

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

Delaware County Children and Youth Agency

March 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 Council Members of Delaware County
Delaware County Courthouse
201 West Front Street
Media, Pennsylvania 19063

Dear Council Members:

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

Preparation of the submitted fiscal reports, and compliance with children, youth, and families regulations, are the responsibility of agency management. Our engagement procedures included a review of selected agency records, and other procedures we deemed necessary, to enable us to ascertain and certify the actual Commonwealth expenditures incurred on behalf of children residing within the County and to determine the County's compliance¹ with certain provisions of 55 Pa. Code, Part V. Children, Youth, and Families Manual, Subpart C, Chapters 3140 and 3170 (55 Pa. Code §§ 3140.1 *et seq.* and 3170.1 *et seq.*), but was not required to be and was not conducted in accordance with professional auditing or attestation standards. We believe that our engagement procedures provided us a reasonable basis to ascertain and certify the actual Commonwealth expenditures incurred on behalf of children residing within Delaware County.

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

We certify that the enclosed amended fiscal reports fairly present, in all material respects, the total Commonwealth expenditures paid on behalf of children residing within the county for the 2014-2015, 2015-2016, and 2016-2017 fiscal years based on the accrual basis of accounting.²

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

- For the **2014-2015 fiscal year**, our engagement resulted in 4 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 \$23,094, increasing non-reimbursable expenditures by \$54,964 and increasing revenue by \$988. Based on the application of the state participation rates, the 4 adjustments resulted in an amount due to the state totaling \$31,300. All 4 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 1 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 \$56,701. Based on the application of the state participation rates, the adjustment resulted in an amount due to the county totaling \$48,163. The 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 2 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 \$80,002 and increasing revenue by \$9,851. Based on the application of the state participation rates, the 2 adjustments resulted in an amount due to the state totaling \$72,095. Both adjustments are detailed in our amended fiscal reports for fiscal year 2016-2017, as included in Section 3 of this report.

In addition, due to the timing of the conduct of our prior engagement, the agency was not able to fully implement corrective action to comply with the recommendations in the finding included in our prior released audit report, as detailed in Section 4 of this report. As a result, we concluded that the issuance a repeat finding in the current section of this engagement report was warranted, as listed below and detailed in Section 5 of this report.

Finding - Unresolved Prior Audit 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

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.

² The accrual basis of accounting is required by DHS.

Observation – Significant Control Deficiencies Exist in Commonwealth Department of Human Services’ 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 March 13, 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 Delaware County Children and Youth Agency.

Sincerely,



Eugene A. DePasquale
Auditor General

March 22, 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 Delaware County Children and Youth Agency provided in-home and placement services to 4,334 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

**DELAWARE 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	\$	39,411,852
Supplemental Act 148		<u>0</u>
Total State Allocation		39,411,852
State Share (CY348) ²	\$	35,319,462
Less: Major Service Category Adjustment		<u>0</u>
Net State Share	\$	35,319,462
Less: Expenditures in Excess of the Approved State Allocation		<u>0</u>
Final Net State Share Payable ³	\$	35,319,462
Actual Act 148 Revenues Received ⁴		<u>35,350,762</u>
Net Amount Due County/(State) ^{5 & 6}	\$	<u>(31,300)</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.

⁶ Our calculated Net Amount Due the County(State) is subject to change as a result of various adjustments impacting the agency's Final Net State Share amount that could be made by the Commonwealth Department of Human Services during its cost settlement process, including adjustments to the Federal Title IV-E revenue.

DELAWARE 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	1,094	494,489	0	0	0	0	0	2,373,092	2,373,092	0
02. 90% REIMBURSEMENT	1,471	109,221	0	0	34,286	0	0	559,837	503,853	55,984
03. 80% REIMBURSEMENT	40,281,092	6,762,531	1,619,400	0	2,218	0	0	31,431,067	25,144,852	6,286,215
04. 60% REIMBURSEMENT	7,680,205	581,236	0	519,839	184,347	0	22,259	6,231,413	3,738,849	2,492,564
05. 50% REIMBURSEMENT	7,175,391	57,761	0	0	0	0	0	7,117,630	3,558,816	3,558,814
06. TOTAL NET CHILD WELFARE EXPEND.	667,313	7,947,477	1,619,400	519,839	220,851	0	22,259	47,713,039	35,319,462	12,393,577

YDC/YFC PLACEMENT COSTS										
07. 60% DHS PARTICIPATION	0							428,280	256,968	171,312

08. NON-REIMBURSABLE EXPENDITURES	73,686							73,686		73,686
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09. TOTAL EXPENDITURES	59,212,144	7,947,477	1,619,400	519,839	220,851	0	22,259	48,215,005	35,576,430	12,638,575
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10. TOTAL TITLE IV-D COLLECTIONS 411,215

11. TITLE IV-D Collections for IV-E Children 75,670

12. STATE ACT 148 - line 6 35,319,462

13. STATE ACT 148 ALLOCATION 39,411,852

14. ADJUSTED STATE SHARE (lower of 12 or 13) 35,319,462

INVOICE	
AMENDED STATE SHARE (ACT 148)	35,319,462
ACT 148 AMOUNT RECEIVED	35,350,762
ADJUSTMENT TO STATE SHARE	(31,300)

