

MUNICIPAL AUDITING REPORT CITY OF ROANOKE



RCPS Special Education Follow-Up

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AUDIT OBJECTIVES & SCOPE

Audit Objectives:

1. Were the Elementary, Middle, and High School Principal job descriptions revised to include the current responsibilities of the position related to special education, remove incorrect geographic references, and complete the Knowledge, Skills and Abilities section?

Yes – Principals’ job descriptions were revised in 2017 to include appropriate references to special education responsibilities. The Knowledge, Skills and Abilities section is complete, and all incorrect geographic references were removed.

2. Were School Social Worker and School Psychologist job descriptions revised to clarify the roles?

Yes – Although the school psychologist and school social worker to student ratios remain well below the benchmarks, the respective job descriptions were revised in 2017 to more distinctly clarify the roles of each position.

3. Was the Special Education Coordinator job description revised, and a Preschool Special Education Coordinator job description created, to include the current responsibilities of the positions related to instructional support, as well as compliance?

Yes – Both job descriptions appear to be comprehensive, and include responsibilities of the positions related to instructional support, as well as compliance.

4. Was the Behavior Specialist job description revised to include current proactive involvement in schools and the skills required to coordinate and implement services with other school division staff and private providers?

Yes – The job description was revised in 2017, and now includes proactive involvement with schools and teachers, and coordination with other school division staff and private providers.

5. Is a written description of each special education program offered through the RCPS Special Education Department posted on the Division website in abbreviated format and available in their entirety upon request?

Yes with Qualifications – Written program descriptions are documented and available upon request; however, due to Americans with Disabilities Act (ADA) accessibility issues, they are not available on the RCPS website.

6. Are eligible contractor costs properly included in the Annual Cost Report for Medicaid reimbursement?

Yes – While there are no contractor Medicaid-reimbursable costs incurred by RCPS at this time, processes are in place to include eligible costs if/when necessary.

7. Was the Fiscal Year (FY) 2016 Annual Cost Report accurately completed?

Yes – We were able to confirm aspects of the FY 2016 Annual Cost Report were accurately completed (student statistics, personnel and non-personnel costs) that we couldn't confirm in the original audit, due to the report being locked down at the time that our fieldwork had ended.

Audit Scope:

We reviewed the following revised job descriptions to confirm corrective measures were taken as stated in the Management Action Plans:

- Elementary, Middle, and High School Principal
- School Social Worker
- School Psychologist
- Special Education Coordinator and Preschool Special Education Coordinator
- Behavior Specialist

We also reviewed written Special Education program descriptions on file as of July 1, 2019.

We walked through the processes for identifying Medicaid-reimbursable costs for third party services provided to RCPS students, and reviewed FY 2018 payments for potentially reimbursable costs.

We reviewed portions of the FY 2016 Annual Cost Report for accuracy that we were unable to evaluate during the original audit due to timing.

End of Audit Objectives and Scope

BACKGROUND

The Individuals with Disability Education Act (IDEA) guarantees a free and appropriate public education in the least restrictive environment to all children with disabilities. The services and placement of students with disabilities, who need special education, are developed through an Individualized Education Program (IEP), which is the responsibility of local public school divisions. The IEP documents the services to be provided to a specific student, and only required services should be included in the IEP.

Section 504 of the Rehabilitation Act of 1973 of the United States Code, guarantees certain rights to people with disabilities. The law applies to any local educational agency (LEA) and broadly prohibits the denial of public education, participation, or enjoyment of the benefits of public school programs because of a child's disability.

