

AMENDED FISCAL REPORTS

For Fiscal Years:

July 1, 2017 to June 30, 2018

July 1, 2018 to June 30, 2019

Bradford County Children and Youth Agency

March 2022



Commonwealth of Pennsylvania
Department of the Auditor General

Timothy L. DeFoor • Auditor General



**Commonwealth of Pennsylvania
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**TIMOTHY L. DEFOOR
AUDITOR GENERAL**

The Commissioners of Bradford County
Bradford County Courthouse
301 Main Street
Towanda, PA 18848

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 Bradford County Children and Youth Services (agency). The purpose of this engagement is to ascertain and certify the actual commonwealth expenditures incurred on behalf of children residing within the county for the fiscal years July 1, 2017 to June 30, 2018, and July 1, 2018 to June 30, 2019. The scope of our engagement was limited to the fiscal reports submitted to the Pennsylvania Department of Human Services (DHS) as part of the Act 148 Invoice Packages for the fiscal years ended June 30, 2018, and June 30, 2019.

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

We certify the enclosed amended fiscal reports fairly present, in all material respects, the total commonwealth expenditures paid on behalf of children residing within the county for the 2017-2018 and 2018-2019 fiscal years based on the accrual basis of accounting.¹

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

- For the **2017-2018** fiscal year, our engagement resulted in no adjustments being made to the agency's submitted fiscal reports.

For the **2018-2019 fiscal year**, our engagement resulted in three adjustments being made to the agency's submitted fiscal reports. These adjustments in total impacted the agency's Net State Share by increasing agency expenditures by \$109,838 and increasing revenue by \$2,262. There is no impact on the Net State Share and no amount is due to the county or state because the agency's expenditures exceeded the total state Act 148 allocation by \$63,199 and the agency cannot receive state reimbursement in excess of the total state Act 148 allocation.

This report includes the following observation.

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

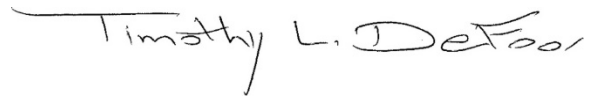
The results of our engagement procedures, as presented in this report, were discussed with County representatives and agency management at an exit conference held on February 18, 2022.

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

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

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

Sincerely,

A handwritten signature in black ink that reads "Timothy L. DeFoor". The signature is written in a cursive style with a long horizontal line extending to the left of the first letter.

Timothy L. DeFoor
Auditor General
February 23, 2022

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BACKGROUND

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

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

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

SECTION 1

AMENDED FISCAL REPORTS

FOR THE FISCAL YEAR:

JULY 1, 2017 to JUNE 30, 2018

**BRADFORD COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2017 TO JUNE 30, 2018
AMENDED
COMPUTATION OF FINAL NET STATE SHARE**

Approved State Allocation ¹	\$	3,734,183
Supplemental Act 148		<u>724,869</u>
Total State Allocation		4,459,052
State Share (CY348) ²	\$	4,459,052
Less: Major Service Category Adjustment		<u>0</u>
Net State Share	\$	4,459,052
Less: Expenditures in Excess of the Approved State Allocation		<u>0</u>
Final Net State Share Payable ³	\$	4,459,052
Actual Act 148 Revenues Received ⁴		<u>4,459,052</u>
Net Amount Due County/(State) ⁵	\$	<u><u>0</u></u>

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

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

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

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

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

**BRADFORD COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2017 TO JUNE 30, 2018
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	5,815	0	313	0	0	0	0	0	5,502	5,502	0
02. 90% REIMBURSEMENT	251,909	1,167	4,622	0	0	0	0	0	246,120	221,508	24,612
03. 80% REIMBURSEMENT	5,293,929	80,940	815,443	19,057	64,103	15,876	0	0	4,298,510	3,438,809	859,701
04. 60% REIMBURSEMENT	1,629,729	53,105	253,038	0	0	0	0	3,957	1,319,629	791,777	527,852
05. 50% REIMBURSEMENT	11,021	8,110	0	0	0	0	0	0	2,911	1,456	1,455
06. TOTAL NET CHILD WELFARE EXPEND.	7,192,403	143,322	1,073,416	19,057	64,103	15,876	0	3,957	5,872,672	4,459,052	1,413,620

