

# AMENDED FISCAL REPORTS

## For Fiscal Years:

July 1, 2019 to June 30, 2020

July 1, 2020 to June 30, 2021

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# Centre County Children and Youth Agency

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November 2022



Commonwealth of Pennsylvania  
Department of the Auditor General

Timothy L. DeFoor • Auditor General



**Commonwealth of Pennsylvania  
Department of the Auditor General  
Harrisburg, PA 17120-0018  
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**TIMOTHY L. DEFOOR  
AUDITOR GENERAL**

The Commissioners of Centre County  
Willowbank County Office Building  
420 Holmes Street  
Bellefonte, PA 16823-1488

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 Centre 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, 2019 to June 30, 2020, and July 1, 2020 to June 30, 2021. 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, 2020, and June 30, 2021.

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 Centre 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 2019-2020 and 2020-2021 fiscal years based on the accrual basis of accounting.<sup>1</sup>

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

- For the **2019-2020 fiscal year**, our engagement resulted in one adjustment being made to the agency's submitted fiscal reports. This adjustment in total impacted the agency's Net State Share by decreasing agency expenditures by \$370. Based on the application of the state participation rates, the adjustment resulted in an amount due to the state totaling \$296.
- For the **2020-2021 fiscal year**, our engagement resulted in no adjustments made to the agency's submitted fiscal reports.

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 November 2, 2022.

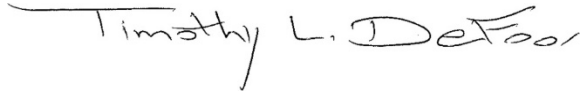
This report is being forwarded to the DHS Bureau of Financial Operations and the Office of Children, Youth, and Families for review and settlement of any recommended adjustments included in our amended fiscal reports. You will be notified by DHS of the decisions made regarding the approval and finalization 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.

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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.

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 style with a long horizontal line extending to the left of the first letter.

Timothy L. DeFoor  
Auditor General  
November 7, 2022

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## **BACKGROUND**

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

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

We reviewed the final, cumulative 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, 2019 to JUNE 30, 2020**

**CENTRE 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>		\$	7,409,682
Supplemental Act 148			<u>0</u>
Total State Allocation			7,409,682
State Share (CY348) <sup>2</sup>	\$		6,926,155
Less: Major Service Category Adjustment			<u>0</u>
Net State Share		\$	6,926,155
Less: Expenditures in Excess of the Approved State Allocation			<u>0</u>
Final Net State Share Payable <sup>3</sup>		\$	6,926,155
Actual Act 148 Revenues Received <sup>4</sup>			<u>6,926,451</u>
Net Amount Due County/(State) <sup>5</sup>		\$	<u><u>(296)</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.



CENTRE 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	49,859	1,300	7,156	0	0	0	0	0	41,403	41,403	0
02. 90% REIMBURSEMENT	119,321	2,020	12,069	0	0	0	0	0	105,232	94,709	10,523
03. 80% REIMBURSEMENT	9,739,774	190,244	1,497,822	281,205	68,743	0	0	0	7,701,760	6,161,408	1,540,352
04. 60% REIMBURSEMENT	1,014,523	17,588	193,918	0	0	0	0	2,496	800,521	480,313	320,208
05. 50% REIMBURSEMENT	322,005	0	0	0	0	25,362	0	0	296,643	148,322	148,321
06. TOTAL NET CHILD WELFARE EXPEND.	11,245,482	211,152	1,710,965	281,205	68,743	25,362	0	2,496	8,945,559	6,926,155	2,019,404

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

08. NON-REIMBURSABLE EXPENDITURES	15,001	0							15,001		15,001
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09. TOTAL EXPENDITURES	11,260,483	211,152	1,710,965	281,205	68,743	25,362	0	2,496	8,960,560	6,926,155	2,034,405
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10. TOTAL TITLE IV-D COLLECTIONS 128,691

