

# AMENDED FISCAL REPORTS

## For Fiscal Years:

July 1, 2018 to June 30, 2019

July 1, 2019 to June 30, 2020

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# Butler County

## Children and Youth Agency

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May 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 Butler County  
County Government Center 5<sup>th</sup> floor  
124 West Diamond St. PO Box 1208  
Butler, PA 16003

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 Butler 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, 2018 to June 30, 2019, and July 1, 2019 to June 30, 2020. 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, 2019, and June 30, 2020.

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 Butler 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 2018-2019 and 2019-2020 fiscal years based on the accrual basis of accounting.<sup>1</sup>

The procedures we performed during this engagement resulted in no adjustments to the agency's submitted fiscal reports for the fiscal years included in our engagement period.

This report includes the following observation:

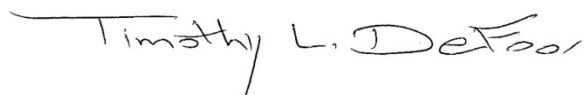
Observation – Despite the Pennsylvania Department of Human Services Apparent Strides in Increasing the Protection of At-Risk Children in the Care of Contracted In-Home Preventative Service Providers, DHS Failed to Review the Adequacy of the C&Y Agencies Procedures and Results for Ensuring these Providers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

The results of our engagement procedures, as presented in this report, were discussed with agency management at an exit conference held on May 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.

We appreciate the cooperation, assistance, and courtesy granted to our representatives by your officials and agency staff. 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, flowing style.

Timothy L. DeFoor  
Auditor General  
May 23, 2022

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<sup>1</sup> 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.

# CONTENTS

	Page
<b><u>Background</u></b> .....	1
<b><u>Section 1 – Amended Fiscal Reports for the Fiscal Year July 1, 2018 to June 30, 2019</u></b>	
Amended Computation of Final Net State Share .....	3
Amended CY-348 - Fiscal Summary .....	4
Amended CY-370A - Revenue Report .....	5
Amended CY-370 - Expenditure Report.....	6
Amended Summary of Expense and Expense Adjustments .....	7
<b><u>Section 2 – Amended Fiscal Reports for the Fiscal Year July 1, 2019 to June 30, 2020</u></b>	
Amended Computation of Final Net State Share .....	9
Amended CY-348 - Fiscal Summary .....	10
Amended CY-370A - Revenue Report .....	11
Amended CY-370 - Expenditure Report.....	12
Amended Summary of Expense and Expense Adjustments .....	13
<b><u>Section 3 – Current Engagement Observation</u></b> .....	15
<b><u>Report Distribution List</u></b> .....	19

## **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 4<sup>th</sup> 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, 2018 to JUNE 30, 2019**

**BUTLER 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 <sup>1</sup>		\$	8,443,292
Supplemental Act 148			<u>226,757</u>
Total State Allocation			8,670,049
State Share (CY348) <sup>2</sup>	\$	8,660,049	
Less: Major Service Category Adjustment		<u>0</u>	
Net State Share	\$	8,660,049	
Less: Expenditures in Excess of the Approved State Allocation		<u>0</u>	
Final Net State Share Payable <sup>3</sup>	\$	8,660,049	
Actual Act 148 Revenues Received <sup>4</sup>		<u>8,660,049</u>	
Net Amount Due County/(State) <sup>5</sup>	\$	<u><u>0</u></u>	

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

<sup>2</sup> 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.

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

<sup>4</sup> Actual Act 148 Revenues Received is the amount of Act 148 funds the County received.

<sup>5</sup> 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.

