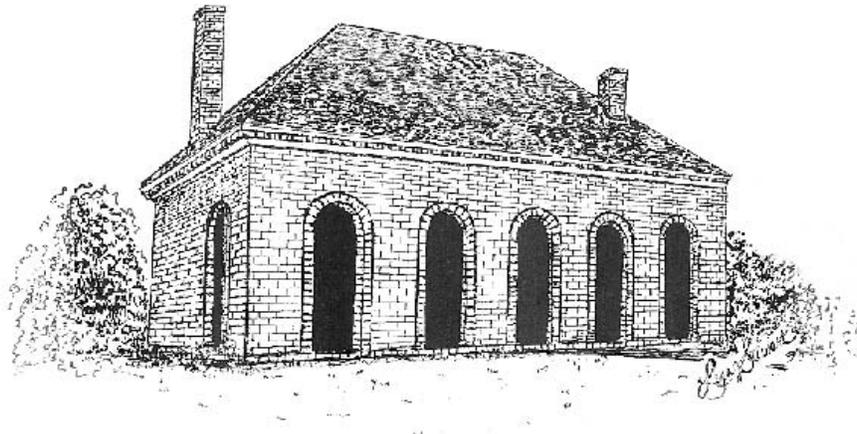


# BOARD MEETING PACKET

PREPARED FOR  
HANOVER COUNTY COMMUNITY SERVICES BOARD



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<b>MEETING DATE</b>	<b>June 15, 2015</b>
<b>MEETING TIME</b>	<b>6:30 p.m.</b>
<b>LOCATION</b>	<b>Hanover Community Services Board Conference Room 12300 Washington Highway Ashland, VA 23005</b>

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## STATEMENT OF MISSION

We partner with individuals to provide supports and services in the areas of

- Mental Health
- Intellectual Disabilities
- Substance Use Disorders

in their efforts to lead satisfying and productive lives in their communities.

**AGENDA**  
**HANOVER COUNTY COMMUNITY SERVICES BOARD**

June 15, 2015, 6:30 p.m.  
Hanover Community Services Board Conference Room,  
12300 Washington Highway, Ashland, VA 23005

**5:30 p.m. – Work Session: Regional ID Programs – REACH & JRMC’s Stepping Stones**

**6:30 p.m. – Board Meeting:**

- 1. Welcome and Roll Call**
- 2. Donations**
- 3. Citizens Comments**
- 4. Approval of Minutes – May 18, 2015 Board Meeting**
- 5. Board Liaison Reports**
  - a. Hanover Mental Health Association – Jeanie Edwards**
  - b. Hanover Community Support Services – Scott Bateman**
  - c. Hanover Arc – Hamilton Holloway**
  - d. Hanover Board of Supervisors – Sean Davis**
- 6. Executive Director’s Report**
  - a. Directors’ Report**
  - b. FY15 Accomplishments**
  - c. Other Items**
- 7. Chairperson’s Report**
  - a. Strategic Planning Update**
  - b. Board Member Activity**
  - c. Other Items**
- 8. Closed Session**
  - a. Section 2.2-3711(A)(1) of the Code of Virginia – Annual Performance Evaluation of the Executive Director**
- 9. Adjourn**

*Next Regularly Scheduled Meeting: July 20, 2015, 6:30 p.m.*  
*Hanover Community Services Board Conference Room*  
*12300 Washington Highway, Ashland, VA 23005*

**BOARD OF SUPERVISORS**

**WAYNE T. HAZZARD, CHAIRMAN**  
SOUTH ANNA DISTRICT

**AUBREY M. STANLEY, VICE -CHAIRMAN**  
BEAVERDAM DISTRICT

**SEAN M. DAVIS**  
HENRY DISTRICT

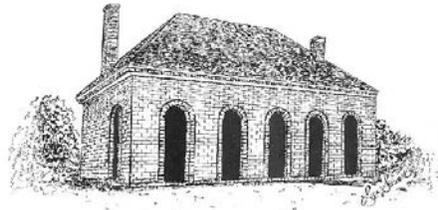
**ANGELA KELLY-WIECEK**  
CHICKAHOMINY DISTRICT

