

AMENDED FISCAL REPORTS

For Fiscal Years:

July 1, 2014 to June 30, 2015

July 1, 2015 to June 30, 2016

July 1, 2016 to June 30, 2017

Blair County

Children and Youth Agency

August 2019



Commonwealth of Pennsylvania
Department of the Auditor General

Eugene A. DePasquale • Auditor General



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EUGENE A. DePASQUALE
AUDITOR GENERAL

Independent Auditor's Report

The Commissioners of Blair County
423 Allegheny Street
Hollidaysburg, PA 16648

Dear Commissioners:

We have fulfilled the requirements pursuant to authority derived from Act 148 of 1976, as amended, (62 P.S. § 704.1(a)(4)) for the submitted CY-370 Expenditure Report, the CY-370A Revenue Report, and the CY-348 Fiscal Summary, hereinafter referred to as the submitted fiscal reports, and the related financial records of the Blair County Children and Youth Agency (agency), legally known as Blair County Children and Youth Services, for the purpose of ascertaining and certifying the actual Commonwealth expenditures incurred on behalf of children residing within the County for the fiscal years July 1, 2014 to June 30, 2015, July 1, 2015 to June 30, 2016, and July 1, 2016 to June 30, 2017. The scope of our engagement was limited to the fiscal reports submitted to the Department of Human Services (DHS) as part of the Act 148 Invoice Packages for the fiscal years ended June 30, 2015, June 30, 2016, and June 30, 2017.

Preparation of the submitted fiscal reports, and compliance with children, youth, and families regulations, are the responsibility of agency management. Our engagement procedures included a review of selected agency records, and other procedures we deemed necessary, to enable us to ascertain and certify the actual Commonwealth expenditures incurred on behalf of children residing within the County and to determine the County's compliance with certain provisions of 55 Pa. Code, Part V. Children, Youth, and Families Manual, Subpart C, Chapters 3140 and 3170 (55 Pa. Code §§ 3140.1 *et seq.* and 3170.1 *et seq.*), but was not required to be and was not conducted in accordance with professional auditing or attestation standards. We believe that our engagement procedures provided us a reasonable basis to ascertain and certify the actual Commonwealth expenditures incurred on behalf of children residing within Blair County.

We certify that the enclosed amended fiscal reports fairly present, in all material respects, the total Commonwealth expenditures paid on behalf of children residing within the county for the 2014-2015, 2015-2016, and 2016-2017 fiscal years based on the accrual basis of accounting.¹

¹ The accrual basis of accounting is required by DHS.

Independent Auditor's Report (Continued)

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

- For the **2014-2015 fiscal year**, our engagement resulted in no adjustments being made to the agency's submitted fiscal reports. Thus, there is no effect on the Final Net State Share, as detailed in our amended fiscal reports for fiscal year 2014-2015, included in Section 1 of this report.
- For the **2015-2016 fiscal year**, our engagement resulted in one adjustment being made to the agency's submitted fiscal reports. The adjustment reclassifies expenditures totaling \$5,881 and has no impact on the Final Net State Share Payable; accordingly, no amount is due to the county or state. The one adjustment is detailed in our amended fiscal reports for fiscal year 2015-2016, as included in Section 2 of this report.
- For the **2016-2017 fiscal year**, our engagement resulted in two adjustments being made to the agency's submitted fiscal reports. These adjustments in total impacted the agency's Final Net State Share by reclassifying expenditures totaling \$2,179. 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 \$358. The two adjustments are detailed in our amended fiscal reports for fiscal year 2016-2017, as included in Section 3 of this report.

In addition, our prior engagement report, covering the fiscal years July 1, 2010 to June 30, 2014, included two findings, as follows:

Finding No. 1 – Blair County Children and Youth Agency Paid Contractors for In-Home Purchased Services but Failed to Obtain Reasonable Assurance That These Services Were Actually Provided

Finding No. 2 – Blair County Children and Youth Agency Failed to Execute Written Contracts with three In-Home Service Providers

Regarding the first finding noted above, due to the timing of the conduct of our prior engagement, the cited control deficiencies and corresponding risks continued to exist for all three fiscal years included in our current engagement scope period. As a result, we concluded that the issuance of a repeat finding in the current section of this engagement report was warranted, as listed below and detailed in the Current Engagement Findings and Recommendations section (Section 5) of this report.

Regarding the second finding noted above, during the conduct of our current engagement, we found that the agency did not comply with our prior finding, thus the issuance of a repeat finding was warranted, as listed below and detailed in the Current Engagement Findings and Recommendations section (Section 5) of this report.

Independent Auditor's Report (Continued)

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

Finding No. 2 – Unresolved Prior Engagement Finding – Failure to Execute and Maintain Required Contracts with Service Providers

Furthermore, we updated our Child Protective Services Law Observation to include DHS management's current and planned corrective actions in response to our concerns, as listed below and detailed in Section 6 of this report.

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

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 July 10, 2019.

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

We appreciate the cooperation, assistance, and courtesy granted our representatives by your officials and the staff of the Blair County Children and Youth Agency.

Sincerely,



Eugene A. DePasquale
Auditor General

July 30, 2019

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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 the Human Services Code 62 P.S. § 704.1(a)(4). The annual state Act 148 allocations are used by the Counties to administer social services for the children and youth that reside within the Commonwealth of Pennsylvania, whose stated goal is “to ensure, for each child in this Commonwealth, a permanent, legally assured family which protects the child from abuse and neglect.” According to information provided by the Department of Human Services (DHS), Office of Children, Youth and Families (OCYF), the Blair County Children and Youth Agency provided in-home and placement services to 115 children residing within the County during the 2016-2017 fiscal year. The Children and Youth Social Services Program is County-Administered and State-Supervised by the DHS and thus, they are jointly responsible for achieving the Commonwealth’s goal.

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

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

SECTION 1

AMENDED FISCAL REPORTS

FOR THE FISCAL YEAR:

JULY 1, 2014 to JUNE 30, 2015

**BLAIR COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2014 TO JUNE 30, 2015
AMENDED
COMPUTATION OF FINAL NET STATE SHARE**

Approved State Allocation ¹		\$	7,036,987
Supplemental Act 148			<u>0</u>
Total State Allocation			7,036,987
State Share (CY348) ²	\$		6,686,380
Less: Major Service Category Adjustment			<u>0</u>
Net State Share		\$	6,686,380
Less: Expenditures in Excess of the Approved State Allocation			<u>0</u>
Final Net State Share Payable ³		\$	6,686,380
Actual Act 148 Revenues Received ⁴			<u>6,686,380</u>
Net Amount Due County/(State) ⁵		\$	<u><u>0</u></u>

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

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

**BLAIR COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2014 TO JUNE 30, 2015
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	120,977	0	23,387	0	0	0	0	0	97,590	97,590	0
02. 90% REIMBURSEMENT	60,920	455	5,518	0	0	0	0	0	54,947	49,452	5,495
03. 80% REIMBURSEMENT	10,473,689	170,183	2,364,110	515,012	99,609	0	0	0	7,324,775	5,859,818	1,464,957
04. 60% REIMBURSEMENT	1,326,558	45,187	198,555	0	0	43,468	0	4,420	1,034,928	620,957	413,971
05. 50% REIMBURSEMENT	117,625	500	0	0	0	0	0	0	117,125	58,563	58,562
06. TOTAL NET CHILD WELFARE EXPEND.	12,099,769	216,325	2,591,570	515,012	99,609	43,468	0	4,420	8,629,365	6,686,380	1,942,985

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

08. NON-REIMBURSABLE EXPENDITURES	710	0							710		710
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09. TOTAL EXPENDITURES	12,100,479	216,325	2,591,570	515,012	99,609	43,468	0	4,420	8,630,075	6,686,380	1,943,695
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10. TOTAL TITLE IV-D COLLECTIONS 118,690

11. TITLE IV-D Collections for IV-E Children 25,424

12. STATE ACT 148 - line 6 6,686,380

13. STATE ACT 148 ALLOCATION 7,036,987

14. ADJUSTED STATE SHARE (lower of 12 or 13) 6,686,380

INVOICE											
AMENDED STATE SHARE (ACT 148)	6,686,380										
ACT 148 AMOUNT RECEIVED	6,686,380										
ADJUSTMENT TO STATE SHARE	0										

