

AMENDED FISCAL REPORTS

For Fiscal Years:

July 1, 2019 to June 30, 2020

July 1, 2020 to June 30, 2021

Clarion County Children and Youth Agency

March 2023



Commonwealth of Pennsylvania
Department of the Auditor General

Timothy L. DeFoor • Auditor General



**Commonwealth of Pennsylvania
Department of the Auditor General
Harrisburg, PA 17120-0018
Facebook: Pennsylvania Auditor General
Twitter: @PAAuditorGen
www.PaAuditor.gov**

**TIMOTHY L. DEFOOR
AUDITOR GENERAL**

The Commissioners of Clarion County
330 Main Street, Room 200
Clarion, PA 16214

Dear Commissioners:

We have fulfilled the requirements pursuant to authority derived from Act 148 of 1976, as amended, (62 P.S. § 704.1(a)(4)) for the submitted CY-370 Expenditure Report, the CY-370A Revenue Report, and the CY-348 Fiscal Summary, hereinafter referred to as the submitted fiscal reports, and the related financial records of Clarion County Children and Youth Services (agency). The purpose of this engagement is to ascertain and certify the actual commonwealth expenditures incurred on behalf of children residing within the county for the fiscal years July 1, 2019 to June 30, 2020, and July 1, 2020 to June 30, 2021. The scope of our engagement was limited to the fiscal reports submitted to the Pennsylvania Department of Human Services (DHS) as part of the Act 148 Invoice Packages for the fiscal years ended June 30, 2020, and June 30, 2021.

Agency management is responsible for the preparation of the submitted fiscal reports, and compliance with children, youth, and families regulations. Our engagement procedures included a review of selected agency records and other procedures we deemed necessary to enable us to ascertain and certify the actual commonwealth expenditures incurred on behalf of children residing within the county. We also performed procedures to determine the county's compliance with certain provisions of 55 Pa. Code, Part V. Children, Youth, and Families Manual, Subpart C, Chapters 3140 and 3170 (55 Pa. Code §§ 3140.1 *et seq.* and 3170.1 *et seq.*). The engagement was not conducted, nor was it required to be, in accordance with professional auditing or attestation standards. We believe that our engagement procedures provided us a reasonable basis to ascertain and certify the actual commonwealth expenditures incurred on behalf of children residing within Clarion County.

We certify the enclosed amended fiscal reports fairly present, in all material respects, the total commonwealth expenditures paid on behalf of children residing within the county for the 2019-2020 and 2020-2021 fiscal years based on the accrual basis of accounting.¹

The procedures we performed during this engagement resulted in no adjustments to the agency's submitted fiscal reports for the fiscal years included in our engagement period.

This report includes the following observation:

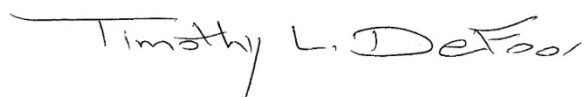
Observation – Despite the Pennsylvania Department of Human Services Apparent Strides in Increasing the Protection of At-Risk Children in the Care of Contracted In-Home Preventative Service Providers, DHS Failed to Review the Adequacy of the C&Y Agencies Procedures and Results for Ensuring these Providers Comply with CPSL Requirements.

The results of our engagement procedures, as presented in this report, were discussed with County representatives and agency management at an exit conference held on March 9, 2023.

This report is being forwarded to the DHS Bureau of Financial Operations and the Office of Children, Youth, and Families for review and settlement of any recommended adjustments included in our amended fiscal reports. You will be notified by DHS of the decisions made regarding the approval and finalization of any recommended adjustment amounts during the DHS settlement process and the impact, if any, on a future Act 148 payment. At that time, in accordance with the Commonwealth's General Rules of Administrative Practice and Procedure, 1 Pa. Code § 31.1 *et seq.*, you will be afforded the opportunity by Commonwealth DHS to appeal its settlement process decision.

We appreciate the cooperation, assistance, and courtesy granted to our representatives by your officials and agency staff. If you have any questions, please feel free to contact the Bureau of County Audits at 717-787-1363.

Sincerely,



Timothy L. DeFoor
Auditor General
March 13, 2023

¹ In accordance with DHS regulations, the expenditures reported in the enclosed fiscal reports are limited to expenditures funded by allocations made pursuant to Act 148 of 1976, as amended, (62 P.S. § 704.1) and do not include any expenditures made from other appropriations or grant funds.

CONTENTS

	Page
Background.....	1
Section 1 – Amended Fiscal Reports for the Fiscal Year July 1, 2019 to June 30, 2020	
Amended Computation of Final Net State Share.....	3
Amended CY-348 - Fiscal Summary.....	4
Amended CY-370A - Revenue Report.....	5
Amended CY-370 - Expenditure Report	6
Amended Summary of Expense and Expense Adjustments.....	7
Section 2 – Amended Fiscal Reports for the Fiscal Year July 1, 2020 to June 30, 2021	
Amended Computation of Final Net State Share.....	9
Amended CY-348 - Fiscal Summary.....	10
Amended CY-370A - Revenue Report.....	11
Amended CY-370 - Expenditure Report	12
Amended Summary of Expense and Expense Adjustments.....	13
Section 3 – Status of Prior Engagement Findings and Recommendations.....	14
Section 4 – Current Engagement Observation.....	18
Report Distribution List.....	22

BACKGROUND

The Department of the Auditor General (department) is responsible for reviewing the fiscal reports known as the submitted CY-370 Expenditure Report, the CY-370A Revenue Report, and the CY-348 Fiscal Summary of the 67 County Children and Youth Agencies. The department determines proper reporting and utilization of funds according to program regulations and guidelines under the Human Services Code 62 P.S. § 704.1(a)(4). The annual state Act 148 allocations are used by the counties to administer social services for the children and youth that reside within the Commonwealth of Pennsylvania, whose stated goal is “to ensure, for each child in this Commonwealth, a permanent, legally assured family which protects the child from abuse and neglect.” The Children and Youth Social Services Program is county-administered and state-supervised by DHS, with shared responsibility for achieving the commonwealth’s goal.

In accordance with the Human Services Code (62 P. S. § 703), DHS is responsible for making and enforcing all rules and regulations necessary and appropriate to the proper accomplishment of the child welfare duties and functions vested by law in the county institution districts or their successors. Title 55 Pa. Code, Part V. Children, Youth, and Families Manual, Subpart C, outlines the rules and regulations relative to the county administration of the Children and Youth Social Service Programs. Specifically, in compliance with 55 Pa. Code § 3140.31, the counties must report their cumulative actual expenditures incurred for the provision of children and youth social services on a quarterly basis to DHS through the Act 148 invoice package, which includes the fiscal reports. The expenditures reported in the Act 148 invoice package refers to all costs for dependent and delinquent children and youth services funded or administered by DHS.