**W. CANOVA PETERSON**  
MECHANICSVILLE DISTRICT

**G.E. "ED" VIA, III**  
ASHLAND DISTRICT

**ELTON J. WADE, SR.**  
COLD HARBOR DISTRICT

**CECIL R. HARRIS, JR.**  
COUNTY ADMINISTRATOR



HANOVER COURTHOUSE

**HANOVER COUNTY**

ESTABLISHED IN 1720

**COMMUNITY SERVICES BOARD**

**IVY T. SAGER, MSW**  
EXECUTIVE DIRECTOR

12300 WASHINGTON HIGHWAY  
ASHLAND, VIRGINIA 23005

PHONE: 804-365-4222  
FAX: 804-365-4252

WWW.HANOVERCOUNTY.GOV

DRAFT OF MINUTES

May 18, 2015

Members Present	Members Absent	Others
Thomas Blake	Warren Rice	Ivy Sager
Sharon Bunger	Scott Bateman	Donna Boyce
Jeanie Edwards		Lisa Beitz
Lynn Hargrove		Christina Natale
Eric Hendrixson		
Sean Davis		
Hamilton Holloway		
William Brenzovich		
Herb Sening		
Lori Spain		

**WORK SESSION**

Jean C. Harris Award Presentation and Reception

**BOARD MEETING**

The meeting was called to order by William Brenzovich, Chairperson, at 6:30 p.m. at the Hanover Community Services Board conference room, 12300 Washington Highway, Ashland VA 23005.

**Welcome and Roll Call**

William Brenzovich, Chairperson, welcomed everyone to the Board meeting. The following members were present at roll call: Thomas Blake, Sharon Bunger, Jeanie Edwards, Eric Hendrixson, Hamilton Holloway, Herb Sening, Lynn Hargrove, Sean Davis, William Brenzovich and Lori Spain.

**Donations** – None.

**Citizen Comments**

John Shinholser – Mr. Shinholser shared information regarding his experience and work in the substance abuse community, as well as his thoughts regarding his primary concerns regarding treatment in this area. He also shared information about his proposal for treating clients with opiate addiction at Clean Life Medical and

provided his perspective regarding some concerns dealing with the availability and provision of treatment at the Hanover CSB.

Carol McDaid – Ms. McDaid stated that she was presenting at the Board meeting in a volunteer capacity. She shared several concerns related to the Hanover CSB including the wait list for services and challenges in accessing treatment. Additionally, she provided brochures which listed active AA/NA meetings in the area to ensure that updated information was provided to the community regarding the availability of meetings.

Dylan McGhee – Ms. McGhee stated that she had been in Hanover County’s CSB IOP program and shared concerns and challenges she experienced related to treatment options for a detox program.

Bill thanked the citizens for coming and sharing their comments. Sean Davis stated that he would be taking their concerns to the Board of Supervisors for review and consideration.

### **Approval of Minutes**

The minutes of April 20, 2015 meeting were deemed approved as submitted.

### **3<sup>rd</sup> Quarter Financial Report**

Ivy presented the 3<sup>rd</sup> quarter financial report. Ivy reported that personnel is projecting 4% less than the budget, but this is very typical and consistent with the ebb and flow of staffing patterns. Ivy stated that we are projecting a surplus of \$92,000 in operating. Ivy reported that the CSB has been able to use about \$150,000 for special projects, such as the laptop replacement process, as well as van replacements to help keep the fleet strong. Ivy then opened the floor to questions from the Board. Herb Sening inquired how the Board plays a role in to deciding how the excess money from the budget is spent. Ivy stated that she and Rhu Harris are having discussions surrounding that question. Lori Spain inquired if there is a system in place to ensure accountability. Ivy stated that within the county structure alone, there is extensive accountability through documented processes as well as internal and external audits. Sean Davis explained that budget decisions go through a chain of checks and balances.

### **Board Liaison Reports**

1. Hanover Mental Health Association – Jeanie reported that she had gotten a newsletter from Hanover Mental Health Association recently. The newsletter stated that they are planning to sell the Sunrise House. Jeanie stated the newsletter also continues to promote their Mental Health First Aid class.
2. Hanover Community Support Services – None.
3. Hanover Arc – Hamilton Holloway reported that the Taste of Hanover was a success and that attendance was up from the previous year. Hamilton stated that the state conference will be in August. He also reported that they are currently working on their legislative schedule of visits for the fall.
4. Board of Supervisors – Sean Davis reported that the FY16 budget has been passed and that it has been relatively quiet. Mr. Davis left soon after his report, indicating that he had another meeting to attend.

