

AMENDED FISCAL REPORTS

For Fiscal Years:

July 1, 2010 to June 30, 2011
July 1, 2011 to June 30, 2012
July 1, 2012 to June 30, 2013
July 1, 2013 to June 30, 2014

Montgomery County Children and Youth Agency

June 2018



Commonwealth of Pennsylvania
Department of the Auditor General

Eugene A. DePasquale • Auditor General



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EUGENE A. DePASQUALE
AUDITOR GENERAL

The Commissioners of Montgomery County
Montgomery County Courthouse
P.O. Box 311
Norristown, PA 19404-0311

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 the Montgomery County Children and Youth Agency (agency), legally known as Montgomery County Office of Children and Youth, for the purpose of ascertaining and certifying the actual Commonwealth expenditures incurred on behalf of children residing within the County for the fiscal years July 1, 2010 to June 30, 2011, July 1, 2011 to June 30, 2012, July 1, 2012 to June 30, 2013, and July 1, 2013 to June 30, 2014. The scope of our engagement was limited to the fiscal reports submitted to the Department of Human Services (DHS) as part of the Act 148 Invoice Packages for the fiscal years ended June 30, 2011, June 30, 2012, June 30, 2013, and June 30, 2014.

Preparation of the submitted fiscal reports, and compliance with children, youth, and families regulations, are the responsibility of agency management. 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 and to determine the County's compliance¹ 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.*), but was not required to be and was not conducted 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 within Montgomery County.

We certify that 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 fiscal years ended 2011, 2012, 2013, and 2014.

Adjustments to the agency's submitted fiscal reports resulting from the procedures we performed during this engagement are as follows:

- **For the 2010-2011 fiscal year**, our engagement resulted in no adjustments being made to the agency's submitted fiscal reports. Thus, there is no effect on the Final Net State Share as detailed in our amended fiscal reports for fiscal year 2010-2011, as included in Section 1 of this report.
- **For the 2011-2012 fiscal year**, our engagement resulted in no adjustments being made to the agency's submitted fiscal reports. Thus, there is no effect on the Final Net State Share as detailed in our amended fiscal reports for fiscal year 2011-2012, as included in Section 2 of this report.
- **For the 2012-2013 fiscal year**, our engagement resulted in two adjustments being made to the agency's submitted fiscal reports. These adjustments in total impacted the agency's Final Net State Share by decreasing agency expenditures by \$23,785, and increasing non-reimbursable expenditures by \$2,543. Based on the application of the state participation rates, the two adjustments impacting the agency's Final Net State Share Payable resulted in an amount due to the state totaling \$26,642. The two adjustments are detailed in our amended fiscal reports for fiscal year 2012-2013, as included in Section 3 of this report.
- **For the 2013-2014 fiscal year**, our engagement resulted in one adjustment being made to the agency's submitted fiscal reports. This adjustment in total impacted the agency's Final Net State Share by decreasing agency expenditures by \$28,768. Based on the application of the state participation rates, the 1 adjustment impacting the agency's Final Net State Share Payable resulted in an amount due to the state totaling \$23,015. The one adjustment is detailed in our amended fiscal reports for fiscal year 2013-2014, as included in Section 4 of this report.

Furthermore, we conducted additional procedures beyond those necessary to ascertain and certify the total Commonwealth expenditures paid on behalf of children residing within the county. We performed those additional procedures to determine whether the agency implemented internal controls to sufficiently reduce the risk of overbillings or fraudulent billings by contracted In-Home Purchased Service Providers occurring and going undetected. Opportunities to strengthen the agency's internal controls over its invoice review and approval process for these expenditures were identified and are included in the finding listed below.

Finding – The Montgomery County Children and Youth Agency Should Develop and Implement Internal Control Policies and Procedures in Order to Reduce the Risk of Paying Overbillings or Fraudulent Billings by Contracted In-Home Purchased Service Providers

Finally, we included the observation listed below related to DHS' monitoring of County Children and Youth (C&Y) Agencies' compliance with the Child Protective Services Law (CPSL).

Current Engagement Observation – Significant Control Deficiencies Exist in DHS' Oversight of Children and Youth (C&Y) Agencies' Adherence with the Requirements of the Child Protective Services Law (CPSL)

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 May 22, 2018.

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 the recommended adjustments included in our amended fiscal reports. You will be notified by the DHS of the decisions made regarding the approval and finalization of the 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 our representatives by your officials and the staff of the Montgomery County Children and Youth Agency.

Sincerely,



Eugene A. DePasquale
Auditor General

May 29, 2018

Endnote

¹ The Child Protective Services Law (CPSL), 23 Pa.C.S. § 6301 *et seq.*, requires the conduct of criminal background checks and child abuse history clearances (certifications) for all employees and direct volunteers of county children and youth (C&Y) agencies, as well as the volunteers/employees of their contractors (providers) and subcontractors (sub-recipients). To ensure adherence to these requirements, the Commonwealth DHS has assigned monitoring responsibilities to internal offices and bureaus based on the types of services provided. However, the safety of children receiving services from/through these agencies may be at risk due to significant control deficiencies related to the CPSL adherence that exist within C&Y agencies and the Commonwealth DHS. Details regarding these deficiencies are further outlined in the Observation included in this report.

CONTENTS

	Page
Background	1
Section 1 – Amended Fiscal Reports for the Fiscal Year July 1, 2010 to June 30, 2011	
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, 2011 to June 30, 2012	
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 – Amended Fiscal Reports for the Fiscal Year July 1, 2012 to June 30, 2013	
Amended Computation of Final Net State Share	15
Amended CY-348 - Fiscal Summary	16
Amended CY-370A - Revenue Report	17
Amended CY-370 - Expenditure Report.....	18
Amended Summary of Expense and Expense Adjustments	19
Adjustment Schedule	20
Section 4 – Amended Fiscal Reports for the Fiscal Year July 1, 2013 to June 30, 2014	
Amended Computation of Final Net State Share	22
Amended CY-348 - Fiscal Summary	23
Amended CY-370A - Revenue Report	24
Amended CY-370 - Expenditure Report.....	25
Amended Summary of Expense and Expense Adjustments	26
Adjustment Schedule	27
Section 5 – Current Engagement Finding and Recommendations	29
Section 6 – Current Engagement Observation	35
Report Distribution List	37

BACKGROUND

The Department of the Auditor General 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 to determine 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.” According to information provided by the Department of Human Services (DHS), Office of Children, Youth and Families (OCYF), the Montgomery County Children and Youth Agency provided in-home and placement services to 2,606 children residing within the County during the 2015-16 fiscal year. The Children and Youth Social Services Program is County-Administered and State-Supervised by the DHS and thus, they are jointly responsible for achieving the Commonwealth’s goal.

In accordance with the Human Services Code (62 P. S. § 703), the 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 the DHS through the Act 148 Invoice package. 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 the DHS.

As part of our engagement, we reviewed the County Children and Youth Agency’s submitted fiscal reports, as referenced above, which are included in the Act 148 Invoice package. Specifically, we reviewed the final, cumulative 4th Quarter fiscal reports submitted to the DHS, along with the County Children and Youth Agency’s related financial records and supporting documentation, to determine whether the County Children and Youth Agency’s actual, cumulative expenditures and revenues were properly reported to the DHS for the respective fiscal years (FYs). The variances identified between the submitted and actual costs and revenues required adjustments to these fiscal reports, and thus, our Amended CY-370 Expenditure Report, Amended CY-370A Revenue Report, and Amended CY-348 Fiscal Summary, resulting from our engagement procedures and included in this report for each fiscal year included in our scope, reflect the County Children and Youth Agency’s actual related costs and revenues for those years and those costs and revenues’ impact on the County Children and Youth Agency’s corresponding Net State Shares.

SECTION 1

AMENDED FISCAL REPORTS

FOR THE FISCAL YEAR:

JULY 1, 2010 to JUNE 30, 2011

**MONTGOMERY COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2010 TO JUNE 30, 2011
AMENDED
COMPUTATION OF FINAL NET STATE SHARE**

Approved State Allocation ¹		\$	20,941,307
Supplemental Act 148			<u>0</u>
Total State Allocation			20,941,307
State Share (CY348) ²	\$		20,941,307
Less: Major Service Category Adjustment			<u>0</u>
Net State Share		\$	20,941,307
Less: Expenditures in Excess of the Approved State Allocation			<u>0</u>
Final Net State Share Payable ³		\$	20,941,307
Actual Act 148 Revenues Received ⁴			<u>20,941,307</u>
Net Amount Due County/(State) ⁵		\$	<u>0</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 audit adjustments are considered.

³ Final Net Share Payable is the net amount of reimbursable expenditures from Act 148 funds after audit 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.

MONTGOMERY COUNTY CHILDREN AND YOUTH AGENCY
 FOR THE PERIOD JULY 1, 2010 TO JUNE 30, 2011
 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	OTHER FUNDING	MEDICAL ASSISTANCE	NET TOTAL	STATE ACT 148	LOCAL SHARE
NET CHILD WELFARE EXPENDITURES											
01. 100% REIMBURSEMENT	930,832	0	140,331	0	0	0	0	0	790,501	790,501	0
02. 90% REIMBURSEMENT	1,963,639	34,100	294,888	0	0	0	0	0	1,634,651	1,471,186	163,465
03. 80% REIMBURSEMENT	22,186,054	412,349	3,781,684	1,238,165	0	0	0	0	16,753,856	13,403,085	3,350,771
04. 60% REIMBURSEMENT	7,777,747	471,439	736,616	0	483,979	250,711	0	10,470	5,824,532	3,494,719	2,329,813
05. 50% REIMBURSEMENT	3,620,053	56,421	0	0	0	0	0	0	3,563,632	1,781,816	1,781,816
06. TOTAL NET CHILD WELFARE EXPEND.	36,478,324	974,308	4,953,519	1,238,165	483,979	250,711	0	10,470	28,567,172	20,941,307	7,625,865

YDC/YFC PLACEMENT COSTS											
07. 60% DHS PARTICIPATION	1,374,437	27,339							1,347,098	808,259	538,839

08. NON-REIMBURSABLE EXPENDITURES	38,479	0	0						38,479		38,479
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09. TOTAL EXPENDITURES	37,891,241	1,001,647	4,953,519	1,238,165	483,979	250,711	0	10,470	29,952,749	21,749,566	8,203,183
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10. IL Grant Funds Reported 0

11. TOTAL HSDF used for Child Welfare 0

12. TOTAL TITLE IV-D COLLECTIONS 682,060

13. TITLE IV-D Collections for IV-E Children 33,480

14. STATE ACT 148 - line 6 20,941,307

15. STATE ACT 148 ALLOCATION 20,941,307

16. ADJUSTED STATE SHARE (lower of 14 or 15) 20,941,307

INVOICE											
AMENDED STATE SHARE (ACT 148)	20,941,307										
ACT 148 AMOUNT RECEIVED	20,941,307										
ADJUSTMENT TO STATE SHARE	0										

Subsidized Permanent Legal Custodianship SPLC	Total Subsidies	Number of Days	Number of Children
	280,919	15,626	66

