

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

Cambria County Children and Youth Agency

January 2019



Commonwealth of Pennsylvania
Department of the Auditor General

Eugene A. DePasquale • Auditor General



**Commonwealth of Pennsylvania
Department of the Auditor General
Harrisburg, PA 17120-0018
Facebook: Pennsylvania Auditor General
Twitter: @PAAuditorGen
www.PaAuditor.gov**

**EUGENE A. DePASQUALE
AUDITOR GENERAL**

The Commissioners of Cambria County
Central Park Complex, Suite 400 110 Franklin Street
Johnstown, PA 15901

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 Cambria County Children and Youth Agency, legally known as Cambria 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 compliance¹ with certain provisions of 55 Pa. Code, Part V. Children, Youth, and Families Manual, Subpart C, Chapters 3140 and 3170 (55 Pa. Code §§ 3140.1 *et seq.* and 3170.1 *et seq.*), but was not required to be and was not conducted in accordance with professional auditing or attestation standards. 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 Cambria County.

¹ The Child Protective Services Law (CPSL), 23 Pa.C.S. § 6301 *et seq.*, requires the conduct of criminal background checks and child abuse history clearances (certifications) for all employees and direct volunteers of county children and youth (C&Y) agencies, as well as the volunteers/employees of their contractors (providers) and subcontractors (sub-recipients). To ensure adherence to these requirements, the Commonwealth DHS has assigned monitoring responsibilities to internal offices and bureaus based on the types of services provided. However, the safety of children receiving services from/through these agencies may be at risk due to significant control deficiencies related to the CPSL adherence that exist within C&Y agencies and the Commonwealth DHS. Details regarding these deficiencies are further outlined in the Observation included in this report.

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.²

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 to the agency's submitted fiscal reports, which are 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. While this adjustment in total impacted the agency's Final Net State Share by increasing agency expenditures by \$9,735, the agency cannot receive state reimbursement in excess of the Total State Act 148 Allocation. Thus, there is no impact on the Final Net State Share Payable, and no amount is due to the county or state because the agency's expenditures exceeded the Total State Act 148 Allocation by \$7,816. 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 no adjustments to the agency's submitted fiscal reports, which are included in Section 3 of this report.

In addition, we found that the agency complied with one of the two findings included in our prior engagement report, as detailed in Section 4 of this report. However, due to the timing of the conduct of our prior engagement, the agency was not able to fully implement corrective action to comply with the recommendations in the other finding during our current engagement scope period, as detailed in Section 4 of this report. As a result, we concluded that the issuance of a repeat finding was warranted, as listed below and detailed in Section 5 of this report.

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

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 December 14, 2018.

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

² The accrual basis of accounting is required by DHS.

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 Cambria County Children and Youth Agency.

Sincerely,

A handwritten signature in black ink, appearing to read "Eugene A. DePasquale", with a long horizontal flourish extending to the right.

Eugene A. DePasquale
Auditor General

December 21, 2018

CONTENTS

	Page
<u>Background</u>	1
<u>Section 1 – Amended Fiscal Reports for the Fiscal Year July 1, 2014 to June 30, 2015</u>	
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
Adjustment Schedule	7
<u>Section 2 – Amended Fiscal Reports for the Fiscal Year July 1, 2015 to June 30, 2016</u>	
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
Adjustment Schedule	14
<u>Section 3 – Amended Fiscal Reports for the Fiscal Year July 1, 2016 to June 30, 2017</u>	
Amended Computation of Final Net State Share.....	16
Amended CY-348 - Fiscal Summary.....	17
Amended CY-370A - Revenue Report	18
Amended CY-370 - Expenditure Report.....	19
Amended Summary of Expense and Expense Adjustments	20
<u>Section 4 – Status of Prior Engagement Findings and Recommendations</u>	22
<u>Section 5 – Current Engagement Finding and Recommendations</u>	25
<u>Section 6 – Current Engagement Observation</u>	30
<u>Report Distribution List</u>	35

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 Cambria County Children and Youth Agency provided in-home and placement services to 2,232 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). The variances identified between the submitted and actual costs and revenues required adjustments to these fiscal reports, and thus, our Amended CY-370 Expenditure Report, Amended CY-370A Revenue Report, and Amended CY-348 Fiscal Summary, resulting from our engagement procedures and included in this report for each fiscal year included in our scope, reflect the County Children and Youth Agency’s actual related costs and revenues for those years and those costs and revenues’ impact 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

**CAMBRIA 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		\$	4,982,234
Supplemental Act 148			<u>1,365</u>
Total State Allocation			4,983,599
State Share (CY348) ²	\$		4,983,599
Less: Major Service Category Adjustment			<u>0</u>
Net State Share		\$	4,983,599
Less: Expenditures in Excess of the Approved State Allocation			<u>0</u>
Final Net State Share Payable ³		\$	4,983,599
Actual Act 148 Revenues Received ⁴			<u>4,983,599</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.

**CAMBRIA 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	156,670	450	32,048	0	0	0	0	0	124,172	124,172	0
02. 90% REIMBURSEMENT	395,973	6,890	18,701	162,650	0	0	0	0	207,732	186,959	20,773
03. 80% REIMBURSEMENT	8,193,912	161,671	2,198,152	367,576	110,730	0	0	0	5,355,783	4,284,626	1,071,157
04. 60% REIMBURSEMENT	648,320	54,202	107,711	0	20,422	52,368	0	5,452	408,165	244,899	163,266
05. 50% REIMBURSEMENT	290,328	0	4,443	0	0	0	0	0	285,885	142,943	142,942
06. TOTAL NET CHILD WELFARE EXPEND.	9,685,203	223,213	2,361,055	530,226	131,152	52,368	0	5,452	6,381,737	4,983,599	1,398,138

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

08. NON-REIMBURSABLE EXPENDITURES	91,436	0							91,436		91,436
------------------------------------------	---------------	----------	--	--	--	--	--	--	---------------	--	---------------

09. TOTAL EXPENDITURES	9,776,639	223,213	2,361,055	530,226	131,152	52,368	0	5,452	6,473,173	4,983,599	1,489,574
-------------------------------	------------------	----------------	------------------	----------------	----------------	---------------	----------	--------------	------------------	------------------	------------------

10. TOTAL TITLE IV-D COLLECTIONS	71,521										
-----------------------------------------	---------------	--	--	--	--	--	--	--	--	--	--

11. TITLE IV-D Collections for IV-E Children	24,573										
-----------------------------------------------------	---------------	--	--	--	--	--	--	--	--	--	--

12. STATE ACT 148 - line 6	4,983,599										
-----------------------------------	------------------	--	--	--	--	--	--	--	--	--	--

13. STATE ACT 148 ALLOCATION	4,983,599										
-------------------------------------	------------------	--	--	--	--	--	--	--	--	--	--

14. ADJUSTED STATE SHARE (lower of 12 or 13)	4,983,599										
-----------------------------------------------------	------------------	--	--	--	--	--	--	--	--	--	--