11. TITLE IV-D Collections for IV-E Children 30,463

12. STATE ACT 148 - line 6 6,926,155

13. STATE ACT 148 ALLOCATION 7,409,682

14. ADJUSTED STATE SHARE (lower of 12 or 13) 6,926,155

INVOICE	
AMENDED STATE SHARE (ACT 148)	6,926,155
ACT 148 AMOUNT RECEIVED	6,926,451
ADJUSTMENT TO STATE SHARE	(296)

CENTRE 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
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	26,594	11,669		11,411	0	185	49,859	84	0	0	0	0
1-B ADOPTION ASSISTANCE	0	1,225,555		0	0	0	1,225,555	0	133	0	11,346	0
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	4,207	1,832	198,665	334	0	1	205,039	7	23	0	0	0
1-D COUNSELING - DEPENDENT	0	0			2,677,109	0	2,677,109	0	285	0	0	0
1-E COUNSELING - DELINQUENT	0	0			170,667	0	170,667	0	65	0	0	0
1-F DAY CARE	0	0			535	0	535	0	1	0	0	0
1-G DAY TREATMENT - DEPENDENT	0	0			0	0	0	0	0	0	0	0
1-H DAY TREATMENT - DELINQUENT	0	0			0	0	0	0	0	0	0	0
1-I HOMEMAKER SERVICE	0	0			0	0	0	0	0	0	0	0
1-J INTAKE & REFERRAL	125,619	55,041		12,396	0	562	193,618	52	0	0	0	0
1-K LIFE SKILLS - DEPENDENT	2,063	871		648	328,921	3	332,506	134	134	0	0	0
1-L LIFE SKILLS - DELINQUENT	0	0			0	0	0	0	0	0	0	0
1-M PROTECTIVE SERVICE - CHILD ABUSE	134,445	59,293		31,794	44,433	1,068	271,033	269	109	0	0	0
1-N PROTECTIVE SERVICE - GENERAL	464,592	202,588		69,496	47,165	2,482	786,323	251	18	0	0	0
1-O SERVICE PLANNING	754,949	331,292		111,042	0	5,210	1,202,493	1,977	0	0	0	0
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT				1,079	184,508		185,587	0	117	0	0	0
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT				0	0		0	0	0	0	0	0
1-R SUBTOTAL IN-HOME	1,512,469	662,586	1,424,220	238,200	3,453,338	9,511	7,300,324				11,346	0
Number of Children receiving <b>only NON-PURCHASED IN-Home Services</b> 2,653												
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	47,224	20,530	0	16,100	633,725	271	717,850	3,208	19	0	0	0
2-D COMMUNITY RESIDENTIAL - DELINQUENT	0	0	0	207	13,163	0	13,370	89	1	0	0	0
2-E EMERGENCY SHELTER - DEPENDENT	3,478	1,599	0	10,181	75,399	0	90,657	1,144	40	0	0	0
2-F EMERGENCY SHELTER - DELINQUENT	0	0	0	464	28,200	0	28,664	140	6	0	0	0
2-G FOSTER FAMILY - DEPENDENT	284,146	124,758	0	132,736	951,539	1,840	1,495,019	15,982	79	0	1,354	0
2-H FOSTER FAMILY - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-I KINSHIP CARE - DEPENDENT	116,509	50,662	0	41,994	175,160	726	385,051	6,439	33	0	2,301	0
2-J KINSHIP CARE - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-K SUP. INDEPENDENT LIVING - DEPENDENT	4,023	1,786	0	2,303	70,431	64	78,607	736	5	0	0	0
2-L SUP. INDEPENDENT LIVING - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-M SUBTOTAL CBP	455,380	199,335	0	203,985	1,947,617	2,901	2,809,218	27,738	183	0	3,655	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	538	135,880	0	136,418	221	15	0	0	0
3-B RESIDENTIAL SERVICE - DEPENDENT	12,482	5,478	0	7,729	496,089	60	521,838	1,898	8	0	0	0
3-C RES. SERVICE - DELINQUENT (EXCEPT YDC/YFC)	0	0	0	758	65,964	0	66,722	282	5	0	0	0
3-D SECURE RES. SERVICE (EXCEPT YDC)	0	0	0	78	47,518	0	47,596	137	1	0	0	0
3-E YDC SECURE	0	0	0	0	0	0	0	0	0	0	0	0
3-F SUBTOTAL INSTITUTIONAL	12,482	5,478	0	9,103	745,451	60	772,574	2,538	29	0	0	0
4 ADMINISTRATION	149,891	66,024	0	161,706	0	746	378,367			0	0	0
TOTAL EXPENDITURES	2,130,222	933,423	1,424,220	612,994	6,146,406	13,218	11,260,483			0	15,001	0
County Indirect Costs = \$ 145,426												

