



CITY OF RICHMOND
CITY AUDITOR

DATE: March 18, 2021

TO: Mr. Lincoln Saunders
Acting Chief Administrative Officer

FROM: Louis Lassiter *LL*
City Auditor

SUBJECT: Updated Citywide Foster Care Audit

The City Auditor's Office has updated the Executive Summary and page 13 of the Foster Care audit.

Subsequent to the issuance of the final audit report, Social Services management notified the City Auditor's Office they had provided incomplete information regarding onboarding training for employees. The new information resulted in minor modifications to the new hire training completion percentages in the report. However, the findings and conclusions regarding onboarding education were not materially impacted by these changes; nevertheless, we updated the report to reflect the new percentages.

If you have any questions, please contact the Auditor's Office.

Attachment

cc: The Richmond Audit Committee
The Richmond City Council
Reginald Gordon, DCAO of Human Services
Shunda Giles, Director of Social Services

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City of
RICHMOND
Office of the City Auditor

Audit Report# 2021-09
Department of Social Services
Foster Care
March 18, 2021



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Executive Summary **i**
Background, Objectives, Scope, Methodology **1**
Findings and Recommendations **5**
Title IV-E and CSA Summary **Appendix A**
Management Responses **Appendix B**

Highlights

Audit Report to the Audit Committee, City Council, and the Administration

Why We Did This Audit

The Office of the City Auditor conducted this audit as part of the FY20 audit plan approved by the Audit Committee. The main objective for this audit was to test expenditures and compliance within the Foster Care Program.

What We Recommend

- Reunification and Permanency Unit Program and Operations Supervisor ensure that the monthly contacts are completed and documented in OASIS.
- Resource Family Unit Supervisor develop and implement internal controls and procedures to ensure that the foster parents obtain the required in-service training and document.
- Resource Family Unit Supervisor develop and implement procedures to ensure that the required quarterly home visits are conducted timely and in accordance with VDSS requirements.
- Reunification and Permanency Unit Program and Operations Manager develop and implement an evaluation process to determine if appropriate funding is being utilized to meet the client's needs and fiduciary responsibility of City funds. The evaluation process should include a periodic re-assessment to ensure the most appropriate funding source is still used.
- DSS Professional Development Unit Manager develop and implement standardized procedures for the Family Services Supervisors to monitor training compliance.
- DSS Professional Development Unit Manager develop and implement a centralized tracking and monitoring process, including training obtained outside of VLC to ensure compliance with VDSS' continuing education requirements.

The auditors also made other recommendations to improve operations.

Background – The Richmond Department of Social Services (DSS) assists individuals and families in need through numerous programs, including foster care. Per Chapter E of the Virginia Department of Social Services (VDSS) Child and Family Services Manual, foster care is defined as “24-hour substitute care for children placed away from their parents or guardian and for whom the local board has placement and care responsibility. Placements may be made in foster family homes, foster homes of relatives, pre-adoptive homes, group homes, emergency shelters, residential facilities, and child care institutions. Foster care also includes children under the placement and care of the local board who have not been removed from their home.”

The City of Richmond averaged 281 children in foster care during FY2019, representing approximately five percent of the State’s total. The highest percentages of children in care were ages 16-18 (29%) and 1-5 (19%). The average stay for children in foster care in the City of Richmond was 21.7 months. Foster care services expenditures totaling approximately \$22 million were processed and paid during FY2019. The monies were used for items such as maintenance payments, case management services, counseling, and education services. Maintenance payments cover room and board, clothing, supervision, and transportation for the foster care clients. Multiple local, state and federal funding sources are used for foster care expenditures, of which Title IV-E and Children’s Services Act (CSA) are the largest.

What Works Well

Adequate controls and procedures were in place to:

- Minimize the risk of processing duplicate payments and identify and recoup those that occurred.
- Ensure vendors were appropriately compensated for provided services at the correct rates.
- Ensure expenditures were charged to the correct funding source and the required adjustments were made when there were changes in the client’s eligibility status.
- Ensure clients did not inappropriately receive Title IV-E and Supplement Security Insurance (SSI) simultaneously.

Needs Improvement

Finding #1 – Monthly Case Contacts - The caseworkers did not conduct the required monthly face-to-face contacts with the foster care youth in FY2019. Per the State's caseworker monthly visit data, on average, 83% of the required monthly contacts were conducted during FY2019, which equates to a 17% non-compliance rate.

Finding #2 – Local Foster Homes Approvals – There were 53 DSS local approved foster homes in FY2019. The auditor reviewed six foster homes (3 initial and 3 re-approvals) to ensure that DSS adhered to the State's home approval requirements. Overall, the reviewed foster homes were approved in accordance with VDSS requirements (e.g., background checks conducted and home studies completed). However, the below exceptions were noted.

- Annual in-service training documentation was not in the files for the three foster homes (re-approvals) tested.
- The required quarterly contacts were not completed for 4 out of the 6 reviewed foster homes.
- The re-approval process for one home was not completed timely.

Finding #3 – Residential Placement Funding - The most advantageous funding source may not be used for IV-E eligible clients in residential placements. DSS elected to continue receiving SSI benefits for IV-E eligible clients in residential placements. The auditor analyzed FY2019 residential placement expenditures for four such clients and determined that the additional cost that exceeded the monthly SSI benefits were covered by CSA, resulting in a local match of approximately \$35,000.

Finding #4 – Onboarding Education - Twenty-one caseworkers/supervisors and five supervisors did not complete the new hire training per VDSS requirements.

Finding #5 – Continuing Education - Three of the four reviewed foster care workers/supervisors did not obtain 24 hours of continuing education required by VDSS during calendar year 2019.

Management concurred with 8 of 8 recommendations. We appreciate the cooperation received from management and staff while conducting this audit.



BACKGROUND, OBJECTIVES, SCOPE, METHODOLOGY, MANAGEMENT RESPONSIBILITY and INTERNAL CONTROLS

This audit was conducted in accordance with the Generally Accepted Government Auditing Standards promulgated by the Comptroller General of the United States. Those Standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on the audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on the audit objectives.