**BUTLER 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	425,159	0	57,991	0	0	0	0	0	367,168	367,168	0
02. 90% REIMBURSEMENT	187,549	1,511	6,709	0	0	0	0	0	179,329	161,396	17,933
03. 80% REIMBURSEMENT	12,189,840	162,370	2,395,398	309,260	125,287	31,194	0	0	9,166,331	7,333,064	1,833,267
04. 60% REIMBURSEMENT	1,345,670	33,420	149,818	0	0	0	0	3,134	1,159,298	695,580	463,718
05. 50% REIMBURSEMENT	215,875	771	9,424	0	0	0	0	0	205,680	102,841	102,839
06. TOTAL NET CHILD WELFARE EXPEND.	14,364,093	198,072	2,619,340	309,260	125,287	31,194	0	3,134	11,077,806	8,660,049	2,417,757

YDC/YFC PLACEMENT COSTS											
07. 60% DHSPARTICIPATION	204,777	900							203,877	122,326	81,551

08. NON-REIMBURSABLE EXPENDITURES	25,240	0							25,240		25,240
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09. TOTAL EXPENDITURES	14,594,110	198,972	2,619,340	309,260	125,287	31,194	0	3,134	11,306,923	8,782,375	2,524,548
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10. TOTAL TITLE IV-D COLLECTIONS 83,572

11. TITLE IV-D Collections for IV-E Children 20,947

12. STATE ACT 148 - line 6 8,660,049

13. STATE ACT 148 ALLOCATION 8,660,049

14. ADJUSTED STATE SHARE (lower of 12 or 13) 8,660,049

INVOICE	
AMENDED STATE SHARE (ACT 148)	8,660,049
ACT 148 AMOUNT RECEIVED	8,660,049
ADJUSTMENT TO STATE SHARE	0



BUTLER 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
IN-HOME	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
1-A ADOPTION SERVICE	425,159	0		57,991	0			0	0	367,168	367,168	0
1-B ADOPTION ASSISTANCE	2,656,358	0	1,131,404	11,975				0	0	1,512,979	1,210,383	302,596
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	158,193	0	42,239					0	0	115,954	92,763	23,191
1-D COUNSELING - DEPENDENT	1,177,583	0			214,208	0	0	0	0	963,375	770,700	192,675
1-E COUNSELING - DELINQUENT	496,308	0			95,052	0	0	0	0	401,256	321,005	80,251
1-F DAY CARE	0	0			0	0	0	0	0	0	0	0
1-G DAY TREATMENT - DEPENDENT	2,866	0			0	0	0	0	0	2,866	2,293	573
1-H DAY TREATMENT - DELINQUENT	59,625	0			0	0	0	0	0	59,625	47,700	11,925
1-I HOMEMAKER SERVICE	0	0			0	0	0	0	0	0	0	0
1-J INTAKE & REFERRAL	69,254	0		9,930	0	0	0	0	0	59,324	47,459	11,865
1-K LIFE SKILLS - DEPENDENT	0	0			0	0	0	0	0	0	0	0