YDC/YFC PLACEMENT COSTS											
07. 60% DHS PARTICIPATION	12,694	3,816							8,878	5,327	3,551

08. NON-REIMBURSABLE EXPENDITURES	0	0							0		0
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09. TOTAL EXPENDITURES	7,205,097	147,138	1,073,416	19,057	64,103	15,876	0	3,957	5,881,550	4,464,379	1,417,171
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10. TOTAL TITLE IV-D COLLECTIONS 0

11. TITLE IV-D Collections for IV-E Children 0

12. STATE ACT 148 - line 6 4,459,052

13. STATE ACT 148 ALLOCATION 4,459,052

14. ADJUSTED STATE SHARE (lower of 12 or 13) 4,459,052

INVOICE											
AMENDED STATE SHARE (ACT 148)	4,459,052										
ACT 148 AMOUNT RECEIVED	4,459,052										
ADJUSTMENT TO STATE SHARE	0										

BRADFORD COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2017 TO JUNE 30, 2018
AMENDED CY370A
REVENUE REPORT

MAJOR SERVICE CATEGORIES & COST CENTERS	REVENUE SOURCES											
	1	2	3	4	5	6	7	8	9	10	11	12
	TOTAL REIMBURSABLE EXPENDITURES	PROGRAM INCOME	TITLE IV-E MAINTENANCE	TITLE IV-E ADMIN.	TANF	TITLE XX	TITLE IV-B	Child Welfare Demonstration Project Title IV-E	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE
IN-HOME												
I-A ADOPTION SERVICE	5,815	0	0	313	0	0	0	0	0	5,502	5,502	0
I-B ADOPTION ASSISTANCE	1,040,148	71	331,709	0	0	0	0	0	0	708,368	566,694	141,674
I-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	157,778	0	24,101	0	0	0	0	0	0	133,677	106,942	26,735
I-D COUNSELING - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
I-E COUNSELING - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
I-F DAY CARE	0	0	0	0	0	0	0	0	0	0	0	0
I-G DAY TREATMENT - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
I-H DAY TREATMENT - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
I-I HOMEMAKER SERVICE	13,973	0	0	611	0	0	0	0	0	13,362	10,690	2,672
I-J INTAKE & REFERRAL	352,480	0	0	25,094	0	0	0	0	0	327,386	261,909	65,477
I-K LIFE SKILLS - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
I-L LIFE SKILLS - DELINQUENT	0	81	0	0	0	0	0	0	0	(81)	(65)	(16)
I-M PROTECTIVE SERVICE - CHILD ABUSE	511,826	34,928	0	32,211	0	0	0	0	0	444,687	355,750	88,937
I-N PROTECTIVE SERVICE - GENERAL	1,071,000	0	0	64,425	19,057	0	0	0	0	987,518	790,014	197,504
I-O SERVICE PLANNING	0	0	0	0	0	0	0	0	0	0	0	0
I-P JUVENILE ACT PROCEEDINGS - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
I-Q JUVENILE ACT PROCEEDINGS - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
I-R SUBTOTAL IN-HOME	3,153,020	35,080	355,810	122,654	19,057	0	0	0	0	2,620,419	2,097,436	522,983
COMMUNITY BASED PLACEMENT												
TOTAL REIMBURSABLE EXPENDITURES												
2-A ALTERNATIVE TREATMENT - DEPENDENT	0	1,288	0	0	0	0	0	0	0	(1,288)	(1,030)	(258)
2-B ALTERNATIVE TREATMENT - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-C COMMUNITY RESIDENTIAL - DEPENDENT	230,588	6,018	0	1,788	0	0	0	0	0	222,782	178,226	44,556
2-D COMMUNITY RESIDENTIAL - DELINQUENT	8,503	495	0	0	0	0	0	0	0	8,008	6,406	1,602
2-E EMERGENCY SHELTER - DEPENDENT	251,909	1,167	0	4,622	0	0	0	0	0	246,120	221,508	24,612
2-F EMERGENCY SHELTER - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-G FOSTER FAMILY - DEPENDENT	1,903,460	38,059	130,248	205,245	0	64,103	15,876	0	0	1,449,929	1,159,943	289,986
2-H FOSTER FAMILY - DELINQUENT	4,173	0	0	11	0	0	0	0	0	4,162	3,330	832
2-I SUP. INDEPENDENT LIVING - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
2-J SUP. INDEPENDENT LIVING - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-K SUBTOTAL CBP	2,398,633	47,027	130,248	211,666	0	64,103	15,876	0	0	1,929,713	1,568,383	361,330
INSTITUTIONAL PLACEMENT												
TOTAL REIMBURSABLE EXPENDITURES												
3-A JUVENILE DETENTION SERVICE	11,021	8,110	0	0	0	0	0	0	0	2,911	1,456	1,455
3-B RESIDENTIAL SERVICE - DEPENDENT	1,075,154	21,439	225,069	7,479	0	0	0	0	0	821,167	492,700	328,467
3-C RES. SERVICE - DELINQUENT (NON YDC/YFC)	406,434	31,666	0	0	0	0	0	0	0	374,768	224,861	149,907
3-D SECURE RES. SERVICE (EXCEPT YDC)	0	0	0	0	0	0	0	0	0	0	0	0
3-E YDC SECURE	12,694	3,816	0	0	0	0	0	0	0	8,878	5,327	3,551
3-F SUBTOTAL INSTITUTIONAL	1,505,303	65,031	225,069	7,479	0	0	0	0	0	1,207,724	724,344	483,380
ADMINISTRATION												
4 ADMINISTRATION	148,141	0	0	20,490	0	0	0	0	0	123,694	74,216	49,478
TOTAL REVENUES	7,205,097	147,138	711,127	362,289	19,057	64,103	15,876	0	3,957	5,881,550	4,464,379	1,417,171

