

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

Philadelphia County Children and Youth Agency

January 2018



Commonwealth of Pennsylvania
Department of the Auditor General

Eugene A. DePasquale • Auditor General



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EUGENE A. DePASQUALE
AUDITOR GENERAL

The Honorable Jim Kenney, Mayor
City of Philadelphia
Room 215 City Hall
Philadelphia, PA 19107

Dear Mayor Kenney:

We have examined 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 Philadelphia County Children and Youth Agency, legally known as the City of Philadelphia County, Department of Human Services (agency), for the purpose of ascertaining and certifying the actual Commonwealth expenditures incurred on behalf of children resident within the County for the fiscal years ended June 30, 2011, June 30, 2012, June 30, 2013, and June 30, 2014 pursuant to authority derived from Act 148 of 1976, as amended (62 P.S. § 704.1(a)(4)). The scope of our engagement was limited to the fiscal reports submitted to the Commonwealth 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 resident 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.

The agency could not provide a complete listing of Purchased Services' invoices to support the total amounts of Purchased Services expenditures reported on the agency's submitted CY-370 Expenditure Report and corresponding CY-383 Fee-For-Service Schedule. The CY-383 Fee-For-Service Schedule is a supporting schedule that details, by vendor and cost center, the agency's total Purchased Services' Expenditures for the respective fiscal year. As a result, we could not determine the total population of paid invoices supporting the reported Purchased Services' expenditures from which to select invoices to examine, and we could not perform other procedures to conclude on the accuracy of the agency's reported Purchased Services' expenditures. Additional details regarding this matter are included in Finding No. 2 beginning on page 42 of this report.

In addition, we performed a review of the agency's internal controls over its invoice review and approval process for the 2010-2011 through the 2013-2014 fiscal years. We determined that agency staff responsible for reviewing and approving invoices submitted for payment did not perform procedures to obtain reasonable assurance that monthly services related to fees invoiced by the In-Home Purchased Service providers were actually provided, and provided in adherence to executed key contract terms, before these invoices were approved for payment. Specifically, as detailed in Finding No. 3, beginning on page 45 of this report, for submitted In-Home Purchased Services' invoices and the corresponding reported expenditures, the agency failed to provide supporting documentation evidencing that the services related to the fees charged on the submitted In-Home invoices, and subsequently paid by the agency, were actually provided, and if provided, were provided in adherence to the requirements of the respective provider key contract terms.

Because of the significance of the matters described in the preceding paragraphs, we could not conclude on the accuracy of the agency's total Purchased Services' expenditures of \$1,629,326,734, which includes \$562,410,340 paid to In-Home Purchased Service providers, reported on the agency's CY-370 Expenditure Reports, the corresponding CY-383 Fee-For-Service Schedules, and included in the agency's respective general ledgers. Therefore, we could not achieve our objective of ascertaining and certifying the total Commonwealth expenditures paid on behalf of children residing within the city for the fiscal years ended 2011, 2012, 2013, and 2014.

Despite the matters described in the third and fourth paragraphs of this letter, we did perform procedures using the documentation available to us, and the results of those procedures are described in the bulleted items below. However, these results may have been affected by the matter described in the third and fourth paragraphs, and our assurance provided is limited by this matter:

The results of our procedures performed during this engagement were as follows:

- **For fiscal year ended 2011**, 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 revenue by \$149,109. Based on the application of the state participation rates, the one adjustment impacting the agency's Final Net State Share Payable resulted in an amount due to the agency totaling \$113,803. This adjustment is detailed in our amended fiscal reports for fiscal year 2010-2011, as included in Section 1 of this report, beginning on page 3.
- **For fiscal year ended 2012**, 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 \$2,807,881, and decreasing revenue by \$142,064. 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 \$1,721,066. Both adjustments are detailed in our amended fiscal reports for fiscal year 2011-2012, as included in Section 2 of this report, beginning on page 10.

- **For fiscal year ended 2013**, our engagement resulted in one adjustment 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 \$11,371,196. Based on the application of the state participation rates, the one adjustment impacting the agency's Final Net State Share Payable resulted in an amount due to the state totaling \$8,522,301. This adjustment is detailed in our amended fiscal reports for fiscal year 2012-2013, as included in Section 3 of this report, beginning on page 18.
- **For fiscal year ended 2014**, our engagement resulted in three adjustments being made to the agency's submitted fiscal reports. These adjustments in total impacted the agency's Final Net State Share by increasing agency expenditures by \$7,115,945. Based on the application of the state participation rates, the three adjustments impacting the agency's Final Net State Share Payable resulted in an amount due to the agency totaling \$5,482,811, as detailed on page 26. However, as detailed on page 25, the amount due to the agency totals \$5,369,703 because the agency's expenditures exceeded the Total State Act 148 Allocation by \$113,108. The agency cannot receive state reimbursement in excess of the Total State Act 148 Allocation. These three adjustments are detailed in our amended fiscal reports for fiscal year 2013-2014, as included in Section 4 of this report, beginning on page 25.

In addition, while we found that the agency implemented appropriate corrective action for four of seven findings included in our prior released engagement report, we found that the agency failed to implement the recommendations included in our prior engagement report for the remaining three prior engagement findings listed below:

Prior Engagement Finding – City of Philadelphia Department of Human Services Received Act 148 Reimbursement To Which It Was Not Entitled for Unspent (Encumbered) Funds That Were Reported On Its CY-370 Expenditure Reports as Expenditures

Prior Engagement Finding - City of Philadelphia Department of Human Services Failed to Provide Complete Financial Records and Supporting Documentation to Substantiate Reported Purchased Services' Expenditures

Prior Engagement Finding - Potential Questionable Costs of \$27,438,285 Related to the City of Philadelphia Department of Human Services' Failure to Monitor the Financial and Program Activities of Preventative Services' Contractors and Subcontractors

Specific details are provided in Sections 5 and 6 of this report, beginning on pages 33 and 38, respectively.

Finally, we also included the following current engagement observation, as detailed in Section 7 of this report, beginning on page 52:

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)

As noted in this Observation, the agency performed some CPSL documentation reviews for employees of In-Home Purchased Service providers and subcontractors. The results of our review of agency provided substantiation evidencing the completion of some of these reviews are detailed in this Observation.

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 October 17, 2017.

This report is being forwarded to the Commonwealth DHS Bureau of Financial Operations, and the Office of Children, Youth, and Families for review and settlement of the adjustments included in our amended fiscal reports. You will be notified by the Commonwealth DHS of the decisions made during the Commonwealth DHS settlement process and the impact, if any, on a future Act 148 payment. At that time, in accordance with the Commonwealth’s General Act 148 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 Philadelphia County Children and Youth Agency.

Sincerely,



Eugene A. DePasquale
Auditor General

January 8, 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 by DHS and agencies across the commonwealth are further outlined in the Observation beginning on page 52 of this report.

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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 Public Welfare 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 Philadelphia County Children and Youth Agency (agency) provided in-home and placement services to 18,066 children residing within the city during the 2014-2015 fiscal year. The Children and Youth Social Services Program is County-Administered and State-Supervised by the Commonwealth DHS and thus, they are jointly responsible for achieving the Commonwealth’s goal.

In accordance with the Public Welfare 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 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 agency’s actual related costs and revenues for those years and those costs and revenues’ impact on the agency’s corresponding Net State Shares.

SECTION 1

AMENDED FISCAL REPORTS

FOR THE FISCAL YEAR:

JULY 1, 2010 to JUNE 30, 2011

**PHILADELPHIA 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		\$	356,265,291
Supplemental Act 148			<u>0</u>
Total State Allocation			356,265,291
State Share (CY348) ²	\$		349,912,463
Less: Major Service Category Adjustment			<u>0</u>
Net State Share		\$	349,912,463
Less: Expenditures in Excess of the Approved State Allocation			<u>0</u>
Final Net State Share Payable ³		\$	349,912,463
Actual Act 148 Revenues Received ⁴			<u>349,798,660</u>
Net Amount Due County/(State) ⁵		\$	<u><u>113,803</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.

PHILADELPHIA 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	6,496,850	0	929,773	0	0	0	0	0	5,567,077	5,567,077	0
02. 90% REIMBURSEMENT	13,353,731	165,099	2,215,214	0	0	0	0	0	10,973,418	9,876,076	1,097,342
03. 80% REIMBURSEMENT	402,333,201	4,357,538	69,126,794	25,310,813	3,493,612	2,735,197	0	0	297,309,247	237,847,397	59,461,850
04. 60% REIMBURSEMENT	152,790,039	652,813	18,773,828	0	0	0	0	156,287	133,207,111	79,924,266	53,282,845
05. 50% REIMBURSEMENT	33,398,561	0	3,269	0	0	0	0	0	33,395,292	16,697,647	16,697,645
06. TOTAL NET CHILD WELFARE EXPEND.	608,372,382	5,175,450	91,048,878	25,310,813	3,493,612	2,735,197	0	156,287	480,452,145	349,912,463	130,539,682
YDC/YFC PLACEMENT COSTS											
07. 60% DHS PARTICIPATION	29,403,065	0							29,403,065	17,641,839	11,761,226
08. NON-REIMBURSABLE EXPENDITURES	820,460	0	0						820,460		820,460
09. TOTAL EXPENDITURES	638,595,907	5,175,450	91,048,878	25,310,813	3,493,612	2,735,197	0	156,287	510,675,670	367,554,302	143,121,368
10. IL Grant Funds Reported	0										
11. TOTAL HSDF used for Child Welfare	250,000										
12. TOTAL TITLE IV-D COLLECTIONS	3,788,329										
13. TITLE IV-D Collections for IV-E Children	1,919,794										
14. STATE ACT 148 - line 6	349,912,463										
15. STATE ACT 148 ALLOCATION	356,265,291										
16. ADJUSTED STATE SHARE (lower of 14 or 15)	349,912,463										
INVOICE											
AMENDED STATE SHARE (ACT 148)	349,912,463										
ACT 148 AMOUNT RECEIVED	349,798,660										
ADJUSTMENT TO STATE SHARE	113,803										

Subsidized Permanent Legal Custodianship	Number of Days	Number of Children
SPLC	717,187	2,250

PHILADELPHIA 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
IN-HOME	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
I-A ADOPTION SERVICE	6,496,850	0		929,773	0			0	0	5,567,077	5,567,077	0
I-B ADOPTION ASSISTANCE	42,199,353	0	20,775,131	49,371			2,735,197		0	18,639,654	14,911,723	3,727,931
I-C COUNSELING - DEPENDENT	124,906,147	1,387,121		3,069,530	10,748,520	0	0	0	0	109,700,976	87,760,781	21,940,195
I-D COUNSELING - DELINQUENT	13,519,083	0		24,969	5,925,556	0	0	0	0	7,568,558	6,054,846	1,513,712
I-E DAY CARE	2,502,277	0		257,424	562,366	0	0	0	0	1,682,487	1,345,990	336,497
I-F DAY TREATMENT - DEPENDENT	2,997,594	0		214,627	1,557,768	0	0	0	0	1,225,199	980,159	245,040
I-G DAY TREATMENT - DELINQUENT	9,749,060	0		0	6,516,603	0	0	0	0	3,232,457	2,585,966	646,491
I-H HOMEMAKER SERVICE	0	0		0	0	0	0	0	0	0	0	0
I-I INTAKE & REFERRAL	1,652,638	0		237,997	0	0	0	0	0	1,414,641	1,131,713	282,928
I-J LIFE SKILLS - DEPENDENT	0	0		0	0	0	0	0	0	0	0	0
I-K LIFE SKILLS - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
I-L PROTECTIVE SERVICE - CHILD ABUSE	7,324,924	0		1,056,851	0	0	0	0	0	6,268,073	5,014,458	1,253,615
I-M PROTECTIVE SERVICE - GENERAL	14,928,606	0		2,147,388	0	0	0	0	0	12,781,218	10,224,974	2,556,244
I-N SERVICE PLANNING	1,357,223	0		195,765	0	0	0	0	0	1,161,458	929,166	232,292
I-O JUVENILE ACT PROCEEDINGS - DEPENDENT	6,756,109	0		3,269	0	0	0	0	0	6,752,840	3,376,420	3,376,420
I-P JUVENILE ACT PROCEEDINGS - DELINQUENT	5,225,755	0		0	0	0	0	0	0	5,225,755	2,612,878	2,612,877
I-Q SUBTOTAL IN-HOME	239,615,619	1,387,121	20,775,131	8,186,964	25,310,813	0	2,735,197	0	0	181,220,393	142,496,151	38,724,242

COMMUNITY BASED PLACEMENT	REVENUE SOURCES											
	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
2-A ALTERNATIVE TREATMENT - DEPENDENT	1,588,954	0	0	50,722			0	0	0	1,538,232	1,230,586	307,646
2-B ALTERNATIVE TREATMENT - DELINQUENT	16,972	0	0	2,403			0	0	0	14,569	11,655	2,914
2-C COMMUNITY RESIDENTIAL - DEPENDENT	33,305,717	269,111	5,348,328	568,359			0	0	0	27,119,919	21,695,935	5,423,984
2-D COMMUNITY RESIDENTIAL - DELINQUENT	9,179,136	137,889	1,332,656	26,909			0	0	0	7,681,682	6,145,346	1,536,336
2-E EMERGENCY SHELTER - DEPENDENT	2,974,428	49,582	578,822	72,495	0	0	0	0	0	2,273,529	2,046,176	227,353
2-F EMERGENCY SHELTER - DELINQUENT	10,379,303	115,517	1,380,506	183,391	0	0	0	0	0	8,699,889	7,829,900	869,989
2-G FOSTER FAMILY - DEPENDENT	124,891,886	2,555,497	17,209,871	15,886,671			3,493,612	0	0	85,746,235	68,596,988	17,149,247
2-H FOSTER FAMILY - DELINQUENT	2,528,326	7,920	51,125	277,659			0	0	0	2,191,622	1,753,298	438,324
2-I SUP. INDEPENDENT LIVING - DEPENDENT	7,525,097	0	0	330,034			0	0	0	7,195,063	5,756,050	1,439,013
2-J SUP. INDEPENDENT LIVING - DELINQUENT	2,160,208	0	0	13,004			0	0	0	2,147,204	1,717,763	429,441
2-K SUBTOTAL CBP	194,550,027	3,135,516	25,901,308	17,411,647	0	0	3,493,612	0	0	144,607,944	116,783,697	27,824,247

INSTITUTIONAL PLACEMENT	REVENUE SOURCES											
	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
3-A JUVENILE DETENTION SERVICE	21,416,697	0						0	0	21,416,697	10,708,349	10,708,348
3-B RESIDENTIAL SERVICE - DEPENDENT	32,771,332	313,886	4,324,468	623,074			0	0	0	27,509,904	16,505,942	11,003,962
3-C RES. SERVICE - DELINQUENT (NON YDC/YFC)	68,329,300	338,927	6,328,983	29,508			0	0	0	61,631,882	36,979,129	24,652,753
3-D SECURE RES. SERVICE (EXCEPT YDC)	0	0						0	0	0	0	0
3-E YDC/YFC (NON-SECURE)-Institutional	0	0						0	0	0	0	0
3-F YDC SECURE	29,403,065	0						0	0	29,403,065	17,641,839	11,761,226
3-G SUBTOTAL INSTITUTIONAL	151,920,394	652,813	10,653,451	652,582	0	0	0	0	0	139,961,548	81,835,259	58,126,289

4 ADMINISTRATION	51,689,407	0		7,467,795			0	0	0	44,063,325	26,439,195	17,626,130
5 TOTAL REVENUES	637,775,447	5,175,450	57,329,890	33,718,988	25,310,813	3,493,612	2,735,197	0	0	509,855,210	367,554,302	142,300,908

PHILADELPHIA 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											
	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 SERVICE	4,211,131	1,814,997	0	487,231	0	0	6,513,359	1,179	0	16,509	0	0
I-B ADOPTION ASSISTANCE	0	0	41,848,545	350,808	0	0	42,199,353	5,796	5,796	0	0	0
I-C COUNSELING - DEPENDENT	13,688,403	5,899,702	0	1,826,032	103,580,343	5,254	124,999,734	9,239	20,642	93,587	0	0
I-D COUNSELING - DELINQUENT	0	0	0	175,523	13,341,681	1,879	13,519,083	3,302	3,302	0	0	0
I-E DAY CARE	1,122,581	483,832	0	168,046	728,079	795	2,503,333	246	246	1,056	0	0
I-F DAY TREATMENT - DEPENDENT	949,966	409,435	0	142,180	1,496,234	672	2,998,487	181	181	893	0	0
I-G DAY TREATMENT - DELINQUENT	0	0	0	0	9,749,060	0	9,749,060	2,988	2,988	0	0	0
I-H HOMEMAKER SERVICE	0	0	0	0	0	0	0	0	0	0	0	0
I-I INTAKE & REFERRAL	1,089,729	469,673	0	99,558	0	0	1,658,960	15,649	0	6,322	0	0
I-J LIFE SKILLS - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
I-K LIFE SKILLS - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
I-L PROTECTIVE SERVICE - CHILD ABUSE	4,802,349	2,069,812	0	455,744	335	0	7,328,240	3,449	1	3,316	0	0
I-M PROTECTIVE SERVICE - GENERAL	9,787,455	4,218,393	0	928,833	682	0	14,935,363	11,304	1	6,757	0	0
I-N SERVICE PLANNING	890,703	383,893	0	83,104	54	0	1,357,754	30,205	1	531	0	0
I-O JUVENILE ACT PROCEEDINGS - DEPENDENT	0	0	0	22,894	6,733,215	0	6,756,109	7,536	7,536	0	0	0
I-P JUVENILE ACT PROCEEDINGS - DELINQUENT	0	0	0	0	5,225,755	0	5,225,755	5,445	5,445	0	0	0
I-Q SUBTOTAL IN-HOME	36,542,317	15,749,737	41,848,545	4,739,953	140,855,438	8,600	239,744,590	128,971	128,971	0	0	0
	Number of Children receiving only NON-PURCHASED IN-Home Services											
COMMUNITY BASED PLACEMENT												
2-A ALTERNATIVE TREATMENT - DEPENDENT	224,803	96,890	0	37,047	1,229,663	146	1,589,149	14,080	92	195	0	0
2-B ALTERNATIVE TREATMENT - DELINQUENT	11,208	4,831	0	933	0	0	16,972	0	0	0	0	0
2-C COMMUNITY RESIDENTIAL - DEPENDENT	2,509,074	1,081,411	0	420,161	29,295,618	1,628	33,307,892	203,426	1,244	2,175	0	0
2-D COMMUNITY RESIDENTIAL - DELINQUENT	125,098	53,917	0	10,421	8,989,700	0	9,179,136	76,941	525	0	0	0
2-E EMERGENCY SHELTER - DEPENDENT	287,365	123,854	0	48,079	2,515,193	186	2,974,677	21,044	769	249	0	0
2-F EMERGENCY SHELTER - DELINQUENT	844,912	364,157	0	70,386	9,108,059	0	10,387,514	55,411	2,104	8,211	0	0
2-G FOSTER FAMILY - DEPENDENT	15,722,775	6,776,516	17,179,975	2,711,567	82,504,481	10,208	124,905,522	1,186,819	6,159	13,636	0	0
2-H FOSTER FAMILY - DELINQUENT	783,758	337,800	0	65,291	1,341,477	0	2,528,326	10,563	62	0	0	0
2-I SUP. INDEPENDENT LIVING - DEPENDENT	1,216,435	524,283	0	598,277	5,186,366	789	7,526,150	89,892	422	1,053	0	0
2-J SUP. INDEPENDENT LIVING - DELINQUENT	60,568	26,105	0	5,045	2,068,490	0	2,160,208	21,450	127	0	0	0
2-K SUBTOTAL CBP	21,785,996	9,389,764	17,179,975	3,967,807	142,239,047	12,957	194,575,546	1,679,626	11,504	25,519	0	0
INSTITUTIONAL PLACEMENT												
3-A JUVENILE DETENTION SERVICE	0	0	0	0	21,416,697	0	21,416,697	32,158	1,063	2,385	0	0
3-B RESIDENTIAL SERVICE - DEPENDENT	2,750,669	1,185,538	0	460,665	28,375,059	1,786	32,773,717	197,041	1,030	0	0	0
3-C RES. SERVICE - DELINQUENT (EXCEPT YDC/YFC)	137,211	59,138	0	11,430	68,121,521	0	68,329,300	481,741	4,080	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/YFC (NON-SECURE)-Institutional	0	0	0	0	0	0	0	0	0	0	0	0
3-F YDC SECURE	0	0	0	0	29,403,065	0	29,403,065	69,246	2,525	0	0	0
3-G SUBTOTAL INSTITUTIONAL	2,887,880	1,244,676	0	472,095	147,316,342	1,786	151,922,779	780,186	8,698	2,385	0	0
4 ADMINISTRATION	22,701,460	9,784,329	0	19,827,788	0	39,415	52,352,992	663,585	663,585	0	0	0
5 TOTAL EXPENDITURES	83,917,653	36,168,506	59,028,520	29,007,643	430,410,827	62,758	638,595,907	820,460	820,460	0	0	0
	County Indirect Costs = \$ 9,910,675											

