

**Virginia**  
**Title IV-E Foster Care Eligibility**  
**Secondary Review**  
**Report of Findings**  
**October 1, 2012 – March 31, 2013**

**Introduction**

During the week of August 12, 2013, the Children's Bureau (CB) of the Administration for Children and Families (ACF) conducted a secondary review of the Virginia title IV-E foster care program. The review was conducted in collaboration with the Virginia Department of Social Services (VDSS), Division of Family Services (DFS) and was completed by a review team comprised of representatives from the DFS, Virginia Court Improvement Project (CIP), CB Central and Regional Office (RO) staff, ACF Regional Grants Management and a peer reviewer.

The purposes of the title IV-E foster care eligibility review were (1) to determine whether Virginia's title IV-E foster care program was in compliance with the eligibility requirements as outlined in 45 CFR §1356.71 and §472 of the Social Security Act (the Act); and (2) to validate the basis of the state's financial claims to ensure that appropriate payments were made on behalf of eligible children.

This secondary review was conducted as a result of the findings of the primary review completed during the week of August 2, 2010. At that time, Virginia was determined not in substantial compliance with the title IV-E eligibility requirements for the period under review (PUR) of October 1, 2009 - March 31, 2010. As required, VDSS submitted a Program Improvement Plan (PIP) to correct the areas found deficient in its title IV-E foster care eligibility program. The PIP was jointly developed by VDSS and CB RO staff and approved in CB correspondence to VDSS dated March 18, 2011. The CB's approval of the PIP completion was based on the state's periodic reports of progress and final report of the planned improvements, which outlined the completion of the identified goals and action steps in the PIP. The PIP goals and activities included, but were not limited to the following:

- Increase accuracy in the title IV-E eligibility determination and re-determination process through issuance of an updated eligibility manual, development and implementation of an updated training curriculum and performance of quality assurance reviews in all local districts, and the development of a quality assurance plan.
- Secure timely court orders that reflect title IV-E criteria on legal authority, best interests and reasonable efforts by: conducting training for judicial and other court personnel; reviewing sample court orders; and working collaboratively with court officials to correct delays in the permanency hearing process.
- Eliminate from title IV-E claims any costs not documented as allowable through staff training and appropriate claims monitoring.

During the PIP implementation period, the state strengthened policies and practices as well as revised forms and procedures to ensure a more accurate title IV-E eligibility determination system. Key to the state's successful implementation of its PIP was the involvement of agency

staff at all levels and jurisdictions as well as representatives from partner agencies such as the judiciary, and private child placement agencies in developing and carrying out the PIP. The group's efforts resulted in improved performance in the secondary review findings related to the judiciary and Aid to Families with Dependent Children (AFDC) determinations. All of the 150 cases in this secondary review were found to have timely and well-documented judicial determinations. In addition, there were no cases found in error due to not meeting the requirements for AFDC. Representatives from the CIP and local agency title IV-E eligibility workers and supervisors participated as reviewers during the on-site review.

## **Scope of the Review**

The secondary review encompassed a sample of the state's foster care cases that received a title IV-E maintenance payment for the six-month PUR of October 1, 2012 through March 31, 2013. A computerized statistical sample of 200 cases (150 cases plus 50 oversample cases) was drawn from state data submitted to the Adoption and Foster Care Analysis and Reporting System (AFCARS) for the above period. One hundred fifty (150) cases were reviewed, which consisted of 144 cases from the original sample plus 6 oversample cases. Six (6) cases were excluded from the original sample either because no title IV-E maintenance payment was made for the PUR, or because the payment was returned to the federal government prior to the state's receipt of the review sample. The state provided documentation to support excluding these cases from the review sample and replacing them with the cases from the oversample.

In accordance with federal provisions at 45 CFR 1356.71, the state was reviewed against the requirements of title IV-E of the Act and federal regulations regarding:

- Judicial determinations regarding reasonable efforts and contrary to the welfare set forth in §472(a)(2)(A) of the Act and 45 CFR §§1356.21(b)(1) and (2), and (c), respectively;
- Voluntary placement agreements as set forth in §§472(a)(2)(A) and (d)-(g) of the Act and 45 CFR §1356.22;
- Responsibility for placement and care vested with State agency as stipulated in §472(a)(2)(B) of the Act and 45 CFR §1356.71(d)(1)(iii);
- Eligibility for AFDC under the state plan in effect July 16, 1996 as required by §472(a)(3) of the Act and 45 CFR §1356.71(d)(1)(v).
- Placement in a licensed foster family home or child care institution as defined in §§472 (b) and (c) of the Act and 45 CFR §1355.20(a); and
- Safety requirements for the child's foster care placement as required at 45 CFR §1356.30.