MONTGOMERY COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2010 TO JUNE 30, 2011
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	OTHER FUNDING	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE
IN-HOME												
1-A ADOPTION SERVICE	930,832	0	140,331	0	0	0	0	0	0	790,501	790,501	0
1-B ADOPTION ASSISTANCE	3,075,723	0	1,406,459	22,528	0	0	0	0	0	1,646,736	1,317,389	329,347
1-C COUNSELING - DEPENDENT	504,293	4,522	57,062	48,964	0	0	0	0	0	393,745	314,996	78,749
1-D COUNSELING - DELINQUENT	2,126,943	186	0	345,434	0	0	0	0	0	1,781,509	1,425,207	356,302
1-E DAY CARE	20,794	0	0	0	9,907	0	0	0	0	10,700	8,560	2,140
1-F DAY TREATMENT - DEPENDENT	38,697	279	0	0	4,684	0	0	0	0	33,734	26,987	6,747
1-G DAY TREATMENT - DELINQUENT	400,004	0	0	0	138,912	0	0	0	0	261,093	208,874	52,219
1-H HOMEMAKER SERVICE	0	0	0	0	0	0	0	0	0	0	0	0
1-I INTAKE & REFERRAL	1,041,057	0	0	157,405	0	0	0	0	0	883,652	706,922	176,730
1-J LIFE SKILLS - DEPENDENT	837,870	13,797	0	66,911	177,430	0	0	0	0	579,732	463,785	115,947
1-K LIFE SKILLS - DELINQUENT	1,360,342	2,610	0	0	512,833	0	0	0	0	844,899	675,919	168,980
1-L PROTECTIVE SERVICE - CHILD ABUSE	698,728	0	0	87,883	0	0	0	0	0	610,845	488,676	122,169
1-M PROTECTIVE SERVICE - GENERAL	1,296,113	0	0	192,778	0	0	0	0	0	1,103,335	882,668	220,667
1-N SERVICE PLANNING	0	0	0	0	0	0	0	0	0	0	0	0
1-O JUVENILE ACT PROCEEDINGS - DEPENDENT	4,148	0	0	0	0	0	0	0	0	4,148	2,074	2,074
1-P JUVENILE ACT PROCEEDINGS - DELINQUENT	20,389	0	0	0	0	0	0	0	0	20,389	10,195	10,194
1-Q SUBTOTAL IN-HOME	12,355,934	21,395	1,406,459	724,898	1,238,165	0	0	0	0	8,965,017	7,322,753	1,642,264
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	1,057,532	27,807	0	0	0	0	0	0	0	1,029,525	823,620	205,905
2-C COMMUNITY RESIDENTIAL - DEPENDENT	2,006,173	75,840	44,148	36,026	0	0	0	0	0	1,452,825	1,162,260	290,565
2-D COMMUNITY RESIDENTIAL - DELINQUENT	1,795,816	16,003	58,796	0	0	0	0	0	0	1,721,018	1,376,814	344,204
2-E EMERGENCY SHELTER - DEPENDENT	1,244,527	34,100	223,428	50,561	0	0	0	0	0	936,438	842,794	93,644
2-F EMERGENCY SHELTER - DELINQUENT	719,112	0	20,899	0	0	0	0	0	0	698,213	628,392	69,821
2-G FOSTER FAMILY - DEPENDENT	5,209,580	254,897	649,136	586,323	0	0	0	0	0	3,719,223	2,975,379	743,844
2-H FOSTER FAMILY - DELINQUENT	716,588	16,407	6,334	12,561	0	0	0	0	0	681,286	545,029	136,257
2-I SUP. INDEPENDENT LIVING - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
2-J SUP. INDEPENDENT LIVING - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-K SUBTOTAL CBP	12,749,128	425,053	1,400,076	685,471	0	0	0	0	0	10,238,528	8,354,288	1,884,240
INSTITUTIONAL PLACEMENT												
3-A JUVENILE DETENTION SERVICE	3,595,516	56,421	0	0	0	0	0	0	0	3,539,095	1,769,547	1,769,548
3-B RESIDENTIAL SERVICE - DEPENDENT	698,966	27,812	144,385	0	0	118,000	99,017	0	0	309,752	185,851	123,901
3-C RES. SERVICE - DELINQUENT (NON YDC/YFC)	4,249,800	442,195	168,320	0	0	365,979	151,694	0	0	3,121,612	1,872,967	1,248,645
3-D SECURE RES. SERVICE (EXCEPT YDC)	0	0	0	0	0	0	0	0	0	0	0	0
3-E YDC/YFC (NON-SECURE)-Institutional	352,553	11,540	0	0	0	0	0	0	0	341,013	204,608	136,405
3-F YDC SECURE	1,021,884	15,799	0	0	0	0	0	0	0	1,006,085	603,651	402,434
3-G SUBTOTAL INSTITUTIONAL	9,918,719	553,766	312,706	0	0	483,979	250,711	0	0	8,317,557	4,636,624	3,680,933
4. ADMINISTRATION	2,828,981	1,433	0	423,910	0	0	0	0	10,470	2,393,168	1,435,901	957,267
5. TOTAL REVENUES	37,852,761	1,001,647	3,119,241	1,834,279	1,238,165	483,979	250,711	0	10,470	29,914,270	21,749,566	8,164,704

**MONTGOMERY COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2010 TO JUNE 30, 2011
AMENDED CY370
EXPENDITURE REPORT**

MAJOR SERVICE CATEGORIES & COST CENTERS	OBJECTS OF EXPENDITURE										Program Income related to all Non-Reimbursable	
	1	2	3	4	5	6	7	8	9	10		11
	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												
I-A ADOPTION SERVICE	567,837	206,296		162,153	0	660	936,946	45	0	6,114	0	0
I-B ADOPTION ASSISTANCE	0	0	3,075,723		0	0	3,075,723	97	498	0	0	0
I-C COUNSELING - DEPENDENT	275,897	100,176			128,220	0	504,293	711	19	0	0	0
I-D COUNSELING - DELINQUENT	0	0			2,126,943	0	2,126,943	0	433	0	0	0
I-E DAY CARE	0	0			20,794	0	20,794	0	13	0	0	0
I-F DAY TREATMENT - DEPENDENT	0	0			38,697	0	38,697	0	11	0	0	0
I-G DAY TREATMENT - DELINQUENT	0	0			400,004	0	400,004	0	82	0	0	0
I-H HOMEMAKER SERVICE	0	0			0	0	0	0	0	0	0	0
I-I INTAKE & REFERRAL	738,285	267,833		34,751	0	189	1,041,057	6,473	0	0	0	0
I-J LIFE SKILLS - DEPENDENT	325,112	118,509			394,249	0	837,870	739	149	0	0	0
I-K LIFE SKILLS - DELINQUENT	0	0			1,360,342	0	1,360,342	0	341	0	0	0
I-L PROTECTIVE SERVICE - CHLD ABUSE	324,587	118,179		147,208	108,000	754	698,728	715	152	0	0	0
I-M PROTECTIVE SERVICE - GENERAL	819,096	297,719		174,729	10,495	943	1,302,981	1,403	31	6,868	0	0
I-N SERVICE PLANNING	0	0			0	0	0	0	0	0	0	0
I-O JUVENILE ACT PROCEEDINGS - DEPENDENT	0	0			4,148	0	4,148	0	0	0	0	0
I-P JUVENILE ACT PROCEEDINGS - DELINQUENT	0	0			20,389	0	20,389	0	0	0	0	0
I-Q SUBTOTAL IN-HOME	3,050,813	1,108,712	3,075,723	543,378	4,587,744	2,546	12,368,916			12,982	0	0
	Number of Children receiving only NON-PURCHASED IN-HOME SERVICES											
COMMUNITY BASED PLACEMENT	WAGES AND SALARIES	EMPLOYEE BENEFITS	SUBSIDIES	OPERATING	PURCHASED SERVICES	FIXED ASSETS	TOTAL EXPENDITURES	DAYS OF CARE	Children Served (Purchased)	Non-Reimbursable Non PS/Sub.	Non-Reim. Purchased Serv/ Subsidies	Program Income related to all Non-Reimbursable
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	1,057,332	0	1,057,332	7,242	102	0	0	0
2-C COMMUNITY RESIDENTIAL - DEPENDENT	139,928	51,092	0	60,773	1,756,593	90	2,008,476	11,255	89	2,303	0	0
2-D COMMUNITY RESIDENTIAL - DELINQUENT	0	0	0	45,232	1,750,584	0	1,795,816	11,328	70	0	0	0
2-E EMERGENCY SHELTER - DEPENDENT	216,194	78,115	0	40,548	909,434	236	1,244,327	3,599	81	0	0	0
2-F EMERGENCY SHELTER - DELINQUENT	0	0	0	551	718,561	0	719,112	2,037	152	0	0	0
2-G FOSTER FAMILY - DEPENDENT	1,042,311	377,935	280,919	257,397	3,266,883	0	5,225,445	88,413	530	15,865	0	0
2-H FOSTER FAMILY - DELINQUENT	0	0	0	5,103	711,485	0	716,588	6,241	24	0	0	0
2-I SUP. INDEPENDENT LIVING - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
2-J SUP. INDEPENDENT LIVING - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-K SUBTOTAL CBP	1,398,433	507,141	280,919	409,604	10,170,872	326	12,767,296	130,115	1,048	18,168	0	0
	Number of Children receiving only NON-PURCHASED IN-HOME SERVICES											
INSTITUTIONAL PLACEMENT	WAGES AND SALARIES	EMPLOYEE BENEFITS	SUBSIDIES	OPERATING	PURCHASED SERVICES	FIXED ASSETS	TOTAL EXPENDITURES	DAYS OF CARE	Children Served (Purchased)	Non-Reimbursable Non PS/Sub.	Non-Reim. Purchased Serv/ Subsidies	Program Income related to all Non-Reimbursable
3-A JUVENILE DETENTION SERVICE	0	0	0	583	698,383	0	698,966	4,031	50	0	0	0
3-B RESIDENTIAL SERVICE - DEPENDENT	0	0	0	62,195	4,187,606	0	4,249,800	33,858	249	0	0	0
3-C RES. SERVICE - DELINQUENT (EXCEPT YDC/YFC)	0	0	0	0	0	0	0	0	0	0	0	0
3-D SECURE RES. SERVICE (EXCEPT YDC)	0	0	0	0	352,553	0	352,553	941	9	0	0	0
3-E YDC/YFC (NON-SECURE)-Institutional	0	0	0	0	1,021,884	0	1,021,884	2,271	15	0	0	0
3-F YDC SECURE	0	0	0	0	9,855,941	0	9,855,941	50,525	782	0	0	0
3-G SUBTOTAL INSTITUTIONAL	0	0	0	62,778	9,855,941	0	9,918,719	50,525	782	0	0	0
4 ADMINISTRATION	1,305,442	474,448	0	1,054,577	0	1,843	2,836,310			7,329	0	0
5 TOTAL EXPENDITURES	5,754,688	2,090,302	3,356,642	2,070,337	24,614,557	4,715	37,891,241			38,479	0	0
	County Indirect Costs = \$ 544,092											

**MONTGOMERY COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2010 TO JUNE 30, 2011
AMENDED
SUMMARY OF EXPENSE AND EXPENSE ADJUSTMENTS**