CENTRE 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
	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
<b>IN-HOME</b>												
1-A ADOPTION SERVICE	49,859	1,300		7,156	0		0	0	0	41,403	41,403	0
1-B ADOPTION ASSISTANCE	1,214,209	0	500,192	141,136			0	0	0	639,881	511,905	127,976
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSH	2,677,109	0	65,420	928			0	0	0	138,691	110,935	27,738
1-D COUNSELING - DEPENDENT	170,667	0		0	281,205		0	0	0	2,395,904	1,916,723	479,181
1-E COUNSELING - DELINQUENT	535	0		0	0		0	0	0	170,667	136,534	34,133
1-F DAY CARE		0		0	0		0	0	0	535	428	107
1-G DAY TREATMENT - DEPENDENT		0		0	0		0	0	0	0	0	0
1-H IDAY TREATMENT - DELINQUENT		0		0	0		0	0	0	0	0	0
1-I HOMEMAKER SERVICE		0		0	0		0	0	0	0	0	0
1-J INTAKE & REFERRAL	193,618	0		28,028	0		0	0	0	165,590	132,472	33,118
1-K LIFE SKILLS - DEPENDENT	332,506	0		526	0	68,743	0	0	0	263,237	210,590	52,647
1-L LIFE SKILLS - DELINQUENT		0		0	0		0	0	0	0	0	0
1-M PROTECTIVE SERVICE - CHILD ABUSE	271,033	0		32,965	0		0	0	0	238,068	190,454	47,614
1-N PROTECTIVE SERVICE - GENERAL	786,323	0		106,699	0		0	0	0	679,624	543,699	135,925
1-O SERVICE PLANNING	1,202,493	0		173,520	0		0	0	0	1,028,973	823,178	205,795
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT	185,587	0		0	0		25,362	0	0	160,225	80,113	80,112
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT		0		0	0		0	0	0	0	0	0
1-R <b>SUBTOTAL IN-HOME</b>	7,288,978	1,300	625,612	363,958	281,205	68,743	25,362	0	0	5,922,798	4,698,452	1,224,346

COMMUNITY BASED PLACEMENT	REVENUE SOURCES											
	1	2	3	4	5	6	7	8	9	10	11	12
	TOTAL REIMBURSABLE EXPENDITURES	PROGRAM INCOME	TITLE IV-E MAINTENANCE	TITLE IV-E ADMIN.	TANF	TITLE XX	TITLE IV-B	Child Welfare Demonstration Project Title IV-E	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE
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	717,850	58,428	79,079	25,149			0	0	0	555,194	444,155	111,039
2-D COMMUNITY RESIDENTIAL - DELINQUENT	13,370	47	0	29			0	0	0	13,294	10,635	2,659
2-E EMERGENCY SHELTER - DEPENDENT	90,657	0	9,202	2,800	0		0	0	0	78,655	70,790	7,865
2-F EMERGENCY SHELTER - DELINQUENT	28,664	2,020	0	67	0		0	0	0	26,577	23,919	2,658
2-G FOSTER FAMILY - DEPENDENT	1,493,665	84,430	148,186	154,668			0	0	0	1,106,381	885,105	221,276
2-H FOSTER FAMILY - DELINQUENT		0	0	0	0		0	0	0	0	0	0
2-I KINSHIP CARE - DEPENDENT	382,750	39,403	50,082	28,311			0	0	0	264,954	211,963	52,991
2-J KINSHIP CARE - DELINQUENT		0	0	0	0		0	0	0	0	0	0
2-K SUP. INDEPENDENT LIVING - DEPENDENT	78,607	7,936	2,009	27,895			0	0	0	40,767	32,614	8,153
2-L SUP. INDEPENDENT LIVING - DELINQUENT		0	0	0	0		0	0	0	0	0	0
2-M <b>SUBTOTAL CBP</b>	2,805,563	192,264	288,558	238,919	0	0	0	0	0	2,085,822	1,679,181	406,641