1-L LIFE SKILLS - DELINQUENT	1,023	0		136	0	0	0	0	0	887	710	177
1-M PROTECTIVE SERVICE - CHILD ABUSE	812,873	0		89,628	0	0	0	0	0	723,245	578,596	144,649
1-N PROTECTIVE SERVICE - GENERAL	1,923,439	0		271,579	0	0	0	0	0	1,651,860	1,321,488	330,372
1-O SERVICE PLANNING	366,566	0		49,824	0	0	0	0	0	316,742	253,394	63,348
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT	168,492	0		9,404	0		0	0	0	159,088	79,544	79,544
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT	137	0		20	0		0	0	0	117	59	58
1-R SUBTOTAL IN-HOME	8,317,576	0	1,173,643	500,487	309,260	0	0	0	0	6,334,486	5,093,262	1,241,224
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	0
2-B ALTERNATIVE TREATMENT - DELINQUENT	0	0	0	0		0	0	0	0	0	0	0
2-C COMMUNITY RESIDENTIAL - DEPENDENT	626,738	12,814	110,191	0		0	0	0	0	503,733	402,986	100,747
2-D COMMUNITY RESIDENTIAL - DELINQUENT	1,148,731	29,767	0	0		0	0	0	0	1,118,964	895,171	223,793
2-E EMERGENCY SHELTER - DEPENDENT	53,291	866	6,709	0	0	0	0	0	0	45,716	41,144	4,572
2-F EMERGENCY SHELTER - DELINQUENT	134,258	645	0	0	0	0	0	0	0	133,613	120,252	13,361
2-G FOSTER FAMILY - DEPENDENT	2,690,035	119,789	306,304	372,188		125,287	31,194	0	0	1,735,273	1,388,218	347,055
2-H FOSTER FAMILY - DELINQUENT	248	0	0	0		0	0	0	0	248	198	50
2-I SUP. INDEPENDENT LIVING - DEPENDENT	0	0	0	0		0	0	0	0	0	0	0
2-J SUP. INDEPENDENT LIVING - DELINQUENT	0	0	0	0		0	0	0	0	0	0	0
2-K SUBTOTAL CBP	4,653,301	163,881	423,204	372,188	0	125,287	31,194	0	0	3,537,547	2,847,969	689,578
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	47,246	771	0						0	46,475	23,238	23,237
3-B RESIDENTIAL SERVICE - DEPENDENT	159,371	0	24,295	0		0	0	0	0	135,076	81,046	54,030
3-C RES. SERVICE - DELINQUENT (NON YDC/YFC)	96,056	10,901	0	0		0	0	0	0	85,155	51,093	34,062
3-D SECURE RES. SERVICE (EXCEPT YDC)	216,928	9,217							0	207,711	124,627	83,084
3-E YDC SECURE	204,777	900								203,877	122,326	81,551
3-F SUBTOTAL INSTITUTIONAL	724,378	21,789	24,295	0	0	0	0	0	0	678,294	402,330	275,964
4 ADMINISTRATION	873,315	13,302		125,523		0	0	0	3,134	731,356	438,814	292,542
5 TOTAL REVENUES	14,568,870	198,972	1,621,142	998,198	309,260	125,287	31,194	0	3,134	11,281,683	8,782,375	2,499,308