We reviewed the final, cumulative 4th quarter fiscal reports submitted to DHS, the agency’s related financial records, and other supporting documentation. This was done to determine whether the agency’s actual, cumulative expenditures and revenues were properly reported to DHS for the respective fiscal years. The amended fiscal reports below include any adjustments we considered necessary to reflect the agency’s actual related revenue, expenditures, and net state share for each fiscal year in our engagement period.

SECTION 1

AMENDED FISCAL REPORTS

FOR THE FISCAL YEAR:

JULY 1, 2019 to JUNE 30, 2020

**CLARION COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2019 TO JUNE 30, 2020
AMENDED
COMPUTATION OF FINAL NET STATE SHARE**

Approved State Allocation ¹		\$ 2,558,302
Supplemental Act 148		<u>0</u>
Total State Allocation		2,558,302
State Share (CY348) ²	\$ 2,484,634	
Less: Major Service Category Adjustment		<u>0</u>
Net State Share		\$ 2,484,634
Less: Expenditures in Excess of the Approved State Allocation		<u>0</u>
Final Net State Share Payable ³		\$ 2,484,634
Actual Act 148 Revenues Received ⁴		<u>2,484,634</u>
Net Amount Due County/(State) ⁵		<u><u>0</u></u>

¹ Approved State Allocation is the amount of Act 148 State Funds that were budgeted for the County.

² State Share (CY348) is the total amount of County expenditures that are eligible for reimbursement from Act 148 Funds after auditor's adjustments are considered.

³ Final Net Share Payable is the net amount of reimbursable expenditures from Act 148 funds after auditor's adjustments are considered.

⁴ Actual Act 148 Revenues Received is the amount of Act 148 funds the County received.

⁵ Net Amount Due the County/(State) is the variance between the amount of Act 148 funds the County received and the Final Net State Share Payable to the County.

**CLARION COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2019 TO JUNE 30, 2020
AMENDED CY348
FISCAL SUMMARY**

	A	B	C	D	E	F	G	H	I	J	K
	GRAND TOTAL	PROGRAM INCOME	TITLE IV-E	TANF	TITLE XX	TITLE IV-B	Child Welfare Demonstration Project Title IV-E	MEDICAL ASSISTANCE	NET TOTAL	STATE ACT 148	LOCAL SHARE
NET CHILD WELFARE EXPENDITURES											
01. 100% REIMBURSEMENT	31,760	15,047	4,640	0	0	0	0	0	12,073	12,073	0
02. 90% REIMBURSEMENT	126,125	0	7,378	27,246	0	0	0	0	91,501	82,351	9,150
03. 80% REIMBURSEMENT	3,298,044	94,529	587,420	0	0	0	0	0	2,616,095	2,092,876	523,219
04. 60% REIMBURSEMENT	593,500	12,445	45,995	0	41,275	18,629	0	1,263	473,893	284,336	189,557
05. 50% REIMBURSEMENT	25,995	0	0	0	0	0	0	0	25,995	12,998	12,997
06. TOTAL NET CHILD WELFARE EXPEND.	4,075,424	122,021	645,433	27,246	41,275	18,629	0	1,263	3,219,557	2,484,634	734,923

YDC/YFC PLACEMENT COSTS											
07. 60% DHS PARTICIPATION	0	0							0	0	0

08. NON-REIMBURSABLE EXPENDITURES	754	0							754		754
-----------------------------------	-----	---	--	--	--	--	--	--	-----	--	-----

09. TOTAL EXPENDITURES	4,076,178	122,021	645,433	27,246	41,275	18,629	0	1,263	3,220,311	2,484,634	735,677
------------------------	-----------	---------	---------	--------	--------	--------	---	-------	-----------	-----------	---------