BACKGROUND

Overview

The mission of the Department of Social Services (DSS) is “to improve the quality of life for all people of the City of Richmond by strengthening families and individuals through prevention, intervention, and support services that foster self-sufficiency and resilience.” DSS assists individuals and families in need through numerous programs, including foster care. The Foster Care Unit is one of four areas within the Reunification and Permanency Program that works together to provide permanency for foster care youth.

Per Chapter E of the Virginia Department of Social Services (VDSS) Child and Family Services Manual, foster care is defined as “24-hour substitute care for children placed away from their parents or guardian and for whom the local board has placement and care responsibility. Placements may be made in foster family homes, foster homes of relatives, pre-adoptive homes, group homes, emergency shelters, residential facilities, and child care institutions. Foster care also includes children under the placement and care of the local board who have not been removed from their home.” Youth who turn 18 in foster care can continue to receive services until age 21 if they are:

Richmond City Auditor's Report #2021-09

Department of Social Services

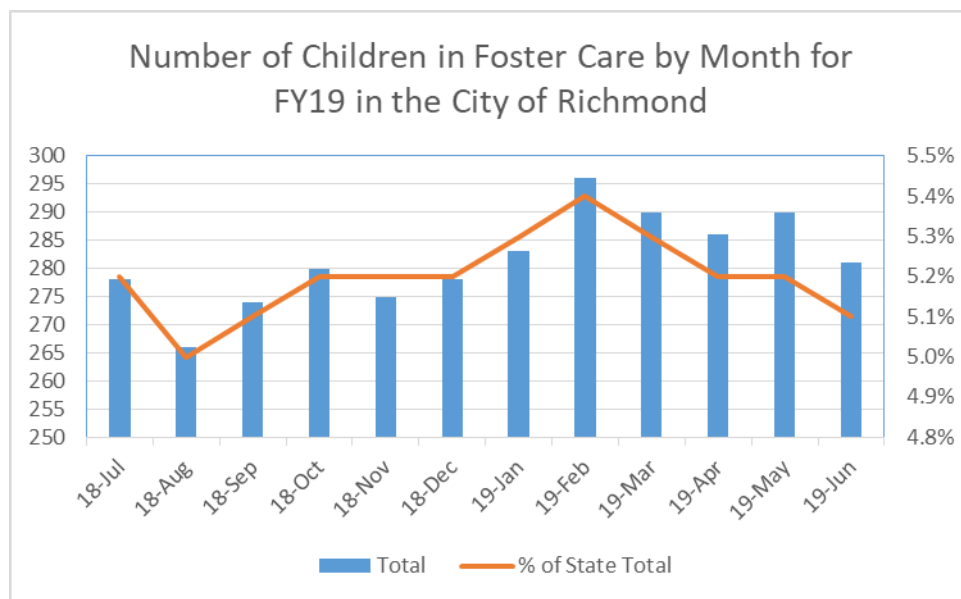
Foster Care

March 18, 2021

- Full time students expected to complete secondary schooling or equivalent training before age 19;
- In permanent foster care placement and participating in an educational, treatment or training program;
- Receiving independent living services; or
- Enrolled in the Fostering Futures¹ program.

FY2019 Foster Care Statistics

The City of Richmond averaged 281 children in foster care during FY2019, representing approximately five percent of the State's total.



Created by Audit using VDSS Foster Care Children Demographic Reports

The highest percentages of children in care were ages 16-18 (29%) and 1-5 (19%). The average length of stay for children in foster care in the City of Richmond was 21.7 months.

¹ Fostering Futures allows the local departments of social services to extend foster care financial support and services to clients up to age 21.

Richmond City Auditor's Report #2021-09

Department of Social Services

Foster Care

March 18, 2021

FY2019 Foster Care Expenditures

Foster care services expenditures totaling approximately \$22 million² were processed and paid during FY2019. The monies were used for items such as maintenance payments, case management services, counseling, and education services. Maintenance payments cover room and board, clothing, supervision, and transportation for the foster care clients. Multiple local, state and federal funding sources are used for foster care expenditures, of which Title IV-E and Children's Services Act (CSA) are the largest. See Appendix A for a summary of the IV-E and CSA expenditures, funding descriptions and eligibility requirements.

Performance Improvement Plan

The City of Richmond Department of Social Services (DSS) is one of twenty Virginia localities that is included in the State's Child and Family Services Review (CFSR) Program Improvement Plan (PIP). VDSS developed this improvement plan in response to the third round of Virginia's CFSR conducted between April 1, 2017, and June 1, 2017, which identified that the State was not in substantial conformity with the seven CFSR outcome areas and 3 out of 7 systemic factors. VDSS monitors DSS' outcomes for children and families related to safety, permanency, well-being, and funding.

OBJECTIVE

The objective for this audit was to test expenditures and compliance within the Foster Care Program.

SCOPE

The audit scope covered program requirements, including eligibility, allowable expenditures, monitoring, reporting, and documentation for foster care clients, foster parents, and foster care workers for the fiscal year 2019 and the current environment unless otherwise stated.

² The total includes purchases, administrative and support costs.

Richmond City Auditor's Report #2021-09

Department of Social Services

Foster Care

March 18, 2021

METHODOLOGY

The Auditors performed the following procedures to complete this audit:

- Interviewed staff;
- Documented and evaluated processes and controls;
- Tested expenditures for compliance and accuracy;
- Reviewed case file documentation for compliance;
- Analyzed data in the automated systems; and
- Performed other tests, as deemed necessary.

MANAGEMENT RESPONSIBILITY

City of Richmond management is responsible for ensuring resources are managed properly and used in compliance with laws and regulations; programs are achieving their objectives; and services are being provided efficiently, effectively, and economically.

INTERNAL CONTROLS

According to the Government Auditing Standards, internal control, in the broadest sense, encompasses the agency's plan, policies, procedures, methods, and processes adopted by management to meet its mission, goals, and objectives. Internal control includes the processes for planning, organizing, directing, and controlling program operations. It also includes systems for measuring, reporting, and monitoring program performance. An effective control structure is one that provides reasonable assurance regarding:

- Efficiency and effectiveness of operations;
- Accurate financial reporting; and
- Compliance with laws and regulations.