The case file of each child in the selected sample was reviewed to verify title IV-E eligibility. The foster care provider's file also was examined to ensure the foster family home or child care institution in which the child was placed during the PUR was licensed or approved and that safety considerations were appropriately addressed. Payments made on behalf of each child also were reviewed to verify the expenditures were allowable under title IV-E and to identify underpayments that were eligible for claiming. A sample case was assigned an error rating when the child was not eligible on the date of activity in the PUR for which title IV-E maintenance was paid. A sample case was cited as non-error with ineligible payment when the

child was not eligible on the activity date outside the PUR or the child was eligible in the PUR on the service date of an unallowable activity and title IV-E maintenance was paid for the activity date. In addition, underpayments were identified for a sample case when an allowable title IV-E maintenance payment was not claimed by the state for an eligible child during the 2-year filing period specified in 45 CFR §95.7, unless the title IV-E agency elected not to claim the payment or the filing period had expired.

The CB and the state agreed that, subsequent to the onsite review, the state would have two weeks to submit additional documentation for a case that during the onsite review was identified as in error, in undetermined status or to have an ineligible payment. Documentation that ensured safety considerations for foster parents and staff working in childcare institutions was not readily available during the onsite review which led to numerous cases initially determined to be in error. Virginia's request for additional time to obtain and transmit documentation to resolve these errors was granted. Virginia was able to submit supplemental materials post-onsite for a number of sample cases; following a review of the documentation provided 61 cases were changed from error to non-error. The outcome of our review of those materials is reflected below in the Case Record Summary.

### **Compliance Finding**

The review team determined that 136 of the 150 cases met eligibility requirements (i.e., were deemed non-error cases) for the PUR. Fourteen (14) cases were determined to be in error for either part or all of the PUR resulting in a case error rate of nine (9) percent. In addition, six (6) non-error cases were ineligible for federal funding for a period of claiming. The total dollar value of the maintenance payments in the review sample was \$660,840 for the PUR of which \$96,812 represents maintenance payments for the fourteen (14) error and six (6) non-error cases with ineligible payments for the PUR. This resulted in a dollar error rate of 14.65 percent; with the inclusion of associated administrative costs federal financial participation (FFP) for error cases claimed during the PUR, the total dollar error rate is 9.9 percent. These data indicate that Virginia's dollar error rate 9.9 percent and the case error rate of 9 percent are not greater than 10 percent.

Based on the review findings, CB has determined that Virginia's title IV-E foster care program is in substantial compliance with federal eligibility requirements for the PUR. Substantial compliance in a secondary review is achieved when either the case error rate or dollar error rate does not exceed 10 percent. States are found not in substantial compliance with federal title IV-E program requirements when both the case error rate and the dollar error rate exceed 10 percent. Additionally, four (4) cases were identified in the review sample that had a period of eligibility for which the state did not claim allowable title IV-E maintenance payments. The additional findings for the underpayments were not considered in determining the state's level of compliance. The next review, which will be a primary review, will be held within three years.

### **Case Record Summary**

The following charts record the error cases; non-error cases with ineligible payments; underpayments; reasons for the improper payments; improper payment amounts; and federal provisions for which the State did not meet the compliance mandates.