**PHILADELPHIA 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	\$ 6,513,359	\$ 0	\$ 6,513,359
Adoption Assistance	42,199,353	0	42,199,353
Counseling	138,518,817	0	138,518,817
Day Care	2,503,333	0	2,503,333
Day Treatment	12,747,547	0	12,747,547
Homemaker Service	0	0	0
Intake and Referral	1,658,960	0	1,658,960
Life Skills	0	0	0
Protective Service - Child Abuse	7,328,240	0	7,328,240
Protective Service - General	14,935,363	0	14,935,363
Service Planning	1,357,754	0	1,357,754
Juvenile Act Proceedings	11,981,864	0	11,981,864
Alternative Treatment	1,606,121	0	1,606,121
Community Residential	42,487,028	0	42,487,028
Emergency Shelter	13,362,191	0	13,362,191
Foster Family	127,433,848	0	127,433,848
Supervised Independent Living	9,686,358	0	9,686,358
Juvenile Detention Service	21,416,697	0	21,416,697
Residential Service	101,103,017	0	101,103,017
Secure Residential Service (Except YDC)	0	0	0
YDC/YFC (Non-Secure) - Institutional	0	0	0
YDC Secure	29,403,065	0	29,403,065
Administration	52,352,992	0	52,352,992
Combined Total Expense	<u>638,595,907</u>	<u>0</u>	<u>638,595,907</u>
Less Non-reimbursables	<u>820,460</u>	<u>0</u>	<u>820,460</u>
Total Net Expense	<u>\$ 637,775,447</u>	<u>\$ 0</u>	<u>\$ 637,775,447</u>

OBJECTS OF EXPENDITURE	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Wages and Salaries	\$ 83,917,653	\$ 0	\$ 83,917,653
Employee Benefits	36,168,506	0	36,168,506
Subsidies	59,028,520	0	59,028,520
Operating	29,007,643	0	29,007,643
Purchased Services	430,410,827	0	430,410,827
Fixed Assets	62,758	0	62,758
Combined Total Expense	<u>638,595,907</u>	<u>0</u>	<u>638,595,907</u>
Less Non-reimbursables	<u>820,460</u>	<u>0</u>	<u>820,460</u>
Total Net Expense	<u>\$ 637,775,447</u>	<u>\$ 0</u>	<u>\$ 637,775,447</u>

PHILADELPHIA COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2010 TO JUNE 30, 2011
ADJUSTMENT SCHEDULE

REPORT REFERENCE			ADJ. NO.	EXPLANATION OF ADJUSTMENTS	AS REPORTED OR ADJUSTED	INCREASE/ (DECREASE)	ADJUSTED TOTAL
SCHEDULE	LINE	COLUMN					
				CY-370A Adjustment			
CY-370A	1-B	3	1	Adoption Assistance - Title IV-E Maintenance	\$ 20,809,154	\$ (34,023)	\$ 20,775,131
	2-C	3		Community Residential (Dependent) - Title IV-E Maintenance	\$ 5,357,087	\$ (8,759)	\$ 5,348,328
	2-D	3		Community Residential (Delinquent) - Title IV-E Maintenance	\$ 1,334,838	\$ (2,182)	\$ 1,332,656
	2-E	3		Emergency Shelter (Dependent) - Title IV-E Maintenance	\$ 579,770	\$ (948)	\$ 578,822
	2-F	3		Emergency Shelter (Delinquent) - Title IV-E Maintenance	\$ 1,382,767	\$ (2,261)	\$ 1,380,506
	2-G	3		Foster Family (Dependent) - Title IV-E Maintenance	\$ 17,238,055	\$ (28,184)	\$ 17,209,871
	2-H	3		Foster Family (Delinquent) - Title IV-E Maintenance	\$ 51,209	\$ (84)	\$ 51,125
	3-B	3		Residential Service (Dependent) - Title IV-E Maintenance	\$ 4,331,550	\$ (7,082)	\$ 4,324,468
	3-C	3		Residential Service (Del.) (Non YDC/YFC) - Title IV-E Maintenance	\$ 6,339,348	\$ (10,365)	\$ 6,328,983
	1-A	4		Adoption Service - Title IV-E Administration	\$ 931,296	\$ (1,523)	\$ 929,773
	1-B	4		Adoption Assistance - Title IV-E Administration	\$ 49,452	\$ (81)	\$ 49,371
	1-C	4		Counseling (Dependent) - Title IV-E Administration	\$ 3,074,557	\$ (5,027)	\$ 3,069,530
	1-D	4		Counseling (Delinquent) - Title IV-E Administration	\$ 25,010	\$ (41)	\$ 24,969
	1-E	4		Day Care - Title IV-E Administration	\$ 257,846	\$ (422)	\$ 257,424
	1-F	4		Day Treatment (Dependent) - Title IV-E Administration	\$ 214,978	\$ (351)	\$ 214,627
	1-I	4		Intake and Referral - Title IV-E Administration	\$ 238,387	\$ (390)	\$ 237,997
	1-L	4		Protective Service Child Abuse - Title IV-E Administration	\$ 1,058,582	\$ (1,731)	\$ 1,056,851
	1-M	4		Protective Service General - Title IV-E Administration	\$ 2,150,905	\$ (3,517)	\$ 2,147,388
	1-N	4		Service Planning - Title IV-E Administration	\$ 196,086	\$ (321)	\$ 195,765
	1-O	4		Juvenile Act Proceedings (Dependent) - Title IV-E Administration	\$ 3,274	\$ (5)	\$ 3,269
	2-A	4		Alternative Treatment (Dependent) - Title IV-E Administration	\$ 50,805	\$ (83)	\$ 50,722
	2-B	4		Alternative Treatment (Delinquent) - Title IV-E Administration	\$ 2,407	\$ (4)	\$ 2,403
	2-C	4		Community Residential (Dependent) - Title IV-E Administration	\$ 569,290	\$ (931)	\$ 568,359
	2-D	4		Community Residential (Delinquent) - Title IV-E Administration	\$ 26,953	\$ (44)	\$ 26,909
	2-E	4		Emergency Shelter (Dependent) - Title IV-E Administration	\$ 72,614	\$ (119)	\$ 72,495
	2-F	4		Emergency Shelter (Delinquent) - Title IV-E Administration	\$ 183,691	\$ (300)	\$ 183,391
	2-G	4		Foster Family (Dependent) - Title IV-E Administration	\$ 15,912,688	\$ (26,017)	\$ 15,886,671
	2-H	4		Foster Family (Delinquent) - Title IV-E Administration	\$ 278,114	\$ (455)	\$ 277,659
	2-I	4		Supervised Independent Living (Dependent) - Title IV-E Administration	\$ 330,574	\$ (540)	\$ 330,034
	2-J	4		Supervised Independent Living - (Delinquent) - Title IV-E Administration	\$ 13,025	\$ (21)	\$ 13,004
	3-B	4		Residential Service (Dependent) - Title IV-E Administration	\$ 624,094	\$ (1,020)	\$ 623,074
	3-C	4		Residential Service (Del.) (Non YDC/YFC) - Title IV-E Administration	\$ 29,556	\$ (48)	\$ 29,508
	4	4		Administration - Title IV-E Administration	\$ 7,480,025	\$ (12,230)	\$ 7,467,795
				Total Adjustment Amount		\$ (149,109)	
				To decrease Federal Title IV-E revenue by \$149,109 to include 25 supplemental invoices which were not included in the Title IV-E reconciliation calculation performed by the Commonwealth Department of Human Services - Office of Children, Youth, and Families.			
				Title 55 PA Code, Chapter 3170.95(a)(b)			

SECTION 2

AMENDED FISCAL REPORTS

FOR THE FISCAL YEAR:

JULY 1, 2011 to JUNE 30, 2012

**PHILADELPHIA 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		\$ 351,875,935
Supplemental Act 148		<u>0</u>
Total State Allocation		351,875,935
State Share (CY348) ²	\$ 329,201,020	
Less: Major Service Category Adjustment		<u>0</u>
Net State Share		\$ 329,201,020
Less: Expenditures in Excess of the Approved State Allocation		<u>0</u>
Final Net State Share Payable ³		\$ 329,201,020
Actual Act 148 Revenues Received ⁴		<u>330,922,086</u>
Net Amount Due County/(State) ⁵		<u><u>\$ (1,721,066)</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.

PHILADELPHIA 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 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	7,284,988	0	828,434	0	0	0	0	0	6,456,554	6,456,554	0	0
02. 90% REIMBURSEMENT	10,996,564	158,264	435,752	0	0	0	0	0	10,402,548	9,362,293	1,040,255	
03. 80% REIMBURSEMENT	385,444,098	2,607,664	73,012,548	26,033,804	3,493,612	2,735,197	0	0	277,561,274	222,049,017	55,512,257	
04. 60% REIMBURSEMENT	139,833,559	1,709,945	13,725,085	0	0	0	0	225,262	124,173,267	74,503,961	49,669,306	
05. 50% REIMBURSEMENT	33,658,389	0	0	0	0	0	0	0	33,658,389	16,829,195	16,829,194	
06. TOTAL NET CHILD WELFARE EXPEND.	577,217,598	4,475,873	88,001,819	26,033,804	3,493,612	2,735,197	0	225,262	452,252,032	329,201,020	123,051,012	

YDC/YFC PLACEMENT COSTS												
07. 60% DHS PARTICIPATION	23,313,281	0							23,313,281	13,987,969	9,325,312	

08. NON-REIMBURSABLE EXPENDITURES	377,606	0							377,606			377,606
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09. TOTAL EXPENDITURES	600,908,485	4,475,873	88,001,819	26,033,804	3,493,612	2,735,197	0	225,262	475,942,919	343,188,989	132,753,930	
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10. TOTAL TITLE IV-D COLLECTIONS 4,130,695

11. TITLE IV-D Collections for IV-E Children 1,888,824

12. STATE ACT 148 - line 6 329,201,020

13. STATE ACT 148 ALLOCATION 351,875,938

14. ADJUSTED STATE SHARE (lower of 14 or 15) 329,201,020

INVOICE	
AMENDED STATE SHARE (ACT 148)	329,201,020
ACT 148 AMOUNT RECEIVED	330,922,086
ADJUSTMENT TO STATE SHARE	(1,721,066)

PHILADELPHIA 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.	TANF	TITLE XX	TITLE IV-B	OTHER FUNDING	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE
IN-HOME													
1-A	ADOPTION SERVICE	7,284,988	0	0	828,434	0	0	0	0	0	6,456,554	0	0
1-B	ADOPTION ASSISTANCE	43,911,079	0	20,777,691	0	0	2,735,197	0	0	0	20,398,191	16,318,553	4,079,638
1-C	SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	16,761,737	0	5,555,566	0	0	0	0	0	0	11,206,171	8,964,937	2,241,234
1-D	COUNSELING - DEPENDENT	123,546,361	345,179	0	2,703,220	10,287,861	0	0	0	0	110,210,101	88,168,081	22,042,020
1-E	COUNSELING - DELINQUENT	16,024,473	0	0	0	9,490,550	0	0	0	0	6,533,923	5,227,138	1,306,785
1-F	DAY CARE	4,094,225	0	0	343,261	787,875	0	0	0	0	2,963,089	2,370,471	592,618
1-G	DAY TREATMENT - DEPENDENT	2,534,482	0	0	172,568	1,426,316	0	0	0	0	935,598	748,478	187,120
1-H	DAY TREATMENT - DELINQUENT	4,582,308	0	0	0	4,041,202	0	0	0	0	541,106	432,885	108,221
1-I	HOMEMAKER SERVICE	0	0	0	0	0	0	0	0	0	0	0	0
1-J	INTAKE & REFERRAL	10,562,995	0	0	1,326,356	0	0	0	0	0	9,236,639	7,389,311	1,847,328
1-K	LIFE SKILLS - DEPENDENT	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
1-M	PROTECTIVE SERVICE - CHILD ABUSE	3,849,706	0	0	486,888	0	0	0	0	0	3,362,818	2,690,254	672,564
1-N	PROTECTIVE SERVICE - GENERAL	7,258,839	0	0	918,243	0	0	0	0	0	6,340,596	5,072,477	1,268,119
1-O	SERVICE PLANNING	584,528	0	0	73,964	0	0	0	0	0	510,564	408,451	102,113
1-P	JUVENILE ACT PROCEEDINGS - DEPENDENT	7,244,874	0	0	0	0	0	0	0	0	7,244,874	3,622,437	3,622,437
1-Q	JUVENILE ACT PROCEEDINGS - DELINQUENT	5,257,102	0	0	0	0	0	0	0	0	5,257,102	2,628,551	2,628,551
1-R	SUBTOTAL IN-HOME	253,497,697	345,179	26,333,257	6,852,934	26,033,804	0	2,735,197	0	0	191,197,326	150,498,578	40,698,748
COMMUNITY BASED PLACEMENT		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
2-A	ALTERNATIVE TREATMENT - DEPENDENT	1,266,313	0	0	22,283	0	0	0	0	0	1,244,030	995,224	248,806
2-B	ALTERNATIVE TREATMENT - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-C	COMMUNITY RESIDENTIAL - DEPENDENT	30,111,516	670,569	2,399,407	487,815	0	0	0	0	0	26,533,725	21,242,980	5,310,745
2-D	COMMUNITY RESIDENTIAL - DELINQUENT	7,492,114	201,239	250,511	54,411	0	0	0	0	0	6,985,953	5,588,762	1,397,191
2-E	EMERGENCY SHELTER - DEPENDENT	2,613,052	23,661	289,990	51,989	0	0	0	0	0	2,247,412	2,022,671	224,741
2-F	EMERGENCY SHELTER - DELINQUENT	8,383,512	134,603	53,183	40,590	0	0	0	0	0	8,155,136	7,339,622	815,514
2-G	FOSTER FAMILY - DEPENDENT	102,205,079	1,378,311	22,998,211	14,119,635	0	3,493,612	0	0	0	60,215,310	48,172,248	12,043,062
2-H	FOSTER FAMILY - DELINQUENT	757,937	12,366	5,604	2,579	0	0	0	0	0	737,388	589,910	147,478
2-I	SUP. INDEPENDENT LIVING - DEPENDENT	7,632,384	0	0	297,254	0	0	0	0	0	7,335,130	5,868,104	1,467,026
2-J	SUP. INDEPENDENT LIVING - DELINQUENT	2,268,022	0	0	17,081	0	0	0	0	0	2,250,941	1,800,753	450,188
2-K	SUBTOTAL CBP	162,729,929	2,420,749	25,996,906	15,093,637	0	3,493,612	0	0	0	115,725,025	93,620,274	22,104,751
INSTITUTIONAL PLACEMENT		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
3-A	JUVENILE DETENTION SERVICE	21,156,413	0	0	0	0	0	0	0	0	21,156,413	10,578,207	10,578,206
3-B	RESIDENTIAL SERVICE - DEPENDENT	32,603,794	829,389	6,504,564	520,588	0	0	0	0	0	24,749,253	14,849,552	9,899,701
3-C	RES. SERVICE - DELINQUENT (NON YDC/YFC)	58,331,414	880,556	235,011	318,366	0	0	0	0	0	56,897,481	34,138,489	22,758,992
3-D	SECURE RES. SERVICE (EXCEPT YDC)	0	0	0	0	0	0	0	0	0	0	0	0
3-E	YDC SECURE	23,313,281	0	0	0	0	0	0	0	0	23,313,281	13,987,969	9,325,312
3-F	SUBTOTAL INSTITUTIONAL	135,404,902	1,709,945	6,739,575	838,954	0	0	0	0	0	126,116,428	73,554,217	52,562,211
4	ADMINISTRATION	48,898,351	0	0	6,146,556	0	0	0	0	225,262	42,526,533	25,515,920	17,010,613
5	TOTAL REVENUES	600,530,879	4,475,873	59,069,738	28,932,081	26,033,804	3,493,612	2,735,197	0	225,262	475,565,313	343,188,989	132,376,324