INSTITUTIONAL PLACEMENT	REVENUE SOURCES											
	1	2	3	4	5	6	7	8	9	10	11	12
	TOTAL REIMBURSABLE EXPENDITURES	PROGRAM INCOME	TITLE IV-E MAINTENANCE	TITLE IV-E ADMIN.	TANF	TITLE XX	TITLE IV-B	Child Welfare Demonstration Project Title IV-E	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE
3-A JUVENILE DETENTION SERVICE	136,418	0		21,171			0	0	0	136,418	68,209	68,209
3-B RESIDENTIAL SERVICE - DEPENDENT	521,838	14,855	117,776	110			0	0	0	368,036	220,822	147,214
3-C RES. SERVICE - DELINQUENT (NON YDC/YFC)	66,722	305	0	66,722			0	0	0	66,307	39,784	26,523
3-D SECURE RES. SERVICE (EXCEPT YDC)	47,596	2,428					0	0	0	45,168	27,101	18,067
3-E YDC SECURE		0					0	0	0	0	0	0
3-F <b>SUBTOTAL INSTITUTIONAL</b>	772,574	17,588	117,776	21,281	0	0	0	0	0	615,929	355,916	260,013

4 ADMINISTRATION	378,367	0		54,861			0	0	2,496	321,010	192,606	128,404
<b>TOTAL REVENUES</b>	11,245,482	211,152	1,031,946	679,019	281,205	68,743	25,362	0	2,496	8,945,559	6,926,155	2,019,404

**CENTRE 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	\$ 49,859	\$ 0	\$ 49,859
Adoption Assistance	1,225,555	0	1,225,555
Subsidized Permanent Legal Custodianship	205,039	0	205,039
Counseling	2,847,776	0	2,847,776
Day Care	535	0	535
Day Treatment	0	0	0
Homemaker Service	0	0	0
Intake and Referral	193,618	0	193,618
Life Skills	332,506	0	332,506
Protective Service - Child Abuse	271,033	0	271,033
Protective Service - General	786,323	0	786,323
Service Planning	1,202,493	0	1,202,493
Juvenile Act Proceedings	185,587	0	185,587
Alternative Treatment	0	0	0
Community Residential	731,220	0	731,220
Emergency Shelter	119,321	0	119,321
Foster Family	1,495,019	0	1,495,019
Kinship Care	385,421	(370)	385,051
Supervised Independent Living	78,607	0	78,607
Juvenile Detention Service	136,418	0	136,418
Residential Service	588,560	0	588,560
Secure Residential Service (Except YDC)	47,596	0	47,596
YDC Secure	0	0	0
Administration	378,367	0	378,367
Combined Total Expense	<u>11,260,853</u>	<u>(370)</u>	<u>11,260,483</u>
Less Non-reimbursables	<u>15,001</u>	<u>0</u>	<u>15,001</u>
Total Net Expense	<u>\$ 11,245,852</u>	<u>\$ (370)</u>	<u>\$ 11,245,482</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	\$ 2,130,222	\$ 0	\$ 2,130,222
Employee Benefits	933,423	0	933,423
Subsidies	1,424,220	0	1,424,220
Operating	612,994	0	612,994
Purchased Services	6,146,776	(370)	6,146,406
Fixed Assets	13,218	0	13,218
Combined Total Expense	<u>11,260,853</u>	<u>(370)</u>	<u>11,260,483</u>
Less Non-reimbursables	<u>15,001</u>	<u>0</u>	<u>15,001</u>
Total Net Expense	<u>\$ 11,245,852</u>	<u>\$ (370)</u>	<u>\$ 11,245,482</u>