**Error Cases**

Sample Number	Improper Payment Reason	Ineligibility Period	Improper Payments (FFP) Maintenance	Improper Payments (FFP) Administrative	Total Improper Payments (FFP) Maintenance + Administrative
03	Foster care maintenance payment made for period before safety requirements were met for the caregiving staff of a child care institution [§471(a)(2)(20) of the Act; 45 CFR §1356.30(f)]	02/26/2013–06/21/2013	\$6,274	\$2,793	\$9,067
23	Foster care maintenance payment made for period before safety requirements were met for the caregiving staff of a child care institution [§471(a)(2)(20) of the Act; 45 CFR §1356.30(f)]	08/27/2012–06/30/2013	\$24,015	\$9,276	\$33,291
26	Foster care maintenance payment made for period before safety requirements were met for the caregiving staff of a child care institution [§471(a)(2)(20) of the Act; 45 CFR §1356.30(f)]	11/27/2012–07/31/2013	\$3,456	\$6,515	\$9,971
31	Foster care maintenance payment made for a period the agency did not have placement and care responsibility. [§472(a)(2)(B) of the Act; 45 CFR §§1356.71(d)(1)(iii)]	10/24/2012–10/31/2012	\$143	\$0	\$143
40	Foster care maintenance payment made for period before safety requirements were met for the caregiving staff of a child care institution [§471(a)(2)(20) of the Act; 45 CFR §1356.30(f)]	02/18/2011–11/27/2012	\$39,799	\$19,648	\$59,447

Sample Number	Improper Payment Reason	Ineligibility Period	Improper Payments (FFP) Maintenance	Improper Payments (FFP) Administrative	Total Improper Payments (FFP) Maintenance + Administrative
42	Foster care maintenance payment made for period before safety requirements were met for the caregiving staff of a child care institution [§471(a)(2)(20) of the Act; 45 CFR §1356.30(f)]	07/01/2012–03/12/2013	\$39,502	\$7,351	\$46,853
42	Foster care maintenance payment made for period before safety requirements were met for the caregiving staff of a child care institution [§471(a)(2)(20) of the Act; 45 CFR §1356.30(f)]	03/12/2013–06/30/2013	\$7,078	\$3,723	\$10,801
54	Foster care maintenance payment made for period the agency did not have placement and care responsibility. [§472(a)(2)(B) of the Act; 45 CFR §§1356.71(d)(1)(iii)]	10/31/2012–11/30/2012	\$238	\$931	\$1,169
68	Foster care maintenance payment made for period before safety requirements were met for the caregiving staff of a child care institution [§471(a)(2)(20) of the Act; 45 CFR §1356.30(f)]	11/23/2011–06/08/2013	\$78,734	\$16,437	\$95,171
90	Foster care maintenance payment made for period before safety requirements were met for the caregiving staff of a child care institution [§471(a)(2)(20) of the Act; 45 CFR §1356.30(f)]	10/23/2012–06/30/2013	\$13,933	\$6,516	\$20,449
107	Foster care maintenance payment made for the period of time in which safety requirements were not met for the foster home [§471(a)(20)(a) of the Act; 45 CFR §1356.30(a)&(b)]	10/31/2012–10/31/2012	\$29	\$0	\$29

Sample Number	Improper Payment Reason	Ineligibility Period	Improper Payments (FFP) Maintenance	Improper Payments (FFP) Administrative	Total Improper Payments (FFP) Maintenance + Administrative
110	Foster care maintenance payment made for period before safety requirements were met for the caregiving staff of a child care institution [§471(a)(2)(20) of the Act; 45 CFR §1356.30(f)]	10/22/2012–02/01/2013	\$7,017	\$2,792	\$9,809
132	Foster care maintenance payment made for period when the agency did not have placement and care responsibility. [§472(a)(2)(B) of the Act; 45 CFR §§1356.71(d)(1)(iii)]	12/27/2012–01/31/2013	\$1,687	\$931	\$2,618
149	Foster care maintenance payment made for period before safety requirements were met for the caregiving staff of a child care institution [§471(a)(2)(20) of the Act; 45 CFR §1356.30(f)]	10/19/2012–12/14/2012	\$3,691	\$1,862	\$5,553
149	Foster care maintenance payment made for period before safety requirements were met for the caregiving staff of a child care institution [§471(a)(2)(20) of the Act; 45 CFR §1356.30(f)]	12/14/2012–12/17/2012	\$78	\$0	\$78
150	Foster care maintenance payment made for period when the agency did not have placement and care responsibility. [§472(a)(2)(B) of the Act; 45 CFR §§1356.71(d)(1)(iii)]	01/01/2013–01/01/2013	\$31	\$0	\$31
Total 14 Cases	N/A	N/A	Total Maintenance \$225,705	Total Administrative \$78,775	Grand Total \$304,480

