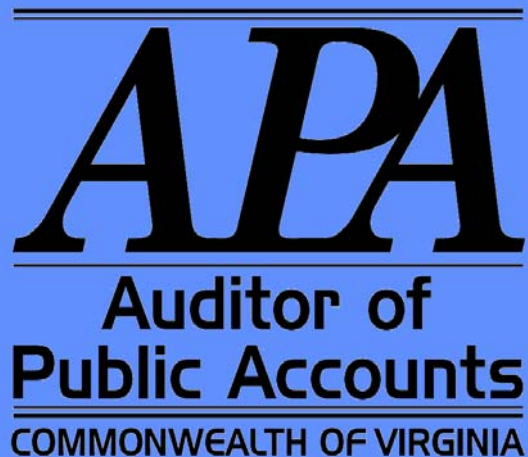


**VIRGINIA OFFICE FOR  
PROTECTION AND ADVOCACY**

**REPORT ON AUDIT  
FOR THE THREE-YEAR PERIOD ENDED  
JUNE 30, 2011**



## **AUDIT SUMMARY**

Our audit of the Virginia Office for Protection and Advocacy (Office) for the audit period July 1, 2009 through June 30, 2011, found:

- proper recording and reporting of all transactions, in all material respects, in the Commonwealth Accounting and Reporting System and the Office's accounting records;
- matters involving internal control and its operations necessary to bring to management's attention; and
- no instances of noncompliance with applicable laws and regulations or other matters that are required to be reported.

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## **AUDIT FINDINGS AND RECOMMENDATIONS**

### **Continue Improving Information Systems Security Program**

The Virginia Office for Protection and Advocacy (Office) continues to improve and develop its information security program. While the Office has made significant progress and has developed new contingency plans and information security procedures since our last review, the following important procedures remain only partially complete or are in need of strengthening.

- **Risk Assessment.** The Office does not have risk assessments that identify vulnerabilities, threats, safeguards, threat possibilities, loss impacts, and remediating recommendations. A complete risk assessment of its Information Technology systems and data will allow the Office to identify the best and most cost effective solution to protecting its sensitive systems and data.
- **Contingency Planning.** Employees store hard copies of the Office's contingency plan at their homes. It is also recommended that members of the disaster recovery team store a password protected version of the COOP on a "jump drive" that they carry on their person. This will provide instant availability of the plan should a disaster occur.
- **IT Security Awareness Program.** The IT Security Awareness Program does not include such topics as separation of duties, prevention and detection of incidents, disposal of storage media, employee acceptable use policy, remote access policies and other employee oriented issues. The Commonwealth's information security standard, SEC501, requires agencies to review these and other security topics with employees at least annually and keep attendance records.

We recommend that the Office dedicate the necessary resources to expand, complete, and continue implementing its information security program. Specifically, the Office needs to concentrate on the important areas mentioned above to ensure business continuity and to protect sensitive data.

## AGENCY HIGHLIGHTS

### The Office

The Office is an independent state agency that solves problems for disabled individuals through the legal system. The Office's mission is to protect and advance legal, human, and civil rights of persons with disabilities; combat and prevent abuse, neglect, and discrimination; and promote independence, choice, and self-determination by persons with disabilities.

The Office provides advocacy services and legal representation for persons with disabilities. Because the Office has limited resources, it selects specific areas in which to focus its work after obtaining public input, guidance from two advisory councils, and approval from the Board of Directors (Board). The Office uses these areas of focus to develop selection criteria for accepting or declining cases. The Office may pursue cases outside of the stated criteria with the approval of the Executive Director, who serves at the pleasure of the Board.

### Board of Directors

An 11-member board, consisting entirely of citizens, governs the Office. The Speaker of the House appoints five members, the Senate Privileges and Elections Committee appoints three members, and the Governor appoints three members. The Code of Virginia requires all Board members to be disabled or to be a parent, family member, guardian, advocate, or authorized representative of a disabled individual. Additionally, the chairs of the Office's two advisory councils serve as ex-officio members of the Board.