Based on the audit test work, the Auditors concluded adequate internal controls and procedures are in place to ensure vendors are appropriately compensated for provided services;

Richmond City Auditor's Report #2021-09

Department of Social Services

Foster Care

March 18, 2021

expenditures are charged to the correct funding sources; required adjustments are made to the funding sources for changes in the client's eligibility statuses; and minimize the risk of duplicate payments being processed and identify and recoup those that occur. However, improvements are needed in the following areas:

- Monthly case contacts with the foster care youth;
- In-Service Training for local foster parents;
- Quarterly contacts with local foster parents;
- Residential placement funding; and
- Onboarding and continuing education;

These observations are discussed throughout this report.

FINDINGS and RECOMMENDATIONS

What Works Well

Adequate controls and procedures were in place to:

- Minimize the risk of processing duplicate payments and identify and recoup those that occur.
- Ensure vendors were appropriately compensated for provided services at the correct rates.
- Ensure expenditures were charged to the correct funding source and the required adjustments were made when there were changes in the client's eligibility status.
- Ensure clients did not inappropriately receive Title IV-E and Supplement Security Insurance (SSI) simultaneously.

Richmond City Auditor's Report #2021-09

Department of Social Services

Foster Care

March 18, 2021

What Needs Improvement

Finding #1 – Monthly Case Contacts

Condition:

The caseworkers did not conduct the required monthly face-to-face contacts with the foster care youth in FY2019. Per the State's caseworker monthly visit data, on average, 83% of the required monthly contacts were conducted during FY2019, which equates to a 17% non-compliance rate.

Criteria:

Per Section 17.7.2 of the VDSS Foster Care Manual (November 2018), children in foster care must have a monthly face-to-face contact (in-person visit) with an approved caseworker. The face-to-face contacts for youth 18-21 that turned 18 prior to July 1, 2016, must be conducted at least quarterly but preferably monthly. The face-to-face contacts were required to be entered into OASIS within 30 days of completion during the audit scope.

Cause(s):

- The caseworkers did not conduct the monthly contacts and/or entered them into OASIS.
- Some of the missing contacts were for clients that ran away, and their whereabouts were unknown. As such, the caseworkers could not complete the contacts. However, these are still counted as missing contacts by the State. It should be noted that the efforts to locate the clients were made and updated in OASIS per VDSS requirements for the sample of reviewed clients.

Effect(s):

Untimely assessments of the child's safety, well-being, and progress towards permanency may occur if the caseworkers do not complete the required monthly contacts. The lack of monthly contacts also results in non-compliance with VDSS requirements.

Richmond City Auditor's Report #2021-09

Department of Social Services

Foster Care

March 18, 2021

Recommendation:

- 1. We recommend that the Reunification and Permanency Unit Program and Operations Supervisor ensure that the monthly contacts are completed and documented in OASIS.*

Finding #2 – Local Foster Homes Approval

Condition:

There were 53 DSS local approved foster homes in FY2019. Seventeen of these homes were initially approved, and eight homes were re-approved during FY2019. The remaining homes were approved before FY2019. Six foster homes (3 initial and 3 re-approvals) were reviewed to ensure that the State's home approval requirements were adhered to.

Overall, it was noted that the DSS foster homes were approved in accordance with the Virginia Department of Social Services (VDSS) requirements. The required background checks, financial assessments, physicals, medical tests, home studies, agreements, and pre-service training were completed prior to approving the homes.

Below is a breakdown of the exceptions for the six homes tested:

- Annual in-service training documentation was not in the files for the three foster homes (re-approvals) tested.
- The required quarterly contacts were not completed for 4 out of the 6 reviewed foster homes. Numerous case contacts (e.g., emails and telephone calls) were entered into OASIS for the foster parents. However, the contacts were not always timely or conducted in the manner prescribed by VDSS.
- The re-approval process for one home was not completed timely. The prior approval period expired 12/31/2018. However, the re-approval process was not completed until 1/22/2019.

Richmond City Auditor's Report #2021-09

Department of Social Services

Foster Care

March 18, 2021

Criteria:

The Resource Family Unit within DSS is responsible for recruiting, approving, and supporting the Department's foster and adoptive homes. The homes are approved using the State's guidelines in Chapter D (Resources Families) of the VDSS Child and Family Services Manual. To become a foster or adoptive parent, an individual or married couple must:

- Be at least 18 years of age;
- Complete pre-service training;
- Participate in at least three face-to-face interviews;
- Submit to a national Fingerprint Criminal Record check, a child abuse and neglect history check, and a DMV check;
- Provide a physician's report verifying that they are physically and mentally capable of caring for a child;
- Verify that they have sufficient income to meet the basic needs of the household; and
- Provide the names of three references.

The homes are approved for 36 months and are re-approved by the end of the month of the previous approval end date. Upon approval, DSS is required to conduct home visits at least quarterly to monitor the provider's performance. Per Section 1.9.3.1 of the VDSS Resource Families Manual, the site visits can coincide with the social workers' monthly visits if clients are placed in the homes. If there are no clients placed in the home, the quarterly visits may be replaced with telephone calls.

Per Section 1.5.7 of the VDSS Resource Families Manual, the providers are required to complete annual in-service training. The local department of social services must ensure that providers receive annual in-service training, and such training is documented. The training shall be relevant to the needs of the children and families. The required number of hours is not specified; however, ten hours of in-service training is the recommended minimum, with no more than ½ of the hours obtained through self-paced training. All in-service training is required to be

Richmond City Auditor's Report #2021-09

Department of Social Services

Foster Care

March 18, 2021

documented in the provider's file. Per 22 VAC40-211-60 of the Virginia Administrative Code, the providers are required to complete in-service training as a condition of home re-approval effective 12/1/18.

Cause(s):

- The Resource Family Unit (RFU) Supervisor indicated that many of the foster parents are receiving training. However, training is not being reported or documented.
- Largely, the contacts were through emails. However, the State's home approval guidance only references home visits and telephone contacts and does not speak to emails. Per the RFU Supervisor, the State has never taken issues with email contacts. She indicated that this is the easiest manner to reach the foster parents.
- Home visits can be conducted by the RFU worker or the foster care youth's caseworker to satisfy the quarterly foster home visit requirement. However, based upon the provided caseworker and RFU contacts, the required visits were still not met. The RFU Supervisor further indicated that the Unit had 2-3 vacancies during the period under review. Most of the efforts were directed to families that had placements.
- Based upon the re-approval checklist, there was a delay in obtaining the Child Protective Services Registry Check results. The checks were requested on 10/1/18, and the results were received on 1/7/19 and 1/22/19 for household members.