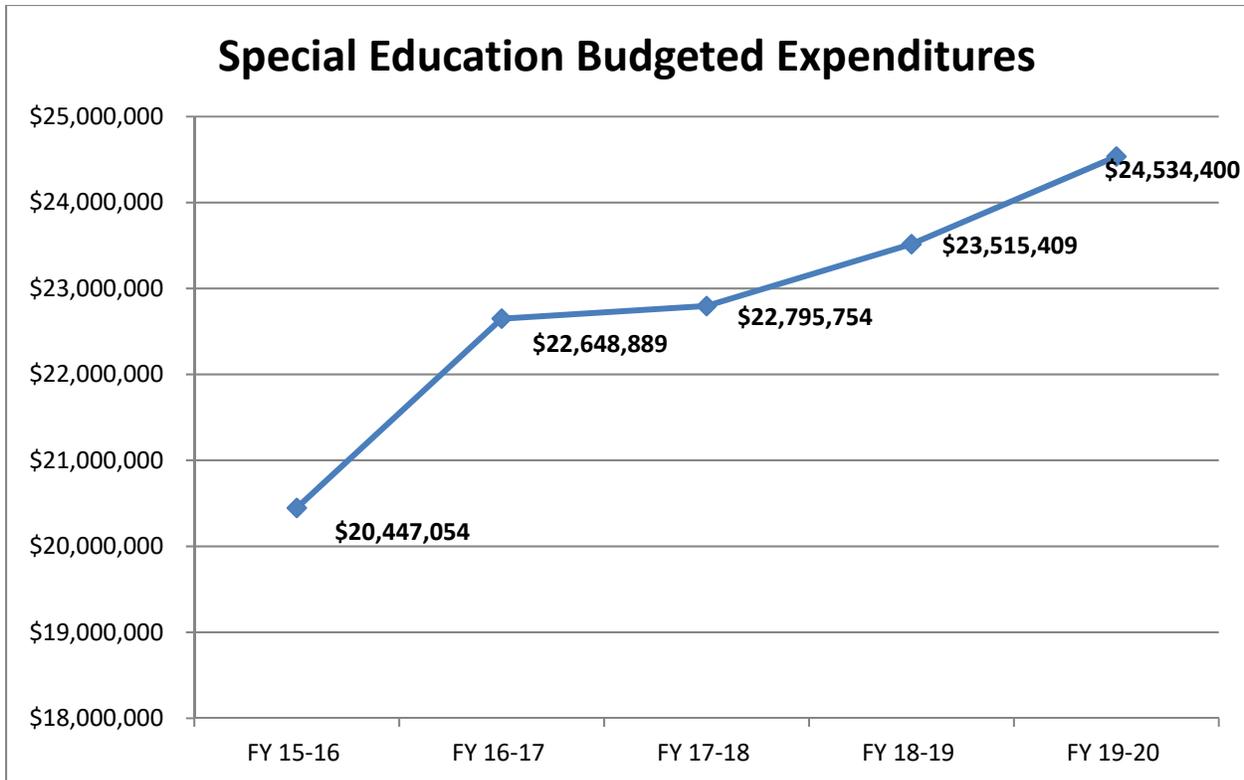
The Special Education Department provides oversight for Roanoke City Public Schools (RCPS) and assists the Division in meeting federal mandates and state regulations. Their mission is to support the mission of RCPS, which is "to graduate students prepared for life in a rapidly changing world.

Per the RCPS *Comprehensive Annual Financial Report* for the year ended June 30, 2018, the counties of Craig, Botetourt, and Franklin, and the cities of Roanoke and Salem jointly participate in a regional education program for severely handicapped students. The regional program is operated by the Roanoke Valley Regional Board (Regional Board). Each locality's financial obligation is based on its proportionate share of students attending the regional program. For the fiscal year ended June 30, 2018, the School Board remitted \$5,570,380 to the Regional Board for services.

RCPS hosts the majority of regional program classes and students at RCPS facilities. The Division hires and pays the RCPS regional teachers, which inflates the reported expenses for RCPS special education. Other participating localities also host a handful of regional classes. Each locality and the Commonwealth transfer funds to RCPS to offset regional program costs.

Budgeted Expenditures:

Roanoke City Public Schools anticipated expenditures for FY 2019-2020 total approximately \$180,056,095 per the most recently published line item budget. Special Education expenditures account for approximately 13.63% of those total expenditures (\$24,534,400). Special Education budgeted expenditures have steadily increased over the past five (5) fiscal years as evidenced by the following:



Beginning in FY 2015-2016, expenses of the Regional Program were moved from the general fund into restricted funds (302) to more properly convey the nature of those funds. The chart above includes budgeted expenditures for both the general fund and the Regional Program. It should be noted that actual non-personnel expenses for the Regional Program can be significantly higher than budgeted.

Medicaid:

School divisions can submit claims to Medicaid for reimbursement for the following services, which must be included in the IEP:

- Physical Therapy
- Occupational Therapy
- Speech-Language Pathology
- Nursing Services
- Psychological services provided by a psychologist or school social worker
- Personal Care Assistant Services (special education aides, nursing aides)
- Audiology Services
- Medical Evaluations Services
- Transportation – *Note: RCPS does not submit claims for transportation reimbursement*