**BUTLER COUNTY CHILDREN AND YOUTH AGENCY  
FOR THE PERIOD JULY 1, 2018 TO JUNE 30, 2019  
AMENDED CY370  
EXPENDITURE REPORT**

MAJOR SERVICE CATEGORIES & COST CENTERS		OBJECTS OF EXPENDITURE											
		1	2	3	4	5	6	7	8	9	10	11	12
IN-HOME		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
1-A	ADOPTION SERVICE	139,178	71,489		214,492	0	0	425,159	82	0	0	0	0
1-B	ADOPTION ASSISTANCE	0	0	2,666,198	0	0	0	2,666,198	0	332	0	9,840	0
1-C	SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	0	0	158,193	0	0	0	158,193	0	25	0	0	0
1-D	COUNSELING - DEPENDENT	0	0		0	1,177,583	0	1,177,583	0	344	0	0	0
1-E	COUNSELING - DELINQUENT	0	0		0	496,308	0	496,308	0	195	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	2,866	0	2,866	0	1	0	0	0
1-H	DAY TREATMENT - DELINQUENT	0	0		0	59,625	0	59,625	0	13	0	0	0
1-I	HOMEMAKER SERVICE	0	0		0	0	0	0	0	0	0	0	0
1-J	INTAKE & REFERRAL	45,786	23,468			0	0	69,254	3,199	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		1,023	0	0	1,023	0	0	0	0	0
1-M	PROTECTIVE SERVICE - CHILD ABUSE	408,031	180,914		48,928	175,000	0	812,873	365	244	0	0	0
1-N	PROTECTIVE SERVICE - GENERAL	1,221,992	574,559		126,888	0	0	1,923,439	1,454	0	0	0	0
1-O	SERVICE PLANNING	215,050	111,837		20,387	19,292	0	366,566	187	360	0	0	0
1-P	JUVENILE ACT PROCEEDINGS - DEPENDENT				66,492	102,000		168,492	0	1,580	0	0	0
1-Q	JUVENILE ACT PROCEEDINGS - DELINQUENT				137	0		137	0	0	0	0	0
1-R	SUBTOTAL IN-HOME	2,030,037	962,267	2,824,391	478,347	2,032,674	0	8,327,716			0	9,840	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	0	0	0	1,587	625,151	0	626,738	3,461	21	0	0	0
2-D	COMMUNITY RESIDENTIAL - DELINQUENT	0	0	0	733	1,147,998	0	1,148,731	5,817	39	0	0	0
2-E	EMERGENCY SHELTER - DEPENDENT	0	0	0	0	53,291	0	53,291	316	20	0	0	0
2-F	EMERGENCY SHELTER - DELINQUENT	0	0	0	38	134,220	0	134,258	889	50	0	0	0
2-G	FOSTER FAMILY - DEPENDENT	390,794	195,114	0	78,092	2,026,035	0	2,690,035	38,372	200	0	0	0
2-H	FOSTER FAMILY - DELINQUENT	0	0	0	248	0	0	248	0	0	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	390,794	195,114	0	80,698	3,986,695	0	4,653,301	48,855	330	0	0	0
INSTITUTIONAL PLACEMENT		WAGES AND SALARIES	EMPLOYEE BENEFITS	SUBSIDIES	OPERATING	PURCHASED SERVICES	FIXED ASSETS	TOTAL EXPENDITURES	DAYS OF CARE	Children Served (Purchased)	Non- Reimbursable Non PS Sub.	Non-Reim. Purchased Serv/ Subsidies	Non-Reim. Program Income
3-A	JUVENILE DETENTION SERVICE	0	0	0	0	47,946	0	47,946	270	18	0	700	0
3-B	RESIDENTIAL SERVICE - DEPENDENT	0	0	0	0	159,371	0	159,371	451	2	0	0	0
3-C	RES. SERVICE - DELINQUENT (EXCEPT YDC/YFC)	0	0	0	163	110,593	0	110,756	630	4	0	14,700	0
3-D	SECURE RES. SERVICE (EXCEPT YDC)	0	0	0	0	216,928	0	216,928	600	6	0	0	0
3-E	YDC SECURE	0	0	0	0	204,777	0	204,777	373	4	0	0	0
3-F	SUBTOTAL INSTITUTIONAL	0	0	0	163	739,615	0	739,778	2,324	34	0	15,400	0
4	ADMINISTRATION	396,354	201,725	0	248,236	0	27,000	873,315			0	0	0
5	TOTAL EXPENDITURES	2,817,185	1,359,106	2,824,391	807,444	6,758,984	27,000	14,594,110			0	25,240	0
County Indirect Costs = \$ 166,509													

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

<b>COST CENTER ITEMS</b>	<b>AS REPORTED PER CY370</b>	<b>INCREASE (DECREASE)</b>	<b>AS AMENDED PER CY370</b>
Adoption Service	\$ 425,159	\$ 0	\$ 425,159
Adoption Assistance	2,666,198	0	2,666,198
Subsidized Permanent Legal Custodianship	158,193	0	158,193
Counseling	1,673,891	0	1,673,891
Day Care	0	0	0
Day Treatment	62,491	0	62,491
Homemaker Service	0	0	0
Intake and Referral	69,254	0	69,254
Life Skills	1,023	0	1,023
Protective Service - Child Abuse	812,873	0	812,873
Protective Service - General	1,923,439	0	1,923,439
Service Planning	366,566	0	366,566
Juvenile Act Proceedings	168,629	0	168,629
Alternative Treatment	0	0	0
Community Residential	1,775,469	0	1,775,469
Emergency Shelter	187,549	0	187,549
Foster Family	2,690,283	0	2,690,283
Supervised Independent Living	0	0	0
Juvenile Detention Service	47,946	0	47,946
Residential Service	270,127	0	270,127
Secure Residential Service (Except YDC)	216,928	0	216,928
YDC Secure	204,777	0	204,777
Administration	873,315	0	873,315
Combined Total Expense	14,594,110	0	14,594,110
Less Non-reimbursables	25,240	0	25,240
Total Net Expense	\$ 14,568,870	\$ 0	\$ 14,568,870