DELAWARE 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 REIMBURSABLE EXPENDITURES	PROGRAM INCOME	TITLE IV-E MAINTENANCE	TITLE IV-E ADMIN.	TANF	TITLE XX	TITLE IV-B	Child Welfare Demonstration Project Title IV-E	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE
IN-HOME												
1-A ADOPTION SERVICE	2,868,675	1,094		494,489					0	2,373,092	2,373,092	0
1-B ADOPTION ASSISTANCE	5,078,301	0	2,035,604	19,814					0	3,022,883	2,418,306	604,577
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	486,106	0	39,849						0	446,257	357,006	89,251
1-D COUNSELING - DEPENDENT	488	0							0	488	390	98
1-E COUNSELING - DELINQUENT	1,606,158	0							0	1,606,158	1,284,926	321,232
1-F DAY CARE	199,715	0							0	199,715	159,772	39,943
1-G DAY TREATMENT - DEPENDENT	861,691	0	308,530						0	553,161	442,529	110,632
1-H DAY TREATMENT - DELINQUENT	629,543	0	144,713						0	484,830	387,864	96,966
1-I HOMEMAKER SERVICE	0	0							0	0	0	0
1-J INTAKE & REFERRAL	1,068,588	421		184,496					0	883,671	706,937	176,734
1-K LIFE SKILLS - DEPENDENT	0	0							0	0	0	0
1-L LIFE SKILLS - DELINQUENT	3,198,454	0			664,987				0	2,533,467	2,026,774	506,693
1-M PROTECTIVE SERVICE - CHILD ABUSE	4,258,785	1,444		627,681					0	3,629,660	2,903,728	725,932
1-N PROTECTIVE SERVICE - GENERAL	4,752,268	1,294		561,838	501,170				0	3,687,966	2,950,373	737,593
1-O SERVICE PLANNING	547,638	141		61,433					0	486,064	388,851	97,213
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT	21,956	0							0	21,956	10,978	10,978
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT	60,467	0							0	60,467	30,234	30,233
1-R SUBTOTAL IN-HOME	25,638,833	4,394	2,075,453	1,949,751	1,619,400	0	0	0	0	19,989,835	16,441,760	3,548,075
COMMUNITY BASED PLACEMENT												
2-A ALTERNATIVE TREATMENT - DEPENDENT	0	0							0	0	0	0
2-B ALTERNATIVE TREATMENT - DELINQUENT	554,367	24,518	(1,149)						0	530,998	424,798	106,200
2-C COMMUNITY RESIDENTIAL - DEPENDENT	3,048,156	113,742	541,142						0	2,393,272	1,914,618	478,654
2-D COMMUNITY RESIDENTIAL - DELINQUENT	1,981,155	36,886	38,221						0	1,906,048	1,524,838	381,210
2-E EMERGENCY SHELTER - DEPENDENT	704,815	1,471	108,900	321			34,286		0	559,837	503,853	55,984
2-F EMERGENCY SHELTER - DELINQUENT	0	0							0	0	0	0
2-G FOSTER FAMILY - DEPENDENT	10,089,922	254,688	1,068,079	1,517,169			2,218		0	7,247,768	5,798,214	1,449,554
2-H FOSTER FAMILY - DELINQUENT	315,456	3,190		43,248					0	269,018	215,214	53,804
2-I SUP. INDEPENDENT LIVING - DEPENDENT	1,164,873	14,798	25,073	33					0	1,124,969	899,975	224,994
2-J SUP. INDEPENDENT LIVING - DELINQUENT	439,428	14,754							0	424,674	339,739	84,935
2-K SUBTOTAL CBP	18,298,172	464,047	1,780,266	1,560,771	0	0	36,504	0	0	14,456,584	11,621,249	2,835,335
INSTITUTIONAL PLACEMENT												
3-A JUVENILE DETENTION SERVICE	7,092,968	57,761							0	7,035,207	3,517,604	3,517,603
3-B RESIDENTIAL SERVICE - DEPENDENT	1,290,137	20,022	168,951			519,839	184,347		0	396,978	238,187	158,791
3-C RES. SERVICE - DELINQUENT (NON YDC/YFC)	2,262,704	101,685	16,483						0	2,144,536	1,286,722	857,814
3-D SECURE RES. SERVICE (EXCEPT YDC)	1,826,580	19,204							0	1,807,376	1,084,426	722,950
3-E YDC. SECURE	428,280	0							0	428,280	256,968	171,312
3-F SUBTOTAL INSTITUTIONAL	12,900,669	198,672	185,434	0	0	519,839	184,347	0	0	11,812,377	6,383,907	5,428,470
ADMINISTRATION	2,300,784	200		395,802					0	1,882,523	1,129,514	753,009
TOTAL REVENUES	59,138,458	667,313	4,041,153	3,906,324	1,619,400	519,839	220,851	0	22,259	48,141,319	35,576,430	12,564,889

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

MAJOR SERVICE CATEGORIES & COST CENTERS	OBJECTS OF EXPENDITURE											
	1	2	3	4	5	6	7	8	9	10	11	12
	WAGES AND SALARIES	EMPLOYEE BENEFITS	EMPLOYEE BENEFITS	OPERATING SUBSIDIES	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												
I-A ADOPTION ASSISTANCE	1,642,491	708,466	512,287	0	5,431	0	2,868,675	76	0	0	0	0
I-B ADOPTION ASSISTANCE	0	0	5,078,301	0	0	0	5,078,301	0	725	0	0	0
I-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	0	0	486,106	0	0	0	486,106	0	73	0	0	0
I-D COUNSELING - DEPENDENT	0	0	0	488	0	0	488	0	1	0	0	0
I-E COUNSELING - DELINQUENT	0	0	0	1,606,158	0	0	1,606,158	0	1,359	0	0	0
I-F DAY CARE	0	0	0	199,715	0	0	199,715	0	53	0	0	0
I-G DAY TREATMENT - DEPENDENT	0	0	0	861,691	0	0	861,691	0	46	0	0	0
I-H DAY TREATMENT - DELINQUENT	0	0	0	629,543	0	0	629,543	0	148	0	0	0
I-I HOMEMAKER SERVICE	0	0	0	0	0	0	0	0	0	0	0	0
I-J INTAKE & REFERRAL	631,531	276,120	158,971	0	1,966	0	1,068,588	10,121	0	0	0	0
I-K LIFE SKILLS - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
I-L LIFE SKILLS - DELINQUENT	0	0	0	3,198,454	0	0	3,198,454	0	706	0	0	0
I-M PROTECTIVE SERVICE - CHILD ABUSE	2,164,564	922,011	544,871	621,102	6,237	0	4,258,785	524	308	0	0	0
I-N PROTECTIVE SERVICE - GENERAL	1,939,045	823,007	496,031	1,487,814	6,371	0	4,752,268	2,537	352	0	0	0
I-O SERVICE PLANNING	211,284	90,385	53,185	191,397	1,387	0	547,638	4,270	55	0	0	0
I-P JUVENILE ACT PROCEEDINGS - DEPENDENT	0	0	21,956	0	0	0	21,956	0	0	0	0	0
I-Q JUVENILE ACT PROCEEDINGS - DELINQUENT	0	0	36,437	24,030	0	0	60,467	0	422	0	0	0
I-R SUBTOTAL IN-HOME	6,588,915	2,819,989	5,564,407	1,823,738	8,820,392	21,392	25,638,833	0	0	0	0	0
Number of Children receiving only NON-PURCHASED IN-Home Services												
COMMUNITY BASED PLACEMENT												
2-A ALTERNATIVE TREATMENT - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
2-B ALTERNATIVE TREATMENT - DELINQUENT	0	0	0	0	554,367	0	554,367	3,636	50	0	0	0
2-C COMMUNITY RESIDENTIAL - DEPENDENT	0	0	0	3,048,156	0	0	3,048,156	15,685	84	0	0	0
2-D COMMUNITY RESIDENTIAL - DELINQUENT	0	0	0	1,981,155	0	0	1,981,155	9,476	66	0	0	0
2-E EMERGENCY SHELTER - DEPENDENT	0	0	0	43,790	661,025	0	704,815	2,904	64	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	1,809,616	778,555	735,521	6,814,770	6,424	0	10,144,886	141,733	631	0	54,964	0
2-H FOSTER FAMILY - DELINQUENT	0	0	250,213	65,243	0	0	315,456	577	4	0	0	0
2-I SUP. INDEPENDENT LIVING - DEPENDENT	0	0	0	1,164,239	634	0	1,164,873	9,174	45	0	0	0
2-J SUP. INDEPENDENT LIVING - DELINQUENT	1,809,616	778,555	0	1,029,524	14,738,379	7,058	18,363,132	185,968	963	0	64,960	0
SUBTOTAL CBP	1,809,616	778,555	0	1,029,524	14,738,379	7,058	18,363,132	185,968	963	0	64,960	0
INSTITUTIONAL PLACEMENT												
3-A JUVENILE DETENTION SERVICE	0	0	0	7,092,968	0	0	7,092,968	12,107	647	0	0	0
3-B RESIDENTIAL SERVICE - DEPENDENT	0	0	0	1,290,137	0	0	1,290,137	6,103	38	0	0	0
3-C RES. SERVICE - DELINQUENT (EXCEPT YDC/YC)	0	0	0	2,271,430	0	0	2,271,430	13,528	220	0	8,726	0
3-D SECURE RES. SERVICE (EXCEPT YDC)	0	0	0	1,826,580	0	0	1,826,580	6,266	36	0	0	0
3-E YDC SECURE	0	0	0	428,280	0	0	428,280	860	5	0	0	0
SUBTOTAL INSTITUTIONAL	0	0	0	12,909,395	0	0	12,909,395	38,864	946	0	8,726	0
ADMINISTRATION	897,157	390,954	0	1,011,524	0	1,149	2,300,784	0	0	0	0	0
TOTAL EXPENDITURES	9,295,688	3,989,498	5,564,407	3,864,786	29,599	36,468,166	59,212,144	0	0	0	73,686	0
County Indirect Costs = \$ 681,279												