COST CENTER ITEMS	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Adoption Service	\$ 936,946	\$ 0	\$ 936,946
Adoption Assistance	3,075,723	0	3,075,723
Counseling	2,631,236	0	2,631,236
Day Care	20,794	0	20,794
Day Treatment	438,701	0	438,701
Homemaker Service	0	0	0
Intake and Referral	1,041,057	0	1,041,057
Life Skills	2,198,212	0	2,198,212
Protective Service - Child Abuse	698,728	0	698,728
Protective Service - General	1,302,981	0	1,302,981
Service Planning	0	0	0
Juvenile Act Proceedings	24,537	0	24,537
Alternative Treatment	1,057,332	0	1,057,332
Community Residential	3,804,293	0	3,804,293
Emergency Shelter	1,963,639	0	1,963,639
Foster Family	5,942,033	0	5,942,033
Supervised Independent Living	0	0	0
Juvenile Detention Service	3,595,516	0	3,595,516
Residential Service	4,948,766	0	4,948,766
Secure Residential Service (Except YDC)	0	0	0
YDC/YFC (Non-Secure) - Institutional	352,553	0	352,553
YDC Secure	1,021,884	0	1,021,884
Administration	<u>2,836,310</u>	<u>0</u>	<u>2,836,310</u>
Combined Total Expense	37,891,241	0	37,891,241
Less Non-reimbursables	<u>38,479</u>	<u>0</u>	<u>38,479</u>
Total Net Expense	<u>\$ 37,852,761</u>	<u>\$ 0</u>	<u>\$ 37,852,761</u>

OBJECTS OF EXPENDITURE	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Wages and Salaries	\$ 5,754,688	\$ 0	\$ 5,754,688
Employee Benefits	2,090,302	0	2,090,302
Subsidies	3,356,642	0	3,356,642
Operating	2,070,337	0	2,070,337
Purchased Services	24,614,557	0	24,614,557
Fixed Assets	<u>4,715</u>	<u>0</u>	<u>4,715</u>
Combined Total Expense	37,891,241	0	37,891,241
Less Non-reimbursables	<u>38,479</u>	<u>0</u>	<u>38,479</u>
Total Net Expense	<u>\$ 37,852,761</u>	<u>\$ 0</u>	<u>\$ 37,852,761</u>

SECTION 2

AMENDED FISCAL REPORTS

FOR THE FISCAL YEAR:

JULY 1, 2011 to JUNE 30, 2012

**MONTGOMERY COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2011 TO JUNE 30, 2012
AMENDED
COMPUTATION OF FINAL NET STATE SHARE**

Approved State Allocation ¹		\$	19,655,075
Supplemental Act 148			<u>0</u>
Total State Allocation			19,655,075
State Share (CY348) ²	\$		19,655,075
Less: Major Service Category Adjustment			<u>0</u>
Net State Share		\$	19,655,075
Less: Expenditures in Excess of the Approved State Allocation			<u>0</u>
Final Net State Share Payable ³		\$	19,655,075
Actual Act 148 Revenues Received ⁴			<u>19,655,075</u>
Net Amount Due County/(State) ⁵		\$	<u>0</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 audit adjustments are considered.

³ Final Net Share Payable is the net amount of reimbursable expenditures from Act 148 funds after audit 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.

MONTGOMERY COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2011 TO JUNE 30, 2012
AMENDED CY348
FISCAL SUMMARY

	A	B	C	D	E	F	G	H	I	J	K
	GRAND	PROGRAM	TITLE	TANF	TITLE	TITLE	OTHER	MEDICAL	NET	STATE	LOCAL
	TOTAL	INCOME	IV-E		XX	IV-B	FUNDING	ASSISTANCE	TOTAL	ACT 148	SHARE
NET CHILD WELFARE EXPENDITURES											
01. 100% REIMBURSEMENT	743,281	0	122,163	0	0	0	0	0	621,118	621,118	0
02. 90% REIMBURSEMENT	1,452,666	2,859	173,216	0	0	0	0	0	1,276,591	1,148,932	127,659
03. 80% REIMBURSEMENT	22,003,930	539,439	3,945,958	1,273,533	0	0	0	0	16,245,000	12,996,002	3,248,998
04. 60% REIMBURSEMENT	6,883,736	531,229	568,930	0	483,979	250,711	0	17,122	5,031,765	3,019,059	2,012,706
05. 50% REIMBURSEMENT	3,739,927	0	0	0	0	0	0	0	3,739,927	1,869,964	1,869,963
06. TOTAL NET CHILD WELFARE EXPEND	34,823,540	1,073,527	4,810,267	1,273,533	483,979	250,711	0	17,122	26,914,401	19,655,075	7,259,326

YDC/YFC PLACEMENT COSTS											
07. 60% DHS PARTICIPATION	2,045,460	23,090							2,022,370	1,213,422	808,948

08. NON-REIMBURSABLE EXPENDITURES	6,865	0							6,865		6,865
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09. TOTAL EXPENDITURES	36,875,865	1,096,617	4,810,267	1,273,533	483,979	250,711	0	17,122	28,943,636	20,868,497	8,075,139
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10. TOTAL TITLE IV-D COLLECTIONS 854,534

11. TITLE IV-D Collections for IV-E Children 32,074

12. STATE ACT 148 - line 6 19,655,075

13. STATE ACT 148 ALLOCATION 19,347,809

14. ADJUSTED STATE SHARE (lower of 12 or 13) 19,347,809

INVOICE											
AMENDED STATE SHARE (ACT 148)	19,655,075										
ACT 148 AMOUNT RECEIVED	19,655,075										
ADJUSTMENT TO STATE SHARE	0										

MONTGOMERY COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2011 TO JUNE 30, 2012
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.	TITLE IV-E ADMIN.	TANF	TITLE XX	TITLE IV-B	OTHER FUNDING	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE
IN-HOME												
I-A ADOPTION SERVICE	743,281	0	1,283,116	122,163	0	0	0	0	0	621,118	1,402,894	350,724
I-B ADOPTION ASSISTANCE	3,052,562	0	11,540	15,828	0	0	0	0	0	1,753,618	303,000	75,750
I-C SUBSIDIZED PERMANENT LEGAL CUSTODIANS/SH	390,290	0	0	0	0	0	0	0	0	378,750	304,207	60,841
I-D COUNSELING - DEPENDENT	377,014	0	56,343	16,464	0	0	0	0	0	243,366	191,674	47,918
I-E COUNSELING - DELINQUENT	400,338	0	0	0	160,746	0	0	0	0	239,592	2,442	610
I-F DAY CARE	29,642	0	0	0	26,590	0	0	0	0	3,052	70,220	14,044
I-G DAY TREATMENT - DEPENDENT	73,598	0	0	0	3,378	0	0	0	0	0	114,352	28,588
I-H DAY TREATMENT - DELINQUENT	254,028	0	0	0	111,088	0	0	0	0	142,940	0	0
I-I HOME/MAKER SERVICE	0	0	0	0	0	0	0	0	0	0	0	0
I-J INTAKE & REFERRAL	1,160,731	0	0	191,304	0	0	0	0	0	969,427	775,542	193,885
I-K LIFE SKILLS - DEPENDENT	854,614	0	0	59,663	336,825	0	0	0	0	458,126	366,501	91,625
I-L LIFE SKILLS - DELINQUENT	1,970,107	0	0	0	578,842	0	0	0	0	1,391,265	1,113,012	278,253
I-M PROTECTIVE SERVICE - CHILD ABUSE	717,363	0	0	103,125	39,600	0	0	0	0	574,638	459,710	114,928
I-N PROTECTIVE SERVICE - GENERAL	1,391,651	0	0	227,062	0	0	0	0	0	1,164,589	931,671	232,918
I-O SERVICE PLANNING	0	0	0	0	0	0	0	0	0	0	0	0
I-P JUVENILE ACT PROCEEDINGS - DEPENDENT	8,400	0	0	0	0	0	0	0	0	8,400	4,200	4,200
I-Q JUVENILE ACT PROCEEDINGS - DELINQUENT	11,942	0	0	0	0	0	0	0	0	11,942	5,971	5,971
I-R SUBTOTAL IN-HOME	11,435,561	0	1,294,656	775,488	1,273,533	0	0	0	0	8,091,884	6,591,629	1,500,255
COMMUNITY BASED PLACEMENT												
TOTAL REIMBURSABLE EXPENDITURES	12,784,658	542,298	1,347,043	824,150	0	0	0	0	0	10,071,167	8,184,594	1,886,573
2-A ALTERNATIVE TREATMENT - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
2-B ALTERNATIVE TREATMENT - DELINQUENT	1,180,115	32,664	0	0	0	0	0	0	0	1,147,451	917,961	229,490
2-C COMMUNITY RESIDENTIAL - DEPENDENT	1,743,391	38,177	406,345	53,837	0	0	0	0	0	1,245,032	996,026	249,006
2-D COMMUNITY RESIDENTIAL - DELINQUENT	1,893,851	70,685	8,236	0	0	0	0	0	0	1,814,930	1,451,944	362,986
2-E EMERGENCY SHELTER - DEPENDENT	970,316	2,859	129,992	38,473	0	0	0	0	0	798,992	719,093	79,899
2-F EMERGENCY SHELTER - DELINQUENT	482,350	0	4,751	0	0	0	0	0	0	477,599	429,839	47,760
2-G FOSTER FAMILY - DEPENDENT	5,557,021	333,410	750,889	730,375	0	0	0	0	0	3,742,347	2,993,878	748,469
2-H FOSTER FAMILY - DELINQUENT	751,162	62,564	3,646	1,465	0	0	0	0	0	683,487	546,790	136,697
2-I SUP. INDEPENDENT LIVING - DEPENDENT	206,452	1,939	43,184	0	0	0	0	0	0	161,329	129,063	32,266
2-J SUP. INDEPENDENT LIVING - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-K SUBTOTAL CBP	12,784,658	542,298	1,347,043	824,150	0	0	0	0	0	10,071,167	8,184,594	1,886,573
INSTITUTIONAL PLACEMENT												
TOTAL REIMBURSABLE EXPENDITURES	3,719,585	52,993	88,439	436,139	0	0	0	0	0	3,719,585	1,859,792	34,081
3-A JUVENILE DETENTION SERVICE	502,494	52,993	44,352	0	0	150,500	125,559	0	0	85,203	51,122	1,859,792
3-B RESIDENTIAL SERVICE - DEPENDENT	3,733,317	478,236	44,352	0	0	333,479	125,552	0	0	2,751,898	1,651,139	1,100,759
3-C RES. SERVICE - DELINQUENT (NON YDC/YFC)	0	0	0	0	0	0	0	0	0	0	0	0
3-D SECURE RES. SERVICE (EXCEPT YDC)	2,045,460	23,090	0	0	0	0	0	0	0	2,022,370	1,213,422	808,948
3-E YDC SECURE	10,000,856	554,319	132,791	0	0	483,979	250,711	0	0	8,579,056	4,775,476	3,803,580
3-F SUBTOTAL INSTITUTIONAL	2,647,925	0	436,139	0	0	0	0	0	0	2,194,664	1,316,798	877,866
4 ADMINISTRATION	36,869,000	1,096,617	2,774,490	2,035,777	1,273,533	483,979	250,711	0	17,122	28,936,771	20,868,497	8,068,274
5 TOTAL REVENUES												

