

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

Clearfield County Children and Youth Agency

May 2019



Commonwealth of Pennsylvania
Department of the Auditor General

Eugene A. DePasquale • Auditor General



**Commonwealth of Pennsylvania
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**EUGENE A. DePASQUALE
AUDITOR GENERAL**

The Commissioners of Clearfield County
212 E. Locust Street, Suite 112
Clearfield, Pa. 16830

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 Clearfield County Children and Youth Agency (agency), legally known as Clearfield County Children, Youth, and Family Services, for the purpose of ascertaining and certifying the actual Commonwealth expenditures incurred on behalf of children residing within the county for the fiscal years July 1, 2014 to June 30, 2015, July 1, 2015 to June 30, 2016, and July 1, 2016 to June 30, 2017. The scope of our engagement was limited to the fiscal reports submitted to the Department of Human Services (DHS) as part of the Act 148 Invoice Packages for the fiscal years ended June 30, 2015, June 30, 2016, and June 30, 2017.

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

We certify that the enclosed amended fiscal reports fairly present, in all material respects, the total Commonwealth expenditures paid on behalf of children residing within the county for the 2014-15, 2015-16, and 2016-17 fiscal years based on the accrual basis of accounting.¹

¹ The accrual basis of accounting is required by DHS.

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 two adjustments being made to the agency's submitted fiscal reports. These adjustments in total impacted the agency's Final Net State Share by increasing agency expenditures by \$1,500 and by increasing revenue by \$3,580. Based on the application of the state participation rates, the two adjustments resulted in an amount due to the state totaling \$1,648. These two adjustments are detailed in our amended fiscal reports for fiscal year 2014-2015, as 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. This adjustment in total impacted the agency's Final Net State Share by increasing agency expenditures by \$3,069. Based on the application of the state participation rates, the one adjustment resulted in an amount due to the county totaling \$1,842. This adjustment is detailed in our amended fiscal reports for fiscal year 2015-2016, as included in Section 2 of this report.
- For the **2016-2017 fiscal year**, our engagement resulted in two adjustments being made to the agency's submitted fiscal reports. These adjustments in total impacted the agency's Final Net State Share by decreasing agency expenditures by \$2,942. Based on the application of the state participation rates, the two adjustments resulted in an amount due to the state totaling \$1,765. These two adjustments are detailed in our amended fiscal reports for fiscal year 2016-2017, as included in Section 3 of this report.

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

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

Finding No. 2 – Clearfield County Children and Youth Agency Failed to Maintain Executed Contracts with Two In-Home Service Providers

During the conduct of our current engagement, we found that the agency complied with Finding No. 2 listed above, thus the issuance of a repeat finding was not warranted, as detailed in the Status of Prior Engagement Findings and Recommendations section (Section 4) of this report.

However, regarding Finding No. 1 listed above, due to the timing of the conduct of our prior engagement, the agency was not able to implement corrective action to comply with the recommendations included in our prior released engagement report, as detailed in Section 4 of this report. Because the cited control deficiencies and corresponding risks continued to exist for all three fiscal years included in our current engagement scope period, we concluded that the issuance of a repeat finding in the current section of this engagement report was warranted, as listed below

and detailed in the Current Engagement Findings and Recommendations section (Section 5) of this report.

Finding – Unresolved Prior Recommendations – Lack of Internal Control Policies and Procedures to Reduce the Agency’s Risk of Paying Overbillings or Fraudulent Billings Submitted 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 April 11, 2019.

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

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

Sincerely,

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

Eugene A. DePasquale
Auditor General

May 2, 2019

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BACKGROUND

The Department of the Auditor General is responsible for reviewing the fiscal reports, known as the submitted CY-370 Expenditure Report, the CY-370A Revenue Report, and the CY-348 Fiscal Summary of the 67 County Children and Youth Agencies to determine proper reporting and utilization of funds according to program regulations and guidelines under the Human Services Code 62 P.S. § 704.1(a)(4). The annual state Act 148 allocations are used by the Counties to administer social services for the children and youth that reside within the Commonwealth of Pennsylvania, whose stated goal is “to ensure, for each child in this Commonwealth, a permanent, legally assured family which protects the child from abuse and neglect.” According to information provided by the Department of Human Services (DHS), Office of Children, Youth and Families (OCYF), the Clearfield County Children and Youth Agency provided in-home and placement services to 3,188 children residing within the County during the 2016-2017 fiscal year. The Children and Youth Social Services Program is County-Administered and State-Supervised by the DHS and thus, they are jointly responsible for achieving the Commonwealth’s goal.

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

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

**CLEARFIELD COUNTY 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		\$	3,616,677
Supplemental Act 148			<u>0</u>
Total State Allocation			3,616,677
State Share (CY348) ²	\$	3,022,506	
Less: Major Service Category Adjustment		<u>0</u>	
Net State Share	\$	3,022,506	
Less: Expenditures in Excess of the Approved State Allocation		<u>0</u>	
Final Net State Share Payable ³	\$	3,022,506	
Actual Act 148 Revenues Received ⁴			<u>3,024,154</u>
Net Amount Due County/(State) ⁵	\$		<u><u>(1,648)</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.

**CLEARFELD COUNTY 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	12,404	0	2,388	0	0	0	0	0	10,016	10,016	0
02. 90% REIMBURSEMENT	0	0	0	0	0	0	0	0	0	0	0
03. 80% REIMBURSEMENT	4,824,380	179,052	1,088,458	113,439	65,577	92,442	0	0	3,285,412	2,628,328	657,084
04. 60% REIMBURSEMENT	489,681	1,458	37,400	0	0	0	0	2,509	448,314	268,988	179,326
05. 50% REIMBURSEMENT	230,641	295	0	0	0	0	0	0	230,346	115,174	115,172
06. TOTAL NET CHILD WELFARE EXPEND.	5,557,106	180,805	1,128,246	113,439	65,577	92,442	0	2,509	3,974,088	3,022,506	951,582

[illegible][illegible]

(09. TOTAL EXPENDITURES	5,672,760	181,398	1,128,246	113,439	65,577	92,442	0	2,509	4,089,149	3,089,679	999,470
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10. TOTAL TITLE IV-D COLLECTIONS

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

12. STATE ACT 148 - line 6

13. STATE ACT 148 ALLOCATION

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

INVOICE	
AMENDED STATE SHARE (ACT 148)	3,022,506
ACT 148 AMOUNT RECEIVED	3,024,154
ADJUSTMENT TO STATE SHARE	(1,648)