10. TOTAL TITLE IV-D COLLECTIONS 103,064

11. TITLE IV-D Collections for IV-E Children 13,600

12. STATE ACT 148 - line 6 2,484,634

13. STATE ACT 148 ALLOCATION 2,558,302

14. ADJUSTED STATE SHARE (lower of 12 or 13) 2,484,634

INVOICE	
AMENDED STATE SHARE (ACT 148)	2,484,634
ACT 148 AMOUNT RECEIVED	2,484,634
ADJUSTMENT TO STATE SHARE	0

CLARION COUNTY CHILDREN AND YOUTH AGENCY
 FOR THE PERIOD JULY 1, 2019 TO JUNE 30, 2020
 AMENDED CY370A
 REVENUE REPORT

MAJOR SERVICE CATEGORIES & COST CENTERS		REVENUE SOURCES											
		1	2	3	4	5	6	7	8	9	10	11	12
		TOTAL REIMBURSABLE EXPENDITURES	PROGRAM INCOME	TITLE IV-E MAINTENANCE	TITLE IV-E ADMIN.	TANF	TITLE XX	TITLE IV-B	Child Welfare Demonstration Project Title IV-E	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE
IN-HOME													
1-A	ADOPTION SERVICE	31,760	15,047	188,372	4,640					0	12,073	12,073	0
1-B	ADOPTION ASSISTANCE	376,823	0	17,395	0					0	188,451	188,451	37,690
1-C	SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	50,281	0	17,395	0					0	32,886	26,309	6,577
1-D	COUNSELING - DEPENDENT	267,293	0		0					0	267,293	213,834	53,459
1-E	COUNSELING - DELINQUENT	1,835	413		0					0	1,422	1,138	284
1-F	DAY CARE	0	0		0					0	0	0	0
1-G	DAY TREATMENT - DEPENDENT	0	0		0					0	0	0	0
1-H	DAY TREATMENT - DELINQUENT	0	0		0					0	0	0	0
1-I	HOMEMAKER SERVICE	30,000	0		0					0	30,000	24,000	6,000
1-J	INTAKE & REFERRAL	54,299	0		8,125					0	46,174	36,939	9,235
1-K	LIFE SKILLS - DEPENDENT	0	0		0					0	0	0	0
1-L	LIFE SKILLS - DELINQUENT	0	0		0					0	0	0	0
1-M	PROTECTIVE SERVICE - CHILD ABUSE	269,031	0		40,422					0	228,609	182,887	45,722
1-N	PROTECTIVE SERVICE - GENERAL	1,046,682	0		114,010					0	932,672	746,138	186,534
1-O	SERVICE PLANNING	64,364	0		6,975					0	57,389	45,911	11,478
1-P	JUVENILE ACT PROCEEDINGS - DEPENDENT	25,995	0		0					0	25,995	12,998	12,997
1-Q	JUVENILE ACT PROCEEDINGS - DELINQUENT	0	0		0					0	0	0	0
1-R	SUBTOTAL IN-HOME	2,218,363	15,460	205,767	174,172	0	0	0	0	0	1,822,964	1,452,988	369,976
COMMUNITY BASED PLACEMENT													
2-A	ALTERNATIVE TREATMENT - DEPENDENT	0	0		0					0	0	0	0
2-B	ALTERNATIVE TREATMENT - DELINQUENT	0	0		0					0	0	0	0
2-C	COMMUNITY RESIDENTIAL - DEPENDENT	271,240	13,420	12,120	52,598					0	193,102	154,482	38,620
2-D	COMMUNITY RESIDENTIAL - DELINQUENT	73,610	12,296	0						0	61,314	49,051	12,263
2-E	EMERGENCY SHELTER - DEPENDENT	94,821	0		7,378					0	87,443	65,297	22,146
2-F	EMERGENCY SHELTER - DELINQUENT	31,304	0		5,100					0	26,204	23,584	2,620
2-G	FOSTER FAMILY - DEPENDENT	716,390	58,218	66,888	60,713					0	530,571	424,457	106,114
2-H	FOSTER FAMILY - DELINQUENT	0	0		0					0	0	0	0
2-I	KINSHIP CARE - DEPENDENT	54,280	9,250	19,802	0					0	25,228	20,182	5,046
2-J	KINSHIP CARE - DELINQUENT	0	0		0					0	0	0	0
2-K	SUP. INDEPENDENT LIVING - DEPENDENT	0	0		0					0	0	0	0
2-L	SUP. INDEPENDENT LIVING - DELINQUENT	21,916	932	98,810	120,689					0	20,984	16,787	4,197
2-M	SUBTOTAL CBP	1,265,561	94,116	205,767	396,172	27,246	0	0	0	0	922,700	747,310	175,390
INSTITUTIONAL PLACEMENT													
3-A	JUVENILE DETENTION SERVICE	0	0		0					0	0	0	0
3-B	RESIDENTIAL SERVICE - DEPENDENT	116,908	4,716	383	6,001					0	105,808	63,485	42,323
3-C	RES. SERVICE - DELINQUENT (NON YDC/VFC)	211,671	6,508	0	0					41,275	145,259	87,155	58,104
3-D	SECURE RES. SERVICE (EXCEPT YDC)	3,565	0							0	3,565	2,139	1,426
3-E	YDC SECURE	0	0		0					0	0	0	0
3-F	SUBTOTAL INSTITUTIONAL	332,144	11,224	383	6,001	0	41,275	18,629	0	0	254,632	152,779	101,853
4	ADMINISTRATION	261,356	1,221		39,611					0	219,261	131,557	87,704
5	TOTAL REVENUES	4,075,424	122,021	304,960	340,473	27,246	41,275	18,629	0	1,263	3,219,557	2,484,634	734,923

CLARION COUNTY CHILDREN AND YOUTH AGENCY
 FOR THE PERIOD JULY 1, 2019 TO JUNE 30, 2020
 AMENDED CY370
 EXPENDITURE REPORT

MAJOR SERVICE CATEGORIES & COST CENTERS	OBJECTS OF EXPENDITURE											
	1	2	3	4	5	6	7	8	9	10	11	12
	WAGES AND SALARIES	EMPLOYEE BENEFITS	SUBSIDIES	OPERATING	PURCHASED SERVICES	FIXED ASSETS	TOTAL EXPENDITURES	Children Served (by county)	Children Served (Purchased)	Non- Reimbursable Non PS.Sub.	Non-Reim. Purchased Serv/ Subsidies	Program Income related to all Non- Reimbursable
IN-HOME												
L-A ADOPTION SERVICE	5,250	2,989		12,585	0	10,936	31,760	17	0	0	0	0
L-B ADOPTION ASSISTANCE	0	0	376,823	0	0	0	376,823	0	51	0	0	0
L-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	0	0	50,281	0	0	0	50,281	0	9	0	0	0
L-D COUNSELING - DEPENDENT	0	0		0	267,293	0	267,293	0	74	0	0	0
L-E COUNSELING - DELINQUENT	0	0		0	1,835	0	1,835	0	3	0	0	0
L-F DAY CARE	0	0		0	0	0	0	0	0	0	0	0
L-G DAY TREATMENT - DEPENDENT	0	0		0	0	0	0	0	0	0	0	0
L-H DAY TREATMENT - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
L-I HOMEMAKER SERVICE	0	0		0	30,000	0	30,000	0	58	0	0	0
L-J INTAKE & REFERRAL	29,816	18,877		4,697	0	909	54,299	1,083	0	0	0	0
L-K LIFE SKILLS - DEPENDENT	0	0		0	0	0	0	0	0	0	0	0
L-L LIFE SKILLS - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
L-M PROTECTIVE SERVICE - CHILD ABUSE	165,472	45,556		54,095	0	4,105	269,228	236	0	197	0	0
L-N PROTECTIVE SERVICE - GENERAL	406,859	161,554		170,815	285,302	22,498	1,047,028	681	924	346	0	0
L-O SERVICE PLANNING	26,203	10,589		9,055	18,000	517	64,364	332	120	0	0	0
L-P JUVENILE ACT PROCEEDINGS - DEPENDENT							25,995	0	71	0	0	0
L-Q JUVENILE ACT PROCEEDINGS - DELINQUENT							0	0	0	0	0	0
L-R SUBTOTAL IN-HOME	633,600	239,565	427,104	251,247	628,425	38,965	2,218,906			543	0	0
	Number of Children receiving only NON-PURCHASED IN-Home Services											
	1,008											
COMMUNITY BASED PLACEMENT												
2-A ALTERNATIVE TREATMENT - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
2-B ALTERNATIVE TREATMENT - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-C COMMUNITY RESIDENTIAL - DEPENDENT	897	377	0	77,507	191,579	918	271,278	1,181	8	38	0	0
2-D COMMUNITY RESIDENTIAL - DELINQUENT	0	0	0	400	73,610	0	73,610	491	7	0	0	0
2-E EMERGENCY SHELTER - DEPENDENT	28,136	11,933	0	8,282	45,746	724	94,821	739	32	0	0	0
2-F EMERGENCY SHELTER - DELINQUENT	0	0	0	0	31,304	0	31,304	197	11	0	0	0
2-G FOSTER FAMILY - DEPENDENT	108,205	60,768	0	136,113	398,070	13,366	716,522	7,729	44	132	0	0
2-H FOSTER FAMILY - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-I KINSHIP CARE - DEPENDENT	0	0	0	150	54,130	0	54,280	1,778	11	0	0	0
2-J KINSHIP CARE - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-K SUP. INDEPENDENT LIVING - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
2-L SUP. INDEPENDENT LIVING - DELINQUENT	0	0	0	141	21,775	0	21,916	110	1	0	0	0
2-M SUBTOTAL CBP	137,238	73,078	0	222,593	815,814	15,008	1,263,731	12,225	114	170	0	0
INSTITUTIONAL PLACEMENT												
3-A JUVENILE DETENTION SERVICE	0	0	0	0	0	0	0	0	0	0	0	0
3-B RESIDENTIAL SERVICE - DEPENDENT	0	0	0	3,141	113,578	230	116,949	553	5	41	0	0
3-C RES. SERVICE - DELINQUENT (EXCEPT YDC/PTC)	0	0	0	0	211,671	1,080	211,671	1,080	11	0	0	0
3-D SECURE RES. SERVICE (EXCEPT YDC)	0	0	0	0	3,565	0	3,565	10	1	0	0	0
3-E YDC SECURE	0	0	0	0	0	0	0	0	0	0	0	0
3-F SUBTOTAL INSTITUTIONAL	0	0	0	3,141	328,814	230	332,185	1,643	17	41	0	0
ADMINISTRATION	62,883	37,366	0	158,464	0	2,643	261,356			0	0	0
TOTAL EXPENDITURES	833,721	350,009	427,104	635,445	1,773,053	56,846	4,076,178			754	0	0
	County Indirect Costs = \$ 91,908											