PHILADELPHIA 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	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	4,086,244	1,761,171		909,170	547,055	0	7,303,620	918	0	18,632	0	0
I-B ADOPTION ASSISTANCE	0	0	43,911,079	0	0	0	43,911,079	5,677	5,677	0	0	0
I-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	0	0	16,761,737	0	0	0	16,761,737	2,105	2,084	0	0	0
I-D COUNSELING - DEPENDENT	13,692,053	5,901,275		1,861,762	102,145,817	6,752	123,607,659	8,917	18,880	61,298	0	0
I-E COUNSELING - DELINQUENT	0	0		0	16,024,473	0	16,024,473	4,664	4,664	0	0	0
I-F DAY CARE	1,701,329	733,273		285,715	1,375,436	1,491	4,097,244	235	235	3,019	0	0
I-G DAY TREATMENT - DEPENDENT	850,678	366,642		142,857	1,175,069	746	2,535,992	136	136	1,510	0	0
I-H DAY TREATMENT - DELINQUENT	0	0		0	4,582,308	0	4,582,308	2,059	996	0	0	0
I-I HOMEMAKER SERVICE	0	0		0	0	0	0	0	0	0	0	0
I-J INTAKE & REFERRAL	6,969,799	3,003,983		592,333	130	0	10,566,245	16,878	0	3,250	0	0
I-K LIFE SKILLS - DEPENDENT	0	0		0	0	0	0	0	1	0	0	0
I-L LIFE SKILLS - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
I-M PROTECTIVE SERVICE - CHILD ABUSE	2,569,140	1,107,299		175,901	0	0	3,852,340	4,241	0	2,634	0	0
I-N PROTECTIVE SERVICE - GENERAL	4,842,590	2,087,156		334,057	0	0	7,263,803	11,159	0	4,964	0	0
I-O SERVICE PLANNING	390,091	168,129		26,709	0	0	584,929	28,939	0	401	0	0
I-P JUVENILE ACT PROCEEDINGS - DEPENDENT				0	7,244,874		7,244,874	8,730	8,730	0	0	0
I-Q JUVENILE ACT PROCEEDINGS - DELINQUENT				0	5,257,102		5,257,102	8,186	8,186	0	0	0
I-R SUBTOTAL IN-HOME	35,101,924	15,128,928	60,672,816	4,328,504	138,352,244	8,989	253,593,405			95,708	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	111,950	48,250	0	20,243	1,085,617	438	1,266,498	12,198	81	185	0	0
2-B ALTERNATIVE TREATMENT - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-C COMMUNITY RESIDENTIAL - DEPENDENT	2,432,250	1,048,300	0	439,795	26,185,665	9,521	30,115,531	170,509	1,058	4,015	0	0
2-D COMMUNITY RESIDENTIAL - DELINQUENT	280,506	120,899	0	32,585	7,058,107	17	7,492,114	51,750	366	0	0	0
2-E EMERGENCY SHELTER - DEPENDENT	259,500	111,846	0	46,922	2,194,196	1,016	2,613,480	19,747	546	428	0	0
2-F EMERGENCY SHELTER - DELINQUENT	209,135	90,137	0	24,294	8,060,673	13	8,384,252	47,623	2,082	740	0	0
2-G FOSTER FAMILY - DEPENDENT	15,071,828	6,495,957	0	2,725,267	77,877,912	58,997	102,229,961	1,114,811	6,016	24,882	0	0
2-H FOSTER FAMILY - DELINQUENT	13,277	5,722	0	1,542	737,395	1	757,937	5,894	42	0	0	0
2-I SUP. INDEPENDENT LIVING - DEPENDENT	1,231,393	530,729	0	634,630	5,232,844	4,821	7,634,417	82,895	385	2,033	0	0
2-J SUP. INDEPENDENT LIVING - DELINQUENT	87,970	37,916	0	10,220	2,131,911	5	2,268,022	21,677	112	0	0	0
2-K SUBTOTAL CBP	19,697,809	8,489,756	0	3,935,498	130,564,320	74,829	162,762,212	1,527,104	10,688	32,283	0	0
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	Non-Reim. Program Income
3-A JUVENILE DETENTION SERVICE	0	0	0	0	21,156,413	0	21,156,413	43,382	1,423	0	0	0
3-B RESIDENTIAL SERVICE - DEPENDENT	2,595,106	1,118,491	0	469,242	28,415,080	10,158	32,608,077	184,733	913	4,283	0	0
3-C RES. SERVICE - DELINQUENT (EXCEPT YDC/MFC)	1,646,518	709,649	0	191,268	55,783,878	101	58,331,414	383,534	2,918	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	23,313,281	0	23,313,281	47,550	384	0	0	0
3-F SUBTOTAL INSTITUTIONAL	4,241,624	1,828,140	0	660,510	128,668,652	10,259	133,409,185	659,199	5,638	4,283	0	0
ADMINISTRATION	21,826,651	9,407,287	0	17,898,255	0	11,490	49,143,683			245,332	0	0
TOTAL EXPENDITURES	80,868,008	34,854,111	60,672,816	26,822,767	397,585,216	105,567	600,908,485			377,606	0	0
County Indirect Costs = \$ 9,801,202												

**PHILADELPHIA 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	\$ 6,610,126	\$ 693,494	\$ 7,303,620
Adoption Assistance	43,191,542	719,537	43,911,079
Subsidized Permanent Legal Custodianship	16,760,756	981	16,761,737
Counseling	143,551,289	(3,919,157)	139,632,132
Day Care	3,670,549	426,695	4,097,244
Day Treatment	6,234,966	883,334	7,118,300
Homemaker Service	0	0	0
Intake and Referral	10,579,054	(12,809)	10,566,245
Life Skills	0	0	0
Protective Service - Child Abuse	3,857,062	(4,722)	3,852,340
Protective Service - General	7,272,753	(8,950)	7,263,803
Service Planning	585,646	(717)	584,929
Juvenile Act Proceedings	13,019,250	(517,274)	12,501,976
Alternative Treatment	1,245,256	21,242	1,266,498
Community Residential	37,331,159	276,486	37,607,645
Emergency Shelter	11,017,682	(19,950)	10,997,732
Foster Family	103,944,172	(956,274)	102,987,898
Supervised Independent Living	9,786,406	116,033	9,902,439
Juvenile Detention Service	21,382,736	(226,323)	21,156,413
Residential Service	90,865,433	74,058	90,939,491
Secure Residential Service (Except YDC)	0	0	0
YDC Secure	23,313,281	0	23,313,281
Administration	49,497,248	(353,565)	49,143,683
Combined Total Expense	<u>603,716,366</u>	<u>(2,807,881)</u>	<u>600,908,485</u>
Less Non-reimbursables	<u>377,606</u>	<u>0</u>	<u>377,606</u>
Total Net Expense	<u>\$ 603,338,760</u>	<u>\$ (2,807,881)</u>	<u>\$ 600,530,879</u>

OBJECTS OF EXPENDITURE	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Wages and Salaries	\$ 80,868,008	\$ 0	\$ 80,868,008
Employee Benefits	34,854,111	0	34,854,111
Subsidies	59,952,298	720,518	60,672,816
Operating	27,226,732	(403,965)	26,822,767
Purchased Services	400,561,239	(2,976,023)	397,585,216
Fixed Assets	253,978	(148,411)	105,567
Combined Total Expense	<u>603,716,366</u>	<u>(2,807,881)</u>	<u>600,908,485</u>
Less Non-reimbursables	<u>377,606</u>	<u>0</u>	<u>377,606</u>
Total Net Expense	<u>\$ 603,338,760</u>	<u>\$ (2,807,881)</u>	<u>\$ 600,530,879</u>

**PHILADELPHIA COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2011 TO JUNE 30, 2012
ADJUSTMENT SCHEDULE**

REPORT REFERENCE			ADJ. NO.	EXPLANATION OF ADJUSTMENTS	AS REPORTED OR ADJUSTED	INCREASE/ (DECREASE)	ADJUSTED TOTAL
SCHEDULE	LINE	COLUMN					
				CY-370 Adjustment			
CY-370	1-B	3	1	Adoption Assistance - Subsidies	\$ 43,191,542	\$ 719,537	\$ 43,911,079
	1-C	3		Subsidized Permanent Legal Custodianship - Subsidies	\$ 16,760,756	\$ 981	\$ 16,761,737
	1-A	4		Adoption Service - Operating	\$ 762,711	\$ 146,459	\$ 909,170
	1-D	4		Counseling (Dep.) - Operating	\$ 1,901,715	\$ (39,953)	\$ 1,861,762
	1-F	4		Day Care - Operating	\$ 297,846	\$ (12,131)	\$ 285,715
	1-G	4		Day Treatment (Dep.) - Operating	\$ 148,924	\$ (6,067)	\$ 142,857
	1-J	4		Intake & Referral - Operating	\$ 605,142	\$ (12,809)	\$ 592,333
	1-M	4		Protective Service Child Abuse - Operating	\$ 180,623	\$ (4,722)	\$ 175,901
	1-N	4		Protective Service General - Operating	\$ 343,007	\$ (8,950)	\$ 334,057
	1-O	4		Service Planning - Operating	\$ 27,426	\$ (717)	\$ 26,709
	2-A	4		Alternative Treatment (Dep.) - Operating	\$ 20,981	\$ (738)	\$ 20,243
	2-C	4		Community Residential (Dep.) - Operating	\$ 455,865	\$ (16,070)	\$ 439,795
	2-D	4		Community Residential (Del.) - Operating	\$ 33,100	\$ (515)	\$ 32,585
	2-E	4		Emergency Shelter (Dep.) - Operating	\$ 48,637	\$ (1,715)	\$ 46,922
	2-F	4		Emergency Shelter (Del.) - Operating	\$ 24,678	\$ (384)	\$ 24,294
	2-G	4		Foster Family (Dep.) - Operating	\$ 2,824,847	\$ (99,580)	\$ 2,725,267
	2-H	4		Foster Family (Del.) - Operating	\$ 1,567	\$ (25)	\$ 1,542
	2-I	4		Sup. Independent Living (Dep.) - Operating	\$ 643,885	\$ (9,255)	\$ 634,630
	2-J	4		Sup. Independent Living (Del.) - Operating	\$ 10,381	\$ (161)	\$ 10,220
	3-B	4		Residential Service (Dep.) - Operating	\$ 486,385	\$ (17,143)	\$ 469,242
	3-C	4		Residential Service (Del.) - Operating	\$ 194,294	\$ (3,026)	\$ 191,268
	4	4		Administration - Operating	\$ 18,214,718	\$ (316,463)	\$ 17,898,255
	1-A	5		Adoption Service - Purchased Services	\$ -	\$ 547,035	\$ 547,035
	1-D	5		Counseling (Dep.) - Purchased Services	\$ 106,015,748	\$ (3,869,931)	\$ 102,145,817
	1-E	5		Counseling (Del.) - Purchased Services	\$ 16,004,985	\$ 19,488	\$ 16,024,473
	1-F	5		Day Care - Purchased Services	\$ 930,257	\$ 445,179	\$ 1,375,436
	1-G	5		Day Treatment (Dep.) - Purchased Services	\$ 525,375	\$ 649,694	\$ 1,175,069
	1-H	5		Day Treatment (Del.) - Purchased Services	\$ 4,339,425	\$ 242,883	\$ 4,582,308
	1-P	5		Juvenile Act Proceedings (Dep.) - Purchased Services	\$ 7,674,335	\$ (429,461)	\$ 7,244,874
	1-Q	5		Juvenile Act Proceedings (Del.) - Purchased Services	\$ 5,344,915	\$ (87,813)	\$ 5,257,102
	2-A	5		Alternative Treatment (Dep.) - Purchased Services	\$ 1,063,260	\$ 22,357	\$ 1,085,617
	2-C	5		Community Residential (Dep.) - Purchased Services	\$ 26,364,760	\$ (179,095)	\$ 26,185,665
	2-D	5		Community Residential (Del.) - Purchased Services	\$ 6,577,757	\$ 480,350	\$ 7,058,107
	2-E	5		Emergency Shelter (Dep.) - Purchased Services	\$ 2,214,645	\$ (20,449)	\$ 2,194,196
	2-F	5		Emergency Shelter (Del.) - Purchased Services	\$ 8,057,202	\$ 3,471	\$ 8,060,673
	2-G	5		Foster Family (Dep.) - Purchased Services	\$ 78,695,378	\$ (817,466)	\$ 77,877,912
	2-H	5		Foster Family (Del.) - Purchased Services	\$ 725,887	\$ 11,508	\$ 737,395
	2-I	5		Sup. Independent Living (Dep.) - Purchased Services	\$ 5,109,164	\$ 123,680	\$ 5,232,844
	2-J	5		Sup. Independent Living (Del.) - Purchased Services	\$ 2,125,999	\$ 5,912	\$ 2,131,911
	3-A	5		Juvenile Detention Service - Purchased Services	\$ 21,382,736	\$ (226,323)	\$ 21,156,413
	3-B	5		Residential Service (Dep.) - Purchased Services	\$ 28,415,225	\$ (145)	\$ 28,415,080
	3-C	5		Residential Service (Del.) - Purchased Services	\$ 55,680,775	\$ 103,103	\$ 55,783,878
	1-D	6		Counseling (Dep.) - Fixed Assets	\$ 35,513	\$ (28,761)	\$ 6,752
	1-F	6		Day Care - Fixed Assets	\$ 7,844	\$ (6,353)	\$ 1,491
	1-G	6		Day Treatment (Dep.) - Fixed Assets	\$ 3,922	\$ (3,176)	\$ 746
	2-A	6		Alternative Treatment (Dep.) - Fixed Assets	\$ 815	\$ (377)	\$ 438
	2-C	6		Community Residential (Dep.) - Fixed Assets	\$ 17,705	\$ (8,184)	\$ 9,521
	2-E	6		Emergency Shelter (Dep.) - Fixed Assets	\$ 1,889	\$ (873)	\$ 1,016
	2-G	6		Foster Family (Dep.) - Fixed Assets	\$ 109,708	\$ (50,711)	\$ 58,997
	2-I	6		Sup. Independent Living (Dep.) - Fixed Assets	\$ 8,964	\$ (4,143)	\$ 4,821
	3-B	6		Residential Service (Dep.) - Fixed Assets	\$ 18,889	\$ (8,731)	\$ 10,158
	4	6		Administration - Fixed Assets	\$ 48,592	\$ (37,102)	\$ 11,490
				Total Adjustment Amount		\$ (2,807,881)	
				To decrease total expenditures by a net amount of \$2,807,881 to reconcile to the agency's final expenditure ledger. Subsidies were increased by \$720,518; Operating costs were decreased by \$403,965; Purchased Services were decreased by \$2,976,023 and Fixed Assets were decreased by \$148,411.			
				Title 55 PA Code, Chapter 3170.95(a)(b)			

**PHILADELPHIA COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2011 TO JUNE 30, 2012
ADJUSTMENT SCHEDULE**

REPORT REFERENCE			ADJ. NO.	EXPLANATION OF ADJUSTMENTS	AS REPORTED OR ADJUSTED	INCREASE/ (DECREASE)	ADJUSTED TOTAL
SCHEDULE	LINE	COLUMN					
				CY-370A Adjustment			
	1-B	3	2	Adoption Assistance - Title IV-E Maintenance	\$ 20,811,233	\$ (33,542)	\$ 20,777,691
	1-C	3		Subsidized Permanent Legal Custodianship - Title IV-E Maintenance	\$ 5,564,535	\$ (8,969)	\$ 5,555,566
	2-C	3		Community Residential (Dependent) - Title IV-E Maintenance	\$ 2,403,280	\$ (3,873)	\$ 2,399,407
	2-D	3		Community Residential (Delinquent) - Title IV-E Maintenance	\$ 250,915	\$ (404)	\$ 250,511
	2-E	3		Emergency Shelter (Dependent) - Title IV-E Maintenance	\$ 290,458	\$ (468)	\$ 289,990
	2-F	3		Emergency Shelter (Delinquent) - Title IV-E Maintenance	\$ 53,269	\$ (86)	\$ 53,183
	2-G	3		Foster Family (Dependent) - Title IV-E Maintenance	\$ 23,035,338	\$ (37,127)	\$ 22,998,211
	2-H	3		Foster Family (Delinquent) - Title IV-E Maintenance	\$ 5,613	\$ (9)	\$ 5,604
	3-B	3		Residential Service (Dependent) - Title IV-E Maintenance	\$ 6,515,064	\$ (10,500)	\$ 6,504,564
	3-C	3		Residential Service (Del.) (Non YDC/YFC) - Title IV-E Maintenance	\$ 235,390	\$ (379)	\$ 235,011
	1-A	4		Adoption Service - Title IV-E Administration	\$ 829,771	\$ (1,337)	\$ 828,434
	1-D	4		Counseling (Dependent) - Title IV-E Administration	\$ 2,707,584	\$ (4,364)	\$ 2,703,220
	1-F	4		Day Care - Title IV-E Administration	\$ 343,815	\$ (554)	\$ 343,261
	1-G	4		Day Treatment (Dependent) - Title IV-E Administration	\$ 172,847	\$ (279)	\$ 172,568
	1-J	4		Intake and Referral - Title IV-E Administration	\$ 1,328,497	\$ (2,141)	\$ 1,326,356
	1-M	4		Protective Service Child Abuse - Title IV-E Administration	\$ 487,674	\$ (786)	\$ 486,888
	1-N	4		Protective Service General - Title IV-E Administration	\$ 919,725	\$ (1,482)	\$ 918,243
	1-O	4		Service Planning - Title IV-E Administration	\$ 74,083	\$ (119)	\$ 73,964
	2-A	4		Alternative Treatment (Dependent) - Title IV-E Administration	\$ 22,319	\$ (36)	\$ 22,283
	2-C	4		Community Residential (Dependent) - Title IV-E Administration	\$ 488,602	\$ (787)	\$ 487,815
	2-D	4		Community Residential (Delinquent) - Title IV-E Administration	\$ 54,499	\$ (88)	\$ 54,411
	2-E	4		Emergency Shelter (Dependent) - Title IV-E Administration	\$ 52,073	\$ (84)	\$ 51,989
	2-F	4		Emergency Shelter (Delinquent) - Title IV-E Administration	\$ 40,656	\$ (66)	\$ 40,590
	2-G	4		Foster Family (Dependent) - Title IV-E Administration	\$ 14,142,429	\$ (22,794)	\$ 14,119,635
	2-H	4		Foster Family (Delinquent) - Title IV-E Administration	\$ 2,583	\$ (4)	\$ 2,579
	2-I	4		Supervised Independent Living (Dependent) - Title IV-E Administration	\$ 297,734	\$ (480)	\$ 297,254
	2-J	4		Supervised Independent Living - (Delinquent) - Title IV-E Administration	\$ 17,109	\$ (28)	\$ 17,081
	3-B	4		Residential Service (Dependent) - Title IV-E Administration	\$ 521,428	\$ (840)	\$ 520,588
	3-C	4		Residential Service (Del.) (Non YDC/YFC) - Title IV-E Administration	\$ 318,880	\$ (514)	\$ 318,366
	4	4		Administration - Title IV-E Administration	\$ 6,156,479	\$ (9,923)	\$ 6,146,556
				Total Adjustment Amount		\$ (142,064)	
				To decrease Federal Title IV-E Revenue by \$142,064 to include 17 supplemental invoices which were not included in the Title IV-E reconciliation calculation performed by the Commonwealth Department of Human Services - Office of Children, Youth, and Families.			
				Title 55 PA Code, Chapter 3170.95(a)(b)			

SECTION 3

AMENDED FISCAL REPORTS

FOR THE FISCAL YEAR:

JULY 1, 2012 to JUNE 30, 2013

**PHILADELPHIA 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		\$ 355,562,858
Supplemental Act 148		<u>0</u>
Total State Allocation		355,562,858
State Share (CY348) ²	\$ 334,542,502	
Less: Major Service Category Adjustment	<u>0</u>	
Net State Share		\$ 334,542,502
Less: Expenditures in Excess of the Approved State Allocation		<u>0</u>
Final Net State Share Payable ³		\$ 334,542,502
Actual Act 148 Revenues Received ⁴		<u>343,064,803</u>
Net Amount Due County/(State) ⁵		<u><u>\$ (8,522,301)</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.