<b>OBJECTS OF EXPENDITURE</b>	<b>AS REPORTED PER CY370</b>	<b>INCREASE (DECREASE)</b>	<b>AS AMENDED PER CY370</b>
Wages and Salaries	\$ 2,817,185	\$ 0	\$ 2,817,185
Employee Benefits	1,359,106	0	1,359,106
Subsidies	2,824,391	0	2,824,391
Operating	807,444	0	807,444
Purchased Services	6,758,984	0	6,758,984
Fixed Assets	27,000	0	27,000
Combined Total Expense	14,594,110	0	14,594,110
Less Non-reimbursables	25,240	0	25,240
Total Net Expense	\$ 14,568,870	\$ 0	\$ 14,568,870

**SECTION 2**

**AMENDED FISCAL REPORTS**

**FOR THE FISCAL YEAR:**

**JULY 1, 2019 to JUNE 30, 2020**

**BUTLER COUNTY CHILDREN AND YOUTH AGENCY  
FOR THE PERIOD JULY 1, 2019 TO JUNE 30, 2020  
AMENDED  
COMPUTATION OF FINAL NET STATE SHARE**

Approved State Allocation <sup>1</sup>		\$	9,134,959
Supplemental Act 148			<u>0</u>
Total State Allocation			9,134,959
State Share (CY348) <sup>2</sup>	\$	8,564,217	
Less: Major Service Category Adjustment		<u>0</u>	
Net State Share	\$	8,564,217	
Less: Expenditures in Excess of the Approved State Allocation		<u>0</u>	
Final Net State Share Payable <sup>3</sup>	\$	8,564,217	
Actual Act 148 Revenues Received <sup>4</sup>		<u>8,564,217</u>	
Net Amount Due County/(State) <sup>5</sup>	\$	<u>0</u>	

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

<sup>2</sup> 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.

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

<sup>4</sup> Actual Act 148 Revenues Received is the amount of Act 148 funds the County received.

<sup>5</sup> 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.

BUTLER COUNTY CHILDREN AND YOUTH AGENCY  
FOR THE PERIOD JULY 1, 2019 TO JUNE 30, 2020  
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	443,059	0	58,755	0	0	0	0	0	384,304	384,304	0
02. 90% REIMBURSEMENT	198,793	0	2,426	0	0	0	0	0	196,367	176,730	19,637
03. 80% REIMBURSEMENT	12,002,872	151,282	2,508,333	309,260	125,287	31,194	0	0	8,877,516	7,102,013	1,775,503
04. 60% REIMBURSEMENT	1,570,342	34,403	152,589	0	0	0	0	4,057	1,379,293	827,575	551,718
05. 50% REIMBURSEMENT	151,529	0	4,340	0	0	0	0	0	147,189	73,595	73,594
06. TOTAL NET CHILD WELFARE EXPEND.	14,366,595	185,685	2,726,443	309,260	125,287	31,194	0	4,057	10,984,669	8,564,217	2,420,452

YDC/YFC PLACEMENT COSTS											
07. 60% DHS PARTICIPATION	220,332	0							220,332	132,199	88,133
08. NON-REIMBURSABLE EXPENDITURES	53,718	0							53,718		53,718

09. TOTAL EXPENDITURES	14,640,645	185,685	2,726,443	309,260	125,287	31,194	0	4,057	11,258,719	8,696,416	2,562,303
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10. TOTAL TITLE IV-D COLLECTIONS 73,622

11. TITLE IV-D Collections for IV-E Children 35,705

12. STATE ACT 148 - line 6 8,564,217

13. STATE ACT 148 ALLOCATION 9,134,959

14. ADJUSTED STATE SHARE (lower of 12 or 13) 8,564,217

INVOICE	
AMENDED STATE SHARE (ACT 148)	8,564,217
ACT 148 AMOUNT RECEIVED	8,564,217
ADJUSTMENT TO STATE SHARE	0

**BUTLER COUNTY CHILDREN AND YOUTH AGENCY  
FOR THE PERIOD JULY 1, 2019 TO JUNE 30, 2020  
AMENDED CY370A  
REVENUE REPORT**