**CLARION COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2019 TO JUNE 30, 2020
AMENDED
SUMMARY OF EXPENSE AND EXPENSE ADJUSTMENTS**

COST CENTER ITEMS	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Adoption Service	\$ 31,760	\$ 0	\$ 31,760
Adoption Assistance	376,823	0	376,823
Subsidized Permanent Legal Custodianship	50,281	0	50,281
Counseling	269,128	0	269,128
Day Care	0	0	0
Day Treatment	0	0	0
Homemaker Service	30,000	0	30,000
Intake and Referral	54,299	0	54,299
Life Skills	0	0	0
Protective Service - Child Abuse	269,228	0	269,228
Protective Service - General	1,047,028	0	1,047,028
Service Planning	64,364	0	64,364
Juvenile Act Proceedings	25,995	0	25,995
Alternative Treatment	0	0	0
Community Residential	344,888	0	344,888
Emergency Shelter	126,125	0	126,125
Foster Family	716,522	0	716,522
Kinship Care	54,280	0	54,280
Supervised Independent Living	21,916	0	21,916
Juvenile Detention Service	0	0	0
Residential Service	328,620	0	328,620
Secure Residential Service (Except YDC)	3,565	0	3,565
YDC Secure	0	0	0
Administration	261,356	0	261,356
Combined Total Expense	<u>4,076,178</u>	<u>0</u>	<u>4,076,178</u>
Less Non-reimbursables	<u>754</u>	<u>0</u>	<u>754</u>
Total Net Expense	<u>\$ 4,075,424</u>	<u>\$ 0</u>	<u>\$ 4,075,424</u>

OBJECTS OF EXPENDITURE	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Wages and Salaries	\$ 833,721	\$ 0	\$ 833,721
Employee Benefits	350,009	0	350,009
Subsidies	427,104	0	427,104
Operating	635,445	0	635,445
Purchased Services	1,773,053	0	1,773,053
Fixed Assets	56,846	0	56,846
Combined Total Expense	<u>4,076,178</u>	<u>0</u>	<u>4,076,178</u>
Less Non-reimbursables	<u>754</u>	<u>0</u>	<u>754</u>
Total Net Expense	<u>\$ 4,075,424</u>	<u>\$ 0</u>	<u>\$ 4,075,424</u>

SECTION 2

AMENDED FISCAL REPORTS

FOR THE FISCAL YEAR:

JULY 1, 2020 to JUNE 30, 2021

**CLARION COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2020 TO JUNE 30, 2021
AMENDED
COMPUTATION OF FINAL NET STATE SHARE**

Approved State Allocation ¹		\$	3,762,713
Supplemental Act 148			<u>0</u>
Total State Allocation			3,762,713
State Share (CY348) ²	\$		2,698,732
Less: Major Service Category Adjustment			<u>0</u>
Net State Share		\$	2,698,732
Less: Expenditures in Excess of the Approved State Allocation			<u>0</u>
Final Net State Share Payable ³		\$	2,698,732
Actual Act 148 Revenues Received ⁴			<u>2,698,732</u>
Net Amount Due County/(State) ⁵		\$	<u><u>0</u></u>

¹ Approved State Allocation is the amount of Act 148 State Funds that were budgeted for the County.

² State Share (CY348) is the total amount of County expenditures that are eligible for reimbursement from Act 148 Funds after auditor's adjustments are considered.

³ Final Net Share Payable is the net amount of reimbursable expenditures from Act 148 funds after auditor's adjustments are considered.

⁴ Actual Act 148 Revenues Received is the amount of Act 148 funds the County received.

⁵ Net Amount Due the County/(State) is the variance between the amount of Act 148 funds the County received and the Final Net State Share Payable to the County.

CLARION COUNTY CHILDREN AND YOUTH AGENCY
 FOR THE PERIOD JULY 1, 2020 TO JUNE 30, 2021
 AMENDED CY348
 FISCAL SUMMARY

	A	B	C	D	E	F	G	H	I	J	K
	GRAND	PROGRAM	TITLE	TANF	TITLE	TITLE	FAMILY FIRST	MEDICAL	NET	STATE	LOCAL
	TOTAL	INCOME	IV-E		XX	IV-B	TRANSITION ACT	ASSISTANCE	TOTAL	ACT 148	SHARE
NET CHILD WELFARE EXPENDITURES											
01. 100% REIMBURSEMENT	43,433	7,565	5,050	0	0	0	0	0	30,818	30,818	0
02. 90% REIMBURSEMENT	129,504	0	2,530	27,246	0	0	0	0	99,728	89,755	9,973
03. 80% REIMBURSEMENT	3,538,288	94,814	675,722	0	0	0	0	0	2,767,752	2,214,202	553,550
04. 60% REIMBURSEMENT	717,360	41,178	30,677	0	41,275	18,629	0	1,862	583,739	350,244	233,495
05. 50% REIMBURSEMENT	27,425	0	0	0	0	0	0	0	27,425	13,713	13,712
06. TOTAL NET CHILD WELFARE EXPEND.	4,456,010	143,557	713,979	27,246	41,275	18,629	0	1,862	3,509,462	2,698,732	810,730

YDC/YFC PLACEMENT COSTS											
07. 60% DHS PARTICIPATION	0	0							0	0	0

08. NON-REIMBURSABLE EXPENDITURES	86	0							86		86
-----------------------------------	----	---	--	--	--	--	--	--	----	--	----