**BRADFORD COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2017 TO JUNE 30, 2018
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	2,075	754		889	2,097	0	5,815	2,180	7	0	0	0
1-B ADOPTION ASSISTANCE	0	0	1,040,148	0	0	0	1,040,148	0	539	0	0	0
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	0	0	157,778	0	0	0	157,778	0	54	0	0	0
1-D COUNSELING - DEPENDENT	0	0		0	0	0	0	0	0	0	0	0
1-E COUNSELING - DELINQUENT	0	0		0	0	0	0	0	0	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	8,519	3,408		2,046	0	0	13,973	1	0	0	0	0
1-J INTAKE & REFERRAL	222,884	84,944		44,652	0	0	352,480	1,494	0	0	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	311,566	120,497		78,575	1,188	0	511,826	153	8	0	0	0
1-N PROTECTIVE SERVICE - GENERAL	560,083	212,866		112,947	185,104	0	1,071,000	499	46	0	0	0
1-O SERVICE PLANNING	0	0		0	0	0	0	0	0	0	0	0
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT				0	0	0	0	0	0	0	0	0
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT				0	0	0	0	0	0	0	0	0
1-R SUBTOTAL IN-HOME	1,105,127	422,469	1,197,926	239,109	188,389	0	3,153,020					
	Number of Children receiving only NON-PURCHASED IN-Home Services 2,180											
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	13,538	5,082	0	3,699	208,269	0	230,588	340	3	0	0	0
2-D COMMUNITY RESIDENTIAL - DELINQUENT	0	0	0	0	8,503	0	8,503	30	1	0	0	0
2-E EMERGENCY SHELTER - DEPENDENT	52,172	20,467	0	13,481	165,789	0	251,909	976	59	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	211,057	80,668	0	79,872	1,531,863	0	1,903,460	12,144	191	0	0	0
2-H FOSTER FAMILY - DELINQUENT	0	0	0	87	4,086	0	4,173	55	1	0	0	0
2-I SUP. INDEPENDENT LIVING - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
2-J SUP. INDEPENDENT LIVING - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-K SUBTOTAL CBP	276,767	106,217	0	97,139	1,918,510	0	2,398,633	13,545	255	0	0	0
INSTITUTIONAL PLACEMENT												
3-A JUVENILE DETENTION SERVICE	0	0	0	0	11,021	0	11,021	41	7	0	0	0
3-B RESIDENTIAL SERVICE - DEPENDENT	48,776	18,091	0	33,364	974,923	0	1,075,154	5,504	110	0	0	0
3-C RES. SERVICE - DELINQUENT (EXCEPT YDC/YFC)	0	0	0	0	406,434	0	406,434	1,988	28	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	12,694	0	12,694	22	2	0	0	0
3-F SUBTOTAL INSTITUTIONAL	48,776	18,091	0	33,364	1,405,072	0	1,505,303	7,555	147	0	0	0
4 ADMINISTRATION	25,042	9,139	0	113,960	0	0	148,141					
5 TOTAL EXPENDITURES	1,455,712	555,916	1,197,926	483,572	3,511,971	0	7,205,097					
	County Indirect Costs = \$ 106,290											

**BRADFORD COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2017 TO JUNE 30, 2018
AMENDED
SUMMARY OF EXPENSE AND EXPENSE ADJUSTMENTS**