MONTGOMERY COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2011 TO JUNE 30, 2012
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	EMPLOYEE BENEFITS	OPERATING SERVICES	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												
I-A ADOPTION SERVICE	508,175	187,620		47,324	0	162	743,281	36	0	0	0	0
I-B ADOPTION ASSISTANCE	0	0	3,052,562	0	0	0	3,052,562	71	502	0	0	0
I-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	0	0	390,290	0	0	0	390,290	0	75	0	0	0
I-D COUNSELING - DEPENDENT	249,632	92,147			35,235	0	377,014	611	10	0	0	0
I-E COUNSELING - DELINQUENT	0	0			400,338	0	400,338	0	166	0	0	0
I-F DAY CARE	0	0			29,642	0	29,642	0	25	0	0	0
I-G DAY TREATMENT - DEPENDENT	0	0			73,598	0	73,598	0	4	0	0	0
I-H DAY TREATMENT - DELINQUENT	0	0			254,028	0	254,028	0	46	0	0	0
I-I HOMEMAKER SERVICE	0	0			0	0	0	0	0	0	0	0
I-J INTAKE & REFERRAL	780,652	287,982		91,774	0	323	1,160,731	8,441	0	0	0	0
I-K LIFE SKILLS - DEPENDENT	264,252	97,528			492,834	0	854,614	587	161	0	0	0
I-L LIFE SKILLS - DELINQUENT	0	0			1,970,107	0	1,970,107	0	472	0	0	0
I-M PROTECTIVE SERVICE - CHILD ABUSE	356,057	131,397		143,624	85,800	485	717,363	1,437	143	0	0	0
I-N PROTECTIVE SERVICE - GENERAL	871,912	321,792		189,635	7,665	647	1,391,651	1,626	19	0	0	0
I-O SERVICE PLANNING	0	0			0	0	0	0	0	0	0	0
I-P JUVENILE ACT PROCEEDINGS - DEPENDENT				8,400	0		8,400	0	0	0	0	0
I-Q JUVENILE ACT PROCEEDINGS - DELINQUENT				11,942	0		11,942	0	0	0	0	0
I-R SUBTOTAL IN-HOME	3,030,680	1,118,466	3,442,852	492,699	3,349,247	1,617	11,435,561					
	Number of Children receiving only NON-PURCHASED IN-Home Services											
												342
COMMUNITY BASED PLACEMENT												
2-A ALTERNATIVE TREATMENT - DEPENDENT	0	0		0	0	0	0	0	0	0	0	0
2-B ALTERNATIVE TREATMENT - DELINQUENT	0	0		0	1,180,115	0	1,180,115	8,083	99	0	0	0
2-C COMMUNITY RESIDENTIAL - DEPENDENT	160,498	59,247		118,032	1,405,291	323	1,743,391	10,169	59	0	0	0
2-D COMMUNITY RESIDENTIAL - DELINQUENT	0	0		60,985	1,832,866	0	1,893,851	10,643	84	0	0	0
2-E EMERGENCY SHELTER - DEPENDENT	136,804	50,485		48,508	734,357	162	970,316	3,020	60	0	0	0
2-F EMERGENCY SHELTER - DELINQUENT	0	0		469	481,881	0	482,550	1,548	71	0	0	0
2-G FOSTER FAMILY - DEPENDENT	1,111,294	410,104		280,208	3,754,654	761	5,557,021	99,099	520	0	0	0
2-H FOSTER FAMILY - DELINQUENT	0	0		7,140	744,022	0	751,162	6,743	24	0	0	0
2-I SUP. INDEPENDENT LIVING - DEPENDENT	0	0		0	206,452	0	206,452	1,544	10	0	0	0
2-J SUP. INDEPENDENT LIVING - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
2-K SUBTOTAL CBP	1,408,596	519,836	0	515,342	10,339,638	1,246	12,784,658	140,849	927	0	0	0
INSTITUTIONAL PLACEMENT												
3-A JUVENILE DETENTION SERVICE	0	0		0	3,719,585	0	3,719,585	10,564	443	0	0	0
3-B RESIDENTIAL SERVICE - DEPENDENT	0	0		1,279	501,215	0	502,494	2,735	21	0	0	0
3-C RES. SERVICE - DELINQUENT (EXCEPT YDC/YFC)	0	0		83,869	3,649,448	0	3,733,317	30,218	212	0	0	0
3-D SECURE RES. SERVICE (EXCEPT YDC)	0	0		0	0	0	0	0	0	0	0	0
3-E YDC SECURE	0	0		0	2,045,460	0	2,045,460	4,216	21	0	0	0
3-F SUBTOTAL INSTITUTIONAL	0	0	0	85,148	9,915,708	0	10,000,856	47,733	697	0	0	0
ADMINISTRATION	1,259,159	464,764	0	930,496	0	371	2,654,790			6,865	0	0
TOTAL EXPENDITURES	5,698,435	2,105,066	3,442,852	2,023,685	23,604,593	3,234	36,875,865			6,865	0	0
	County Indirect Costs = \$ 504,824											

**MONTGOMERY COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2011 TO JUNE 30, 2012
AMENDED
SUMMARY OF EXPENSE AND EXPENSE ADJUSTMENTS**

COST CENTER ITEMS	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Adoption Service	\$ 743,281	\$ 0	\$ 743,281
Adoption Assistance	3,052,562	0	3,052,562
Subsidized Permanent Legal Custodianship	390,290	0	390,290
Counseling	777,352	0	777,352
Day Care	29,642	0	29,642
Day Treatment	327,626	0	327,626
Homemaker Service	0	0	0
Intake and Referral	1,160,731	0	1,160,731
Life Skills	2,824,721	0	2,824,721
Protective Service - Child Abuse	717,363	0	717,363
Protective Service - General	1,391,651	0	1,391,651
Service Planning	0	0	0
Juvenile Act Proceedings	20,342	0	20,342
Alternative Treatment	1,180,115	0	1,180,115
Community Residential	3,637,242	0	3,637,242
Emergency Shelter	1,452,666	0	1,452,666
Foster Family	6,308,183	0	6,308,183
Supervised Independent Living	206,452	0	206,452
Juvenile Detention Service	3,719,585	0	3,719,585
Residential Service	4,235,811	0	4,235,811
Secure Residential Service (Except YDC)	0	0	0
YDC Secure	2,045,460	0	2,045,460
Administration	2,654,790	0	2,654,790
Combined Total Expense	<u>36,875,865</u>	<u>0</u>	<u>36,875,865</u>
Less Non-reimbursables	<u>6,865</u>	<u>0</u>	<u>6,865</u>
Total Net Expense	<u>\$ 36,869,000</u>	<u>\$ 0</u>	<u>\$ 36,869,000</u>

OBJECTS OF EXPENDITURE	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Wages and Salaries	\$ 5,698,435	\$ 0	\$ 5,698,435
Employee Benefits	2,103,066	0	2,103,066
Subsidies	3,442,852	0	3,442,852
Operating	2,023,685	0	2,023,685
Purchased Services	23,604,593	0	23,604,593
Fixed Assets	3,234	0	3,234
Combined Total Expense	<u>36,875,865</u>	<u>0</u>	<u>36,875,865</u>
Less Non-reimbursables	<u>6,865</u>	<u>0</u>	<u>6,865</u>
Total Net Expense	<u>\$ 36,869,000</u>	<u>\$ 0</u>	<u>\$ 36,869,000</u>

SECTION 3

AMENDED FISCAL REPORTS

FOR THE FISCAL YEAR:

JULY 1, 2012 to JUNE 30, 2013

**MONTGOMERY COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2012 TO JUNE 30, 2013
AMENDED
COMPUTATION OF FINAL NET STATE SHARE**

Approved State Allocation ¹	\$	23,623,408
Supplemental Act 148		<u>0</u>
Total State Allocation		23,623,408
State Share (CY348) ²	\$	19,672,033
Less: Major Service Category Adjustment		<u>0</u>
Net State Share	\$	19,672,033
Less: Expenditures in Excess of the Approved State Allocation		<u>0</u>
Final Net State Share Payable ³	\$	19,672,033
Actual Act 148 Revenues Received ⁴		<u>19,698,675</u>
Net Amount Due County/(State) ⁵	\$	<u><u>(26,642)</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 audit adjustments are considered.

³ Final Net Share Payable is the net amount of reimbursable expenditures from Act 148 funds after audit 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.

MONTGOMERY COUNTY CHILDREN AND YOUTH AGENCY
 FOR THE PERIOD JULY 1, 2012 TO JUNE 30, 2013
 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	OTHER FUNDING	MEDICAL ASSISTANCE	NET TOTAL	STATE ACT 148	LOCAL SHARE
NET CHILD WELFARE EXPENDITURES											
01. 100% REIMBURSEMENT	827,048	0	144,060	0	0	0	0	0	682,988	682,988	0
02. 90% REIMBURSEMENT	1,269,983	2,417	207,126	0	0	0	0	0	1,060,440	954,396	106,044
03. 80% REIMBURSEMENT	22,043,018	433,495	3,966,462	1,273,533	0	0	0	0	16,369,528	13,093,620	3,273,908
04. 60% REIMBURSEMENT	6,692,662	592,059	579,716	0	483,979	250,711	0	18,492	4,767,705	2,860,623	1,907,082
05. 50% REIMBURSEMENT	4,156,811	0	0	0	0	0	0	0	4,156,811	2,078,406	2,078,405
06. TOTAL NET CHILD WELFARE EXPEND.	34,989,522	1,027,971	4,897,364	1,273,533	483,979	250,711	0	18,492	27,037,472	19,672,033	7,365,439

YDC/YFC PLACEMENT COSTS											
07. 60% DHS PARTICIPATION	1,596,490	13,942							1,582,548	949,529	633,019

08. NON-REIMBURSABLE EXPENDITURES	2,543	0							2,543		2,543
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09. TOTAL EXPENDITURES	36,588,555	1,041,913	4,897,364	1,273,533	483,979	250,711	0	18,492	28,622,563	20,621,562	8,001,001
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10. TOTAL TITLE IV-D COLLECTIONS 800,595

11. TITLE IV-D Collections for IV-E Children 18,095

12. STATE ACT 148 - line 6 19,672,033

13. STATE ACT 148 ALLOCATION 22,623,408

14. ADJUSTED STATE SHARE (lower of 12 or 13) 19,672,033

INVOICE	
AMENDED STATE SHARE (ACT 148)	19,672,033
ACT 148 AMOUNT RECEIVED	19,698,675
ADJUSTMENT TO STATE SHARE	(26,642)