BLAIR COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2014 TO JUNE 30, 2015
AMENDED CY370A
REVENUE REPORT

MAJOR SERVICE CATEGORIES & COST CENTERS		REVENUE SOURCES											
		1	2	3	4	5	6	7	8	9	10	11	12
		TOTAL REIMBURSABLE EXPENDITURES	PROGRAM INCOME	TITLE IV-E MAINTENANCE	TITLE IV-E ADMIN.	TANF	TITLE XX	TITLE IV-B	Child Welfare Demonstration Project Title IV-E	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE
IN-HOME													
1-A	ADOPTION SERVICE	120,977	0		23,387	0		0	0	0	97,590	97,590	0
1-B	ADOPTION ASSISTANCE	2,515,286	0	1,060,477	19,986			0	0	0	1,434,823	1,147,858	286,965
1-C	SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	183,454	0	11,484	0			0	0	0	171,970	137,576	34,394
1-D	COUNSELING - DEPENDENT	594,780	0		197,024	0		0	0	0	397,756	318,205	79,551
1-E	COUNSELING - DELINQUENT	133,983	0		0	2,000		0	0	0	131,983	105,586	26,397
1-F	DAY CARE	0	0		0	0		0	0	0	0	0	0
1-G	DAY TREATMENT - DEPENDENT	0	0		0	0		0	0	0	0	0	0
1-H	DAY TREATMENT - DELINQUENT	0	0		0	0		0	0	0	0	0	0
1-I	HOMEMAKER SERVICE	0	0		0	0		0	0	0	0	0	0
1-J	INTAKE & REFERRAL	172,406	0		33,321	0		0	0	0	139,085	111,268	27,817
1-K	LIFE SKILLS - DEPENDENT	652,142	0		0	74,149		0	0	0	577,993	462,394	115,599
1-L	LIFE SKILLS - DELINQUENT	0	0		0	0		0	0	0	0	0	0
1-M	PROTECTIVE SERVICE - CHILD ABUSE	316,253	0		58,794	0				0	257,459	205,967	51,492
1-N	PROTECTIVE SERVICE - GENERAL	1,100,067	0		189,210	23,851				0	887,006	709,605	177,401
1-O	SERVICE PLANNING	1,125,567	0		63,971	217,988		0	0	0	843,608	674,886	168,722
1-P	JUVENILE ACT PROCEEDINGS - DEPENDENT	80,500	0		0	0		0	0	0	80,500	40,250	40,250
1-Q	JUVENILE ACT PROCEEDINGS - DELINQUENT	0	0		0	0		0	0	0	0	0	0
1-R	SUBTOTAL IN-HOME	6,995,415	0	1,071,961	388,669	515,012	0	0	0	0	5,019,773	4,011,185	1,008,588
COMMUNITY BASED PLACEMENT													
2-A	ALTERNATIVE TREATMENT - DEPENDENT	0	0		0	0		0	0	0	0	0	0
2-B	ALTERNATIVE TREATMENT - DELINQUENT	0	0		0	0		0	0	0	0	0	0
2-C	COMMUNITY RESIDENTIAL - DEPENDENT	660,257	12,560	138,332	7,497	99,609		0	0	0	402,259	321,807	80,452
2-D	COMMUNITY RESIDENTIAL - DELINQUENT	98,778	2,094	27,719	0	0		0	0	0	68,965	55,172	13,793
2-E	EMERGENCY SHELTER - DEPENDENT	51,763	416	236	5,282	0		0	0	0	45,829	41,246	4,583
2-F	EMERGENCY SHELTER - DELINQUENT	9,157	39	0	0	0		0	0	0	9,118	8,206	912
2-G	FOSTER FAMILY - DEPENDENT	2,870,303	149,130	277,388	475,900	0		0	0	0	1,967,885	1,574,308	393,577
2-H	FOSTER FAMILY - DELINQUENT	50,257	6,399	0	0	0		0	0	0	43,858	35,086	8,772
2-I	SUP. INDEPENDENT LIVING - DEPENDENT	156	0	0	31	0		0	0	0	125	100	25
2-J	SUP. INDEPENDENT LIVING - DELINQUENT	0	0	0	0	0		0	0	0	0	0	0
2-K	SUBTOTAL CBP	3,740,671	170,638	443,675	488,710	0	99,609	0	0	0	2,538,039	2,035,925	502,114
INSTITUTIONAL PLACEMENT													
3-A	JUVENILE DETENTION SERVICE	37,125	500								36,625	18,313	18,312
3-B	RESIDENTIAL SERVICE - DEPENDENT	410,025	26,884	83,787	5,447	0	21,736	0	0	0	272,171	163,303	108,868
3-C	RES. SERVICE - DELINQUENT (NON YDC/YFC)	358,049	17,838	1,609	0	0	21,732	0	0	0	316,870	190,122	126,748
3-D	SECURE RES. SERVICE (EXCEPT YDC)	0	0								0	0	0
3-E	YDC SECURE	0	0								0	0	0
3-F	SUBTOTAL INSTITUTIONAL	805,199	45,222	85,396	5,447	0	43,468	0	0	0	625,666	371,738	253,928
4	ADMINISTRATION	558,484	465		107,712	0	0	0	0	4,420	445,887	267,532	178,355
5	TOTAL REVENUES	12,099,769	216,325	1,601,032	990,538	515,012	99,609	43,468	0	4,420	8,629,365	6,686,380	1,942,985

**BLAIR COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2014 TO JUNE 30, 2015
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	66,188	30,431		16,490	100	7,797	121,006	71	1	29	0	0
1-B ADOPTION ASSISTANCE	0	0	2,515,286	0	0	0	2,515,286	0	305	0	0	0
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANS/SH	0	0	183,454	0	0	0	183,454	0	23	0	0	0
1-D COUNSELING - DEPENDENT	0	0		13	594,767	0	594,780	0	114	0	0	0
1-E COUNSELING - DELINQUENT	0	0		359	133,624	0	133,983	0	41	0	0	0
1-F DAY CARE	0	0		0	0	0	0	0	0	0	0	0
1-G DAY TREATMENT - DEPENDENT	0	0		0	0	0	0	0	0	0	0	0
1-H DAY TREATMENT - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
1-I HOMEMAKER SERVICE	0	0		0	0	0	0	0	0	0	0	0
1-J INTAKE & REFERRAL	102,550	45,735		15,691	0	8,430	172,406	0	0	0	0	0
1-K LIFE SKILLS - DEPENDENT	0	0		0	652,142	0	652,142	0	157	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	166,357	65,009		62,363	11,939	10,625	316,293	612	18	40	0	0
1-N PROTECTIVE SERVICE - GENERAL	577,055	244,476		124,223	111,510	43,052	1,100,316	368	37	249	0	0
1-O SERVICE PLANNING	202,278	85,138		29,566	794,611	14,032	1,125,625	1,697	45	58	0	0
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT					80,500		80,500	0	340	0	0	0
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT					0		0	0	0	0	0	0
1-R SUBTOTAL IN-HOME	1,114,428	470,789	2,698,740	248,705	2,379,193	83,936	6,995,791			376	0	0
Number of Children receiving only NON-PURCHASED IN-Home Services												
COMMUNITY BASED PLACEMENT	WAGES AND SALARIES	EMPLOYEE BENEFITS	SUBSIDIES	OPERATING	PURCHASED SERVICES	FIXED ASSETS	TOTAL EXPENDITURES	DAYS OF CARE	Children Served (Purchased)	Non-Reimbursable Non PS/Sub.	Non-Reim. Purchased Serv/ Subsidies	Program Income related to all Non-Reimbursable
2-A ALTERNATIVE TREATMENT - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
2-B ALTERNATIVE TREATMENT - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-C COMMUNITY RESIDENTIAL - DEPENDENT	16,597	8,474	0	15,110	617,497	2,585	660,263	3,362	25	6	0	0
2-D COMMUNITY RESIDENTIAL - DELINQUENT	0	0	0	199	98,579	0	98,778	419	5	0	0	0
2-E EMERGENCY SHELTER - DEPENDENT	17,431	6,957	0	2,067	24,290	1,023	51,768	196	14	5	0	0
2-F EMERGENCY SHELTER - DELINQUENT	0	0	0	0	9,157	0	9,157	47	6	0	0	0
2-G FOSTER FAMILY - DEPENDENT	363,176	163,836	0	283,559	2,025,867	33,908	2,870,346	34,152	201	43	0	0
2-H FOSTER FAMILY - DELINQUENT	0	0	0	0	50,257	0	50,257	622	4	0	0	0
2-I SUP. INDEPENDENT LIVING - DEPENDENT	0	0	0	127	0	40	167	0	0	11	0	0
2-J SUP. INDEPENDENT LIVING - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-K SUBTOTAL CBP	397,204	179,267	0	301,062	2,825,647	37,556	3,740,736	38,798	255	65	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	Program Income related to all Non-Reimbursable
3-A JUVENILE DETENTION SERVICE	0	0	0	0	37,125	0	37,125	165	19	0	0	0
3-B RESIDENTIAL SERVICE - DEPENDENT	16,597	7,530	0	3,262	381,025	1,630	410,044	2,608	12	19	0	0
3-C RES. SERVICE - DELINQUENT (EXCEPT YDC/MFC)	0	0	0	1,427	356,622	0	358,049	2,219	17	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	0	0	0	0	0	0	0	0
3-F SUBTOTAL INSTITUTIONAL	16,597	7,530	0	4,689	774,772	1,630	805,218	4,992	48	19	0	0
ADMINISTRATION	164,981	79,169	0	303,043	0	11,541	558,734			250	0	0
TOTAL EXPENDITURES	1,693,210	736,755	2,698,740	857,499	5,979,612	134,663	12,100,479			710	0	0
County Indirect Costs = \$ 151,181												

**BLAIR COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2014 TO JUNE 30, 2015
AMENDED
SUMMARY OF EXPENSE AND EXPENSE ADJUSTMENTS**

COST CENTER ITEMS	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Adoption Service	\$ 121,006	\$ 0	\$ 121,006
Adoption Assistance	2,515,286	0	2,515,286
Subsidized Permanent Legal Custodianship	183,454	0	183,454
Counseling	728,763	0	728,763
Day Care	0	0	0
Day Treatment	0	0	0
Homemaker Service	0	0	0
Intake and Referral	172,406	0	172,406
Life Skills	652,142	0	652,142
Protective Service - Child Abuse	316,293	0	316,293
Protective Service - General	1,100,316	0	1,100,316
Service Planning	1,125,625	0	1,125,625
Juvenile Act Proceedings	80,500	0	80,500
Alternative Treatment	0	0	0
Community Residential	759,041	0	759,041
Emergency Shelter	60,925	0	60,925
Foster Family	2,920,603	0	2,920,603
Supervised Independent Living	167	0	167
Juvenile Detention Service	37,125	0	37,125
Residential Service	768,093	0	768,093
Secure Residential Service (Except YDC)	0	0	0
YDC Secure	0	0	0
Administration	558,734	0	558,734
Combined Total Expense	<u>12,100,479</u>	<u>0</u>	<u>12,100,479</u>
Less Non-reimbursables	<u>710</u>	<u>0</u>	<u>710</u>
Total Net Expense	<u>\$ 12,099,769</u>	<u>\$ 0</u>	<u>\$ 12,099,769</u>