PHILADELPHIA 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	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	7,400,630	0	756,549	0	0	0	0	0	6,644,081	6,644,081	0
02. 90% REIMBURSEMENT	9,782,048	83,625	860,185	0	0	0	0	0	8,838,238	7,954,414	883,824
03. 80% REIMBURSEMENT	384,070,939	3,627,392	60,388,761	26,033,804	3,493,612	2,735,197	0	0	287,792,173	230,233,739	57,558,434
04. 60% REIMBURSEMENT	130,837,356	724,481	9,994,505	0	0	0	0	272,508	119,845,862	71,907,517	47,938,345
05. 50% REIMBURSEMENT	35,605,500	0	0	0	0	0	0	0	35,605,500	17,802,751	17,802,749
06. TOTAL NET CHILD WELFARE EXPEND.	567,696,473	4,435,498	72,000,000	26,033,804	3,493,612	2,735,197	0	272,508	458,725,854	334,542,502	124,183,352

YDC/YFC PLACEMENT COSTS											
07. 60% DHS PARTICIPATION	28,932,690	0							28,932,690	17,359,614	11,573,076
08. NON-REIMBURSABLE EXPENDITURES	9,840,309	0							9,840,309		9,840,309
09. TOTAL EXPENDITURES	606,469,472	4,435,498	72,000,000	26,033,804	3,493,612	2,735,197	0	272,508	497,498,853	351,902,116	145,596,737

10. TOTAL TITLE IV-D COLLECTIONS	2,770,244										
11. TITLE IV-D Collections for IV-E Children	1,023,754										
12. STATE ACT 148 - line 6	334,542,502										
13. STATE ACT 148 ALLOCATION	355,562,858										
14. ADJUSTED STATE SHARE (lower of 14 or 15)	334,542,502										
INVOICE											
AMENDED STATE SHARE (ACT 148)	334,542,502										
ACT 148 AMOUNT RECEIVED	343,064,803										
ADJUSTMENT TO STATE SHARE	(8,522,301)										

PHILADELPHIA 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
IN-HOME	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
I-A ADOPTION SERVICE	7,400,630	0	0	756,549	0	0	0	0	0	6,644,081	6,644,081	0
I-B ADOPTION ASSISTANCE	44,070,297	0	20,900,000	0	0	2,735,197	0	0	0	20,435,100	16,348,080	4,087,020
I-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	15,558,334	0	5,860,000	0	0	0	0	0	0	9,698,334	7,758,667	1,939,667
I-D COUNSELING - DEPENDENT	119,016,365	220,000	0	1,868,326	15,718,028	3,493,612	0	0	0	97,716,399	78,173,119	19,543,280
I-E COUNSELING - DELINQUENT	15,209,890	0	0	14,067	6,145,851	0	0	0	0	9,049,972	7,239,978	1,809,994
I-F DAY CARE	4,168,643	0	0	256,253	802,745	0	0	0	0	3,109,645	2,487,716	621,929
I-G DAY TREATMENT - DEPENDENT	3,548,529	0	0	174,663	1,508,603	0	0	0	0	1,865,263	1,492,210	373,053
I-H DAY TREATMENT - DELINQUENT	3,586,261	0	0	0	1,858,577	0	0	0	0	1,727,684	1,382,147	345,537
I-I HOMEMAKER SERVICE	0	0	0	0	0	0	0	0	0	0	0	0
I-J INTAKE & REFERRAL	11,469,999	0	0	1,229,261	0	0	0	0	0	10,240,738	8,192,590	2,048,148
I-K LIFE SKILLS - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
I-L LIFE SKILLS - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
I-M PROTECTIVE SERVICE - CHILD ABUSE	3,773,935	0	0	404,614	0	0	0	0	0	3,369,321	2,695,457	673,864
I-N PROTECTIVE SERVICE - GENERAL	8,610,313	0	0	922,477	0	0	0	0	0	7,687,836	6,150,269	1,537,567
I-O SERVICE PLANNING	1,413,178	0	0	184,918	0	0	0	0	0	1,228,260	982,608	245,652
I-P JUVENILE ACT PROCEEDINGS - DEPENDENT	4,589,423	0	0	0	0	0	0	0	0	4,589,423	2,294,712	2,294,711
I-Q JUVENILE ACT PROCEEDINGS - DELINQUENT	4,628,065	0	0	0	0	0	0	0	0	4,628,065	2,314,033	2,314,032
I-R SUBTOTAL IN-HOME	247,043,862	220,000	26,760,000	5,811,128	26,033,804	3,493,612	2,735,197	0	0	181,990,121	144,155,667	37,834,454
COMMUNITY BASED PLACEMENT	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
2-A ALTERNATIVE TREATMENT - DEPENDENT	1,363,475	0	0	24,713	0	0	0	0	0	1,338,762	1,071,010	267,752
2-B ALTERNATIVE TREATMENT - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-C COMMUNITY RESIDENTIAL - DEPENDENT	28,573,545	577,610	3,048,543	354,121	0	0	0	0	0	24,593,271	19,674,617	4,918,654
2-D COMMUNITY RESIDENTIAL - DELINQUENT	9,456,859	147,083	911,817	37,207	0	0	0	0	0	8,360,752	6,688,602	1,672,150
2-E EMERGENCY SHELTER - DEPENDENT	2,578,844	53,679	311,124	74,270	0	0	0	0	0	2,139,771	1,925,794	213,977
2-F EMERGENCY SHELTER - DELINQUENT	7,203,204	29,946	444,545	30,246	0	0	0	0	0	6,698,467	6,028,620	669,847
2-G FOSTER FAMILY - DEPENDENT	104,418,384	2,678,568	10,975,558	12,906,067	0	0	0	0	0	77,885,191	62,286,553	15,571,638
2-H FOSTER FAMILY - DELINQUENT	389,148	4,131	26,348	19,240	0	0	0	0	0	339,429	271,543	67,886
2-I SUP. INDEPENDENT LIVING - DEPENDENT	7,912,603	0	0	261,372	0	0	0	0	0	7,651,231	6,120,985	1,530,246
2-J SUP. INDEPENDENT LIVING - DELINQUENT	1,531,181	0	0	9,196	0	0	0	0	0	1,521,985	1,217,588	304,397
2-K SUBTOTAL CBP	163,427,243	3,491,017	15,717,935	13,716,432	0	0	0	0	0	130,501,859	105,285,312	25,216,547
INSTITUTIONAL PLACEMENT	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
3-A JUVENILE DETENTION SERVICE	26,388,012	0	0	0	0	0	0	0	0	26,388,012	13,194,006	13,194,006
3-B RESIDENTIAL SERVICE - DEPENDENT	29,030,271	616,982	3,689,265	402,464	0	0	0	0	0	24,321,560	14,592,936	9,728,624
3-C RES. SERVICE - DELINQUENT (NON YDC/YFC)	40,581,273	107,499	289,746	246,771	0	0	0	0	0	39,937,257	23,962,354	15,974,903
3-D SECURE RES. SERVICE (EXCEPT YDC)	12,007,501	0	0	0	0	0	0	0	0	12,007,501	7,204,501	4,803,000
3-E YDC SECURE	28,932,690	0	0	0	0	0	0	0	0	28,932,690	17,359,614	11,573,076
3-F SUBTOTAL INSTITUTIONAL	136,939,747	724,481	3,979,011	649,235	0	0	0	0	0	131,587,020	76,313,411	55,273,609
4 ADMINISTRATION	49,218,311	0	0	5,366,259	0	0	0	0	272,508	43,579,544	26,147,726	17,431,818
5 TOTAL REVENUES	596,629,163	4,435,498	46,456,946	25,543,054	26,033,804	3,493,612	2,735,197	0	272,508	487,658,544	351,902,116	135,756,428

PHILADELPHIA 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											
	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												
1-A ADOPTION SERVICE	4,172,084	2,182,000		638,607	410,977	0	7,403,668	1,080	0	3,038	0	0
1-B ADOPTION ASSISTANCE	0	0	44,070,297	0	0	0	44,070,297	0	5,578	0	0	0
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	0	0	15,558,334	0	0	0	15,558,334	0	1,930	0	0	0
1-D COUNSELING - DEPENDENT	9,764,340	5,106,750		4,060,742	100,033,611	64,736	119,030,179	0	53,303	13,814	0	0
1-E COUNSELING - DELINQUENT	0	0		124,540	15,083,350	0	15,209,890	0	4,014	0	0	0
1-F DAY CARE	1,355,284	708,814		302,320	1,801,409	2,711	4,170,538	0	296	1,895	0	0
1-G DAY TREATMENT - DEPENDENT	925,918	484,255		206,572	1,931,226	1,853	3,549,824	0	215	1,295	0	0
1-H DAY TREATMENT - DELINQUENT	0	0		0	3,586,261	0	3,586,261	0	498	0	0	0
1-I HOMEMAKER SERVICE	0	0		0	0	0	0	0	0	0	0	0
1-J INTAKE & REFERRAL	7,161,677	3,745,557		568,045	0	0	11,475,279	17,336	0	5,280	0	0
1-K LIFE SKILLS - DEPENDENT	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
1-M PROTECTIVE SERVICE - CHILD ABUSE	2,383,218	1,246,423		148,991	0	0	3,778,632	3,896	0	4,697	0	0
1-N PROTECTIVE SERVICE - GENERAL	5,437,361	2,843,740		339,926	0	0	8,621,027	12,320	0	10,714	0	0
1-O SERVICE PLANNING	691,533	361,672		360,785	0	0	1,413,990	27,391	0	812	0	0
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT					7,894,364		7,894,364	8,619	8,619	0	3,304,941	0
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT					5,386,130		5,386,130	6,887	6,887	0	758,065	0
1-R SUBTOTAL IN-HOME	31,891,415	16,679,211	59,628,631	6,750,528	136,129,328	69,300	251,148,413			41,545	4,063,006	0
Number of Children receiving only NON-PURCHASED IN-Home Services 8,597												
COMMUNITY BASED PLACEMENT												
2-A ALTERNATIVE TREATMENT - DEPENDENT	132,338	69,213	0	31,463	1,130,400	236	1,363,650	12,494	85	175	0	0
2-B ALTERNATIVE TREATMENT - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-C COMMUNITY RESIDENTIAL - DEPENDENT	1,891,874	989,450	0	449,678	25,241,678	3,376	28,576,056	151,986	1,339	2,511	0	0
2-D COMMUNITY RESIDENTIAL - DELINQUENT	220,802	115,479	0	14,097	9,106,927	0	9,457,305	64,954	707	446	0	0
2-E EMERGENCY SHELTER - DEPENDENT	264,235	138,195	0	169,167	2,007,599	0	2,579,196	18,639	661	352	0	0
2-F EMERGENCY SHELTER - DELINQUENT	179,268	93,757	0	16,730	6,913,339	472	7,203,566	40,004	1,849	362	0	0
2-G FOSTER FAMILY - DEPENDENT	14,765,567	7,722,392	0	3,508,699	78,414,991	26,342	104,437,991	1,116,432	7,763	19,607	0	0
2-H FOSTER FAMILY - DELINQUENT	14,488	7,577	0	925	366,187	0	389,177	3,095	33	29	0	0
2-I SUP. INDEPENDENT LIVING - DEPENDENT	1,178,360	616,282	0	673,752	5,443,676	2,097	7,914,167	61,010	344	1,564	0	0
2-J SUP. INDEPENDENT LIVING - DELINQUENT	54,476	28,491	0	3,477	1,444,847	0	1,531,291	15,530	122	110	0	0
2-K SUBTOTAL CBP	18,701,408	9,780,836	0	4,867,988	130,069,644	32,523	163,452,399	1,484,144	12,903	25,156	0	0
Number of Children at IMMEDIATE RISK 9,414												
INSTITUTIONAL PLACEMENT												
3-A JUVENILE DETENTION SERVICE	0	0	0	0	31,673,343	0	31,673,343	38,192	1,256	2,856	5,285,331	0
3-B RESIDENTIAL SERVICE - DEPENDENT	2,150,102	1,124,503	0	510,832	25,243,855	3,835	29,033,127	176,022	1,262	2,956	0	0
3-C RES. SERVICE - DELINQUENT (EXCEPT YDC/YFC)	1,462,738	765,012	0	93,384	38,263,095	0	40,584,229	307,876	3,761	2,956	0	0
3-D SECURE RES. SERVICE (EXCEPT YDC)	0	0	0	0	12,007,501	0	12,007,501	38,684	364	0	0	0
3-E YDC SECURE	0	0	0	0	28,932,690	0	28,932,690	50,240	1,837	0	0	0
3-F SUBTOTAL INSTITUTIONAL	3,612,840	1,889,515	0	604,216	136,120,484	3,835	142,230,890	611,014	8,480	5,812	5,285,331	0
4 ADMINISTRATION	19,600,027	10,250,814	0	19,766,167	0	20,762	49,637,770			419,459	0	0
5 TOTAL EXPENDITURES	73,805,690	38,600,376	59,628,631	31,988,899	402,319,456	126,420	606,469,472			491,972	9,348,337	0
County Indirect Costs = \$ 9,115,003												

**PHILADELPHIA 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	\$ 7,100,670	\$ 302,998	\$ 7,403,668
Adoption Assistance	44,452,565	(382,268)	44,070,297
Subsidized Permanent Legal Custodianship	15,529,459	28,875	15,558,334
Counseling	141,892,947	(7,652,878)	134,240,069
Day Care	4,175,589	(5,051)	4,170,538
Day Treatment	7,426,503	(290,418)	7,136,085
Homemaker Service	0	0	0
Intake and Referral	11,487,156	(11,877)	11,475,279
Life Skills	0	0	0
Protective Service - Child Abuse	3,782,585	(3,953)	3,778,632
Protective Service - General	8,630,044	(9,017)	8,621,027
Service Planning	1,798,101	(384,111)	1,413,990
Juvenile Act Proceedings	13,661,716	(381,222)	13,280,494
Alternative Treatment	1,390,648	(26,998)	1,363,650
Community Residential	38,167,780	(134,419)	38,033,361
Emergency Shelter	9,926,788	(144,026)	9,782,762
Foster Family	105,305,337	(478,169)	104,827,168
Supervised Independent Living	9,328,217	117,241	9,445,458
Juvenile Detention Service	31,982,456	(309,113)	31,673,343
Residential Service	69,606,293	11,063	69,617,356
Secure Residential Service (Except YDC)	12,262,679	(255,178)	12,007,501
YDC Secure	28,932,690	0	28,932,690
Administration	51,000,445	(1,362,675)	49,637,770
Combined Total Expense	<u>617,840,668</u>	<u>(11,371,196)</u>	<u>606,469,472</u>
Less Non-reimbursables	<u>9,840,309</u>	<u>0</u>	<u>9,840,309</u>
Total Net Expense	\$ <u>608,000,359</u>	\$ <u>(11,371,196)</u>	\$ <u>596,629,163</u>

OBJECTS OF EXPENDITURE	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Wages and Salaries	\$ 73,805,690	\$ 0	\$ 73,805,690
Employee Benefits	38,600,376	0	38,600,376
Subsidies	59,982,024	(353,393)	59,628,631
Operating	36,214,141	(4,225,242)	31,988,899
Purchased Services	408,733,790	(6,414,334)	402,319,456
Fixed Assets	504,647	(378,227)	126,420
Combined Total Expense	<u>617,840,668</u>	<u>(11,371,196)</u>	<u>606,469,472</u>
Less Non-reimbursables	<u>9,840,309</u>	<u>0</u>	<u>9,840,309</u>
Total Net Expense	\$ <u>608,000,359</u>	\$ <u>(11,371,196)</u>	\$ <u>596,629,163</u>