INVOICE											
AMENDED STATE SHARE (ACT 148)	4,983,599										
ACT 148 AMOUNT RECEIVED	4,983,599										
ADJUSTMENT TO STATE SHARE	0										

CAMBRIA 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
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	156,670	450		32,048	0		0	0	0	124,172	124,172	0
1-B	ADOPTION ASSISTANCE	1,544,490	0	678,809	11,640			0	0	0	854,041	683,233	170,808
1-C	SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	248,450	0	32,927	0			0	0	0	215,523	172,418	43,105
1-D	COUNSELING - DEPENDENT	658,936	71,380		66,234	171,388	34,130	0	0	0	315,804	252,643	63,161
1-E	COUNSELING - DELINQUENT												
1-F	DAY CARE	0	0			5,733	0	0	0	0	8,194	6,555	1,639
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	127,805	0		89,531	0	0	0	0	0	38,274	30,619	7,655
1-J	INTAKE & REFERRAL	194,444	0		39,722	0	0	0	0	0	154,722	123,778	30,944
1-K	LIFE SKILLS - DEPENDENT	5,101	0		0	0	0	0	0	0	5,101	4,081	1,020
1-L	LIFE SKILLS - DELINQUENT	140,523	0		0	95,945	0	0	0	0	44,578	35,662	8,916
1-M	PROTECTIVE SERVICE - CHILD ABUSE	466,284	0		92,712	450	0				373,122	298,498	74,624
1-N	PROTECTIVE SERVICE - GENERAL	1,795,574	588		365,538	0	0	0	0	0	1,429,428	1,143,542	285,886
1-O	SERVICE PLANNING	154,594	0		30,551	4,529	0	0	0	0	119,514	95,611	23,903
1-P	JUVENILE ACT PROCEEDINGS - DEPENDENT	137,578	0		4,405	0		0	0	0	133,173	66,587	66,586
1-Q	JUVENILE ACT PROCEEDINGS - DELINQUENT	200	0		38	0		0	0	0	162	81	81
1-R	SUBTOTAL IN-HOME	5,644,576	72,418	711,736	642,908	367,576	34,130	0	0	0	3,815,808	3,037,480	778,328
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
2-B	ALTERNATIVE TREATMENT - DELINQUENT	0	0		0			0	0	0	0	0	0
2-C	COMMUNITY RESIDENTIAL - DEPENDENT	469,562	15,245	88,395	11,984		4,871	0	0	0	349,067	279,254	69,813
2-D	COMMUNITY RESIDENTIAL - DELINQUENT	73,916	0	11,529	0		3,606	0	0	0	58,781	47,025	11,756
2-E	EMERGENCY SHELTER - DEPENDENT	138,403	4,668	14,656	4,045	4,730	0	0	0	0	110,304	99,274	11,030
2-F	EMERGENCY SHELTER - DELINQUENT	257,570	2,222		157,920	0	0	0	0	0	97,428	87,685	9,743
2-G	FOSTER FAMILY - DEPENDENT	2,300,306	74,458	363,475	404,616		68,123	0	0	0	1,389,634	1,111,707	277,927
2-H	FOSTER FAMILY - DELINQUENT	0	0		0			0	0	0	0	0	0
2-I	SUP. INDEPENDENT LIVING - DEPENDENT	0	0		0			0	0	0	0	0	0
2-J	SUP. INDEPENDENT LIVING - DELINQUENT	0	0		0			0	0	0	0	0	0
2-K	SUBTOTAL CBP	3,239,757	96,593	478,055	420,645	162,650	76,600	0	0	0	2,005,214	1,624,945	380,269
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	152,550	0								152,550	76,275	76,275
3-B	RESIDENTIAL SERVICE - DEPENDENT	329,902	51,688	4,562	13,701		641	52,368	0	0	206,942	124,165	82,777
3-C	RES. SERVICE - DELINQUENT (NON YDC/YFC)	144,248	2,514	53,831	2		19,781	0	0	0	68,120	40,872	27,248
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	626,700	54,202	58,393	13,703	0	20,422	52,368	0	0	427,612	241,312	186,300
4	ADMINISTRATION	174,170	0		35,615		0	0	0	5,452	133,103	79,862	53,241
5	TOTAL REVENUES	9,685,203	223,213	1,248,184	1,112,871	530,226	131,152	52,368	0	5,452	6,381,737	4,983,599	1,398,138

CAMBRIA 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	97,081	32,221		30,927	0	106	160,335	23	0	3,665	0	0
1-B ADOPTION ASSISTANCE	0	0	1,544,490	0	0	0	1,544,490	0	192	0	0	0
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	0	0	248,450	0	0	0	248,450	0	30	0	0	0
1-D COUNSELING - DEPENDENT	201,952	85,424		44,562	334,986	239	667,163	173	121	8,227	0	0
1-E COUNSELING - DELINQUENT	0	0		0	13,927	0	13,927	0	44	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	127,805	0	127,805	0	94	0	0	0
1-J INTAKE & REFERRAL	133,506	41,223		24,155	0	132	199,016	3,249	0	4,572	0	0
1-K LIFE SKILLS - DEPENDENT	0	0		0	5,101	0	5,101	0	1	0	0	0
1-L LIFE SKILLS - DELINQUENT	0	0		0	140,523	0	140,523	0	19	0	0	0
1-M PROTECTIVE SERVICE - CHILD ABUSE	279,934	98,843		85,465	12,693	318	477,253	433	1	10,969	0	0
1-N PROTECTIVE SERVICE - GENERAL	1,170,768	423,983		239,900	0	1,168	1,835,819	1,178	0	40,245	0	0
1-O SERVICE PLANNING	100,563	36,340		15,535	4,817	79	157,334	4,860	61	2,740	0	0
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT				21,205	116,373		137,578	259	272	0	0	0
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT				200	0		200	0	0	0	0	0
1-R SUBTOTAL IN-HOME	1,983,804	718,034	1,792,940	461,949	756,225	2,042	5,714,994			70,418	0	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	37,336	16,781		7,321	409,014	26	470,478	2,846	25	916	0	0
2-D COMMUNITY RESIDENTIAL - DELINQUENT	0	0		0	73,916	0	73,916	360	13	0	0	0
2-E EMERGENCY SHELTER - DEPENDENT	11,378	4,519		6,974	116,421	26	139,318	1,361	59	915	0	0
2-F EMERGENCY SHELTER - DELINQUENT	438,884	146,129		163,602	1,567,660	478	2,316,753	31,632	135	16,447	0	0
2-G FOSTER FAMILY - DEPENDENT	0	0		0	0	0	0	0	0	0	0	0
2-H FOSTER FAMILY - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
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	487,598	167,429	0	177,897	2,424,581	530	3,258,035	37,397	299	18,278	0	0
INSTITUTIONAL PLACEMENT												
3-A JUVENILE DETENTION SERVICE	0	0	0	0	152,550	0	152,550	678	28	0	0	0
3-B RESIDENTIAL SERVICE - DEPENDENT	41,884	16,752		11,938	261,100	53	331,727	1,127	6	1,825	0	0
3-C RES. SERVICE - DELINQUENT (EXCEPT YDC/YFC)	0	0		1,633	142,615	0	144,248	955	17	0	0	0
3-D SECURE RES. SERVICE (EXCEPT YDC)	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
3-F SUBTOTAL INSTITUTIONAL	41,884	16,752	0	13,571	556,265	53	628,525	2,740	51	1,825	0	0
4 ADMINISTRATION	39,169	14,016	0	121,874	0	26	175,085			915	0	0
5 TOTAL EXPENDITURES	2,552,455	916,231	1,792,940	775,291	3,737,071	2,651	9,776,639			91,436	0	0
County Indirect Costs = \$ 117,008												