OBJECTS OF EXPENDITURE	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Wages and Salaries	\$ 1,693,210	\$ 0	\$ 1,693,210
Employee Benefits	736,755	0	736,755
Subsidies	2,698,740	0	2,698,740
Operating	857,499	0	857,499
Purchased Services	5,979,612	0	5,979,612
Fixed Assets	134,663	0	134,663
Combined Total Expense	<u>12,100,479</u>	<u>0</u>	<u>12,100,479</u>
Less Non-reimbursables	<u>710</u>	<u>0</u>	<u>710</u>
Total Net Expense	<u>\$ 12,099,769</u>	<u>\$ 0</u>	<u>\$ 12,099,769</u>

SECTION 2

AMENDED FISCAL REPORTS

FOR THE FISCAL YEAR:

JULY 1, 2015 to JUNE 30, 2016

**BLAIR COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2015 TO JUNE 30, 2016
AMENDED
COMPUTATION OF FINAL NET STATE SHARE**

Approved State Allocation ¹		\$	7,292,482
Supplemental Act 148			<u>251,797</u>
Total State Allocation			7,544,279
State Share (CY348) ²	\$		7,544,279
Less: Major Service Category Adjustment			<u>0</u>
Net State Share		\$	7,544,279
Less: Expenditures in Excess of the Approved State Allocation			<u>0</u>
Final Net State Share Payable ³		\$	7,544,279
Actual Act 148 Revenues Received ⁴			<u>7,544,279</u>
Net Amount Due County/(State) ⁵		\$	<u><u>0</u></u>

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

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

BLAIR COUNTY CHILDREN AND YOUTH AGENCY
 FOR THE PERIOD JULY 1, 2015 TO JUNE 30, 2016
 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	131,165	0	23,210	0	0	0	0	0	107,955	107,955	0
02. 90% REIMBURSEMENT	71,887	172	5,380	0	0	0	0	0	66,335	59,702	6,633
03. 80% REIMBURSEMENT	11,345,694	153,132	2,361,711	515,012	99,609	0	0	0	8,216,230	6,572,984	1,643,246
04. 60% REIMBURSEMENT	1,474,432	22,686	172,039	0	0	43,468	0	4,808	1,231,431	738,858	492,573
05. 50% REIMBURSEMENT	129,608	49	0	0	0	0	0	0	129,559	64,780	64,779
06. TOTAL NET CHILD WELFARE EXPEND.	13,152,786	176,039	2,562,340	515,012	99,609	43,468	0	4,808	9,751,510	7,544,279	2,207,231

YDCYFC PLACEMENT COSTS											
07. 60% DHS PARTICIPATION	0	0							0	0	0

08. NON-REIMBURSABLE EXPENDITURES	7,947	0							7,947		7,947
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09. TOTAL EXPENDITURES	13,160,733	176,039	2,562,340	515,012	99,609	43,468	0	4,808	9,759,457	7,544,279	2,215,178
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10. TOTAL TITLE IV-D COLLECTIONS 79,430

11. TITLE IV-D Collections for IV-E Children 17,819

12. STATE ACT 148 - line 6 7,544,279

13. STATE ACT 148 ALLOCATION 7,544,279

14. ADJUSTED STATE SHARE (lower of 12 or 13) 7,544,279

INVOICE											
AMENDED STATE SHARE (ACT 148)	7,544,279										
ACT 148 AMOUNT RECEIVED	7,544,279										
ADJUSTMENT TO STATE SHARE	0										

**BLAIR COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2015 TO JUNE 30, 2016
AMENDED CY370A
REVENUE REPORT**

MAJOR SERVICE CATEGORIES & COST CENTERS	REVENUE SOURCES											
	1	2	3	4	5	6	7	8	9	10	11	12
	TOTAL REIMBURSABLE EXPENDITURES	PROGRAM INCOME	TITLE IV-E MAINTENANCE	TITLE IV-E ADMIN.	TANF	TITLE XX	TITLE IV-B	Child Welfare Demonstration Project Title IV-E	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE
IN-HOME												
1-A ADOPTION SERVICE	131,165	0		23,210	0		0	0	0	107,955	107,955	0
1-B ADOPTION ASSISTANCE	2,684,205	0	1,130,759	12,155			0	0	0	1,541,291	1,233,033	308,258
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANS	128,944	0	14,265	0			0	0	0	114,679	91,743	22,936
1-D COUNSELING - DEPENDENT	787,885	0		0	315,435		0	0	0	472,450	377,960	94,490
1-E COUNSELING - DELINQUENT	143,865	0		0	9,586		0	0	0	134,279	107,423	26,856
1-F DAY CARE	0	0		0	0		0	0	0	0	0	0
1-G DAY TREATMENT - DEPENDENT	8,056	0		0	0		0	0	0	8,056	6,445	1,611
1-H DAY TREATMENT - DELINQUENT	16,660	0		0	0		0	0	0	16,660	13,328	3,332
1-I HOMEMAKER SERVICE	0	0		0	0		0	0	0	0	0	0
1-J INTAKE & REFERRAL	101,063	0		17,977	0		0	0	0	83,086	66,469	16,617
1-K LIFE SKILLS - DEPENDENT	574,871	0		0	9,151		0	0	0	565,720	452,576	113,144
1-L LIFE SKILLS - DELINQUENT	0	0		0	0		0	0	0	0	0	0
1-M PROTECTIVE SERVICE - CHILD ABUSE	539,037	0		93,073	0		0	0	0	445,964	356,771	89,193
1-N PROTECTIVE SERVICE - GENERAL	1,341,979	0		198,016	66,798		0	0	0	1,077,165	861,732	215,433
1-O SERVICE PLANNING	1,150,412	0		57,422	114,042		0	0	0	978,948	783,158	195,790
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT	84,000	0		0	0		0	0	0	84,000	42,000	42,000
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT	0	0		0	0		0	0	0	0	0	0
1-R SUBTOTAL IN-HOME	7,692,142	0	1,145,024	401,853	515,012	0	0	0	0	5,630,253	4,500,593	1,129,660
COMMUNITY BASED PLACEMENT	TOTAL REIMBURSABLE EXPENDITURES	PROGRAM INCOME	TITLE IV-E MAINTENANCE	TITLE IV-E ADMIN.	TANF	TITLE XX	TITLE IV-B	Child Welfare Demonstration Project Title IV-E	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE
2-A ALTERNATIVE TREATMENT - DEPENDENT	0	0	0	0			0	0	0	0	0	0
2-B ALTERNATIVE TREATMENT - DELINQUENT	0	0	0	0			0	0	0	0	0	0
2-C COMMUNITY RESIDENTIAL - DEPENDENT	824,738	19,721	167,140	1,986		99,609	0	0	0	536,282	429,026	107,256
2-D COMMUNITY RESIDENTIAL - DELINQUENT	292,354	8,341	7,795	0		0	0	0	0	276,218	220,974	55,244
2-E EMERGENCY SHELTER - DEPENDENT	62,676	172	47	5,333	0		0	0	0	57,124	51,412	5,712
2-F EMERGENCY SHELTER - DELINQUENT	9,211	0	0	0	0		0	0	0	9,211	8,290	921
2-G FOSTER FAMILY - DEPENDENT	2,678,690	122,270	251,087	409,521		0	0	0	0	1,895,812	1,516,650	379,162
2-H FOSTER FAMILY - DELINQUENT	72,756	2,800	483	0		0	0	0	0	69,473	55,578	13,895
2-I SUP. INDEPENDENT LIVING - DEPENDENT	179	0	0	32		0	0	0	0	147	118	29
2-J SUP. INDEPENDENT LIVING - DELINQUENT	0	0	0	0		0	0	0	0	0	0	0
2-K SUBTOTAL CBP	3,940,604	153,304	426,552	416,872	0	99,609	0	0	0	2,844,267	2,282,048	562,219
INSTITUTIONAL PLACEMENT	TOTAL REIMBURSABLE EXPENDITURES	PROGRAM INCOME	TITLE IV-E MAINTENANCE	TITLE IV-E ADMIN.	TANF	TITLE XX	TITLE IV-B	Child Welfare Demonstration Project Title IV-E	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE
3-A JUVENILE DETENTION SERVICE	45,608	49							0	45,559	22,780	22,779
3-B RESIDENTIAL SERVICE - DEPENDENT	328,114	8,729	7,421	6,179		0	21,736	0	0	284,049	170,429	113,620
3-C RES. SERVICE - DELINQUENT (NON YDC/YFC)	271,912	13,957	3,975	0		0	21,732	0	0	232,248	139,349	92,899
3-D SECURE RES. SERVICE (EXCEPT YDC)	0	0							0	0	0	0
3-E YDC SECURE	0	0							0	0	0	0
3-F SUBTOTAL INSTITUTIONAL	645,634	22,735	11,396	6,179	0	0	43,468	0	0	561,856	332,558	229,298
4 ADMINISTRATION	874,406	0		154,464		0	0	0	4,808	715,134	429,080	286,054
5 TOTAL REVENUES	13,152,786	176,039	1,582,972	979,368	515,012	99,609	43,468	0	4,808	9,751,510	7,544,279	2,207,231