**CENTRE COUNTY CHILDREN AND YOUTH AGENCY  
FOR THE PERIOD JULY 1, 2019 TO JUNE 30, 2020  
ADJUSTMENT SCHEDULE**

REPORT REFERENCE			ADJ. NO.	EXPLANATION OF ADJUSTMENTS	AS REPORTED OR ADJUSTED	INCREASE/ (DECREASE)	ADJUSTED TOTAL
SCHEDULE	LINE	COLUMN					
CY-370	2-I	5	1	<p style="text-align: center;">CY-370 Adjustment</p> <p>Kinship Care (Dependent) - Purchased Services</p> <p>To decrease expenditures by \$370 to include a refund not reported on the Act 148 Invoice submitted to the Commonwealth Department of Human Services.</p> <p>Title 55 PA Code, Chapter 3170.95(a)(b)</p>	\$ 175,530	\$ (370)	\$ 175,160

# **SECTION 2**

## **AMENDED FISCAL REPORTS**

**FOR THE FISCAL YEAR:**

**JULY 1, 2020 to JUNE 30, 2021**

**CENTRE COUNTY CHILDREN AND YOUTH AGENCY  
FOR THE PERIOD JULY 1, 2020 TO JUNE 30, 2021  
AMENDED  
COMPUTATION OF FINAL NET STATE SHARE**

Approved State Allocation <sup>1</sup>		\$	7,632,303
Supplemental Act 148			<u>0</u>
Total State Allocation			7,632,303
State Share (CY348) <sup>2</sup>	\$		6,892,625
Less: Major Service Category Adjustment			<u>0</u>
Net State Share		\$	6,892,625
Less: Expenditures in Excess of the Approved State Allocation			<u>0</u>
Final Net State Share Payable <sup>3</sup>		\$	6,892,625
Actual Act 148 Revenues Received <sup>4</sup>			<u>6,892,625</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.

CENTRE COUNTY CHILDREN AND YOUTH AGENCY  
 FOR THE PERIOD JULY 1, 2020 TO JUNE 30, 2021  
 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	37,558	0	5,219	0	0	0	0	0	32,339	32,339	0
02. 90% REIMBURSEMENT	80,002	0	5,612	0	0	0	0	0	74,390	66,951	7,439
03. 80% REIMBURSEMENT	9,911,046	134,015	1,534,735	281,205	68,743	0	5,000	0	7,887,348	6,309,879	1,577,469
04. 60% REIMBURSEMENT	727,267	1,452	170,821	0	0	0	0	3,369	551,625	330,975	220,650
05. 50% REIMBURSEMENT	330,322	0	0	0	0	25,362	0	0	304,960	152,481	152,479
06. TOTAL NET CHILD WELFARE EXPEND.	11,086,195	135,467	1,716,387	281,205	68,743	25,362	5,000	3,369	8,850,662	6,892,625	1,958,037

YDC/YFC PLACEMENT COSTS											
07. 60% DHS PARTICIPATION	1,626	0							1,626	976	650

08. NON-REIMBURSABLE EXPENDITURES	13,645	0							13,645		13,645
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09. TOTAL EXPENDITURES	11,101,466	135,467	1,716,387	281,205	68,743	25,362	5,000	3,369	8,865,933	6,893,601	1,972,332
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10. TOTAL TITLE IV-D COLLECTIONS 96,585

11. TITLE IV-D Collections for IV-E Children 22,442

12. STATE ACT 148 - line 6 6,892,625

13. STATE ACT 148 ALLOCATION 7,632,303

14. ADJUSTED STATE SHARE (lower of 12 or 13) 6,892,625

INVOICE											
AMENDED STATE SHARE (ACT 148)	6,892,625										
ACT 148 AMOUNT RECEIVED	6,892,625										
ADJUSTMENT TO STATE SHARE	0										