**CAMBRIA 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	\$ 160,335	\$ 0	\$ 160,335
Adoption Assistance	1,544,490	0	1,544,490
Subsidized Permanent Legal Custodianship	248,450	0	248,450
Counseling	681,090	0	681,090
Day Care	0	0	0
Day Treatment	0	0	0
Homemaker Service	127,805	0	127,805
Intake and Referral	199,016	0	199,016
Life Skills	145,624	0	145,624
Protective Service - Child Abuse	477,253	0	477,253
Protective Service - General	1,835,819	0	1,835,819
Service Planning	157,334	0	157,334
Juvenile Act Proceedings	137,778	0	137,778
Alternative Treatment	0	0	0
Community Residential	544,394	0	544,394
Emergency Shelter	396,888	0	396,888
Foster Family	2,316,753	0	2,316,753
Supervised Independent Living	0	0	0
Juvenile Detention Service	152,550	0	152,550
Residential Service	475,975	0	475,975
Secure Residential Service (Except YDC)	0	0	0
YDC Secure	0	0	0
Administration	175,085	0	175,085
Combined Total Expense	<u>9,776,639</u>	<u>0</u>	<u>9,776,639</u>
Less Non-reimbursables	<u>91,436</u>	<u>0</u>	<u>91,436</u>
Total Net Expense	<u>\$ 9,685,203</u>	<u>\$ 0</u>	<u>\$ 9,685,203</u>

OBJECTS OF EXPENDITURE	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Wages and Salaries	\$ 2,552,455	\$ 0	\$ 2,552,455
Employee Benefits	916,231	0	916,231
Subsidies	1,792,940	0	1,792,940
Operating	775,291	0	775,291
Purchased Services	3,737,071	0	3,737,071
Fixed Assets	2,651	0	2,651
Combined Total Expense	<u>9,776,639</u>	<u>0</u>	<u>9,776,639</u>
Less Non-reimbursables	<u>91,436</u>	<u>0</u>	<u>91,436</u>
Total Net Expense	<u>\$ 9,685,203</u>	<u>\$ 0</u>	<u>\$ 9,685,203</u>

SECTION 2

AMENDED FISCAL REPORTS

FOR THE FISCAL YEAR:

JULY 1, 2015 to JUNE 30, 2016

**CAMBRIA 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	\$	5,065,771
Supplemental Act 148		<u>271,936</u>
Total State Allocation		5,337,707
State Share (CY348) ²	\$	5,345,523
Less: Major Service Category Adjustment		<u>0</u>
Net State Share	\$	5,345,523
Less: Expenditures in Excess of the Approved State Allocation		<u>7,816</u>
Final Net State Share Payable ³	\$	5,337,707
Actual Act 148 Revenues Received ⁴		<u>5,337,707</u>
Net Amount Due County/(State) ⁵	\$	<u>0</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 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 \$7,816, detailed on page 10 of this report. While our adjustments resulted in a net increase of \$9,735 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.

**CAMBRIA 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	214,690	0	43,475	0	0	0	0	0	171,215	171,215	0
02. 90% REIMBURSEMENT	417,777	3,687	33,386	168,257	2,367	0	0	0	210,080	189,072	21,008
03. 80% REIMBURSEMENT	8,673,847	125,844	2,404,990	361,969	106,309	0	0	0	5,674,735	4,539,790	1,134,945
04. 60% REIMBURSEMENT	691,800	27,800	95,096	0	22,476	52,368	0	5,454	488,606	293,164	195,442
05. 50% REIMBURSEMENT	310,924	170	6,192	0	0	0	0	0	304,562	152,282	152,280
06. TOTAL NET CHILD WELFARE EXPEND.	10,309,038	157,501	2,583,139	530,226	131,152	52,368	0	5,454	6,849,198	5,345,523	1,503,675

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

08. NON-REIMBURSABLE EXPENDITURES	110,063	0							110,063		110,063
-----------------------------------	---------	---	--	--	--	--	--	--	---------	--	---------

09. TOTAL EXPENDITURES	10,419,101	157,501	2,583,139	530,226	131,152	52,368	0	5,454	6,959,261	5,345,523	1,613,738
------------------------	------------	---------	-----------	---------	---------	--------	---	-------	-----------	-----------	-----------

10. TOTAL TITLE IV-D COLLECTIONS 60,747

11. TITLE IV-D Collections for IV-E Children 34,688

12. STATE ACT 148 - line 6 5,345,523

13. STATE ACT 148 ALLOCATION 5,065,771

14. ADJUSTED STATE SHARE (lower of 12 or 13) 5,065,771

INVOICE											
AMENDED STATE SHARE (ACT 148)	5,345,523										
ACT 148 AMOUNT RECEIVED	5,337,707										
ADJUSTMENT TO STATE SHARE	7,816										