MONTGOMERY COUNTY CHILDREN AND YOUTH AGENCY
 FOR THE PERIOD JULY 1, 2012 TO JUNE 30, 2013
 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	OTHER FUNDING	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE	
IN-HOME												
I-A ADOPTION SERVICE	827,048	0	0	0	0	0	0	0	682,988	682,988	0	0
I-B ADOPTION ASSISTANCE	3,085,417	0	1,302,636	23,338	0	0	0	0	1,759,443	1,407,534	351,889	88,730
I-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	484,743	0	41,095	0	0	0	0	0	443,648	354,918	89,546	34,938
I-D COUNSELING - DEPENDENT	546,699	0	0	69,809	29,162	0	0	0	447,728	358,182	139,754	17,275
I-E COUNSELING - DELINQUENT	208,577	0	0	0	0	0	0	0	174,692	139,754	34,938	4,319
I-F DAY CARE	35,894	0	0	0	14,300	0	0	0	21,594	17,275	4,319	0
I-G DAY TREATMENT - DEPENDENT	159,294	0	0	0	0	0	0	0	159,294	127,435	31,859	0
I-H DAY TREATMENT - DELINQUENT	59,491	0	0	0	22,475	0	0	0	37,016	29,613	7,403	0
I-I HOMEMAKER SERVICE	0	0	0	0	0	0	0	0	0	0	0	0
I-J INTAKE & REFERRAL	1,206,625	0	0	210,215	0	0	0	0	996,410	797,128	199,282	211,277
I-K LIFE SKILLS - DEPENDENT	1,515,478	0	0	76,653	382,442	0	0	0	1,056,383	845,106	211,277	339,465
I-L LIFE SKILLS - DELINQUENT	2,455,596	0	0	0	758,269	0	0	0	1,697,327	1,357,862	339,465	125,185
I-M PROTECTIVE SERVICE - CHILD ABUSE	770,234	0	0	111,309	33,000	0	0	0	625,925	500,740	125,185	236,137
I-N PROTECTIVE SERVICE - GENERAL	1,426,965	0	0	246,282	0	0	0	0	1,180,683	944,546	236,137	20,740
I-O SERVICE PLANNING	125,478	0	0	21,779	0	0	0	0	103,699	82,959	20,740	0
I-P JUVENILE ACT PROCEEDINGS - DEPENDENT	9,001	0	0	0	0	0	0	0	9,001	4,501	4,500	0
I-Q JUVENILE ACT PROCEEDINGS - DELINQUENT	10,078	0	0	0	0	0	0	0	10,078	5,039	5,039	0
I-R SUBTOTAL IN-HOME	12,926,618	0	1,343,731	903,445	1,273,533	0	0	0	9,405,909	7,655,600	1,750,309	0
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	857,896	45,746	0	0	0	0	0	0	812,150	649,720	162,430	0
2-C COMMUNITY RESIDENTIAL - DEPENDENT	1,336,746	34,607	275,989	60,125	0	0	0	0	966,025	772,820	193,205	0
2-D COMMUNITY RESIDENTIAL - DELINQUENT	1,565,023	42,225	45,964	0	0	0	0	0	1,476,834	1,181,467	295,367	0
2-E EMERGENCY SHELTER - DEPENDENT	1,015,691	2,417	153,800	39,795	0	0	0	0	819,679	737,711	81,968	0
2-F EMERGENCY SHELTER - DELINQUENT	254,292	0	13,331	0	0	0	0	0	240,761	216,685	24,076	0
2-G FOSTER FAMILY - DEPENDENT	5,172,068	227,692	685,045	699,747	0	0	0	0	3,559,584	2,847,667	711,917	0
2-H FOSTER FAMILY - DELINQUENT	660,745	78,473	9,385	13,387	0	0	0	0	559,300	447,440	111,860	0
2-I SUP. INDEPENDENT LIVING - DEPENDENT	370,049	4,752	73,504	0	0	0	0	0	291,793	233,434	58,359	0
2-J SUP. INDEPENDENT LIVING - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-K SUBTOTAL CBP	11,232,510	435,912	1,257,218	813,254	0	0	0	0	8,726,126	7,086,944	1,639,182	0
INSTITUTIONAL PLACEMENT												
3-A JUVENILE DETENTION SERVICE	4,137,732	0	0	0	0	0	0	0	4,137,732	2,068,866	2,068,866	0
3-B RESIDENTIAL SERVICE - DEPENDENT	278,025	57,105	41,660	0	0	15,350	131,670	0	32,240	19,344	12,896	0
3-C RES. SERVICE - DELINQUENT (NON YDC/YFC)	3,569,636	534,954	41,057	0	0	468,629	119,041	0	2,405,955	1,443,573	962,382	0
3-D SECURE RES. SERVICE (EXCEPT YDC)	0	0	0	0	0	0	0	0	0	0	0	0
3-E YDC SECURE	1,596,490	13,942	82,717	0	0	483,979	250,711	0	1,582,548	949,529	633,019	0
SUBTOTAL INSTITUTIONAL	9,581,883	606,001	125,434	496,999	0	18,492	18,492	0	8,158,475	4,481,312	3,677,163	0
ADMINISTRATION	2,845,001	0	0	0	0	0	0	0	2,329,510	1,397,706	931,804	0
TOTAL REVENUES	36,586,012	1,041,913	2,683,666	2,213,698	1,273,533	483,979	250,711	0	28,620,020	20,621,562	7,998,458	0

MONTGOMERY COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2012 TO JUNE 30, 2013
AMENDED CY370
EXPENDITURE REPORT

MAJOR SERVICE CATEGORIES & COST CENTERS	OBJECTS OF EXPENDITURE										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.		11 Non-Reim. Purchased Serv/ Subsidies
IN-HOME												
1-A ADOPTION SERVICE	562,672	213,863		49,105	0	1,408	827,048	53	0	0	0	0
1-B ADOPTION ASSISTANCE	0	0	3,085,417	0	0	0	3,085,417	115	0	0	0	0
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	0	0	484,743	0	0	0	484,743	0	0	0	0	0
1-D COUNSELING - DEPENDENT	289,416	110,121		147,162	0	0	546,699	672	50	0	0	0
1-E COUNSELING - DELINQUENT	0	0		208,577	0	0	208,577	0	59	0	0	0
1-F DAY CARE	0	0		35,894	0	0	35,894	0	14	0	0	0
1-G DAY TREATMENT - DEPENDENT	0	0		159,294	0	0	159,294	0	5	0	0	0
1-H DAY TREATMENT - DELINQUENT	0	0		59,491	0	0	59,491	0	21	0	0	0
1-I HOMEMAKER SERVICE	0	0		0	0	0	0	0	0	0	0	0
1-J INTAKE & REFERRAL	803,308	304,384		96,116	0	2,817	1,206,625	8,384	0	0	0	0
1-K LIFE SKILLS - DEPENDENT	317,638	120,947		1,076,893	0	0	1,515,478	741	231	0	0	0
1-L LIFE SKILLS - DELINQUENT	0	0		2,455,596	0	0	2,455,596	0	477	0	0	0
1-M PROTECTIVE SERVICE - CHILD ABUSE	357,282	135,418		148,508	124,800	4,226	770,234	2,085	208	0	0	0
1-N PROTECTIVE SERVICE - GENERAL	882,907	334,695		196,617	7,110	5,656	1,426,905	3,097	42	0	0	0
1-O SERVICE PLANNING	91,479	33,999		0	0	0	125,478	91	0	0	0	0
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT				9,001	0		9,001	0	0	0	0	0
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT				10,078	0		10,078	0	0	0	0	0
SUBTOTAL IN-HOME	3,304,702	1,253,427	3,570,160	509,425	4,274,817	14,087	12,926,618					462
Number of Children receiving only NON-PURCHASED IN-Home Services											17,765	
COMMUNITY BASED PLACEMENT												
2-A ALTERNATIVE TREATMENT - DEPENDENT	0	0		0	0	0	0	0	0	0	0	0
2-B ALTERNATIVE TREATMENT - DELINQUENT	168,282	63,954		119,500	982,193	2,817	1,336,746	6,513	53	0	0	0
2-C COMMUNITY RESIDENTIAL - DEPENDENT	0	0		61,289	1,503,734	0	1,565,023	9,367	69	0	0	0
2-D COMMUNITY RESIDENTIAL - DELINQUENT	130,251	49,512		49,593	785,127	1,408	1,015,691	3,051	110	0	0	0
2-E EMERGENCY SHELTER - DEPENDENT	0	0		301	253,991	0	254,292	776	41	0	0	0
2-F EMERGENCY SHELTER - DELINQUENT	1,046,052	398,046		278,505	3,442,571	6,894	5,172,068	87,023	414	0	0	0
2-G FOSTER FAMILY - DEPENDENT	0	0		7,359	653,386	0	660,745	5,619	28	0	0	0
2-H FOSTER FAMILY - DELINQUENT	0	0		0	370,049	0	370,049	2,594	15	0	0	0
2-I SUP. INDEPENDENT LIVING - DEPENDENT	0	0		0	0	0	0	0	0	0	0	0
2-J SUP. INDEPENDENT LIVING - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
2-K SUBTOTAL CBP	1,344,585	511,512	0	516,347	8,848,947	11,119	11,232,510	120,819	795	0	0	0
Number of Children at IMMEDIATE RISK											462	
INSTITUTIONAL PLACEMENT												
3-A JUVENILE DETENTION SERVICE	0	0		0	4,137,732	0	4,137,732	10,838	440	0	0	0
3-B RESIDENTIAL SERVICE - DEPENDENT	0	0		809	277,216	0	278,025	1,475	25	0	0	0
3-C RES. SERVICE - DELINQUENT (EXCEPT YDC/YFC)	0	0		84,273	3,485,363	0	3,569,636	27,045	179	0	0	0
3-D SECURE RES. SERVICE (EXCEPT YDC)	0	0		0	0	0	0	0	0	0	0	0
3-E YDC SECURE	0	0		0	1,596,490	0	1,596,490	2,808	18	0	0	0
SUBTOTAL INSTITUTIONAL	0	0	0	85,082	9,496,801	0	9,581,883	42,166	662	0	0	0
ADMINISTRATION	1,374,970	522,863	0	946,744	0	2,967	2,847,544			2,543	0	0
TOTAL EXPENDITURES	6,024,257	2,287,802	3,570,160	2,057,598	22,620,565	28,173	36,388,555			2,543	0	0
County Indirect Costs = \$											570,375	

**MONTGOMERY COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2012 TO JUNE 30, 2013
AMENDED**

SUMMARY OF EXPENSE AND EXPENSE ADJUSTMENTS

COST CENTER ITEMS	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Adoption Service	\$ 827,048	\$ 0	\$ 827,048
Adoption Assistance	3,105,171	(19,754)	3,085,417
Subsidized Permanent Legal Custodianship	484,743	0	484,743
Counseling	755,276	0	755,276
Day Care	35,894	0	35,894
Day Treatment	218,785	0	218,785
Homemaker Service	0	0	0
Intake and Referral	1,206,625	0	1,206,625
Life Skills	3,971,074	0	3,971,074
Protective Service - Child Abuse	770,234	0	770,234
Protective Service - General	1,426,965	0	1,426,965
Service Planning	125,478	0	125,478
Juvenile Act Proceedings	19,079	0	19,079
Alternative Treatment	857,896	0	857,896
Community Residential	2,936,234	(34,465)	2,901,769
Emergency Shelter	1,269,983	0	1,269,983
Foster Family	5,832,813	0	5,832,813
Supervised Independent Living	370,049	0	370,049
Juvenile Detention Service	4,137,732	0	4,137,732
Residential Service	3,817,227	30,434	3,847,661
Secure Residential Service (Except YDC)	0	0	0
YDC Secure	1,596,490	0	1,596,490
Administration	2,847,544	0	2,847,544
Combined Total Expense	<u>36,612,340</u>	<u>(23,785)</u>	<u>36,588,555</u>
Less Non-reimbursables	<u>0</u>	<u>2,543</u>	<u>2,543</u>
Total Net Expense	<u>\$ 36,612,340</u>	<u>\$ (26,328)</u>	<u>\$ 36,586,012</u>

