



Office of  
Children's Services

**CSA Program Audits**

**Audit Name: Orange County**

**Audit No: 13-2020; Period: 3/1/19 – 2/29/20**

**MANAGEMENT DISCUSSION POINTS**

Prepared By: Annette E. Larkin

Date Prepared: 8/7/2020

Discussion Point #:	MDP 3	Final Disposition: <input type="checkbox"/> Verbal <input checked="" type="checkbox"/> Report <input type="checkbox"/> Dropped
Cross References: Audit Execution step 01.1.02		
Condition/ Control Weakness	<p>Orange County CPMT By-Laws adopted December 19, 2017, state: "a member of the CPMT who fails to personally attend at least 75% of the regular meetings within a calendar year shall be reported to Orange County Board of Supervisors (BOS)." The designated Community Services Board (CSB) representative was not present for 58% of the meetings during the review period and 50% of the meetings during a calendar year, as determined through member attendance documented in CPMT minutes. Nor was there an alternate/designee in attendance on their behalf. Local representatives attributed the absences to staffing changes (retirement/new hire). The absence of the CSB representative of the governing body responsible for the administration and implementation of the local CSA program represents a material weaknesses in oversight and governance of the program, which may ultimately impede the intent of CSA to create a collaborative system of services that is contingent upon the participation of the member agencies to provide the expertise in their respective areas. This internal control weakness was identified in the August 3, 2017 audit report.</p>	
Authority/ Criteria	§ (COV) § 2.2-5205; Orange County By-Laws adopted December 2017	
Recommendation	<ol style="list-style-type: none"> <li>The CPMT should name an alternate for each public serving member of the team to ensure each agency is represented at the regularly scheduled CPMT meeting.</li> <li>All matters with absenteeism should be reported to the Orange County BOS as stated in the CPMT By-laws.</li> </ol>	
<b>CLIENT RESPONSE</b>		
CSA Coordinator	<input checked="" type="checkbox"/> Concur <input type="checkbox"/> Do not concur <input type="checkbox"/> No opinion at this time	Signature: <i>[Signature]</i> Date: 11/13/2020
CPMT Chairperson	<input checked="" type="checkbox"/> Concur <input type="checkbox"/> Do not concur <input type="checkbox"/> No opinion at this time	Signature: <i>[Signature]</i> Date: 11-10-20
COMMENTS: (Attach additional sheets if necessary)		



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**Date Prepared: 8/7/2020**

**Reviewed By:** Click here to enter text.

**Date:** Click here to enter a  
date.



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**Date Prepared: 8/7/2020**

Discussion Point #:	MDP 2	Final Disposition: <input type="checkbox"/> Verbal <input checked="" type="checkbox"/> Report <input type="checkbox"/> Dropped
Cross References: Audit Execution step 01.1.03		
Condition/ Control Weakness	<p>Internal controls established by CSA statutes were not effectively implemented by the CPMT in order to safeguard against conflicts of interest. The non-public members serving on both the CPMT and FAPT did not complete the statement of economic interest (SOEI) form in accordance with the requirements set forth in COV §2.2-5205 and §2.2-5207. Non-public members completed the Financial Disclosure (“short form”) form in lieu of the Statement of Economic Interest (“long form”). The Financial Disclosure form is less comprehensive than the SOEI, and thus may not reflect full disclosure of all financial interest. The effectiveness of the controls to ensure accountability and appropriate use of CSA pool funds are reduced based on the increased opportunity for individuals to not disclose all personal and financial interest.</p> <p>OCS Administrative Memo #18-02 dated January 16, 2018 provided guidance to local CSA programs regarding filing requirements. The guidance states that upon appointment non-public members must complete the “long” form as prescribed in (COV) §2.2-3117. This audit observation was reported in the audit report dated August 3, 2017. A quality improvement plan had been submitted and indicated as completed in the spring of 2019. The CPMT started including the SOEI form in the application to join CPMT and FAPT. However, the wrong form was provided.</p>	
Authority/ Criteria	§ 2.2-3100; § 2.2-3101; § 2.2-3117; § 2.2-5205; and § 2.2-5207; OCS Administrative Memo 18-02;	
Recommendation	<ol style="list-style-type: none"> <li>1. The CSA Office should ensure the appropriate form is included with the materials provided to individuals interested in serving as non-public officials of CPMT and FAPT.</li> <li>2. The CPMT should ensure all of the CPMT and FAPT members not representing a public agency complete the SOEI forms (long form) upon appointment and maintain the filing in accordance with the OCS Administrative Memo 18-02 dated January 16, 2018.</li> </ol>	
<b>CLIENT RESPONSE</b>		
CSA Coordinator	<input checked="" type="checkbox"/> Concur <input type="checkbox"/> Do not concur <input type="checkbox"/> No opinion at this	Signature:  Date: 11/13/2020