**DELAWARE 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	\$ 2,863,100	\$ 5,575	\$ 2,868,675
Adoption Assistance	5,078,301	0	5,078,301
Subsidized Permanent Legal Custodianship	485,360	746	486,106
Counseling	1,606,646	0	1,606,646
Day Care	193,767	5,948	199,715
Day Treatment	1,496,227	(4,993)	1,491,234
Homemaker Service	0	0	0
Intake and Referral	1,067,374	1,214	1,068,588
Life Skills	3,198,454	0	3,198,454
Protective Service - Child Abuse	4,300,554	(41,769)	4,258,785
Protective Service - General	4,716,744	35,524	4,752,268
Service Planning	547,367	271	547,638
Juvenile Act Proceedings	82,423	0	82,423
Alternative Treatment	554,367	0	554,367
Community Residential	5,029,069	242	5,029,311
Emergency Shelter	706,915	(2,100)	704,815
Foster Family	10,468,370	(8,028)	10,460,342
Supervised Independent Living	1,613,859	438	1,614,297
Juvenile Detention Service	7,092,968	0	7,092,968
Residential Service	3,531,567	30,000	3,561,567
Secure Residential Service (Except YDC)	1,826,580	0	1,826,580
YDC Secure	428,280	0	428,280
Administration	2,300,758	26	2,300,784
Combined Total Expense	<u>59,189,050</u>	<u>23,094</u>	<u>59,212,144</u>
Less Non-reimbursables	<u>18,722</u>	<u>54,964</u>	<u>73,686</u>
Total Net Expense	<u>\$ 59,170,328</u>	<u>\$ (31,870)</u>	<u>\$ 59,138,458</u>

OBJECTS OF EXPENDITURE	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Wages and Salaries	\$ 9,290,689	\$ 4,999	\$ 9,295,688
Employee Benefits	3,976,121	13,377	3,989,498
Subsidies	5,563,661	746	5,564,407
Operating	3,880,718	(15,932)	3,864,786
Purchased Services	36,466,658	1,508	36,468,166
Fixed Assets	11,203	18,396	29,599
Combined Total Expense	<u>59,189,050</u>	<u>23,094</u>	<u>59,212,144</u>
Less Non-reimbursables	<u>18,722</u>	<u>54,964</u>	<u>73,686</u>
Total Net Expense	<u>\$ 59,170,328</u>	<u>\$ (31,870)</u>	<u>\$ 59,138,458</u>

**DELAWARE 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 Adjustments			
CY-370	1-A	1	1	Adoption Service - Wages and Salaries	\$ 1,640,338	\$ 2,153	\$ 1,642,491
	1-N	1		Protective Service General - Wages and Salaries	\$ 1,939,044	\$ 1	\$ 1,939,045
	1-O	1		Service Planning - Wages and Salaries	\$ 211,285	\$ (1)	\$ 211,284
	2-G	1		Foster Family (Dependent) - Wages and Salaries	\$ 1,806,770	\$ 2,846	\$ 1,809,616
	1-A	2		Adoption Service - Employee Benefits	\$ 705,738	\$ 2,728	\$ 708,466
	1-J	2		Intake and Referral - Employee Benefits	\$ 274,963	\$ 1,157	\$ 276,120
	1-M	2		Protective Service Child Abuse - Employee Benefits	\$ 918,727	\$ 3,284	\$ 922,011
	1-N	2		Protective Service General - Employee Benefits	\$ 820,116	\$ 2,891	\$ 823,007
	1-O	2		Service Planning - Employee Benefits	\$ 90,122	\$ 263	\$ 90,385
	2-G	2		Foster Family (Dependent) - Employee Benefits	\$ 775,501	\$ 3,054	\$ 778,555
	1-C	3		Subsidized Permanent Legal Custodianship - Subsidies	\$ 485,360	\$ 746	\$ 486,106
	1-A	4		Adoption Service - Operating	\$ 514,984	\$ (2,697)	\$ 512,287
	1-J	4		Intake and Referral - Operating	\$ 160,218	\$ (1,247)	\$ 158,971
	1-M	4		Protective Service Child Abuse - Operating	\$ 549,145	\$ (4,274)	\$ 544,871
	1-N	4		Protective Service General - Operating	\$ 499,860	\$ (3,829)	\$ 496,031
	1-O	4		Service Planning - Operating	\$ 53,602	\$ (417)	\$ 53,185
	2-G	4		Foster Family (Dependent) - Operating	\$ 738,397	\$ (2,876)	\$ 735,521
	4	4		Administration - Operating	\$ 1,012,116	\$ (592)	\$ 1,011,524
	1-F	5		Daycare - Purchased Services	\$ 193,767	\$ 5,948	\$ 199,715
	1-G	5		Day Treatment (Dependent) - Purchased Services	\$ 866,684	\$ (4,993)	\$ 861,691
	1-M	5		Protective Service Child Abuse - Purchased Services	\$ 666,350	\$ (45,248)	\$ 621,102
	1-N	5		Protective Service General - Purchased Services	\$ 1,455,357	\$ 32,457	\$ 1,487,814
	1-O	5		Service Planning - Purchased Services	\$ 191,407	\$ (10)	\$ 191,397
	2-C	5		Community Residential (Dependent) - Purchased Services	\$ 3,047,914	\$ 242	\$ 3,048,156
	2-E	5		Emergency Shelter (Dependent) - Purchased Services	\$ 663,125	\$ (2,100)	\$ 661,025
	2-G	5		Foster Family (Dependent) - Purchased Services	\$ 6,829,558	\$ (14,788)	\$ 6,814,770
	3-B	5		Residential Service (Delinquent) - Purchased Services	\$ 1,260,137	\$ 30,000	\$ 1,290,137
	1-A	5		Adoption Service - Purchased Services	\$ 2,040	\$ 3,391	\$ 5,431
	1-J	6		Intake and Referral - Fixed Assets	\$ 662	\$ 1,304	\$ 1,966
	1-M	6		Protective Service Child Abuse - Fixed Assets	\$ 1,768	\$ 4,469	\$ 6,237
	1-N	6		Protective Service General - Fixed Assets	\$ 2,367	\$ 4,004	\$ 6,371
	1-O	6		Service Planning - Fixed Assets	\$ 951	\$ 436	\$ 1,387
	2-G	6		Foster Family (Dependent) - Fixed Assets	\$ 2,688	\$ 3,736	\$ 6,424
	2-I	6		Supervised Independent Living (Dependent) - Fixed Assets	\$ 196	\$ 438	\$ 634
	4	6		Administration - Fixed Assets	\$ 531	\$ 618	\$ 1,149
				Total Adjustment Amount		\$ 23,094	
				To increase expenditures by \$23,094 to include agency revisions made to the fiscal reports subsequent to submission of the fiscal reports to DHS and reconcile to the agency's final expenditure ledger. Wages and Salaries were increased by \$4,999; Employee Benefits were increased by \$13,377; Subsidies were increased by \$746; Operating expenditures were decreased by \$15,932; Purchased Services expenditures were increased by \$1,508 and Fixed Assets increased by \$18,396.			
				Title 55 PA Code, Chapter 3170.95(a)(b)			
	2-G	11	2	Foster Family (Dependent) - Non-Reimbursable PS/Sub	\$ -	\$ 54,964	\$ 54,964
				To increase Non-Reimbursable PS/Sub. expenditures by \$54,964 to remove costs paid to foster parents not meeting full licensure requirements. The agency included the increase to non-reimbursable expenditures on their revised CY-370 Expenditure Report as a result of a State Title IV-E Quality Assurance Review finding.			
				Title 55 PA Code, Chapter 3170.95(a)(b)			
				Title 55 PA Code, Chapter 3700.61 and 3700.62			