COST CENTER ITEMS	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Adoption Service	\$ 5,815	\$ 0	\$ 5,815
Adoption Assistance	1,040,148	0	1,040,148
Subsidized Permanent Legal Custodianship	157,778	0	157,778
Counseling	0	0	0
Day Care	0	0	0
Day Treatment	0	0	0
Homemaker Service	13,973	0	13,973
Intake and Referral	352,480	0	352,480
Life Skills	0	0	0
Protective Service - Child Abuse	511,826	0	511,826
Protective Service - General	1,071,000	0	1,071,000
Service Planning	0	0	0
Juvenile Act Proceedings	0	0	0
Alternative Treatment	0	0	0
Community Residential	239,091	0	239,091
Emergency Shelter	251,909	0	251,909
Foster Family	1,907,633	0	1,907,633
Supervised Independent Living	0	0	0
Juvenile Detention Service	11,021	0	11,021
Residential Service	1,481,588	0	1,481,588
Secure Residential Service (Except YDC)	0	0	0
YDC Secure	12,694	0	12,694
Administration	148,141	0	148,141
Combined Total Expense	<u>7,205,097</u>	<u>0</u>	<u>7,205,097</u>
Less Non-reimbursables	<u>0</u>	<u>0</u>	<u>0</u>
Total Net Expense	<u>\$ 7,205,097</u>	<u>\$ 0</u>	<u>\$ 7,205,097</u>

OBJECTS OF EXPENDITURE	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Wages and Salaries	\$ 1,455,712	\$ 0	\$ 1,455,712
Employee Benefits	555,916	0	555,916
Subsidies	1,197,926	0	1,197,926
Operating	483,572	0	483,572
Purchased Services	3,511,971	0	3,511,971
Fixed Assets	0	0	0
Combined Total Expense	<u>7,205,097</u>	<u>0</u>	<u>7,205,097</u>
Less Non-reimbursables	<u>0</u>	<u>0</u>	<u>0</u>
Total Net Expense	<u>\$ 7,205,097</u>	<u>\$ 0</u>	<u>\$ 7,205,097</u>

SECTION 2

AMENDED FISCAL REPORTS

FOR THE FISCAL YEAR:

JULY 1, 2018 to JUNE 30, 2019

**BRADFORD COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2018 TO JUNE 30, 2019
AMENDED
COMPUTATION OF FINAL NET STATE SHARE**

Approved State Allocation ¹	\$	3,764,537
Supplemental Act 148		<u>567,611</u>
Total State Allocation		4,332,148
State Share (CY348) ²	\$	4,395,347
Less: Major Service Category Adjustment		<u>0</u>
Net State Share	\$	4,395,347
Less: Expenditures in Excess of the Approved State Allocation		<u>63,199</u>
Final Net State Share Payable ³	\$	4,332,148
Actual Act 148 Revenues Received ⁴		<u>4,332,148</u>
Net Amount Due County/(State) ⁵	\$	<u><u>0</u></u>

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

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

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

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

⁵ No amount is due to the County or State because the Children and Youth Agency's expenditures exceeded the Total State Act 148 Allocation by \$63,199, as detailed on this page. While our adjustments resulted in a net increase of \$109,838 in expenditures for the agency for said fiscal year, as detailed on page 13 of this report, the agency cannot receive state reimbursement in excess of the Total State Act 148 Allocation. Thus, there is no impact on the the Final Net State Share of Expenditures.

**BRADFORD COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2018 TO JUNE 30, 2019
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	6,858	0	1,048	0	0	0	0	0	5,810	5,810	0
02. 90% REIMBURSEMENT	274,720	2,236	47,604	0	0	0	0	0	224,880	202,392	22,488
03. 80% REIMBURSEMENT	5,888,193	63,565	1,275,973	19,057	64,103	15,876	0	0	4,449,619	3,559,696	889,923
04. 60% REIMBURSEMENT	1,351,310	34,537	271,723	0	0	0	0	1,439	1,043,611	626,166	417,445
05. 50% REIMBURSEMENT	3,699	1,133	0	0	0	0	0	0	2,566	1,283	1,283
06. TOTAL NET CHILD WELFARE EXPEND	7,524,780	101,471	1,596,348	19,057	64,103	15,876	0	1,439	5,726,486	4,395,347	1,331,139