Effect(s):

- The annual in-service training allows the providers to gain knowledge to strengthen and improve their skills required to meet the children's needs in care. Without continual growth and development, the providers may not be properly equipped to address and handle the clients' various needs. Effective December 1, 2018, completion of the in-service training is a condition of the home re-approval. This also results in non-compliance with VDSS requirements.
- The home visits provide an opportunity for the workers to access the client's safety, well-being, and living environment and provide support and monitor the provider's

Richmond City Auditor's Report #2021-09

Department of Social Services

Foster Care

March 18, 2021

performance. A lack of visits or untimely visits could result in the untimely detection of changes in the household circumstances that may impact the client's well-being or approval conditions. This also results in non-compliance with VDSS requirements.

Recommendations:

- 2. We recommend the Resource Family Unit Supervisor develop and implement internal controls and procedures to ensure that the foster parents obtain the required in-service training and document.*
- 3. We recommend the Resource Family Unit Supervisor develop and implement procedures to ensure that the required quarterly home visits are conducted timely and in accordance with VDSS requirements.*

Finding #3 – Residential Placement Funding

Condition:

The most advantageous funding source may not be used for IV-E eligible clients in residential placements. DSS elected to continue receiving SSI benefits for IV-E eligible clients in residential placements. The auditor analyzed FY2019 residential placement expenditures for four IV-E eligible clients where DSS elected to continue SSI benefits to determine the additional costs that the City incurred.

The clients were in residential placements ranging from 13 to 524 days with an average monthly foster care expenditure of \$5,000 each during FY2019. Their monthly SSI benefits ranged between \$693 and \$771. The additional cost that exceeded the monthly SSI benefits were covered by CSA, resulting in a local match of approximately \$35,000. The local CSA match rate for residential placements is 46.13%. The local match amount was calculated by reducing the monthly cost by SSI benefits and multiplying by the match rate.

Richmond City Auditor's Report #2021-09*Department of Social Services**Foster Care**March 18, 2021*

Below is a summary of the clients' monthly expenditures, SSI benefits, and the City's local match requirement.

Client	Monthly Foster Care Rate	SSI Monthly Benefit Amount	Residential Home Placement Date	# of Days in Residential Placement Through the End of FY2019	# of Months in Residential Placement Through the End of FY2019	Placement Costs	Local Match
1	\$ 4,163.00	\$771.00	5/30/2019	32	1.07	\$ 3,618.13	\$ 1,669.04
2	\$ 7,500.00	\$771.00	6/18/2019	13	0.43	\$ 2,915.90	\$ 1,345.10
3	\$ 5,294.00	\$693.90	12/21/2018	192	6.40	\$ 29,440.64	\$13,580.97
4	\$ 3,000.00	\$735.00	1/23/2018	524	17.47	\$ 39,562.00	\$18,249.95
						\$ 75,536.67	\$34,845.07

This analysis only represents a snapshot in time and is not intended to be all-inclusive. There may have been additional IV-E clients, which DSS elected to continue receiving SSI benefits in residential placements resulting in additional match requirements.

Criteria:

Upon entering foster care, children are screened for Title IV-E eligibility. Title IV-E is federal foster care funding used to cover the child's maintenance costs such as food, shelter, supervision, and child care. If a client is receiving Supplement Security Income (SSI) upon foster care entry, a determination needs to be made if the continuation of such funds is in the best interest of the child. A foster care child can receive IV-E funds and SSI benefits concurrently. However, the SSI payment must be reduced dollar for dollar by the amount of the IV-E payment. A determination must be made which funding source is most advantageous to meeting the child's needs.

Per Section 1.6.3.4 of the Title IV-E Foster Care Manual, it is more financially advantageous for the agency to use Title IV-E funding for the client's maintenance payments for high-cost placements (e.g., residential) as local funds are not required. This will zero out and put the SSI payment in suspension. However, it may be more advantageous to elect to use SSI benefits when the child is near:

Richmond City Auditor's Report #2021-09

Department of Social Services

Foster Care

March 18, 2021

- the point of adoption;
- age of emancipation and is being prepared for independent living; and
- reunification with a low-income family.

If the agency elects to use SSI benefits to fund maintenance costs, the child becomes non-reimbursable, and IV-E funds cannot be used. The additional costs that exceed the SSI benefit amount are paid through the Children's Services Act (CSA) funds, which are State funds that require a local match. If the agency elects to use IV-E funds, the SSI benefits are suspended. Care must be exercised to ensure that the SSI benefits are not suspended for more than 12 months as the child will lose SSI eligibility and have to do a full re-determination.

Cause(s):

It was communicated to audit that the internal practice is to elect to continue receiving SSI. If the SSI benefits are suspended for more than 12 months, the child will lose SSI eligibility and have to do a full re-determination.

Effect(s):

Residential placement is the most expensive care provided. Children entering a residential facility have an increased level of care that cannot be provided in a standard foster care setting. As care needs change, the level of care placements change; hence it is not uncommon for children to move in and out of homes, medical facilities, and residential facilities. Residential placement expenses over time are costly.

Approximately \$76,000 in residential expenditures were incurred for the reviewed clients during FY19. The monthly expenditures that exceeded the SSI benefits were covered with CSA funds resulting in a local match of approximately \$35,000. If DSS had opted to use IV-E and suspended the SSI benefits, the City would not have incurred a local match. The additional local match amount incurred could be higher as this analysis only represents a snapshot in time.

Richmond City Auditor's Report #2021-09

Department of Social Services

Foster Care

March 18, 2021

Recommendation:

- 4. We recommend that the Reunification and Permanency Unit Program and Operations Manager develop and implement an evaluation process to determine if appropriate funding is being utilized to meet the client's needs and fiduciary responsibility of City funds. The evaluation process should include a periodic re-assessment to ensure the most appropriate funding source is still used.*

Finding #4 – Onboarding Education

Condition:

Training for new foster care and adoption caseworkers and supervisors were not completed per the Virginia Department of Social Services (VDSS) requirements. The required courses were not completed and/or completed within VDSS' required timeframes. The auditor tested 21 caseworkers/supervisors for compliance with new hire training and five supervisors for compliance with supervisor training and noted the below:

- On average, 78% of the new hire courses were completed, with only 61% completed timely.
- All of the reviewed supervisors completed the required Family Services CORE Supervisor Training Series. However, two of the supervisors did not complete the courses within the two-year employment timeframe.