MAJOR SERVICE CATEGORIES & COST CENTERS		REVENUE SOURCES											
		1	2	3	4	5	6	7	8	9	10	11	12
IN-HOME		TOTAL REIMBURSABLE EXPENDITURES	PROGRAM INCOME	TITLE IV-E MAINTENANCE	TITLE IV-E ADMIN.	TANF	TITLE XX	TITLE IV-B	Child Welfare Demonstration Project Title IV-E	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE
1-A	ADOPTION SERVICE	443,059	0		58,755	0			0	0	384,304	384,304	0
1-B	ADOPTION ASSISTANCE	2,805,318	0	1,311,445	9,003				0	0	1,484,870	1,187,896	296,974
1-C	SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	257,234	0	94,823	0				0	0	162,411	129,929	32,482
1-D	COUNSELING - DEPENDENT	1,247,763	0		0	251,585	0	0	0	0	996,178	796,942	199,236
1-E	COUNSELING - DELINQUENT	380,125	0		0	57,675	0	0	0	0	322,450	257,960	64,490
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	26,562	0		0	0	0	0	0	0	26,562	21,250	5,312
1-I	HOMEMAKER SERVICE	0	0		0	0	0	0	0	0	0	0	0
1-J	INTAKE & REFERRAL	91,005	0		12,262	0	0	0	0	0	78,743	62,994	15,749
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	766,368	0		79,309	0	0	0	0	0	687,059	549,647	137,412
1-N	PROTECTIVE SERVICE - GENERAL	2,091,825	0		280,279	0	0	0	0	0	1,811,546	1,449,237	362,309
1-O	SERVICE PLANNING	291,983	0		36,203	0	0	0	0	0	255,780	204,624	51,156
1-P	JUVENILE ACT PROCEEDINGS - DEPENDENT	134,106	0		4,327	0		0	0	0	129,779	64,890	64,889
1-Q	JUVENILE ACT PROCEEDINGS - DELINQUENT	93	0		13	0		0	0	0	80	40	40
1-R	SUBTOTAL IN-HOME	8,535,441	0	1,406,268	480,151	309,260	0	0	0	0	6,339,762	5,109,713	1,230,049
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	571,845	26,109	40,689	36,858			0	0	0	468,189	374,551	93,638
2-D	COMMUNITY RESIDENTIAL - DELINQUENT	774,509	23,607					0	0	0	750,902	600,722	150,180
2-E	EMERGENCY SHELTER - DEPENDENT	93,325	0	878	1,548	0	0	0	0	0	90,899	81,809	9,090
2-F	EMERGENCY SHELTER - DELINQUENT	105,468	0		0	0	0	0	0	0	105,468	94,921	10,547
2-G	FOSTER FAMILY - DEPENDENT	1,230,843	77,925	134,295	165,242		125,287	31,194	0	0	696,900	557,520	139,380
2-H	FOSTER FAMILY - DELINQUENT	0	0	0	0			0	0	0	0	0	0
2-I	KINSHIP CARE - DEPENDENT	1,467,492	23,641	160,587	147,338			0	0	0	1,135,926	908,741	227,185
2-J	KINSHIP CARE - DELINQUENT	0	0	0	0			0	0	0	0	0	0
2-K	SUP. INDEPENDENT LIVING - DEPENDENT	0	0	0	0			0	0	0	0	0	0
2-L	SUP. INDEPENDENT LIVING - DELINQUENT	0	0	0	0			0	0	0	0	0	0
2-M	SUBTOTAL CBP	4,243,482	151,282	336,449	350,986	0	125,287	31,194	0	0	3,248,284	2,618,264	630,020
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	17,330	0							0	17,330	8,665	8,665
3-B	RESIDENTIAL SERVICE - DEPENDENT	275,796	0	18,655	5,442		0	0	0	0	251,699	151,019	100,680
3-C	RES. SERVICE - DELINQUENT (NON YDC/YFC)	165,127	11,008	0	0		0	0	0	0	154,119	92,471	61,648
3-D	SECURE RES. SERVICE (EXCEPT YDC)	167,428	1,864							0	165,564	99,338	66,226
3-E	YDC SECURE	220,332	0								220,332	132,199	88,133
3-F	SUBTOTAL INSTITUTIONAL	846,013	12,872	18,655	5,442	0	0	0	0	0	809,044	483,692	325,352
4	ADMINISTRATION	961,991	21,531		128,492		0	0	0	4,057	807,911	484,747	323,164
5	TOTAL REVENUES	14,586,927	185,685	1,761,372	965,071	309,260	125,287	31,194	0	4,057	11,205,001	8,696,416	2,508,585