**PHILADELPHIA 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 Adjustment			
CY-370	1-B	3	1	Adoption Assistance - Subsidies	\$ 44,452,565	\$ (382,268)	\$ 44,070,297
	1-C	3		Subsidized Permanent Legal Custodianship - Subsidies	\$ 15,529,459	\$ 28,875	\$ 15,558,334
	1-A	4		Adoption Service - Operating	\$ 746,586	\$ (107,979)	\$ 638,607
	1-D	4		Counseling (Dep.) - Operating	\$ 6,124,229	\$ (2,063,487)	\$ 4,060,742
	1-E	4		Counseling (DeL.) - Operating	\$ 135,252	\$ (10,712)	\$ 124,540
	1-F	4		Day Care - Operating	\$ 312,759	\$ (10,439)	\$ 302,320
	1-G	4		Day Treatment (Dep.) - Operating	\$ 213,705	\$ (7,133)	\$ 206,572
	1-J	4		Intake & Referral - Operating	\$ 579,922	\$ (11,877)	\$ 568,045
	1-M	4		Protective Service Child Abuse - Operating	\$ 152,944	\$ (3,953)	\$ 148,991
	1-N	4		Protective Service General - Operating	\$ 348,943	\$ (9,017)	\$ 339,926
	1-O	4		Service Planning - Operating	\$ 744,896	\$ (384,111)	\$ 360,785
	2-A	4		Alternative Treatment (Dep.) - Operating	\$ 32,397	\$ (934)	\$ 31,463
	2-C	4		Community Residential (Dep.) - Operating	\$ 463,017	\$ (13,339)	\$ 449,678
	2-D	4		Community Residential (DeL.) - Operating	\$ 14,463	\$ (366)	\$ 14,097
	2-E	4		Emergency Shelter (Dep.) - Operating	\$ 321,785	\$ (152,618)	\$ 169,167
	2-F	4		Emergency Shelter (DeL.) - Operating	\$ 11,742	\$ 4,988	\$ 16,730
	2-G	4		Foster Family (Dep.) - Operating	\$ 3,612,782	\$ (104,083)	\$ 3,508,699
	2-H	4		Foster Family (DeL.) - Operating	\$ 949	\$ (24)	\$ 925
	2-I	4		Sup. Independent Living (Dep.) - Operating	\$ 683,805	\$ (10,053)	\$ 673,752
	2-J	4		Sup. Independent Living (DeL.) - Operating	\$ 3,568	\$ (91)	\$ 3,477
	3-B	4		Residential Service (Dep.) - Operating	\$ 525,983	\$ (15,151)	\$ 510,832
	3-C	4		Residential Service (DeL.) - Operating	\$ 95,810	\$ (2,426)	\$ 93,384
	4	4		Administration - Operating	\$ 21,088,604	\$ (1,322,437)	\$ 19,766,167
	1-A	5		Adoption Service - Purchased Services	\$ -	\$ 410,977	\$ 410,977
	1-D	5		Counseling (Dep.) - Purchased Services	\$ 105,369,647	\$ (5,336,036)	\$ 100,033,611
	1-E	5		Counseling (DeL.) - Purchased Services	\$ 15,245,872	\$ (160,522)	\$ 15,085,350
	1-F	5		Day Care - Purchased Services	\$ 1,779,075	\$ 22,334	\$ 1,801,409
	1-G	5		Day Treatment (Dep.) - Purchased Services	\$ 2,047,698	\$ (116,472)	\$ 1,931,226
	1-H	5		Day Treatment (DeL.) - Purchased Services	\$ 3,741,496	\$ (155,235)	\$ 3,586,261
	1-P	5		Juvenile Act Proceedings (Dep.) - Purchased Services	\$ 8,194,740	\$ (300,376)	\$ 7,894,364
	1-Q	5		Juvenile Act Proceedings (DeL.) - Purchased Services	\$ 5,466,976	\$ (80,846)	\$ 5,386,130
	2-A	5		Alternative Treatment (Dep.) - Purchased Services	\$ 1,154,987	\$ (24,587)	\$ 1,130,400
	2-C	5		Community Residential (Dep.) - Purchased Services	\$ 25,319,671	\$ (77,993)	\$ 25,241,678
	2-D	5		Community Residential (DeL.) - Purchased Services	\$ 9,128,541	\$ (21,614)	\$ 9,106,927
	2-E	5		Emergency Shelter (Dep.) - Purchased Services	\$ 2,117,708	\$ (110,109)	\$ 2,007,599
	2-F	5		Emergency Shelter (DeL.) - Purchased Services	\$ 6,796,674	\$ 116,665	\$ 6,913,339
	2-G	5		Foster Family (Dep.) - Purchased Services	\$ 78,612,861	\$ (197,870)	\$ 78,414,991
	2-H	5		Foster Family (DeL.) - Purchased Services	\$ 377,654	\$ (11,467)	\$ 366,187
	2-I	5		Sup. Independent Living (Dep.) - Purchased Services	\$ 5,256,225	\$ 187,451	\$ 5,443,676
	2-J	5		Sup. Independent Living (DeL.) - Purchased Services	\$ 1,491,774	\$ (46,927)	\$ 1,444,847
	3-A	5		Juvenile Detention Service - Purchased Services	\$ 31,982,456	\$ (309,113)	\$ 31,673,343
	3-B	5		Residential Service (Dep.) - Purchased Services	\$ 25,064,985	\$ 178,870	\$ 25,243,855
	3-C	5		Residential Service (DeL.) - Purchased Services	\$ 38,389,340	\$ (126,245)	\$ 38,263,095
	3-D	5		Secure Residential Service - Purchased Services	\$ 12,262,679	\$ (255,178)	\$ 12,007,501
	4	5		Administration - Purchased Services	\$ 41	\$ (41)	\$ -
	1-D	6		Counseling (Dep.) - Fixed Assets	\$ 146,857	\$ (82,121)	\$ 64,736
	1-F	6		Day Care - Fixed Assets	\$ 19,657	\$ (16,946)	\$ 2,711
	1-G	6		Day Treatment (Dep.) - Fixed Assets	\$ 13,431	\$ (11,578)	\$ 1,853
	2-A	6		Alternative Treatment (Dep.) - Fixed Assets	\$ 1,713	\$ (1,477)	\$ 236
	2-C	6		Community Residential (Dep.) - Fixed Assets	\$ 24,483	\$ (21,107)	\$ 3,376
	2-E	6		Emergency Shelter (Dep.) - Fixed Assets	\$ 3,424	\$ (3,424)	\$ -
	2-F	6		Emergency Shelter (DeL.) - Fixed Assets	\$ -	\$ 472	\$ 472
	2-G	6		Foster Family (Dep.) - Fixed Assets	\$ 191,067	\$ (164,725)	\$ 26,342
	2-I	6		Sup. Independent Living (Dep.) - Fixed Assets	\$ 15,236	\$ (13,139)	\$ 2,097
	3-B	6		Residential Service (Dep.) - Fixed Assets	\$ 27,820	\$ (23,985)	\$ 3,835
	4	6		Administration - Fixed Assets	\$ 60,959	\$ (40,197)	\$ 20,762
				Total Adjustment Amount		\$ (11,371,196)	
				To decrease total expenditures by a net amount of \$11,371,196 to reconcile to the agency's final expenditure ledger. Subsidies were decreased by \$353,393; Operating costs were decreased by \$4,225,242; Purchased Services were decreased by \$6,414,334 and Fixed Assets were decreased by \$378,227.			
				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

**PHILADELPHIA 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		\$	351,276,814
Supplemental Act 148			<u>0</u>
Total State Allocation			351,276,814
State Share (CY348) ²	\$		351,389,922
Less: Major Service Category Adjustment			<u>0</u>
Net State Share		\$	351,389,922
Less: Expenditures in Excess of the Approved State Allocation			<u>113,108</u>
Final Net State Share Payable ³		\$	351,276,814
Actual Act 148 Revenues Received ⁴			<u>345,907,111</u>
Net Amount Due County/(State) ⁵		\$	<u>5,369,703</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 County is \$5,369,703 because the Children and Youth Agency's expenditures exceeded the Total State Act 148 Allocation by \$113,108 as detailed above. While our adjustments resulted in a net increase of \$5,482,811 in expenditures for the agency for said fiscal year, as detailed on page 26 of this report, the agency cannot receive state reimbursement in excess of the Total State Act 148 Allocation.

**PHILADELPHIA COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2013 TO JUNE 30, 2014
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	7,057,124	0	83,045	0	0	0	0	0	6,974,079	6,974,079	0
02. 90% REIMBURSEMENT	7,645,360	119,730	18,147	0	0	0	486,987	0	7,020,496	6,318,446	702,050
03. 80% REIMBURSEMENT	409,334,779	3,087,316	24,442,007	26,033,804	3,493,612	2,575,773	34,948,969	0	314,753,298	251,802,639	62,950,659
04. 60% REIMBURSEMENT	147,107,858	939,347	1,103,239	0	0	0	31,884,268	241,334	112,939,670	67,763,802	45,175,868
05. 50% REIMBURSEMENT	37,061,912	0	0	0	0	0	0	0	37,061,912	18,530,956	18,530,956
06. TOTAL NET CHILD WELFARE EXPEND.	608,207,033	4,146,393	25,646,438	26,033,804	3,493,612	2,575,773	67,320,224	241,334	478,749,455	351,389,922	127,359,533

YDC/YFC PLACEMENT COSTS											
07. 60% DHS PARTICIPATION	22,951,913	0							22,951,913	13,771,148	9,180,765
08. NON-REIMBURSABLE EXPENDITURES	1,014,526	0							1,014,526		1,014,526

09. TOTAL EXPENDITURES	632,173,472	4,146,393	25,646,438	26,033,804	3,493,612	2,575,773	67,320,224	241,334	502,715,894	365,161,070	137,554,824
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10. TOTAL TITLE IV-D COLLECTIONS 2,258,028

11. TITLE IV-D Collections for IV-E Children 755,273

12. STATE ACT 148 - line 6 351,389,922

13. STATE ACT 148 ALLOCATION 351,276,814

14. ADJUSTED STATE SHARE (lower of 14 or 15) 351,276,814

INVOICE											
AMENDED STATE SHARE (ACT 148)	351,389,922										
ACT 148 AMOUNT RECEIVED	345,907,111										
ADJUSTMENT TO STATE SHARE	5,482,811										

**PHILADELPHIA 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
IN-HOME	TOTAL REIMBURSABLE EXPENDITURES	PROGRAM INCOME	TITLE IV-E MAINTENANCE	TITLE IV-E ADMIN.	TANF	TITLE XX TITLE IV-B	TITLE IV-B	Child Welfare Demonstration Project Title IV-E	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE
1-A ADOPTION SERVICE	7,057,124	0		83,045	0			0	0	6,974,079	6,974,079	0
1-B ADOPTION ASSISTANCE	44,360,298	0	18,406,770	0		2,575,773		0	0	23,377,755	18,702,204	4,675,551
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	14,875,681	0	4,697,249	0				0	0	10,178,432	8,142,746	2,035,686
1-D COUNSELING - DEPENDENT	136,364,827	220,000		329,251	16,859,185	3,493,612		0	0	115,462,779	92,370,223	23,092,556
1-E COUNSELING - DELINQUENT	13,345,586	0		3,256	5,202,126			0	0	8,140,204	6,512,163	1,628,041
1-F DAY CARE	4,828,115	0		38,198	9,19,946			0	0	3,869,971	3,095,977	773,994
1-G DAY TREATMENT - DEPENDENT	2,304,051	0		14,341	455,041			0	0	1,834,669	1,467,735	366,934
1-H DAY TREATMENT - DELINQUENT	4,472,818	0			2,597,506			0	0	1,875,312	1,500,250	375,062
1-I HOMEMAKER SERVICE	0	0		0	0			0	0	0	0	0
1-J INTAKE & REFERRAL	13,620,616	0		156,478	0			0	0	13,464,138	10,771,310	2,692,828
1-K LIFE SKILLS - DEPENDENT	0	0		0	0			0	0	0	0	0
1-L LIFE SKILLS - DELINQUENT	0	0		0	0			0	0	0	0	0
1-M PROTECTIVE SERVICE - CHILD ABUSE	3,902,969	0		48,897	0			0	0	3,854,072	3,083,258	770,814
1-N PROTECTIVE SERVICE - GENERAL	9,183,058	0		101,874	0			0	0	9,081,184	7,264,947	1,816,237
1-O SERVICE PLANNING	1,026,884	0		72,053	0			0	0	954,231	763,385	190,846
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT	8,093,554	0		0	0			0	0	8,093,554	4,046,777	4,046,777
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT	906,662	0		0	0			0	0	906,662	453,331	453,331
1-R SUBTOTAL IN-HOME	264,342,243	220,000	23,104,019	847,993	26,033,804	3,493,612	2,575,773	0	0	208,067,042	165,148,385	42,918,657
COMMUNITY BASED PLACEMENT	TOTAL REIMBURSABLE EXPENDITURES	PROGRAM INCOME	TITLE IV-E MAINTENANCE	TITLE IV-E ADMIN.	TANF	TITLE XX TITLE IV-B	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	1,499,420	273		3,166				0	0	1,495,981	1,196,785	299,196
2-B ALTERNATIVE TREATMENT - DELINQUENT	0	0		0				0	0	0	0	0
2-C COMMUNITY RESIDENTIAL - DEPENDENT	27,296,025	222,481		41,112				1,179,185	0	25,847,719	20,678,175	5,169,544
2-D COMMUNITY RESIDENTIAL - DELINQUENT	7,386,119	120,582		4,349				350,844	0	6,910,344	5,528,275	1,382,069
2-E EMERGENCY SHELTER - DEPENDENT	1,729,317	24,193		1,343				231,687	0	1,459,298	1,313,368	145,930
2-F EMERGENCY SHELTER - DELINQUENT	5,916,043	95,537		4,008				255,300	0	5,561,198	5,005,078	556,120
2-G FOSTER FAMILY - DEPENDENT	116,032,450	2,454,464		67,930				33,381,354	0	79,705,326	63,764,261	15,941,065
2-H FOSTER FAMILY - DELINQUENT	267,870	6,578		151				37,586	0	223,555	178,844	44,711
2-I SUP. INDEPENDENT LIVING - DEPENDENT	7,006,175	49,518		25,877				0	0	6,930,780	5,544,624	1,386,156
2-J SUP. INDEPENDENT LIVING - DELINQUENT	1,561,817	13,420		1,551				0	0	1,546,846	1,237,477	309,369
2-K SUBTOTAL CBP	168,695,236	2,987,046	74,801	516,386	0	0	0	35,435,956	0	129,681,047	104,446,887	25,234,160
INSTITUTIONAL PLACEMENT	TOTAL REIMBURSABLE EXPENDITURES	PROGRAM INCOME	TITLE IV-E MAINTENANCE	TITLE IV-E ADMIN.	TANF	TITLE XX TITLE IV-B	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	28,061,696	0							0	28,061,696	14,030,848	14,030,848
3-B RESIDENTIAL SERVICE - DEPENDENT	26,561,567	259,125		49,584				913,095	0	25,318,066	15,190,840	10,127,226
3-C RES. SERVICE - DELINQUENT (NON YDC/YFC)	36,867,852	680,222		27,089				536,252	0	35,624,269	21,374,561	14,249,708
3-D SECURE RES. SERVICE (EXCEPT YDC)	10,291,522	0							0	10,291,522	6,174,913	4,116,609
3-E YDC SECURE	22,951,913	0							0	22,951,913	13,771,148	9,180,765
3-F SUBTOTAL INSTITUTIONAL	124,734,530	939,347	21,697	76,673	0	0	0	1,449,347	0	122,247,466	70,542,310	51,705,156
4 ADMINISTRATION	73,386,937	0		1,004,869		0	0	30,434,921	241,334	41,705,813	25,023,488	16,682,325
5 TOTAL REVENUES	631,158,946	4,146,393	23,200,517	2,445,921	26,033,804	3,493,612	2,575,773	67,320,224	241,334	501,701,368	365,161,070	136,540,298

PHILADELPHIA COUNTY CHILDREN AND YOUTH AGENCY
 FOR THE PERIOD JULY 1, 2013 TO JUNE 30, 2014
 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												
1-A ADOPTION SERVICE	3,700,094	2,416,161		574,435	379,437	0	7,070,127	1,102	76	13,003	0	0
1-B ADOPTION ASSISTANCE	0	0	44,360,298	0	0	0	44,360,298	0	5,846	0	0	0
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	0	0	14,875,681	0	0	0	14,875,681	0	1,932	0	0	0
1-D COUNSELING - DEPENDENT	8,231,584	5,375,224		12,392,475	110,099,381	286,621	136,385,285	0	42,465	20,458	0	0
1-E COUNSELING - DELINQUENT	0	0		216,132	13,129,454	0	13,345,586	0	6,608	0	0	0
1-F DAY CARE	1,638,377	1,069,860		281,992	1,802,544	41,848	4,834,621	0	745	6,506	0	0
1-G DAY TREATMENT - DEPENDENT	618,405	403,818		106,414	1,162,082	15,789	2,306,508	0	414	2,457	0	0
1-H DAY TREATMENT - DELINQUENT	0	0		0	4,472,818	0	4,472,818	0	1,701	0	0	0
1-I HOMEMAKER SERVICE	0	0		0	0	0	0	0	0	0	0	0
1-J INTAKE & REFERRAL	7,256,930	4,738,775		1,650,779	0	93	13,646,577	17,686	0	25,961	0	0
1-K LIFE SKILLS - DEPENDENT	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
1-M PROTECTIVE SERVICE - CHILD ABUSE	2,288,965	1,494,694		123,262	0	0	3,906,921	3,651	0	3,952	0	0
1-N PROTECTIVE SERVICE - GENERAL	4,768,862	3,114,067		1,308,365	0	0	9,191,294	12,924	0	8,236	0	0
1-O SERVICE PLANNING	602,234	393,259		31,946	0	86	1,027,525	17,761	0	641	0	0
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT					8,093,554		8,093,554	8,649	8,649	0	0	0
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT					906,662		906,662	5,665	5,665	0	0	0
1-R SUBTOTAL IN-HOME	29,105,451	19,005,858	59,235,979	16,685,800	140,045,932	344,437	264,423,457			81,214	0	0
	Number of Children receiving only NON-PURCHASED IN-Home Services 8,393											
COMMUNITY BASED PLACEMENT												
2-A ALTERNATIVE TREATMENT - DEPENDENT	136,972	89,443	0	26,565	1,244,039	3,140	1,500,159	13,377	56	739	0	0
2-B ALTERNATIVE TREATMENT - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-C COMMUNITY RESIDENTIAL - DEPENDENT	1,767,055	1,153,887	0	342,294	24,002,072	40,236	27,305,544	145,892	1,414	9,519	0	0
2-D COMMUNITY RESIDENTIAL - DELINQUENT	201,948	131,872	0	14,482	7,037,971	0	7,386,273	46,084	537	154	0	0
2-E EMERGENCY SHELTER - DEPENDENT	161,738	105,615	0	31,175	1,428,005	3,652	1,730,185	13,240	488	868	0	0
2-F EMERGENCY SHELTER - DELINQUENT	186,069	121,503	0	13,344	5,595,269	0	5,916,185	33,092	1,662	142	0	0
2-G FOSTER FAMILY - DEPENDENT	15,161,065	9,900,175	0	5,201,413	85,506,313	345,146	116,114,112	1,284,737	10,238	81,662	0	0
2-H FOSTER FAMILY - DELINQUENT	7,077	4,621	0	507	255,671	0	267,876	2,151	21	6	0	0
2-I SUP. INDEPENDENT LIVING - DEPENDENT	939,317	613,374	0	483,171	4,953,252	22,120	7,011,234	83,262	380	5,059	0	0
2-J SUP. INDEPENDENT LIVING - DELINQUENT	71,976	47,000	0	5,162	1,437,734	0	1,561,872	75,851	119	55	0	0
2-K SUBTOTAL CBP	18,633,217	12,167,490	0	6,118,113	131,460,326	414,294	168,793,440	1,697,686	14,915	98,204	0	0
	Number of Children at IMMEDIATE RISK											
INSTITUTIONAL PLACEMENT												
3-A JUVENILE DETENTION SERVICE	0	0	0	0	28,061,696	0	28,061,696	38,475	898	11,386	0	0
3-B RESIDENTIAL SERVICE - DEPENDENT	2,113,737	1,380,270	0	409,445	22,621,371	48,130	26,572,953	163,463	1,212	11,386	0	0
3-C RES. SERVICE - DELINQUENT (EXCEPT YDC/YFC)	1,258,984	822,117	0	90,283	34,697,406	0	36,868,790	259,626	3,553	958	0	0
3-D SECURE RES. SERVICE (EXCEPT YDC)	0	0	0	0	10,291,522	0	10,291,522	32,632	250	0	0	0
3-E YDC SECURE	0	0	0	0	22,951,913	0	22,951,913	46,544	1,285	0	0	0
3-F SUBTOTAL INSTITUTIONAL	3,372,721	2,202,387	0	499,728	118,623,908	48,130	124,746,874	540,740	7,198	12,344	0	0
4 ADMINISTRATION	27,889,711	18,211,981	0	27,819,788	0	288,221	74,209,701			822,764	0	0
5 TOTAL EXPENDITURES	79,001,100	51,587,716	59,235,979	51,123,429	390,130,166	1,095,082	632,173,472			1,014,526	0	0
	County Indirect Costs = \$ 8,516,319											