Criteria:

Per Section 17.3 of the VDSS Foster Care Manual (November 2018), foster care and adoption service workers and supervisors hired after March 1, 2013, are required to complete a series of courses within the first two years of employment as outlined below.

Richmond City Auditor's Report #2021-09

Department of Social Services

Foster Care

March 18, 2021

# of Courses	Required Completion Timeframe from Employment
3	First 3 weeks
2	First 3 months
10	First 12months
6	First 24 months

In addition to the above courses, the foster care and adoption service supervisors must complete the Family Services CORE Supervisor Training Series within the first two years of becoming a supervisor. Course enrollment and completion are tracked in the Commonwealth of Virginia Learning Center (COVLC). The transcripts are used to document training completion.

The local department of social services is responsible for ensuring that employees meet the minimum standards and document the training in the workers' personnel files. The supervisors are responsible for ensuring their direct reports complete the required training timely.

Cause(s):

Specific explanations for the identified incomplete training were not provided to Audit. However, per DSS management, staff have encountered the below challenges in accessing VDSS training.

- Courses may not be available, and staff could be "wait-listed" for 3-6 months. No support for this assertion was provided to Audit. Per the Professional Development Manager, they used to track the wait-list and enrolled status. However, that practice was discontinued as it created a significant amount of additional work for her staff. It was believed that the information was not being used.
- The Department attempts to find local courses or those offered in the central region to achieve cost savings. However, the central Virginia courses fill up the quickest.

Richmond City Auditor's Report #2021-09

Department of Social Services

Foster Care

March 18, 2021

- There have been some issues with COVLC updating training modules after completion. For example, a staff member can complete a module, and it appears incomplete in the system. When this occurs, DSS submits a ticket to the State to make the change.

In addition to the above challenges cited by DSS, the auditor noted the below observations that may also contributed to the training non-compliance.

- The Professional Development Unit within DSS provides a monthly training status report to the Program and Operations Supervisor. However, the report does not contain enough information to help the reviewer determine if the courses were completed timely. The report does not include the employees' hire dates or the required course completion timeframes outlined by VDSS.
- A standardized process is not in place for the Family Services Supervisors to monitor their staff's training compliance. Based on interviews with three of the Foster Care Supervisors, it was noted that different mechanisms and means were employed to monitor for training compliance.

Effect(s):

The staff who have not completed the required training may lack the fundamental knowledge and essential skills needed to perform their jobs effectively and may not be abreast of the current best practices. This could potentially lead to disparities among case dispositions. Also, DSS is out of compliance with their governing body.

Recommendations:

- 5. We recommend that the DSS Professional Development Unit Manager revise the training tracking spreadsheet to include the employees' hire dates and required course completion dates outlined by VDSS.*

Richmond City Auditor's Report #2021-09

Department of Social Services

Foster Care

March 18, 2021

6. *We recommend that the DSS Professional Development Unit Manager track the enrollment and wait-list status to document any delays in accessing training.*

7. *We recommend that the DSS Professional Development Unit Manager develop and implement standardized procedures for the Family Services Supervisors to monitor training compliance.*

Finding #5 – Continuing Education

Condition:

Three of the four reviewed employees did not obtain 24 hours of continuing education required by the Virginia Department of Social Services (VDSS) during calendar year 2019. Below is a summary of the training hours obtained:

Employee	Annual Continued Educations Hours Completed
#1	25.5
#2	20.75
#3	21.75
#4	15.25

Criteria:

Per Section 17.3.5 of the VDSS Foster Care Manual, foster care and adoption services workers and supervisors are required to obtain a minimum of 24 hours of continuing education and training annually. The local department of social services is responsible for ensuring that employees meet the minimum standards and document the training in the workers' personnel files. The supervisors are responsible for ensuring their direct reports complete the required training timely.

DSS utilizes the COVLC to enroll, complete, and track learning activities. The transcripts are used to document training completion.

Richmond City Auditor's Report #2021-09

Department of Social Services

Foster Care

March 18, 2021

Cause(s):

A centralized process to monitor and communicate continuing education hours within the department does not exist. Per the Professional Development Manager, the supervisors manually track continuing education as employees may participate in learning activities offered by external entities that are not included in COVLC.

Effect(s):

The foster care workers and supervisors may not receive updated practices to properly perform their job duties, potentially leading to clients' inadequate care. Also, DSS is out of compliance with the VDSS requirements.

Recommendation:

- 8. We recommend that the DSS Professional Development Unit Manager develop and implement a centralized tracking and monitoring process, including training obtained outside of COVLC to ensure compliance with VDSS' continuing education requirements.*

Finding #6 – Duplicate Payments

Condition:

The auditor analyzed 22,059 transactions totaling approximately \$29.4 million that were processed in FY19 for duplicate payments. This analysis included multiple funding sources (e.g., IV-E and CSA) used to fund foster care services. The auditor also included adoption payments in the review to ensure no overlap in funding when foster care clients transition to Adoption. Thirty-two duplicate payments totaling approximately \$45,000, which represents 0.15% of the reviewed payments, were identified. There could potentially be more duplicates as the audit analysis was designed to identify duplicate payments for the same client, service code, service month, and service year. The analysis will not identify duplicate payments posted to different service codes or multiple service months consolidated into a single payment.

Richmond City Auditor's Report #2021-09

Department of Social Services

Foster Care

March 18, 2021

DSS identified and recovered approximately \$31,000 of the \$44,828 duplicates prior to this audit with an additional \$12,000 recovered as of fieldwork completion. Payment plans were established for the remaining funds and the cases were forwarded to the DSS Fraud Unit for management. Below is a breakdown of the duplicate payments and DSS recovery efforts.

	# of Clients	# of Payments	\$ of Payments
Identified and Recovered Prior to the Audit	9	21	\$31,279
Identified and Recouped During the Audit	6	8	\$11,877
Identified Prior to the Audit and Not Recovered	1	2	\$972
Identified During the Audit and Not Recovered	1	1	\$700
Totals	17	32	\$44,828

Criteria:

Payments are processed in DSS through one of the below means.