**BLAIR COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2015 TO JUNE 30, 2016
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	77,892	42,524		10,149	600	113	131,278	106	2	113	0	0
1-B ADOPTION ASSISTANCE	0	0	2,684,205	0	0	0	2,684,205	0	307	0	0	0
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	0	0	128,944	0	0	0	128,944	0	20	0	0	0
1-D COUNSELING - DEPENDENT	0	0		1,504	791,781	0	793,285	0	145	0	5,400	0
1-E COUNSELING - DELINQUENT	0	0		2,354	141,511	0	143,865	0	35	0	0	0
1-F DAY CARE	0	0		0	0	0	0	0	0	0	0	0
1-G DAY TREATMENT - DEPENDENT	0	0		0	8,056	0	8,056	0	1	0	0	0
1-H DAY TREATMENT - DELINQUENT	0	0		0	16,660	0	16,660	0	5	0	0	0
1-I HOMEMAKER SERVICE	0	0		0	0	0	0	0	0	0	0	0
1-J INTAKE & REFERRAL	62,580	31,605		6,796	0	82	101,063	0	0	0	0	0
1-K LIFE SKILLS - DEPENDENT	0	0		0	574,871	0	574,871	0	119	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	307,999	148,667		66,433	15,695	394	539,188	676	24	151	0	0
1-N PROTECTIVE SERVICE - GENERAL	671,698	359,964		104,234	205,580	953	1,342,429	387	52	450	0	0
1-O SERVICE PLANNING	198,465	101,158		23,380	827,176	295	1,150,474	909	44	62	0	0
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT					84,000		84,000	0	345	0	0	0
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT					0		0	0	0	0	0	0
1-R SUBTOTAL IN-HOME	1,318,634	683,918	2,813,149	214,850	2,665,930	1,837	7,698,318			776	5,400	0
Number of Children receiving only NON-PURCHASED IN-Home Services												
COMMUNITY BASED PLACEMENT												
2-A ALTERNATIVE TREATMENT - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
2-B ALTERNATIVE TREATMENT - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-C COMMUNITY RESIDENTIAL - DEPENDENT	62	1,184		15,543	807,952	9	824,750	4,168	31	12	0	0
2-D COMMUNITY RESIDENTIAL - DELINQUENT	0	0	0	7,619	284,735	0	292,354	1,402	13	0	0	0
2-E EMERGENCY SHELTER - DEPENDENT	19,749	9,316		1,048	32,548	15	62,676	542	24	0	0	0
2-F EMERGENCY SHELTER - DELINQUENT	0	0		263	8,948	0	9,211	42	4	0	0	0
2-G FOSTER FAMILY - DEPENDENT	331,615	189,289		216,669	1,940,698	484	2,678,755	33,655	177	65	0	0
2-H FOSTER FAMILY - DELINQUENT	0	0		403	72,353	0	72,756	893	9	0	0	0
2-I SUP. INDEPENDENT LIVING - DEPENDENT	0	0		178	0	3	181	0	2	0	0	0
2-J SUP. INDEPENDENT LIVING - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
2-K SUBTOTAL CBP	351,426	199,789	0	241,723	3,147,234	511	3,940,683	40,702	258	79	0	0
INSTITUTIONAL PLACEMENT												
3-A JUVENILE DETENTION SERVICE	0	0	0	3,273	42,335	0	45,608	184	22	0	0	0
3-B RESIDENTIAL SERVICE - DEPENDENT	19,528	11,021		7,008	290,546	32	328,135	1,221	17	21	0	0
3-C RES. SERVICE - DELINQUENT (EXCEPT YDC/YC)	0	0	0	1,583	270,329	0	271,912	1,508	17	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	0	0	0	0	0	0	0	0
3-F SUBTOTAL INSTITUTIONAL	19,528	11,021	0	11,864	603,210	32	645,655	2,913	56	21	0	0
4 ADMINISTRATION	332,462	186,869	0	356,259	0	487	876,077			1,671	0	0
5 TOTAL EXPENDITURES	2,022,050	1,081,597	2,813,149	824,696	6,416,374	2,867	13,160,733			2,547	5,400	0
County Indirect Costs = \$ 188,407												

**BLAIR COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2015 TO JUNE 30, 2016
AMENDED
SUMMARY OF EXPENSE AND EXPENSE ADJUSTMENTS**

COST CENTER ITEMS	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Adoption Service	\$ 131,278	\$ 0	\$ 131,278
Adoption Assistance	2,684,205	0	2,684,205
Subsidized Permanent Legal Custodianship	128,944	0	128,944
Counseling	937,150	0	937,150
Day Care	0	0	0
Day Treatment	24,716	0	24,716
Homemaker Service	0	0	0
Intake and Referral	101,063	0	101,063
Life Skills	574,871	0	574,871
Protective Service - Child Abuse	539,188	0	539,188
Protective Service - General	1,342,429	0	1,342,429
Service Planning	1,150,474	0	1,150,474
Juvenile Act Proceedings	84,000	0	84,000
Alternative Treatment	0	0	0
Community Residential	1,117,104	0	1,117,104
Emergency Shelter	71,887	0	71,887
Foster Family	2,751,511	0	2,751,511
Supervised Independent Living	181	0	181
Juvenile Detention Service	45,608	0	45,608
Residential Service	600,047	0	600,047
Secure Residential Service (Except YDC)	0	0	0
YDC Secure	0	0	0
Administration	876,077	0	876,077
Combined Total Expense	<u>13,160,733</u>	<u>0</u>	<u>13,160,733</u>
Less Non-reimbursables	<u>7,947</u>	<u>0</u>	<u>7,947</u>
Total Net Expense	<u>\$ 13,152,786</u>	<u>\$ 0</u>	<u>\$ 13,152,786</u>

OBJECTS OF EXPENDITURE	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Wages and Salaries	\$ 2,022,050	\$ 0	\$ 2,022,050
Employee Benefits	1,087,478	(5,881)	1,081,597
Subsidies	2,813,149	0	2,813,149
Operating	818,815	5,881	824,696
Purchased Services	6,416,374	0	6,416,374
Fixed Assets	2,867	0	2,867
Combined Total Expense	<u>13,160,733</u>	<u>0</u>	<u>13,160,733</u>
Less Non-reimbursables	<u>7,947</u>	<u>0</u>	<u>7,947</u>
Total Net Expense	<u>\$ 13,152,786</u>	<u>\$ 0</u>	<u>\$ 13,152,786</u>

**BLAIR COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2015 TO JUNE 30, 2016
ADJUSTMENT SCHEDULE**

REPORT REFERENCE			ADJ. NO.	EXPLANATION OF ADJUSTMENT	AS REPORTED OR ADJUSTED	INCREASE/ (DECREASE)	ADJUSTED TOTAL
SCHEDULE	LINE	COLUMN					
				CY-370 Adjustment			
CY-370	1-A	2	1	Adoption Service - Employee Benefits	\$ 43,964	\$ (1,440)	\$ 42,524
	1-M	2		Protective Service - Child Abuse - Employee Benefits	\$ 149,664	\$ (997)	\$ 148,667
	1-O	2		Service Planning - Employee Benefits	\$ 102,079	\$ (921)	\$ 101,158
	4	2		Administration - Employee Benefits	\$ 189,392	\$ (2,523)	\$ 186,869
	1-A	4		Adoption Service - Operating	\$ 8,709	\$ 1,440	\$ 10,149
	1-M	4		Protective Service - Child Abuse - Operating	\$ 65,436	\$ 997	\$ 66,433
	1-O	4		Service Planning - Operating	\$ 22,459	\$ 921	\$ 23,380
	4	4		Administration - Operating	\$ 353,736	\$ 2,523	\$ 356,259
				Total Adjustment Amount		\$ -	
				To reclassify \$5,881 of Expenditures that were improperly charged to Employee Benefits and should have been charged to Operating Costs.			
				OCYF Bulletin 00-95-12			

SECTION 3

AMENDED FISCAL REPORTS

FOR THE FISCAL YEAR:

JULY 1, 2016 to JUNE 30, 2017

**BLAIR COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2016 TO JUNE 30, 2017
AMENDED
COMPUTATION OF FINAL NET STATE SHARE**

Approved State Allocation ¹		\$ 7,752,040
Supplemental Act 148		<u>0</u>
Total State Allocation		7,752,040
State Share (CY348) ²	\$ 7,269,611	
Less: Major Service Category Adjustment	<u>0</u>	
Net State Share		\$ 7,269,611
Less: Expenditures in Excess of the Approved State Allocation		<u>0</u>
Final Net State Share Payable ³		\$ 7,269,611
Actual Act 148 Revenues Received ⁴		<u>7,269,969</u>
Net Amount Due County/(State) ⁵		<u>\$ (358)</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.