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

MAJOR SERVICE CATEGORIES & COST CENTERS		REVENUE SOURCES										
	1	2	3	4	5	6	7	8	9	10	11	12
	TOTAL	PROGRAM	TITLE IV-E	TITLE IV-E	TANF	TITLE XX	TITLE IV-B	Child Welfare Demonstration Project Title IV-E	MEDICAL	NET	STATE	LOCAL
	REIMBURSABLE	INCOME	MAINTENANCE	ADMIN.					ASSISTANCE	REIMBURSABLE	ACT 148	SHARE
	EXPENDITURES									EXPENDITURES		
IN-HOME												
I-A ADOPTION SERVICE	12,404	0		2,388	0		0	0	0	10,016	10,016	0
I-B ADOPTION ASSISTANCE	764,497	0	291,142	1,750			0	0	0	471,605	377,284	94,321
I-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	392,328	0	130,194	0			0	0	0	262,134	209,707	52,427
I-D COUNSELING - DEPENDENT	346,543	0			113,439	0	0	0	0	233,104	186,483	46,621
I-E COUNSELING - DELINQUENT	128,578	0			0	0	0	0	0	128,578	102,862	25,716
I-F DAY CARE	0	0			0	0	0	0	0	0	0	0
I-G DAY TREATMENT - DEPENDENT	7,209	0			0	0	0	0	0	7,209	5,767	1,442
I-H DAY TREATMENT - DELINQUENT	22,149	0			0	0	0	0	0	22,149	17,719	4,430
I-I HOMEMAKER SERVICE	0	0			0	0	0	0	0	0	0	0
I-J INTAKE & REFERRAL	14,916	0		2,872	0	0	0	0	0	12,044	9,635	2,409
I-K LIFE SKILLS - DEPENDENT	0	0			0	0	0	0	0	0	0	0
I-L LIFE SKILLS - DELINQUENT	0	0			0	0	0	0	0	0	0	0
I-M PROTECTIVE SERVICE - CHILD ABUSE	175,535	0		33,111	0	0		0	0	142,424	113,939	28,485
I-N PROTECTIVE SERVICE - GENERAL	1,201,647	0		225,081	0	0		0	0	976,566	781,253	195,313
I-O SERVICE PLANNING	87	0		16	0	0	0	0	0	71	57	14
I-P JUVENILE ACT PROCEEDINGS - DEPENDENT	21,889	0			0		0	0	0	21,889	10,945	10,944
I-Q JUVENILE ACT PROCEEDINGS - DELINQUENT	0	0			0		0	0	0	0	0	0
I-R SUBTOTAL IN-HOME	3,087,782	0	421,336	265,218	113,439	0	0	0	0	2,287,789	1,825,667	462,122
COMMUNITY BASED PLACEMENT												
2-A ALTERNATIVE TREATMENT - DEPENDENT	0	0	0	0		0	0	0	0	0	0	0
2-B ALTERNATIVE TREATMENT - DELINQUENT	0	0	0	0		0	0	0	0	0	0	0
2-C COMMUNITY RESIDENTIAL - DEPENDENT	565,308	49,750	153,932	2,557		65,577	0	0	0	293,492	234,793	58,699
2-D COMMUNITY RESIDENTIAL - DELINQUENT	446,308	35,570	45,035	0		0	0	0	0	365,703	292,562	73,141
2-E EMERGENCY SHELTER - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
2-F EMERGENCY SHELTER - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-G FOSTER FAMILY - DEPENDENT	759,188	93,732	124,228	78,540		0	92,442	0	0	370,246	296,197	74,049
2-H FOSTER FAMILY - DELINQUENT	87	0	0	0		0	0	0	0	87	70	17
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	1,770,891	179,062	323,195	81,097	0	65,577	92,442	0	0	1,029,528	823,622	205,906
INSTITUTIONAL PLACEMENT												
3-A JUVENILE DETENTION SERVICE	208,752	295								208,457	104,229	104,228
3-B RESIDENTIAL SERVICE - DEPENDENT	138,293	1,181	0	17		0	0	0	0	137,095	82,257	54,838
3-C RES. SERVICE - DELINQUENT (NON YDC/YFC)	157,453	277	644	0		0	0	0	0	156,532	93,919	62,613
3-D SECURE RES. SERVICE (EXCEPT YDC)	0	0							0	0	0	0
3-E YDC SECURE	112,548	593								111,955	67,173	44,782
3-F SUBTOTAL INSTITUTIONAL	617,046	2,346	644	17	0	0	0	0	0	614,039	347,578	266,461
4 ADMINISTRATION	193,935	0		36,739		0	0	0	2,509	154,687	92,812	61,875
5 TOTAL REVENUES	5,669,654	181,398	745,175	383,071	113,439	65,577	92,442	0	2,509	4,086,043	3,089,679	996,364

CLEARFIELD COUNTY COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2014 TO JUNE 30, 2015
AMENDED CY370
EXPENDITURE REPORT

11

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		5,773	3,129		3,443	0	59	12,404	37	0	0	0	0
1-A	ADOPTION SERVICE	0	0	761,425	0	5,500	0	766,925	0	101	0	2,428	0
1-B	ADOPTION ASSISTANCE	0	0	392,328	0	0	0	392,328	0	52	0	0	0
1-C	SUBSIDIZED PERMANENT LEGAL CUSTODIANS/H	0	0		0	346,543	0	346,543	0	137	0	0	0
1-D	COUNSELING - DEPENDENT	0	0		0	128,578	0	128,578	0	59	0	0	0
1-E	COUNSELING - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
1-F	DAY CARE	0	0		0	0	0	0	0	0	0	0	0
1-G	DAY TREATMENT - DEPENDENT	0	0		0	7,209	0	7,209	0	1	0	0	0
1-H	DAY TREATMENT - DELINQUENT	0	0		0	22,149	0	22,149	0	5	0	0	0
1-I	HOMEMAKER SERVICE	0	0		0	0	0	0	0	0	0	0	0
1-J	INTAKE & REFERRAL	7,565	5,309		2,014	0	28	14,916	1,088	0	0	0	0
1-K	LIFE SKILLS - DEPENDENT	0	0		0	0	0	0	0	0	0	0	0
1-L	LIFE SKILLS - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
1-M	PROTECTIVE SERVICE - CHILD ABUSE	86,885	51,363		36,904	0	564	175,716	773	0	181	0	0
1-N	PROTECTIVE SERVICE - GENERAL	600,101	382,269		186,283	29,492	3,817	1,201,962	1,462	55	315	0	0
1-O	SERVICE PLANNING	0	0		87	0	0	87	0	0	0	0	0
1-P	JUVENILE ACT PROCEEDINGS - DEPENDENT					21,889	0	21,889	0	250	0	0	0
1-Q	JUVENILE ACT PROCEEDINGS - DELINQUENT				0	0		0	0	0	0	0	0
1-R	SUBTOTAL IN-HOME	700,324	442,070	1,153,753	228,731	561,360	4,468	3,090,706			496	2,428	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	5,948	4,182	0	4,654	550,496	28	565,308	3,810	31	0	0	0
2-D	COMMUNITY RESIDENTIAL - DELINQUENT	0	0	0	100	446,208	0	446,308	3,054	16	0	0	0
2-E	EMERGENCY SHELTER - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
2-F	EMERGENCY SHELTER - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-G	FOSTER FAMILY - DEPENDENT	85,017	57,448	0	76,138	540,115	583	759,301	16,827	87	113	0	0
2-H	FOSTER FAMILY - DELINQUENT	0	0	0	0	87	0	87	1	1	0	0	0
2-I	SUP. INDEPENDENT LIVING - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
2-J	SUP. INDEPENDENT LIVING - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-K	SUBTOTAL CBP	90,965	61,630	0	80,892	1,536,906	611	1,771,004	23,692	135	113	0	0
INSTITUTIONAL PLACEMENT		WAGES AND SALARIES	EMPLOYEE BENEFITS	SUBSIDIES	OPERATING	PURCHASED SERVICES	FIXED ASSETS	TOTAL EXPENDITURES	DAYS OF CARE	Children Served (Purchased)	Non- Reimbursable Non PS/Sub.	Non-Reim. Purchased Serv/ Subsidies	Non-Reim. Program Income
3-A	JUVENILE DETENTION SERVICE	0	0	0	0	208,752	0	208,752	225	24	0	0	0
3-B	RESIDENTIAL SERVICE - DEPENDENT	0	0	0	270	138,023	0	138,293	646	6	0	0	0
3-C	RES. SERVICE - DELINQUENT (EXCEPT YDC/YFC)	0	0	0	175	157,278	0	157,453	839	11	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	112,548	0	112,548	226	1	0	0	0
3-F	SUBTOTAL INSTITUTIONAL	0	0	0	445	616,601	0	617,046	1,936	42	0	0	0
4 ADMINISTRATION		50,627	27,279	0	116,049	0	49	194,004			69	0	0
5 TOTAL EXPENDITURES		841,916	530,979	1,153,753	426,117	2,714,867	5,128	5,672,760			678	2,428	0
County Indirect Costs = \$ 90,721													

