



Office of Children's Services
Empowering communities to serve youth

CSA PROGRAM AUDITS (An Overview)

Presented by
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CSA Program Audits - Discussion Points

- Objective of Program Audits
- Audit Planning: Who, When, and Where
- Audit Coverage (What Do We Audit?)
- CSA Program Audit Resource Tools
- Audits & Denial of Funds Policy
- Considerations for Local Finance Officers
- Questions/Comments

Objectives: Assurance & Internal Control

[§ 2.2-2649](#)(B3): "The director of the Office of Children's Services shall develop and provide for the consistent oversight for program administration and compliance with state policies and procedures."



Objectives: Assurance & Internal Control



To provide independent, objective, and reasonable assurance to CSA stakeholders regarding the effectiveness of risk management, internal controls, and organizational practices, and their overall impact on the accomplishment of state and local CSA program goals and objectives.

Objectives: Assurance & Internal Control

- Determine adequacy of CSA risk management, control, and governance processes.
- Determine whether established goals and objectives of CSA are accomplished.
- Determine the extent of compliance with CSA laws, statutes, policies, procedures, etc.
- Determine the extent of the reliability and integrity of CSA information.
- Determine adequacy of the safeguarding of CSA assets and/or data.
- Determine whether CSA resources are used effectively and efficiently; recommend operational improvements.

Audit Planning: Who, When, and Where

Risk Assessment (Who)

Impact and likelihood of not achieving organizational objectives. Criteria used in the assessment includes: financial materiality, performance measures index, inherent and control risk, stakeholder input (includes the annual survey of local stakeholders), and time since last audit.

Cycle (When)

Every 3 years; except where risk assessment or management request warrants modified scheduling.

On-site vs. Self-Assessment w/Validation (Where)

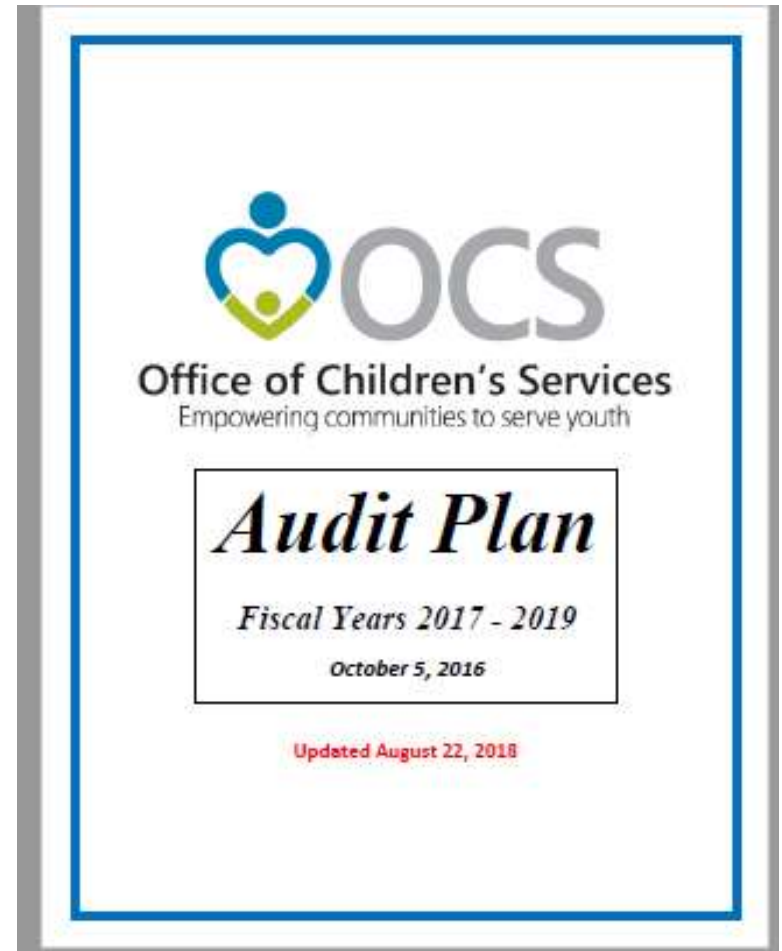
As determined by the risk assessment

Risk	Where
Higher	On-site
Lower	Self-Assessment w/Validation

Audit Planning: Who, When, and Where

Audit Plan

- Reviewed annually and updated where necessary
- Distributed to CPMT Chairs and CSA Coordinators via email
- Published on the CSA website ([Audit Plan](#))



Audit Coverage (What Do We Audit?)