BLAIR COUNTY CHILDREN AND YOUTH AGENCY
 FOR THE PERIOD JULY 1, 2016 TO JUNE 30, 2017
 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	129,193	0	23,897	0	0	0	0	0	105,296	105,296	0
02. 90% REIMBURSEMENT	17,621	0	5,743	0	0	0	0	0	11,878	10,690	1,188
03. 80% REIMBURSEMENT	11,253,779	104,151	2,506,257	515,012	99,609	0	0	0	8,028,750	6,423,002	1,605,748
04. 60% REIMBURSEMENT	1,528,044	2,672	336,552	0	0	43,468	0	4,479	1,140,873	684,523	456,350
05. 50% REIMBURSEMENT	92,200	0	0	0	0	0	0	0	92,200	46,100	46,100
06. TOTAL NET CHILD WELFARE EXPEND.	13,020,837	106,823	2,872,449	515,012	99,609	43,468	0	4,479	9,378,997	7,269,611	2,109,386
YDC/YFC PLACEMENT COSTS											
07. 60% DHS PARTICIPATION	0	0	0	0	0	0	0	0	0	0	0
08. NON-REIMBURSABLE EXPENDITURES	28,624	0	0	0	0	0	0	0	28,624	0	28,624
09. TOTAL EXPENDITURES	13,049,461	106,823	2,872,449	515,012	99,609	43,468	0	4,479	9,407,621	7,269,611	2,138,010
10. TOTAL TITLE IV-D COLLECTIONS	64,236										
11. TITLE IV-D Collections for IV-E Children	28,335										
12. STATE ACT 148 - line 6	7,269,611										
13. STATE ACT 148 ALLOCATION	7,752,040										
14. ADJUSTED STATE SHARE (lower of 12 or 13)	7,269,611										
INVOICE											
AMENDED STATE SHARE (ACT 148)	7,269,611										
ACT 148 AMOUNT RECEIVED	7,269,969										
ADJUSTMENT TO STATE SHARE	(358)										

**BLAIR COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2016 TO JUNE 30, 2017
AMENDED CY370A
REVENUE REPORT**

MAJOR SERVICE CATEGORIES & COST CENTERS		REVENUE SOURCES											
		1	2	3	4	5	6	7	8	9	10	11	12
		TOTAL REIMBURSABLE EXPENDITURES	PROGRAM INCOME	TITLE IV-E MAINTENANCE	TITLE IV-E ADMIN.	TANF	TITLE XX	TITLE IV-B	Child Welfare Demonstration Project Title IV-E	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE
IN-HOME													
1-A	ADOPTION SERVICE	129,193	0		23,897	0		0	0	0	105,296	105,296	0
1-B	ADOPTION ASSISTANCE	2,755,080	0	1,138,549	13,183			0	0	0	1,603,348	1,282,679	320,669
1-C	SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	139,661	0	18,427	0			0	0	0	121,234	96,987	24,247
1-D	COUNSELING - DEPENDENT	798,402	0		0	157,118	0	0	0	0	641,284	513,027	128,257
1-E	COUNSELING - DELINQUENT	124,842	0		0	4,932	0	0	0	0	119,910	95,928	23,982
1-F	DAY CARE	0	0		0	0	0	0	0	0	0	0	0
1-G	DAY TREATMENT - DEPENDENT	1,168	0		0	0	0	0	0	0	1,168	934	234
1-H	DAY TREATMENT - DELINQUENT	31,150	0		0	3,010	0	0	0	0	28,140	22,512	5,628
1-I	HOMEMAKER SERVICE	0	0		0	0	0	0	0	0	0	0	0
1-J	INTAKE & REFERRAL	124,569	0		22,755	0	0	0	0	0	101,814	81,451	20,363
1-K	LIFE SKILLS - DEPENDENT	626,528	0		20	88,771	0	0	0	0	537,737	430,190	107,547
1-L	LIFE SKILLS - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
1-M	PROTECTIVE SERVICE - CHILD ABUSE	605,329	0		104,772	0	0	0	0	0	500,557	400,446	100,111
1-N	PROTECTIVE SERVICE - GENERAL	1,370,432	0		208,072	36,560	0	0	0	0	1,125,800	900,640	225,160
1-O	SERVICE PLANNING	1,202,936	0		52,828	224,621	0	0	0	0	925,487	740,390	185,097
1-P	JUVENILE ACT PROCEEDINGS - DEPENDENT	80,500	0		0	0	0	0	0	0	80,500	40,250	40,250
1-Q	JUVENILE ACT PROCEEDINGS - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
1-R	SUBTOTAL IN-HOME	7,989,790	0	1,156,976	425,527	515,012	0	0	0	0	5,892,275	4,710,730	1,181,545
COMMUNITY BASED PLACEMENT													
2-A	ALTERNATIVE TREATMENT - DEPENDENT	0	0		0	0	0	0	0	0	0	0	0
2-B	ALTERNATIVE TREATMENT - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
2-C	COMMUNITY RESIDENTIAL - DEPENDENT	825,194	13,668	236,364	2,787		99,609	0	0	0	472,766	378,213	94,553
2-D	COMMUNITY RESIDENTIAL - DELINQUENT	93,341	216	0	8		0	0	0	0	93,117	74,494	18,623
2-E	EMERGENCY SHELTER - DEPENDENT	17,621	0	5,605	138	0	0	0	0	0	11,878	10,690	1,188
2-F	EMERGENCY SHELTER - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
2-G	FOSTER FAMILY - DEPENDENT	2,527,382	87,383	294,752	403,826		0	0	0	0	1,741,421	1,393,137	348,284
2-H	FOSTER FAMILY - DELINQUENT	27,361	2,884	4,031	6,015		0	0	0	0	14,431	11,545	2,886
2-I	SUP. INDEPENDENT LIVING - DEPENDENT	404	0		0	(132)	0	0	0	0	536	429	107
2-J	SUP. INDEPENDENT LIVING - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
2-K	SUBTOTAL CBP	3,491,303	104,151	540,752	412,642	0	99,609	0	0	0	2,334,149	1,868,508	465,641
INSTITUTIONAL PLACEMENT													
3-A	JUVENILE DETENTION SERVICE	11,700	0								11,700	5,850	5,850
3-B	RESIDENTIAL SERVICE - DEPENDENT	579,347	1,100	178,275	12,402		0	21,736	0	0	365,834	219,500	146,334
3-C	RES. SERVICE - DELINQUENT (NON YDC/YFC)	137,798	1,572	226	41		0	21,732	0	0	114,227	68,536	45,691
3-D	SECURE RES. SERVICE (EXCEPT YDC)	0	0								0	0	0
3-E	YDC SECURE	0	0								0	0	0
3-F	SUBTOTAL INSTITUTIONAL	728,845	2,672	178,501	12,443	0	0	43,468	0	0	491,761	293,886	197,875
4	ADMINISTRATION	810,899	0		145,608		0	0	0	4,479	660,812	396,487	264,325
5	TOTAL REVENUES	13,020,837	106,823	1,876,229	996,220	515,012	99,609	43,468	0	4,479	9,378,997	7,269,611	2,109,386

BLAIR COUNTY CHILDREN AND YOUTH AGENCY
 FOR THE PERIOD JULY 1, 2016 TO JUNE 30, 2017
 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	82,092	31,248		11,152	538	4,228	129,258	28	2	65	0	0
I-B ADOPTION ASSISTANCE	0	0	2,755,080	0	0	0	2,755,080	0	343	0	0	0
I-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	0	0	139,661	0	0	0	139,661	0	17	0	0	0
I-D COUNSELING - DEPENDENT	0	0		750	797,652	0	798,402	0	155	0	0	0
I-E COUNSELING - DELINQUENT	0	0		6,146	118,696	0	124,842	0	39	0	0	0
I-F DAY CARE	0	0		0	0	0	0	0	0	0	0	0
I-G DAY TREATMENT - DEPENDENT	0	0		0	1,168	0	1,168	0	1	0	0	0
I-H DAY TREATMENT - DELINQUENT	0	0		0	31,150	0	31,150	0	9	0	0	0
I-I HOMEMAKER SERVICE	0	0		0	0	0	0	0	0	0	0	0
I-J INTAKE & REFERRAL	82,092	31,248		6,510	0	4,719	124,569	0	0	0	0	0
I-K LIFE SKILLS - DEPENDENT	0	0		100	626,428	0	626,528	0	96	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	328,365	124,961		104,246	30,451	17,337	605,360	298	22	31	0	0
I-N PROTECTIVE SERVICE - GENERAL	718,282	273,555		143,425	196,139	39,347	1,370,548	1,311	48	116	0	0
I-O SERVICE PLANNING	184,724	70,292		25,545	912,476	9,974	1,203,011	1,720	43	75	0	0
I-P JUVENILE ACT PROCEEDINGS - DEPENDENT				0	80,500		80,500	0	325	0	0	0
I-Q JUVENILE ACT PROCEEDINGS - DELINQUENT								0	0	0	0	0
SUBTOTAL IN-HOME	1,395,555	531,104	2,894,741	297,874	2,795,198	75,605	7,990,077			287	0	0
	Number of Children receiving only NON-PURCHASED IN-Home Services 3,244											
COMMUNITY BASED PLACEMENT												
2-A ALTERNATIVE TREATMENT - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
2-B ALTERNATIVE TREATMENT - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-C COMMUNITY RESIDENTIAL - DEPENDENT	0	0	0	23,527	801,456	346	825,329	4,081	27	135	0	0
2-D COMMUNITY RESIDENTIAL - DELINQUENT	0	0	0	2,203	91,138	0	93,341	441	10	0	0	0
2-E EMERGENCY SHELTER - DEPENDENT	0	0	0	482	16,860	279	17,621	163	7	0	0	0
2-F EMERGENCY SHELTER - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-G FOSTER FAMILY - DEPENDENT	347,653	132,772	0	235,462	1,792,693	18,882	2,527,462	32,667	185	80	0	0
2-H FOSTER FAMILY - DELINQUENT	0	0	0	150	27,211	0	27,361	337	3	0	0	0
2-I SUP. INDEPENDENT LIVING - DEPENDENT	0	0	0	322	0	82	404	0	0	0	0	0
2-J SUP. INDEPENDENT LIVING - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
SUBTOTAL CBP	347,653	132,772	0	262,146	2,729,358	19,589	3,491,518	37,689	232	215	0	0
INSTITUTIONAL PLACEMENT												
3-A JUVENILE DETENTION SERVICE	0	0	0	0	11,700	0	11,700	45	3	0	0	0
3-B RESIDENTIAL SERVICE - DEPENDENT	40,611	15,618	0	15,060	505,647	2,421	579,357	2,124	20	10	0	0
3-C RES. SERVICE - DELINQUENT (EXCEPT YDC/YFC)	0	0	0	3,219	134,599	0	137,818	769	15	20	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	0	0	0	0	0	0	0	0
SUBTOTAL INSTITUTIONAL	40,611	15,618	0	18,279	651,946	2,421	728,875	2,938	38	30	0	0
ADMINISTRATION	292,720	103,710	0	428,315	0	14,246	838,991			28,092	0	0
TOTAL EXPENDITURES	2,076,539	783,204	2,894,741	1,006,614	6,176,502	111,861	13,049,461			28,624	0	0
	County Indirect Costs = \$ 242,412											