### **Executive Director's Report**

Ivy discussed the upcoming performance contract. Ivy reminded the Board that the contract will be posted for 30 day public comment before this Board can take action to recommend approval to the Board of Supervisors. The performance contract is projected to be posted by June 15, 2015. Ivy stated that she will be conducting interviews for the Division Director. Ivy then promoted June’s work session, being presented by RBHA staff who will share updates with the Board about some of the regional ID programs. Sharon Bunger requested an overview of the process for when an opiate addicted client comes in seeking services and spoke regarding the

concerns presented during citizen comments, which prompted the Board to have further discussion. Donna Boyce reiterated that June's work session will be presented by RBHA and will be about the new Reach House. Donna encouraged all Board members to attend. Donna also discussed the Partial Hospitalization project and its growing momentum.

### **Chairman's Report**

Bill reported that during the June meeting the Board will conduct Ivy's evaluation and explained the process for this. During this discussion, it was discovered that several Board members would be absent and that there may be a quorum issue. Bill stated that the strategic planning committees need to finalize their work by the end of May so that the executive committee can compile it and present the final product to the Board. Lastly Bill reminded the Board that there is no time limit to the Board meetings and any business the Board members would like to discuss is welcomed. Bill then opened discussion regarding member experiences at the recent VACSB conference. Jeanie Edwards, Lynn Hargrove, Lori Spain and Tommy Blake attended and shared information about the sessions they attended and the positive experiences they had. Jeanie also suggested having a work session specifically for Board members to ask questions about anything they don't understand, or maybe need some more clarity on.

### **Action Item(s)**

None.

The next regularly scheduled Board meeting will be held June 15, 2015 at 6:30 p.m. at the Hanover Community Services Board conference room, 12300 Washington Highway, Ashland, VA 23005.

There being no other business, the meeting was adjourned.

## **Executive Director's Monthly Report**

6/15/2015

### **A. Executive Director**

#### General Updates

As mentioned at last month's meeting, the request for a new clinician to serve at Pamunkey Regional Jail was heard at the June 10<sup>th</sup> Board of Supervisors meeting. With a unanimous vote and positive comments from Mr. Davis, this action was approved. CSB Staff will meet quickly with PRJ to implement next steps, including recruitment. Through this position, expanded mental health services will be provided to inmates.

Included in this month's board packet is a document titled, "CSB Financial Management Internal Audit Report". This is the final report from a recent internal audit conducted by the county's Internal Audit Division. This audit was requested by the CSB as part of our transition to Credible and ensuring our financial processes and practices remained in line. Overall the report is favorable to the CSB's practices, with minor recommendations in three areas.

#### Human Resources

In the month of May, a Clinician and a Peer Counselor joined the CSB. The Peer Counselor is primarily working at the Hanover Crisis Intervention Center. There were no resignations.

The CSB's annual Employee Appreciation picnic was held on June 11 with great food and fellowship at Hanover Wayside Park. Bill Brenzovich, Scott Bateman, and Tommy Blake were able to attend.

#### Donations

There were no donations during the month of May.

### **B. Business Operations**

The draft performance contract will be available for the 30-day public in mid-June. Second round interviews for the Division Director position were held on June 12<sup>th</sup>; two candidates were interviewed and both are viable candidates. A final decision will be made soon.

### **C. Clinical Services**

The CSB's Recovery Task Force was busy last month celebrating Mental Health Month in May. Agency staff, peer specialists and clients came together to plan ideas for sharing and promoting recovery throughout the CSB, highlighting inspiring stories and increasing awareness. Consumers and community members visiting agency offices were greeted with awareness banners, posters and information designed by the task force with our chosen theme, "Keep Recovery and Carry On." Engagement of visitors during the month was an inspiring experience, as clients could be seen taking photographs of themselves in the reflection of brightly framed "Keep Recovery and Carry On" posters throughout the waiting rooms. Additionally, members of the task force interviewed CSB mental health professionals on the topic of what skills and strategies they use personally to keep themselves mentally well. Summaries of these interviews were distributed to all Community Services members throughout the month, promoting further awareness and emphasizing the importance of maintaining wellness is not limited to our clients – it is important for everyone. The partnership between clients, clinicians, peer specialists and other agency staff comprising the Recovery Task Force will move forward now towards planning our next community-wide event – the Recovery Fest.