**DELAWARE COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2014 TO JUNE 30, 2015
ADJUSTMENT SCHEDULE(continued)**

REPORT REFERENCE			ADJ. NO.	EXPLANATION OF ADJUSTMENTS	AS REPORTED OR ADJUSTED	INCREASE/ (DECREASE)	ADJUSTED TOTAL
SCHEDULE	LINE	COLUMN					
CY-370A	2-B	2	3	CY-370A Adjustments			
	2-E	2		Alternative Treatment (Delinquent) - Program Income	\$ 25,300	\$ (782)	\$ 24,518
	2-G	2		Emergency Shelter - Program Income	\$ 2,291	\$ (820)	\$ 1,471
				Foster Family (Dependent) - Program Income	\$ 252,126	\$ 2,562	\$ 254,688
			Total Adjustment Amount		\$ 960		
			To increase Program Income by \$960 to include revenue not reported on the agency's submitted fiscal reports and reconcile to the agency's final revenue ledger.				
			Title 55 PA Code, Chapter 3170.95(a)(b)				
CY-370A	4	9	4	Administration - Medical Assistance	\$ 22,231	\$ 28	\$ 22,259
				To increase Medical Assistance by \$28 to include revenue not reported on the agency's submitted fiscal reports 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

**DELAWARE 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		\$	37,975,721
Supplemental Act 148			<u>0</u>
Total State Allocation			37,975,721
State Share (CY348) ²	\$		33,741,428
Less: Major Service Category Adjustment			<u>0</u>
Net State Share		\$	33,741,428
Less: Expenditures in Excess of the Approved State Allocation			<u>0</u>
Final Net State Share Payable ³		\$	33,741,428
Actual Act 148 Revenues Received ⁴			<u>33,693,265</u>
Net Amount Due County/(State) ^{5 & 6}		\$	<u>48,163</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.

⁶ Our calculated Net Amount Due the County(State) is subject to change as a result of various adjustments impacting the agency's Final Net State Share amount that could be made by the Commonwealth Department of Human Services during its cost settlement process, including adjustments to the Federal Title IV-E revenue.

DELAWARE COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2015 TO JUNE 30, 2016
AMENDED CY3-48
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	3,278,075	1,714	539,963	0	0	0	0	0	2,736,398	2,736,398	0
02. 90% REIMBURSEMENT	406,983	632	79,856	0	0	0	0	0	326,495	293,846	32,649
03. 80% REIMBURSEMENT	38,415,460	415,203	6,438,561	1,619,400	0	0	0	0	29,942,296	23,953,836	5,988,460
04. 60% REIMBURSEMENT	7,010,713	188,769	549,784	0	519,839	220,851	0	22,632	5,508,838	3,305,304	2,203,534
05. 50% REIMBURSEMENT	6,993,822	89,736	0	0	0	0	0	0	6,904,086	3,452,044	3,452,042
06. TOTAL NET CHILD WELFARE EXPEND.	56,105,053	696,054	7,608,164	1,619,400	519,839	220,851	0	22,632	45,418,113	33,741,428	11,676,685
YDC/YFC PLACEMENT COSTS											
07. 60% DHS PARTICIPATION	669,498	967							668,531	401,119	267,412
08. NON-REIMBURSABLE EXPENDITURES	206,299	0							206,299		206,299
09. TOTAL EXPENDITURES	56,980,850	697,021	7,608,164	1,619,400	519,839	220,851	0	22,632	46,292,943	34,142,547	12,150,396
10. TOTAL TITLE IV-D COLLECTIONS	468,963										
11. TITLE IV-D Collections for IV-E Children	58,031										
12. STATE ACT 148 - line 6	33,741,428										
13. STATE ACT 148 ALLOCATION	37,975,721										
14. ADJUSTED STATE SHARE (lower of 12 or 13)	33,741,428										
INVOICE											
AMENDED STATE SHARE (ACT 148)	33,741,428										
ACT 148 AMOUNT RECEIVED	33,693,265										
ADJUSTMENT TO STATE SHARE	48,163										

**DELAWARE COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2015 TO JUNE 30, 2016
AMENDED CY370A
REVENUE REPORT**

MAJOR SERVICE CATEGORIES & COST CENTERS	REVENUE SOURCES											
	1	2	3	4	5	6	7	8	9	10	11	12
	TOTAL REIMBURSABLE EXPENDITURES	PROGRAM INCOME	TITLE IV-E MAINTENANCE	TITLE IV-E ADMIN.	TANF	TITLE XX	TITLE IV-B	Child Welfare Demonstration Project Title IV-E	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE
IN-HOME												
I-A ADOPTION SERVICE	3,278,075	1,714		539,963						2,736,398	2,736,398	0
I-B ADOPTION ASSISTANCE	5,114,493	0	2,098,328	28,022						2,988,143	2,988,143	597,629
I-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSH	460,635	0	60,949							399,686	319,749	79,937
I-D COUNSELING - DEPENDENT	0	0								0	0	0
I-E COUNSELING - DELINQUENT	1,469,724	0								1,469,724	1,175,779	293,945
I-F DAY CARE	285,384	0								285,384	228,307	57,077
I-G DAY TREATMENT - DEPENDENT	853,600	0			352,310					501,290	401,032	100,258
I-H DAY TREATMENT - DELINQUENT	602,065	0			160,482					441,583	353,266	88,317
I-I HOMEMAKER SERVICE	0	0								0	0	0
I-J INTAKE & REFERRAL	1,226,057	649		201,829						1,023,579	818,863	204,716
I-K LIFE SKILLS - DEPENDENT	0	0								0	0	0
I-L LIFE SKILLS - DELINQUENT	3,382,464	0			649,218					2,733,246	2,186,597	546,649
I-M PROTECTIVE SERVICE - CHILD ABUSE	4,975,785	2,279		701,894						4,271,612	3,417,290	854,322
I-N PROTECTIVE SERVICE - GENERAL	4,476,587	1,600		492,805	457,390					3,524,792	2,819,834	704,958
I-O SERVICE PLANNING	565,814	200		62,010						503,604	402,883	100,721
I-P JUVENILE ACT PROCEEDINGS - DEPENDENT	14,396	0								14,396	7,198	7,198
I-Q JUVENILE ACT PROCEEDINGS - DELINQUENT	60,529	0								60,529	30,265	30,264
I-R SUBTOTAL IN-HOME	26,765,608	6,442	2,159,277	2,026,523	1,619,400	0	0	0	0	20,953,966	17,287,975	3,665,991