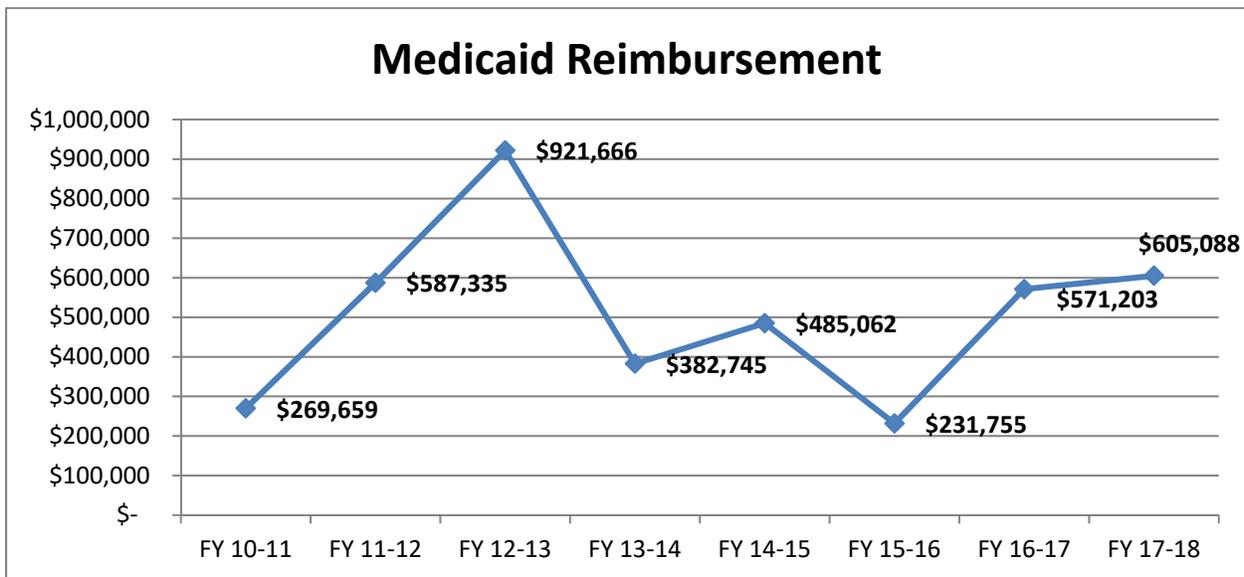
because it is cost prohibitive due to the work that must be done to claim the reimbursement.

Divisions can also submit claims to Medicaid for early periodic screening, diagnosis and treatment, and administrative claims for general education and special education students.

Because Medicaid and FAMIS (Family Access to Medical Insurance) are funded at both the state and federal level, school districts are eligible to be reimbursed for a portion of the costs associated with providing medical and administrative health services to Medicaid or FAMIS students. The Department of Medical Assistance Services (DMAS) is responsible for administering the Medicaid and FAMIS programs for Virginia.

Local education agency providers submit claims based on the estimated costs for services furnished. DMAS makes interim payments on those claims. Final payments are based on each local education agency or school division’s costs reported and settled on an Annual Cost Report. If school divisions do not complete a cost report, they will be responsible to refund any interim payments.

The following chart shows RCPS’s Medicaid reimbursement over the past eight (8) fiscal years, per data obtained from the Division’s CAFRs:



The significant increase in Medicaid reimbursement for FY 2013 was the result of applying a new accounting treatment. RCPS had historically recorded Medicaid revenue from the Annual Cost Report settlement in the year it was received (reimbursement is typically received in June for the prior fiscal year). The external auditors advised Accounting that RCPS should accrue

the expected settlement in the year it was earned rather than the year it was received. This caused two years' settlement to be reported in the one fiscal year, FY 2013.

We completed our original audit of Special Education in 2017. That audit primarily focused on the outcomes from recommendations made by Futures Education, a consultant engaged in 2013 to review the Division's Special Education processes. We concluded that the actions taken in response to the consultant's recommendations were largely successful. Our recommendations primarily addressed the need to update and clarify assigned roles and responsibilities.

End of Background

Objective 1: Principals Job Descriptions

In the prior audit, we noted that Elementary, Middle and High School Principal job descriptions did not reflect responsibilities for management and supervision of special education programs and services. The job descriptions for Middle and High School Principals also contained several references to other school division localities.

Management planned to revise the job descriptions to include the current responsibilities of the positions related to special education, remove incorrect geographic references, and complete the Knowledge, Skills, and Abilities sections.

Action Completed / Issues Resolved – Yes

Follow Up – July 2019:

Elementary, Middle and High School Principal job descriptions were revised in 2017, and now include the following references to responsibilities related to special education within the “Essential Tasks” section:

- Participates (or assigns designee) in SBRT and/or Individualized Education Plan Meetings and ensures that all district policies and state and federal laws are followed for identification and services. This is done in conjunction with the Central Special Education Office and 504 coordinator.
- Coordinates services to students such as guidance, health and special education ensuring that district, state and federal policies and procedure are followed.