**Non-error Cases with Ineligible Payments**

Sample Number	Improper Payment Reason	Ineligibility Period	Improper Payments (FFP) Maintenance	Improper Payments (FFP) Administrative	Total Improper Payments (FFP) Maintenance + Administrative
100	Foster care maintenance payment made for the period of time outside the PUR in which safety requirements were not met for the foster home [§471(a)(20)(a) of the Act; 45 CFR §1356.30(a)&(b)]	04/05/2011–04/30/2011	\$194	\$875	\$1,069
OS05	Foster care maintenance payment made for the month prior to judicial findings of contrary to the welfare of the child and reasonable efforts to prevent removal [45 CFR §1356.21]	07/31/2012–7/31/2012	\$7	\$0	\$7
120	Foster care maintenance payment made for the period of time outside the PUR in which safety requirements were not met for the foster home [§471(a)(20)(a) of the Act; 45 CFR §1356.30(a)&(b)]	09/14/2012–09/30/2012	\$92	\$0	\$92
122	Foster care maintenance payment made when the agency did not have placement and care responsibility. [§472(a)(2)(B) of the Act; 45 CFR §§1356.71(d)(1)(iii)]	06/08/2013–06/30/2012	\$193	\$931	\$1,124
126	Foster care maintenance payment made for 2the month prior to judicial findings of contrary to the welfare of the child and reasonable efforts to prevent removal [45 CFR §1356.21]	09/30/2011	\$7	\$0	\$7

Sample Number	Improper Payment Reason	Ineligibility Period	Improper Payments (FFP) Maintenance	Improper Payments (FFP) Administrative	Total Improper Payments (FFP) Maintenance + Administrative
142	Foster care maintenance payment made for the period of time outside the PUR in which safety requirements were not met for the foster home [§471(a)(20)(a) of the Act; 45 CFR §1356.30(a)&(b)]	08/30/2012	\$33	\$0	\$33
Total 6 Cases	N/A	N/A	Total Maintenance \$526	Total Administrative \$1,806	Grand Total \$2,332

### **Underpayment Cases**

Sample Number	Improper Payment Reason	Ineligibility Period	Improper Payments (FFP) Maintenance
27	Foster care maintenance payment was not claimed for a period of the eligible child's placement with a fully-licensed foster care provider. [§472(b) and (c) of the Act; 45 CFR 1355.20(a)]	Eligible: 06/08/2012 – 07/31/2012	\$1,809
27	Title IV-E was not claimed for daycare for a period in which the child was eligible. [§472(b) and (c) of the Act; 45 CFR 1355.20(a)]	Eligible: 06/08/2012 – 07/31/2012	\$500
64	Foster care maintenance payment was not claimed for a period of the eligible child's placement with a fully-licensed foster care provider. [§472(b) and (c) of the Act; 45 CFR 1355.20(a)]	Eligible: 12/27/2013 – 01/31/2013	\$310
80	Foster care maintenance payment was not claimed for a period of the eligible child's placement with a fully-licensed foster care provider. [§472(b) and (c) of the Act; 45 CFR 1355.20(a)]	Eligible: 07/11/2012 – 07/31/2012	\$145
83	Foster care maintenance payment was not claimed for a period of the eligible child's placement with a fully-licensed foster care provider. [§472(b) and (c) of the Act; 45 CFR 1355.20(a)]	Eligible: 09/27/2012 – 09/30/2012 and 10/18/2012	\$124
Total 4 Cases	N/A	N/A	\$2,888 Total Maintenance

## Areas in need of improvement

The findings of this review indicate the state needs to further develop and implement procedures to improve program performance in the following areas. For each issue, there is a discussion of the nature of the area needing improvement, the specific title IV-E requirement to which it relates and the corrective action the State should undertake.

