input checked="" type="checkbox"/>	02/28/25 In Progress
Section I Governance Monitoring/Feedback. Solicit and document feedback from local CSA program partners and stakeholders regarding the effectiveness of the program.	ARMICS ^{1,3,4,5}	<input type="checkbox"/>	<input checked="" type="checkbox"/>	08/09/24 Completed
Section I Governance/Staffing Allocation Resources. The program has the appropriate number of people and resources allocated to key functions/activities.	ARMICS ^{1,2}	<input type="checkbox"/>	<input checked="" type="checkbox"/>	08/09/24 Completed
Section I Governance/Contingency Plans. Effective contingency plans have been developed and documented to deal with service interruptions.	ARMICS ^{1,2,3}	<input type="checkbox"/>	<input checked="" type="checkbox"/>	08/09/24 Completed
Section I Governance/Data Gathering. Adequate data gathering mechanisms are in place to provide information to appropriate local CSA staff so that they can carry out their operating, reporting, and compliance responsibilities.	ARMICS ^{3,4}	<input type="checkbox"/>	<input checked="" type="checkbox"/>	02/28/25 In Progress
Section I Governance/Potential Risk Event/Exposure. Mechanisms exist for identifying emerging information needs.	ARMICS ^{2,5}	<input type="checkbox"/>	<input checked="" type="checkbox"/>	02/28/25 In Progress
Section I Governance/Monitoring/Performance Measures. The CPMT has established performance measures for processes and receives periodic reports of results against those measures.	COV 2.2-5206 ARMICS ^{1,3,5}	<input type="checkbox"/>	<input checked="" type="checkbox"/>	01/31/25 In Progress
Section II Risk Assessment/Communicate Risk Assessment. Verify and document timely completion of the risk assessment's implementation plan.	ARMICS ^{2,3,5}	<input type="checkbox"/>	<input checked="" type="checkbox"/>	05/31/25 In Progress
Section II Risk Assessment/Communicate Risk Assessment. Communicate results of the risk assessment to appropriate parties (include compiled results of the fraud risk questionnaire.)	ARMICS ^{1,2,3}	<input type="checkbox"/>	<input checked="" type="checkbox"/>	05/31/25 In Progress

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Observations	Criteria	Prior Audit Repeat Observation	Quality Improvement Plan (QIP) Submitted	QIP Action Date/ Status
Section II Risk Assessment/Potential Risk Event/Exposure. Establish a quality assurance process to identify potential risk event/exposure.	ARMICS ^{1,2,5}	<input type="checkbox"/>	<input checked="" type="checkbox"/>	05/31/25 In Progress
Section III Internal Control Worksheet. Establish requirements for completing an internal control assessment.	ARMICS ¹	<input type="checkbox"/>	<input checked="" type="checkbox"/>	02/28/25 In Progress
Section III Internal Control Worksheet. Are members of the CPMT appointed by the governing body of the local political subdivision.	COV 2.2-5205 COV 2.2-5207 ARMICS ¹	<input type="checkbox"/>	<input checked="" type="checkbox"/>	02/28/25 In Progress
Section III Internal Control/ Appraisal Program Effectiveness/Communication Establish quality assurance process to communicate appraisal of effectiveness of program.	ARMICS ^{1,3}	<input type="checkbox"/>	<input checked="" type="checkbox"/>	02/28/25 In Progress
Section III Internal Control/Training. Is there a procedure in effect to ensure that new CPMT, MDT and FAPT members, CSA Coordinators are trained.	ARMICS ^{1,3,4}	<input type="checkbox"/>	<input checked="" type="checkbox"/>	02/28/25 In Progress
Section III Internal Control/ Staffing Backup. Do CSA Coordinators have a backup in the event of an extended absence or vacancy?	ARMICS ^{1,4}	<input type="checkbox"/>	<input checked="" type="checkbox"/>	08/09/24 Completed
Section III Internal Control/System of Rotation. Is there a system of rotation for CPMT/FAPT/MDT members?	ARMICS ^{1,4}	<input type="checkbox"/>	<input checked="" type="checkbox"/>	08/09/24 Completed
Section IV Training. Determine whether a training plan has been established for local CSA program staff.	ARMICS ^{1,3,4}	<input type="checkbox"/>	<input checked="" type="checkbox"/>	02/28/25 In Progress
Section V Compliance/CPMT/FAPT Management. CPMT/FAPT membership aligns with code requirements.	COV 2.2-5205; COV 2.2-5207	<input type="checkbox"/>	<input checked="" type="checkbox"/>	08/09/24 Completed
Section V Compliance/Long-Range Plan. Coordinate long-range, community-wide planning that ensures the development of resources and services needed by children and families in its community, including consultation on the development of a community-based system of services.	COV 2.2-5206	<input type="checkbox"/>	<input checked="" type="checkbox"/>	05/31/25 In Progress

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Observations	Criteria	Prior Audit Repeat Observation	Quality Improvement Plan (QIP) Submitted	QIP Action Date/ Status
Section V Compliance/CPMT Posting Notice. Every public body shall give notice of the date, time, and location of its meeting.	COV 2.2-3707	<input type="checkbox"/>	<input checked="" type="checkbox"/>	08/09/24 Completed
Section V Compliance/CANS. The initial CANS must be completed prior to the initiation of CSA-funded services described on a service plan, with exception (14 days) for emergency services and placements.	COV 2.2-5212 COV 2.2-5209 SEC Policy 3.6	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	08/09/24 Completed
Section V Compliance/ICC. Supervisors of ICC shall complete training in the national model of "High Fidelity Wraparound"	COV 2.2-5206 SEC Policy 6.1	<input type="checkbox"/>	<input checked="" type="checkbox"/>	02/28/25 In Progress
Section V Compliance/ Foster Care Services/License Child Placing Agency. When purchasing foster care services through a licensed child-placing agency, CPMT shall ensure that levels of foster care services are appropriately matched to the individual needs of a child or youth in accordance with the SEC-approved guidance.	SEC Policy 6.2	<input type="checkbox"/>	<input checked="" type="checkbox"/>	08/09/24 Completed
Section V Compliance/Record Retention. Records Management Retention Schedules, General Schedules for Localities.	COV 42.1-85 SEC Policy 3.5	<input type="checkbox"/>	<input checked="" type="checkbox"/>	03/31/25 In Progress
Section V Compliance/ Client Case File Missing Documentation: Parental/guardian consent to release information, Assessment data including CANS, identification of services, vendor treatment plans and progress reports, Utilization review, and updated service plans.	COV 2.2-5208 COV 2.2-5210 SEC Policy 3.5 SEC Policy 3.6	<input type="checkbox"/>	<input checked="" type="checkbox"/>	08/09/24 Completed

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