



PENNSYLVANIA DEPARTMENT OF THE AUDITOR GENERAL

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News for Immediate Release

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Auditor General DeFoor: Review Finds Need for Billing Improvements at State-Run Youth Development Facilities

HARRISBURG – Auditor General Timothy L. DeFoor today released a certification report recommending improvements to the processes the Pennsylvania Department of Human Services (DHS) uses to charge counties for services provided at its youth development facilities.

“It is essential for these charges to be calculated correctly to avoid billing errors,” DeFoor said. “With daily services totaling around \$500 or more, incorrect billing can be costly to taxpayers. Our auditors recommend that better internal controls and procedures will ensure any waste is avoided.”

The DHS youth development centers and forestry camps rehabilitate young offenders who have been adjudicated delinquent by county courts. Counties are charged for a share of their residents’ costs using a per diem rate that typically ranges between \$450 and \$650.

The review found that DHS and its youth facilities were lacking adequate internal controls to assure that facility staff accurately entered the number of days of care provided into a tracking system. Testing of 40 randomly selected days found instances both of under- and over-billing.

The report recommends that the five youth facilities implement needed internal controls such as monthly reconciliations and supervisory monitoring of the internal controls. It also recommends DHS adopt new internal controls to improve oversight of billing processes.

The review, which covered the fiscal years ending in 2017, 2018 and 2019, examined certified days of care provided at the following facilities:

- Youth Development Center and Secure Treatment Unit at Loysville
- North Central Secure Treatment Unit
- South Mountain Secure Treatment Unit
- Youth Forestry Camp No. 2 – Hickory Run
- Youth Forestry Camp No. 3 – Trough Creek

A certification review uses procedures similar to an audit but is not technically considered an audit.

Review the [DHS Youth Facilities Schedules of Cost Apportionment report](#) and learn more about the Department of the Auditor General online at www.PaAuditor.gov.

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