YDC/YFC PLACEMENT COSTS											
07. 60% DHS PARTICIPATION	415,767	6,249							409,518	245,711	163,807

08. NON-REIMBURSABLE EXPENDITURES	0	0							0		0
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09. TOTAL EXPENDITURES	7,940,547	107,720	1,596,348	19,057	64,103	15,876	0	1,439	6,136,004	4,641,058	1,494,946
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10. TOTAL TITLE IV-D COLLECTIONS

107,720

11. TITLE IV-D Collections for IV-E Children

8,874

12. STATE ACT 148 - line 6

4,395,347

13. STATE ACT 148 ALLOCATION

4,332,148

14. ADJUSTED STATE SHARE (lower of 12 or 13)

4,332,148

INVOICE

AMENDED STATE SHARE (ACT 148)	4,395,347
ACT 148 AMOUNT RECEIVED	4,332,148
ADJUSTMENT TO STATE SHARE	63,199

**BRADFORD COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2018 TO JUNE 30, 2019
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	6,858	0		1,048	0				0	5,810	5,810	0
1-B ADOPTION ASSISTANCE	982,606	0	360,757	0					0	621,849	497,479	124,370
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	122,825	0	47,994	0					0	74,831	59,865	14,966
1-D COUNSELING - DEPENDENT	107,667	0		0	0				0	107,667	86,134	21,533
1-E COUNSELING - DELINQUENT	3,057	0		0	0				0	3,057	2,446	611
1-F DAY CARE	0	0		0	0				0	0	0	0
1-G DAY TREATMENT - DEPENDENT	0	0		0	0				0	0	0	0
1-H DAY TREATMENT - DELINQUENT	0	0		0	0				0	0	0	0
1-I HOMEMAKER SERVICE	0	0		0	0				0	0	0	0
1-J INTAKE & REFERRAL	330,320	0		50,512	0				0	279,808	223,846	55,962
1-K LIFE SKILLS - DEPENDENT	0	0		0	0				0	0	0	0
1-L LIFE SKILLS - DELINQUENT	0	0		0	0				0	0	0	0
1-M PROTECTIVE SERVICE - CHILD ABUSE	333,351	0		50,906	0				0	282,445	225,956	56,489
1-N PROTECTIVE SERVICE - GENERAL	1,011,143	0		138,286	19,057				0	853,800	683,040	170,760
1-O SERVICE PLANNING	0	0		0	0				0	0	0	0
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT	0	0		0	0				0	0	0	0
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT	0	0		0	0				0	0	0	0
1-R SUBTOTAL IN-HOME	2,897,827	0	408,751	240,752	19,057	0	0	0	0	2,229,267	1,784,576	444,691
COMMUNITY BASED PLACEMENT												
2-A ALTERNATIVE TREATMENT - DEPENDENT	0	0		0	0				0	0	0	0
2-B ALTERNATIVE TREATMENT - DELINQUENT	0	0		0	0				0	0	0	0
2-C COMMUNITY RESIDENTIAL - DEPENDENT	479,503	14,803	70,792	4,021					0	389,887	311,910	77,977
2-D COMMUNITY RESIDENTIAL - DELINQUENT	175,098	0	10,398	0					0	164,700	131,760	32,940
2-E EMERGENCY SHELTER - DEPENDENT	274,720	2,236	22,229	25,375	0				0	224,880	202,292	22,488
2-F EMERGENCY SHELTER - DELINQUENT	0	0		0	0				0	0	0	0
2-G FOSTER FAMILY - DEPENDENT	2,293,480	47,679	229,142	312,879		64,103	15,876		0	1,623,801	1,299,041	324,760
2-H FOSTER FAMILY - DELINQUENT	47,279	0		0	0				0	47,279	37,823	9,456
2-I SUP. INDEPENDENT LIVING - DEPENDENT	1,864	1,083		286					0	495	396	99
2-J SUP. INDEPENDENT LIVING - DELINQUENT	0	0		0	0				0	0	0	0
2-K SUBTOTAL CBP	3,271,944	65,801	332,561	342,561	0	64,103	15,876	0	0	2,451,042	1,983,322	467,720
INSTITUTIONAL PLACEMENT												
3-A JUVENILE DETENTION SERVICE	3,699	1,133							0	2,566	1,283	1,283
3-B RESIDENTIAL SERVICE - DEPENDENT	979,228	29,404	240,475	20,647					0	688,702	413,221	275,481
3-C RES. SERVICE - DELINQUENT (NON YDC/YFC)	173,188	5,133		0					0	168,055	100,833	67,222
3-D SECURE RES. SERVICE (EXCEPT YDC)	9,455	0							0	9,455	5,673	3,782
3-E YDC SECURE	415,767	6,249							0	409,518	245,711	163,807
3-F SUBTOTAL INSTITUTIONAL	1,581,337	41,919	240,475	20,647	0	0	0	0	0	1,278,296	766,721	511,575
4 ADMINISTRATION	189,439	0		10,601		0	0	0	1,439	177,399	106,439	70,960
5 TOTAL REVENUES	7,940,547	107,720	981,787	614,561	19,057	64,103	15,876	0	1,439	6,136,004	4,641,058	1,494,946