**BLAIR COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2016 TO JUNE 30, 2017
AMENDED
SUMMARY OF EXPENSE AND EXPENSE ADJUSTMENTS**

COST CENTER ITEMS	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Adoption Service	\$ 131,052	\$ (1,794)	\$ 129,258
Adoption Assistance	2,753,286	1,794	2,755,080
Subsidized Permanent Legal Custodianship	139,661	0	139,661
Counseling	923,244	0	923,244
Day Care	0	0	0
Day Treatment	32,318	0	32,318
Homemaker Service	0	0	0
Intake and Referral	124,569	0	124,569
Life Skills	626,528	0	626,528
Protective Service - Child Abuse	605,360	0	605,360
Protective Service - General	1,370,548	0	1,370,548
Service Planning	1,203,011	0	1,203,011
Juvenile Act Proceedings	80,500	0	80,500
Alternative Treatment	0	0	0
Community Residential	918,670	0	918,670
Emergency Shelter	17,621	0	17,621
Foster Family	2,554,823	0	2,554,823
Supervised Independent Living	404	0	404
Juvenile Detention Service	11,700	0	11,700
Residential Service	717,175	0	717,175
Secure Residential Service (Except YDC)	0	0	0
YDC Secure	0	0	0
Administration	838,991	0	838,991
Combined Total Expense	<u>13,049,461</u>	<u>0</u>	<u>13,049,461</u>
Less Non-reimbursables	<u>28,624</u>	<u>0</u>	<u>28,624</u>
Total Net Expense	<u>\$ 13,020,837</u>	<u>\$ 0</u>	<u>\$ 13,020,837</u>

OBJECTS OF EXPENDITURE	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Wages and Salaries	\$ 2,076,539	\$ 0	\$ 2,076,539
Employee Benefits	783,204	0	783,204
Subsidies	2,892,947	1,794	2,894,741
Operating	1,008,793	(2,179)	1,006,614
Purchased Services	6,176,502	0	6,176,502
Fixed Assets	111,476	385	111,861
Combined Total Expense	<u>13,049,461</u>	<u>0</u>	<u>13,049,461</u>
Less Non-reimbursables	<u>28,624</u>	<u>0</u>	<u>28,624</u>
Total Net Expense	<u>\$ 13,020,837</u>	<u>\$ 0</u>	<u>\$ 13,020,837</u>

**BLAIR COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2016 TO JUNE 30, 2017
ADJUSTMENT SCHEDULE**

REPORT REFERENCE			ADJ. NO.	EXPLANATION OF ADJUSTMENTS	AS REPORTED OR ADJUSTED	INCREASE/ (DECREASE)	ADJUSTED TOTAL
SCHEDULE	LINE	COLUMN					
CY-370	1A	4	1	<p style="text-align: center;">CY-370 Adjustment</p> Adoption Services - Operating Adoption Assistance - Subsidies Total Adjustment Amount To reclassify \$1,794 of Expenditures that were improperly charged to Adoption Services, Operating and should have been charged to Adoption Assistance, Subsidies. OCYF Bulletin 00-95-12 Title 55 PA Code, Chapter 3170.95(a)(b)	\$ 12,946	\$ (1,794)	\$ 11,152
	1B	3			\$ 2,753,286	\$ 1,794	\$ 2,755,080
						\$ -	
CY-370	2E	4	2	<p style="text-align: center;">CY-370 Adjustment</p> Foster Care - Dependent - Operating Foster Care - Dependent - Fixed Assets Total Adjustment Amount To reclassify \$385 of Expenditures that were improperly charged to Foster Care - Dependent Operating and should have been charged to Foster Care - Dependent , Fixed Assets. OCYF Bulletin 00-95-12 Title 55 PA Code, Chapter 3170.95(a)(b)	\$ 235,847	\$ (385)	\$ 235,462
	2E	6			\$ 18,497	\$ 385	\$ 18,882
						\$ -	

SECTION 4

STATUS OF PRIOR ENGAGEMENT FINDINGS AND RECOMMENDATIONS

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

Finding No. 1 – Blair County Children and Youth Agency Paid Contractors for In-Home Purchased Services but Failed to Obtain Reasonable Assurance That These Services Were Actually Provided (Unresolved)

In our prior engagement report, for the fiscal years July 1, 2010 to June 30, 2014, we cited the Blair County Children and Youth Agency (agency) for failure to obtain reasonable assurance that In-Home Purchased Service providers actually provided the services for which the agency was invoiced, and subsequently paid, and that if provided, provided in adherence to the requirements of the respective provider contract terms. The agency was unable to provide evidence of the validity of the number of units invoiced by contracted Fee-for Service In-Home Purchased Service providers. In addition, the agency fiscal staff did not substantiate that the In-Home Purchased Services for which the agency was billed were actually performed. We concluded that the agency did not have sufficient controls in place to obtain reasonable assurance that contracted services invoiced by In-Home Purchased Service providers were actually provided and if provided, provided in adherence to key executed contract terms.

Our current engagement scope period included the 2014-2015, 2015-2016, and 2016-2017 fiscal years. Due to the timing of the conduct of our prior audit engagement, we did not make the agency aware of these internal control deficiencies until December 2017, well after the June 30, 2017, end of our current engagement scope period. Therefore, these control deficiencies and corresponding risks continued to exist for all three fiscal years included in our current engagement scope period. As such, we concluded that the issuance of a repeat finding is warranted. This repeat finding is included in the Current Engagement Findings and Recommendations section (Section 5) of this report.

Finding No. 2 – Blair County Children and Youth Agency Failed to Execute Written Contracts with three In-Home Service Providers (Unresolved)

In our prior engagement report, for the fiscal years July 1, 2010 to June 30, 2014, we cited the Blair County Children and Youth Agency (agency) for failing to execute purchase of services agreements with three In-Home Purchased Service providers of court-appointed counseling and monitoring services on behalf of at-risk children and their families. The agency violated the Commonwealth Department of Human Services' (DHS) regulation requiring that contracts be executed and maintained with providers to which clients are regularly referred and have a continuing relationship. During our current engagement, we again found the agency failed to execute contracts with two court-appointed services providers during the fiscal years (2014-2015, 2015-2016 and 2016-2017) included in our current engagement scope period. Furthermore, we determined that the agency failed to comply with the recommendation in our prior report by failing to establish policies and procedures to ensure that purchase of service

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

agreements are properly executed with all providers to which clients are regularly referred or with which the agency, juvenile court, and juvenile probation office have a continuing relationship, in accordance with DHS regulatory requirements. Therefore, we issued a repeat finding in the Current Engagement Findings and Recommendations section (Section 5) of this report.

SECTION 5

CURRENT ENGAGEMENT FINDINGS AND RECOMMENDATIONS

BLAIR COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT FINDINGS AND RECOMMENDATIONS

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

Condition: As detailed in our Status of Prior Engagement Findings and Recommendations section (Section 4) of this report, the Blair County Children and Youth Agency (agency) lacked internal control procedures designed to sufficiently reduce the risk of paying overbillings or fraudulent billings submitted by contracted In-Home Purchased Service providers. For contracted In-Home Fee-for-Service providers, agency management could not provide evidence that they substantiated the validity of the number of units invoiced for each individual listed on providers’ submitted invoices. Furthermore, agency management failed to provide supporting documentation evidencing that services related to fees invoiced by these providers, and paid by the agency, were actually provided, and if provided, provided in adherence to the requirements of the respective provider’s contract terms.

During the conduct of our current engagement, in response to the recommendations included in our prior engagement report, agency management provided documentation describing formal, written monitoring policy, and corresponding procedures, they indicated were effective as of July 2018, to obtain reasonable assurance that contracted In-Home services were actually provided and to reduce the agency’s risk of paying overbillings or fraudulent billings submitted by contracted In-Home Purchased Service providers. Because agency management did not implement this monitoring policy and corresponding procedures until after the close of our current engagement scope period (June 30, 2017), we did not assess the sufficiency of these newly implemented monitoring policies and procedures during the conduct of our current engagement. We will review and evaluate these implemented monitoring policies and procedures during the conduct of our next regularly scheduled engagement of this agency and determine whether they are sufficient in providing agency management reasonable assurance that invoiced contracted In-Home Services were actually provided, and that the number of units invoiced by contracted Fee-For Service providers, and operating costs invoiced by any contracted Program-Funded In-Home providers, are properly substantiated, thus, reducing the agency’s risk of paying overbillings or fraudulent billings submitted by In-Home Purchased Service providers.