Two sessions of Mental Health First Aid – Adults were held in May serving 34 county employees.

#### D. **Community Support Services**

The DHR team has a new Training Specialist (Patty Reel) who comes from our Transportation team. Patty has been with us for several years in that capacity – we’re excited to have her working at Stonewall Parkway and will begin the recruitment process for the vacant position now in Transportation.

Individuals at Day Health, under the direction of Kelly Blankenship (one of the Training Specialists) prepared for their very first art exhibit which they elected to call “**Different Strokes**”. The event will be held Monday, June 15<sup>th</sup> and by design is casual and informal. The individuals and staff alike are very proud of the work completed and look forward to sharing their enthusiasm with visitors.

ID staff participated in the first vaACCSES (Virginia Association for Community Rehabilitation Programs) Provider Summer Conference in Norfolk from June 7-9. Conference emphasis was on meaningful employment for individuals with I/DD. Likewise, it offered new tools for planning with the approaching waiver redesign.

The McGeorge Enclave continues to move along and all individuals placed are now stable and finding their niche. We are beginning to work toward additional enclave offerings with more to share in the next few months as we firm up details.



BOARD OF SUPERVISORS

Wayne T. Hazzard, Chairman  
Aubrey M. Stanley, Vice-Chairman  
Angela Kelly-Wiecek  
Elton J. Wade, Sr.  
G.E. "Ed" Via, III  
Sean M. Davis  
W. Canova Peterson IV

COUNTY ADMINISTRATOR

Cecil R. Harris, Jr.

CSB Financial Management  
Internal Audit Report  
Project # 2013018

May 19, 2015

Hanover County  
Internal Audit Department  
P.O. Box 470  
7497 County Complex Road  
Hanover, Virginia 23069-0470

F. Michael Taylor, CPA, CIA  
Internal Audit Director

## Background

Hanover County's Community Services Board (CSB) is part of Virginia's CSB system, and they assist Hanover citizens with mental health, substance abuse, and intellectual disabilities. To support these citizens, CSB offers various types of services that include a crisis hotline, patient therapy, residential support, day programs, employment assistance, and prevention classes.

CSB utilizes Credible Behavioral Health Software to manage their electronic health records and financial system. The software provides CSB with financial management by assisting staff with:

- Scheduling client appointments;
- Capturing and retaining medical records;
- Calculating service fees based on board approved rates;
- Invoicing clients, insurance companies, Medicaid, Medicare, and state agencies;
- Tracking accounts receivables; and
- Processing payments.

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## Objectives

The objective of the audit was to gather and evaluate information needed to answer the following questions:

- Have appropriate internal controls been designed and are the controls operating in the financial systems and related processes?
- Is data transferred from CSBs system (Credible) to county's general ledger (GL) system accurately, timely, and efficiently to create desired output?
- Is the process for rate setting proper, and are the rates followed?
- Are accounts receivable transactions reflected in GL?
- Are outstanding accounts receivable followed up and collected?
- Are cash receipts properly controlled and in compliance with Treasurer's policy?

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## Scope and Methodology

The audit of CSB Financial Management covered the three year period from January 2012 to December 2014. It included related procedures and documents that are needed to assess internal controls and test payment transactions. The primary focus was assessing the effectiveness of CSBs financial processes.

To address the stated audit objectives, Internal Audit interviewed CSB staff, performed process walk-throughs, and examined cash receipts, accounts receivable, and user access rights data. We evaluated the internal control design, and tested a sample of transactions to confirm that the internal controls are in place and operating as intended.

We conducted this performance audit in accordance with Generally Accepted Government Auditing Standards. 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 our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

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## Overall Summary

During the review, Internal Audit noted that CSB:

- Established a highly detailed Hanover County CSB (HCCSB) Policy and Procedure Manual;
- Developed proper separation of duties for processing client payments;
- Established and performed Monthly Accounts Receivable Meetings to discuss collection efforts for accounts that are over 60 days old; and
- Properly and efficiently updated the county's GL system with Credible accounting and accounts receivable data.