**PHILADELPHIA 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	\$ 6,475,056	\$ 595,071	\$ 7,070,127
Adoption Assistance	44,376,109	(15,811)	44,360,298
Subsidized Permanent Legal Custodianship	14,875,955	(274)	14,875,681
Counseling	146,630,676	3,100,195	149,730,871
Day Care	4,583,899	250,722	4,834,621
Day Treatment	6,676,301	103,025	6,779,326
Homemaker Service	0	0	0
Intake and Referral	11,563,368	2,083,209	13,646,577
Life Skills	0	0	0
Protective Service - Child Abuse	3,607,064	299,857	3,906,921
Protective Service - General	7,515,008	1,676,286	9,191,294
Service Planning	4,660,862	(3,633,337)	1,027,525
Juvenile Act Proceedings	9,232,682	(232,466)	9,000,216
Alternative Treatment	1,484,233	15,926	1,500,159
Community Residential	34,482,094	209,723	34,691,817
Emergency Shelter	8,179,391	(533,021)	7,646,370
Foster Family	115,023,566	1,358,422	116,381,988
Supervised Independent Living	8,511,060	62,046	8,573,106
Juvenile Detention Service	28,160,470	(98,774)	28,061,696
Residential Service	62,923,689	518,054	63,441,743
Secure Residential Service (Except YDC)	10,408,034	(116,512)	10,291,522
YDC Secure	22,951,913	0	22,951,913
Administration	72,736,097	1,473,604	74,209,701
Combined Total Expense	<u>625,057,527</u>	<u>7,115,945</u>	<u>632,173,472</u>
Less Non-reimbursables	<u>1,014,526</u>	<u>0</u>	<u>1,014,526</u>
Total Net Expense	<u>\$ 624,043,001</u>	<u>\$ 7,115,945</u>	<u>\$ 631,158,946</u>

OBJECTS OF EXPENDITURE	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Wages and Salaries	\$ 79,001,100	\$ 0	\$ 79,001,100
Employee Benefits	41,317,574	10,270,142	51,587,716
Subsidies	59,252,064	(16,085)	59,235,979
Operating	55,006,981	(3,883,552)	51,123,429
Purchased Services	389,620,878	509,288	390,130,166
Fixed Assets	858,930	236,152	1,095,082
Combined Total Expense	<u>625,057,527</u>	<u>7,115,945</u>	<u>632,173,472</u>
Less Non-reimbursables	<u>1,014,526</u>	<u>0</u>	<u>1,014,526</u>
Total Net Expense	<u>\$ 624,043,001</u>	<u>\$ 7,115,945</u>	<u>\$ 631,158,946</u>

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

REPORT REFERENCE			ADJ. NO.	EXPLANATION OF ADJUSTMENTS	AS REPORTED OR ADJUSTED	INCREASE/ (DECREASE)	ADJUSTED TOTAL
SCHEDULE	LINE	COLUMN					
				CY-370 Adjustments			
CY-370	1-B	3	1	Adoption Assistance - Subsidies	\$ 44,376,109	\$ (15,811)	\$ 44,360,298
	1-C	3		Subsidized Permanent Legal Custodianship - Subsidies	\$ 14,875,955	\$ (274)	\$ 14,875,681
	1-A	4		Adoption Service - Operating	\$ 466,027	\$ 108,408	\$ 574,435
	1-D	4		Counseling (Dep.) - Operating	\$ 11,752,034	\$ 640,441	\$ 12,392,475
	1-F	4		Day Care - Operating	\$ 294,789	\$ (12,797)	\$ 281,992
	1-G	4		Day Treatment (Dep.) - Operating	\$ 112,104	\$ (5,690)	\$ 106,414
	1-J	4		Intake & Referral - Operating	\$ 511,064	\$ 1,139,715	\$ 1,650,779
	1-M	4		Protective Service Child Abuse - Operating	\$ 120,970	\$ 2,292	\$ 123,262
	1-N	4		Protective Service General - Operating	\$ 252,031	\$ 1,056,334	\$ 1,308,365
	1-O	4		Service Planning - Operating	\$ 3,743,660	\$ (3,711,714)	\$ 31,946
	2-A	4		Alternative Treatment (Dep.) - Operating	\$ 27,510	\$ (945)	\$ 26,565
	2-C	4		Community Residential (Dep.) - Operating	\$ 354,408	\$ (12,114)	\$ 342,294
	2-D	4		Community Residential (Del.) - Operating	\$ 14,280	\$ 202	\$ 14,482
	2-E	4		Emergency Shelter (Dep.) - Operating	\$ 594,137	\$ (562,962)	\$ 31,175
	2-F	4		Emergency Shelter (DeL.) - Operating	\$ 13,158	\$ 186	\$ 13,344
	2-G	4		Foster Family (Dep.) - Operating	\$ 5,488,569	\$ (287,156)	\$ 5,201,413
	2-H	4		Foster Family (Del.) - Operating	\$ 500	\$ 7	\$ 507
	2-I	4		Supervised Independent Living (Dep.) - Operating	\$ 489,613	\$ (6,442)	\$ 483,171
	2-J	4		Supervised Independent Living (Del.) - Operating	\$ 5,090	\$ 72	\$ 5,162
	3-B	4		Residential Service (Dep.) - Operating	\$ 444,001	\$ (34,556)	\$ 409,445
	3-C	4		Residential Service (Del.) - Operating	\$ 89,022	\$ 1,261	\$ 90,283
	4	4		Administration - Operating	\$ 30,017,882	\$ 211,439	\$ 30,229,321
	1-A	5		Adoption Service - Purchased Services	\$ 373,786	\$ 5,651	\$ 379,437
	1-D	5		Counseling (Dep.) - Purchased Services	\$ 108,624,911	\$ 1,474,470	\$ 110,099,381
	1-E	5		Counseling (Del.) - Purchased Services	\$ 13,291,772	\$ (162,318)	\$ 13,129,454
	1-F	5		Day Care - Purchased Services	\$ 1,761,080	\$ 41,464	\$ 1,802,544
	1-G	5		Day Treatment (Dep.) - Purchased Services	\$ 1,141,636	\$ 20,446	\$ 1,162,082
	1-H	5		Day Treatment (Del.) - Purchased Services	\$ 4,468,361	\$ 4,457	\$ 4,472,818
	1-P	5		Juvenile Act Proceedings (Dep.) - Purchased Services	\$ 8,153,192	\$ (59,638)	\$ 8,093,554
	1-Q	5		Juvenile Act Proceedings (Del.) - Purchased Services	\$ 1,079,490	\$ (172,828)	\$ 906,662
	2-A	5		Alternative Treatment (Dep.) - Purchased Services	\$ 1,245,655	\$ (1,616)	\$ 1,244,039
	2-C	5		Community Residential (Dep.) - Purchased Services	\$ 24,023,487	\$ (21,415)	\$ 24,002,072
	2-D	5		Community Residential (Del.) - Purchased Services	\$ 7,059,608	\$ (21,637)	\$ 7,037,971
	2-E	5		Emergency Shelter (Dep.) - Purchased Services	\$ 1,431,431	\$ (3,426)	\$ 1,428,005
	2-F	5		Emergency Shelter (Del.) - Purchased Services	\$ 5,608,094	\$ (12,825)	\$ 5,595,269
	2-G	5		Foster Family (Dep.) - Purchased Services	\$ 83,650,941	\$ 1,855,372	\$ 85,506,313
	2-H	5		Foster Family (Del.) - Purchased Services	\$ 2,512,035	\$ (2,256,364)	\$ 255,671
	2-I	5		Supervised Independent Living (Dep.) - Purchased Services	\$ 5,017,158	\$ (63,906)	\$ 4,953,252
	2-J	5		Supervised Independent Living (Del.) - Purchased Services	\$ 1,441,515	\$ (3,781)	\$ 1,437,734
	3-A	5		Juvenile Detention Service - Purchased Services	\$ 28,160,470	\$ (98,774)	\$ 28,061,696
	3-B	5		Residential Service (Dep.) - Purchased Services	\$ 22,688,007	\$ (66,636)	\$ 22,621,371
	3-C	5		Residential Service (Del.) - Purchased Services	\$ 34,528,302	\$ 169,104	\$ 34,697,406
	3-D	5		Secure Residential Service - Purchased Services	\$ 10,408,034	\$ (116,512)	\$ 10,291,522
	1-D	6		Counseling (Dep.) - Fixed Assets	\$ 209,125	\$ 77,496	\$ 286,621
	1-F	6		Day Care - Fixed Assets	\$ 32,782	\$ 9,066	\$ 41,848
	1-G	6		Day Treatment (Dep.) - Fixed Assets	\$ 12,369	\$ 3,420	\$ 15,789
	1-J	6		Intake & Referral - Fixed Assets	\$ -	\$ 93	\$ 93
	1-O	6		Service Planning - Fixed Assets	\$ -	\$ 86	\$ 86
	2-A	6		Alternative Treatment (Dep.) - Fixed Assets	\$ 2,460	\$ 680	\$ 3,140
	2-C	6		Community Residential (Dep.) - Fixed Assets	\$ 31,519	\$ 8,717	\$ 40,236
	2-E	6		Emergency Shelter (Dep.) - Fixed Assets	\$ 2,861	\$ 791	\$ 3,652
	2-G	6		Foster Family (Dep.) - Fixed Assets	\$ 270,441	\$ 74,705	\$ 345,146
	2-I	6		Supervised Independent Living (Dep.) - Fixed Assets	\$ 17,485	\$ 4,635	\$ 22,120
	3-B	6		Residential Service (Dep.) - Fixed Assets	\$ 37,703	\$ 10,427	\$ 48,130
	4	6		Administration - Fixed Assets	\$ 242,185	\$ 46,036	\$ 288,221
				Total Adjustment Amount		\$ (744,664)	
				To decrease total expenditures by a net amount of \$744,664 to reconcile to the agency's final expenditure ledger. Subsidies were decreased by \$16,085; Operating costs were decreased by \$1,474,019; Purchased Services were increased by \$509,288; and Fixed Assets were increased by \$236,152.			
				Title 55 PA Code, Chapter 3170.95(a)(b)			

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

REPORT REFERENCE			ADJ. NO.	EXPLANATION OF ADJUSTMENTS	AS REPORTED OR ADJUSTED	INCREASE/ (DECREASE)	ADJUSTED TOTAL
SCHEDULE	LINE	COLUMN					
				CY-370 Adjustments (Continued)			
CY-370	1-A	2	2	Adoption Service - Employee Benefits	\$ 1,935,149	\$ 481,012	\$ 2,416,161
	1-D	2		Counseling (Dep.) - Employee Benefits	\$ 4,305,118	\$ 1,070,106	\$ 5,375,224
	1-F	2		Day Care - Employee Benefits	\$ 856,871	\$ 212,989	\$ 1,069,860
	1-G	2		Day Treatment (Dep.) - Employee Benefits	\$ 323,426	\$ 80,392	\$ 403,818
	1-J	2		Intake & Referral - Employee Benefits	\$ 3,795,374	\$ 943,401	\$ 4,738,775
	1-M	2		Protective Service Child Abuse - Employee Benefits	\$ 1,197,129	\$ 297,565	\$ 1,494,694
	1-N	2		Protective Service General - Employee Benefits	\$ 2,494,115	\$ 619,952	\$ 3,114,067
	1-O	2		Service Planning - Employee Benefits	\$ 314,968	\$ 78,291	\$ 393,259
	2-A	2		Alternative Treatment (Dep.) - Employee Benefits	\$ 71,636	\$ 17,807	\$ 89,443
	2-C	2		Community Residential (Dep.) - Employee Benefits	\$ 924,170	\$ 229,717	\$ 1,153,887
	2-D	2		Community Residential (Del.) - Employee Benefits	\$ 105,619	\$ 26,253	\$ 131,872
	2-E	2		Emergency Shelter (Dep.) - Employee Benefits	\$ 84,589	\$ 21,026	\$ 105,615
	2-F	2		Emergency Shelter (DeL.) - Employee Benefits	\$ 97,314	\$ 24,189	\$ 121,503
	2-G	2		Foster Family (Dep.) - Employee Benefits	\$ 7,929,237	\$ 1,970,938	\$ 9,900,175
	2-H	2		Foster Family (Del.) - Employee Benefits	\$ 3,701	\$ 920	\$ 4,621
	2-I	2		Supervised Independent Living (Dep.) - Employee Benefits	\$ 491,263	\$ 122,111	\$ 613,374
	2-J	2		Supervised Independent Living (Del.) - Employee Benefits	\$ 37,643	\$ 9,357	\$ 47,000
	3-B	2		Residential Service (Dep.) - Employee Benefits	\$ 1,105,484	\$ 274,786	\$ 1,380,270
	3-C	2		Residential Service (Del.) - Employee Benefits	\$ 658,449	\$ 163,668	\$ 822,117
	4	2		Administration - Employee Benefits	\$ 14,586,319	\$ 3,625,662	\$ 18,211,981
				Total Adjustment Amount		\$ 10,270,142	
				To increase Employee Benefits expenditures by \$10,270,142 based on the maximum rates of State Participation for Employee Benefits, as allowed by the Commonwealth DHS.			
				Commonwealth DHS Bulletin 2017-03			
CY-370	4	4	3	Administration - Operating	\$ 30,229,321	\$ (2,409,533)	\$ 27,819,788
				To decrease Indirect Costs by \$2,409,533 to reconcile to the County Cost Allocation Plan.			
				Title 55 PA Code, Chapter 3170.60 OCYF Bulletin 00-95-12			

SECTION 5

STATUS OF PRIOR ENGAGEMENT FINDINGS AND RECOMMENDATIONS

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

The Department of Human Services (DHS), Bureau of Financial Operations (BFO) conducted an audit of the Philadelphia County Children & Youth Agency (agency) that covered the period July 1, 2014 to June 30, 2015. The BFO conducted this audit to follow-up on the status of the corrective actions taken by the agency to address the findings and recommendations included in our prior engagement report dated January 14, 2016 and to make recommendations to address any unresolved findings. The BFO issued its audit report on January 27, 2017. We took the results of the BFO audit into consideration during our engagement.

Prior Engagement Finding No. 1 – City of Philadelphia Department of Human Services (Agency) Received Act 148 Reimbursement To Which It Was Not Entitled for Unspent (Encumbered) Funds That Were Reported On Its CY-370 Expenditure Reports as Expenditures

The agency failed to comply with our recommendation to this finding, as cited in our prior engagement report, by again overstating expenditures submitted for reimbursement which resulted in the agency receiving and having the use of up to \$96,545,804 in excess Act 148 funds to which it was not entitled. Therefore, we issued a repeat finding in the Current Engagement Findings and Recommendations section (Section 6) of this report. This repeated finding is presented as Finding No. 1; and begins on page 38 of this report.

Prior Engagement Finding No. 2 – City of Philadelphia Department of Human Services Overstated Building Rental Costs Which Resulted in the Receipt of State Act 148 Funds to Which It Was Not Entitled

During the Exit Conference held to discuss the results of our prior engagement, agency management stated they discontinued the practice of estimating Building Rental costs and currently only bills for costs provided by the City of Philadelphia Department of Public Property (Public Property). During the follow-up audit performed by DHS, BFO auditors obtained the supporting documentation used by Public Property to calculate the total allowable square footage and found that the amount of building rental costs provided to the agency by Public Property was understated by \$31,992; however, we deemed this amount immaterial and concluded that the issuance a repeat finding is not warranted. We will follow up on this issue during our next regularly scheduled engagement.

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

Prior Engagement Finding No. 3 – City of Philadelphia Department of Human Services Failed to Provide Complete Financial Records and Supporting Documentation to Substantiate Reported Purchased Services’ Expenditures

As stated in our prior engagement report, agency management failed to provide complete financial records and supporting documentation to substantiate reported purchased services’ expenditures due to: 1.) agency management’s inability to provide our auditors the total population of paid Purchased Services’ invoices and 2.) the existence of a fatal flaw in the agency’s accounting system that caused transaction amounts to be recorded by the date posted by agency personnel instead of the date the services were actually provided; therefore, these 2 issues prevented us from concluding on the accuracy of Purchased Services’ expenditures reported on the agency’s corresponding submitted CY-370 Expenditure Reports.

Due to the timing of the conduct of our prior engagement, agency management was not made aware of the significance of these issues on our ability to determine the accuracy of Purchased Services’ expenditures reported on the agency’s corresponding CY-370 Expenditure Reports submitted for the fiscal years included in our prior engagement scope period until the conduct of our Exit Conference which was held on December 14, 2015. Therefore, these issues remained in existence during the fiscal years included in our current engagement scope period. Furthermore, during the conduct of our current engagement, agency management stated that the fatal flaw in the agency’s accounting system was corrected in December 2014. We will perform procedures during our next engagement to determine whether appropriate corrective actions were taken by agency management to correct the fatal flaw in the agency’s accounting system.

However, due to the impact that these matters had on our ability to conclude on the accuracy of Purchased Services’ expenditures reported on the agency’s corresponding CY-370 Expenditure Reports submitted for the fiscal years included in our engagement scope period, we concluded that the issuance of a repeat finding detailing the continued existence of these issues during these fiscal years was warranted. Therefore, we issued a repeat finding in the Current Engagement Findings and Recommendations section (Section 6) of this report. This repeated finding is presented as Finding No. 2; and begins on page 42 of this report.

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

Prior Engagement Finding No. 4 – Potential Questionable Costs of \$27,438,285 Related to the City of Philadelphia Department of Human Services’ Failure to Monitor the Financial and Program Activities of Preventative Services’ Contractors and Subcontractors

In our prior engagement report, we cited the agency for failing to monitor the financial and program activities of Preventative Services’ Contractors (referred to as Fiduciaries in our prior engagement report) and Subcontractors to substantiate the type, amount, and effectiveness of the preventative services provided to children and their families. Due to the timing of the conduct of our prior engagement, this non-compliance issue still remained in existence during the fiscal years included in our current engagement scope period, as we again found that for two Preventative Services’ Contractors, which are types of In Home Purchased Service Contractors, that we reviewed during the 2013-2014 fiscal year, the agency, again, could not substantiate the provision of the preventative services billed to the agency by these contractors and their respective subcontractors. In addition, during our current engagement, we expanded the scope of our review to include all types of agency In-Home Purchased Service Contractor and subcontractor monitoring. The results of our current engagement procedures are discussed in Finding No. 3, beginning on page 45, in the Current Engagement Findings and Recommendations section (Section 6) of this report.