The Code of Virginia outlines the powers and duties of the Board. The Board appoints an Executive Director and annually evaluates the Director's performance. The Executive Director, who cannot be a member of the Board, must be an attorney in good standing with the Commonwealth and capable of administering and directing the provision of protection and advocacy for persons with disabilities. Additionally, the Board must prepare and submit budgets to the General Assembly, establish general policies for the Office, advise and assist the Executive Director in developing annual program priorities, and monitor and evaluate the operations of the Office.

### Programs

The following are descriptions of the Office's programs with the Office provided program statistics for the audit period of July 1, 2009 through June 30, 2011.

- *Virginians with Disabilities Act Program* – Allows the Office to bring legal action in the event of unlawful discrimination in employment, voting, state programs and activities, education, transportation, housing, and access to places of public accommodation.
- *Help America Vote Act Program* – Monitors the way the Commonwealth and local Boards of Elections implement the Help America Vote Act with regard to persons with disabilities.
- *Developmental Disabilities Program* – Protects persons with developmental disabilities who have experienced abuse, neglect, or discrimination in education, housing, employment, community programs, treatment, or services

- *Protection and Advocacy for Individuals with Mental Illness Program* – Protects human rights and access to services for mental health facility residents, persons recently discharged, or persons living in the community who have a mental illness.
- *Client Assistance Program* – Protects the rights and benefits of people who are applicants or clients of the Department of Rehabilitative Services, Department for the Blind and Vision Impaired, Centers for Independent Living, or other programs funded under the Rehabilitation Act of 1973, as amended.
- *Assistive Technology Program* – Assists disabled individuals in obtaining access to assistive technology devices and services.
- *Protection and Advocacy of Individual Rights Program* – Provides information or services that help clients overcome discrimination, barriers to living independently, or barriers to accessing benefits. The program also provides services to individuals not eligible for other advocacy programs.
- *Protection and Advocacy for Beneficiaries of Social Security Program* – Provides assistance and individual representation to beneficiaries with disabilities who are seeking vocational rehabilitation services, employment networks, and other services provided. Such assistance and representation may include individual advocacy services and various forms of alternative dispute resolution to address issues that arise in the developing, implementing, and amending a beneficiary's individual work plan under the Ticket to Work and Self-Sufficiency program.
- *Traumatic Brain Injury Program* – Improves access to comprehensive and high-quality services and reduces incidences of discrimination. The Office uses the program to educate individuals and families about their rights, reduce eligibility barriers for community services, and enable access to quality health care, rehabilitation, and other services.

#### Financial Information

The following schedule provides information on the original and final operating budget and actual expenses for fiscal years 2009, 2010, and 2011.

<u>Fiscal Year</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Expenses</u>
2009	\$3,193,089	\$3,192,549	\$2,930,354
2010	\$3,193,089	\$3,160,700	\$2,663,258
2011	\$2,945,625	\$2,945,625	\$2,505,531

*Source: Commonwealth Accounting and Reporting System*

The Office receives funding primarily from federal grants, accounting for 83 percent of the total final budget during fiscal years 2009 and 2010 and 90 percent during fiscal year 2011. Like other state agencies, the

Office underwent General Fund budget reductions in fiscal year 2010 and the elimination of this fund source in fiscal year 2011.

As illustrated in the following table, the Office's largest expense is personal services. Personal services accounted for 81 percent of total expenses for fiscal years 2009 through 2011.