**CLEARFIELD COUNTY 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	\$ 12,404	\$ 0	\$ 12,404
Adoption Assistance	765,425	1,500	766,925
Subsidized Permanent Legal Custodianship	392,328	0	392,328
Counseling	475,121	0	475,121
Day Care	0	0	0
Day Treatment	29,358	0	29,358
Homemaker Service	0	0	0
Intake and Referral	14,916	0	14,916
Life Skills	0	0	0
Protective Service - Child Abuse	175,716	0	175,716
Protective Service - General	1,201,962	0	1,201,962
Service Planning	87	0	87
Juvenile Act Proceedings	21,889	0	21,889
Alternative Treatment	0	0	0
Community Residential	1,011,616	0	1,011,616
Emergency Shelter	0	0	0
Foster Family	759,388	0	759,388
Supervised Independent Living	0	0	0
Juvenile Detention Service	208,752	0	208,752
Residential Service	295,746	0	295,746
Secure Residential Service (Except YDC)	0	0	0
YDC Secure	112,548	0	112,548
Administration	194,004	0	194,004
Combined Total Expense	5,671,260	1,500	5,672,760
Less Non-reimbursables	3,106	0	3,106
Total Net Expense	\$ 5,668,154	\$ 1,500	\$ 5,669,654

OBJECTS OF EXPENDITURE	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Wages and Salaries	\$ 841,916	\$ 0	\$ 841,916
Employee Benefits	530,979	0	530,979
Subsidies	1,153,753	0	1,153,753
Operating	426,117	0	426,117
Purchased Services	2,713,367	1,500	2,714,867
Fixed Assets	5,128	0	5,128
Combined Total Expense	5,671,260	1,500	5,672,760
Less Non-reimbursables	3,106	0	3,106
Total Net Expense	\$ 5,668,154	\$ 1,500	\$ 5,669,654

**CLEARFIELD COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2014 TO JUNE 30, 2015
ADJUSTMENT SCHEDULE**

REPORT REFERENCE			ADJ. NO.	EXPLANATION OF ADJUSTMENTS	AS REPORTED OR ADJUSTED	INCREASE/ (DECREASE)	ADJUSTED TOTAL
SCHEDULE	LINE	COLUMN					
CY-370	1-B	5	1	CY-370 Adjustment			
				Adoption Assistance - Purchased Services	\$ 4,000	\$ 1,500	\$ 5,500
				To increase operating by \$1,500 to properly reconcile to the agency's final expenditures ledger.			
				Title 55 PA Code, Chapter 3170.60 OCYF Bulletin 00-95-12			
CY-370A	2-C 2-D 2-G 3-A 3-B 3-C 3-E	2	2	CY-370A Adjustment			
				Community Residential - Dependent-Program Income	\$ 48,766	\$ 982	\$ 49,748
				Community Residential - Delinquent-Program Income	\$ 34,868	\$ 702	\$ 35,570
				Foster Family - Dependent-Program Income	\$ 91,882	\$ 1,850	\$ 93,732
				Juvenile Detention Service - Program Income	\$ 289	\$ 6	\$ 295
				Residential Service-Dependent - Program Income	\$ 1,158	\$ 23	\$ 1,181
				Residential Service - Delinquent (Non YDC/YFC) Program Income	\$ 272	\$ 5	\$ 277
				YDC Secure - Program Income	\$ 581	\$ 12	\$ 593
				Total Adjustment		\$ 3,580	
				To increase Program Income by \$3,580 to properly report the total amount received and reconcile to the agency's final revenue ledger.			
				Title 55 PA Code, Chapter 3170.95(a)(b)			

SECTION 2

AMENDED FISCAL REPORTS

FOR THE FISCAL YEAR:

JULY 1, 2015 to JUNE 30, 2016

**CLEARFIELD COUNTY 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		\$	3,368,997
Supplemental Act 148			<u>0</u>
Total State Allocation			3,368,997
State Share (CY348) ²	\$	3,105,725	
Less: Major Service Category Adjustment		<u>0</u>	
Net State Share	\$	3,105,725	
Less: Expenditures in Excess of the Approved State Allocation		<u>0</u>	
Final Net State Share Payable ³	\$	3,105,725	
Actual Act 148 Revenues Received ⁴		<u>3,103,883</u>	
Net Amount Due County/(State) ⁵	\$	<u><u>1,842</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.

**CLEARFIELD COUNTY 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	25,914	0	4,442	0	0	0	0	0	21,472	21,472	0
02. 90% REIMBURSEMENT	0	0	0	0	0	0	0	0	0	0	0
03. 80% REIMBURSEMENT	4,975,784	142,078	1,101,360	113,438	65,576	92,444	0	0	3,460,888	2,768,712	692,176
04. 60% REIMBURSEMENT	414,287	6,751	54,429	0	0	0	0	2,520	350,587	210,353	140,234
05. 50% REIMBURSEMENT	210,375	0	0	0	0	0	0	0	210,375	105,188	105,187
06. TOTAL NET CHILD WELFARE EXPEND.	5,626,360	148,829	1,160,231	113,438	65,576	92,444	0	2,520	4,043,322	3,105,725	937,597
YDC/YFC PLACEMENT COSTS											
07. 60% DHS PARTICIPATION	101,220	0							101,220	60,732	40,488
08. NON-REIMBURSABLE EXPENDITURES	9,396	0							9,396		9,396
09. TOTAL EXPENDITURES	5,736,976	148,829	1,160,231	113,438	65,576	92,444	0	2,520	4,153,938	3,166,457	987,481
10. TOTAL TITLE IV-D COLLECTIONS	110,103										
11. TITLE IV-D Collections for IV-E Children	17,515										
12. STATE ACT 148 - line 6	3,105,725										
13. STATE ACT 148 ALLOCATION	3,368,997										
14. ADJUSTED STATE SHARE (lower of 12 or 13)	3,105,725										
INVOICE											
AMENDED STATE SHARE (ACT 148)	3,105,725										
ACT 148 AMOUNT RECEIVED	3,103,883										
ADJUSTMENT TO STATE SHARE	1,842										