Prior Engagement Finding No. 5 – City of Philadelphia Department of Human Services Advanced Payments to Purchased Services’ Contractors Prior to Children and Youth Social Services Being Provided

The agency again failed to comply with our recommendation to this finding, as cited in our prior engagement report, by again issuing payments to Purchased Service Contractors prior to the contracted children and youth services being provided. During our current engagement scope period, the agency continued to issue advance payments to contractors prior to the contracted children and youth services being provided. However, after completing their follow-up audit, assigned BFO staff concluded that the advanced payments were allowable because they were ordinary and necessary under the circumstances, formalized in the contractual provisions, approved and developed using adequate predetermined guidelines, and repaid in full within the designated time. Therefore, we concluded that the issuance of a repeat finding is not warranted.

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

Prior Engagement Finding No. 6 – Deficient Internal Controls Resulted in Violations of DHS Regulations and Negatively Impacted the City of Philadelphia Department of Human Services Operations and Financial Records

In our prior engagement report, we cited the agency for deficient internal controls due agency management's improper inclusion of unsupported salaries, employee benefits, and operating expenses on the agency's submitted CY-370 Expenditure Report; for erroneously including clothing allowance expenditures in Purchased Services rather than Operating expenses; for failing to accurately report the Independent Living Human Services Development Funds, total Title IV-D Collections, and Title IV-D Collections for IV-E Children on its submitted CY-348 Fiscal Summary; and for the CY-383 Fee-For-Service Schedule being incomplete and including service rates that did not agree to the contracted rates. While the agency still has deficient internal controls, as evidenced in Finding Nos. 1 and 2 located on pages 38-44, we did not identify these same issues during the conduct of our current engagement. Therefore, we concluded that the re-issuance of a repeat finding in this area is not warranted.

Prior Engagement Finding No. 7 – Prior Engagement Finding - Failure to Conduct Annual Time Studies

In our prior engagement report, we cited the agency for failure to conduct annual time studies, which are used to properly allocate operating expenses. Furthermore, due to the timing of the conduct of our prior engagement, this non-compliance issue still remained in existence during the fiscal years included in our current engagement scope period; however, during the conduct of our current engagement, we found that, beginning in 2014-2015 fiscal year, the agency conducted time studies for all agency social work and case management staff members and all staff members of the Community Umbrellas Agencies (CUAs), which are community based agencies that are responsible for the provision of direct case management services to families in their designated region. Since the agency provided substantiation evidencing that they began conducting time studies annually during the 2014-15 fiscal year and that, due to the timing of the conduct of our prior engagement, we had not notified the agency of its failure to conduct time studies until December 14, 2015, well after the close of the fiscal years included in our current scope period, we concluded that the issuance of a repeat finding in this area is not warranted. However, we will follow up on this issue during the conduct of our next engagement.

SECTION 6

CURRENT ENGAGEMENT FINDINGS AND RECOMMENDATIONS

PHILADELPHIA COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT FINDINGS AND RECOMMENDATIONS

Finding No. 1 - Noncompliance: Philadelphia County Children and Youth Agency Received Act 148 Reimbursement to Which It Was Not Entitled for Unspent (Encumbered) Funds That Were Improperly Reported On Its CY-370 Expenditure Reports as Expenditures

Condition: As cited in our prior engagement reports, the Philadelphia County Children and Youth Agency (agency) again improperly reported encumbered funds as actual expenditures on its CY-370 Expenditure Reports submitted to, and processed by, the Commonwealth Department of Human Services (DHS). For the fiscal years ended June 30, 2012, June 30, 2013, and June 30, 2014, the agency included encumbered funds totaling \$24,206,391, \$33,691,066, and \$32,287,440, respectively, on its 2011-2012, 2012-2013, and 2013-2014 CY-370 Expenditure Reports submitted to DHS, instead of actual expenditures totaling \$18,315,217, \$22,884,096, and \$30,269,382, respectively.

As for the fiscal year ended June 30, 2011, while the agency improperly included encumbered funds totaling \$6,360,907 on its original CY-370 Expenditure Report submitted to DHS, we found that the amount of the encumbered funds that had exceeded actual expenditures was removed from the agency's revised CY-370 Expenditure Report that was included in the final, submitted Act 148 Invoice package filed with DHS and used to calculate the agency's final Act 148 payment for the 2010-2011 fiscal year. Therefore, we concluded that an adjustment to remove encumbered funds from the agency's submitted CY-370 Expenditure Report for the 2010-2011 fiscal year is not warranted.

Furthermore, as detailed in the Status of Prior Engagement Findings and Recommendations section of this report, BFO conducted an audit of the agency that covered the period July 1, 2014 to June 30, 2015 to determine the status of the corrective actions taken by the agency to address the findings included in our prior engagement report, and during the conduct of this engagement. BFO concluded that the agency continued to improperly report encumbered funds as actual expenditures on its CY-370 Expenditure Reports submitted to, and processed by, DHS. For the fiscal year ended June 30, 2015, BFO found that the agency included encumbered funds on its 2014-2015 CY-370 Expenditure Reports submitted to DHS, instead of actual expenditures; however, the dollar amount of these encumbered funds were not quantified in BFO's audit report.

PHILADELPHIA COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT FINDINGS AND RECOMMENDATIONS

Criteria: Title 55, Pa. Code § 3140. Allowable Costs and Procedures for County Children and Youth

- *Section 3140.42. First quarter actual and third quarter advance payment.* A reimbursement of the State’s share of actual expenses for the first quarter.
- *Section 3140.43. Second quarter actual and fourth quarter advance payment.* A reimbursement of the State’s share of actual expenses for the second quarter.
- *Section 3140.44. Third quarter advance payment.* A reimbursement of the State’s share of actual expenditures for the third quarter.
- *Section 3140.45. Fourth quarter advance payment.* A reimbursement of the State’s share of actual expenditures for the fourth quarter.

In addition, 55 Pa. Code Chapter 3140. Planning and Financial Reimbursement Requirements for County Children and Youth Social Service Programs.

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).

Cause: For 2011-2012, 2012-2013, and 2013-2014 fiscal years, the agency failed to adhere to the recommendations included in our prior engagement reports and continued to improperly report encumbered funds, rather than actual expenditures, on its final, submitted CY-370 Expenditure Reports and get reimbursed by DHS for these encumbered funds. While the agency did submit fiscal report revisions to DHS for these 3 fiscal years to remove the amount of encumbered funds that exceeded actual expenditures, the revisions were submitted subsequent to the processing of the final Act 148 payment, thus, resulting in an overpayment of Act 148 funds to the agency. As for the 2010-2011 fiscal year, as previously stated, the agency again included encumbered funds on its originally submitted CY-370 Expenditure Report; however, since the agency’s revision to the CY-370 Expenditure Report included in their final, Act 148 Invoice Package was utilized for processing of the agency’s final Act 148

PHILADELPHIA COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT FINDINGS AND RECOMMENDATIONS

payment for the said fiscal year, the encumbrance of these funds did not result in an overpayment of Act 148 monies for 2010-2011 fiscal year.

Effect: Because total expenditures submitted for reimbursement for the 2011-2012, 2012-2013, and 2013-2014 fiscal years were overstated by \$5,891,174, \$10,806,970, and \$2,018,058, respectively, the agency received, and had use of, excess Act 148 state funds to which it was not entitled. Since these overstatements of expenditures were included with the agency's other year-end adjusting entries included on the revisions to the submitted CY-370 Expenditure Reports, the net amount of the overstated encumbered funds with the other revisions to expenditures are included in the adjustments, as detailed in Adjustment No. 1 on page 15, Adjustment No. 1 on page 23, and Adjustment No. 1 on page 30 of this report, to recapture these excess Act 148 state funds. Furthermore, when encumbered funds are reported as actual expenditures on the agency's CY-370 Expenditure Report submitted to DHS, those same funds could be reported again on the agency's subsequent CY-370 Expenditure Report as actual expenditures once the encumbered funds are actually expended. Thus, the agency could claim and receive Act 148 reimbursement twice from DHS for the same costs. Regarding total expenditures submitted for reimbursement for the 2014-2015 fiscal year that were overstated by encumbered funds, we will identify the total overstated amount and make the appropriate adjustment during our next regularly scheduled engagement that includes the 2014-2015 fiscal year in our engagement scope period.

Recommendations: We again recommend the agency discontinue its practice of improperly including encumbered funds on its CY-370 Expenditure Reports submitted to DHS and, instead, ensure that only actual expenditures are included on its submitted CY-370 Expenditure Reports. Furthermore, we again recommend that the agency immediately implement a formal written policy requiring only the inclusion of total actual expenditures on its CY-370 Expenditure Reports submitted to DHS for reimbursement.

Auditee Response: In FY 2015-16, Philadelphia DHS discontinued the practice of including encumbrances and estimates in its CY-370 Expenditure Report. A formal written policy formalizing this practice has been instituted and is included in this response as an attachment.

Despite the Commonwealth's contention, it is not possible for Philadelphia DHS to claim and receive Act 148 reimbursement twice for the same costs, as each quarterly invoice is cumulative, and encumbrances and/or estimates were only used in the 4th quarter. After the deadline, Philadelphia DHS practice was to revise Act 148 invoices to remove estimates/encumbrances and replace them with actual expenditures.

PHILADELPHIA COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT FINDINGS AND RECOMMENDATIONS

Per guidance from the State DHS, Philadelphia County understands that the discrepancies identified between County invoices and actual costs will change as the State completes its final reconciliation of Title IV-E funding, which will impact final Act 148 allocations. In addition, the audit does not reflect revised employee fringe rates in FY 2013-1014 allowed by State DHS Bulletin 2017-03. These changes are substantive for a county as large as Philadelphia, and will significantly affect the final amount of Act 148 revenue due to the County. Given that the numbers identified by the State AG are still subject to significant changes, Philadelphia County is not commenting on them at this time and looks forward to the final reconciliation process.

Auditor's Conclusion:

During our next engagement, we will follow up on the agency's actions regarding the discontinuance of reporting full encumbrances and the implementation of procedures to bill for actual expenditures. In addition, we acknowledge the Net Amount Due the County/(State) shown on our Computation of Final Net State Share calculation page, for each fiscal year, is subject to change during the Commonwealth Department of Human Services cost settlement process, as a result of subsequent changes to Federal Title IV-E revenue. Finally, we included a 2013-2014 fiscal year adjustment to reflect the revised employee benefit rates allowed by OCYF Bulletin 2017-03, on page 31 of this report.

PHILADELPHIA COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT FINDINGS AND RECOMMENDATIONS

Finding No. 2 – Noncompliance: Philadelphia County Children and Youth Agency Failed to Provide Complete Financial Records and Supporting Documentation to Substantiate Reported Purchased Services’ Expenditures

Condition: As cited in our prior engagement report, the Philadelphia County Children and Youth Agency (agency), again, failed to provide our auditors complete financial records and supporting documentation to substantiate total Purchased Services’ expenditures reported on the agency’s submitted CY-370 Expenditure reports for the 2010-2011, 2011-2012, 2012-2013, and 2013-2014 fiscal years; therefore, we, again, could not conclude on the accuracy of Purchased Services’ expenditures reported on these reports and in the agency’s respective corresponding general ledgers for these fiscal years..

Because agency management informed us that the fatal flaw continued to exist in the agency’s accounting system, for the four fiscal years included in our engagement scope period, whereby transactions were still being recorded by the date posted instead of the service date and that this fatal flaw was not corrected until December of 2014, we concluded that the detailed testing of a number of judgmentally selected invoices paid during the fiscal years included in our engagement scope period to confirm total Purchased Services expenditures, as reported on the agency’s corresponding submitted CY 370 Expenditure reports, was not warranted because the total amounts of expenditures per any agency provided listing of Purchased Services’ paid invoices would not reconcile to total Purchased Services’ expenditures reported on the agency’s corresponding submitted CY-370 Expenditure Reports for the four fiscal years included in our engagement scope period and the corresponding CY-383 Fee-For-Service Schedules. Consequently, we, again, could not determine the total population of paid invoices supporting the total reported Purchased Services’ expenditures from which to select invoices to examine, and, as a result, we could not conclude on the accuracy of the agency’s reported Purchased Services’ expenditures on corresponding CY-370 Expenditure Reports submitted for the four fiscal years included in our engagement scope period.

Criteria:

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

- *Section 3170.91. County Responsibility. 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 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.
- *Section 3170.92(b). Accountability for Expenditures for Clients. Records Maintenance.* County agencies shall maintain sufficient and appropriate records and data to justify

PHILADELPHIA COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT FINDINGS AND RECOMMENDATIONS

payment for expenses by the Department. The local authorities or contractors shall 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.

- *Section 3170.95(a). Accounting.* Agency directors shall follow standard accounting principles and procedures for recording financial activity, and maintain ledgers in sufficient detail for necessary fiscal management and adhere to the policies prescribed in § 3170.92(b) and (c) (relating to accountability for expenditures for clients).
- *Section 3170.95(b). Accounting.* Transactions entered in the records shall be identified in such a way as to permit them to be traced back to their source. Coding of these transactions shall be accomplished in a manner which shall enable county children and youth agencies to translate their financial accounts into the account structure prescribed by the Department for purposes of auditing and fiscal reporting.

Cause: As previously stated, agency management informed us that the fatal flaw in the agency's accounting system was not corrected until December of 2014. As a result, this fatal flaw still existed in the agency's accounting system for the fiscal years included in our current engagement scope period. Furthermore, as stated in our prior engagement report, the agency's continued failure to implement proper review and approval procedures to ensure that financial records are complete, and that expenditure amounts reported on the agency's submitted CY-370 Expenditure Reports and corresponding CY-383 Fee-For-Service Schedules are accurate and reconcile to supporting paid invoices and ledgers prior to submitting these report to DHS also contributed to the agency's inability to provide our auditors complete financial records and supporting documentation to substantiate total Purchased Services' expenditures reported on the agency's submitted CY-370 Expenditure reports for the 2010-2011, 2011-2012, 2012-2013, and 2013-2014 fiscal years .

Effect: Because the fatal flaw in the agency's accounting system was not corrected during any of the fiscal years included in our engagement scope period, the agency's corresponding recorded expenditures continued to be recorded incorrectly because all expenditures were inappropriately being recorded based on the date posted by agency personnel instead of the date the services were actually provided; thus, resulting the agency's continued reporting of inaccurate financial information due expenditures not being booked to the appropriate fiscal years.

As a result, we were, again, unable to confirm the agency's entire population of purchased services' invoices which prevented us from determining whether the amounts reported on the agency's submitted CY-370 Expenditure Reports, corresponding CY-383 Fee-For-Service Schedules, and the agency's general ledgers, for the 2010-2011, 2011-2012, 2012-2013, 2013-2014 fiscal years, are accurate. Because of this, there is an increased likelihood misstatements

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may still exist in reported Purchased Service expenditures, which could have led to inappropriate state/federal reimbursement.

Recommendations: Based upon agency management's representation that the accounting system fatal flaw was corrected in December, 2014, we recommend that agency management implement procedures to monitor the recording of transactions within the accounting system to ensure that all transactions are properly recorded by the dates of service provided, rather than the date posted, to ensure that the financial records for all future fiscal years are accurate. Due to the significance of this issue, we will perform procedures during our next regularly scheduled engagement to determine whether appropriate corrective actions taken were taken by agency management to correct this fatal flaw in the agency's accounting system; we will also assess whether agency management implemented appropriate monitoring procedures to ensure that all accounting transactions within the agency's accounting system are properly recorded by the dates of service provided.

Furthermore, we again recommend that the agency establish and implement effective internal control procedures over the financial record-keeping to ensure that all amounts reported on the agency's submitted CY-370 Expenditure Reports, and corresponding CY-383 Fee-For-Service Schedules, represent actual expenditures incurred for the respective fiscal year and can be sufficiently substantiated to justify payment by DHS. This can be achieved by the agency implementing independent review procedures to ensure the financial records and submitted fiscal reports are reviewed for completeness and accuracy for all expenditures included on the submitted fiscal reports prior to submission to DHS.

Auditee's Response: In December 2014, Philadelphia DHS corrected a system flaw in the FACTS system, which is used to generate the County's Fee-for-Service Schedule. The system was corrected to reflect purchased service transactions based upon service date instead of transaction date. Philadelphia DHS provided the Commonwealth with a revised Fee-for-Service schedule. DHS monitors the Fee-for-Service report on a quarterly basis to ensure that expenditures are reported accurately and for the correct fiscal year.

Each invoice received by the County is reviewed in detail by both the program manager and fiscal staff; inaccurate or incomplete invoices must be resubmitted before payment is made.

Auditor's Conclusion: We will follow up on the agency's correction of the FACTS system flaw and the implementation of effective internal controls over its financial record-keeping system during our next engagement.

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Finding No. 3 – Noncompliance: Philadelphia County Children and Youth Agency Failed to Perform Monitoring Procedures of In-Home Purchased Service Contractors, Including Preventative Services’ Contractors and Subcontractors, To Provide Reasonable Assurance that Contracted In-Home Services Were Actually Provided

Condition: As cited in our prior engagement report, the Philadelphia County Children and Youth Agency (agency) engaged the services of contractors (referred to as fiduciaries), for contracted amounts, to provide In-Home preventative services to children; each fiduciary then subcontracted these services to other contractors (referred to as subcontractors). During our current engagement, we expanded the scope of our review to include all types of In-Home Purchased Service providers, not just Preventative Service fiduciaries. While found that the agency performed monitoring procedures,¹ these procedures failed to include procedures that would provide reasonable assurance that the services related to the In-Home Purchased Service fees invoiced were actually provided; as a result, such information was not provided to the fiscal staff responsible for approving the related submitted invoices for payment. Therefore, these providers’ invoices were approved and paid without evidence substantiating that the services related to the respective invoiced fees were actually provided and if provided, provided in accordance with key contract terms. Additionally, the agency failed to require fiduciaries to perform fiscal-related monitoring² of subcontractors. Further, while we could determine the amount each fiduciary allocated to each of their subcontractors, no documentation was maintained detailing the methodology used by the fiduciaries to allocate the amounts to each subcontractor.