We confirmed that the Knowledge, Skills and Abilities section has been completed on each of the job descriptions, and there are no longer any references to other localities.

End of Objective 1

Objective 2: School Psychologist and Social Worker Roles

The Futures report recommended converting Social Worker positions to School Psychologist positions to improve the psychologists-to-students ratio for the Division. In 2017, we found that the Division had added 2.6 full time Psychologists while keeping the number of Social Worker positions the same. Even so, we noted that Roanoke City Public Schools ratios of social workers-to-students, and psychologists-to-students, were well below the recommended ratios published by the national associations for those professions.

The Futures report had also recommended shifting the responsibility for testing and evaluating students' needs from teachers to Social Workers. We found that the roles and responsibilities specified in the 2017 job descriptions were not substantively different from those specified in the 2013 job descriptions. No formal evaluation of the roles of Social Workers and Psychologists had been performed.

In response, management planned to clarify the roles of school Social Workers and Psychologists by updating the respective job descriptions.

Action Completed / Issues Resolved – Yes

Follow Up – July 2019:

We found that the ratios have recently improved but continue to be well below the respective benchmarks published by their professional associations.

	FY 13	FY 14	FY 15	FY 16	FY 17	FY 18	FY 19
School Social Workers (FTEs)	5.0	5.0	5.0	4.0	5.0	5.0	6.0
Students	13,346	13,534	13,649	13,678	13,686	13,788	13,749
RCPS Actual Ratio	1:2,669	1:2,707	1:2,730	1:3,420	1:2,737	1:2,758	1:2,292
NASW* Recommended Ratio					1:250	1:250	1:250

*NASW - National Association of Social Workers

	FY 13	FY 14	FY 15	FY 16	FY 17	FY 18	FY 19
School Psychologists (FTEs)	8.0	8.8	9.2	9.6	10.6	10.6	10.6
Students	13,346	13,534	13,649	13,678	13,686	13,788	13,749
RCPS Actual Ratio	1:1,668	1:1,538	1:1,484	1:1,425	1:1,291	1:1,301	1:1,297
NASP** Recommended Ratio					1:700	1:700	1:700

**NASP - National Association of School Psychologists

Management has revised the job descriptions to more distinctly clarify the roles of Social Workers and Psychologists.

End of Objective 2

Objective 3: Special Education Coordinator Job Descriptions

The prior audit found that the RCPS Special Education Coordinator job description included only general responsibilities such as providing administrative support, collection of data, and provision of legal/compliance support. There was no focus on teacher support, classroom involvement, instruction methodologies teaching strategies, specialized instruction, consultation, and collaboration with principals, and other specifically identified priorities as recommended by the Futures consultant. Furthermore, there was no job description on file for the Pre-School Special Education Coordinator.

Management planned to revise the Special Education Coordinator job description and create a Pre-School Special Education Coordinator job description to include the current responsibilities related to instructional support, as well as compliance.

Action Completed / Issues Resolved – Yes

Follow Up – July 2019:

We reviewed the Preschool Special Education Coordinator job description which was created since the prior audit, and most recently revised in January 2019. We also reviewed the Special Education Coordinator job description, revised in 2017. Both job descriptions appear to be comprehensive, and include responsibilities of the positions related to instructional support, as well as compliance. An “add on” document has also been created for the High School SPED Coordinator that further details specific duties in which the Coordinator must participate.

End of Objective 3

Objective 4: Behavior Specialist Job Description

The prior audit found that the Behavior Specialist job description required the position to work independently and be available on an “as needed” basis to establish general objectives, and did not clarify supervision of the role.

Management planned to revise the Behavior Specialist job description to include current proactive involvement in schools and the skills required to coordinate and implement services with other Division staff and private providers. Management also planned to clarify supervision of the role.

Action Completed / Issues Resolved – Yes

Follow Up – July 2019:

The Behavior Specialist job description was revised in 2017, and now includes proactive involvement with schools and teachers, and coordination with other Division staff and private providers. The job description also clarifies in the “General Responsibilities” section that the position reports to the Director of Special Education.

End of Objective 4

Objective 5: Special Education Program Descriptions

The prior audit identified that clear, up-to-date written descriptions do not exist for each Special Education program as a basis for decisions on placements, exiting and continuum of services.