- One-time-only payments are used for unique services, services that have been abbreviated or could not be added to a purchase order.
- On-going payments are generally used for maintenance payments or independent living stipends, which are not set up on purchase orders.
- Purchase orders are generally used for contracted based services such as room and board, private day education, etc.

Each payment request requires a multi-level review and approval process. The DSS Finance staff are responsible for reviewing case notes and payment histories prior to approving payment requests. Any requests that could generate a duplicate payment error should be rejected.

Cause(s):

The majority of the identified duplicate payments resulted from multiple payment requests being set up in Harmony.

Richmond City Auditor's Report #2021-09

Department of Social Services

Foster Care

March 18, 2021

Effect(s):

Duplicates totaling approximately \$45,000 were paid in FY2019. The vendors were paid multiple times for the same goods and services. Duplicate payments reduce the amount of funding available for services; results in overstated expenditure reporting to the State, and increases DSS out pocket expenditures due to local match requirements (where required). Also, DSS staff have to invest resources to identify, recoup, and post refunds in Harmony. Two of the duplicates were paid directly to the foster care clients. The overpayments were recouped from local-only funds to reimburse Title IV-E.

Recommendation: A recommendation will not be issued as:

- Overall, adequate controls and procedures are in place to minimize the risk of processing duplicate payments and identify and recoup those that occur. This is evident given the minimal amount and quantity of duplicate payments identified in proportion to the number and dollar amount of payments processed. DSS staff also identified and recouped a large portion of the identified duplicate payments prior to this audit.
- The DSS Finance Unit has developed and implemented additional controls and monitoring procedures to reduce the risk of duplicate payments occurring and identify and recoup those that do. In April 2020, a new field was added to Harmony for payment requests. This field requires the Cash Office personnel to affirm that they checked for potential duplicates prior to completing payment requests. Also, a potential duplicate report was created in April 2020 that per management will be run either annually or semi-annually to identify possible duplicate payments for review. This report was run in April 2020 and May 2020 and identified several duplicates, which DSS initiated recovery efforts for the payments.
- The duplicate payments identified in the audit have been recovered.

Richmond City Auditor's Report #2021-09

Department of Social Services

Foster Care

March 18, 2021

Finding #7 – VEMAT Administration/Enhanced Maintenance Payments

Condition:

Enhanced maintenance payments totaling approximately \$1.3 million were issued to foster parents for 200 youth during FY2019. Thirty-six Virginia Enhanced Maintenance Assessment Tools (VEMATs) were reviewed for the top 10 clients with the highest total dollar amount of enhanced maintenance payments. The VEMATs were conducted in accordance with the Virginia Department of Social Services (VDSS) requirements and the enhanced maintenance payments were properly paid with the below exceptions.

- Client A - October 2018 VEMAT was not entered into the web-based version within 5 business days per VDSS requirements. The VEMAT was conducted on 10/22/18 and entered into the web-based system on December 14, 2018.
- Client B - Enhanced maintenance payments totaling \$11,077 were inappropriately charged to Title IV-E for October 2019 – May 2020 service months. VEMAT reassessments were not conducted after June 2019. Based upon the monthly enhanced maintenance payment amount and the June 2019 reassessment score, the VEMATs should have been conducted quarterly.

Criteria:

Enhanced maintenance payments are issued to foster parents for youth that require additional support and supervision due to behavioral, emotional, or physical/personal needs. These payments are in addition to the basic maintenance payments that are issued. The Virginia Enhanced Maintenance Assessment Tool (VEMAT) is administered to assess the child's behavioral, emotional, and physical/personal care needs and determine if an enhanced maintenance payment is necessary to ensure the safety and well-being of the child.

VEMATs are administered by a team that is knowledgeable of the youth's needs, including at least the caseworker, caregiver, and the individual trained to administer the VEMAT. The team

Richmond City Auditor's Report #2021-09

Department of Social Services

Foster Care

March 18, 2021

assesses the youth's needs. A score is electronically calculated by the VEMAT system based upon the client's selected characteristics for each needs area and totaled to determine the monthly payment amount. Effective October 1, 2012, the below enhanced maintenance rates are issued monthly.

Score	Monthly Rate
0	\$0
4	\$224
8	\$448
12	\$672
16	\$896
20	\$1120
24	\$1344
28	\$1568
32	\$1792
36	\$2016

All decisions about enhanced maintenance must be captured in the web-based version of the VEMAT. A paper copy of the VEMAT may be completed; however, results must be transferred to the web-based version within five business days of the VEMAT meeting.

The frequency of the reassessment is based upon the VEMAT score as denoted below:

- Below 28 – within 12 months of the previous VEMAT and no more frequently than quarterly unless requested by the foster parent
- 28 and above – within three months of the previous VEMAT
- 36 solely due to medical/physical needs that are not going to improve – administer annually.

Richmond City Auditor's Report #2021-09

Department of Social Services

Foster Care

March 18, 2021

Title IV-E and CSA funds cannot be used if the VEMAT is not conducted timely as described above. Local only funds must be used from the first of the month following the required completion date until the VEMAT is completed and becomes effective.³

Cause(s):

DSS staff attributes the identified exceptions to the below reasons.

- The delay in entering the VEMAT results into the web-based system may be due to the rater going in and making corrections (e.g., foster parent address). Also, there was a period when the web-based system was not working; however, the staff could not identify when this occurred.
- The VEMATs for Client B should have been completed quarterly. However, this was an oversight by DSS staff.

Effect(s):

VDSS requirements were not adhered to for the two identified exceptions. An overpayment of Title IV-E funds in the amount of \$11,077 occurred. As a result, the City has to bear the full cost of the overpayments as local only funds have to be used.

Recommendation:

No recommendation will be issued as the required adjustments were processed before the audit was complete.

³ VEMAT is effective the first of the month following the month the VEMAT was completed and signed by all required parties.

Richmond City Auditor's Report #2021-09*Department of Social Services**Foster Care**March 18, 2021*

Finding #8 – Recoveries Paid from CSA**Condition:**

The auditor identified approximately \$124,000 of allowable Title IV-E expenditures paid out of CSA funds for Title IV-E eligible clients. The auditor reviewed 82 of these payments totaling approximately \$96,000 and generally noted the payments were appropriately charged to CSA during periods when clients were ineligible for IV-E or transferred to Title IV-E or local-only funds. Below is a breakdown of the testing results.