CLEARFIELD COUNTY 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
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	25,914	0	0	0	4,442	0	0	0	0	0	21,472	21,472	0
1-B ADOPTION ASSISTANCE	857,748	0	0	322,031	0	0	0	0	0	0	535,717	428,574	107,143
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	385,924	0	0	120,267	0	0	0	0	0	0	265,657	212,526	53,131
1-D COUNSELING - DEPENDENT	340,634	0	0	0	0	113,438	0	0	0	0	227,196	181,757	45,439
1-E COUNSELING - DELINQUENT	112,557	0	0	0	0	0	0	0	0	0	112,557	90,046	22,511
1-F DAY CARE	0	0	0	0	0	0	0	0	0	0	0	0	0
1-G DAY TREATMENT - DEPENDENT	7,209	0	0	0	0	0	0	0	0	0	7,209	5,767	1,442
1-H DAY TREATMENT - DELINQUENT	14,456	0	0	0	0	0	0	0	0	0	14,456	11,565	2,891
1-I HOMEMAKER SERVICE	0	0	0	0	0	0	0	0	0	0	0	0	0
1-J INTAKE & REFERRAL	61	0	0	0	10	0	0	0	0	0	51	41	10
1-K LIFE SKILLS - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0	0
1-L LIFE SKILLS - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0	0
1-M PROTECTIVE SERVICE - CHILD ABUSE	281,808	0	0	0	47,579	0	0	0	0	0	234,229	187,383	46,846
1-N PROTECTIVE SERVICE - GENERAL	1,216,119	0	0	0	202,716	0	0	0	0	0	1,013,403	810,722	202,681
1-O SERVICE PLANNING	11,174	0	0	0	1,764	0	0	0	0	0	9,410	7,528	1,882
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT	21,957	0	0	0	0	0	0	0	0	0	21,957	10,979	10,978
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0	0
1-R SUBTOTAL IN-HOME	3,275,561	0	0	442,298	256,511	113,438	0	0	0	0	2,463,314	1,968,360	494,954
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	0
2-B ALTERNATIVE TREATMENT - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0	0
2-C COMMUNITY RESIDENTIAL - DEPENDENT	555,148	34,945	102,109	9,357	65,576	0	0	0	0	0	343,161	274,529	68,632
2-D COMMUNITY RESIDENTIAL - DELINQUENT	227,453	26,778	15,364	0	0	0	0	0	0	0	185,311	148,249	37,062
2-E EMERGENCY SHELTER - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0	0
2-F EMERGENCY SHELTER - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0	0
2-G FOSTER FAMILY - DEPENDENT	965,493	80,355	170,195	109,968	0	92,444	0	0	0	0	512,531	410,025	102,506
2-H FOSTER FAMILY - DELINQUENT	0	0	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	0	0
2-J SUP. INDEPENDENT LIVING - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0	0
2-K SUBTOTAL CBP	1,748,094	142,078	287,668	119,325	0	65,576	92,444	0	0	0	1,041,003	832,803	208,200
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	188,418	0	0	5,605	3	0	0	0	0	0	188,418	94,209	94,209
3-B RESIDENTIAL SERVICE - DEPENDENT	12,629	0	0	21,982	0	0	0	0	0	0	7,021	4,213	2,808
3-C RES. SERVICE - DELINQUENT (NON YDC/YFC)	245,284	6,751	0	0	0	0	0	0	0	0	216,551	129,931	86,620
3-D SECURE RES. SERVICE (EXCEPT YDC)	0	0	0	0	0	0	0	0	0	0	0	0	0
3-E YDC SECURE	101,220	0	0	0	0	0	0	0	0	0	101,220	60,732	40,488
3-F SUBTOTAL INSTITUTIONAL	547,551	6,751	27,587	3	0	0	0	0	0	0	513,210	289,085	224,125
4 ADMINISTRATION	156,374	0	0	26,839	0	0	0	0	0	2,520	127,015	76,209	50,806
5 TOTAL REVENUES	5,727,580	148,829	757,553	402,678	113,438	65,576	92,444	0	0	2,520	4,144,542	3,166,457	978,085

CLEARFIELD COUNTY COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2015 TO JUNE 30, 2016
AMENDED CY370
EXPENDITURE REPORT

MAJOR SERVICE CATEGORIES & COST CENTERS	OBJECTS OF EXPENDITURE											
	1	2	3	4	5	6	7	8	9	10	11	12
	WAGES AND SALARIES	EMPLOYEE BENEFITS	SUBSIDIES	OPERATING	PURCHASED SERVICES	FIXED ASSETS	TOTAL EXPENDITURES	Children Served (by county)	Children Served (Purchased)	Non- Reimbursable Non PS/Sub.	Non-Reim. Purchased Serv/ Subsidies	Program Income related to all Non- Reimbursable
IN-HOME												
1-A ADOPTION SERVICE	12,617	7,168		5,574	0	555	25,914	65	0	0	0	0
1-B ADOPTION ASSISTANCE	0	0	863,270	0	3,500	0	866,770	0	105	0	9,022	0
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	0	0	385,924	0	0	0	385,924	0	50	0	0	0
1-D COUNSELING - DEPENDENT	0	0		0	340,634	0	340,634	0	135	0	0	0
1-E COUNSELING - DELINQUENT	0	0		0	112,557	0	112,557	0	51	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	7,209	0	7,209	0	1	0	0	0
1-H DAY TREATMENT - DELINQUENT	0	0		0	14,456	0	14,456	0	2	0	0	0
1-I HOMEMAKER SERVICE	0	0		0	0	0	0	0	0	0	0	0
1-J INTAKE & REFERRAL	0	0		61	0	0	61	1,172	0	0	0	0
1-K LIFE SKILLS - DEPENDENT	0	0		0	0	0	0	0	0	0	0	0
1-L LIFE SKILLS - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
1-M PROTECTIVE SERVICE - CHILD ABUSE	139,225	91,179		47,330	0	4,161	281,895	558	0	87	0	0
1-N PROTECTIVE SERVICE - GENERAL	586,960	399,955		185,039	25,472	18,861	1,216,287	1,645	64	168	0	0
1-O SERVICE PLANNING	5,025	3,901		1,971	0	277	11,174	111	0	0	0	0
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT				0	21,957		21,957	0	265	0	0	0
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT				0	0		0	0	0	0	0	0
SUBTOTAL IN-HOME	743,827	502,203	1,249,194	239,975	525,785	23,854	3,284,838			255	9,022	0
Number of Children receiving only NON-PURCHASED IN-Home Services 59												
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	24,483	18,745	0	10,491	500,319	1,110	555,148	3,603	24	0	0	0
2-D COMMUNITY RESIDENTIAL - DELINQUENT	0	0	0	90	227,363	0	227,453	1,488	17	0	0	0
2-E EMERGENCY SHELTER - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
2-F EMERGENCY SHELTER - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-G FOSTER FAMILY - DEPENDENT	70,796	50,116	0	66,737	775,697	2,219	965,565	19,818	99	72	0	0
2-H FOSTER FAMILY - DELINQUENT	0	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	0
2-J SUP. INDEPENDENT LIVING - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
SUBTOTAL CBP	95,279	68,861	0	77,318	1,503,379	3,329	1,748,166	24,909	140	72	0	0
INSTITUTIONAL PLACEMENT												
3-A JUVENILE DETENTION SERVICE	0	0	0	0	188,418	0	188,418	329	30	0	0	0
3-B RESIDENTIAL SERVICE - DEPENDENT	0	0	0	16	12,613	0	12,629	49	1	0	0	0
3-C RES. SERVICE - DELINQUENT (EXCEPT YDC/YFC)	0	0	0	156	245,128	0	245,284	1,317	12	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	101,220	0	101,220	210	2	0	0	0
3-F	0	0	0	172	547,379	0	547,551	1,905	45	0	0	0
SUBTOTAL INSTITUTIONAL												
4 ADMINISTRATION	36,329	20,321	0	99,216	0	555	156,421			47	0	0
5 TOTAL EXPENDITURES	875,435	591,385	1,249,194	416,681	2,576,543	27,738	5,736,976			374	9,022	0
County Indirect Costs = \$ 81,973												