CENTRE COUNTY CHILDREN AND YOUTH AGENCY  
FOR THE PERIOD JULY 1, 2020 TO JUNE 30, 2021  
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	EMPLOYEE BENEFITS	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>												
I-A ADOPTION ASSISTANCE	22,272	8,624		6,662	0	0	37,558	37	0	0	527	0
I-B ADOPTION ASSISTANCE	0	1,256,641			0	0	1,256,641	146	0	0	0	0
I-C SUBSIDIZED PERMANENT LEGAL CUSTODIANS/SH	8,153	3,106	122,197	739	0	0	134,195	7	14	0	0	0
I-D COUNSELING - DEPENDENT	0	0			2,664,135	0	2,664,135	0	270	0	0	0
I-E COUNSELING - DELINQUENT	0	0		245	156,515	0	156,760	0	57	0	0	0
I-F DAY CARE	0	0		1,629	0	0	1,629	0	2	0	241	0
I-G DAY TREATMENT - DEPENDENT	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
I-I HOMEMAKER SERVICE	0	0		0	0	0	0	0	0	0	0	0
I-J INTAKE & REFERRAL	118,378	46,068	12,911	355	342,787	0	177,357	53	0	0	0	0
I-K LIFE SKILLS - DEPENDENT	2,626	998					346,766	142	147	0	0	0
I-L LIFE SKILLS - DELINQUENT	0	0					0	0	0	0	0	0
I-M PROTECTIVE SERVICE - CHILD ABUSE	80,529	31,170	23,887	39,275	0	0	174,861	204	97	0	0	0
I-N PROTECTIVE SERVICE - GENERAL	491,083	189,549	69,678	60,179	0	0	810,489	222	15	0	0	0
I-O SERVICE PLANNING	831,644	320,607	119,211	757	192,642	0	1,271,462	1,563	0	0	0	0
I-P JUVENILE ACT PROCEEDINGS - DEPENDENT							193,399	0	105	0	0	0
I-Q JUVENILE ACT PROCEEDINGS - DELINQUENT							0	0	0	0	0	0
I-R SUBTOTAL IN-HOME	1,554,685	600,122	1,378,838	234,445	3,457,162	0	7,225,252			0	768	0
	LRCP = Legal Representation for Children in Placement = \$											
	LRNP = Legal Representation for Children Non-Placement = \$											
	Number of Children receiving, only NON-PURCHASED, III Services											
	0											
<b>COMMUNITY BASED PLACEMENT</b>												
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	52,648	20,168	0	17,901	772,093	0	862,810	3,646	17	0	0	0
2-D COMMUNITY RESIDENTIAL - DELINQUENT	0	0	0	573	83,882	0	84,455	286	3	0	0	0
2-E EMERGENCY SHELTER - DEPENDENT	1,182	454	0	6,373	39,214	0	47,223	397	17	0	0	0
2-F EMERGENCY SHELTER - DELINQUENT	0	0	0	329	32,450	0	32,779	157	8	0	0	0
2-G FOSTER FAMILY - DEPENDENT	253,077	97,794	0	137,179	1,005,222	0	1,493,272	14,260	59	0	12,156	0
2-H FOSTER FAMILY - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-I KINSHIP CARE - DEPENDENT	124,715	48,126	0	41,197	155,898	0	369,936	5,524	24	0	721	0
2-J KINSHIP CARE - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-K SUP. INDEPENDENT LIVING - DEPENDENT	4,520	1,732	0	2,785	110,886	0	119,923	1,107	5	0	0	0
2-L SUP. INDEPENDENT LIVING - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-M SUBTOTAL CBP	436,142	168,274	0	206,337	2,199,645	0	3,010,398	25,377	133	0	12,877	0
<b>INSTITUTIONAL PLACEMENT</b>												
3-A JUVENILE DETENTION SERVICE	0	0	0	482	136,441	0	136,923	407	14	0	0	0
3-B RESIDENTIAL SERVICE - DEPENDENT	11,332	4,407	0	6,793	273,134	0	295,666	982	8	0	0	0
3-C RES. SERVICE - DELINQUENT (EXCEPT YDC/YFC)	0	0	0	1,090	7,052	0	8,142	64	2	0	0	0
3-D SECURE RES. SERVICE (EXCEPT YDC)	0	0	0	92	43,750	0	43,842	125	1	0	0	0
3-E YDC SECURE	0	0	0	0	1,626	0	1,626	3	1	0	0	0
3-F SUBTOTAL INSTITUTIONAL	11,332	4,407	0	8,457	462,003	0	486,199	1,581	26	0	0	0
4 ADMINISTRATION	154,609	59,962	0	165,046	0	0	379,617			0	0	0
5 TOTAL EXPENDITURES	2,156,768	832,765	1,378,838	614,285	6,118,810	0	11,101,466			0	13,645	0
	County Indirect Costs = \$ 149,036											