OBJECTS OF EXPENDITURE	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Wages and Salaries	\$ 6,024,257	\$ 0	\$ 6,024,257
Employee Benefits	2,287,802	0	2,287,802
Subsidies	3,589,914	(19,754)	3,570,160
Operating	2,057,598	0	2,057,598
Purchased Services	22,624,596	(4,031)	22,620,565
Fixed Assets	28,173	0	28,173
Combined Total Expense	<u>36,612,340</u>	<u>(23,785)</u>	<u>36,588,555</u>
Less Non-reimbursables	<u>0</u>	<u>2,543</u>	<u>2,543</u>
Total Net Expense	<u>\$ 36,612,340</u>	<u>\$ (26,328)</u>	<u>\$ 36,586,012</u>

**MONTGOMERY COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2012 TO JUNE 30, 2013
ADJUSTMENT SCHEDULE**

REPORT REFERENCE			ADJ. NO.	EXPLANATION OF ADJUSTMENTS	AS REPORTED OR ADJUSTED	INCREASE/ (DECREASE)	ADJUSTED TOTAL
SCHEDULE	LINE	COLUMN					
CY-370	1-B	3	1	CY-370 Adjustments			
	2-C	5		Adoption Assistance-Subsidies	\$ 3,105,171	\$ (19,754)	\$ 3,085,417
	3-C	5		Community Residential(Dep)-Purchased Services	\$ 1,016,658	\$ (34,465)	\$ 982,193
				Residential Service(Del)-Purchased Services	\$ 3,454,929	\$ 30,434	\$ 3,485,363
			Total Adjustment		\$ (23,785)		
				To increase expenditures by a net amount of \$23,785 for adjustments made to Agency's ledger after the final submission of FY 12-13 Fiscal Reports. Subsidies decreased \$19,754 and Purchased Services decreased \$4,031.			
				Title 55 PA Code, Chapter 3170.95(a)(b)			
CY-370	4	10	2	Administration-Non-reimbursable Non PS/Sub	\$ -	\$ 2,543	\$ 2,543
				To increase Non-Reimbursable Purchased Services/Subsidies \$2,543 to reflect non-reimbursable expenditures omitted from the final version of the FY 12-13 Fiscal Reports.			
				Title 55 PA Code, Chapter 3170.95(a)(b)			

SECTION 4

AMENDED FISCAL REPORTS

FOR THE FISCAL YEAR:

JULY 1, 2013 to JUNE 30, 2014

**MONTGOMERY COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2013 TO JUNE 30, 2014
AMENDED
COMPUTATION OF FINAL NET STATE SHARE**

Approved State Allocation ¹	\$	22,764,360
Supplemental Act 148		<u>0</u>
Total State Allocation		22,764,360
State Share (CY348) ²	\$	20,818,501
Less: Major Service Category Adjustment		<u>0</u>
Net State Share	\$	20,818,501
Less: Expenditures in Excess of the Approved State Allocation		<u>0</u>
Final Net State Share Payable ³	\$	20,818,501
Actual Act 148 Revenues Received ⁴		<u>20,841,516</u>
Net Amount Due County/(State) ⁵	\$	<u><u>(23,015)</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 audit adjustments are considered.

³ Final Net Share Payable is the net amount of reimbursable expenditures from Act 148 funds after audit 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.

MONTGOMERY COUNTY CHILDREN AND YOUTH AGENCY
 FOR THE PERIOD JULY 1, 2013 TO JUNE 30, 2014
 AMENDED CV348
 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	837,386	142,717	0	0	0	0	0	694,669	694,669	0
02. 90% REIMBURSEMENT	1,430,576	296,020	0	0	0	0	0	1,117,695	1,005,925	111,770
03. 80% REIMBURSEMENT	23,346,870	3,836,270	1,273,533	0	0	0	0	17,874,362	14,299,488	3,574,874
04. 60% REIMBURSEMENT	7,164,030	541,723	653,536	0	483,979	236,098	0	5,232,989	3,139,793	2,093,196
05. 50% REIMBURSEMENT	3,357,352	102	0	0	0	0	0	3,357,250	1,678,626	1,678,624
06. TOTAL NET CHILD WELFARE EXPEND.	36,136,214	4,928,543	1,273,533	483,979	236,098	0	15,705	28,276,965	20,818,501	7,458,464

YDC/YFC PLACEMENT COSTS										
07. 60% DHS PARTICIPATION	877,734	22,791						854,943	512,966	341,977

08. NON-REIMBURSABLE EXPENDITURES	0	0						0		0
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09. TOTAL EXPENDITURES	37,013,948	944,182	4,928,543	1,273,533	483,979	236,098	0	15,705	29,131,908	21,331,467	7,800,441
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10. TOTAL TITLE IV-D COLLECTIONS 749,041

11. TITLE IV-D Collections for IV-E Children 20,860

12. STATE ACT 148 - line 6 20,818,501

13. STATE ACT 148 ALLOCATION 22,764,360

14. ADJUSTED STATE SHARE (lower of 12 or 13) 20,818,501

INVOICE	
AMENDED STATE SHARE (ACT 148)	20,818,501
ACT 148 AMOUNT RECEIVED	20,841,516
ADJUSTMENT TO STATE SHARE	(23,015)

MONTGOMERY COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2013 TO JUNE 30, 2014
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												
I-A ADOPTION SERVICE	837,386	0	142,717	0	0	0	0	0	0	694,669	694,669	0
I-B ADOPTION ASSISTANCE	3,193,237	0	1,343,969	23,748	0	0	0	0	0	1,825,520	1,460,416	365,104
I-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	582,569	0	94,894	0	0	0	0	0	0	487,675	390,140	97,535
I-D COUNSELING - DEPENDENT	526,300	0	65,900	80,146	0	0	0	0	0	380,254	304,203	76,051
I-E COUNSELING - DELINQUENT	238,114	0	50,265	0	0	0	0	0	0	187,849	150,279	37,570
I-F DAY CARE	69,725	0	18,890	0	0	0	0	0	0	50,835	40,668	10,167
I-G DAY TREATMENT - DEPENDENT	100,050	0	2,177	0	0	0	0	0	0	97,873	78,298	19,575
I-H DAY TREATMENT - DELINQUENT	78,641	0	8,318	0	0	0	0	0	0	70,323	56,258	14,065
I-I HOMEMAKER SERVICE	0	0	0	0	0	0	0	0	0	0	0	0
I-J INTAKE & REFERRAL	1,272,630	0	200,320	0	0	0	0	0	0	1,072,310	857,848	214,462
I-K LIFE SKILLS - DEPENDENT	2,473,886	0	71,773	364,157	0	0	0	0	0	2,037,956	1,650,365	407,591
I-L LIFE SKILLS - DELINQUENT	3,337,499	0	115,980	0	0	0	0	0	0	2,621,519	2,097,215	524,304
I-M PROTECTIVE SERVICE - CHILD ABUSE	775,531	0	107,926	33,600	0	0	0	0	0	634,005	507,204	126,801
I-N PROTECTIVE SERVICE - GENERAL	1,419,492	0	237,068	0	0	0	0	0	0	1,182,424	945,939	236,485
I-O SERVICE PLANNING	70,654	0	12,060	0	0	0	0	0	0	58,594	46,875	11,719
I-P JUVENILE ACT PROCEEDINGS - DEPENDENT	15,061	0	0	0	0	0	0	0	0	15,061	7,531	7,530
I-Q JUVENILE ACT PROCEEDINGS - DELINQUENT	5,152	0	0	0	0	0	0	0	0	5,152	2,576	2,576
I-R SUBTOTAL IN-HOME	14,995,927	0	1,438,863	861,512	1,273,533	0	0	0	0	11,422,019	9,270,484	2,151,535
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	306,028	25,050	0	0	0	0	0	0	0	280,998	224,798	56,200
2-C COMMUNITY RESIDENTIAL - DEPENDENT	1,979,436	40,394	476,520	58,572	0	0	0	0	0	1,403,750	1,123,000	280,750
2-D COMMUNITY RESIDENTIAL - DELINQUENT	1,067,522	21,781	3,345	0	0	0	0	0	0	1,042,396	833,917	208,479
2-E EMERGENCY SHELTER - DEPENDENT	1,276,748	16,861	256,037	39,983	0	0	0	0	0	963,867	867,480	96,387
2-F EMERGENCY SHELTER - DELINQUENT	153,828	0	0	0	0	0	0	0	0	153,828	138,445	15,383
2-G FOSTER FAMILY - DEPENDENT	4,732,992	218,762	501,745	598,881	0	0	0	0	0	3,413,604	2,750,883	682,721
2-H FOSTER FAMILY - DELINQUENT	781,124	47,150	1,941	5,066	0	0	0	0	0	726,967	581,574	145,393
2-I SUP. INDEPENDENT LIVING - DEPENDENT	320,704	9,388	32,542	0	0	0	0	0	0	278,774	223,019	55,755
2-J SUP. INDEPENDENT LIVING - DELINQUENT	20,736	0	0	0	0	0	0	0	0	20,736	16,589	4,147
2-K SUBTOTAL CBP	10,639,118	379,566	1,272,130	702,502	0	0	0	0	0	8,284,920	6,739,705	1,545,215
INSTITUTIONAL PLACEMENT												
3-A JUVENILE DETENTION SERVICE	3,337,139	102	140,712	0	0	0	0	0	0	3,337,037	1,668,519	1,668,518
3-B RESIDENTIAL SERVICE - DEPENDENT	807,272	73,607	140,712	0	0	0	0	0	0	230,468	138,281	92,187
3-C RES. SERVICE - DELINQUENT (NON YDC/YFC)	3,455,036	468,116	17,216	0	0	0	0	0	0	2,612,112	1,567,267	1,044,845
3-D SECURE RES. SERVICE (EXCEPT YDC)	0	0	0	0	0	0	0	0	0	0	0	0
3-E YDC SECURE	877,734	22,791	0	0	0	0	0	0	0	854,943	512,966	341,977
3-F SUBTOTAL INSTITUTIONAL	8,477,181	564,616	157,928	0	0	483,979	236,098	0	0	7,084,560	3,887,033	3,147,527
ADMINISTRATION	2,901,722	0	0	495,608	0	0	0	0	0	2,390,409	1,434,245	956,164
TOTAL REVENUES	37,013,948	944,182	2,868,921	2,059,622	1,273,533	483,979	236,098	0	15,705	29,131,908	21,331,467	7,800,441