DSS Expenditures Review	# Of Expenditures Reviewed	Dollar Amount
Appropriately charged to CSA	38	\$50,881
Initially charged to CSA and later moved to IV-E or local funds prior to the audit	39	\$42,145
Initially charged to CSA and later moved to IV-E or local funds during the audit	5	\$3,245
Total	82	\$96,271

During the audit, the auditor identified five expenditures totaling \$3,245 that were not transferred to IV-E upon eligibility determination. However, the appropriate adjustments to move the expenditures to IV-E were processed prior to completing the audit.

Criteria:

When a client enters foster care, it can take up to 45 days to complete the Title IV-E eligibility screening process. Most expenditures initially are paid using CSA funds and later reimbursed using the most appropriate funding source if necessary once eligibility is determined. A monthly IV-E reconciliation process is conducted by the Continuous Quality Improvement (CQI) Unit within DSS. Any identified errors, such as changes in funding sources, are corrected.

Cause(s):

Adequate controls and procedures are in place to ensure that expenditures initially charged to CSA during the IV-E eligibility process are properly transferred to IV-E funding, and CSA is

Richmond City Auditor's Report #2021-09

Department of Social Services

Foster Care

March 18, 2021

reimbursed. Upon following up with the DSS staff, it was noted that the five payments referenced above were missed during the IV-E reconciliation process. Given the small exception percentage and the controls in place, the auditor deems this an oversight.

Effect(s):

The adjustments to transfer the five expenditures noted above to Title IV-E have been processed by the DSS staff. As such, there is no current effect or impact. However, if the expenditures had not been transferred to IV-E, the City would have unnecessarily incurred a local CSA match. Title IV-E funding is 100% federal funding without a local match requirement.

Recommendation:

No recommendation will be issued as adequate controls and procedures are in place to ensure that expenditures initially charged to CSA during the IV-E eligibility process are properly transferred to IV-E funding to reimburse CSA. The adjustments to transfer the five expenditures noted above to Title IV-E have been processed by DSS staff.

**Appendix A: Title IV-E and CSA Summary
2021-09 DSS Foster Care Audit**

Funding Source	FY19 Expenditures	Description	Eligibility Requirement
Title IV-E	\$5,997,390	Federal foster care funds are authorized under the Title IV Part E of the Social Security Act (Title IV-E). Funding is used for maintenance cost for food, clothing, shelter, daily supervision, child care, school supplies, personal incidentals, and reasonable travel for child to visit with family/other care takers and to remain in the same school he/she was attending prior to placement in foster care. Funding is also used for administrative costs such as eligibility determination and case management as well as child welfare staff and foster parent training. Funding cannot be used for any type of services such as counseling, therapy, medical cost, mentoring and education services.	<p>Foster care youth must meet the below eligibility requirements for Title IV-E funding.</p> <ul style="list-style-type: none"> a. Judicial language must indicate that continued placement in the home would be contrary to the welfare/best interest of the child or similar language to that effect for court ordered removals. Judicial language that continuation in voluntary placement is in the child's best interest must be obtained to extend title IV-E eligibility beyond 180 days for Voluntary Placement Agreements. b. A court order with the judicial determination that reasonable efforts to prevent removal have been made or reasonable effort to prevent removal is not required should be obtained within 60 days of the child's physical removal. c. Child was eligible for Aid to Families with Dependent Children (AFDC) in the specified relative's home in the month the child was legally/physically removed. d. Age 18 or less. Eligibility may continue beyond age 18 if the child is enrolled in a secondary school or vocational/technical school and expected to complete school/program prior to or in the month of his/her 19th birthday. e. Placed in a fully licensed and approved placement f. Annual judicial reviews are conducted
CSA	\$15,063,378	The Children Services Act (CSA) is a Virginia law enacted in 1993 to provide services for at-risk and troubled youth and their families. The CSA was initially codified as the "Comprehensive Services Act for At-Risk Youth and Families" and was renamed effective July 1, 2015. The Department of Social Services serves as the fiscal agent for CSA.	<p>The client must meet one or more of the below eligibility requirements and the client's legal guardian must legally reside in the City.</p> <ul style="list-style-type: none"> 1. The child has emotional or behavior problems that: <ul style="list-style-type: none"> a. Have persisted over time, critical in nature b. Are significantly disabling and are present in home, school, or social settings c. Require services or resources that are unavailable or inaccessible beyond the normal agency services or require processes or collaboration among multiples agencies 2. The child has emotional or behavior problems, and is currently or in imminent risk of entering purchased residential care. 3. The child requires placement for the purpose of special education in approved private school education programs. 4. The child requires foster care services as defined in (63.2-905).

APPENDIX B: MANAGEMENT RESPONSE FORM

2021-09 DSS - Foster Care Audit

#	RECOMMENDATION	CONCUR Y/N	ACTION STEPS
1	We recommend that the Reunification and Permanency Unit Program and Operations Supervisor ensure that the monthly contacts are completed and documented in OASIS.	Y	The R&P-POS shall pull OASIS data on the first work day of the following month to ensure all foster care contacts have been entered within the prior month's timeframe. The R&P-POS shall investigate any cases where monthly contacts are not completed timely by reviewing the OASIS case and meeting with the Family Service Supervisor and Worker to develop a corrective action plan. The R&P-POS shall randomly select 12% of all active foster care cases to review documentation quality each month. The Family Services Supervisor shall document the outcome of the monthly supervision for each staff as a contact in OASIS. Supervisory Contacts shall be documented in OASIS according to Virginia Department of Social Services Child and Family Services Manual E. Foster Care Section 17.7.1.
	TITLE OF RESPONSIBLE PERSON		TARGET DATE
	Reunification Program Manager		1-Feb-21
	IF IN PROGRESS, EXPLAIN ANY DELAYS		IF IMPLEMENTED, DETAILS OF IMPLEMENTATION
#	RECOMMENDATION	CONCUR Y/N	ACTION STEPS
2	We recommend the Resource Family Unit Supervisor develop and implement internal controls and procedures to ensure that the foster parents obtain the required in-service training and document.	Y	The program will develop a training calendar of available required in-service trainings for foster care parents. The calendar will be distributed monthly to families.
	TITLE OF RESPONSIBLE PERSON		TARGET DATE
	Reunification Program Manager		Mar-21
	IF IN PROGRESS, EXPLAIN ANY DELAYS		IF IMPLEMENTED, DETAILS OF IMPLEMENTATION
			In February 2020, the Resource Family Unit developed and implemented the following internal controls and procedures to ensure that foster parents obtain the required training and documentation. (1) Utilize OASIS, the official electronic, child welfare record, to document all in-service training hours as aligned with Virginia Department of Social Services Child and Family Services Manual D., Resource Families, Section 1.8.4- In-service training. (2) Secure all non-electronic training correspondence i.e. certificates, conference schedules, etc. and filing these documents in the hard file record located in the Resource Family Unit.