Expenses by Major Object Code

	<u>2009</u>	<u>2010</u>	<u>2011</u>
Personal Services	\$2,365,511	\$2,159,522	\$2,034,632
Contractual Services	193,299	163,371	158,039
Supplies and Materials	12,337	8,133	10,876
Transfer Payments	163,234	150,837	115,553
Continuous Charges	188,060	172,067	172,887
Equipment	<u>7,913</u>	<u>9,328</u>	<u>13,544</u>
Total	<u>\$2,930,354</u>	<u>\$2,663,258</u>	<u>\$2,505,531</u>

*Source: Commonwealth Accounting and Reporting System*

### **Subsequent Events**

The budget for 2012 and the 2013 - 2104 biennium did not restore the Office's General Fund resources. Additionally, during the 2012 Session of the General Assembly, a bill passed requiring the Office's Director to establish a non-profit organization to perform the Office's duties by December 31, 2013. The Governor signed the bill on May 18, 2012.



# Commonwealth of Virginia

## *Auditor of Public Accounts*

Walter J. Kucharski  
Auditor of Public Accounts

P.O. Box 1295  
Richmond, Virginia 23218

May 30, 2012

The Honorable Robert F. McDonnell  
Governor of Virginia

The Honorable Charles J. Colgan  
Chairman, Joint Legislative Audit  
and Review Commission

We have audited the financial records and operations of the **Virginia Office for Protection and Advocacy (Office)** for the years ended June 30, 2011, June 30, 2010, and June 30, 2009. 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.

### Audit Objectives

Our audit's primary objectives were to evaluate the accuracy of recorded financial transactions in the Commonwealth Accounting and Reporting System, review the adequacy of the Office's internal controls, and test compliance with applicable laws and regulations.

### Audit Scope and Methodology

The Office's management has responsibility for establishing and maintaining internal control and complying with applicable laws and regulations. Internal control is a process designed to provide reasonable, but not absolute, assurance regarding the reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws and regulations.

We gained an understanding of the overall internal controls, both automated and manual, sufficient to plan the audit. We considered significance and risk in determining the nature and extent of our audit procedures. Our review encompassed controls over the following significant cycles, classes of transactions, and account balances.

- Revenues
- Expenses
- Payroll
- Reconciliation
- Information Systems Security

We performed audit tests to determine whether the Office's controls were adequate, had been placed in operation, and were being followed. Our audit also included tests of compliance with provisions of applicable laws and regulations. Our audit procedures included inquiries of appropriate personnel, inspection of documents, records, and contracts, and observation of the Office's operations. We tested transactions and performed analytical procedures, including budgetary and trend analyses.

### Conclusions

We found that the Office properly stated, in all material respects, the amounts recorded and reported in the Commonwealth Accounting and Reporting System. The Office records its financial transactions on the cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The financial information presented in this report came directly from the Commonwealth Accounting and Reporting System.

We noted certain matters involving internal control and its operation that require management's attention and corrective action. These matters are described in the section entitled "Audit Findings and Recommendations."

### Exit Conference and Report Distribution

We discussed this report with management on June 1, 2012. Management's response has been included at the end of this report.

This report is intended for the information and use of the Governor and General Assembly, management, and the citizens of the Commonwealth of Virginia and is a public record.

AUDITOR OF PUBLIC ACCOUNTS

LJH/clj



## COMMONWEALTH of VIRGINIA

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May 30, 2012

Walter Kucharski  
Auditor of Public Accounts  
Post Office Box 1295  
Richmond, Virginia 23218

Dear Mr. Kucharski:

Thank you for the opportunity to respond to the report on your audit of the Virginia Office for Protection and Advocacy. We are pleased to note that the auditors found no instances of noncompliance with applicable laws and regulations and likewise pleased the auditors found proper reporting and recording of transactions.

We appreciate your systems' auditors' recognition of the significant achievements that VOPA has made with respect to our information technology systems' security and practices. VOPA is committed to the protection and integrity of confidential and sensitive information. We appreciate the suggestions for improvement that your auditors offered us.

Sincerely,

A handwritten signature in blue ink, appearing to read "V. Colleen Miller".

V. Colleen Miller, Esq.  
Executive Director

VCM:lsn

## VIRGINIA OFFICE FOR PROTECTION AND ADVOCACY

### BOARD MEMBERS

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Chairperson

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