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**Prepared By: Annette E. Larkin**

**Date Prepared: 8/7/2020**

CPMT Chairperson	time <input checked="" type="checkbox"/> Concur <input type="checkbox"/> Do not concur <input type="checkbox"/> No opinion at this time	Signature: <i>Susan Taylor</i> Date: 11-10-20
COMMENTS: (Attach additional sheets if necessary)		
Reviewed By: Click here to enter text.      Date: Click here to enter a date.		



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Empowering communities to serve youth

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**MANAGEMENT DISCUSSION POINTS**

**Prepared By AEL**

**Date Prepared: 8/7/2020**

<p><b>Discussion Point #:</b>1 verbal</p>	<p><b>Final Disposition:</b> <input checked="" type="checkbox"/> Verbal <input type="checkbox"/> Report <input type="checkbox"/> Dropped</p>
<p><b>Cross References:</b> <b>Governance</b></p>	<p><b>Explanations for verbal/dropped:</b> The following are opportunities to effect quality improvement as exceptions noted do not significantly impede the local agency from accomplishing the mission and objectives of the Children's Services Act, but are best practices to affect quality improvement.</p>
<p><b>Condition/ Control Weakness</b></p>	<ol style="list-style-type: none"> <li>1. The CPMT is missing the parent representative serving on the team. Board minutes document recruitment efforts to obtain a parent representative and discussion regarding offering a stipend to generate interest in the position. In addition, Orange County official website is also advertising the vacancy for the parent representative.</li> <li>2. Written policies and procedures require further review and clarification to ensure consistency with State statutes, established state CSA guidance, and/or best practices as follows:             <ol style="list-style-type: none"> <li>A. CPMT and FAPT policies for Eligible Population states a child or youth can be placed into foster care through a CSA parental agreement in error. Youth placed out of the home through a CSA Parental Agreement, is not foster care; however, may be eligible for the full array of foster cares services if he/she has been determined to meet the eligibility criteria of a Child in Need of Services (CHINS). DSS non-custodial agreements places a child into foster care, while the parent or guardian maintains custody which requires a court order.</li> <li>B. CPMT and FAPT policies for Mandatory Population added the protected population (non-mandated/ non sum-sufficient) to the provision of services for the mandated (sum-sufficient) population. Orange County local policy has a distinction between the mandated population and the non-mandated population. Exerts from their policy contain the following language under the mandatory population:                 <ol style="list-style-type: none"> <li>a. "Children placed by a juvenile and domestic relations district court, in accordance with the provisions of § 16.1-286 VA Code Ann., in a private or locally operated public facility or nonresidential program; or in a community or facility-based treatment program in accordance with the provisions of subsections B or C of § 16.1-284.1 VA Code Ann.;</li> <li>b. Children committed to the Department of Juvenile Justice and placed by it in a private home or in a public or private facility in accordance § 66-14 VA Code Ann."</li> </ol> <p>While these two categories are eligible for services through CSA pool funds they are not a part of the (sum-sufficient) mandated population and should be reflected in the (non sum-sufficient) non-mandated population.</p> </li> </ol> </li> </ol>



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**Date Prepared: 8/7/2020**

	<p>3. Two out of 6 (33%) had expired insurance policies. Orange County should ensure that providers maintain insurance in accordance with the requirement in their contractual agreement item # 21 which states that "the provider shall at its sole expense obtain and maintain during the term of this contract the insurance policies listed and required herein naming the Buyer as an additional insured, and shall furnish the Buyer with a certificate of insurance prior to commencing work upon any POSO signed pursuant to contract."</p> <p>4. The CSA Office reconciles just expenditures to the County's general ledger and relies on the County's external auditor to reconcile revenues and all other fund balances. Standard industry best practices dictate cash receipts, appropriation, expenditures and fund balance reconciliations are formally reconciled at least monthly. Monthly reconciliations further enhance the reliability of information pertaining to the availability of pool funds and the financial position of the CSA program that is used for management decision making.</p>
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<b>Authority/ Criteria</b>	Code of Virginia (COV) § 2.2-5205; § 2.2-5212 and § 2.2-5206, Department of Accounts (DOA) Agency Risk Management and Internal Control Standards, Control Activities (ARMICS)
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<b>Recommendation</b>	<ol style="list-style-type: none"> <li>1. The CPMT should continue their recruitment to obtain a parent representative to serve on the team and document their efforts in board minutes.</li> <li>2. The CPMT should review and revise all policies and procedures manuals ensuring they align with the COV, SEC policy manual and all other partnering agencies manual.</li> <li>3. Orange County CSA office should obtain current insurance policies from all providers to ensure compliance with the standard provider contract.</li> <li>4. The CPMT should also ensure that a monthly process is established for fully reconciling the CSA balances, to include appropriations, expenditures, revenues, and cash (where applicable) with local government general ledger accounts.</li> </ol>
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**CLIENT RESPONSE**