Management planned to post a written description of each Special Education program offered through the RCPS Special Education Department to the Division website in an abbreviated format and make all program descriptions available in their entirety upon request.

Action Completed / Issues Resolved – Yes with Qualifications

Follow Up – July 2019:

A written Special Education Program Descriptions document is on file, and includes details for the following:

- a. Adaptive Curriculum
- b. Assistive Technology
- c. Programs for Students with Emotional Disabilities
- d. Programs for Students with Multiple Disabilities
- e. Occupational and Physical Therapy
- f. Programs for Students with Blindness & Visual Impairments (Vision Services)
- g. Services for Students with Autism
- h. Speech Therapy Services
- i. Preschool Services (REACH)
- j. Programs for the Deaf and Hard of Hearing

The written program descriptions are given to every Special Education teacher at the beginning of the school year. A hard copy is provided to anyone who requests it. An abbreviated version of the Special Education program descriptions is not available on the RCPS website. RCPS Administration has made the decision NOT to post them on the website due to ADA accessibility issues.

End of Objective 5

Objective 6: Contractor Reimbursable Costs

In the prior audit, we questioned whether the RCPS Special Education Department was submitting all eligible third party contractor costs for Medicaid reimbursement on the Annual Cost Report.

Management planned to work with the Virginia Department of Education Medicaid Specialist to establish specific parameters for including eligible third party contractor costs for Medicaid reimbursement in the Annual Cost Report and to prepare a written guidance document outlining these parameters.

If the guidance indicates that the amount of work required to include the costs does not outweigh the estimated reimbursement amount to be received, management planned to meet with third party contractors to create and document a process for segregating invoices to identify Medicaid-eligible versus non-Medicaid-eligible students.

Management committed to ensuring that all eligible contractor costs were included in the 2017-2018 Annual Cost Report, pending decision that the workload to include the costs would not outweigh the estimated reimbursement amount.

Action Completed / Issues Resolved – Yes

Follow Up – July 2019:

Four (4) groups of students receive Medicaid-eligible services such as speech therapy, occupational therapy, and physical therapy:

1. **General Students** served exclusively by RCPS staff (no third party involvement)
2. **Regional Program Students** served exclusively by a third party (CORA – formerly Professional Therapies of Roanoke) – all costs are reimbursed to RCPS by the Roanoke Valley Regional Board
3. **Private Day School Students with more severe disabilities** served exclusively by a third party (CORA) – all costs are reimbursed to RCPS by Children Services Act (CSA) at 60%
4. **Special Education Students at Private Schools located within City limits (Roanoke Catholic and Parkway Christian)** served exclusively by a third party (CORA) –

contractor costs would be eligible for Medicaid reimbursement; however, there are currently only two (2) students, and neither receive Medicaid-eligible services at this time

We confirmed that there were no Medicaid reimbursable contractor costs to report on the FY 2018 Annual Cost Report.

A written guidance document establishing the parameters for including third party contractor costs for Medicaid reimbursement in the Annual Cost Report has not been created, nor has a written process for segregating invoices. Neither is considered necessary since there are no contractor Medicaid-reimbursable costs incurred by RCPS at this time.

End of Objective 6

Objective 7: Annual Cost Report

In the prior audit, we could not conclude that the Fiscal Year 2016 Annual Cost Report was accurately prepared and submitted to DMAS for reimbursement, since the report was locked down by the University of Massachusetts Medical School (UMASS) as of the end of our fieldwork. Therefore, we committed to following up to determine that the report was prepared accurately based on supporting data from the Division.

Action Completed / Issues Resolved – Yes

Follow Up – July 2019:

We reviewed the finalized FY 2016 Annual Cost Report and confirmed the following:

- Student statistics reported match the December 1 Child Counts from the prior fiscal year (2015), with a difference of 1
- Personnel costs reported are valid and agree to underlying data in the AptaFund system
- Non-personnel costs reported agree to the data provided by Fiscal Services

Other aspects of the FY 2016 Annual Cost Report were validated during the original audit with the documentation that was finalized at that time.

End of Objective 7

SUMMARY OF MANAGEMENT ACTION PLANS

All prior audit observations were addressed. No further actions related to the audit are necessary or planned.

MANAGEMENT COMMENTS

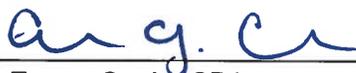
None provided

ACKNOWLEDGMENTS

We would like to thank Hayley Poland, Director of Special Education, and Tanya Rodgers, RCPS Medicaid Coordinator for their cooperation and assistance throughout the audit.



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