APPENDIX B: MANAGEMENT RESPONSE FORM

2021-09 DSS - Foster Care Audit

#	RECOMMENDATION	CONCUR Y/N	ACTION STEPS
3	We recommend the Resource Family Unit Supervisor develop and implement procedures to ensure that the required quarterly home visits are conducted timely and in accordance with VDSS requirements.	Y	The Reunification and Permanency Program Manager will randomly select 20% of the OASIS Resource Family Caseload, quarterly, to assess for compliance. This review will occur during the months of March, June, Sept and December and will begin March 2021. The program manager will provide written feedback to the supervisor.
	TITLE OF RESPONSIBLE PERSON		TARGET DATE
	Resource Unit Supervisor		March 2021- begin date of random reviews
	IF IN PROGRESS, EXPLAIN ANY DELAYS		IF IMPLEMENTED, DETAILS OF IMPLEMENTATION
			In February 2020, the Resource Family Unit developed and implemented the following procedures to ensure that required quarterly home visits are conducted timely and in accordance with VDSS requirements. (1) During monthly supervision the Resource Family Supervisor and staff will review the assigned caseload to assess timeliness of visits and supporting documentation. This will strengthen practice and build staff capacity. (2)The Resource Family Unit Supervisor will review OASIS case records monthly to verify documentation of timely visits. The supervisor will provide written feedback to staff, as needed.
#	RECOMMENDATION	CONCUR Y/N	ACTION STEPS
4	We recommend that the Reunification and Permanency Unit Program and Operations Manager develop and implement an evaluation process to determine if appropriate funding is being utilized to meet the client's needs and fiduciary responsibility of City funds. The evaluation process should include a periodic re-assessment to ensure the most appropriate funding source is still used.	Y	The agency will follow Foster Care Guidance Section 4.11 and 18.1.7 as it relates to the determining eligibility for maximizing funding. Effective January 01, 2021 for any case of a child/youth found IVE eligible, our practice will be to use IVE funding as a first choice. When a child/youth is a recipient of SSI coming into care or is determined to be eligible to receive SSI while in foster care, such funding will be suspended until it has been assessed that the use of SSI would be the best alternative. This applies to all current cases. Any youth who is currently the recipient of SSI will have his/her account suspended.
	TITLE OF RESPONSIBLE PERSON		TARGET DATE
	Program Manager		1-Feb-21
	IF IN PROGRESS, EXPLAIN ANY DELAYS		IF IMPLEMENTED, DETAILS OF IMPLEMENTATION

APPENDIX B: MANAGEMENT RESPONSE FORM

2021-09 DSS - Foster Care Audit

#	RECOMMENDATION	CONCUR Y/N	ACTION STEPS
5	We recommend that the DSS Professional Development Unit Manager revise the training tracking spreadsheet to include the employees' hire dates and required course completion dates outlined by VDSS.	Y	The Division of Children, Families and Adults (CF&A) will develop and implement standardized procedures to monitor training compliance. This will include: (1) CF&A and Professional Development staff expanding on the current internal training system to track all training that occurs outside of the COVLC. (2) The RDSS Professional Development Unit Manager will work with the VDSS Training Unit to enter all staff training in the COVLC. The COVLC transcripts will document training completions. (3) The Unit Manager will revise training spreadsheet as recommended.
	TITLE OF RESPONSIBLE PERSON		TARGET DATE
	Professional Development Manager		1-Mar-21
	IF IN PROGRESS, EXPLAIN ANY DELAYS		IF IMPLEMENTED, DETAILS OF IMPLEMENTATION
#	RECOMMENDATION	CONCUR Y/N	ACTION STEPS
6	We recommend that the DSS Professional Development Unit Manager track the enrollment and wait-list status to document any delays in accessing training.	Y	The Professional Development Manager will track the enrollment and wait-list status utilizing current internal training tracking tool.
	TITLE OF RESPONSIBLE PERSON		TARGET DATE
	Professional Development Manager		1-Mar-21
	IF IN PROGRESS, EXPLAIN ANY DELAYS		IF IMPLEMENTED, DETAILS OF IMPLEMENTATION
#	RECOMMENDATION	CONCUR Y/N	ACTION STEPS
7	We recommend that the DSS Professional Development Unit Manager develop and implement standardized procedures for the Family Services Supervisors to monitor training compliance.	Y	The action steps for this item have been incorporated into item 5 as these responsibilities have been assigned to the Professional Development Manager.
	TITLE OF RESPONSIBLE PERSON		TARGET DATE
	Professional Development Manager		
	IF IN PROGRESS, EXPLAIN ANY DELAYS		IF IMPLEMENTED, DETAILS OF IMPLEMENTATION

APPENDIX B: MANAGEMENT RESPONSE FORM

2021-09 DSS - Foster Care Audit

#	RECOMMENDATION	CONCUR Y/N	ACTION STEPS
8	We recommend that the DSS Professional Development Unit Manager develop and implement a centralized tracking and monitoring process, including training obtained outside of COVLC to ensure compliance with VDSS' continuing education requirements.	Y	The action steps for this item have been incorporated into item 5 as these responsibilities have been assigned to the Professional Development Manager.
	TITLE OF RESPONSIBLE PERSON		TARGET DATE
	Professional Development Manager		
	IF IN PROGRESS, EXPLAIN ANY DELAYS		IF IMPLEMENTED, DETAILS OF IMPLEMENTATION