### **Issue #1:** *Safety Considerations for Staff at Child Care Institutions*

Documentation that ensures safety considerations for caregiver staff working in child care institutions was not readily available during the onsite review. Although the Virginia Department of Behavioral Health and Developmental Services Office of Licensing reviews personnel files during regular monitoring visits to validate that individual facility employees have completed criminal records checks that meet the state's requirements for safety, this information is not accessible to DFS. For the 2010 title IV-E foster care eligibility review, Virginia reported this information was stored in an automated system that could not be accessed and did not have the capacity to print reports documenting compliance. During this review, the state reported that licensing workers shred review information upon completion of their review of personnel records and no documentation is maintained to verify compliance. The DFS staff spent considerable effort and time prior to, during, and after the review gathering this information on a case-by-case basis. In some cases they were able to verify with the applicable child care institutions that safety requirements were met. Lists were provided that included the names of facility staff, dates criminal records checks were completed, and outcomes of the checks; however, nine (9) cases could not be resolved and resulted in error for the PUR. Additionally, reviewers found that many child care institutions are not complying with the applicable Virginia code §63.2-1726 which bars staff from working with children prior to having completed safety checks. Because some of these instances fell solely outside the PUR they were not considered errors for the purposes of this review.

**Title IV-E Requirement:** As specified in 45 CFR §1356.30(f) and 1356.71(g), the licensing file for a child care institution must contain documentation which verifies that safety considerations with respect to the caregiver staff of the facility have been addressed in order for a child placed in the institution to be eligible for title IV-E funding. The state must provide documentation validating that these safety considerations are satisfied for the duration of the child's placement during the PUR.

**Recommended Corrective Action:** Virginia's licensing process should be reviewed to determine whether there are sufficient controls in place to prevent children from being placed in an unsafe child care institution. This issue was identified during the 2010 primary title IV-E eligibility review and addressed in Virginia's program improvement plan (PIP) developed as a result of that review. While PIP strategies were implemented to increase monitoring, this remained an issue identified during this secondary review. A quality assurance process that periodically reviews the safety check requirements for all foster homes and childcare facilities should be instituted. Virginia should develop procedures between the Department of Behavioral Health and Developmental Services Office of Licensing and DFS to communicate any violations cited during licensing inspections. Eligibility and licensing staff should work together to ensure that any violations are shared and establish a system for reviewing compliance with this requirement periodically. The Department of Behavioral Health and Developmental Services Office of Licensing should ensure that there is a record retention policy that is in compliance with the title IV-E review schedule so the appropriate documentation may be provided to demonstrate that safety checks of staff were monitored in accordance with State policy during

their annual licensing inspections. The DFS also should expand its monitoring process to make certain it has all necessary documentation to validate a child's eligibility before a claim is submitted for reimbursement of foster care maintenance payments.

### **Issue #2: Placement and Care Responsibility**

During the onsite review, cases are examined to ensure that the title IV-E agency maintained responsibility for the placement and care of the child for the PUR. Placement and care responsibility may be granted in the removal court order or in a subsequent court ruling for a judicial removal. The review found four (4) cases where Virginia no longer maintained responsibility for the placement and care of the child. In three (3) error cases, title IV-E funds were claimed during the PUR for the period after a child's adoption had been finalized and in one (1) error case for the period after the child was reunified with a parent. There was one (1) non-error case which resulted in an ineligible payment because title IV-E funds continued to be claimed for a period outside of the PUR after the child's adoption was finalized.

**Title IV-E Requirement:** Section 472(a)(2) of the Act requires that the responsibility for placement and care of a child be vested with the state agency administering the title IV-E plan approved under section 471 of the Act, or any other public agency with whom the state agency has a written agreement in effect. The state agency must present documentation that it or the other public agency has responsibility for placement and care of the child for the entire period for which title IV-E maintenance payments are claimed during the foster care episode. The court order or voluntary placement agreement must indicate that the agency has this responsibility.

**Recommended Corrective Action:** Virginia must ensure that the appropriate fiscal controls are in place at the local levels to ensure that title IV-E foster care administrative and maintenance payments are no longer claimed for children who have achieved their permanency goals and exited foster care. Particular attention should be given to finalized adoptions. The state is encouraged to conduct systematic monitoring of its programmatic and financial operations to determine that required actions and supporting documentation are completed timely and that title IV-E claims are submitted only for those cases meeting all applicable requirements. Virginia should consider additional training for staff on how to determine when a foster care episode ends.