09. TOTAL EXPENDITURES	4,456,096	143,557	713,979	27,246	41,275	18,629	0	1,862	3,509,548	2,698,732	810,816
------------------------	-----------	---------	---------	--------	--------	--------	---	-------	-----------	-----------	---------

- 10. TOTAL TITLE IV-D COLLECTIONS 134,942
- 11. TITLE IV-D Collections for IV-E Children 16,671
- 12. STATE ACT 148 - line 6 2,698,732
- 13. STATE ACT 148 ALLOCATION 3,762,713
- 14. ADJUSTED STATE SHARE (lower of 12 or 13) 2,698,732

INVOICE											
AMENDED STATE SHARE (ACT 148)	2,698,732										
ACT 148 AMOUNT RECEIVED	2,698,732										
ADJUSTMENT TO STATE SHARE	0										

CLARION COUNTY CHILDREN AND YOUTH AGENCY
 FOR THE PERIOD JULY 1, 2020 TO JUNE 30, 2021
 AMENDED CY370A
 REVENUE REPORT

MAJOR SERVICE CATEGORIES & COST CENTERS	REVENUE SOURCES											
	1	2	3	4	5	6	7	8	9	10	11	12
	TOTAL REIMBURSABLE EXPENDITURES	PROGRAM INCOME	TITLE IV-E MAINTENANCE	TITLE IV-E ADMIN.	TANF	TITLE XX	TITLE IV-B	Family First Transition Act	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE
IN-HOME												
1-A ADOPTION SERVICE	43,433	7,565		5,050						30,818	30,818	0
1-B ADOPTION ASSISTANCE	520,211		287,135							233,076	186,461	46,615
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	59,490		18,818							40,672	32,538	8,134
1-D COUNSELING - DEPENDENT	184,896									184,896	147,917	36,979
1-E COUNSELING - DELINQUENT	135,184									135,184	108,147	27,037
1-F DAY CARE	0									0	0	0
1-G DAY TREATMENT - DEPENDENT	0									0	0	0
1-H DAY TREATMENT - DELINQUENT	0									0	0	0
1-I HOMEMAKER SERVICE	20,324									20,324	16,259	4,065
1-J INTAKE & REFERRAL	39,094			4,926						34,168	27,334	6,834
1-K LIFE SKILLS - DEPENDENT	0									0	0	0
1-L LIFE SKILLS - DELINQUENT	0									0	0	0
1-M PROTECTIVE SERVICE - CHILD ABUSE	224,623			28,443						196,180	156,944	39,236
1-N PROTECTIVE SERVICE - GENERAL	1,023,748			109,346						914,402	731,522	182,880
1-O SERVICE PLANNING	70,979			8,885						62,094	49,675	12,419
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT	27,425									27,425	13,713	13,712
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT	0									0	0	0
1-R SUBTOTAL IN-HOME	2,349,407	7,565	305,953	156,650	0	0	0	0	0	1,879,239	1,501,328	377,911

COMMUNITY BASED PLACEMENT	REVENUE SOURCES											
	TOTAL REIMBURSABLE EXPENDITURES	PROGRAM INCOME	TITLE IV-E MAINTENANCE	TITLE IV-E ADMIN.	TANF	TITLE XX	TITLE IV-B	Child Welfare Demonstration Project Title IV-E	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE
2-A ALTERNATIVE TREATMENT - DEPENDENT	0	0	0	0						0	0	0
2-B ALTERNATIVE TREATMENT - DELINQUENT	0	0	0	0						0	0	0
2-C COMMUNITY RESIDENTIAL - DEPENDENT	197,266	7,538	46,362	17,592						125,754	100,603	25,151
2-D COMMUNITY RESIDENTIAL - DELINQUENT	62,833	2,887								59,946	47,957	11,989
2-E EMERGENCY SHELTER - DEPENDENT	86,283	0	0	2,530	16,931					66,822	60,140	6,682
2-F EMERGENCY SHELTER - DELINQUENT	43,221	0	0	0	10,315					32,906	29,615	3,291
2-G FOSTER FAMILY - DEPENDENT	884,282	78,509	56,564	70,213						678,996	543,197	135,799
2-H FOSTER FAMILY - DELINQUENT	0	0	0	0						0	0	0
2-I KINSHIP CARE - DEPENDENT	113,774	5,860	18,724	8,714						80,476	64,381	16,095
2-J KINSHIP CARE - DELINQUENT	0	0	0	0						0	0	0
2-K SUP. INDEPENDENT LIVING - DEPENDENT	0	0	0	0						0	0	0
2-L SUP. INDEPENDENT LIVING - DELINQUENT	1,584	0	0	0						1,584	1,267	317
2-M SUBTOTAL CBP	1,389,243	94,814	121,650	99,049	27,246	0	0	0	0	1,046,484	847,160	199,324

INSTITUTIONAL PLACEMENT	REVENUE SOURCES											
	TOTAL REIMBURSABLE EXPENDITURES	PROGRAM INCOME	TITLE IV-E MAINTENANCE	TITLE IV-E ADMIN.	TANF	TITLE XX	TITLE IV-B	Child Welfare Demonstration Project Title IV-E	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE
3-A JUVENILE DETENTION SERVICE	0	0	0	0						0	0	0
3-B RESIDENTIAL SERVICE - DEPENDENT	23,189	3,745	0	2,187						17,257	10,354	6,903
3-C RES. SERVICE - DELINQUENT (NON YDC/YFC)	471,768	36,383	0	0		41,275	18,629	0	0	375,481	225,289	150,192
3-D SECURE RES. SERVICE (EXCEPT YDC)	0	0	0	0						0	0	0
3-E YDC SECURE	0	0	0	0						0	0	0
3-F SUBTOTAL INSTITUTIONAL	494,957	40,128	0	2,187	0	41,275	18,629	0	0	392,738	235,643	157,095

4 ADMINISTRATION	222,403	1,050		28,490		0	0	0	0	1,862	114,601	76,400
5 TOTAL REVENUES	4,456,010	148,557	427,603	286,376	27,246	41,275	18,629	0	1,862	3,509,462	2,698,732	810,730

CLARION COUNTY CHILDREN AND YOUTH AGENCY
 FOR THE PERIOD JULY 1, 2020 TO JUNE 30, 2021
 AMENDED CY370
 EXPENDITURE REPORT