Criteria: The following section of 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

BLAIR COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT FINDINGS AND RECOMMENDATIONS

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).*

The following sections of 55 Pa. Code § 3170, Allowable Costs and Procedures for County Children and Youth:

- *Section 3170.2. Definitions. Program funded agency – An agency whose total eligible expenditures are funded in a manner which is predetermined by the appropriate county authorities.*
- *Section 3170.23(a). Purchase of Service. Purchase of service funding may be by unit of service funding or by program funding.*
- *Section 3170.85. Responsibility of the County. “...the county executive officers shall be responsible for the effective execution of each purchase of service agreement...”*
- *Section 3170.91. County Responsibility. “The county is responsible for the general fiscal management of the county agency. This includes maintaining fiscal records of expenditures and revenues of the program, providing data for budgeting and expenditure reporting to the Department, monitoring the financial activities of the program, and other activities related to the fiscal operations of the program.”*
- *Section 3170.92(b). Accountability for Expenditures for Clients. Records Maintenance. “County agencies shall maintain sufficient and appropriate records and data to justify payment for expenses by the Department. The local authorities or contractors shall 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 our prior engagement, the agency was not notified of these internal control deficiencies until December 2017, well after the June 30, 2017, end of our current engagement scope period. Therefore, these control deficiencies and corresponding risks

BLAIR COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT FINDINGS AND RECOMMENDATIONS

continued to exist for all three fiscal years (2014-2015, 2015-2016 and 2016-2017) included in our current engagement scope period. However, we would like to emphasize that agency management informed us the agency developed and implemented fiscal-related monitoring policy and procedures in January 2018 in response to the recommendations included in our prior engagement report.

Effect: The agency's lack of internal control procedures, during the fiscal years included in our current engagement scope period, designed to reduce the risk of paying overbillings or fraudulent billings submitted by contracted In-Home Purchased Service providers, increased 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.

Recommendation: We again recommend that agency management ensure that the agency's newly implemented fiscal-related monitoring procedures related to payments to contracted In-Home Purchased Service providers are sufficient in providing agency management reasonable assurance that the services related to the fees invoiced by these contracted providers were actually provided, and provided in adherence to executed contract terms, and in reducing the agency's risk of paying overbillings or fraudulent billings by In-Home Purchased Service providers.

Specifically, this written fiscal-related monitoring policy, and corresponding procedures, must be sufficient to assess the validity of the number of units invoiced by Fee-For-Service providers. If the agency enters into contracts with Program-Funded In-Home Purchased Services providers, the fiscal-related monitoring must be sufficient to assess the validity of those providers' invoiced operating costs.

We again further recommend that agency management ensure that:

- Agency staff responsible for reviewing and approving submitted In-Home Purchased Services providers' invoices for payment are made aware of the results of fiscal-related monitoring reviews of these providers and, for any such providers for which significant documentation deficiencies have been identified, the impact on the agency's review and approval process for these providers; and,
- The agency maintains sufficient evidence substantiating the results of all fiscal-related monitoring procedures performed to determine whether the services for which In-Home Purchased Services providers were paid were actually provided, and provided in adherence to DHS regulations and executed contract terms and to reduce the risk of

BLAIR COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT FINDINGS AND RECOMMENDATIONS

overbillings and fraudulent billings by contracted In-Home Purchased Services Providers going undetected.

Agency Response: Blair Children, Youth and Families management staff understands the issue surrounding the validation of services and have implemented Service Authorizations within our Case Management system that will allow for better monitoring of services. Caseworker staff initiate a request for a service which is then reviewed and approved or denied by their direct supervisor. All of these requests are then reviewed by the Agency Administrator. Service Authorization forms are submitted to the actual provider as indication of the approved amount of hours approved for services. These forms are also submitted to the fiscal department for cross reference to the Provider invoices. This system has allowed for better communication between caseworker/supervisor and the purchased provider and ultimately allows for better services to the families by forcing more consistent, timely conversations with all parties. Blair CYF has also requested that service providers provide sign-in sheets along with their invoices that demonstrate that families were in attendance for group sessions and attended scheduled visits. These documents allow for further clarification of interaction between family and provider. In addition to these service authorizations and sign-in sheets, Fiscal has recently filled a long time vacant Contracts and Support position that will allow for on-site visits to the In-Home service providers where additional documentation can be reviewed to verify services. The following documentation will be reviewed by a random case sample: billing sheets submitted by each worker for the cases billed to Blair CYF, additional sign-in sheets and any case notes that would confirm interaction with the families.

Auditor's Conclusion: We commend Blair County Children and Youth Agency management on their efforts to develop and implement formal, written fiscal-related monitoring policy and procedures for their contracted In-Home Purchased Services providers. During our next audit of the agency, we will review the agency's implemented policy and procedures and determine whether they are sufficient in reducing the agency's risk of overbillings and fraudulent billings submitted by contracted In-Home Purchased Services providers going undetected.

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Finding No. 2 – Unresolved Prior Engagement Finding – Failure to Execute and Maintain Required Contracts with Service Providers

Condition: As detailed in our Status of Prior Engagement Findings and Recommendations section (Section 4) of this report, the Blair County Children and Youth Agency (agency) failed to execute and maintain purchase of services agreements with two court-appointed In-Home Purchased Service providers of counseling and monitoring services.

During the conduct of our current engagement, we found that the agency again failed to execute and maintain written contracts with two service providers whom the agency used during the fiscal years included in our current engagement scope period (2014-2015, 2015-2016 and 2016-2017). These providers were used for the provision of court testimony related to counseling services and for legal services provided by attorneys appointed by a judge on behalf of at-risk children and their families. Additionally, we determined that the agency failed to comply with the recommendation included our prior engagement report by failing to establish policies and procedures to ensure that purchase of services agreements are properly executed with all providers to whom clients are regularly referred or with which the agency, juvenile court, and juvenile probation office have a continuing relationship, in accordance with the Commonwealth’s Department of Human Services (DHS) regulatory requirements.

Criteria: Title 55, Pa. Code § 3170.23(b) and § 3170.93(b) related to purchase of service and contract requirements, state, in part:

- *Section 3170.23(b).Purchase of Service.* A written agreement complying with Section 3170.93 (relating to contracts) shall be signed by the county and those providers to which clients are regularly referred or with which the public agency, the juvenile court, and juvenile probation office have a continuing relationship. This requirement shall apply to both unit of service and program-funded agencies.
- *Section 3170.93(b).Contracts.* In addition to restating the language of Section 3170.23, this section states the contract shall represent a legally binding agreement between the county and the provider, and shall be renewed annually.

Title 55, Pa. Code § 3170.92(b) related to records maintenance, states, in part:

- Section 3170.92(b). Records maintenance. County agency shall maintain sufficient and appropriate records and data to justify payment for expenses by the Department

Cause: Due to the timing of our prior engagement, agency management was not notified of this noncompliance until December 2017, well after the June 30, 2017, end of our current engagement scope period. During our current engagement, agency management stated that it was not their understanding that contracts are required with court-appointed service providers.

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Therefore, the agency's noncompliance continued during all three fiscal years (2014-2015, 2015-2016 and 2016-2017) included in our current engagement scope period.

Effect: The agency's failure to execute and maintain contracts with the respective service providers for the fiscal years included in our engagement scope period is a violation of the Commonwealth DHS regulations noted above, which include requiring appropriate records and data be maintained to justify payment for expenses. The provision of services in the absence of legally binding contracts could result in misunderstandings between the agency and service providers as to the types of services requested and the approved rates to be charged for each respective service. However, based on DHS' position that because the service costs were incurred by the agency and were considered allowable expenses during the aforementioned time frames, we did not issue adjustments to disallow these service costs.

Recommendation: We again recommend that the agency establish policies and procedures to ensure the agency properly executes written contracts with all contracted service providers to whom clients are regularly referred or with whom the agency, juvenile court, and juvenile probation office have a continuing relationship, in accordance with DHS regulations. In addition, agency management should ensure that all DHS contracting requirements, along with the agency's established policies and procedures, are communicated to and understood by all agency staff in order to prevent future misunderstandings regarding the proper execution of contracts with providers to which clients are regularly referred or with which the public agency, the juvenile court, and juvenile probation office have a continuing relationship.

Agency Response: Blair County has historically not maintained contracts for court appointed counsel for children as these individuals are court ordered to represent Children and Youth clients by a judge. An order that outlines the rate of pay for these services is maintained by the Court Administrators office and remains in effect until the attorney ceases to provide these services. This order represents the agreement between counsel and the County of Blair. A copy of the Blair County's court order with the Guardian ad Litem was submitted to Auditor General staff and a higher level review was requested. We are seeking advice from the Agency Solicitor on how to proceed with obtaining a minimized agreement with these individuals going forward as suggested by the Auditor's General's office within this Audit report.

A sharing agreement is currently in place with the second provider outlined in the Audit that allows for us to share information and for the Service provider to provide testimony in court when the situation arises. Rates are outlined in the agreement and it is signed by all parties.

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Auditor's Conclusion: DHS regulations require that contracts be executed with all regularly used providers, and since all of these legal service providers were used in multiple fiscal years during the engagement scope period, this finding will stand as presented. During our next audit of the agency, we will follow up on agency management's development and implementation of policies and procedures requiring the proper execution of contracts with all service providers to whom clients are regularly referred, or with whom the agency, juvenile court, and juvenile probation office have a continuing relationship, in accordance with DHS regulations.

SECTION 6

CURRENT ENGAGEMENT OBSERVATION

BLAIR COUNTY CHILDREN AND YOUTH AGENCY
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Observation – Significant Control Deficiencies Exist in the Commonwealth Department of Human Services’ Oversight of Children and Youth (C&Y) Agencies’ Adherence with the Requirements of the Child Protective Services Law (CPSL)

The Child Protective Services Law (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).² 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.

