



# Richmond City Council

*The Voice of the People.*

*Richmond, Virginia*

## OFFICE OF THE CITY AUDITOR

REPORT # 2013-06

AUDIT

Of the

### Virginia Treatment Center for Children

January 2013

## OFFICIAL GOVERNMENT REPORT

*Richmond City Council*

### OFFICE OF THE CITY AUDITOR

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*Committed to increasing government efficiency, effectiveness,  
and accountability on behalf of the Citizens of Richmond.*

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## *Overview*

### *Introduction and Scope*

The City Auditor's Office has completed an audit of the City's grant provided to the Virginia Treatment Center for Children (VTCC). The Office of the Deputy Chief Administrative Officer, Human Services, is responsible for monitoring compliance with the grant. This audit covers the 12 - month period that ended June 30, 2012. The objective of this audit was to determine if VTCC complied with the scope of services and other grant requirements, as outlined in the grant contract.

The auditors conducted this compliance audit in accordance with generally accepted government auditing standards. Those standards require that the auditors plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for their findings and conclusions based on the audit objectives. The auditors believe that the evidence obtained provides a reasonable basis for their findings and conclusions based on the audit objectives.

### *Methodology*

Auditors employed the following procedures to complete this audit:

- Reviewed the grant contract and quarterly progress reports;
- Reviewed documentation to support performance measures; and
- Performed various tests and other audit procedures, as deemed necessary.

### *Management Responsibility*

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

***Background***

VTCC was established in 1962, as an Adolescent Psychiatric Program for the Department of Psychiatry of the Virginia Commonwealth University (VCU) Medical Center and the VCU Medical School. The purpose of VTCC is to provide family focused inpatient and outpatient services as well as mental health treatment for children and adolescents school age through 17. VTCC inpatient programs include Acute Care Crisis, Stabilization, and Evaluation. The Acute Care program offers admission 24 hours a day, seven days a week.

The City provided a \$60,000 grant to VTCC in fiscal year (FY) 2012. VTCC's overall funding during this period was \$251,414.

***Scope of Services***

VTCC was required to perform the following services in consideration for the City's funding:

- A. Provide consultation to the Comprehensive Services Act (CSA) and Community and Policy Management Team (CPMT) participating agencies in designing an early assessment response process that can be accessed through the local agencies' internal multi-disciplinary teams prior to making referrals to the Family Assessment and Planning Team (FAPT). This will be accomplished by:
  - 1. Creating links for a referral process between the various agencies.
  - 2. Providing assessments for clients referred through this process as an alternative to residential assessment and diagnostic services that can provide some mobility to

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include parental and behavioral assessments in the client's home.

3. Providing assessments that identify the type of service and identifies the needs for the client's treatment plans and some recommended strategies for a provider to implement.

B. Provide consultation to the CSA and CPMT participating agencies in designing a referral process and identifying the appropriate client population to receive parent education services. This will be accomplished by:

1. Creating links for a referral process between the various agencies.
2. Providing education to Richmond Social Services' Family Preservation Unit, Truancy FAPT, and CSU staff on available resources for parents and related to the referral process for VTCC's services and how to identify the parents' needs and who should be referred.
3. Providing parent education and materials for the various agencies.

## **Observations and Recommendations**

The City developed performance measures to evaluate whether VTCC performed the services outlined in this contract. VTCC was in compliance with most grant requirements. However, the auditor noted a few areas of improvement.

According to 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. Auditors evaluated the controls over documentation of VTCC's compliance with the contract terms. Based on the evaluation, auditors concluded that internal controls need improvement.

### ***Possible Improvements***

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***Required client  
assessments and  
training sessions  
could not be  
verified***

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### ***Required Performance Outcomes were not Achieved***

The grant contract required that VTCC complete 8-10 client assessments per month beginning December 1, 2011. However, VTCC only completed two assessments in December and 29 assessments during the last six months of the fiscal year. This means that VTCC averaged less than five assessments each month. In addition, VTCC was required to conduct several training sessions to child welfare agencies and families. VTCC indicated these were performed, but adequate supporting documentation was not available to support their claim.

**Recommendation:**

- 1. Monitor VTCC's performance and require them to maintain documentation for all training provided.*

**Services were Provided to Some Clients Not Residing in the City**

Code of Virginia section 15.2-953A requires:

“Any locality may make appropriations of public funds, of personal property or of any real estate and donations to the Virginia Indigent Health Care Trust Fund and to any charitable institution or association, located within their respective limits or outside their limits if such institution or association provides services to residents of the locality...”

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***Four of the 29  
clients served by  
VTCC were not  
City residents***

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The above requirement was outlined in the grant contract between VTCC and the City. VTCC identified the clients that benefited from the City's funding. The auditor reviewed all of the 29 clients served during FY2012 and noted that four clients were not residents of the City of Richmond. The City needs to ensure that its resources are used for the benefit of its residents.

**Recommendation:**

- 2. Monitor that VTCC uses City funding to provide services only to City residents.*

**APPENDIX A**  
**MANAGEMENT RESPONSE FORM**  
**Virginia Treatment Center for Children 2013-06**

#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS
1	<i>Monitor VTCC's performance and require them to maintain documentation for all training provided.</i>	Y	In concurrence with the spirit of this recommendation we will notify the VTCC of the City Auditor's recommendation. We will work closely with VTCC to increase the frequency of the required client assessments. In addition, we will stress the importance of documenting the trainings they provide.
	TITLE OF RESPONSIBLE PERSON		TARGET DATE
	Project Manager		1-Jul-13
	IF IN PROGRESS, EXPLAIN ANY DELAYS		IF IMPLEMENTED, DETAILS OF IMPLEMENTATION
#	RECOMMENDATION	CONCUR Y-N	ACTION STEPS
2	<i>Monitor that VTCC uses City funding to provide services only to City residents.</i>	Y	In concurrence with the spirit of this recommendation we will notify the VTCC of the City Auditor's recommendation. We will work closely with VTCC to determine the most appropriate method of ensuring that City funding is used for City residents.
	TITLE OF RESPONSIBLE PERSON		TARGET DATE
	Project Manager		1-Jul-13
	IF IN PROGRESS, EXPLAIN ANY DELAYS		IF IMPLEMENTED, DETAILS OF IMPLEMENTATION