### **Issue #3: Safety Considerations for Foster Family Homes**

Documentation that ensures safety considerations for foster homes was not readily available for most sampled cases during the onsite review. Because the Virginia Office of Background Investigations (OBI) workers complete the criminal records checks, this information is not always maintained by DFS. Once OBI completes a criminal records checks screening, including the FBI fingerprint-based check for an applicant, they transmit a standard letter to the agency that requested the background screening informing them whether or not a foster parent applicant is eligible to be licensed/approved as a foster parent. If a private child placing agency other than DFS requested the screening, the OBI letter is not contained in the DFS case record. As documentation that safety requirements were met for foster parents was not readily available to DFS, much of this information had to be pieced together during the onsite review and in the extended period following the review that Virginia was allowed to provide supplemental information. One (1) case remained an error as a result of not meeting safety requirements for foster family homes timely. Three (3) cases were identified as non-errors with ineligible payments outside the PUR for this reason.

**Title IV-E Requirement:** As specified in section 471(a)(20) of the Act and 45 CFR §1356.30(f), the licensing file for a child placing agency must contain documentation which verifies that safety considerations with respect to the foster family homes have been addressed in order for a child placed in the home to be eligible for title IV-E funding. The state must provide documentation validating that these safety considerations are satisfied for the duration of the child's placement during the PUR.

**Recommended Corrective Action:** Virginia's licensing process should be reviewed to determine whether there are sufficient controls in place to prevent children from being placed in an unsafe foster family home. A quality assurance process that periodically reviews the safety check requirements for all foster homes should be instituted. Virginia also should develop procedures between OBI and DFS to ensure that eligibility workers have access to all documentation which confirms that requirements for the foster home where the child is placed are addressed, including documentation which verifies that safety standards are met.

**Issue #4:** *FC Maintenance Payment Claimed Prior to Initial Judicial Requirements Met*

Though no cases were found in to be in error as a result, two (2) non-error cases with ineligible payments were reviewed in which FFP was claimed for a period prior to the month in which all eligibility requirements were met. In both cases the child was physically placed in foster care at the end of a month and the agency did not obtain the removal court order with a contrary to welfare finding and a judicial determination that reasonable efforts were made to prevent placement until the beginning of the next month.

Additionally, reviewers found the payment histories for some of the cases to be inaccurate. These were initially identified as error cases and non-error cases with ineligible payments because of the inaccuracies in listing service dates. The DFS staff were able to resolve many of these cases by providing invoices and other documentation showing the correct service dates and payments.

**Title IV-E Requirement:** In accordance with the eligibility specified in section 472 of the Act, states may claim FFP from the first day of a child's placement in the month in which all title IV-E eligibility criteria are met. Title IV-E foster care maintenance payments may not be claimed on behalf of a child for a period that is before the month all title IV-E eligibility criteria are met. In addition, title IV-E foster care maintenance payments may not be claimed on behalf of a child for a period that is after title IV-E eligibility ceases, unless an exception is specified in federal provisions.

**Recommended Corrective Action:** Virginia should ensure that appropriate fiscal controls are in place at the local levels to confirm that title IV-E funds are not claimed prior to the first day of a child's placement in the month when all eligibility requirements are met. This includes prior to the time documentation is obtained to verify an eligibility criterion is met. Virginia should provide additional training for staff on how to determine when a foster care episode begins and how to accurately document service dates, payments and adjustments.

**Issue #5: Underpayments:** Four (4) cases in the Virginia review resulted in underpayments for different reasons. In all four cases title IV-E funds were not claimed for an eligible child residing with a foster care provider that was fully licensed at the time of child's placement. Additionally, in one of these cases, title IV-E also was not claimed for daycare for an eligible child.

**Title IV-E Requirement:** Federal Regulations at 45 CFR 1356.60 provide that title IV-E foster care maintenance payments may be claimed for allowable costs of expenditures which meet the federal definition of foster care maintenance found at §475(4) of the Act. Under §472 of the Act title IV-E maintenance payments may be claimed from the first day of the foster care placement in the month in which all title IV-E eligibility criteria are met. The payment may be claimed for the entire month when an eligible child has resided in the foster care placement for that entire month. However, if the eligible child is placed on a date in the month other than the first of the month, title IV-E funds may be claimed for the period beginning at the actual date of foster care placement.