MAJOR SERVICE CATEGORIES & COST CENTERS	OBJECTS OF EXPENDITURE										9 Children Served (Purchased)	10 Non-Reimbursable Non-PS/Sub.	11 Non-Reim. Purchased Serv/ Subsidies	12 Program Income related to all Non-Reimbursable		
	1 WAGES AND SALARIES	2 EMPLOYEE BENEFITS	3 SUBSIDIES	4 OPERATING	5 PURCHASED SERVICES	6 FIXED ASSETS	7 TOTAL EXPENDITURES	8 CHILDREN SERVED (BY COUNTY)	9 CHILDREN SERVED (PURCHASED)	10 NON-REIMBURSABLE NON-PS/SUB.						
IN-HOME																
1-A ADOPTION SERVICE	14,633	8,813		17,438	0	2,549	43,433	26	0	0	0	0	0	0	0	
1-B ADOPTION ASSISTANCE	0	0	520,211	0	0	0	520,211	0	63	0	0	0	0	0	0	
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	0	0	59,490	0	0	0	59,490	0	7	0	0	0	0	0	0	
1-D COUNSELING - DELINQUENT	0	0		184,896	0	0	184,896	0	99	0	0	0	0	0	0	
1-E COUNSELING - DELINQUENT	0	0		135,184	0	0	135,184	0	28	0	0	0	0	0	0	
1-F DAY CARE	0	0		0	0	0	0	0	0	0	0	0	0	0	0	
1-G DAY TREATMENT - DEPENDENT	0	0		0	0	0	0	0	0	0	0	0	0	0	0	
1-H DAY TREATMENT - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0	0	0	0	
1-I HOMEMAKER SERVICE	0	0		20,324	0	0	20,324	0	23	0	0	0	0	0	0	
1-J INTAKE & REFERRAL	20,457	6,967		7,684	0	3,986	39,094	676	0	0	0	0	0	0	0	
1-K LIFE SKILLS - DEPENDENT	0	0		0	0	0	0	0	0	0	0	0	0	0	0	
1-L LIFE SKILLS - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0	0	0	0	
1-M LIFE SKILLS - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0	0	0	0	
1-N PROTECTIVE SERVICE - CHILD ABUSE	128,871	34,644		46,037	0	15,071	224,623	211	0	0	0	0	0	0	0	
1-O PROTECTIVE SERVICE - GENERAL	438,104	170,266		177,284	157,539	80,603	1,023,796	892	338	24	0	24	0	0	0	
1-P SERVICE PLANNING	34,902	13,869		14,528	515	7,165	70,979	332	5	0	0	0	0	0	0	
1-Q JUVENILE ACT PROCEEDINGS - DEPENDENT	0	0		0	27,425	0	27,425	0	83	0	0	0	0	0	0	
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0	0	0	0	
1-R SUBTOTAL IN-HOME	636,967	234,559	579,701	262,971	525,883	109,374	2,349,455	1,447	0	24	0	24	0	0	0	
	LRCNP = Legal Representation for Children in Placement = \$ 0										0					
	LRCNP = Legal Representation for Children Non-Placement = \$ 0										0					
COMMUNITY BASED PLACEMENT																
2-A ALTERNATIVE TREATMENT - DEPENDENT	0	0		0	0	0	0	0	0	0	0	0	0	0	0	
2-B ALTERNATIVE TREATMENT - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0	0	0	0	
2-C COMMUNITY RESIDENTIAL - DEPENDENT	12,283	5,734		46,309	130,378	2,570	197,274	742	8	8	0	0	0	0	0	
2-D COMMUNITY RESIDENTIAL - DELINQUENT	0	0		0	62,833	0	62,833	389	5	0	0	0	0	0	0	
2-E EMERGENCY SHELTER - DEPENDENT	9,200	4,202		5,199	65,918	1,764	86,283	805	37	0	0	0	0	0	0	
2-F EMERGENCY SHELTER - DELINQUENT	0	0		0	43,221	0	43,221	245	13	0	0	0	0	0	0	
2-G FOSTER FAMILY - DEPENDENT	137,607	73,901		125,370	515,049	32,385	884,312	7,773	49	30	0	0	0	0	0	
2-H FOSTER FAMILY - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0	0	0	0	
2-I KINSHIP CARE - DEPENDENT	31,647	18,622		12,757	44,385	6,163	113,774	1,485	13	0	0	0	0	0	0	
2-J KINSHIP CARE - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0	0	0	0	
2-K SUP. INDEPENDENT LIVING - DEPENDENT	0	0		0	0	0	0	0	0	0	0	0	0	0	0	
2-L SUP. INDEPENDENT LIVING - DELINQUENT	0	0		0	1,584	0	1,584	8	1	0	0	0	0	0	0	
2-M SUBTOTAL CBP	190,737	102,459	0	189,635	863,568	42,882	1,389,281	11,447	126	38	0	0	0	0	0	
INSTITUTIONAL PLACEMENT																
3-A JUVENILE DETENTION SERVICE	0	0		0	0	0	0	0	0	0	0	0	0	0	0	
3-B RESIDENTIAL SERVICE - DEPENDENT	7,597	3,760		7,206	3,123	1,503	23,189	15	1	0	0	0	0	0	0	
3-C RES. SERVICE - DELINQUENT (EXCEPT YDC/YFC)	0	0		1,829	469,939	0	471,768	1,890	9	0	0	0	0	0	0	
3-D SECURE RES. SERVICE (EXCEPT YDC)	0	0		0	0	0	0	0	0	0	0	0	0	0	0	
3-E YDC SECURE	0	0		0	0	0	0	0	0	0	0	0	0	0	0	
3-F SUBTOTAL INSTITUTIONAL	7,597	3,760	0	9,035	473,062	1,503	494,957	1,905	10	0	0	0	0	0	0	
4 ADMINISTRATION	58,304	31,222	0	124,492	0	8,385	222,403	0	0	0	0	0	0	0	0	
5 TOTAL EXPENDITURES	893,605	372,000	579,701	586,133	1,862,513	162,144	4,456,096	62	62	24	0	24	0	0	0	
	County Indirect Costs = \$ 93,084															

**CLARION COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2020 TO JUNE 30, 2021
AMENDED
SUMMARY OF EXPENSE AND EXPENSE ADJUSTMENTS**

COST CENTER ITEMS	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Adoption Service	\$ 43,433	\$ 0	\$ 43,433
Adoption Assistance	520,211	0	520,211
Subsidized Permanent Legal Custodianship	59,490	0	59,490
Counseling	320,080	0	320,080
Day Care	0	0	0
Day Treatment	0	0	0
Homemaker Service	20,324	0	20,324
Intake and Referral	39,094	0	39,094
Life Skills	0	0	0
Protective Service - Child Abuse	224,623	0	224,623
Protective Service - General	1,023,796	0	1,023,796
Service Planning	70,979	0	70,979
Juvenile Act Proceedings	27,425	0	27,425
Alternative Treatment	0	0	0
Community Residential	260,107	0	260,107
Emergency Shelter	129,504	0	129,504
Foster Family	884,312	0	884,312
Kinship Care	113,774	0	113,774
Supervised Independent Living	1,584	0	1,584
Juvenile Detention Service	0	0	0
Residential Service	494,957	0	494,957
Secure Residential Service (Except YDC)	0	0	0
YDC Secure	0	0	0
Administration	222,403	0	222,403
Combined Total Expense	<u>4,456,096</u>	<u>0</u>	<u>4,456,096</u>
Less Non-reimbursables	<u>86</u>	<u>0</u>	<u>86</u>
Total Net Expense	<u>\$ 4,456,010</u>	<u>\$ 0</u>	<u>\$ 4,456,010</u>