CENTRE COUNTY CHILDREN AND YOUTH AGENCY  
FOR THE PERIOD JULY 1, 2020 TO JUNE 30, 2021  
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	37,558	0	0	5,219	0	0	0	0	0	32,339	0	0
1-B ADOPTION ASSISTANCE	1,256,114	0	632,548	8,894	0	0	0	0	0	614,672	491,738	122,934
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHP	134,195	0	47,754	1,651	0	0	0	0	0	84,790	67,832	16,958
1-D COUNSELING - DEPENDENT	2,664,135	0	0	0	281,205	0	0	0	0	2,382,930	1,906,344	476,586
1-E COUNSELING - DELINQUENT	156,760	0	0	36	0	0	0	0	0	156,724	125,379	31,345
1-F DAY CARE	1,388	0	0	0	0	0	0	0	0	1,388	1,110	278
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	0	0	0	0	0	0	0	0
1-J INTAKE & REFERRAL	177,357	0	25,049	0	0	0	0	0	0	152,308	121,846	30,462
1-K LIFE SKILLS - DEPENDENT	346,766	0	562	0	0	68,743	0	0	0	277,461	221,969	55,492
1-L LIFE SKILLS - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
1-M PROTECTIVE SERVICE - CHILD ABUSE	174,861	0	0	19,158	0	0	0	0	0	155,703	124,562	31,141
1-N PROTECTIVE SERVICE - GENERAL	810,489	0	105,218	0	0	0	0	0	0	705,271	564,217	141,054
1-O SERVICE PLANNING	1,271,462	0	178,781	0	0	0	0	0	0	1,092,681	874,145	218,536
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT	193,399	0	0	0	0	0	25,362	0	0	168,037	84,019	84,018
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
1-R SUBTOTAL IN-HOME	7,224,484	0	680,302	344,568	281,205	68,743	25,362	0	0	5,824,304	4,615,500	1,208,804

COMMUNITY BASED PLACEMENT	REVENUE SOURCES											
	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	862,810	46,567	91,030	29,418	0	0	0	0	0	695,795	556,636	139,159
2-D COMMUNITY RESIDENTIAL - DELINQUENT	84,455	0	0	78	0	0	0	0	0	84,377	67,502	16,875
2-E EMERGENCY SHELTER - DEPENDENT	47,223	0	3,911	1,652	0	0	0	0	0	41,660	37,494	4,166
2-F EMERGENCY SHELTER - DELINQUENT	32,779	0	0	49	0	0	0	0	0	32,730	29,457	3,273
2-G FOSTER FAMILY - DEPENDENT	1,481,116	55,225	154,313	142,436	0	0	0	5,000	0	1,124,142	899,314	224,828
2-H FOSTER FAMILY - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-I KINSHIP CARE - DEPENDENT	369,215	24,507	45,283	28,214	0	0	0	0	0	271,211	216,969	54,242
2-J KINSHIP CARE - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-K SUP. INDEPENDENT LIVING - DEPENDENT	119,923	7,716	16,332	7,980	0	0	0	0	0	87,895	70,316	17,579
2-L SUP. INDEPENDENT LIVING - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-M SUBTOTAL CBP	2,997,521	134,015	310,869	209,827	0	0	0	5,000	0	2,337,810	1,877,688	460,122