During the 2010-2011, 2011-2012, 2012-2013, and 2013-2014 fiscal years, the agency utilized numerous different In-Home Purchased Service providers to render services to resident at risk children and their families. Because of the significant matter described in Finding No. 2 of this report, we were unable to determine the actual amounts the agency paid to these providers. However, the agency’s accounting records indicated that these providers invoiced services totaling \$562,430,340. For the aforementioned fiscal years, we judgmentally selected ten of these In-Home Purchased Service providers for review, two of which are the Preventative Service fiduciaries; of these two, one was selected for review during the conduct of our prior engagement. Of the \$30,129,409 in In-Home service fees invoiced by these ten providers, we

¹ Agency monitoring procedures were programmatic in nature as they consisted of agency staff evaluating the specific types of services provided to at risk children, the number of children to whom these services were provided, and the effectiveness of the services provided; each of these evaluations were based on In-Home contractors’ attestations. While these monitoring procedures evaluated program effectiveness, they did not include any fiscal related monitoring procedures.

² Fiscal related monitoring procedures are performed to obtain reasonable assurance that the services related to invoiced, and paid for, In-Home Purchased Service fees were actually provided, provided in adherence to the requirements of the respective provider’s executed contract terms and DHS regulations, and that fiscal related monitoring results were communicated to fiscal staff responsible for approving In-Home providers’ submitted invoices for payment, thereby tying the payment of these invoices to the reasonable assurance obtained.

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selected invoices totaling \$917,631 for detailed review and found that, while the agency did retain and provide us with the corresponding approved submitted invoices totaling \$917,631 for these providers, the agency failed to provide supporting documentation evidencing that services related to the \$917,631 in service fees invoiced by these 10 providers, and subsequently paid by the agency, were actually provided, and if provided, provided in adherence to the requirements of the respective provider contract terms. The ten cited In-Home Purchased Service providers were contracted to perform services which included daycare services, community services, meal programs, truancy services, child support services, domestic violence services, and AIDS/HIV preventative services.

Furthermore, the ten cited In-Home Purchased Service providers we reviewed during our current engagement consisted of two Fee-for-Service providers and eight Program Funded providers. The approved contracts for the two Fee-for-Service providers included respective agreed upon fee-for-service rates per unit (days or hours) and costs invoiced by these types of providers were calculated by multiplying the contracted service rate by the number of units the Fee-for-Service providers listed on their respective submitted invoices. While the monthly invoices submitted by the two fee-for-service providers included names of individuals who the contractors attested received services, we were not provided any documentation evidencing each listed individual's actual monthly attendance/participation. Furthermore, we were not provided any supporting documentation substantiating the number of days or hours invoiced for each individual.

Regarding the eight Program Funded providers, which includes the two Preventative Service fiduciaries noted above, these providers contracted with the agency for a maximum amount of operating costs to be invoiced for each contracted fiscal year; and monthly these providers invoiced the agency for their actual operating costs. For one of the eight providers, the agency provided our auditors with an invoice that listed the names of individuals who the contractor attested received the invoiced services. However, our auditors were not provided any evidence that fiscal staff responsible for approving submitted invoices for payment substantiated that the listed individuals actually exist and were authorized to receive the invoiced services. For the remaining seven providers, the agency provided invoices that did not include the listed names of the individuals who received the invoiced services. Furthermore, none of these eight providers submitted any further documentation, nor did the agency require any such documentation, substantiating the invoiced operating costs or that the invoiced services were actually provided.

As detailed above, agency management failed to provide us with reasonable assurance that the ten In-Home Purchased Services providers we judgmentally selected for review actually provided the In-Home services to at risk children and their families for which they were paid, or if provided, that the services were allowable per DHS regulations and executed key contract terms.

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Furthermore, regarding the remaining In-Home Purchased Service providers, for whom we performed no testing procedures, for the four years of our engagement scope period, agency management informed us that they did not require these In-Home Purchased Service providers to submit any documentation other than submitted invoices to substantiate that services related to In-Home service fees invoiced by these respective providers were actually provided.

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

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

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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 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: Due to the timing of the conduct of our prior engagement, our prior engagement report was issued after the conclusion of the fiscal years included in our current engagement scope period. Therefore, this non-compliance issue remained in existence during the fiscal years included in our current engagement scope.

Furthermore, while agency management stated that, during the current engagement scope period, the agency did have monitoring processes in place to substantiate that the services related to all invoiced, and paid for, In-Home Purchased Services costs were actually provided, we concluded that these processes, as described, included no fiscal related monitoring procedures and, therefore, were insufficient. Agency management stated that these processes included reviewing the providers’ independent audit reports for findings and questioned costs; a review of budgeted costs for program funded providers to determine if invoiced costs are allowable and reasonable; and reviewing program funded provider invoices before payments were made. However, the processes detailed by agency management would not sufficiently substantiate that services related to invoiced, and paid for, In-Home service fees were actually provided; thus increasing the agency’s risk of overbillings and fraudulent billings by these contractors going undetected.

Effect: The agency’s failure to obtain reasonable assurance that contracted In-Home Purchased Services were actually provided and provided 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:

- Failure to detect fraudulent or erroneous In-Home provider billings (invoices).
- Failure to prevent or detect improper payments for such invoices.
- Inappropriately billing the Commonwealth DHS for such improper payments.
- Receipt of Act 148 funds to which the agency may not be entitled.

As a result of these risks, for the aforementioned fiscal years, we cannot attest that the contracted services related to the invoiced In-Home Purchased Services fees were actually

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provided, and if provided, were provided in adherence to executed contracted terms and DHS regulations.

Recommendations: Agency management has the ultimate responsibility for monitoring all services provided to at risk children, including those services provided by In-Home Purchased Service fiduciaries/providers and the subcontractors of fiduciaries, as the Commonwealth's DHS has no established system to monitor these fiduciary/provider and/or subcontractor activities. Therefore, we again recommend that the agency develop and implement written policies and procedures pertaining to fiscal related monitoring of fiduciaries/providers/subcontractors that provide In-Home Purchased Services to at risk children and their families. These fiscal related monitoring procedures should include, but not be limited to:

- Determining whether fiduciaries maintained documentation evidencing the methodology used to allocate total contracted amounts to each subcontractor.
- Requiring, as the agency deems necessary, In-Home fiduciaries/providers/subcontractors to include with submitted invoices documentation substantiating:
 - For Fee-for-Service and Program Funded In-Home providers, including Preventative Service providers, that services related to invoiced service fees were actually provided, and provided in adherence to executed contract terms.
 - For Fee-for-Service In-Home providers, each invoice listed individual's actual monthly attendance/participation and the number of days or hours invoiced for each listed individual.
 - For Program Funded In-Home Purchased Service fiduciaries/providers/subcontractors, invoiced operating costs and the attendance/existence of children participating in invoiced group sessions.
- Performing on-site fiscal-related monitoring visits of In-Home Purchased Service fiduciaries/providers/subcontractors to determine whether appropriate supporting documentation exists substantiating invoiced costs, as detailed above, and that related services were actually provided according to executed contract terms.
- Ensuring that agency staff responsible for reviewing and approving submitted invoices for payment are made aware of the results of fiscal-related monitoring reviews of fiduciaries/providers/subcontractors and the impact on the agency's review and approval process for those fiduciaries'/providers'/subcontractors' submitted In-Home Purchased Service invoices for which significant documentation deficiencies have been identified.

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Finally, we recommend that the agency maintain sufficient evidence substantiating the results of all fiscal related monitoring procedures performed to provide reasonable assurance that services related to invoiced, and paid for, In-Home Fee-For-Service and Program Funded contracted service fees, including preventative services' fees, were actually provided, and provided in adherence to DHS regulations and the executed contract terms.

Auditee's Response: Philadelphia DHS agrees with the revised finding. As stated in the previous response from Philadelphia DHS, during the fiscal years audited by the Commonwealth, Philadelphia DHS did not receive or review subcontractor invoices for fiduciaries. Attendance sheets for day care providers or names of individuals that received prevention services from providers were not required. Beginning in Fiscal Year 2017-18, when this audit was received by the County, Philadelphia DHS will sample select fiduciary invoices for detailed review. Copies of all subcontractor invoices for the applicable sample period will be required, and will be reviewed by both the program manager and fiscal staff to ensure that the expenses are allowable and appropriate.

Auditor's Conclusion: We commend Philadelphia DHS on acknowledging the deficiencies in the agency's current In-Home invoice payment process and their plans to develop a formal, written policy and fiscal-related procedures for monitoring In-Home Purchased Services providers. During our next engagement, we will review the policy and documentation of monitoring results to determine whether appropriate evidence exists substantiating that invoiced, and paid for, In-Home services were actually provided, and if provided, were provided in adherence to DHS regulations and executed key contract terms.

SECTION 7

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OBSERVATION**

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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 (DHS 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 DHS 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 Philadelphia County Children and Youth Agency provided in-home and placement services to 18,066 children residing within the County during the 2014-2015 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 the DHS’ website, we found letters, 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;

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, investigating, 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 November 17, 2017.

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, 2016, via the Finding 2016-2017).

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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' and subcontractors adherence to the CPSL requirements.

However, in correspondence with agency management during the course of recently conducted engagements, we have found that management staffs of many 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 and subcontractors 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' and subcontractors' adherence to the CPSL background check requirements. While it is evident that neither the DHS nor many C&Y agencies are monitoring the CPSL adherence of their employees and volunteers of contracted in-home preventative service providers and subcontractors, 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**.

Further, regarding the Philadelphia County Children and Youth agency specifically, we would like to note that during the conduct of our audit of this agency, agency management informed us that they do conduct monitoring of the CPSL adherence of the employees of their contracted in-home preventative service providers. In response to our request, Philadelphia County Children and Youth agency management provided us with a sampling of their monitoring results, which we reviewed and noted the following:

- Monitoring of CPSL background checks and clearances of the employees of in-home provider contractors and subcontractors occurs during the agency's conduct of program evaluations of these providers and subcontractors. During these evaluations, the agency performs a review of all new staff CPSL files and 10%, with a minimum of 5 and a maximum of 20, of existing staff's CPSL files. However, the agency did not maintain

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documentation evidencing the completion of CPSL background check and clearances monitoring other than stating in the program evaluation reports that a review was performed regarding contractor/subcontractor employee CPSL compliance and also including cites if the CPSL background checks and clearances are not found and/or are not up-to-date. Furthermore, agency management provided no documentation evidencing that volunteers of their contracted In-Home Preventative Service providers and subcontractors were included in the agency's review process.

We wish to acknowledge the Philadelphia Children and Youth Agency's proactive effort to include the monitoring of the employees of their In-Home Provider contractors and subcontractors CPSL background checks and clearances within the program evaluations of these contractors and subcontractors. However, we have the following concerns about the effectiveness of this effort for the sake of the children under the agency's In-Home contractors/subcontractors' care:

First, based on the agency's non-responsiveness to our two requests, the agency provided no evidence that it has adopted and implemented any written policies and procedures detailing the specific procedures required to be performed when reviewing the In-Home contractor/subcontractor employee CPSL background checks and clearances. Well-defined written policies and procedures are essential to providing a guide for day-to-day operations, set plain and easy to follow expectations, and establish accountability standards under the CPSL, associated regulations, and guidelines. Child protective background check systems cannot operate effectively without clear cut written policies and procedures.

Second, based on our review of completed program evaluations provided by the agency, the agency provided no written support that would substantiate that the agency ensured appropriate, timely follow-up when, during the program evaluation process, employees of In-Home contractors and subcontractors are found to be missing required clearances.

Third, based on our review of completed program evaluations provided by the agency, the agency provided no substantiation that such employees are barred from job duties requiring them to have direct contact with children until after qualifying clearances are provided and these employees are found to have no disqualifying convictions or founded/indicated reports of **child abuse**.⁶

⁶ **Founded** cases are those where there is a judicial adjudication that the child was abused. **Indicated** cases are those where a county agency or regional staff has found abuse has occurred based on medical evidence, a child protective service investigation or an admission by the perpetrator.
http://www.pactf.org/pages/fast_facts/child_abuse_in_pennsylvania.aspx Accessed on November 21, 2017.

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Fourth, based on the agency's non-responsiveness to our two requests, we are not aware as to whether the agency performed vetting procedures to closely review these employees' background checks and clearances for past criminal acts that could prevent an In-Home contractor or subcontractor employee from lawfully being in direct contact with children. While the agency's response did state that the program evaluation report details the In-Home provider staff member's name, date of hire, and dates that clearances for CPSL background checks and clearances were received, as stated above, the agency did not provide us written policies and procedures detailing the specific procedures performed when these contractors/subcontractors CPSL background checks and clearances are reviewed, nor did the program evaluation reports address whether appropriate vetting procedures were performed.

Finally, while the agency did inform us that program evaluations are not being performed for all in-home purchased services contractors and subcontractors, an explanation was not provided as to how In-Home contractors and subcontractors are selected for evaluation or how often program evaluations are performed. Furthermore, because agency management provided no documentation evidencing that volunteers of their contracted In-Home Preventative Service providers and subcontractors were included in the agency's review process, we are not aware as to whether volunteers are used by the agency and/or its contracted providers and subcontractors. The safety and welfare of children in the care of In-Home contractors and subcontractors depends on the proper vetting of the employees and volunteers, if any, of such providers, including a close review of their conviction records, as well as child abuse adjudications.

As noted on the Commonwealth DHS' Keep Kids Safe website,⁷ "[p]rotecting Pennsylvania's children from abuse and neglect is a shared responsibility." With this vital responsibility comes the necessity for **all** state and local agencies to make every effort to utilize a collaborative approach to, at a minimum:

- Adopt and implement detailed written clearance policies and procedures.
- Ensure that the clearances are routinely performed for all applicable direct volunteers and employees of fiduciaries and all applicable direct volunteers and employees of any subcontractors used to provide services to children.
- Promptly follow-up on clearances found to be missing.
- Swiftly bar those found to have disqualifying convictions from having direct contact with children.
- Maintain detailed and appropriate evidence of all monitoring procedures and results for random review by the agency and other interested parties.

Further, 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

⁷ <http://keepkidssafe.pa.gov/about/index.htm> last accessed on November 17, 2017.

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CPSL extend this time frame from one year to five years.⁸ Therefore, there is a need for DHS and C&Y agencies across the commonwealth to have a **greatly heightened** awareness about their In-Home providers' and sub-recipients' employees' and volunteers' 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.

In closing, given that the audits of the C&Y agencies that we will be conducting during our next audit cycle will fall squarely within the time frame of the recent CPSL requirements enacted in 2013, 2014, and 2015, we may conduct more detailed reviews of any CPSL policies and procedures implemented by these agencies at that time. With the vital shared responsibility to ensure the safety and welfare of children all across the Commonwealth comes the necessity for all state and local agencies to make every effort to utilize a collaborative approach towards ensuring the fulfillment of, at minimum, certain requirements as set forth in this Observation. Therefore, **we recommend that the Commonwealth DHS consider requiring preventative services providers to be licensed and subject to annual inspections performed by the Commonwealth DHS.**

To summarize, as also noted on the Commonwealth DHS' Keep Kids Safe PA website, "It requires collaboration from the formal child protective services system, community partners, and our citizens to provide local safety nets for children and families that are facing challenges within our communities and neighborhoods."⁹

Auditee Response: As noted in the title, the observation significantly relates to the deficiencies in the Commonwealth DHS's Oversight of C&Y Agencies' adherence with the requirements of the CPSL, and the resulting risks. In contrast to the observations about other C&Y agencies, Philadelphia DHS not only includes provisions in its executed contracts with providers regarding compliance with the CPSL background check requirements, but engages in a vigorous monitoring of CPSL adherence of all of its contracted providers, including its in home and preventative service providers.

With regards to the specific concerns notes listed in the report, Philadelphia DHJS responds as follows: The first concern incorrectly claims that DHS has no written policies and procedures detailing the specific procedures required to be performed when reviewing the in home contractor CPSL background checks and certifications. The written policies are contained in the City of Philadelphia Department of Human Services Streamlined Service Standards dated July 1, 2012, Administrative Requirements, Article IV Section 4.1 (a)-(j), and the City of Philadelphia Department of Human Services Provider Relations and Evaluation of Programs Evaluation Process. Philadelphia DHS follows the evaluation process, applying the Service

⁸ 23 Pa.C.S. § 6344.4.

⁹ <http://keepkidssafe.pa.gov/about/index.htm> last accessed on November 17, 2017.

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Standards and an Internal Tool which tracks the standards. The second concern erroneously states that DHS provides no written support that would substantiate that the agency ensure appropriate timely follow up when it is determined that certifications are missing during the evaluation process. Any missing certifications are noted in the written report that outlines all deficiencies, and a corrective action plan is then developed with regard to them. If the documentation is received, the deficiency is removed from the final evaluation report.

Regarding the third concern, agencies are orally informed that staff must not work with children until the certifications are received and this requirement is stated in the law which all providers must adhere to going forward, this language will be incorporated into the evaluation report as well for additional clarity.

Regarding the fourth concern, see response to the first concern, above. Philadelphia DHS's vetting procedures are outlined in its process of evaluating providers onsite and applying the Service Standards, which results in the close review of employee background checks and certifications for any past criminal acts which would prevent an employee from being in direct contact with children. The program evaluation reports which outline the names of employees without current certifications, demonstrate that appropriate vetting procedures are performed. Philadelphia DHS would, however, welcome the opportunity to review the Commonwealth DHS's written policies and procedures to learn from its process and vetting procedures, and to evaluate whether additional improvements are needed. Regarding the final concern, program evaluations will be performed on all in home purchased services contractors and subcontractors. In the past, the only ones which were not done were a small sample of the subcontractors of DHS's fiduciary agency, due to temporary staff limitations, but all will be done going forward. Compliance with the certification requirements will be monitored for agency volunteers as well, going forward.

Finally, Philadelphia DHS requests that the final report be amended to clearly state that the Keep Kids Safe website is a Commonwealth DHS website.

Auditor's Conclusion: We appreciate the agency's response and commend the agency for including CPSL language in their provider contracts and performing monitoring of provider CPSL adherence. In regards to the agency's disagreements with our noted deficiencies, we requested documentation to determine what specific CPSL policies and procedures were performed, but the documentation mentioned in the agency's response was not provided. Regarding the statement that the inclusion of the names of employees without current certifications in the program evaluation reports demonstrated that appropriate vetting procedures were performed, while this provided evidence that the agency determined whether CPSL documentation was on file, it did not provide evidence that the certifications were evaluated to determine whether the background checks and clearances included past criminal acts that could prevent an In-Home contractor or subcontractor employee from lawfully being

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CURRENT ENGAGEMENT OBSERVATION

in direct contact with children. To clarify, we are not saying such vetting did not occur – only that we could not determine whether or not such vetting occurred based on the documentation provided. Therefore, the observation will remain as presented with the exception that we revised the observation to clearly communicate that the Keep Kids Safe website is a Commonwealth DHS website. We will follow up on the agency’s CPSL monitoring policies and procedures during our next engagement.

PHILADELPHIA COUNTY CHILDREN AND YOUTH AGENCY
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