BRADFORD COUNTY CHILDREN AND YOUTH AGENCY
 FOR THE PERIOD JULY 1, 2018 TO JUNE 30, 2019
 AMENDED CY 370
 EXPENDITURE REPORT

MAJOR SERVICE CATEGORIES & COST CENTERS	OBJECTS OF EXPENDITURE											
	1	2	3	4	5	6	7	8	9	10	11	12
	WAGES AND SALARIES	EMPLOYEE BENEFITS	SUBSIDIES	OPERATING	PURCHASED SERVICES	FIXED ASSETS	TOTAL EXPENDITURES	Children Served (by county)	Children Served (Purchased)	Non-Reimbursable Non PS Sub.	Non-Reim. Purchased Serv/ Subsidies	Program Income related to all Non-Reimbursable
IN-HOME												
1-A ADOPTION SERVICE	2,865	1,102		2,891	0	0	6,858	15	0	0	0	0
1-B ADOPTION ASSISTANCE	0	0	982,606	0	0	0	982,606	0	133	0	0	0
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	0	0	122,825	0	0	0	122,825	0	15	0	0	0
1-D COUNSELING - DEPENDENT	0	0			107,667	0	107,667	0	65	0	0	0
1-E COUNSELING - DELINQUENT	0	0			3,057	0	3,057	0	7	0	0	0
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	217,674	83,771		28,875	0	0	330,320	842	0	0	0	0
1-K LIFE SKILLS - DEPENDENT	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
1-M PROTECTIVE SERVICE - CHILD ABUSE	213,581	82,196		37,574	0	0	333,351	319	0	0	0	0
1-N PROTECTIVE SERVICE - GENERAL	579,508	223,020		103,925	104,690	0	1,011,143	980	52	0	0	0
1-O SERVICE PLANNING	0	0			0	0	0	0	0	0	0	0
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT					0	0	0	0	0	0	0	0
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT					0	0	0	0	0	0	0	0
1-R	1,013,628	390,089	1,105,431	173,265	215,414	1,524	2,897,827					
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	17,185	6,614	0	2,627	453,077	0	479,503	1,925	14	0	0	0
2-D COMMUNITY RESIDENTIAL - DELINQUENT	0	0	0	0	175,098	0	175,098	700	4	0	0	0
2-E EMERGENCY SHELTER - DEPENDENT	20,731	7,978	0	31,823	214,188	0	274,720	1,714	69	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	192,578	74,114	0	74,518	1,952,270	0	2,293,480	18,408	101	0	0	0
2-H FOSTER FAMILY - DELINQUENT	0	0	0	0	47,279	0	47,279	286	1	0	0	0
2-I SUP. INDEPENDENT LIVING - DEPENDENT	1,228	473	0	163	0	0	1,864	0	0	0	0	0
2-J SUP. INDEPENDENT LIVING - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-K	231,722	89,179	0	109,131	2,841,912	0	3,271,944	23,033	189	0	0	0
INSTITUTIONAL PLACEMENT												
3-A JUVENILE DETENTION SERVICE	0	0	0	509	3,190	0	3,699	12	3	0	0	0
3-B RESIDENTIAL SERVICE - DEPENDENT	72,831	28,029	0	39,157	839,211	0	979,228	3,871	32	0	0	0
3-C RES. SERVICE - DELINQUENT (EXCEPT YDC/YFC)	0	0	0	0	173,188	0	173,188	663	8	0	0	0
3-D SECURE RES. SERVICE (EXCEPT YDC)	0	0	0	575	8,880	0	9,455	37	2	0	0	0
3-E YDC SECURE	0	0	0	0	415,767	0	415,767	759	4	0	0	0
3-F	72,831	28,029	0	40,241	1,440,236	0	1,581,337	5,342	49	0	0	0
4. ADMINISTRATION	45,689	17,582	0	126,168	0	0	189,439					
5. TOTAL EXPENDITURES	1,363,870	524,879	1,105,431	448,805	4,497,562	0	7,940,547					
County Indirect Costs = \$ 120,107												