**Recommend Corrective Action:** We recommend that Virginia enhance the continuous quality improvement system to include the review of title IV-E cases to ensure that the state is maximizing its potential of claiming title IV-E maintenance funds for eligible children, including claiming for children in placements that become fully licensed during a month. This will help Virginia identify gaps and ensure complete and proper claiming for children in fully licensed placements.

### **Program Strengths & Promising Practices**

The following positive practices and processes of the title IV-E foster care eligibility program were observed during the review. These approaches seem to have led to improved program performance and successful program operations.

#### Interagency Collaboration

There continues to be strong collaboration between DFS and many of its partners to better serve children and families in the title IV-E foster care program. Representatives from the Virginia CIP, VDSS licensing staff and local agency workers participated in the review. Stakeholders' participation as reviewers helped to broaden their understanding of title IV-E requirements and to further their continued assistance to the state in meeting federal requirements. Of note is the State's performance in meeting the federal requirements in the following areas:

- Court Orders

All court orders reviewed included the required judicial finding. There were no error cases or non-error cases with ineligible payments because a required judicial finding was not made. All court orders reviewed included the requisite contrary to the welfare and reasonable efforts finding. Court orders were individualized to be child specific. These child specific details are important to help maintain a level of accountability, guide future court determinations with respect to achieving permanency and provide clarity for establishing eligibility.

- Frequent Permanency Hearings

Cases reviewed found frequent permanency hearings resulting in timely judicial determinations. Virginia has worked closely with the CIP to monitor timeliness of these hearings and ensure that DFS is obtaining timely findings that the agency is making reasonable efforts to finalize permanency for a child.

## AFDC Eligibility

All cases reviewed included an appropriate determination of the child's AFDC eligibility. Cases included evidence that title IV-E eligibility workers and DFS caseworkers are communicating well to document income and resources to determine a child's eligibility. Reviewers were able to understand key decision-making points regarding income, resources and required judicial findings in determining eligibility; clarification regarding requirements for a child's removal from a specified relative was provided during the review which will further improve the State's process. Determining a child's AFDC eligibility was found to be an issue needing improvement in the 2010 title IV-E review. As part of the PIP addressing the findings of that review, the state added a resource tool library to its intranet to provide local workers with quick reference for guidance on IV-E eligibility. DFS also revised its title IV-E eligibility manual to ensure eligibility workers had correct information from the Virginia AFDC state plan. Virginia is commended for the improvements made in this area.

## **Disallowance**

A disallowance in the amount of \$226,231 in maintenance payments and \$80,581 in related administrative costs of FFP is assessed for title IV-E foster care payments claimed for the error cases and non-error cases with ineligible payments. The total disallowance as a result of this review is \$306,812 in FFP. The state must identify and repay any ineligible payments that occurred for the error and non-error cases subsequent to the PUR. No future claims should be submitted on these cases until it is determined that all eligibility requirements are met.

## **Next Steps**

As part of Virginia's ongoing efforts to improve its title IV-E foster care eligibility determination process, CB recommends that DFS examine identified program deficiencies and develop measurable, sustainable strategies that target the root cause of problems hindering the state from operating a fully accurate foster care eligibility program.

During the onsite phase of this review there were numerous additional cases that were initially found to be in error or as having an ineligible payment due to lack of documentation in case records. This required extensive efforts on the part of the DFS to identify and provide the necessary documentation. It also required extensive efforts on the part of CB and RO Grants Management staff to review the supplemental information once submitted to determine whether the eligibility criteria were met and title IV-E foster care maintenance payments were properly claimed. Sixty-one (61) of the original seventy-five (75) error cases were reversed after the appropriate documentation was provided in the period following the onsite review.

Keeping informed about current federal laws and regulations is necessary for Virginia to ensure compliance with title IV-E eligibility requirements. It is also necessary to ensure that adequate case documentation and routine case maintenance are current for all eligibility requirements, including safety requirements for childcare institutions and foster family homes. Finally, it is necessary for Virginia to ensure title IV-E payments are claimed only for eligible children and allowable program activities and those payments are claimed for the maximum period permissible. Appropriate corrective action should be taken in instances of noncompliance with federal laws and regulations. The CB RO will continue to provide technical assistance to Virginia in these efforts.