OBJECTS OF EXPENDITURE	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Wages and Salaries	\$ 893,605	\$ 0	\$ 893,605
Employee Benefits	372,000	0	372,000
Subsidies	579,701	0	579,701
Operating	586,133	0	586,133
Purchased Services	1,862,513	0	1,862,513
Fixed Assets	162,144	0	162,144
Combined Total Expense	<u>4,456,096</u>	<u>0</u>	<u>4,456,096</u>
Less Non-reimbursables	<u>86</u>	<u>0</u>	<u>86</u>
Total Net Expense	<u>\$ 4,456,010</u>	<u>\$ 0</u>	<u>\$ 4,456,010</u>

SECTION 3

STATUS OF PRIOR ENGAGEMENT FINDINGS AND RECOMMENDATIONS

CLARION COUNTY CHILDREN AND YOUTH AGENCY
STATUS OF PRIOR ENGAGEMENT FINDINGS AND RECOMMENDATIONS

The prior report included the following findings:

Prior Engagement Finding No. 1 - Lack of Internal Control Policies and Procedures to Reduce the Risk of Paying Overbillings or Fraudulent Billings by Contracted In-Home Purchased Service Providers

In our prior engagement report, for the fiscal years July 1, 2017 to June 30, 2019, we cited the agency for failing to develop and implement internal control policies and procedures to require adequate supporting documentation evidencing that services related to fees and operating costs invoiced by In-Home Purchased Service providers, and paid by the agency, were actually provided, and if provided, provided in adherence to the requirements of the respective provider contract terms.

During the conduct of our current engagement, we obtained evidence substantiating that, as of April 2021, the agency implemented fiscal-related monitoring policy and procedures designed to reduce the agency's risk of paying overbillings or fraudulent billings submitted by contracted In-Home Purchased Service providers.

The agency's fiscal-related monitoring policy requires that the agency establish an annual monitoring list of providers by November 1, for on-site reviews. During these reviews, the agency determines if services were provided in relation to the program description and if there is evidence of service delivery, such as encounter forms and case file notes for Fee-For-Service invoices. If applicable, receipts and journal entries are obtained for Program Funded invoices. If discrepancies are found during the comparison of invoices to supporting documentation, the agency contacts the provider to facilitate resolution.

To assess the sufficiency of these procedures, we reviewed several agency reviews and the related supporting documentation and verified the agency obtained sufficient documentation to verify the invoiced number of units and operating costs.

Based on the procedures performed during our current engagement, we concluded the issuance of a repeat finding is not warranted.

CLARION COUNTY CHILDREN AND YOUTH AGENCY
STATUS OF PRIOR ENGAGEMENT FINDINGS AND RECOMMENDATIONS

Prior Engagement Finding No. 2 – Clarion County Children and Youth Agency Failed to Execute Required Contracts with Services Providers

In our prior engagement report, for the fiscal years July 1, 2017 to June 30, 2019, we cited the agency for failing to execute written contracts with foster family daycare providers and juvenile act proceedings legal service providers.

During the conduct of our current engagement, as of the 2020-2021 fiscal year, the agency executed contracts with all providers. We performed contract testing for the 2020-2021 fiscal year and the agency executed contracts with all providers reviewed.

Based on the procedures performed during our current engagement, we concluded the issuance of a repeat finding is not warranted.

SECTION 4

CURRENT ENGAGEMENT OBSERVATION

CLARION COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT OBSERVATION

Observation – Despite the Pennsylvania Department of Human Services Apparent Strides in Increasing the Protection of At-Risk Children in the Care of Contracted In-Home Preventative Service Providers, DHS Failed to Review the Adequacy of the C&Y Agencies Procedures and Results for Ensuring these Providers Comply with CPSL Requirements

The vast majority of Pennsylvania’s County Children and Youth (C&Y) agencies contract with non-government In-Home Preventative Service providers (contracted providers) to deliver services to children outside of an institutional or community-based setting, and those services are referred to as In-Home Purchased Services.² The Child Protective Services Law (CPSL) requires the conduct of Criminal Background Checks and Child Abuse History Clearances (certifications) for all contracted providers’ (and their respective subcontractors’) employees and direct volunteers.³

Since 2016, we have communicated concerns to the Pennsylvania Department of Human Services (DHS) that these contracted providers were not being monitored for compliance with the CPSL certification mandates. Specifically, this needed monitoring relates to obtaining assurance as to the sufficiency of each C&Y agency’s procedures for reviewing the certifications of contracted providers’ employees and volunteers and their respective subcontractors, whose duties require them to come into direct contact with children and taking appropriate corrective actions when disqualifying incidents are identified. Furthermore, these contracted providers are not subject to licensure nor annual inspections under the Human Services Code (Code).⁴ Our concerns continue to be communicated through the inclusion of a standardized observation in our C&Y Program engagement reports and through correspondence with DHS.

In February 2018, DHS senior management staff affirmed that DHS is responsible for communicating contract-monitoring expectations to the C&Y agencies and for implementing a

² Institutional and community-based settings are those in which the child is outside of the home for the entire time (e.g., Juvenile Detention, Residential Services, Secure Residential, Youth Development Camps, Youth Forestry Camps, Foster Care, Emergency Shelter, Group Homes, etc.). In-Home supportive services are provided while the child is in their own home or supportive services provided to the child or child’s family while the child is in substitute care.

³ 23 Pa.C.S. §§ 6344 and 6344.2. Please note that CPSL 23 Pa.C.S. § 6344.4 now requires recertification of the required state and federal background checks and the child abuse clearance every 60 months.

⁴ Based on a recent communication with DHS in early September 2020, the state agency candidly indicated that it lacks sufficient budgetary resources, leading to inadequate staffing to provide for the licensure and inspection of these contracted providers, which includes a large population of not only these providers, but also their subcontractors. Further, the implication of these budgetary constraints is that it would not be reasonable to pursue or support related legislation to make these contracted providers and their subcontractors subject to licensure and inspection. Please see the Special Note in Endnote 1.

CLARION COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT OBSERVATION

method to ensure certification monitoring is being performed adequately. DHS staff also stated these expectations were communicated to C&Y agencies on numerous occasions since 2016.