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
2-B ALTERNATIVE TREATMENT - DELINQUENT	373,619	36,420	(47)							337,246	269,797	67,449
2-C COMMUNITY RESIDENTIAL - DEPENDENT	1,932,766	38,008	352,620							1,542,138	1,233,710	308,428
2-D COMMUNITY RESIDENTIAL - DELINQUENT	1,628,884	41,669	(703)							1,587,918	1,270,334	317,584
2-E EMERGENCY SHELTER - DEPENDENT	379,562	632	79,754	102						299,074	269,167	29,907
2-F EMERGENCY SHELTER - DELINQUENT	27,421	0	0							27,421	24,679	2,742
2-G FOSTER FAMILY - DEPENDENT	9,601,185	265,414	1,100,027	1,299,814						6,935,930	5,548,744	1,387,186
2-H FOSTER FAMILY - DELINQUENT	263,428	1,355	0	41,663						220,410	176,328	44,082
2-I SUP. INDEPENDENT LIVING - DEPENDENT	862,858	6,452	(1,595)	945						857,056	685,645	171,411
2-J SUP. INDEPENDENT LIVING - DELINQUENT	340,112	21,157	0							318,955	255,164	63,791
2-K SUBTOTAL CBP	15,409,835	411,107	1,530,056	1,342,524	0	0	0	0	0	12,126,148	9,733,568	2,392,580

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	6,918,897	89,736								6,829,161	3,414,581	3,414,580
3-B RESIDENTIAL SERVICE - DEPENDENT	1,260,350	10,855	157,729			519,839	220,851			351,076	210,646	140,430
3-C RES. SERVICE - DELINQUENT (NON YDC/YFC)	2,191,755	167,649	(1,250)							2,025,356	1,215,214	810,142
3-D SECURE RES. SERVICE (EXCEPT YDC)	1,171,519	9,913								1,161,606	696,964	464,642
3-E YDC SECURE	669,498	967								668,531	401,119	267,412
3-F SUBTOTAL INSTITUTIONAL	12,212,019	279,120	156,479	0	0	519,839	220,851	0	0	11,035,730	5,938,524	5,097,206
4 ADMINISTRATION	2,387,089	352		393,305		0	0	0	22,632	1,970,800	1,182,480	788,320
5 TOTAL REVENUES	56,774,551	697,021	3,845,812	3,762,352	1,619,400	519,839	220,851	0	22,632	46,086,644	34,142,547	11,944,097

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

MAJOR SERVICE CATEGORIES & COST CENTERS	OBJECTS OF EXPENDITURE											
	1	2	3	4	5	6	7	8	9	10	11	12
IN-HOME	WAGES AND SALARIES	EMPLOYEE BENEFITS	SUBSIDIES	OPERATING	PURCHASED SERVICES	FIXED ASSETS	TOTAL EXPENDITURES	Children Served (by county)	Children Served (Purchased)	Non-Reimbursable Non PS/Sub.	Non-Reim. Purchased Serv/ Subsidies	Program Income related to all Non-Reimbursable
I-A ADOPTION SERVICE	1,788,826	867,411		576,859	0	44,979	3,278,075	134	0	0	0	0
I-B ADOPTION ASSISTANCE	0	0	5,114,493	0	0	0	5,114,493	0	720	0	0	0
I-C SUBSIDIZED PERMANENT LEGAL CUSTODIANS/SH	0	0	460,635	0	0	0	460,635	0	75	0	0	0
I-D COUNSELING - DEPENDENT	0	0		0	0	0	0	0	0	0	0	0
I-E COUNSELING - DELINQUENT	0	0		0	1,469,724	0	1,469,724	0	1,288	0	0	0
I-F DAY CARE	0	0		0	290,240	0	290,240	0	75	0	4,856	0
I-G DAY TREATMENT - DEPENDENT	0	0		0	853,600	0	853,600	0	8	0	0	0
I-H DAY TREATMENT - DELINQUENT	0	0		0	602,065	0	602,065	0	91	0	0	0
I-I HOMEMAKER SERVICE	0	0		0	0	0	0	0	0	0	0	0
I-J INTAKE & REFERRAL	678,878	330,826		199,602	0	16,751	1,226,057	6,723	0	0	0	0
I-K LIFE SKILLS - DEPENDENT	0	0		0	0	0	0	0	0	0	0	0
I-L LIFE SKILLS - DELINQUENT	0	0		0	3,382,464	0	3,382,464	0	717	0	0	0
I-M PROTECTIVE SERVICE - CHILD ABUSE	2,377,367	1,126,848		698,988	713,213	59,369	4,975,785	716	255	0	0	0
I-N PROTECTIVE SERVICE - GENERAL	1,669,859	785,462		493,490	1,481,169	46,607	4,476,587	2,612	732	0	0	0
I-O SERVICE PLANNING	208,780	101,021		61,385	189,246	5,382	565,814	6,411	17	0	0	0
I-P JUVENILE ACT PROCEEDINGS - DEPENDENT				14,396	0		14,396	0	0	0	0	0
I-Q JUVENILE ACT PROCEEDINGS - DELINQUENT				29,822	30,707		60,529	0	394	0	0	0
I-R SUBTOTAL IN-HOME	6,723,710	3,211,568	5,575,128	2,074,542	9,012,428	173,088	26,770,464			0	4,856	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	373,619	0	373,619	2,434	39	0	0	0
2-C COMMUNITY RESIDENTIAL - DEPENDENT	0	0	0	0	2,130,019	0	2,130,019	10,617	70	0	197,253	0
2-D COMMUNITY RESIDENTIAL - DELINQUENT	0	0	0	0	1,628,884	0	1,628,884	7,904	61	0	0	0
2-E EMERGENCY SHELTER - DEPENDENT	0	0	0	37,056	342,506	0	379,562	1,629	40	0	0	0
2-F EMERGENCY SHELTER - DELINQUENT	0	0	0	0	27,421	0	27,421	54	3	0	0	0
2-G FOSTER FAMILY - DEPENDENT	1,611,720	780,693	0	661,256	6,506,307	45,399	9,605,375	130,146	575	0	4,190	0
2-H FOSTER FAMILY - DELINQUENT	0	0	0	253,231	10,197	0	263,428	109	1	0	0	0
2-I SUP. INDEPENDENT LIVING - DEPENDENT	0	0	0	0	857,314	5,544	862,858	7,110	34	0	0	0
2-J SUP. INDEPENDENT LIVING - DELINQUENT	0	0	0	0	340,112	0	340,112	1,985	18	0	0	0
2-K SUBTOTAL CBP	1,611,720	780,693	0	951,543	12,216,379	50,943	15,611,278	161,988	841	0	201,443	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	6,918,897	0	6,918,897	11,089	607	0	0	0
3-B RESIDENTIAL SERVICE - DEPENDENT	0	0	0	0	1,260,350	0	1,260,350	5,135	30	0	0	0
3-C RES. SERVICE - DELINQUENT (EXCEPT YDC/YFC)	0	0	0	0	2,191,755	0	2,191,755	13,457	187	0	0	0
3-D SECURE RES. SERVICE (EXCEPT YDC)	0	0	0	0	1,171,519	0	1,171,519	3,753	25	0	0	0
3-E YDC SECURE	0	0	0	0	669,498	0	669,498	1,389	7	0	0	0
3-F SUBTOTAL INSTITUTIONAL	0	0	0	0	12,212,019	0	12,212,019	34,823	856	0	0	0
4 ADMINISTRATION	907,540	443,558	0	1,027,637	0	8,354	2,387,089			0	0	0
5 TOTAL EXPENDITURES	9,242,970	4,435,819	5,575,128	4,053,722	33,440,826	232,385	56,980,850			0	206,299	0
County Indirect Costs = \$ 689,981												