**CAMBRIA 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	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	214,690	0		43,475	0			0	0	171,215	171,215	0
1-B ADOPTION ASSISTANCE	1,629,816	0	716,172	7,707				0	0	905,937	724,750	181,187
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANS	235,008	0	39,410	0				0	0	195,598	156,478	39,120
1-D COUNSELING - DEPENDENT	729,517	10,000		69,967	221,311	38,001		0	0	390,238	312,190	78,048
1-E COUNSELING - DELINQUENT	13,324	0		0	8,598	0		0	0	4,726	3,781	945
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	117,289	0		0	81,406	9,427		0	0	26,456	21,165	5,291
1-J INTAKE & REFERRAL	183,112	0		37,110	0	0		0	0	146,002	116,802	29,200
1-K LIFE SKILLS - DEPENDENT	285	0		0	285	0		0	0	0	0	0
1-L LIFE SKILLS - DELINQUENT	77,182	0		0	45,428	0		0	0	31,754	25,403	6,351
1-M PROTECTIVE SERVICE - CHILD ABUSE	1,181,016	182		236,469	0	0		0	0	944,365	755,492	188,873
1-N PROTECTIVE SERVICE - GENERAL	1,458,164	1,438		293,624	0	0		0	0	1,163,102	930,482	232,620
1-O SERVICE PLANNING	132,893	0		25,381	4,941	0		0	0	102,571	82,057	20,514
1-P JUVENILE ACT PROCEEDINGS - DELINQUENT	148,009	0		6,171	0	0		0	0	141,838	70,919	70,919
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT	1,140	0		21	0	0		0	0	1,119	560	559
1-R SUBTOTAL IN-HOME	6,121,445	11,620	755,582	719,925	361,969	47,428	0	0	0	4,224,921	3,371,294	853,627
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	513,743	25,894	91,958	9,565		3,955		0	0	382,371	305,897	76,474
2-D COMMUNITY RESIDENTIAL - DELINQUENT	173,907	2,426	61,048	0		17,208		0	0	93,225	74,580	18,645
2-E EMERGENCY SHELTER - DEPENDENT	153,757	2,256	29,314	4,072	5,590	2,367		0	0	110,158	99,142	11,016
2-F EMERGENCY SHELTER - DELINQUENT	264,020	1,431	0	0	162,667	0		0	0	99,922	89,930	9,992
2-G FOSTER FAMILY - DEPENDENT	2,218,860	85,573	397,950	417,462		37,718		0	0	1,280,157	1,024,126	256,031
2-H FOSTER FAMILY - DELINQUENT	8,530	331	1,167	0		0		0	0	7,032	5,626	1,406
2-I SUP. INDEPENDENT LIVING - DEPENDENT	1,201	0	0	0	0	0		0	0	1,201	961	240
2-J SUP. INDEPENDENT LIVING - DELINQUENT	0	0	0	0	0	0		0	0	0	0	0
2-K SUBTOTAL CBP	3,334,018	117,911	581,437	431,099	168,257	61,248	0	0	0	1,974,066	1,600,262	373,804
INSTITUTIONAL PLACEMENT												
3-A JUVENILE DETENTION SERVICE	161,775	170								161,605	80,803	80,802
3-B RESIDENTIAL SERVICE - DEPENDENT	144,614	17,711	18,129	4,201		8,668		0	0	69,721	41,833	27,888
3-C RES. SERVICE - DELINQUENT (NON YDC/YFC)	348,055	10,089	32,413	0		13,808		0	0	265,561	159,337	106,224
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	654,444	27,970	50,542	4,201	0	22,476	52,368	0	0	496,887	281,973	214,914
4 ADMINISTRATION	199,131	0		40,353		0	0	0	5,454	153,324	91,994	61,330
5 TOTAL REVENUES	10,309,038	157,501	1,387,561	1,195,578	530,226	131,152	52,368	0	5,454	6,849,198	5,345,523	1,503,675

CAMBRIA 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
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	129,094	47,443		42,923	0	0	219,460	11	0	4,770	0	0
1-B ADOPTION ASSISTANCE	0	0	1,629,816	0	0	0	1,629,816	0	194	0	0	0
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	0	0	235,008	0	0	0	235,008	0	29	0	0	0
1-D COUNSELING - DEPENDENT	216,599	95,182		41,053	384,317	0	737,151	94	142	7,634	0	0
1-E COUNSELING - DELINQUENT	0	0		13,324	0	0	13,324	0	37	0	0	0
1-F DAY CARE	0	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	0
1-H DAY TREATMENT - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
1-I HOMEMAKER SERVICE	0	0	0	0	117,289	0	117,289	0	101	0	0	0
1-J INTAKE & REFERRAL	125,961	40,786		20,183	0	0	186,930	4,289	0	3,818	0	0
1-K LIFE SKILLS - DEPENDENT	0	0	0	0	285	0	285	0	1	0	0	0
1-L LIFE SKILLS - DELINQUENT	0	0	0	0	77,182	0	77,182	0	29	0	0	0
1-M PROTECTIVE SERVICE - CHILD ABUSE	730,117	279,523		186,629	13,356	0	1,209,625	657	0	28,609	0	0
1-N PROTECTIVE SERVICE - GENERAL	925,301	350,371		217,801	0	0	1,493,473	2,546	0	35,309	0	0
1-O SERVICE PLANNING	85,782	30,598		10,725	7,697	0	134,802	928	61	1,909	0	0
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT				30,374	117,635		148,009	335	43	0	0	0
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT				102	1,038		1,140	0	6	0	0	0
1-R SUBTOTAL IN-HOME	2,212,854	843,903	1,864,824	549,790	732,123	0	6,203,494			82,049	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	31,738	11,044		8,494	463,421	0	514,697	2,802	23	954	0	0
2-D COMMUNITY RESIDENTIAL - DELINQUENT	0	0	0	0	181,525	0	181,525	936	15	0	7,618	0
2-E EMERGENCY SHELTER - DEPENDENT	11,869	4,268		10,474	128,100	0	154,711	1,726	88	954	0	0
2-F EMERGENCY SHELTER - DELINQUENT	0	0	0	0	271,052	0	271,052	1,252	69	0	7,032	0
2-G FOSTER FAMILY - DEPENDENT	255,514	80,262		161,636	1,730,995	0	2,228,407	32,923	165	9,547	0	0
2-H FOSTER FAMILY - DELINQUENT	(54)	0	0	593	7,991	0	8,530	67	1	0	0	0
2-I SUP. INDEPENDENT LIVING - DEPENDENT	0	0	0	0	1,201	0	1,201	19	1	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	299,067	95,574	0	181,197	2,784,285	0	3,360,123	39,725	362	11,455	14,650	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	161,775	0	161,775	719	22	0	0	0
3-B RESIDENTIAL SERVICE - DEPENDENT	12,317	4,396		5,673	123,183	0	145,569	561	9	955	0	0
3-C RES. SERVICE - DELINQUENT (EXCEPT YDC/YFC)	0	0	0	4,047	344,008	0	348,055	2,036	24	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	12,317	4,396	0	9,720	628,966	0	655,399	3,316	55	955	0	0
4 ADMINISTRATION	63,831	23,656	0	112,598	0	0	200,085			954	0	0
5 TOTAL EXPENDITURES	2,588,069	967,529	1,864,824	853,305	4,145,374	0	10,419,101			95,413	14,650	0
	County Indirect Costs = \$ 107,400											

**CAMBRIA 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	\$ 219,176	\$ 284	\$ 219,460
Adoption Assistance	1,629,816	0	1,629,816
Subsidized Permanent Legal Custodianship	235,008	0	235,008
Counseling	750,001	474	750,475
Day Care	0	0	0
Day Treatment	0	0	0
Homemaker Service	117,289	0	117,289
Intake and Referral	186,693	237	186,930
Life Skills	77,467	0	77,467
Protective Service - Child Abuse	1,207,888	1,737	1,209,625
Protective Service - General	1,491,399	2,074	1,493,473
Service Planning	134,685	117	134,802
Juvenile Act Proceedings	149,149	0	149,149
Alternative Treatment	0	0	0
Community Residential	696,167	55	696,222
Emergency Shelter	425,710	53	425,763
Foster Family	2,232,410	4,527	2,236,937
Supervised Independent Living	1,201	0	1,201
Juvenile Detention Service	161,775	0	161,775
Residential Service	493,565	59	493,624
Secure Residential Service (Except YDC)	0	0	0
YDC Secure	0	0	0
Administration	199,967	118	200,085
Combined Total Expense	<u>10,409,366</u>	<u>9,735</u>	<u>10,419,101</u>
Less Non-reimbursables	<u>110,063</u>	<u>0</u>	<u>110,063</u>
Total Net Expense	<u>\$ 10,299,303</u>	<u>\$ 9,735</u>	<u>\$ 10,309,038</u>