<b>CSA Coordinator</b>	<input checked="" type="checkbox"/> Concur <input type="checkbox"/> Do not concur <input type="checkbox"/> No opinion at this time	Signature: <i>[Signature]</i> Date: 11/3/2020
<b>CPMT Chairperson</b>	<input checked="" type="checkbox"/> Concur <input type="checkbox"/> Do not concur <input type="checkbox"/> No opinion at this time	Signature: <i>[Signature]</i> Date: 11-10-20

COMMENTS: (Attach additional sheets if necessary)



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<b>Reviewed By:</b>	<b>Date:</b>
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**MANAGEMENT DISCUSSION POINTS**

**Prepared By: Annette E. Larkin**

**Date Prepared: 9/24/2020**

Discussion Point #:	MDP 4	Final Disposition: <input type="checkbox"/> Verbal <input checked="" type="checkbox"/> Report <input type="checkbox"/> Dropped
Cross References: Audit Execution step 03.3.04		
Condition/ Control Weakness	<p>Adequate measures were not always consistently applied to ensure effective and efficient use of financial resources that could be used to offset the costs incurred for CSA pool funded services and/or to meet the needs of the children and families. SEC Policy 4.5.2 Pool Fund Reimbursement requires localities to report at least quarterly all CSA eligible expenditures and applicable refunds in accordance with appropriate expenditure-reporting categories and refund classification. A review of the Local Expenditure, Data and Reimbursement System (LEDRS) Refund Reports for FY17 – FY20 indicates that Orange County has not reported any Child Support Enforcement recoveries (Refer to Exhibit A). However, other data collected by OCS for Orange County denotes CSA funded services on behalf of 23-49 foster care clients. Upon inquiry, the Orange County CSA Office advised that they had not received any child support funds from the Department of Social Services.</p> <p style="text-align: center;">Exhibit A</p>	





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Date Prepared: 9/24/2020

**CSA Expenditure Refunds  
Orange County  
FY 2017-2020**

2017

Fips	Locality	Vendor Refunds	Parental Co-Pay	SSA, SSI, VA, Benefits	Support through DCSE	Reclaimed under IV-E	Other	Total
137	Orange	57,712.40	3,015.00	-	-	98,973.66	3,420.00	163,121.06

2018 Refunds

Fips	Locality	Vendor Refunds	Parental Co-Pay	SSA, SSI, VA, Benefits	Support through DCSE	Reclaimed under IV-E	Other	Total
137	Orange	47,373.81	8,694.00	13,000.00	-	21,032.40	-	90,100.21

2019 Refunds

Fips	Locality	Vendor Refunds	Parental Co-Pay	SSA, SSI, VA, Benefits	Support through DCSE	Reclaimed under IV-E	Other	Total
137.00	Orange	4,824.41	5,888.00	-	-	-	-	10,712.41

2020 (Pending year-end final close)

Fips	Locality	Vendor Refunds	Parental Co-Pay	SSA, SSI, VA, Benefits	Support through DCSE	Reclaimed under IV-E	Other	Total
137	Orange	819.00	672.00	-	-	-	-	1,491.00

**Authority/ Criteria** SEC Policy 4.5.2

**Recommendation**

In accordance with SEC Policy 4.5.2, the CPMT should determine if there were any child support collections for the current and previous fiscal years and report the refund in LEDRS with their next pool reimbursement.

**CLIENT RESPONSE**

CSA Coordinator

- Concur  
 Do not concur

Signature:



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**Date Prepared: 9/24/2020**

	No opinion at this time	Date: 11/13/2020
CPMT Chairperson	<input checked="" type="checkbox"/> Concur <input type="checkbox"/> Do not concur <input type="checkbox"/> No opinion at this time	Signature: <i>Susan Aylor</i> Date: 11-10-20
COMMENTS: (Attach additional sheets if necessary)		
<p><b>Reviewed By:</b> Click here to enter text.      <b>Date:</b> Click here to enter a date.</p>		