**DELAWARE 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	\$ 3,279,655	\$ (1,580)	\$ 3,278,075
Adoption Assistance	5,114,493	0	5,114,493
Subsidized Permanent Legal Custodianship	460,635	0	460,635
Counseling	1,469,724	0	1,469,724
Day Care	279,603	10,637	290,240
Day Treatment	1,437,698	17,967	1,455,665
Homemaker Service	0	0	0
Intake and Referral	1,226,654	(597)	1,226,057
Life Skills	3,382,464	0	3,382,464
Protective Service - Child Abuse	4,968,216	7,569	4,975,785
Protective Service - General	4,442,214	34,373	4,476,587
Service Planning	565,998	(184)	565,814
Juvenile Act Proceedings	74,925	0	74,925
Alternative Treatment	373,619	0	373,619
Community Residential	3,800,718	(41,815)	3,758,903
Emergency Shelter	389,015	17,968	406,983
Foster Family	9,849,841	18,962	9,868,803
Supervised Independent Living	1,202,970	0	1,202,970
Juvenile Detention Service	6,918,897	0	6,918,897
Residential Service	3,458,441	(6,336)	3,452,105
Secure Residential Service (Except YDC)	1,171,519	0	1,171,519
YDC Secure	669,498	0	669,498
Administration	2,387,352	(263)	2,387,089
Combined Total Expense	<u>56,924,149</u>	<u>56,701</u>	<u>56,980,850</u>
Less Non-reimbursables	<u>206,299</u>	<u>0</u>	<u>206,299</u>
Total Net Expense	<u>\$ 56,717,850</u>	<u>\$ 56,701</u>	<u>\$ 56,774,551</u>

OBJECTS OF EXPENDITURE	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Wages and Salaries	\$ 9,242,970	\$ 0	\$ 9,242,970
Employee Benefits	4,435,819	0	4,435,819
Subsidies	5,575,128	0	5,575,128
Operating	4,057,760	(4,038)	4,053,722
Purchased Services	33,380,087	60,739	33,440,826
Fixed Assets	232,385	0	232,385
Combined Total Expense	<u>56,924,149</u>	<u>56,701</u>	<u>56,980,850</u>
Less Non-reimbursables	<u>206,299</u>	<u>0</u>	<u>206,299</u>
Total Net Expense	<u>\$ 56,717,850</u>	<u>\$ 56,701</u>	<u>\$ 56,774,551</u>

**DELAWARE COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2015 TO JUNE 30, 2016
ADJUSTMENT SCHEDULE**

REPORT REFERENCE			ADJ. NO.	EXPLANATION OF ADJUSTMENTS	AS REPORTED OR ADJUSTED	INCREASE/ (DECREASE)	ADJUSTED TOTAL
SCHEDULE	LINE	COLUMN					
				CY-370 Adjustment			
CY-370	1-A	4	1	Adoption Service - Operating	\$ 578,439	\$ (1,580)	\$ 576,859
	1-J	4		Intake & Referral - Operating	\$ 200,199	\$ (597)	\$ 199,602
	1-M	4		Protective Service Child Abuse - Operating	\$ 701,089	\$ (2,101)	\$ 698,988
	1-N	4		Protective Service General - Operating	\$ 494,965	\$ (1,475)	\$ 493,490
	1-O	4		Service Planning - Operating	\$ 61,569	\$ (184)	\$ 61,385
	2-G	4		Foster Family (Dependent) - Operating	\$ 659,094	\$ 2,162	\$ 661,256
	4	4		Administration - Operating	\$ 1,027,900	\$ (263)	\$ 1,027,637
	1-F	5		Day Care - Purchased Services	\$ 279,603	\$ 10,637	\$ 290,240
	1-G	5		Day Treatment (Dependent) - Purchased Services	\$ 835,633	\$ 17,967	\$ 853,600
	1-M	5		Protective Service Child Abuse - Purchased Services	\$ 703,543	\$ 9,670	\$ 713,213
	1-N	5		Protective Service General - Purchased Services	\$ 1,445,321	\$ 35,848	\$ 1,481,169
	2-C	5		Community Residential (Dependent) - Purchased Services	\$ 2,154,052	\$ (24,033)	\$ 2,130,019
	2-D	5		Community Residential (Delinquent) - Purchased Services	\$ 1,646,666	\$ (17,782)	\$ 1,628,884
	2-E	5		Emergency Shelter (Dependent) - Purchased Services	\$ 342,320	\$ 186	\$ 342,506
	2-F	5		Emergency Shelter (Delinquent) - Purchased Services	\$ 9,639	\$ 17,782	\$ 27,421
	2-G	5		Foster Family (Dependent) - Purchased Services	\$ 6,489,507	\$ 16,800	\$ 6,506,307
	3-A	5		Residential Service (Dependent) - Purchased Services	\$ 1,228,209	\$ 32,141	\$ 1,260,350
	3-B	5		Residential Service (Delinquent) - Purchased Services	\$ 2,230,232	\$ (38,477)	\$ 2,191,755
				Total Adjustment Amount		\$ 56,701	
				To increase expenditures by \$56,701 to properly report total expenditures and reconcile to the agency's final expenditure ledger. Revisions were made to the expenditure ledger subsequent to the submission of the Act 148 Invoice to the State Department of Human Services.			
				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

**DELAWARE 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		\$	38,248,772
Supplemental Act 148			<u>0</u>
Total State Allocation			38,248,772
State Share (CY348) ²	\$		32,802,429
Less: Major Service Category Adjustment			<u>0</u>
Net State Share		\$	32,802,429
Less: Expenditures in Excess of the Approved State Allocation			<u>0</u>
Final Net State Share Payable ³		\$	32,802,429
Actual Act 148 Revenues Received ⁴			<u>32,874,524</u>
Net Amount Due County/(State) ^{5 & 6}		\$	<u><u>(72,095)</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.