BUTLER COUNTY CHILDREN AND YOUTH AGENCY  
FOR THE PERIOD JULY 1, 2019 TO JUNE 30, 2020  
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
<b>IN-HOME</b>												
1-A ADOPTION SERVICE	157,300	89,347		196,412	0	0	443,059	101	0	0	0	0
1-B ADOPTION ASSISTANCE	0	0	2,834,816	0	0	0	2,834,816	0	352	0	29,498	0
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	0	0	257,234	0	0	0	257,234	0	29	0	0	0
1-D COUNSELING - DEPENDENT	0	0		0	1,249,713	0	1,249,713	0	351	0	1,950	0
1-E COUNSELING - DELINQUENT	0	0		0	380,125	0	380,125	0	86	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	26,562	0	26,562	0	8	0	0	0
1-I HOMEMAKER SERVICE	0	0		0	0	0	0	0	0	0	0	0
1-J INTAKE & REFERRAL	54,117	36,888		0	0	0	91,005	3,329	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	353,412	183,406		54,550	175,000	0	766,368	345	600	0	0	0
1-N PROTECTIVE SERVICE - GENERAL	1,307,169	662,108		122,548	0	0	2,091,825	1,474	0	0	0	0
1-O SERVICE PLANNING	153,318	84,966		27,743	25,956	0	291,983	213	400	0	0	0
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT				31,086	103,020		134,106	0	325	0	0	0
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT				93	0		93	0	0	0	0	0
<b>SUBTOTAL IN-HOME</b>	2,025,316	1,056,715	3,092,050	432,432	1,960,376	0	8,566,889			0	31,448	0
Number of Children receiving only NON-PURCHASED IN-Home Services 29												
<b>COMMUNITY BASED PLACEMENT</b>	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	0	0	0	792	571,053	0	571,845	3,132	31	0	0	0
2-D COMMUNITY RESIDENTIAL - DELINQUENT	0	0	0	452	774,057	0	774,509	3,588	28	0	0	0
2-E EMERGENCY SHELTER - DEPENDENT	0	0	0	0	93,325	0	93,325	555	23	0	0	0
2-F EMERGENCY SHELTER - DELINQUENT	0	0	0	0	105,468	0	105,468	605	38	0	0	0
2-G FOSTER FAMILY - DEPENDENT	207,050	113,635	0	99,924	832,504	0	1,253,113	15,286	126	0	22,270	0
2-H FOSTER FAMILY - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-I KINSHIP CARE - DEPENDENT	287,880	158,275	0	2,876	1,018,461	0	1,467,492	20,970	117	0	0	0
2-J KINSHIP CARE - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-K SUP. INDEPENDENT LIVING - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
2-L SUP. INDEPENDENT LIVING - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
<b>SUBTOTAL CBP</b>	494,930	271,910	0	104,044	3,394,868	0	4,265,752	44,136	363	0	22,270	0
<b>INSTITUTIONAL PLACEMENT</b>	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	17,330	0	17,330	88	6	0	0	0
3-B RESIDENTIAL SERVICE - DEPENDENT	0	0	0	0	275,796	0	275,796	591	3	0	0	0
3-C RES. SERVICE - DELINQUENT (EXCEPT YDC/YFC)	0	0	0	189	164,938	0	165,127	578	9	0	0	0
3-D SECURE RES. SERVICE (EXCEPT YDC)	0	0	0	0	167,428	0	167,428	516	12	0	0	0
3-E YDC SECURE	0	0	0	0	220,332	0	220,332	427	2	0	0	0
<b>SUBTOTAL INSTITUTIONAL</b>	0	0	0	189	845,824	0	846,013	2,200	32	0	0	0
<b>4 ADMINISTRATION</b>	418,162	247,547	0	296,282	0	0	961,991			0	0	0
<b>5 TOTAL EXPENDITURES</b>	2,938,408	1,576,172	3,092,050	832,947	6,201,068	0	14,640,645			0	53,718	0
County Indirect Costs = \$ 225,693												