Internal Audit also noted that the CSB staff is dedicated to continually improving their internal processes. During the audit project, Internal Audit was investigating the department's accounts receivable controls, and requested the type of documentation that would be available for review to show evidence of collection efforts. Types of expected documentation would be an Excel/Access log of outstanding accounts and/or collection notes in the accounts receivable system. At that time, the individual collectors were documenting their own action plans in preparation for the Monthly Accounts Receivable Meeting, but the information was not readily available to all team members or management. During the next Monthly Accounts Receivable Meeting (March 2015), the team took the initiative to research ways to begin documenting their collection efforts and action plans, and found they could insert notes/comments into the Credible system for each outstanding invoice. This information would then be available to other employees and management with the proper user access rights.

Overall, the results of the current audit shows a need to establish and/or strengthen internal controls in the following three areas (for more information see the next section):

- Monthly reconciliations;
  - User access rights to Credible; and
  - Generic user ids.
-

## Monthly Reconciliations

Currently, the Senior Accountant is performing the cash receipts, accounts receivable, and Credible to GL monthly reconciliations and reporting the results to management. However, there is no direct manager review and approval of the reconciliations. CSB management does review and approve the monthly journal entry to update GL with Credible's accounting data.

A key part of an internal control system is management monitoring to ensure the activities are complete, accurate, and timely. Reconciliations in FY14 and FY15 include two outstanding unreconciled items totaling less than \$75 that had not been journalized in the GL at FY13 year end. It appears to be an oversight; however, a quality review of the reconciliations would detect it.

### Recommendations:

1. When monthly reconciliations are performed, a manager should review and sign off on each of the reconciliations.
2. CSB management should update their reconciliation procedure to include a requirement for management review and approval of the monthly reconciliations.

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## User Access Rights

CSB has developed very good segregation of duties for processing client payments; however, the user access rights do not reflect this segregation. For invoicing and processing client payments, CSB relies on a separation of duties between the reimbursement team, front desk staff, and accounting staff. The Hanover County Financial Policies, approved 3-18-2014, states:

### 9-4 Internal Controls

- A. All departments shall follow standardized internal controls over all aspects of revenue recordation and cash receipts, as follows:
  - (i) Segregation of duties – the authorization, recordation and custodian functions shall be performed by separate individuals.

The reimbursement team is responsible for client invoicing, monitoring the outstanding accounts, processing invoice adjustments, and applying in Credible the payments to client accounts. The front desk staff accepts, processes client's cash receipts, and reconciles their cash receipts. The accounting staff reviews the cash receipts reconciliations, processes the bank deposits, and monitors GL to ensure it is correctly updated.

User access rights provide the accounting staff the ability to make adjustments to client invoices which should only be performed by the reimbursement team. In addition, a member of the reimbursement team has the ability via a separate user id to accept and process payments which should be a function of the front desk staff.

Per discussions with CSB management, they have limited resources in support of covering the front desk, and as a last resort will use a member from the reimbursement team to cover this function. Covering the front desk will require employees to accept client payments which would violate the separation of duties requirement.

Recommendations:

3. CSB management should review and make corrections to Credible's user access rights to support the separation of duties among front desk staff, accounting staff, and reimbursement team.
4. CSB management should establish an ongoing periodic review process of all Credible's user access rights to ensure that separation of duties are supported, and proper access is granted to allow employees to perform their job responsibilities.

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## Generic User IDs

CSB has 18 generic user ids set up in Credible. Credible software is a 3<sup>rd</sup> party hosted application, so the software is not on the county's network and can be accessed from any computer via the internet. This includes access by the generic ids which are used periodically by employees and by external auditors. Currently, there are ten ids set up for testing and eight ids set up for auditors.

The test user ids have full access rights to read and manipulate data based on the assigned security profile. The test ids are used by the system administrators to narrow their view of the system as if they are another employee to assist with reconfiguring user access rights. Additionally, the test ids are used to help establish, edit, and test forms in Credible.

An audit user id is used by external auditors which are limited to read-only access of select CSB clients at the request of the auditor. When the audit user ids are needed, a system administrator will change the audit user id's password, and supply the user id and new password to the auditor. Once the individual has completed their audit, the system administrator will change the password again to remove access. The system administrator creates a unique password which contains a special character with upper and lower case letters which is required by Credible.