**CLEARFIELD COUNTY 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	\$ 25,914	\$ 0	\$ 25,914
Adoption Assistance	866,770	0	866,770
Subsidized Permanent Legal Custodianship	385,924	0	385,924
Counseling	453,191	0	453,191
Day Care	0	0	0
Day Treatment	21,665	0	21,665
Homemaker Service	0	0	0
Intake and Referral	61	0	61
Life Skills	0	0	0
Protective Service - Child Abuse	281,895	0	281,895
Protective Service - General	1,216,287	0	1,216,287
Service Planning	11,174	0	11,174
Juvenile Act Proceedings	21,957	0	21,957
Alternative Treatment	0	0	0
Community Residential	782,601	0	782,601
Emergency Shelter	0	0	0
Foster Family	965,565	0	965,565
Supervised Independent Living	0	0	0
Juvenile Detention Service	188,418	0	188,418
Residential Service	254,844	3,069	257,913
Secure Residential Service (Except YDC)	0	0	0
YDC Secure	101,220	0	101,220
Administration	156,421	0	156,421
Combined Total Expense	<u>5,733,907</u>	<u>3,069</u>	<u>5,736,976</u>
Less Non-reimbursables	<u>9,396</u>	<u>0</u>	<u>9,396</u>
Total Net Expense	<u>\$ 5,724,511</u>	<u>\$ 3,069</u>	<u>\$ 5,727,580</u>

OBJECTS OF EXPENDITURE	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Wages and Salaries	\$ 875,435	\$ 0	\$ 875,435
Employee Benefits	591,385	0	591,385
Subsidies	1,249,194	0	1,249,194
Operating	416,525	156	416,681
Purchased Services	2,573,630	2,913	2,576,543
Fixed Assets	27,738	0	27,738
Combined Total Expense	<u>5,733,907</u>	<u>3,069</u>	<u>5,736,976</u>
Less Non-reimbursables	<u>9,396</u>	<u>0</u>	<u>9,396</u>
Total Net Expense	<u>\$ 5,724,511</u>	<u>\$ 3,069</u>	<u>\$ 5,727,580</u>

CLEARFIELD 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	3-C 3-C	4	1	CY-370 Adjustment			
				Res. Service - Delinquent - Operating	\$ -	\$ 156	\$ 156
		5		Res. Service - Delinquent - Purchased Services	\$ 242,215	\$ 2,913	\$ 245,128
				Total Adjustment Amount		\$ 3,069	
				To increase expenditures by a net amount of \$3,069 to reconcile with the agency's final expenditure ledger. Operating expenses increased by \$156 and Purchased Services were increased by \$2,913. These adjustments are due to late invoices coming in after the CY-370 Expenditure Report was submitted to DHS. Title 55 PA Code, Chapter 3170.95(a)(b)			

SECTION 3

AMENDED FISCAL REPORTS

FOR THE FISCAL YEAR:

JULY 1, 2016 to JUNE 30, 2017

**CLEARFIELD COUNTY 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		\$	3,275,839
Supplemental Act 148			<u>150,477</u>
Total State Allocation			3,426,316
State Share (CY348) ²	\$	3,424,551	
Less: Major Service Category Adjustment		<u>0</u>	
Net State Share	\$	3,424,551	
Less: Expenditures in Excess of the Approved State Allocation		<u>0</u>	
Final Net State Share Payable ³	\$	3,424,551	
Actual Act 148 Revenues Received ⁴			<u>3,426,316</u>
Net Amount Due County/(State) ⁵	\$		<u><u>(1,765)</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.

CLEARFIELD COUNTY 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	29,409	0	5,442	0	0	0	0	0	23,967	23,967	0
02. 90% REIMBURSEMENT	0	0	0	0	0	0	0	0	0	0	0
03. 80% REIMBURSEMENT	5,664,280	207,493	1,322,310	113,439	65,577	92,442	0	0	3,863,019	3,090,415	772,604
04. 60% REIMBURSEMENT	414,235	7,828	45,614	0	0	0	0	2,496	358,297	214,979	143,318
05. 50% REIMBURSEMENT	190,380	0	0	0	0	0	0	0	190,380	95,190	95,190
06. TOTAL NET CHILD WELFARE EXPEND.	6,298,304	215,321	1,373,366	113,439	65,577	92,442	0	2,496	4,435,663	3,424,551	1,011,112
YDC/YFC PLACEMENT COSTS											
07. 60% DHS PARTICIPATION	346,290	0							346,290	207,774	138,516
08. NON-REIMBURSABLE EXPENDITURES	10,461	0							10,461		10,461
09. TOTAL EXPENDITURES	6,655,055	215,321	1,373,366	113,439	65,577	92,442	0	2,496	4,792,414	3,632,325	1,160,089
10. TOTAL TITLE IV-D COLLECTIONS	99,099										
11. TITLE IV-D Collections for IV-E Children	24,875										
12. STATE ACT 148 - line 6	3,424,551										
13. STATE ACT 148 ALLOCATION	3,275,839										
14. ADJUSTED STATE SHARE (lower of 12 or 13)	3,275,839										
INVOICE											
AMENDED STATE SHARE (ACT 148)	3,424,551										
ACT 148 AMOUNT RECEIVED	3,426,316										
ADJUSTMENT TO STATE SHARE	(1,765)										

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			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	29,409	0		5,442			0	0	0	23,967	23,967	0
	1-B ADOPTION ASSISTANCE	992,406	0	384,891	750			0	0	0	606,765	485,412	121,353
	1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	374,691	0	107,898				0	0	0	266,793	213,434	53,359
	1-D COUNSELING - DEPENDENT	389,142	0			113,439	0	0	0	0	275,703	220,562	55,141
	1-E COUNSELING - DELINQUENT	94,808	0		169	0	0	0	0	0	94,639	75,711	18,928
	1-F DAY CARE	0	0			0	0	0	0	0	0	0	0
	1-G DAY TREATMENT - DEPENDENT	6,967	0			0	0	0	0	0	6,967	5,574	1,393
	1-H DAY TREATMENT - DELINQUENT	4,873	0			0	0	0	0	0	4,873	3,898	975
	1-I HOMEMAKER SERVICE	0	0			0	0	0	0	0	0	0	0
	1-J INTAKE & REFERRAL	12,224	0		2,246	0	0	0	0	0	9,978	7,982	1,996
	1-K LIFE SKILLS - DEPENDENT	0	0			0	0	0	0	0	0	0	0
	1-L LIFE SKILLS - DELINQUENT	0	0			0	0	0	0	0	0	0	0
	1-M PROTECTIVE SERVICE - CHILD ABUSE	270,629	0		48,567	0	0	0	0	0	222,062	177,650	44,412
	1-N PROTECTIVE SERVICE - GENERAL	1,250,929	0		219,498	0	0	0	0	0	1,031,431	825,145	206,286
	1-O SERVICE PLANNING	12,116	0		2,237	0	0	0	0	0	9,879	7,903	1,976
	1-P JUVENILE ACT PROCEEDINGS - DEPENDENT	23,038	0			0	0	0	0	0	23,038	11,519	11,519
	1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT	0	0			0	0	0	0	0	0	0	0
	1-R SUBTOTAL IN-HOME	3,461,232	0	492,789	278,909	113,439	0	0	0	0	2,576,095	2,058,757	517,338
COMMUNITY BASED PLACEMENT	TOTAL REIMBURSABLE EXPENDITURES			TITLE IV-E MAINTENANCE	TITLE IV-E ADMIN.	TANF	TITLE XX	TITLE IV-B	Child Welfare Demonstration Project Title IV-E	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE
	2-A ALTERNATIVE TREATMENT - DEPENDENT	0	0		0		0	0	0	0	0	0	0
	2-B ALTERNATIVE TREATMENT - DELINQUENT	0	0		0			0	0	0	0	0	0
	2-C COMMUNITY RESIDENTIAL - DEPENDENT	599,165	54,960	94,360	13,244		65,577	0	0	0	371,024	296,819	74,205
	2-D COMMUNITY RESIDENTIAL - DELINQUENT	164,782	13,983	3,513				0	0	0	147,286	117,829	29,457
	2-E EMERGENCY SHELTER - DEPENDENT	0	0		0		0	0	0	0	0	0	0
	2-F EMERGENCY SHELTER - DELINQUENT	0	0		0		0	0	0	0	0	0	0
	2-G FOSTER FAMILY - DEPENDENT	1,430,289	133,668	280,762	164,175			92,442	0	0	759,242	607,394	151,848
	2-H FOSTER FAMILY - DELINQUENT	0	0		0			0	0	0	0	0	0
	2-I SUP. INDEPENDENT LIVING - DEPENDENT	9,000	0		0			0	0	0	9,000	7,200	1,800
	2-J SUP. INDEPENDENT LIVING - DELINQUENT	52,259	4,882		0			0	0	0	47,377	37,902	9,475
	2-K SUBTOTAL CBP	2,255,495	207,493	378,635	177,419	0	65,577	92,442	0	0	1,333,929	1,067,144	266,785
INSTITUTIONAL PLACEMENT	TOTAL REIMBURSABLE EXPENDITURES			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	167,342	0								167,342	83,671	83,671
	3-B RESIDENTIAL SERVICE - DEPENDENT	234	0		43		0	0	0	0	191	115	76
	3-C RES. SERVICE - DELINQUENT (NON YDC/YFC)	159,724	7,828		0		0	0	0	0	151,896	91,138	60,758
	3-D SECURE RES. SERVICE (EXCEPT YDC)	0	0								0	0	0
	3-E YDC SECURE	346,290	0								346,290	207,774	138,516
	3-F SUBTOTAL INSTITUTIONAL	673,590	7,828	0	43	0	0	0	0	0	665,719	382,698	283,021
4 ADMINISTRATION		254,277	0		45,571		0	0	0	2,496	206,210	123,726	82,484
5 TOTAL REVENUES		6,644,594	215,321	871,424	501,942	113,439	65,577	92,442	0	2,496	4,781,953	3,632,325	1,149,628