- CPMT (evidence of oversight)
 - Data Management (integrity and security)
 - Utilization Management/Utilization Review (plan, practice, and reporting)
 - Policies and Procedures (current and consistent with State and/or Federal)
 - Coordination of Long-range Planning/Strategic Planning (communication of adopted goals and objectives)
 - Fund allocation monitoring (local gov't budgets, financial statements, meeting minutes, authorizations for requests for supplemental funding).
- FAPT (evidence of service planning)
 - Client case records (evidence of compliance regarding services and funding)
 - Utilization review activities (monitoring of outcomes)
- CSA Office (program management)
 - Records Management (organization, retention, and destruction)
 - CSA expenditure processing/reimbursements (purchase orders/contracts, invoices, pool fund reimbursement requests, payment histories, general accounting ledger entries).
 - Financial Reporting (Financial statements, fund reconciliations, CSA website of expenditure by service placement types, supplemental requests).
- Other service areas as deemed appropriate

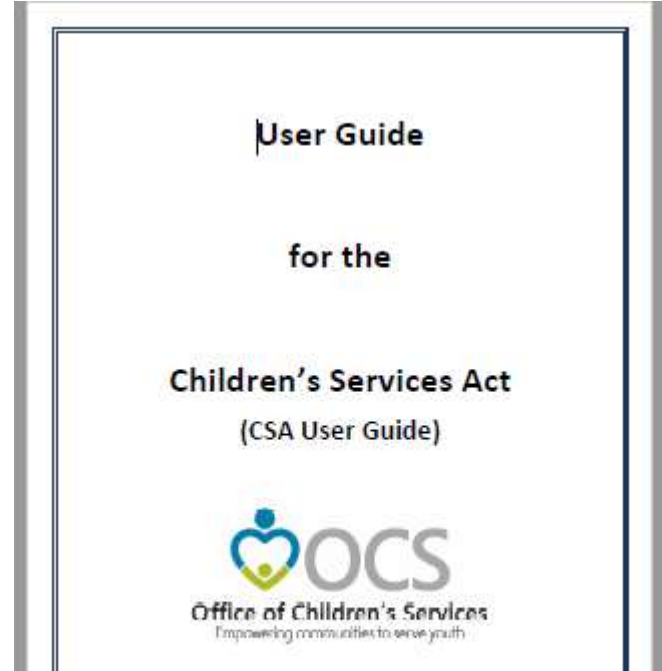
CSA Program Audit Resource Tools



SELF ASSESSMENT WORKBOOK
FOR
LOCALLY ADMINISTERED CSA PROGRAMS

Self-Assessment Workbook

Effective: September 1, 2017



Archives » Program Audits



◀ Return to Final Audit Reports

Final Audit Reports - Archives

- > 2018
- > 2017
- > 2016
- > 2015
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Audit Resource Tools: CSA User Guide

CSA User Guide

September 1, 2018

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Audit Resource Tools: Prior Audit Reports

- Shared on the CSA website
- Useful for early detection in of potential exposures in your local program



Audit Resource Tools: Self-Assessment Workbook

- Published on CSA Website
- Strongly encourage use by local CSA Office when not required per Audit Plan
- Can be a great training tool for new and existing CSA stakeholders
- An excellent resource for preparing for CSA Program Audit
- Includes areas that promote implementation of best practice task, as well as assess state compliance status.
- Where completed, may facilitate process improvements in local programs.