Recommendation:

5. The test user ids should be set up and assigned to an individual employee, so that accountability can be established.

6. The process to change passwords for generic user ids should be documented and followed. This process should also include an additional step once an audit is completed to remove the select CSB client access from the user ids.

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## Conclusion

The results of the audit were discussed with CSBs management at the conclusion of the review, and attached below is management's action plan. For any audit related questions, please contact Bernie Jordan, Auditor in Charge, at extension 6863 or by email at [BLJordan@HanoverCounty.Gov](mailto:BLJordan@HanoverCounty.Gov). We appreciate the professionalism and cooperation of CSBs staff during the audit.

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## Distribution

Cecil R. Harris, Jr, County Administrator  
James P. Taylor, Deputy County Administrator  
Ivy T. Sager, Executive Director of CSB  
Peter L. Getts, Business Operations Controller  
F. Michael Taylor, Internal Audit Director

<b>CSB Financial Management Project # 2013018</b>		
<b>Finding #1: No formal manager review and approval of monthly cash receipts, accounts receivable, and Credible to GL reconcilements.</b>		
<b>Recommendation #1:</b> When monthly reconciliations are performed, a manager should review and sign off on each of the reconciliations.		
Action Steps	Responsible Employee	Target Completion Date
Monthly reconciliations will be reviewed and signed off on by either the Division Director – Business Operations or Executive Director	CSB Accountant Division Director – Business Operations Executive Director	Beginning with May 2015 reconciliations and monthly thereafter
<b>Recommendation #2:</b> CSB management should update their reconciliation procedure to include a requirement for management review and approval of the monthly reconciliations.		
Action Steps	Responsible Employee	Target Completion Date
Procedures will be updated to document requirement for management review and approval of the monthly reconciliations.	CSB Accountant Executive Director	June 15, 2015
<b>Finding #2: Credible user access rights do not support the departments established separation of duties for client payment processing.</b>		
<b>Recommendation #3:</b> CSB management should review and make corrections to Credible’s user access rights to support the separation of duties among front desk staff, accounting staff, and reimbursement team.		
Action Steps	Responsible Employee	Target Completion Date
User access rights for accounting staff will be modified so that adjustments to client accounts will not be allowed.	System Administrator Executive Director	May 31, 2015
<b>Recommendation #4:</b> CSB management should establish an ongoing periodic review process of all Credible’s user access rights to ensure that separation of duties are supported, and proper access is granted to allow employees to perform their job responsibilities.		
Action Steps	Responsible Employee	Target Completion Date
Periodic review of user access rights will be initiated to ensure separation of duties are supported.	System Administrator Division Director – Business Operations Executive Director	June 30, 2015 and annually thereafter
<b>Finding #3: Use of active generic user ids in Credible.</b>		
<b>Recommendation #5:</b> The test user ids should be set up and assigned to an individual employee, so that accountability can be established.		
Action Steps	Responsible Employee	Target Completion Date
Test user ids in Credible will be assigned to individual employees.	System Administrator Executive Director	June 15, 2015

**Recommendation #6:** The process to change passwords for Generic user ids should be documented and followed. This process should also include an additional step once an audit is completed to remove the select CSB client access from the user ids.

<b>Action Steps</b>	<b>Responsible Employee</b>	<b>Target Completion Date</b>
The process related to the use of generic user ids (for external auditors) will be documented. This will address the process for changing passwords and removing specific client access.	System Administrator Executive Director	June 30, 2015

**CSB Board  
Three-Month Planning Calendar**

<b>July</b>	<b>August</b>	<b>September</b>
-Annual Review of Policies	-4th Qtr./Year End Financial and Progress Report	-National Suicide Prevention Week
-Review Standards of Professional Conduct & Confidentiality		-Substance Abuse Recovery Month
-State Performance Contract Due		-RAFT Lease Option
-Board Planning: 7/13/15	-Board Planning: 8/10/15	-Board Planning: 9/14/15
-Board Meeting: 7/20/15	-Board Meeting: 8/17/15	-Board Meeting: 9/21/15
<b>Work Session:</b> TBD	<b>Work Session:</b> TBD	<b>Work Session:</b> Prevention/ Wellness Services (tentative)

**Upcoming Events & Activities:**

- August 10-12, 2015: Arc of Virginia State Convention, The Wyndham, Virginia Beach