CLEARFIELD COUNTY COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2016 TO JUNE 30, 2017
AMENDED CY370
EXPENDITURE REPORT

MAJOR SERVICE CATEGORIES & COST CENTERS												
OBJECTS OF EXPENDITURE												
	1	2	3	4	5	6	7	8	9	10	11	12
	WAGES AND SALARIES	EMPLOYEE BENEFITS	SUBSIDIES	OPERATING	PURCHASED SERVICES	FIXED ASSETS	TOTAL EXPENDITURES	Children Served (by county)	Children Served (Purchased)	Non- Reimbursable Non PS/Sub.	Non-Reim. Purchased Serv/ Subsidies	Program Income related to all Non- Reimbursable
IN-HOME												
1-A	ADOPTION SERVICE	13,538	8,669		7,172	0	30	29,409	50	0	0	0
1-B	ADOPTION ASSISTANCE	0	0	993,846	0	7,000	0	1,000,846	120	0	8,440	0
1-C	SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	0	0	374,691	0	0	0	374,691	0	49	0	0
1-D	COUNSELING - DEPENDENT	0	0		0	389,142	0	389,142	0	157	0	0
1-E	COUNSELING - DELINQUENT	0	0		895	93,913	0	94,808	0	50	0	0
1-F	DAY CARE	0	0		0	0	0	0	0	0	0	0
1-G	DAY TREATMENT - DEPENDENT	0	0		0	6,967	0	6,967	0	2	0	0
1-H	DAY TREATMENT - DELINQUENT	0	0		0	4,873	0	4,873	0	3	0	0
1-I	HOMEMAKER SERVICE	0	0		0	0	0	0	0	0	0	0
1-J	INTAKE & REFERRAL	5,982	4,277		1,935	0	30	12,224	966	0	0	0
1-K	LIFE SKILLS - DEPENDENT	0	0		0	0	0	0	0	0	0	0
1-L	LIFE SKILLS - DELINQUENT	0	0		0	0	0	0	0	0	0	0
1-M	PROTECTIVE SERVICE - CHILD ABUSE	128,412	89,142		52,711	0	457	270,722	514	0	93	0
1-N	PROTECTIVE SERVICE - GENERAL	604,504	415,105		177,163	52,296	2,078	1,251,146	1,381	97	217	0
1-O	SERVICE PLANNING	5,682	4,564		1,902	0	0	12,148	112	0	32	0
1-P	JUVENILE ACT PROCEEDINGS - DEPENDENT				0	23,038		23,038	0	272	0	0
1-Q	JUVENILE ACT PROCEEDINGS - DELINQUENT				0	0	0	0	0	0	0	0
1-R	SUBTOTAL IN-HOME	758,118	521,757	1,368,537	241,778	577,229	2,595	3,470,014		342	8,440	0
Number of Children receiving only NON-PURCHASED IN-Home Services 85												
COMMUNITY BASED PLACEMENT												
2-A	ALTERNATIVE TREATMENT - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0
2-B	ALTERNATIVE TREATMENT - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0
2-C	COMMUNITY RESIDENTIAL - DEPENDENT	37,303	25,588	0	9,890	526,262	122	599,165	33	0	0	0
2-D	COMMUNITY RESIDENTIAL - DELINQUENT	0	0	0	0	164,782	0	164,782	13	0	0	0
2-E	EMERGENCY SHELTER - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0
2-F	EMERGENCY SHELTER - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0
2-G	FOSTER FAMILY - DEPENDENT	83,795	57,361	0	98,094	1,192,448	243	1,431,941	173	132	1,520	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	9,000	0	9,000	1	0	0	0
2-J	SUP. INDEPENDENT LIVING - DELINQUENT	0	0	0	0	52,259	0	52,259	1	0	0	0
2-K	SUBTOTAL CBP	121,098	82,949	0	107,984	1,944,751	365	2,257,147	221	132	1,520	0
INSTITUTIONAL PLACEMENT												
3-A	JUVENILE DETENTION SERVICE	0	0	0	0	167,342	0	167,342	16	0	0	0
3-B	RESIDENTIAL SERVICE - DEPENDENT	0	0	0	234	0	0	234	0	0	0	0
3-C	RES. SERVICE - DELINQUENT (EXCEPT YDC/YFC)	0	0	0	0	159,724	0	159,724	12	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	346,290	0	346,290	4	0	0	0
3-F	SUBTOTAL INSTITUTIONAL	0	0	0	234	673,356	0	673,590	32	0	0	0
4. ADMINISTRATION												
		80,069	46,152	0	127,601	0	482	254,304		27	0	0
5. TOTAL EXPENDITURES												
		959,285	650,858	1,368,537	477,597	3,195,336	3,442	6,655,055		501	9,960	0
County Indirect Costs = \$ 102,651												