Our 2018 Position Statement Letter

On March 18, 2018, we sent a Position Statement Letter to then DHS Deputy Secretary for Children, Youth and Families, which was also delivered to the Pennsylvania Senate and House of Representatives' children and youth committee chairs. The major purpose of our letter was to express our concerns, as detailed above.

DHS Corrective Actions Taken

In an effort to further address our concerns, DHS expanded its CPSL adherence requirements for C&Y agencies through the issuance of its 2019 revision of its Single Audit Supplement (supplement) for counties, effective for the fiscal year ended June 30, 2019. The supplement included the following requirements for C&Y agencies and their auditors who conduct Single Audits of counties.

C&Y agencies are required to:

- Monitor contracted provider adherence to the CPSL background check requirements to assure the safety of children receiving prevention, reunification, and aftercare services (services coded as in-home).
- Document these efforts and report them to DHS on a supplemental schedule included in each counties' Single Audit package.
- Create a listing of contracted providers that deliver in-home coded services.
- Monitor a sample of contracted providers' compliance with the CPSL requirements, including checking for incidents since the date of the background clearances.
- Communicate any violations to contracted providers and obtain a corrective action plan.
- Follow-up on implementation of the corrective action plan within six months.
- Document the results of the monitoring.

As part of the Single Audit, the auditors are required to perform agreed-upon procedures with regard to the supplemental schedule noted above, including the following:

- Obtain a listing of contracted providers that deliver in-home coded services for the C&Y agency.
- Test the listing of contracted providers for completeness.

CLARION COUNTY CHILDREN AND YOUTH AGENCY CURRENT ENGAGEMENT OBSERVATION

- Analyze the C&Y agency's documentation of monitoring activities for adequacy of monitoring, the C&Y agency's obtaining of any necessary corrective action plans, the C&Y agency's timely follow-up on corrective action plans, and the adequacy and accuracy of the monitoring documentation as represented on the supplemental schedule.
- Disclose any exceptions or findings within the Single Audit package for items not reflected on the supplemental schedule.

Our Current Position

We believe that the requirements that DHS included in its supplement are great first steps in obtaining assurance of the C&Y agencies' compliance with the CPSL certification requirements. Specifically, having independent auditors reviewing the adequacy of the C&Y agencies' monitoring of the CPSL background check requirements for contracted providers annually, and reporting the C&Y agencies' monitoring efforts in a supplemental schedule of the Single Audit package that is provided to DHS appears to be effective. As part of the CPSL certification monitoring process, it is incumbent upon DHS to review the supplemental schedule and any exceptions or findings within the Single Audit packages to ascertain whether the C&Y agencies are properly monitoring for CPSL certification requirements of its contracted providers. However, as of March 2021, DHS officials acknowledged that staff have not started reviewing the Single Audit packages for this purpose.⁵

This lack of review by DHS is especially concerning considering DHS as the oversight agency could remain unaware of improper monitoring being performed by a C&Y agency and/or non-compliance with the CPSL occurring despite receiving an audit report disclosing such information. Therefore, we believe that it is imperative that DHS review the Single Audit packages for CPSL compliance by the C&Y agencies in a timely manner.

Alternatively, DHS could implement its own monitoring process whereby it reviews the adequacy of each C&Y agency's monitoring to ensure the agency's contracted providers and their subcontractors complied with CPSL certification requirements. The process would include reviewing the corrective actions plans when disqualifying incidents were identified and verifying that the corrective action plans were implemented.¹

Conclusion

As the oversight agency, it is our opinion that DHS should ensure that every C&Y agency and its respective contracted providers are actually adhering to the CPSL certification requirements.

⁵ DHS informed us that they merely verbally inquire about the status of C&Y agencies' respective corrective action plans during their monitoring process.

CLARION COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT OBSERVATION

This specifically relates to obtaining assurance as to the adequacy of each C&Y Agency's procedures for reviewing the certifications of their contracted providers' employees and volunteers and their subcontractors (whose duties require them to come into direct contact with children) and taking appropriate corrective action when disqualifying incidents are identified. We continue to believe that these children remain particularly vulnerable because contracted in-home services are often times provided outside the presence and view of others.

ⁱ **Special Note:** In marked contrast to contracted foster care parents/providers and day treatment centers/child residential facilities, as well as 12 other types of facilities and programs, these C&Y contracted providers are not subject to annual licensure and an inspection process in accordance with the Human Services Code (Code). As noted in an earlier footnote, DHS recently made the candid statement that it lacks sufficient budgetary resources, leading to inadequate staffing to provide for the licensure and inspection of these contracted providers.

Our Department understands and appreciates these budgetary difficulties and that it may not be practical, but it is definitely reasonable to have licensure and inspections under the Code for this very large population of these C&Y agencies' contracted providers and their subcontractors.

CLARION COUNTY CHILDREN AND YOUTH AGENCY
REPORT DISTRIBUTION LIST

This report was originally distributed to the following:

The Honorable Joshua D. Shapiro

Governor
Commonwealth of Pennsylvania

Ms. Valerie A. Arkoosh, MD, MPH

Acting Secretary
Department of Human Services

Ms. Natalie Bates

Acting Deputy Secretary
Office of Children, Youth and Families
Department of Human Services

Ms. Tia Petrovitz

Fiscal Management Specialist 4
Division of County Programs
Bureau of Budget and Fiscal Support
Office of Children, Youth and Families
Department of Human Services

Mr. Jim Flanagan

Section Chief
Financial Reporting and Payments Section
Division of Financial Policy and Operations
Bureau of Financial Operations
Department of Human Services

Mr. David Bryan, CPA, CGMA

Manager
Audit Resolution Section
Bureau of Financial Operations
Department of Human Services

Ms. Heather Rudy

Audit Specialist
Audit Resolution Section
Bureau of Financial Operations
Department of Human Services

The Commissioners of Clarion County

Ms. Teresa Holdren

Administrator
Clarion County Children & Youth Agency

Ms. Sandy Ion

Fiscal Officer
Clarion County Children & Youth Agency

Ms. Karen Montana

Treasurer
Clarion County

Mr. Michael Burns, CPA

Director
Bureau of Accounting & Financial Management
Office of Comptroller Operations
Office of the Budget

Mr. R. Dennis Welker

Special Audit Services
Bureau of Audits
Office of the Budget

Ms. Melanie Retherford

Human Services Program Specialist Supervisor
Bureau of Budget and Fiscal Support
Office of Children, Youth and Families
Department of Human Services

Ms. Melissa Erazo

Director
Bureau of Budget and Fiscal Support
Office of Children, Youth and Families
Department of Human Services

This report is a matter of public record and is available online at www.PaAuditor.gov. Media questions about the report can be directed to the Pennsylvania Department of the Auditor General, Office of Communications, 229 Finance Building, Harrisburg, PA 17120; via email to: news@PaAuditor.gov.