OBJECTS OF EXPENDITURE	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Wages and Salaries	\$ 2,588,243	\$ (174)	\$ 2,588,069
Employee Benefits	967,529	0	967,529
Subsidies	1,864,824	0	1,864,824
Operating	847,384	5,921	853,305
Purchased Services	4,141,386	3,988	4,145,374
Fixed Assets	0	0	0
Combined Total Expense	<u>10,409,366</u>	<u>9,735</u>	<u>10,419,101</u>
Less Non-reimbursables	<u>110,063</u>	<u>0</u>	<u>110,063</u>
Total Net Expense	<u>\$ 10,299,303</u>	<u>\$ 9,735</u>	<u>\$ 10,309,038</u>

**CAMBRIA 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	1	1	Adoption Service - Wages and Salaries	\$ 129,105	\$ (11)	\$ 129,094
	1-M	1		Protective Service - Child Abuse - Wages and Salaries	\$ 730,156	\$ (39)	\$ 730,117
	1-N	1		Protective Service - General - Wages and Salaries	\$ 925,359	\$ (58)	\$ 925,301
	2-C	1		Community Residential - Dependent - Wages and Salaries	\$ 31,742	\$ (4)	\$ 31,738
	2-E	1		Emergency Shelter - Dependent - Wages and Salaries	\$ 11,877	\$ (8)	\$ 11,869
	2-H	1		Foster Family - Deliquent - Wages and Salaries	\$ -	\$ (54)	\$ (54)
	1-A	4		Adoption Service - Operating	\$ 129,094	\$ 295	\$ 129,389
	1-E	4		Counseling - Dependent - Operating	\$ 40,579	\$ 474	\$ 41,053
	1-J	4		Intake and Referral - Operating	\$ 19,946	\$ 237	\$ 20,183
	1-M	4		Protective Service - Child Abuse - Operating	\$ 730,117	\$ 1,776	\$ 731,893
	1-N	4		Protective Service - General - Operating	\$ 925,301	\$ 2,132	\$ 927,433
	1-O	4		Service Planning - Operating	\$ 10,608	\$ 117	\$ 10,725
	2-C	4		Community Residential - Dependent - Operating	\$ 31,738	\$ 59	\$ 31,797
	2-E	4		Emergency Shelter - Dependent - Operating	\$ 11,869	\$ 61	\$ 11,930
	2-H	4		Foster Family - Deliquent - Operating	\$ (54)	\$ 593	\$ 539
	3-B	4		Residential Service- Dependent - Operating	\$ 5,614	\$ 59	\$ 5,673
	4	4		Administration - Operating	\$ 112,480	\$ 118	\$ 112,598
	2-H	5		Foster Family - Deliquent - Purchased Services	\$ 539	\$ 3,988	\$ 4,527
				Total Adjustment Amount		\$ 9,735	
				To increase expenditures in the amount of \$9,735 due to reconciling the Revised CY-370 with the originally submitted CY-370 Expenditure Report and to agree to the final ledger report.			
				Title 55 PA Code, Chapter 3170.41(a)			

SECTION 3

AMENDED FISCAL REPORTS

FOR THE FISCAL YEAR:

JULY 1, 2016 to JUNE 30, 2017

**CAMBRIA 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		\$	5,883,173
Supplemental Act 148			<u>279,972</u>
Total State Allocation			6,163,145
State Share (CY348) ²	\$		6,163,145
Less: Major Service Category Adjustment			<u>0</u>
Net State Share		\$	6,163,145
Less: Expenditures in Excess of the Approved State Allocation			<u>0</u>
Final Net State Share Payable ³		\$	6,163,145
Actual Act 148 Revenues Received ⁴			<u>6,163,145</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.

CAMBRIA 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	279,506	0	58,397	0	0	0	0	0	221,109	221,109	0
02. 90% REIMBURSEMENT	604,586	4,900	93,786	201,014	11,157	0	0	0	293,729	264,356	29,373
03. 80% REIMBURSEMENT	9,882,895	96,004	2,793,079	329,212	55,009	39,276	0	0	6,568,315	5,254,654	1,313,661
04. 60% REIMBURSEMENT	955,431	24,002	275,639	0	64,986	13,092	0	4,829	572,883	343,731	229,152
05. 50% REIMBURSEMENT	166,109	0	7,520	0	0	0	0	0	158,589	79,295	79,294
06. TOTAL NET CHILD WELFARE EXPEND.	11,888,527	124,906	3,230,421	530,226	131,152	52,368	0	4,829	7,814,625	6,163,145	1,651,480

YDC/YFC PLACEMENT COSTS											
07. 60% DHS PARTICIPATION	0	0							0	0	0
08. NON-REIMBURSABLE EXPENDITURES	128,053	0							128,053		128,053

09. TOTAL EXPENDITURES	12,016,580	124,906	3,230,421	530,226	131,152	52,368	0	4,829	7,942,678	6,163,145	1,779,533
------------------------	------------	---------	-----------	---------	---------	--------	---	-------	-----------	-----------	-----------

- 10. TOTAL TITLE IV-D COLLECTIONS 74,835
- 11. TITLE IV-D Collections for IV-E Children 40,109
- 12. STATE ACT 148 - line 6 6,163,145
- 13. STATE ACT 148 ALLOCATION 5,883,173
- 14. ADJUSTED STATE SHARE (lower of 12 or 13) 5,883,173

INVOICE											
AMENDED STATE SHARE (ACT 148)	6,163,145										
ACT 148 AMOUNT RECEIVED	6,163,145										
ADJUSTMENT TO STATE SHARE	0										