CLEARFIELD COUNTY 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	\$ 29,409	\$ 0	\$ 29,409
Adoption Assistance	1,000,846	0	1,000,846
Subsidized Permanent Legal Custodianship	374,691	0	374,691
Counseling	483,950	0	483,950
Day Care	0	0	0
Day Treatment	11,840	0	11,840
Homemaker Service	0	0	0
Intake and Referral	12,224	0	12,224
Life Skills	0	0	0
Protective Service - Child Abuse	270,722	0	270,722
Protective Service - General	1,251,146	0	1,251,146
Service Planning	12,148	0	12,148
Juvenile Act Proceedings	23,038	0	23,038
Alternative Treatment	0	0	0
Community Residential	763,947	0	763,947
Emergency Shelter	0	0	0
Foster Family	1,431,941	0	1,431,941
Supervised Independent Living	61,259	0	61,259
Juvenile Detention Service	167,342	0	167,342
Residential Service	165,202	(5,244)	159,958
Secure Residential Service (Except YDC)	0	0	0
YDC Secure	346,290	0	346,290
Administration	252,002	2,302	254,304
Combined Total Expense	6,657,997	(2,942)	6,655,055
Less Non-reimbursables	10,461	0	10,461
Total Net Expense	\$ <u>6,647,536</u>	\$ <u>(2,942)</u>	\$ <u>6,644,594</u>

OBJECTS OF EXPENDITURE	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Wages and Salaries	\$ 959,285	\$ 0	\$ 959,285
Employee Benefits	650,858	0	650,858
Subsidies	1,368,537	0	1,368,537
Operating	475,295	2,302	477,597
Purchased Services	3,200,580	(5,244)	3,195,336
Fixed Assets	3,442	0	3,442
Combined Total Expense	6,657,997	(2,942)	6,655,055
Less Non-reimbursables	10,461	0	10,461
Total Net Expense	\$ <u>6,647,536</u>	\$ <u>(2,942)</u>	\$ <u>6,644,594</u>

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

REPORT REFERENCE			ADJ. NO.	EXPLANATION OF ADJUSTMENTS	AS REPORTED OR ADJUSTED	INCREASE/ (DECREASE)	ADJUSTED TOTAL
SCHEDULE	LINE	COLUMN					
CY-370	3-C	5	1	<p style="text-align: center;">CY-370 Adjustments</p> <p>Res. Service - Delinquent - Purchased Services</p> <p>To decrease expenditures by a net amount of \$5,244 due to overbilling, resulting in a credit due to the state.</p> <p>Title 55 PA Code, Chapter 3170.95(a)(b)</p>	\$ 164,968	\$ (5,244)	\$ 159,724
	4	4	2	<p>Administration - Operating</p> <p>To increase Indirect Cost by \$2,302 to report the actual amount allocated to the Children and Youth Agency, as per the County Cost Allocation Plan.</p> <p>Title 55 PA Code, Chapter 3170.60 OCYF Bulletin 00-95-12</p>	\$ 100,349	\$ 2,302	\$ 102,651

SECTION 4

STATUS OF PRIOR ENGAGEMENT FINDINGS AND RECOMMENDATIONS

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

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

In our prior engagement report, for the fiscal years July 1, 2010 to June 30, 2014, we cited the Clearfield County Children and Youth Agency (agency) for failure to obtain reasonable assurance that In-Home Purchased Service providers actually provided the services for which the agency was invoiced, and subsequently paid, and if provided, provided in adherence to the requirements of the respective provider's contract terms. Agency management informed us that they did not require any of the Fee-for-Service In-Home providers it contracted during our prior engagement to submit any documentation, other than submitted invoices, to substantiate the fees invoiced by these providers. We concluded that the agency did not have sufficient controls in place to obtain reasonable assurance that contracted services invoiced by In-Home Purchased Service providers were actually provided, and if provided, provided in adherence to key executed contract terms.

Our current engagement scope period included the 2014-2015, 2015-2016, and 2016-2017 fiscal years. Due to the timing of the conduct of our prior engagement, we did not make the agency aware of these internal control deficiencies until November 22, 2017, well after the June 30, 2017, end of our current engagement period. Therefore, these control deficiencies and corresponding risks continued to exist for the three fiscal years included in our current engagement scope period. As such, we concluded that the issuance of a repeat finding is warranted. This repeat finding is included in the Current Engagement Findings and Recommendations section (Section 5) of this report.

Finding No. 2 – Clearfield County Children and Youth Agency Failed to Maintain Executed Contracts with Two In-Home Service Providers (Resolved)

In our prior engagement report, for the fiscal years July 1, 2010 to June 30, 2014, we cited the Clearfield County Children and Youth Agency (agency) for failure to maintain executed contracts with two In-Home Service providers. During the conduct of our current engagement, we found that the agency properly executed and maintained written contracts in compliance with Commonwealth Department of Human Services' regulations. Therefore, we concluded that the issuance of a repeat finding was not warranted.

SECTION 5

CURRENT ENGAGEMENT FINDING AND RECOMMENDATIONS

CLEARFIELD COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT FINDING AND RECOMMENDATIONS

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

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

During the conduct of our current engagement, in response to the recommendations included in our prior engagement report, agency management stated the development and implementation of a detailed formal, written monitoring policy, and corresponding procedures, is a priority for the fiscal 2019-2020 year. We will review and evaluate any formally implemented policies and procedures during the conduct of our next regularly scheduled engagement of this agency and determine whether they are sufficient in providing agency management reasonable assurance that invoiced contracted In-Home Services were actually provided, and that the number of units invoiced by contracted Fee-for-Service In-Home providers, and operating costs for Program Funded providers (if used in the future), are properly substantiated, thus reducing the agency's risk of paying overbillings or fraudulent billings submitted by In-Home Purchased Service providers.

Criteria: The following section of 55 Pa. Code Chapter 3140, Planning and Financial Reimbursement Requirements for County Children and Youth Social Service Programs:

Section 3140.21. Reimbursement for Services. General. “(a) Under section 704.1 of the Human Services Code (62 P.S. § 704.1), the Department reimburses expenses incurred by the county for children and youth social services, including services to alleged and adjudicated dependent and delinquent children according to an approved county plan and budget estimate up to the amount of State funds allocated to the county under section 709.3 of the Human Services Code (62 P.S. § 709.3).”

CLEARFIELD COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT FINDING AND RECOMMENDATIONS

- *Office of Children, Youth and Families (OCYF) Bulletin 3140-06-06, applicable for fiscal year ended 6/30/2011; Bulletin 3140-11-02, applicable for fiscal year ended 6/30/2012; Bulletin 3140-13-01, applicable for fiscal year ended 6/30/2013; Bulletin 3140-13-05, applicable for fiscal year ended 6/30/2014 : Act 148 Invoicing Procedures for County Child Social Services - Instructions for Completion of Expenditure Report. This form is a report of the ACTUAL EXPENDITURES of the County Children and Youth Agency (CCYA).*

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

- *Section 3170.2. Definitions. Program funded agency – An agency whose total eligible expenditures are funded in a manner which is predetermined by the appropriate county authorities.*
- *Section 3170.23(a). Purchase of Service. Purchase of service funding may be by unit of service funding or by program funding.*
- *Section 3170.85. Responsibility of the County. “...the county executive officers shall be responsible for the effective execution of each purchase of service agreement...”*
- *Section 3170.91. County Responsibility. “The county is responsible for the general fiscal management of the county agency. This includes maintaining fiscal records of expenditures and revenues of the program, providing data for budgeting and expenditure reporting to the Department, monitoring the financial activities of the program, and other activities related to the fiscal operations of the program.”*
- *Section 3170.92(b). Accountability for Expenditures for Clients. Records Maintenance. “County agencies shall maintain sufficient and appropriate records and data to justify payment for expenses by the Department. The local authorities or contractors shall maintain books, records, documents and other evidence and accounting procedures and practices, sufficient to reflect properly all direct and indirect costs of whatever nature claimed to have been incurred and anticipated to be incurred for funds supported by the Department and for which reimbursement is claimed...”*

Cause: Due to the timing of the conduct of our prior engagement, the agency was not notified of these internal control deficiencies until November 22, 2017, well after the end of our current engagement scope period on June 30, 2017. Therefore, these control deficiencies and corresponding risks continued to exist for all three fiscal years (2014-2015, 2015-2016 and 2016-2017) included in our current engagement scope period.