⁶ Our calculated Net Amount Due to the County (State) is subject to change as a result of various adjustments impacting the agency's Final Net State Share amount that could be made by the Commonwealth Department of Human Services during its cost settlement process, including adjustments to the Federal Title IV-E revenue.

DELAWARE 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	3,314,875	511,388	0	0	0	0	0	2,800,452	2,800,452	0
02. 90% REIMBURSEMENT	306,374	43,413	0	0	0	0	0	260,091	234,082	26,009
03. 80% REIMBURSEMENT	37,541,710	6,634,332	1,619,400	0	0	0	0	28,915,980	23,132,785	5,783,195
04. 60% REIMBURSEMENT	6,838,184	163,064	638,386	0	519,839	220,851	0	5,275,666	3,165,400	2,110,266
05. 50% REIMBURSEMENT	7,038,308	95,439	3,451	0	0	0	0	6,939,418	3,469,710	3,469,708
06. TOTAL NET CHILD WELFARE EXPEND.	55,039,451	7,830,970	1,619,400	519,839	220,851	0	20,378	44,191,607	32,802,429	11,389,178

YDC/YFC PLACEMENT COSTS										
07. 60% DHSP PARTICIPATION	403,920	10,144						393,776	236,266	157,510

08. NON-REIMBURSABLE EXPENDITURES	88,445	0						88,445		88,445
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09. TOTAL EXPENDITURES	55,531,816	7,830,970	1,619,400	519,839	220,851	0	20,378	44,673,828	33,038,695	11,635,133
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10. TOTAL TITLE IV-D COLLECTIONS 492,735

11. TITLE IV-D Collections for IV-E Children 61,633

12. STATE ACT 148 - line 6 32,802,429

13. STATE ACT 148 ALLOCATION 38,248,772

14. ADJUSTED STATE SHARE (lower of 12 or 13) 32,802,429

INVOICE	
AMENDED STATE SHARE (ACT 148)	32,802,429
ACT 148 AMOUNT RECEIVED	32,874,524
ADJUSTMENT TO STATE SHARE	(72,095)

DELAWARE COUNTY CHILDREN AND YOUTH AGENCY
 FOR THE PERIOD JULY 1, 2016 TO JUNE 30, 2017
 AMENDED CV370A
 REVENUE REPORT

MAJOR SERVICE CATEGORIES & COST CENTERS	REVENUE SOURCES											
	1	2	3	4	5	6	7	8	9	10	11	12
	TOTAL REIMBURSABLE EXPENDITURES	PROGRAM INCOME	TITLE IV-E MAINTENANCE	TITLE IV-E ADMIN.	TANF	TITLE XX	TITLE IV-B	Child Welfare Demonstration Project Title IV-E	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE
IN-HOME												
I-A ADOPTION SERVICE	3,314,875	3,035		511,388						2,800,452	2,800,452	598,319
I-B ADOPTION ASSISTANCE	5,235,079		2,203,481	40,003						2,991,595	2,991,595	81,770
I-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	501,777		92,925							408,852	327,082	
I-D COUNSELING - DEPENDENT												
I-E COUNSELING - DELINQUENT	1,557,646									1,557,646	1,246,117	311,529
I-F DAY CARE	269,734									269,734	215,787	53,947
I-G DAY TREATMENT - DEPENDENT	761,194				405,970					355,224	284,179	71,045
I-H DAY TREATMENT - DELINQUENT	482,538				148,217					334,321	267,457	66,864
I-I HOMEMAKER SERVICE												
I-J INTAKE & REFERRAL	1,309,594	1,280		201,276						1,107,038	885,630	221,408
I-K LIFE SKILLS - DEPENDENT												
I-L LIFE SKILLS - DELINQUENT	3,376,749				661,483					2,715,266	2,172,213	543,053
I-M PROTECTIVE SERVICE - CHILD ABUSE	4,808,883	3,999		630,304						4,174,582	3,339,666	834,916
I-N PROTECTIVE SERVICE - GENERAL	4,714,507	2,900		477,810	403,730					3,830,067	3,064,054	766,013
I-O SERVICE PLANNING	595,336	404		75,187						519,745	415,796	103,949
I-P JUVENILE ACT PROCEEDINGS - DEPENDENT	13,613									13,613	6,807	6,806
I-Q JUVENILE ACT PROCEEDINGS - DELINQUENT	71,152			3,451						67,701	33,851	33,850
I-R SUBTOTAL IN-HOME	27,012,679	11,618	2,296,406	1,939,419	1,619,400					21,145,836	17,452,367	3,693,469
COMMUNITY BASED PLACEMENT												
2-A ALTERNATIVE TREATMENT - DEPENDENT												
2-B ALTERNATIVE TREATMENT - DELINQUENT	154,268	10,446	(26)							143,848	115,078	28,770
2-C COMMUNITY RESIDENTIAL - DEPENDENT	2,287,268	65,038	578,384							1,643,846	1,315,077	328,769
2-D COMMUNITY RESIDENTIAL - DELINQUENT	1,501,018	45,203	45,707							1,410,108	1,128,086	282,022
2-E EMERGENCY SHELTER - DEPENDENT	298,979	2,870	43,413							252,696	227,426	25,270
2-F EMERGENCY SHELTER - DELINQUENT	7,395									7,395	6,656	739
2-G FOSTER FAMILY - DEPENDENT	8,749,997	21,748	1,036,144	1,216,533						6,279,902	5,023,922	1,255,980
2-H FOSTER FAMILY - DELINQUENT	323,754	610		38,538						284,606	227,683	56,921
2-I SUP. INDEPENDENT LIVING - DEPENDENT	625,622	6,738	(2,399)	465						620,818	496,654	124,164
2-J SUP. INDEPENDENT LIVING - DELINQUENT	286,744	17,962								268,782	215,026	53,756
2-K SUBTOTAL CBP	14,235,045	366,283	1,701,223	1,255,536						10,912,001	8,755,610	2,156,391
INSTITUTIONAL PLACEMENT												
3-A JUVENILE DETENTION SERVICE	6,953,543	95,439								6,858,104	3,429,052	3,429,052
3-B RESIDENTIAL SERVICE - DEPENDENT	1,319,600	7,120	193,654			519,839	220,851			378,136	226,882	151,254
3-C RES. SERVICE - DELINQUENT (NON YDC/VFC)	2,230,005	154,920	59,980							2,015,105	1,209,063	806,042
3-D SECURE RES. SERVICE (EXCEPT YDC)	785,441	499								784,942	470,965	313,977
3-E YDC SECURE	403,920	10,144								393,776	236,266	157,510
3-F SUBTOTAL INSTITUTIONAL	11,692,509	268,122	253,634			519,839	220,851			10,430,063	5,572,228	4,857,835
ADMINISTRATION	2,503,138	525		384,752						2,097,483	1,238,490	838,993
TOTAL REVENUES	55,443,371	646,550	4,251,263	3,579,707	1,619,400	519,839	220,851		20,378	44,585,383	33,038,695	11,546,688