Foster Care

As a part of its annual licensing inspection process of county C&Y agencies, the Commonwealth DHS’ Office of Children, Youth and Families (OCYF) performs reviews of agency employees and agency foster parents’ adherence to the requirements of the CPSL. The OCYF also performs CPSL adherence reviews of employees of contracted foster family agencies through its annual licensing inspection of these providers. However, because the OCYF is behind in its completion of these annual inspections and does not have adequate procedures in place to determine whether C&Y agencies are monitoring their respective providers’ and sub-recipients’ adherence to the CPSL,³ 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 Blair County Children and Youth Agency provided in-home and placement services to 115 children residing within the County during the 2016-2017 fiscal year.

Day Treatment Centers and Child Residential Facilities

Beginning July 1, 2012, the DHS Bureau of Human Services’ Licensing (bureau) took over 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 and identifying regulatory violations, including CPSL adherence violations, as specified in the

² 23 Pa.C.S. §§ 6344 and 6344.2.

³ This is detailed in the Commonwealth of Pennsylvania Single Audit Reports (most recently for the fiscal year ended June 30, 2018, via Finding 2018-010).

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accompanying License Inspection Summaries. However, we are unable to attest to: 1) the timeliness of the completion and approval of these annual inspections and 2) whether the CPSL adherence of any potential sub-recipients used by these providers are being monitored.⁴

Contracted In-Home Preventative Service Providers

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.⁵ DHS' position was that while not all in-home service providers would meet the criteria requiring the conduct of *certifications* for employees/volunteers, when they do, C&Y agencies were responsible for including provisions in their executed contracts with these providers.

In correspondence with management of C&Y agencies during some of our recently conducted engagements, we have found that some C&Y agencies' management staffs are still of the opinion that there is no need to directly monitor CPSL adherence of the providers' employees/volunteers because they are now including the requirements for this type of monitoring in their executed contracts with these providers. However, our interpretation of the CPSL remains that C&Y agencies cannot fulfill their duties under the CPSL to protect the children receiving in-home preventative services from child abuse by merely including the requirements for "direct monitoring" in their provider executed contracts.⁶ Instead, all C&Y agencies should have a process in place that allows them to actively monitor their providers and sub-recipients by routinely reviewing their employees' and volunteers' *certifications* for disqualifying convictions.

Therefore, we concluded that DHS had not taken every action to obtain reasonable assurance that C&Y agencies were taking enough action to ensure the safety and welfare of the vulnerable, at risk children receiving in-home preventative services. Further, because DHS has not implemented a process to ensure that C&Y agencies are consistently monitoring the CPSL adherence of the contracted In-Home Preventative Service providers' employees and

⁴ This is detailed in the Commonwealth of Pennsylvania Single Audit Reports (most recently for the fiscal year ended June 30, 2018, via Finding 2018-010).

⁵ Please note that based on recent correspondence with DHS, these providers are referred to as "private providers delivering prevention and reunification services." We refer to them as *contracted In-Home Preventative Service providers* throughout our observation for ease of understanding.

⁶ In our Department's opinion "direct monitoring" consists of C&Y agencies routinely performing procedures to obtain reasonable assurance that their *contracted In-Home Preventative Service providers* and their sub-recipients are properly vetting a representative sample of the background checks and child abuse history clearances of their employees and volunteers to identify, and properly address, any identified disqualifying convictions.

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volunteers, this Department will continue to raise concerns about the risks posed to the safety of these vulnerable children.⁷

DHS Senior Management Follow-Up Response

DHS senior management provided an official response to our concerns detailed in this Observation in a February 28, 2018 letter that affirmed their assertion that, because DHS has no contractual relationship with *contracted In-Home Preventative Service providers*, the ability and responsibility to monitor private providers⁸ to ensure that their *certifications* adhere to the CPSL falls to the C&Y agencies, as does the responsibility to take appropriate action when they do not comply.

DHS senior management staff further stated that DHS recognizes that they are responsible for communicating contract monitoring expectations to the C&Y agencies and for implementing a method to ensure that contract monitoring is being performed adequately. DHS' OCYF has communicated DHS' expectation that C&Y agencies must monitor these private providers' compliance with the requirements of the CPSL. DHS has also reiterated this expectation during quarterly Pennsylvania Children and Youth Administrators (PCYA) meetings held between June 2016 and October 2017, as well as in general guidance regarding contract monitoring efforts included in OCYF Bulletins issued for the 2017-18 and 2018-19 fiscal years. Further, DHS stated that OCYF will issue additional guidance in its Needs-Based Plan and Budget instructions for this year to emphasize adherence to the CPSL requirements for these providers as part of the C&Y agencies' monitoring expectations.

Finally, DHS informed us that they will address the adequacy of C&Y agencies' monitoring through the July 2019 version of the DHS Single Audit Supplement (SAS) and will develop and require through the SAS a schedule that captures the details of each C&Y agency's monitoring efforts. This will include a listing of these private providers, whether they were monitored and if any CPSL violations were identified. The schedule will be submitted with the respective county's annual single audit report and will be subject to an Agreed Upon Procedures (AUP) engagement. DHS will also provide technical assistance to any C&Y agency that needs improvement.

We believe that DHS obtaining C&Y agencies' reporting of the CPSL status of these providers as a part of their Single Audit Supplement and the other above discussed DHS' methods taken

⁷ The *2017 Annual Child Protective Services Report* notes that the DHS' Office of Children, Youth and Families (OCYF) and its regional offices (in Philadelphia, Scranton, Harrisburg, and Pittsburgh) have responsibilities that include, among others: "Monitoring, licensing, and providing technical assistance to CCYA and private children and youth agencies and facilities." [Emphasis added.], p. 7; http://www.dhs.pa.gov/cs/groups/webcontent/documents/document/c_275378.pdf, accessed August 3, 2018.

⁸ This includes *contracted In-Home Preventative Service providers* and their sub-recipients.

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to address the issues we raised in our March 18, 2018, Position Statement letter to DHS would be a significant improvement. However, until DHS implements a process to ensure that all 67 C&Y agencies are routinely directly monitoring the CPSL adherence to the *certifications* of their contracted in-home preventative service providers' employees and volunteers, this Department, as indicated in our March 18, 2018, Position Statement letter, will continue to raise our concerns. Our Department again wishes to re-emphasize that any failure to perform such monitoring puts the safety of these vulnerable children at great risk.

Greater Scrutiny of Arrest and Conviction Records

It is important to note that background checks and child abuse clearances have historically been valid for one year after being obtained.⁹ However, recent amendments to the CPSL extend this time frame from one year to five years.¹⁰ Therefore, there is a need for DHS and C&Y agencies across the commonwealth to have a *greatly heightened* awareness about the arrest and conviction records, as well as child abuse adjudications, of the employees/volunteers of C&Y agencies' *contracted In-Home Preventative Service providers* and their sub-recipients. This is 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.

Auditor General Senior Management's Follow-up Conclusion Statement

We commend DHS management for acknowledging the seriousness of the risks to children's safety resulting from the significant control deficiencies we identified related to CPSL adherence as discussed in our March 18, 2018 Position Statement letter. Further, we recognize the challenges that DHS faces in monitoring the 67 C&Y agencies' direct monitoring of the numerous *contracted In-Home Preventative Service providers* and their sub-recipients. We believe that requiring C&Y agencies to submit a schedule that captures the details of the agency's monitoring efforts as described above will be a major improvement. However, we also recognize that risks to these vulnerable children continue to exist. One such risk results from the potential delay of 9 to 21 months (or possibly longer) between the date of possible noncompliance by a *contracted In-Home Preventative Service provider* and/or inadequate monitoring by a county C&Y agency and DHS becoming aware of those issues.¹¹

Furthermore, as previously stated, we have communicated to DHS that we believe that DHS should do more to assure that employees/volunteers of *contracted In-Home Preventative*

⁹ Please note that the previous one year validity of checks and clearances only applied to prospective employees, which is a requirement that was deleted by Act 153 of 2014.

¹⁰ 23 Pa.C.S. § 6344.4.

¹¹ The potential 9-21 month delay is based on the Single Audit being due nine months after the end of the fiscal year plus up to 12 months for possible noncompliance occurring at the beginning of the fiscal year. The period of delay would be higher when the Single Audit is not received within nine months from the end of the fiscal year.

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Service providers are properly vetted through reviews of background checks and child abuse history clearances and to ensure that employees/volunteers do not have any convictions or adjudications that are disqualifying under the CPSL. Further, because of more recent amendments to the CPSL that changed the validity timeframe for background checks and child abuse history clearances from one to five years (i.e., 60 months) after being obtained, we believe that a greatly heightened awareness of these providers and sub-recipients' arrest and conviction records and child abuse adjudications is warranted.¹²

Directly monitoring whether employees/volunteers of *contracted In-Home Preventative Service providers* are properly vetted through a background check process is a crucial step towards protecting these at-risk children. Therefore, we will continue to monitor the adequacy of measures taken by DHS to monitor and address C&Y agencies' compliance with the requirements of the CPSL as it relates to their contracted in-home preventative service providers and their sub-recipients. Again, our Department re-emphasizes that any failure to perform such monitoring puts the safety of these vulnerable children at great risk.

Finally, we requested that DHS reach out to, and work with, the chairs of the legislative committees of the Pennsylvania Senate and House of Representatives who help to protect the wellbeing of Pennsylvania children and youth to amend the Human Services Code to include provisions requiring the licensure and annual inspections of *contracted In-Home Preventative Service providers and their subcontractors (sub-recipients)*.

¹² As noted in an earlier footnote, the now repealed one year validity of checks and clearances only applied to prospective employees.

BLAIR COUNTY CHILDREN AND YOUTH AGENCY
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This report was originally distributed to the following:

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