MONTGOMERY COUNTY CHILDREN AND YOUTH AGENCY
 FOR THE PERIOD JULY 1, 2013 TO JUNE 30, 2014
 AMENDED CY 370
 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												
I-A ADOPTION ASSISTANCE	563,097	223,182	3,193,237	51,070	0	37	837,586	66	0	0	0	0
I-B ADOPTION ASSISTANCE	0	0	3,193,237	0	0	0	3,193,237	0	516	0	0	0
I-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	0	0	582,569	0	0	0	582,569	0	100	0	0	0
I-D COUNSELING - DEPENDENT	276,119	109,928	0	0	140,253	0	526,300	562	114	0	0	0
I-E COUNSELING - DELINQUENT	0	0	0	0	238,114	0	238,114	0	69	0	0	0
I-F DAY CARE	0	0	0	0	69,725	0	69,725	0	46	0	0	0
I-G DAY TREATMENT - DEPENDENT	0	0	0	0	100,050	0	100,050	0	9	0	0	0
I-H DAY TREATMENT - DELINQUENT	0	0	0	0	78,641	0	78,641	0	16	0	0	0
I-I HOMEMAKER SERVICE	0	0	0	0	0	0	0	0	0	0	0	0
I-J INTAKE & REFERRAL	767,083	305,500	100,703	99,269	75	1,272,630	7,067	167	0	0	0	0
I-K LIFE SKILLS - DEPENDENT	300,663	119,754	0	2,053,469	0	0	2,473,886	2,226	418	0	0	0
I-L LIFE SKILLS - DELINQUENT	0	0	0	3,337,499	0	0	3,337,499	0	471	0	0	0
I-M PROTECTIVE SERVICE - CHILD ABUSE	344,076	156,943	155,200	139,200	112	775,531	2,049	232	0	0	0	0
I-N PROTECTIVE SERVICE - GENERAL	849,205	337,966	206,313	25,859	149	1,419,492	2,506	27	0	0	0	0
I-O SERVICE PLANNING	50,546	20,108	0	0	0	0	70,654	0	0	0	0	0
I-P JUVENILE ACT PROCEEDINGS - DEPENDENT	0	0	15,061	0	0	0	15,061	0	0	0	0	0
I-Q JUVENILE ACT PROCEEDINGS - DELINQUENT	0	0	0	0	5,152	0	5,152	0	0	0	0	0
I-R SUBTOTAL IN-HOME	3,150,789	1,253,381	3,775,806	533,499	6,282,079	373	14,995,927	0	0	0	0	0
Number of Children receiving only NON-PURCHASED IN-Home Services 14,383												
COMMUNITY BASED PLACEMENT												
2-A ALTERNATIVE TREATMENT - DEPENDENT	0	0	0	0	306,028	0	306,028	2,047	27	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	162,634	64,720	123,886	1,628,121	75	1,979,436	10,451	60	0	0	0	0
2-D COMMUNITY RESIDENTIAL - DELINQUENT	0	0	68,072	999,450	0	1,067,522	6,144	62	0	0	0	0
2-E EMERGENCY SHELTER - DEPENDENT	131,754	52,383	52,141	1,040,433	37	1,276,748	3,807	125	0	0	0	0
2-F EMERGENCY SHELTER - DELINQUENT	0	0	0	562	153,266	0	153,828	468	26	0	0	0
2-G FOSTER FAMILY - DEPENDENT	1,074,398	426,897	284,807	2,946,704	186	4,732,992	70,899	369	0	0	0	0
2-H FOSTER FAMILY - DELINQUENT	0	0	0	7,329	773,795	0	781,124	6,853	23	0	0	0
2-I SUP. INDEPENDENT LIVING - DEPENDENT	0	0	0	0	320,704	0	320,704	14	0	0	0	0
2-J SUP. INDEPENDENT LIVING - DELINQUENT	0	0	0	0	20,736	0	20,736	190	4	0	0	0
2-K SUBTOTAL CBP	1,368,786	544,000	0	536,797	8,189,237	298	10,639,118	103,392	710	0	0	0
INSTITUTIONAL PLACEMENT												
3-A JUVENILE DETENTION SERVICE	0	0	0	3,337,139	0	0	3,337,139	8,741	354	0	0	0
3-B RESIDENTIAL SERVICE - DEPENDENT	0	0	0	662	806,610	0	807,272	4,501	38	0	0	0
3-C RES. SERVICE - DELINQUENT (EXCEPT YDC/PC)	0	0	0	94,218	3,360,818	0	3,455,036	21,902	154	0	0	0
3-D SECURE RES. SERVICE (EXCEPT YDC)	0	0	0	0	0	0	0	0	0	0	0	0
3-E YDC SECURE	0	0	0	0	877,734	0	877,734	1,797	14	0	0	0
3-F SUBTOTAL INSTITUTIONAL	0	0	0	94,880	8,382,301	0	8,477,181	36,941	560	0	0	0
ADMINISTRATION	1,370,312	545,452	0	985,884	0	74	2,901,722	0	0	0	0	0
TOTAL EXPENDITURES	5,889,887	2,342,833	3,775,806	2,151,060	22,853,617	745	37,013,948	0	0	0	0	0
County Indirect Costs = \$ 584,705												

**MONTGOMERY COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2013 TO JUNE 30, 2014
AMENDED
SUMMARY OF EXPENSE AND EXPENSE ADJUSTMENTS**

COST CENTER ITEMS	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Adoption Service	\$ 837,386	\$ 0	\$ 837,386
Adoption Assistance	3,224,978	(31,741)	3,193,237
Subsidized Permanent Legal Custodianship	582,569	0	582,569
Counseling	761,389	3,025	764,414
Day Care	69,725	0	69,725
Day Treatment	178,691	0	178,691
Homemaker Service	0	0	0
Intake and Referral	1,272,630	0	1,272,630
Life Skills	5,811,437	(52)	5,811,385
Protective Service - Child Abuse	775,531	0	775,531
Protective Service - General	1,419,492	0	1,419,492
Service Planning	70,654	0	70,654
Juvenile Act Proceedings	20,213	0	20,213
Alternative Treatment	306,028	0	306,028
Community Residential	3,046,958	0	3,046,958
Emergency Shelter	1,430,576	0	1,430,576
Foster Family	5,514,116	0	5,514,116
Supervised Independent Living	341,440	0	341,440
Juvenile Detention Service	3,337,139	0	3,337,139
Residential Service	4,262,308	0	4,262,308
Secure Residential Service (Except YDC)	0	0	0
YDC Secure	877,734	0	877,734
Administration	2,901,722	0	2,901,722
Combined Total Expense	<u>37,042,716</u>	<u>(28,768)</u>	<u>37,013,948</u>
Less Non-reimbursables	<u>0</u>	<u>0</u>	<u>0</u>
Total Net Expense	<u>\$ 37,042,716</u>	<u>\$ (28,768)</u>	<u>\$ 37,013,948</u>

OBJECTS OF EXPENDITURE	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Wages and Salaries	\$ 5,889,887	\$ 0	\$ 5,889,887
Employee Benefits	2,342,833	0	2,342,833
Subsidies	3,807,547	(31,741)	3,775,806
Operating	2,151,060	0	2,151,060
Purchased Services	22,850,644	2,973	22,853,617
Fixed Assets	745	0	745
Combined Total Expense	<u>37,042,716</u>	<u>(28,768)</u>	<u>37,013,948</u>
Less Non-reimbursables	<u>0</u>	<u>0</u>	<u>0</u>
Total Net Expense	<u>\$ 37,042,716</u>	<u>\$ (28,768)</u>	<u>\$ 37,013,948</u>

**MONTGOMERY COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2013 TO JUNE 30, 2014
ADJUSTMENT SCHEDULE**

REPORT REFERENCE			ADJ. NO.	EXPLANATION OF ADJUSTMENT	AS REPORTED OR ADJUSTED	INCREASE/ (DECREASE)	ADJUSTED TOTAL
SCHEDULE	LINE	COLUMN					
CY-370	1-B	3	1	CY-370 Adjustment			
	1-E	5		Adoption Assistance-Subsidies	\$ 3,224,978	\$ (31,741)	\$ 3,193,237
	1-L	5		Counseling(Del)-Purchased Services	\$ 235,089	\$ 3,025	\$ 238,114
				Life Skills(Del)- Purchased Services	\$ 139,200	\$ (52)	\$ 139,148
			Total Adjustment		\$ (28,768)		
				To decrease expenditures by a net amount of \$28,768 for adjustments made to Agency's ledger after the final submission of FY 13-14 Fiscal Reports. Subsidies decreased \$31,741 and Purchased Services increased \$2,973.			
				Title 55 PA Code, Chapter 3170.95(a)(b)			

SECTION 5

CURRENT ENGAGEMENT FINDING AND RECOMMENDATIONS

MONTGOMERY COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT FINDING AND RECOMMENDATIONS

Finding – The Montgomery County Children and Youth Agency Should Develop and Implement Internal Control Policies and Procedures in Order to Reduce the Risk of Paying Overbillings or Fraudulent Billings by Contracted In-Home Purchased Service Providers

Condition: During the 2010-2011, 2011-2012, 2012-2013, and 2013-2014 fiscal years, the Montgomery County Children and Youth Agency (agency) paid contracted In-Home Purchased Service providers¹ (providers) a total of \$18,490,914.

We evaluated the agency's internal control procedures over its invoice review and approval process related to reducing the risk that overbillings or fraudulent billings included on invoices submitted by these providers for services rendered directly to at-risk children and their families occurring and going undetected. We judgmentally selected 5 providers that were utilized during the 2013-14 fiscal year, judgmentally selected 10 invoices totaling \$531,396 paid to those providers, and obtained the approved invoices corresponding to the \$531,396 expended.

The 5 providers were contracted as Fee-for-Service providers. The approved contracts for the Fee-for-Service providers include an agreed upon fee-for-service rate per unit (days/hours/session/evaluation/assessment), and costs invoiced by these types of providers are calculated by multiplying the contracted service rate by the number of units each respective Fee-for-Service provider listed on its submitted invoices. While the monthly invoices submitted by the Fee-For-Service providers included the names of the individuals who received the services, the agency did not provide any evidence that the validity of the number of units invoiced for each listed individual was substantiated.

Furthermore, regarding the remaining In-Home Purchased Services providers for whom we performed no testing procedures, agency management informed us that they were subjected to the same procedures as detailed above.

Criteria: 55 Pa. Code Chapter 3140. Planning and Financial Reimbursement Requirements for County Children and Youth Social Service Programs.

¹ Agency management stated that 64 providers were utilized during the 2010-2011, 2011-2012, 2012-2013, and 2013-2014 fiscal years. Due to the amount of time it would have taken, based on how agency records are maintained, we did not verify the accuracy of this number, which is included for contextual purposes only. However, we did perform procedures to obtain reasonable assurance that the agency paid In-Home Purchased Service Providers a total of \$18,490,914 during the noted engagement scope period.

MONTGOMERY COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT FINDING AND RECOMMENDATIONS

Section 3140.21. Reimbursement for Services. General. “(a) Under section 704.1 of the Human Services Code (62 P.S. § 704.1), the Department reimburses expenses incurred by the county for children and youth social services, including services to alleged and adjudicated dependent and delinquent children according to an approved county plan and budget estimate up to the amount of State funds allocated to the county under section 709.3 of the Human Services Code (62 P.S. § 709.3).”

- *Office of Children, Youth and Families (OCYF) Bulletin 3140-06-06, applicable for fiscal year ended 6/30/2011; Bulletin 3140-11-02, applicable for fiscal year ended 6/30/2012; Bulletin 3140-13-01, applicable for fiscal year ended 6/30/2013; Bulletin 3140-13-05, applicable for fiscal year ended 6/30/2014 : Act 148 Invoicing Procedures for County Child Social Services - Instructions for Completion of Expenditure Report.* This form is a report of the ACTUAL EXPENDITURES of the County Children and Youth Agency (CCYA).

In addition, 55 Pa. Code § 3170. Allowable Costs and Procedures for County Children and Youth.