CAMBRIA 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
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
I-A ADOPTION SERVICE	279,506	0	58,397	0	0	0	0	0	0	221,109	221,109	0
I-B ADOPTION ASSISTANCE	1,625,433	0	710,099	12,682	0	0	0	0	0	902,652	722,122	180,530
I-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	227,575	26	47,828	0	0	0	0	0	0	179,721	143,777	35,944
I-D COUNSELING - DEPENDENT	814,204	0	57,915	209,779	0	0	0	0	0	546,510	437,208	109,302
I-E COUNSELING - DELINQUENT	15,366	0	0	7,400	0	0	0	0	0	7,966	6,373	1,593
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	134,700	0	0	68,899	0	0	0	0	0	65,801	52,641	13,160
I-J INTAKE & REFERRAL	160,619	0	33,517	0	0	0	0	0	0	127,102	101,682	25,420
I-K LIFE SKILLS - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
I-L LIFE SKILLS - DELINQUENT	76,303	0	40,366	0	0	0	0	0	0	35,937	28,750	7,187
I-M PROTECTIVE SERVICE - CHILD ABUSE	424,271	191	85,107	0	0	0	0	0	0	338,973	271,178	67,795
I-N PROTECTIVE SERVICE - GENERAL	1,938,371	150	403,214	0	0	0	0	0	0	1,535,007	1,228,006	307,001
I-O SERVICE PLANNING	125,563	0	24,256	2,768	0	0	0	0	0	98,539	78,831	19,708
I-P JUVENILE ACT PROCEEDINGS - DEPENDENT	161,883	0	7,402	0	0	0	0	0	0	154,481	77,241	77,240
I-Q JUVENILE ACT PROCEEDINGS - DELINQUENT	4,226	0	118	0	0	0	0	0	0	4,108	2,054	2,054
I-R SUBTOTAL IN-HOME	5,988,020	367	757,927	682,608	329,212	0	0	0	0	4,217,906	3,370,972	846,934
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	0
2-B ALTERNATIVE TREATMENT - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-C COMMUNITY RESIDENTIAL - DEPENDENT	489,364	11,022	113,122	9,228	6,235	0	0	0	0	349,757	279,806	69,951
2-D COMMUNITY RESIDENTIAL - DELINQUENT	308,111	8,102	66,154	0	1,985	0	0	0	0	231,870	185,496	46,374
2-E EMERGENCY SHELTER - DEPENDENT	98,479	141	27,842	798	0	0	0	0	0	69,698	62,728	6,970
2-F EMERGENCY SHELTER - DELINQUENT	506,107	4,759	65,129	17	201,014	11,157	0	0	0	224,031	201,628	22,403
2-G FOSTER FAMILY - DEPENDENT	3,508,350	76,248	593,475	638,326	46,789	39,276	0	0	0	2,114,236	1,691,389	422,847
2-H FOSTER FAMILY - DELINQUENT	896	265	123	0	0	0	0	0	0	508	406	102
2-I SUP. INDEPENDENT LIVING - DEPENDENT	33,769	0	0	33	0	0	0	0	0	33,736	26,989	6,747
2-J SUP. INDEPENDENT LIVING - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-K SUBTOTAL CBP	4,945,076	100,537	865,845	648,402	201,014	66,166	39,276	0	0	3,023,836	2,448,442	575,394
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	0	0	0	0	0	0	0	0	0	0	0	0
3-B RESIDENTIAL SERVICE - DEPENDENT	361,917	14,599	141,123	8,735	35,224	0	0	0	0	162,236	97,342	64,894
3-C RES. SERVICE - DELINQUENT (NON YDC/MFC)	332,198	9,403	90,255	0	29,762	13,092	0	0	0	189,686	113,812	75,874
3-D SECURE RES. SERVICE (EXCEPT YDC)	91,200	0	0	0	0	0	0	0	0	91,200	54,720	36,480
3-E YDC SECURE	0	0	0	0	0	0	0	0	0	0	0	0
3-F SUBTOTAL INSTITUTIONAL	785,315	24,002	231,378	8,735	64,986	13,092	0	0	0	443,122	265,874	177,248
4 ADMINISTRATION	170,116	0	0	35,526	0	0	0	0	0	129,761	77,857	51,904
5 TOTAL REVENUES	11,888,527	124,906	1,855,150	1,375,271	530,226	131,152	52,368	0	4,829	7,814,625	6,163,145	1,651,480

CAMBRIA 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
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
I-A	166,812	54,992		64,714	0	0	286,518	9	0	7,012	0	0
I-B	0	0	1,641,008	0	0	0	1,641,008	0	196	0	15,575	0
I-C	0	0	227,375	0	0	0	227,375	0	30	0	0	0
I-D	176,107	75,244	32,069	32,069	536,795	0	820,215	83	191	6,011	0	0
I-E	0	0	0	0	15,366	0	15,366	0	51	0	0	0
I-F	0	0	0	0	0	0	0	0	0	0	0	0
I-G	0	0	0	0	0	0	0	0	0	0	0	0
I-H	0	0	0	0	0	0	0	0	0	0	0	0
I-I	0	0	0	0	134,700	0	134,700	0	94	0	0	0
I-J	108,984	34,474	20,863	20,863	0	0	164,321	3,696	0	3,702	0	0
I-K	0	0	0	0	0	0	0	0	0	0	0	0
I-L	0	0	0	0	76,303	0	76,303	0	30	0	0	0
I-M	240,890	98,910	75,843	75,843	16,956	0	432,599	576	12	8,328	0	0
I-N	1,195,805	485,616	309,038	309,038	0	0	1,990,459	2,363	0	52,088	0	0
I-O	71,989	26,439	21,532	21,532	9,610	0	129,570	947	48	4,007	0	0
I-P				35,392	126,491		161,883	358	56	0	0	0
I-Q				575	3,651		4,226	0	21	0	0	0
I-R	1,960,587	775,675	1,868,583	560,026	919,872	0	6,084,743			81,148	15,575	0
	Number of Children receiving only NON-PURCHASED IN-Home Services											14,660
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	0	0	0	0	0	0	0	0	0	0	0	0
2-B	0	0	0	0	0	0	0	0	0	0	0	0
2-C	27,204	9,889	0	11,082	442,190	0	490,365	2,716	29	1,001	0	0
2-D	0	0	0	0	308,111	0	308,111	1,772	17	0	0	0
2-E	2,902	957	0	2,423	92,506	0	98,788	1,765	70	309	0	0
2-F	0	0	0	3,612	502,495	0	506,107	1,953	57	0	0	0
2-G	467,823	171,376	0	177,359	2,719,810	0	3,536,368	48,566	198	28,018	0	0
2-H	0	0	0	0	896	0	896	4	1	0	0	0
2-I	0	0	0	151	33,618	0	33,769	519	36	0	0	0
2-J	0	0	0	0	0	0	0	0	0	0	0	0
2-K	497,929	182,222	0	194,627	4,099,626	0	4,974,404	57,295	408	29,328	0	0
	SUBTOTAL CBP											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	0	0	0	0	0	0	0	0	0	0	0	0
3-B	28,940	8,391	0	7,856	317,731	0	362,918	1,550	6	1,001	0	0
3-C	0	0	0	583	331,615	0	332,198	2,190	24	0	0	0
3-D	0	0	0	0	91,200	0	91,200	289	1	0	0	0
3-E	0	0	0	0	0	0	0	0	0	0	0	0
3-F	28,940	8,391	0	8,439	740,546	0	786,316	4,029	31	1,001	0	0
	SUBTOTAL INSTITUTIONAL											0
4	40,038	15,269	0	115,810	0	0	171,117			1,001	0	0
	ADMINISTRATION											0
5	2,527,494	981,557	1,868,583	878,902	5,760,044	0	12,016,580			112,478	15,575	0
	TOTAL EXPENDITURES											0
	County Indirect Costs = \$											110,457