CLEARFIELD COUNTY CHILDREN AND YOUTH AGENCY CURRENT ENGAGEMENT FINDING AND RECOMMENDATIONS

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

- Failure to detect fraudulent or erroneous In-Home provider billings (invoices).
- Failure to prevent or detect improper payments for such invoices.
- Inappropriately billing the Commonwealth DHS for such improper payments.
- Receipt of Act 148 funds to which the agency may not be entitled.

Recommendation: We again recommend that agency management implement fiscal-related monitoring policy, and corresponding procedures, designed to sufficiently 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 sufficient in providing agency management 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, must be sufficient to assess the validity of the number of units invoiced by Fee-For-Service providers. If the agency enters into contracts with Program-Funded In-Home Purchased Services providers, the fiscal-related monitoring must be sufficient to assess the validity of those providers' invoiced operating costs. Agency management should consider procedures such as the following:

- Performance of on-site fiscal-related monitoring visits of In-Home Purchased Services providers, as deemed necessary by agency management, to determine whether appropriate supporting documentation exists substantiating invoiced costs, including assessing the validity of the number of units invoiced by Fee-for-Service providers and operating costs invoiced by Program-Funded providers, and that related services were actually provided according to executed contract terms.
- 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.²

² For any Program-Funded providers, fiscal-related monitoring should include substantiation of these providers' operating costs invoiced to the agency.

CLEARFIELD COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT FINDING AND RECOMMENDATIONS

The specific fiscal-related monitoring procedures selected by agency management may consist of procedures performed prior to payment of the providers' submitted invoices, procedures performed subsequent to payment to verify the existence of documentation substantiating the invoiced costs, or some combination of such pre- and post-payment monitoring procedures.

We again further recommend that agency management ensure that:

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

Agency Management Response: Agency management agreed with the finding and provided no written response.

Auditor's Conclusion: We commend the agency's management on 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 current engagement scope period and their intended efforts to develop and implement formal, written fiscal-related monitoring policy and procedures for these contracted In-Home Purchased Services providers. During the conduct of our next regularly scheduled engagement of this agency, we will review any implemented monitoring policy, and corresponding procedures, to determine whether they are sufficient to reduce the agency's risk of paying overbillings and/or fraudulent billings submitted by contracted In-Home Purchased Services providers going undetected.

SECTION 6

CURRENT ENGAGEMENT OBSERVATION

CLEARFIELD COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT OBSERVATION

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

The Child Protective Services Law (CPSL) requires the conduct of criminal background checks and child abuse history clearances (certifications) for all employees and direct volunteers of county children and youth (C&Y) agencies as well as the volunteers/employees of these agencies’ contractors (providers) and subcontractors (sub-recipients).³ 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,⁴ 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 Clearfield County Children and Youth Agency provided in-home and placement services to 3,188 children residing within the County during the 2016-2017 fiscal year.

Day Treatment Centers and Child Residential Facilities

Beginning July 1, 2012, the DHS Bureau of Human Services’ Licensing (bureau) took over responsibility for the performance of the annual licensing inspections of Child Day Treatment Centers and Child Residential Facilities, which encompasses the performance of CPSL adherence reviews of the employees of these providers. Prior to July 1, 2012, the DHS OCYF had been responsible for performing these CPSL adherence reviews during its annual licensing inspections of these providers. Through a review of the DHS website, we found letters, posted by DHS, to the management staff of Child Day Treatment Centers and Child Residential Facilities detailing the results of the licensing inspections performed by the bureau and identifying regulatory violations, including CPSL adherence violations, as specified in the accompanying License Inspection Summaries. However, we are unable to attest to: 1) the

³ 23 Pa.C.S. §§ 6344 and 6344.2.

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

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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.⁵

Contracted In-Home Preventative Service Providers

For contracted *In-Home Preventative Service providers*, we were informed by DHS OCYF that these providers are not required to be licensed by the Commonwealth and, thus, are not subject to the annual inspections performed by the DHS.⁶ 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" in their provider executed contracts.⁷ Instead, all C&Y agencies should have a process in place that allows them to actively monitor their providers and sub-recipients by routinely reviewing their employees' and volunteers' *certifications* for disqualifying convictions.

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

⁵ This is detailed in the Commonwealth of Pennsylvania Single Audit Reports (most recently for the fiscal year ended June 30, 2018, via Finding 2018-010).

⁶ 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.

⁷ In our Department's opinion "direct monitoring" consists of C&Y agencies routinely performing procedures to obtain reasonable assurance that their *contracted In-Home Preventative Service providers* and their sub-recipients are properly vetting a representative sample of the background checks and child abuse history clearances of their employees and volunteers to identify, and properly address, any identified disqualifying convictions.

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volunteers, this Department will continue to raise concerns about the risks posed to the safety of these vulnerable children.⁸

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 providers⁹ to ensure that their *certifications* adhere to the CPSL falls to the C&Y agencies, as does the responsibility to take appropriate action when they do not comply.

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

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

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

⁸ 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.

⁹ This includes *contracted In-Home Preventative Service providers* and their sub-recipients.

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

Greater Scrutiny of Arrest and Conviction Records

It is important to note that background checks and child abuse clearances have historically been valid for one year after being obtained.¹⁰ However, recent amendments to the CPSL extend this time frame from one year to five years.¹¹ Therefore, there is a need for DHS and C&Y agencies across the commonwealth to have a *greatly heightened* awareness about the arrest and conviction records, as well as child abuse adjudications, of the employees/volunteers of C&Y agencies' *contracted In-Home Preventative Service providers* and their sub-recipients. This is to ensure that no new, disqualifying incidents have occurred from the date of the background clearances since certain disqualifying offenses could go undetected for years.

Auditor General Senior Management's Follow-up Conclusion Statement

We commend DHS management for acknowledging the seriousness of the risks to children's safety resulting from the significant control deficiencies we identified related to CPSL adherence as discussed in our March 18, 2018 Position Statement letter. Further, we recognize the challenges that DHS faces in monitoring the 67 C&Y agencies' direct monitoring of the numerous *contracted In-Home Preventative Service providers* and their sub-recipients. We believe that requiring C&Y agencies to submit a schedule that captures the details of the agency's monitoring efforts as described above will be a major improvement. However, we also recognize that risks to these vulnerable children continue to exist. One such risk results from the potential delay of 9 to 21 months (or possibly longer) between the date of possible noncompliance by a *contracted In-Home Preventative Service provider* and/or inadequate monitoring by a county C&Y agency and DHS becoming aware of those issues.¹²

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*

¹⁰ Please note that the previous one year validity of checks and clearances only applied to prospective employees, which is a requirement that was deleted by Act 153 of 2014.

¹¹ 23 Pa.C.S. § 6344.4.

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

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Service providers are properly vetted through reviews of background checks and child abuse history clearances and to ensure that employees/volunteers do not have any convictions or adjudications that are disqualifying under the CPSL. Further, because of more recent amendments to the CPSL that changed the validity timeframe for background checks and child abuse history clearances from one to five years (i.e., 60 months) after being obtained, we believe that a greatly heightened awareness of these providers and sub-recipients' arrest and conviction records and child abuse adjudications is warranted.¹³

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

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This report was originally distributed to the following:

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