Audit Resource Tools: Self-Assessment Workbook



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Group Exercise



The 12 Best Stretching Exercises at Your Desk

Source: WebMd (<https://www.webmd.com/fitness-exercise/features/stretching-exercises-at-your-desk-12-simple-tips#2>)

1. Substitute exercise for sitting -- while you work
2. Just stand up and sit down -- no hands
3. Shrug your shoulders -- to release the neck and shoulders
4. Loosen the hands with air circles
5. Point your fingers -- good for hands, wrist, and forearms
6. Release the upper body with a torso twist

The 12 Best Stretching Exercises at Your Desk

Source: WebMd (<https://www.webmd.com/fitness-exercise/features/stretching-exercises-at-your-desk-12-simple-tips#2>)

7. Do leg extensions -- work the abs and legs
8. Stretch your back with a "big hug"
9. Cross your arms -- for the shoulders and upper back
10. Stretch your back and shoulders with a "leg hug"
11. Look up to release upper body
12. Substitute walks for email -- and don't eat at your desk

Audit & Denial of Funds Policy

In 2011, the State Executive Council adopted denial of funds policies which establish specific requirements and procedures for the denial of funding under circumstances "where a CPMT fails to provide services that comply with the CSA, any other state law or policy, or any federal law pertaining to the provision of any service funded in accordance with §2.2-5211."

Violations may be uncovered during the course of:

- OCS site reviews,
- OCS review of local policies and procedures, or
- OCS analysis of data anomalies and/or supplemental requests, and
- Reports received from State and Local agencies.

Audit & Denial of Funds Policy

Typical Observations Resulting in Recommendations for Recoupment of Funds:

- Services funded outside of the FAPT or approved multidisciplinary assessment process (COV 2.2-5208 and 2.2-5209)
- Expenditures reimbursed where CPMT authorization of funding is not evidenced (COV-5205)
- Services funded where eligibility to access state pool funds has not been established (COV 2.2-5212)
- Services funded where the mandatory uniform assessment instrument was not completed upon initial funding of services using state pool funds (COV 2.2-5212 and 2.2-2648)

(Note: based upon funding expended for client specific services)

Audit & Denial of Funds Policy

Typical Observations Resulting in Recommendations for Recoupment of Funds:

- Services funded using state pool funds that may be the responsibility of another agency; example, transportation costs associated with special education students (COV 2.2-5211)
- Services funded using state pool funds where another funding source was available and youth was eligible, such as Title IV-E (COV 2.2-5211)
- CSA pool funds expended for Medicaid eligible services for Medicaid eligible clients (Current Appropriation Act and CSA Policy Section 4.4.2)
- Errors resulting from incorrect application of match rates (e.g. recording residential services as community-based services (CSA Policy Section 4.5)

(Note: based upon funding expended for client specific services)

Audit & Denial of Funds Policy

- Audit recommendations may encourage OCS management to recover funds used inappropriately. However, denial of funds is at OCS management's discretion and will be applied in accordance with SEC policies and procedures.
- Refer to CSA Policy Manual Section 4.7 Response to Audit Findings with Regard to the Children's Services Act (Adopted December 14, 2017).
- Localities may appeal decisions to recoup funds that are made by OCS management in accordance with CSA Policy Manual Section 3.4 Dispute Resolution Process (Adopted December 19, 2013)

CSA Considerations for Local Finance Officers (How can you better support your local CSA Office)



CSA Considerations for Local Finance Officers

- Reconciliation of CSA fund balance (not just the expenditures) with general ledger accounts; performed monthly rather than annually.
- Timely submission of pool fund reimbursement requests, especially year end submissions.
- Timing of purchase orders, initiation of services, and receipt of invoices.
- Review of expenditure reporting categories and match rates.
- Monitoring timely collection and accurate reporting of expenditure refunds (e.g. parental contributions, vendor refunds, child-support payment, Title IV-E recoveries).
- Retention of documents requiring signatures that are also remitted electronically (Administrative Budget and Supplemental Requests).
- Ensuring adequate funds are appropriated; affects the efficiency of funds management (i.e. supplemental request process)

Questions/Comments



CSA Program Audits

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