**CAMBRIA 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	\$ 286,518	\$ 0	\$ 286,518
Adoption Assistance	1,641,008	0	1,641,008
Subsidized Permanent Legal Custodianship	227,575	0	227,575
Counseling	835,581	0	835,581
Day Care	0	0	0
Day Treatment	0	0	0
Homemaker Service	134,700	0	134,700
Intake and Referral	164,321	0	164,321
Life Skills	76,303	0	76,303
Protective Service - Child Abuse	432,599	0	432,599
Protective Service - General	1,990,459	0	1,990,459
Service Planning	129,570	0	129,570
Juvenile Act Proceedings	166,109	0	166,109
Alternative Treatment	0	0	0
Community Residential	798,476	0	798,476
Emergency Shelter	604,895	0	604,895
Foster Family	3,537,264	0	3,537,264
Supervised Independent Living	33,769	0	33,769
Juvenile Detention Service	0	0	0
Residential Service	695,116	0	695,116
Secure Residential Service (Except YDC)	91,200	0	91,200
YDC Secure	0	0	0
Administration	171,117	0	171,117
Combined Total Expense	<u>12,016,580</u>	<u>0</u>	<u>12,016,580</u>
Less Non-reimbursables	<u>128,053</u>	<u>0</u>	<u>128,053</u>
Total Net Expense	<u>\$ 11,888,527</u>	<u>\$ 0</u>	<u>\$ 11,888,527</u>

OBJECTS OF EXPENDITURE	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Wages and Salaries	\$ 2,527,494	\$ 0	\$ 2,527,494
Employee Benefits	981,557	0	981,557
Subsidies	1,868,583	0	1,868,583
Operating	878,902	0	878,902
Purchased Services	5,760,044	0	5,760,044
Fixed Assets	0	0	0
Combined Total Expense	<u>12,016,580</u>	<u>0</u>	<u>12,016,580</u>
Less Non-reimbursables	<u>128,053</u>	<u>0</u>	<u>128,053</u>
Total Net Expense	<u>\$ 11,888,527</u>	<u>\$ 0</u>	<u>\$ 11,888,527</u>

SECTION 4

STATUS OF PRIOR ENGAGEMENT FINDINGS AND RECOMMENDATIONS

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

Finding No. 1 – Noncompliance – Cambria County Children & Youth Agency Failed to Execute Purchase of Service Agreements with Multiple Providers and to Adhere to the Contract Provisions with Other Providers (Resolved)

In our prior engagement report, covering the July 1, 2010, to June 30, 2014, fiscal years, we cited the Cambria County Children and Youth Agency (agency) for failure to comply with DHS regulations requiring that a written, annual purchase of services agreement 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. During our current engagement, the agency again failed to execute purchase of service agreements with multiple legal services providers for the 2014-2015 fiscal year. However, the agency executed purchase of service agreements with all of the legal service providers with which the agency had a continuing relationship for the 2015-2016 and 2016-2017 fiscal years. Therefore, we concluded that the issuance of a repeat finding was not warranted.

Finding No. 2 – Cambria Children and Youth Agency Failed to Provide Supporting Documentation Evidencing that In-Home Purchased Services Paid For Were Actually Provided by the Contracted In-Home Purchased Service Providers (Not Completely Resolved During the Engagement Period)

In our prior engagement report, for the fiscal years July 1, 2010 to June 30, 2014, we cited the Cambria County Children and Youth Agency (agency) for failure to provide supporting documentation evidencing that In-Home Purchased Services paid for were actually provided by the contracted In-Home Purchased Service providers, and if provided, provided in adherence to the requirements of the respective provider contract terms. Agency management informed us that they did not require any of the Fee-for-Service and Program-Funded In-Home providers it contracted during our prior engagement to submit any documentation, other than submitted invoices, to substantiate the fees invoiced by these respective providers. We concluded that the agency did not have sufficient controls in place to ensure 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 2014-15, 2015-16, and 2016-17 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 January 2017; therefore, these control deficiencies and corresponding risks continued to exist for at least two years and seven months of the three fiscal years included in our current engagement scope period.

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

During the conduct of our current engagement, we found the agency followed our recommendation to develop formal, written monitoring procedures to ensure contracted services were actually provided. The agency provided documentation describing the internal control policies that agency management indicated had been implemented in May 2017, as well as recent revisions to its policies, to reduce its risk of paying overbillings or fraudulent billings submitted by contracted In-Home Purchased Service providers. Since these new internal control policies and procedures were not completely implemented until near the end of, and in some cases after, our current audit engagement period scope, we did not review and evaluate these policies and procedures during our current engagement scope period. Therefore, we concluded that the issuance of a repeat finding is warranted. This finding is included in Section 5 of this report. We will assess the sufficiency of these implemented policies and procedures during our next regularly scheduled audit of this agency.

SECTION 5

CURRENT ENGAGEMENT FINDING AND RECOMMENDATIONS

CAMBRIA COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT FINDINGS AND RECOMMENDATIONS

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

Condition: As detailed in our Status of Prior Engagement Findings and Recommendations section (Section 4) of this report, during the conduct of our current engagement, we found that the Cambria County Children and Youth Agency (agency) lacked internal control procedures designed to reduce the risk of paying overbillings and/or fraudulent billings submitted by contracted In-Home providers. For contracted In-Home Fee-for-Service providers, as cited in our prior finding, the agency could not provide evidence that substantiated the validity of the number of units invoiced for each individual listed on provider invoices. For contracted Program-Funded providers, these providers submitted no supporting documentation, nor did the agency require any documentation substantiating the monthly operating costs detailed on these providers’ monthly invoices or that services were actually provided to the individuals named on the invoices.

During the conduct of our current engagement, we found the agency followed our recommendation to develop formal, written monitoring procedures to ensure contracted services were actually provided. The agency provided documentation describing the internal control policies and procedures that agency management indicated had been implemented in May 2017, as well as recent revisions to those policies and procedures, to reduce its risk of paying overbillings or fraudulent billings submitted by contracted In-Home Purchased Service providers. Since these new internal control policies and procedures were not completely implemented until near the end of, and in some cases after, our current audit engagement period scope, we did not review and evaluate these policies and procedures during our current engagement scope period. We will assess the sufficiency of these implemented policies and procedures during our next regularly scheduled audit of this agency.

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 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*

CAMBRIA COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT FINDINGS AND RECOMMENDATIONS

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 the conduct of our prior engagement, the agency was not notified of these internal control deficiencies until January 2017, less than six months before the end of our current engagement scope period. Agency management informed us that it began the process of implementing internal control procedures over payments to In-Home providers in May 2017 and provided evidence of an on-site monitoring visit in May 2017. However, agency management could not provide evidence that the policies and procedures were fully implemented before the end of our engagement scope period. Therefore, we concluded these

CAMBRIA COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT FINDINGS AND RECOMMENDATIONS

control deficiencies and corresponding risks continued to exist for all three fiscal years included in our current engagement scope period.