- *Section 3170.2. Definitions.* Program funded agency – An agency whose total eligible expenditures are funded in a manner which is predetermined by the appropriate county authorities.
- *Section 3170.23(a). Purchase of Service.* Purchase of service funding may be by unit of service funding or by program funding.
- *Section 3170.85. Responsibility of the County.* “...the county executive officers shall be responsible for the effective execution of each purchase of service agreement...”
- *Section 3170.91. County Responsibility.* “The county is responsible for the general fiscal management of the county agency. This includes maintaining fiscal records of expenditures and revenues of the program, providing data for budgeting and expenditure reporting to the Department, monitoring the financial activities of the program, and other activities related to the fiscal operations of the program.”
- *Section 3170.92(b). Accountability for Expenditures for Clients. Records Maintenance.* “County agencies shall maintain sufficient and appropriate records and data to justify payment for expenses by the Department. The local authorities or contractors shall

MONTGOMERY COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT FINDING AND RECOMMENDATIONS

maintain books, records, documents and other evidence and accounting procedures and practices, sufficient to reflect properly all direct and indirect costs of whatever nature claimed to have been incurred and anticipated to be incurred for funds supported by the Department and for which reimbursement is claimed...”

Cause: During the fiscal years in the engagement period, agency management thought their invoice review and approval procedures were sufficient. Those procedures included fiscal staff reviewing invoices to verify the rate and type of service agrees with executed contracts and ensuring the amount of service does not exceed what was pre-approved by the case worker or the maximum amount listed in the contract. However, we concluded that those procedures were insufficient in providing reasonable assurance that contracted In-Home Purchased Services were actually provided, and if provided, provided for the number of units invoiced for each listed individual and in adherence to the requirements of the respective provider’s executed contract terms.

Effect: The lack of internal control policies and procedures to obtain reasonable assurance that contracted In-Home Purchased Services were actually provided, and if provided, provided for the number of units invoiced for each listed individual and in adherence to the requirements of the respective provider’s executed contract terms (and therefore in adherence to DHS regulations) increases agency management’s risk of paying and not detecting overbillings and fraudulent billings submitted by these types of contracted providers. This could result in inappropriately billing the Commonwealth DHS for improper payments and the receipt of Act 148 funds to which the agency may not be entitled.

Recommendation: We recommend that agency management implement routine, fiscal-related monitoring policy and procedures to ensure that contracted services related to invoiced In-Home Purchased Services fees were actually provided, and if provided, provided for the number of units invoiced for each listed individual and in adherence to executed contracted terms and DHS regulations. Specifically, this written fiscal-related monitoring policy, and corresponding procedures, should include, but not be limited to, the following:

- Development and implementation of formal policies and procedures detailing the specific fiscal-related In-Home monitoring procedures that must be performed, and documentation that must be maintained, to evidence monitoring results, including assessing the validity of the number of units invoiced by Fee-for-Service providers and how identified In-Home Purchased Services provider deficiencies will impact the agency’s payment process for these submitted invoices.

MONTGOMERY COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT FINDING AND RECOMMENDATIONS

- Performance of on-site monitoring visits of In-Home Purchased Services providers, as deemed necessary by agency management, to determine whether appropriate supporting documentation exists substantiating invoiced costs and that related services were actually provided, and provided for the number of units invoiced for each listed individual and according to executed contract terms.
- Requiring In-Home Purchased Services providers, as deemed necessary by agency management, to submit substantiation evidencing that services related to invoiced In-Home Purchased Services costs were actually provided.²
- Ensuring that agency staff responsible for reviewing and approving submitted In-Home Purchased Services providers' invoices for payment are made aware of the results of monitoring reviews of these providers and, for any such providers for which significant documentation deficiencies have been identified, the impact on the agency's review and approval process for these providers.

We further recommend that the agency maintain sufficient evidence documenting the results of all fiscal-related monitoring procedures performed to determine whether the services for which In-Home Purchased Services providers were paid were actually provided, and provided for the number units invoiced for each listed individual and in adherence to DHS regulations and executed contract terms.

Agency Representative Response:

The County will update current policy and procedure to address the need to assure that services were provided, including the number of units of services provided, to assure accurate invoicing and payment. Current procedure includes the following:

- Use of and maintenance of Encounter Forms and Director Verification Forms, submitted monthly
- Internal review of each monthly invoice by fiscal staff and matching of invoice with service authorization provided by the Quality Assurance Department prior to payment.
- Submittal of Monthly Provider Reports that specify dates of contact, attempted contact, actual hours of service delivered and progress accomplished by family toward meeting goals of Family Service Plan
- Provider requirement for weekly contact with caseworker to collaborate and report on services delivered and family progress toward meeting goals of Family Service Plan

² Should the agency contract with program-funded providers in the future, fiscal-related monitoring should include verification of these providers' operating costs invoiced to the agency.

MONTGOMERY COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT FINDING AND RECOMMENDATIONS

Current procedure will be expanded to include a periodic sampling of provider encounter forms to assure that billing submitted is consistent with hours of service delivered.

Vendor reviews are currently scheduled at the OCY office. These reviews can be conducted at the provider agency and include a review of service delivery reporting for those cases scheduled for review.

If, upon review of records at on-site review, providers do not have required documentation in all cases, a subsequent review will be scheduled to assure that the provider has addressed problems. Providers who are noncompliant with the required policy will be subject to contract termination.

Monitoring review reports will be completed, distributed to Quality Assurance and Fiscal Managers, and maintained on file to assure documentation is available for review.

Auditor's Conclusion: We commend the Montgomery County Office of Children and Youth management on acknowledging the deficiencies that existed in the agency's current invoice payment process for In-Home Purchased Services providers and their efforts to develop and implement formal, written fiscal-related monitoring policy and procedures for their contracted In-Home Purchased Services providers. During our next audit of the agency, we will review the agency's policy and procedures to determine whether the agency implemented internal controls to reduce the risk of overbillings and fraudulent billings by contracted In-Home Purchased Services providers going undetected.

SECTION 6

CURRENT ENGAGEMENT OBSERVATION

MONTGOMERY COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT OBSERVATION

Observation – Significant Control Deficiencies Exist in the Commonwealth DHS’ Oversight of Children and Youth (C&Y) Agencies’ Adherence with the Requirements of the Child Protective Services Law (CPSL)

The Child Protective Services Law³ (CPSL) requires the conduct of criminal background checks and child abuse history clearances (certifications) for all employees and direct volunteers of county children and youth (C&Y) agencies as well as the volunteers/employees of these agencies’ contractors (providers) and subcontractors (sub-recipients).⁴ To ensure adherence to these requirements, the Commonwealth DHS (DHS) has assigned monitoring responsibilities to internal offices and bureaus based on the types of services provided.

As a part of its annual licensing inspection process of county C&Y agencies, the Commonwealth DHS’ Office of Children, Youth and Families (OCYF) performs reviews of agency employees and agency foster parents’ adherence to the requirements of the CPSL. The OCYF also performs CPSL adherence reviews of employees of contracted foster family agencies through its annual licensing inspection of these providers. However, because the OCYF is behind in its completion of these annual inspections and does not have adequate procedures in place to determine whether C&Y agencies are monitoring their respective providers’ and sub-recipients’ adherence to the CPSL,⁵ the safety of children receiving services from these agencies and their contractors and subcontractors may be at **risk**. According to information provided by the DHS OCYF, the Montgomery County Children and Youth Agency provided in-home and placement services to 2,606 children residing within the County during the 2015-2016 fiscal year.

Furthermore, beginning July 1, 2012, the DHS Bureau of Human Services’ Licensing (bureau) took over the responsibility for the performance of the annual licensing inspections of Child Day Treatment Centers and Child Residential Facilities which encompasses the performance of CPSL adherence reviews of the employees of these providers. Prior to July 1, 2012, the DHS OCYF had been responsible for performing these CPSL adherence reviews during its annual licensing inspections of these providers. Through a review of DHS’ website, we found letters,

³ Please note that the CPSL was extensively amended in 2013, 2014, and 2015 with 24 pieces of legislation “[being] enacted, changing how Pennsylvania responds to child abuse. These changes will significantly impact the reporting, investigation, assessment, prosecution and judicial handling of child abuse and neglect cases. The new laws will expand and further define mandatory reporters and the reporting process, increase penalties for those mandated to report suspected child abuse who fail to do so, and provide protections from employment discrimination for filing a good faith report of child abuse.” See <http://keepkidssafe.pa.gov/laws/index.htm> last accessed on September 2, 2016. Please note that although this particular DHS’ keepkidssafe.pa.gov link only refers to 23, instead of 24, pieces of legislation, we were able to confirm that the link should actually refer to 24 pieces of legislation, just as in the following DHS’ link: <http://keepkidssafe.pa.gov/index.htm>

⁴ 23 Pa.C.S. §§ 6344 and 6344.2.

⁵ This is detailed in the Commonwealth of Pennsylvania Single Audit Reports (most recently for the fiscal year ended June 30, 2017, via Finding 2017-012).

MONTGOMERY COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT OBSERVATION

posted by DHS, to the management staff of Child Day Treatment Centers and Child Residential Facilities detailing the results of the licensing inspections performed by the bureau; identified regulatory violations, including CPSL adherence violations, were specified in the accompanying License Inspection Summaries. However, we are unable to attest to the timeliness of the completion of these annual inspections. Furthermore, we are also unable to attest to whether the CPSL adherence of any potential sub-recipients used by these providers are being monitored.

Finally, for contracted in-home preventative service providers, we were informed by DHS OCYF that these providers are not required to be licensed by the Commonwealth and, thus, are not subject to the annual inspections performed by the DHS. However, it is DHS' position that while not all in-home service providers would meet the criteria requiring the conduct of criminal background checks and child abuse history clearances (certifications) for employees/volunteers, when they do, C&Y agencies are responsible for including provisions in their executed contracts with these providers and monitoring their providers' adherence to CPSL requirements.

However, in correspondence with agency management during the course of recently conducted audit engagements, we have found that the agency management staffs of some these C&Y agencies are of the opinion that there is no need for C&Y agencies to monitor CPSL adherence of the employees/volunteers of these providers because they are now including the requirements for this monitoring in their executed contracts with these providers. Our interpretation of the CPSL is that the C&Y agencies cannot fulfill their duties under the CPSL to protect the children receiving in-home preventative services from child abuse by merely "monitoring" their executed provider contracts rather than actually monitoring their providers' adherence to the CPSL background check requirements. While it is evident that neither the DHS nor some C&Y agencies are monitoring the CPSL adherence of their employees and volunteers of contracted in-home preventative service providers, this Department will continue to raise concerns about their interpretation of the CPSL and that this faulty interpretation may be putting the safety of these children at **great risk**.

It is important to note that background checks and child abuse clearances have historically been valid for one year after being obtained. However, recent amendments to the CPSL extend this time frame from one year to five years.⁶ Therefore, there is a need for DHS and C&Y agencies across the commonwealth to have a *greatly heightened* awareness about their employees' providers' and sub-recipients' arrest and conviction records, as well as child abuse adjudications to ensure that no new, disqualifying incidents have occurred from the date of the background clearances since certain disqualifying offenses could go undetected for years.

⁶ 23 Pa.C.S. § 6344.4.

MONTGOMERY COUNTY CHILDREN AND YOUTH AGENCY
REPORT DISTRIBUTION LIST

This report was originally distributed to the following:

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Department of Human Services

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