INSTITUTIONAL PLACEMENT	REVENUE SOURCES											
	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	136,923	0	93,071	24,230	0	0	0	0	0	136,923	68,462	68,461
3-B RESIDENTIAL SERVICE - DEPENDENT	295,666	464	0	100	0	0	0	0	0	177,901	106,741	71,160
3-C RES. SERVICE - DELINQUENT (NON YDC/YFC)	43,842	988	0	0	0	0	0	0	0	7,054	4,232	2,822
3-D SECURE RES. SERVICE (EXCEPT YDC)	1,626	0	0	0	0	0	0	0	0	43,842	26,305	17,537
3-E YDC SECURE	0	0	0	0	0	0	0	0	0	1,626	976	650
3-F SUBTOTAL INSTITUTIONAL	486,199	1,452	93,071	24,330	0	0	0	0	0	367,346	206,716	160,630

4 ADMINISTRATION	379,617	0	0	53,420	0	0	0	0	0	3,369	322,828	129,131
5 TOTAL REVENUES	11,087,821	135,467	1,084,242	632,145	281,205	68,743	25,362	5,000	3,369	8,852,288	6,893,601	1,958,687

**CENTRE COUNTY CHILDREN AND YOUTH AGENCY  
FOR THE PERIOD JULY 1, 2020 TO JUNE 30, 2021  
AMENDED  
SUMMARY OF EXPENSE AND EXPENSE ADJUSTMENTS**

<b>COST CENTER ITEMS</b>	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Adoption Service	\$ 37,558	\$ 0	\$ 37,558
Adoption Assistance	1,256,641	0	1,256,641
Subsidized Permanent Legal Custodianship	134,195	0	134,195
Counseling	2,820,895	0	2,820,895
Day Care	1,629	0	1,629
Day Treatment	0	0	0
Homemaker Service	0	0	0
Intake and Referral	177,357	0	177,357
Life Skills	346,766	0	346,766
Protective Service - Child Abuse	174,861	0	174,861
Protective Service - General	810,489	0	810,489
Service Planning	1,271,462	0	1,271,462
Juvenile Act Proceedings	193,399	0	193,399
Alternative Treatment	0	0	0
Community Residential	947,265	0	947,265
Emergency Shelter	80,002	0	80,002
Foster Family	1,493,272	0	1,493,272
Kinship Care	369,936	0	369,936
Supervised Independent Living	119,923	0	119,923
Juvenile Detention Service	136,923	0	136,923
Residential Service	303,808	0	303,808
Secure Residential Service (Except YDC)	43,842	0	43,842
YDC Secure	1,626	0	1,626
Administration	379,617	0	379,617
Combined Total Expense	<u>11,101,466</u>	<u>0</u>	<u>11,101,466</u>
Less Non-reimbursables	<u>13,645</u>	<u>0</u>	<u>13,645</u>
Total Net Expense	<u>\$ 11,087,821</u>	<u>\$ 0</u>	<u>\$ 11,087,821</u>

<b>OBJECTS OF EXPENDITURE</b>	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Wages and Salaries	\$ 2,156,768	\$ 0	\$ 2,156,768
Employee Benefits	832,765	0	832,765
Subsidies	1,378,838	0	1,378,838
Operating	614,285	0	614,285
Purchased Services	6,118,810	0	6,118,810
Fixed Assets	0	0	0
Combined Total Expense	<u>11,101,466</u>	<u>0</u>	<u>11,101,466</u>
Less Non-reimbursables	<u>13,645</u>	<u>0</u>	<u>13,645</u>
Total Net Expense	<u>\$ 11,087,821</u>	<u>\$ 0</u>	<u>\$ 11,087,821</u>

## SECTION 3

# CURRENT ENGAGEMENT OBSERVATION

CENTRE 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.

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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.

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- 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>1</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.

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**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.



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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. Melissa Erazo**  
Director  
Bureau of Budget and Fiscal Support  
Office of Children, Youth and Families  
Department of Human Services

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