**BRADFORD COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2018 TO JUNE 30, 2019
AMENDED
SUMMARY OF EXPENSE AND EXPENSE ADJUSTMENTS**

COST CENTER ITEMS	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Adoption Service	\$ 6,858	\$ 0	\$ 6,858
Adoption Assistance	982,606	0	982,606
Subsidized Permanent Legal Custodianship	122,825	0	122,825
Counseling	111,032	(308)	110,724
Day Care	0	0	0
Day Treatment	0	0	0
Homemaker Service	0	0	0
Intake and Referral	330,320	0	330,320
Life Skills	0	0	0
Protective Service - Child Abuse	333,351	0	333,351
Protective Service - General	1,011,348	(205)	1,011,143
Service Planning	0	0	0
Juvenile Act Proceedings	0	0	0
Alternative Treatment	0	0	0
Community Residential	656,039	(1,438)	654,601
Emergency Shelter	275,233	(513)	274,720
Foster Family	2,345,278	(4,519)	2,340,759
Supervised Independent Living	1,864	0	1,864
Juvenile Detention Service	3,699	0	3,699
Residential Service	1,154,778	(2,362)	1,152,416
Secure Residential Service (Except YDC)	9,455	0	9,455
YDC Secure	416,691	(924)	415,767
Administration	69,332	120,107	189,439
Combined Total Expense	<u>7,830,709</u>	<u>109,838</u>	<u>7,940,547</u>
Less Non-reimbursables	<u>0</u>	<u>0</u>	<u>0</u>
Total Net Expense	<u>\$ 7,830,709</u>	<u>\$ 109,838</u>	<u>\$ 7,940,547</u>

OBJECTS OF EXPENDITURE	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Wages and Salaries	\$ 1,363,870	\$ 0	\$ 1,363,870
Employee Benefits	524,879	0	524,879
Subsidies	1,105,431	0	1,105,431
Operating	328,698	120,107	448,805
Purchased Services	4,507,831	(10,269)	4,497,562
Fixed Assets	0	0	0
Combined Total Expense	<u>7,830,709</u>	<u>109,838</u>	<u>7,940,547</u>
Less Non-reimbursables	<u>0</u>	<u>0</u>	<u>0</u>
Total Net Expense	<u>\$ 7,830,709</u>	<u>\$ 109,838</u>	<u>\$ 7,940,547</u>

**BRADFORD COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2018 TO JUNE 30, 2019
ADJUSTMENT SCHEDULE**

REPORT REFERENCE			ADJ. NO.	EXPLANATION OF ADJUSTMENTS	AS REPORTED OR ADJUSTED	INCREASE/ (DECREASE)	ADJUSTED TOTAL
SCHEDULE	LINE	COLUMN					
CY-370	1-D	5	1	CY-370 Adjustments			
	1-N	5		Counseling (Dependent) - Purchased Services	\$ 107,975	\$ (308)	\$ 107,667
	2-C	5		Protective Service General - Purchased Services	\$ 104,895	\$ (205)	\$ 104,690
	2-D	5		Community Residential (Dep.) - Purchased Services	\$ 454,104	\$ (1,027)	\$ 453,077
	2-E	5		Community Residential (DeL) - Purchased Services	\$ 175,509	\$ (411)	\$ 175,098
	2-G	5		Emergency Shelter (Dependent) - Purchased Services	\$ 214,701	\$ (513)	\$ 214,188
	2-H	5		Foster Family (Dependent) - Purchased Services	\$ 1,956,686	\$ (4,416)	\$ 1,952,270
	3-B	5		Foster Family (Delinquent) - Purchased Services	\$ 47,382	\$ (103)	\$ 47,279
	3-C	5		Residential Service (Dependent) - Purchased Services	\$ 841,162	\$ (1,951)	\$ 839,211
	3-E	5		Residential Service (Delinquent) - Purchased Services	\$ 173,599	\$ (411)	\$ 173,188
					YDC Secure - Purchased Services	\$ 416,691	\$ (924)
			Total Adjustment Amount		\$ (10,269)		
			To decrease expenditures by \$10,269 to reconcile to the agency's final expenditure ledger.				
			Title 55 PA Code, Chapter 3170.95(a)(b)				
CY-370	4	5	2	Administration - Operating	\$ 6,061	\$ 120,107	\$ 126,168
				To increase operating expenses by \$120,107 to include indirect costs which were erroneously not reported on the agency's Act 148 Invoice submitted to the Commonwealth Department of Human Services.			
				Title 55 PA Code, Chapters 3170.60 & 3170.95(a)(b) OCYF Bulletin 00-95-12			
CY-370 A	2-G	2	3	CY-370A Adjustment			
				Foster Family (Dependent) - Program Income	\$ 45,417	\$ 2,262	\$ 47,679
				To increase program income by \$2,262 to include receipts not reported on the Act 148 Invoice submitted to the Commonwealth Department of Human Services and reconcile to the agency's final Program Income ledger.			
				Title 55 PA Code, Chapter 3170.95(a)(b)			