Effect: The lack of internal control policies and procedures designed to reduce the risk of paying overbillings or fraudulent billings 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 recommend that agency management complete any remaining steps to finalize its fiscal-related monitoring policy, and corresponding procedures, to reduce the agency's risk of paying overbillings and fraudulent billings submitted by In-Home Purchased Service providers. We further recommend that agency management ensure that such policies and procedures are adequate to obtain reasonable assurance that the services related to the fees invoiced by contracted In-Home Purchased Service providers were actually provided, and provided in adherence to executed contract terms.

Specifically, this written fiscal-related monitoring policy, and corresponding procedures, should include, but not be limited to, the following:

- Implementation of formal policies and procedures detailing the specific internal control procedures, including fiscal-related In-Home monitoring procedures, that must be performed, to reduce the agency's risk of paying overbillings or fraudulent billings by In-Home Purchased Service providers. The implemented fiscal-related monitoring procedures must be sufficient to assess the validity of the number of units invoiced by Fee-for-Service providers and operating costs invoiced by Program-Funded providers.
- Requiring In-Home Purchased Services providers, as deemed necessary by agency management, to submit substantiation evidencing that services related to invoiced In-Home Purchased Services costs were actually provided.³
- Ensuring 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.

³ For any Program-Funded providers, fiscal-related monitoring should include substantiation of these providers' operating costs invoiced to the agency.

CAMBRIA COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT FINDINGS AND RECOMMENDATIONS

We further recommend that the agency maintain 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 overbillings and fraudulent billings by contracted In-Home Purchased Services Providers going undetected.

Agency Representative Response: We agree with recommendation and will continue implementing updates to our monitoring system to comply with these recommendations.

Auditor's Conclusion: We commend the Cambria County Children and Youth Services management for acknowledging the deficiencies that existed in the agency's invoice review and approval process for In-Home Purchased Services providers during the fiscal years included in our engagement scope period, and their efforts to develop and implement formal, written fiscal-related monitoring policy and procedures for these contracted In-Home Purchased Services providers. During our next audit of the agency, we will review and evaluate the agency's policy and procedures to determine whether the agency's implemented internal controls are adequate to reduce the risk of paying overbillings and fraudulent billings by contracted In-Home Purchased Services providers.

SECTION 6

CURRENT ENGAGEMENT OBSERVATION

CAMBRIA COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT OBSERVATION

Observation – Significant Control Deficiencies Exist in the Commonwealth DHS’ Oversight of Children and Youth (C&Y) Agencies’ Adherence with the Requirements of the Child Protective Services Law (CPSL)

The Child Protective Services Law⁴ (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).⁵ 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,⁶ 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 Cambria County Children and Youth Agency provided in-home and placement services to 2,232 children residing within the County during the 2016-2017 fiscal year.

⁴ Please note that the CPSL was extensively amended in 2013, 2014, and 2015 with 24 pieces of legislation “[being] enacted, changing how Pennsylvania responds to child abuse. These changes will significantly impact the reporting, investigation, assessment, prosecution and judicial handling of child abuse and neglect cases. The new laws will expand and further define mandatory reporters and the reporting process, increase penalties for those mandated to report suspected child abuse who fail to do so, and provide protections from employment discrimination for filing a good faith report of child abuse.” See <http://keepkidssafe.pa.gov/laws/index.htm> last accessed on September 2, 2016. Please note that although this particular DHS’ keepkidssafe.pa.gov link only refers to 23, instead of 24, pieces of legislation, we were able to confirm that the link should actually refer to 24 pieces of legislation, just as in the following DHS’ link: <http://keepkidssafe.pa.gov/index.htm>

⁵ 23 Pa.C.S. §§ 6344 and 6344.2.

⁶ This is detailed in the Commonwealth of Pennsylvania Single Audit Reports (most recently for the fiscal year ended June 30, 2017, via Finding 2017-012).

CAMBRIA COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT OBSERVATION

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 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.⁷

Contracted In-Home Preventative Service Providers

For contracted *In-Home Preventative Service providers*,⁸ 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. 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 audit 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"⁹ in their provider executed contracts. Instead, all C&Y

⁷ This is detailed in the Commonwealth of Pennsylvania Single Audit Reports (most recently for the fiscal year ended June 30, 2017, via Finding 2017-012).

⁸ 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.

⁹ In our Department's opinion "direct monitoring" consists of C&Y agencies routinely performing procedures (no less frequently than quarterly) 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

CAMBRIA COUNTY CHILDREN AND YOUTH AGENCY CURRENT ENGAGEMENT OBSERVATION

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 volunteers, this Department will continue to raise concerns about the risks posed to the safety of these vulnerable children.¹⁰

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 providers¹¹ 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.

and child abuse history clearances of their employees and volunteers to identify, and properly address, any identified disqualifying convictions.

¹⁰ 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.

¹¹ This includes *contracted In-Home Preventative Service providers* and their sub-recipients.

CAMBRIA COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT OBSERVATION

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 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. However, recent amendments to the CPSL extend this time frame from one year to five years.¹² 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

¹² 23 Pa.C.S. § 6344.4.

CAMBRIA COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT OBSERVATION

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.¹³

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 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.

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)*.

¹³ 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.

CAMBRIA COUNTY CHILDREN AND YOUTH AGENCY
REPORT DISTRIBUTION LIST

This report was originally distributed to the following:

The Honorable Tom W. Wolf
Governor
Commonwealth of Pennsylvania

The Honorable Teresa D. Miller
Acting Secretary
Department of Human Services

Ms. Cathy Utz
Deputy Secretary
Office of Children, Youth and Families
Department of Human Services

Ms. Gloria Gilligan
Bureau Director
Bureau of Budget and Fiscal Support
Office of Children, Youth and Families
Department of Human Services

Ms. Stephanie Weigle
Division Director
Division of Administration
Bureau of Budget and Fiscal Support
Office of Children, Youth and Families
Department of Human Services

Mr. Jim Flanagan
Section Chief
Financial Reporting and Payments Section
Division of Financial Policy and Operations
Bureau of Financial Operations
Department of Human Services

Mr. David Bryan, CPA, CGMA
Manager
Audit Resolution Section
Bureau of Financial Operations
Department of Human Services

The Commissioners of Cambria County

Ms. Betzi White
Director/Administrator
Cambria County Children & Youth Agency

Mr. William Pakstis
Fiscal Officer
Cambria County Children & Youth Agency

Mr. Ed Cernic, Jr.
Controller
Cambria County

Mr. Michael Burns, CPA
Director
Bureau of Accounting & Financial Management
Office of Comptroller Operations
Office of the Budget

Mr. R. Dennis Welker
Special Audit Services
Bureau of Audits
Office of the Budget

Ms. Melanie Retherford
Human Services Program Specialist Supervisor
Bureau of Budget and Fiscal Support
Office of Children, Youth and Families
Department of Human Services

Ms. Linda Swick
Audit Specialist
Audit Resolution Section
Bureau of Financial Operations
Department of Human Services

This report is a matter of public record and is available online at www.PaAuditor.gov. Media questions about the report can be directed to the Pennsylvania Department of the Auditor General, Office of Communications, 229 Finance Building, Harrisburg, PA 17120; via email to: news@PaAuditor.gov.