**BUTLER COUNTY CHILDREN AND YOUTH AGENCY  
FOR THE PERIOD JULY 1, 2019 TO JUNE 30, 2020  
AMENDED  
SUMMARY OF EXPENSE AND EXPENSE ADJUSTMENTS**

<b>COST CENTER ITEMS</b>	<b>AS REPORTED PER CY370</b>	<b>INCREASE (DECREASE)</b>	<b>AS AMENDED PER CY370</b>
Adoption Service	\$ 443,059	\$ 0	\$ 443,059
Adoption Assistance	2,834,816	0	2,834,816
Subsidized Permanent Legal Custodianship	257,234	0	257,234
Counseling	1,629,838	0	1,629,838
Day Care	0	0	0
Day Treatment	26,562	0	26,562
Homemaker Service	0	0	0
Intake and Referral	91,005	0	91,005
Life Skills	0	0	0
Protective Service - Child Abuse	766,368	0	766,368
Protective Service - General	2,091,825	0	2,091,825
Service Planning	291,983	0	291,983
Juvenile Act Proceedings	134,199	0	134,199
Alternative Treatment	0	0	0
Community Residential	1,346,354	0	1,346,354
Emergency Shelter	198,793	0	198,793
Foster Family	1,253,113	0	1,253,113
Kinship Care	1,467,492	0	1,467,492
Supervised Independent Living	0	0	0
Juvenile Detention Service	17,330	0	17,330
Residential Service	440,923	0	440,923
Secure Residential Service (Except YDC)	167,428	0	167,428
YDC Secure	220,332	0	220,332
Administration	961,991	0	961,991
Combined Total Expense	<u>14,640,645</u>	<u>0</u>	<u>14,640,645</u>
Less Non-reimbursables	<u>53,718</u>	<u>0</u>	<u>53,718</u>
Total Net Expense	<u>\$ 14,586,927</u>	<u>\$ 0</u>	<u>\$ 14,586,927</u>

<b>OBJECTS OF EXPENDITURE</b>	<b>AS REPORTED PER CY370</b>	<b>INCREASE (DECREASE)</b>	<b>AS AMENDED PER CY370</b>
Wages and Salaries	\$ 2,938,408	\$ 0	\$ 2,938,408
Employee Benefits	1,576,172	0	1,576,172
Subsidies	3,092,050	0	3,092,050
Operating	832,947	0	832,947
Purchased Services	6,201,068	0	6,201,068
Fixed Assets	0	0	0
Combined Total Expense	<u>14,640,645</u>	<u>0</u>	<u>14,640,645</u>
Less Non-reimbursables	<u>53,718</u>	<u>0</u>	<u>53,718</u>
Total Net Expense	<u>\$ 14,586,927</u>	<u>\$ 0</u>	<u>\$ 14,586,927</u>

## SECTION 3

# CURRENT ENGAGEMENT OBSERVATION

BUTLER 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.<sup>2</sup> 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.<sup>3</sup>

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).<sup>4</sup> 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

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<sup>2</sup> 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.

<sup>3</sup> 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.

<sup>4</sup> 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.

## BUTLER COUNTY CHILDREN AND YOUTH AGENCY CURRENT ENGAGEMENT OBSERVATION

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.

### **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.

## BUTLER COUNTY CHILDREN AND YOUTH AGENCY CURRENT ENGAGEMENT OBSERVATION

- 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.

### **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.<sup>5</sup>

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.<sup>i</sup>

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

## BUTLER COUNTY CHILDREN AND YOUTH AGENCY CURRENT ENGAGEMENT OBSERVATION

### **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.

<sup>i</sup> **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.

**BUTLER COUNTY CHILDREN AND YOUTH AGENCY  
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