SECTION 3

STATUS OF PRIOR ENGAGEMENT FINDING AND RECOMMENDATIONS

BRADFORD COUNTY CHILDREN AND YOUTH AGENCY
STATUS OF PRIOR ENGAGEMENT FINDING AND RECOMMENDATIONS

The prior report included the following finding:

Lack of Internal Control Policies and Procedures to Reduce the Risk of Paying Overbillings or Fraudulent Billings by Contracted In-Home Purchased Service Providers

In our prior engagement report, for the fiscal years July 1, 2014, to June 30, 2017, we cited the agency for failing to develop and implement internal control policies and procedures to require adequate supporting documentation evidencing that services related to fees invoiced by In-Home Purchased Service providers, and paid by the agency, were actually provided, and if provided, provided in adherence to the requirements of the respective provider contract terms.

During the conduct of our current engagement, we obtained evidence substantiating that, as of May 1, 2018, the agency developed and implemented fiscal-related monitoring policy and procedures designed to reduce the agency's risk of paying overbillings or fraudulent billings submitted by contracted In-Home Purchased Service providers.

The agency's fiscal-related monitoring policy for In-Home Purchased Service providers states the service providers will provide the agency with a monthly invoice and service statements signed by either the client or parent. The policy further states that the agency fiscal assistant is to assure a signed service statement is included for each client listed on the invoice and the agency administrator reviews the invoice and service statements prior to approval for payment. Finally, if a discrepancy is found an email is sent to the provider for clarification and if there is an error a request is made for the provider to send a corrected invoice. If a resolution can't be reached with the provider, the agency attorney and county solicitor are contacted for help with a resolution.

To assess the sufficiency of these procedures, we reviewed the agency's written policy and procedures; In-Home Purchased Service invoices; and corresponding signed service statements.

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

SECTION 4

CURRENT ENGAGEMENT OBSERVATION

BRADFORD COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT OBSERVATION

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

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

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

In February 2018, DHS senior management staff affirmed that DHS is responsible for communicating contract-monitoring expectations to the C&Y agencies and for implementing a method to ensure certification monitoring is being performed adequately. DHS staff also stated these expectations were communicated to C&Y agencies on numerous occasions since 2016.

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

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

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

BRADFORD COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT OBSERVATION

Our 2018 Position Statement Letter

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

DHS Corrective Actions Taken

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

C&Y agencies are required to:

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

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

- Obtain a listing of contracted providers that deliver in-home coded services for the C&Y agency.
- Test the listing of contracted providers for completeness.
- Analyze the C&Y agency's documentation of monitoring activities for adequacy of monitoring, the C&Y agency's obtaining of any necessary corrective action plans, the C&Y agency's timely follow-up on corrective action plans, and the adequacy and accuracy of the monitoring documentation as represented on the supplemental schedule.
- Disclose any exceptions or findings within the Single Audit package for items not reflected on the supplemental schedule.

BRADFORD COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT OBSERVATION

Our Current Position

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

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

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

Conclusion

As the oversight agency, it is our opinion that DHS should ensure that every C&Y agency and its respective contracted providers are actually adhering to the CPSL certification requirements. This specifically relates to obtaining assurance as to the adequacy of each C&Y Agency's procedures for reviewing the certifications of their contracted providers' employees and volunteers and their subcontractors (whose duties require them to come into direct contact with children) and taking appropriate corrective action when disqualifying incidents are identified. We continue to believe that these children remain particularly vulnerable because contracted in-home services are often times provided outside the presence and view of others.

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

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

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

BRADFORD COUNTY CHILDREN AND YOUTH AGENCY
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