DELAWARE 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 compy)	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	1,847,005	950,223		489,489	0	28,158	3,314,875	469	0	0	0	0
1-B ADOPTION ASSISTANCE	0	0	5,235,079	0	0	0	5,235,079	0	737	0	0	0
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	0	0	501,777	0	0	0	501,777	0	71	0	0	0
1-D COUNSELING - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
1-E COUNSELING - DELINQUENT	0	0	0	0	1,557,646	0	1,557,646	0	1,162	0	0	0
1-F DAY CARE	0	0	0	0	269,734	0	269,734	0	64	0	0	0
1-G DAY TREATMENT - DEPENDENT	0	0	0	0	761,194	0	761,194	0	268	0	0	0
1-H DAY TREATMENT - DELINQUENT	0	0	0	0	482,538	0	482,538	0	88	0	0	0
1-I HOMEMAKER SERVICE	0	0	0	0	0	0	0	0	0	0	0	0
1-J INTAKE & REFERRAL	734,543	378,600	185,253	0	0	11,198	1,309,594	8,497	0	0	0	0
1-K LIFE SKILLS - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
1-L LIFE SKILLS - DELINQUENT	0	0	0	0	3,376,749	0	3,376,749	0	614	0	0	0
1-M PROTECTIVE SERVICE - CHILD ABUSE	2,313,581	1,167,447	583,551	709,035	35,271	4,808,885	4,808,885	1,040	697	0	0	0
1-N PROTECTIVE SERVICE - GENERAL	1,749,079	883,402	441,848	1,613,513	26,665	4,714,507	4,714,507	2,506	308	0	0	0
1-O SERVICE PLANNING	271,909	139,914	68,576	110,792	4,145	595,336	595,336	1,632	117	0	0	0
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT			13,613	0	0		13,613	0	0	0	0	0
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT			39,984	0	31,168		71,152	0	389	0	0	0
1-R SUBTOTAL IN-HOME	6,916,117	3,519,586	5,736,856	1,822,314	8,912,369	105,437	27,012,679					
Number of Children receiving only NON-PURCHASED IN-Home Services 1,287												
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	154,268	0	154,268	1,005	16	0	0	0
2-C COMMUNITY RESIDENTIAL - DEPENDENT	0	0	0	0	2,373,127	0	2,373,127	11,622	57	0	85,859	0
2-D COMMUNITY RESIDENTIAL - DELINQUENT	0	0	0	0	1,501,018	0	1,501,018	7,066	58	0	0	0
2-E EMERGENCY SHELTER - DEPENDENT	0	0	0	36,352	262,627	0	298,979	1,133	24	0	0	0
2-F EMERGENCY SHELTER - DELINQUENT	0	0	0	0	7,395	0	7,395	40	2	0	0	0
2-G FOSTER FAMILY - DEPENDENT	1,524,707	784,397	561,661	23,244	5,856,311	23,244	8,750,320	112,170	542	0	323	0
2-H FOSTER FAMILY - DELINQUENT	0	0	0	249,792	73,962	0	323,754	569	3	0	0	0
2-I SUP. INDEPENDENT LIVING - DEPENDENT	0	0	0	622,508	3,114	0	625,622	5,020	31	0	0	0
2-J SUP. INDEPENDENT LIVING - DELINQUENT	0	0	0	0	286,744	0	286,744	1,635	18	0	0	0
2-K SUBTOTAL CBP	1,524,707	784,397	0	847,805	11,137,960	26,358	14,321,227	140,260	751	0	86,182	0
INSTITUTIONAL PLACEMENT												
3-A JUVENILE DETENTION SERVICE	0	0	0	0	6,953,543	0	6,953,543	10,066	512	0	0	0
3-B RESIDENTIAL SERVICE - DEPENDENT	0	0	0	0	1,319,600	0	1,319,600	5,487	32	0	0	0
3-C RES. SERVICE - DELINQUENT (EXCEPT YDC/YFC)	0	0	0	0	2,232,268	0	2,232,268	13,259	156	0	2,263	0
3-D SECURE RES. SERVICE (EXCEPT YDC)	0	0	0	0	785,441	0	785,441	2,468	16	0	0	0
3-E YDC SECURE	0	0	0	0	403,920	0	403,920	792	6	0	0	0
3-F SUBTOTAL INSTITUTIONAL	0	0	0	0	11,694,772	0	11,694,772	32,072	722	0	2,263	0
4 ADMINISTRATION	917,397	454,032	0	1,125,265	0	6,444	2,503,138					
TOTAL EXPENDITURES	9,358,221	4,758,015	5,736,856	3,795,384	31,745,101	138,239	55,531,816				88,445	0
County Indirect Costs = \$ 772,868												

**DELAWARE 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	\$ 3,314,875	\$ 0	\$ 3,314,875
Adoption Assistance	5,235,079	0	5,235,079
Subsidized Permanent Legal Custodianship	501,777	0	501,777
Counseling	1,557,646	0	1,557,646
Day Care	269,734	0	269,734
Day Treatment	1,252,732	(9,000)	1,243,732
Homemaker Service	0	0	0
Intake and Referral	1,309,594	0	1,309,594
Life Skills	3,376,749	0	3,376,749
Protective Service - Child Abuse	4,810,618	(1,733)	4,808,885
Protective Service - General	4,718,308	(3,801)	4,714,507
Service Planning	595,325	11	595,336
Juvenile Act Proceedings	84,765	0	84,765
Alternative Treatment	154,268	0	154,268
Community Residential	3,924,804	(50,659)	3,874,145
Emergency Shelter	305,274	1,100	306,374
Foster Family	9,083,225	(9,151)	9,074,074
Supervised Independent Living	919,110	(6,744)	912,366
Juvenile Detention Service	6,953,543	0	6,953,543
Residential Service	3,551,893	(25)	3,551,868
Secure Residential Service (Except YDC)	785,441	0	785,441
YDC Secure	403,920	0	403,920
Administration	2,503,138	0	2,503,138
Combined Total Expense	<u>55,611,818</u>	<u>(80,002)</u>	<u>55,531,816</u>
Less Non-reimbursables	<u>88,445</u>	<u>0</u>	<u>88,445</u>
Total Net Expense	<u>\$ 55,523,373</u>	<u>\$ (80,002)</u>	<u>\$ 55,443,371</u>

OBJECTS OF EXPENDITURE	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Wages and Salaries	\$ 9,358,221	\$ 0	\$ 9,358,221
Employee Benefits	4,758,015	0	4,758,015
Subsidies	5,736,856	0	5,736,856
Operating	3,793,582	1,802	3,795,384
Purchased Services	31,826,905	(81,804)	31,745,101
Fixed Assets	138,239	0	138,239
Combined Total Expense	<u>55,611,818</u>	<u>(80,002)</u>	<u>55,531,816</u>
Less Non-reimbursables	<u>88,445</u>	<u>0</u>	<u>88,445</u>
Total Net Expense	<u>\$ 55,523,373</u>	<u>\$ (80,002)</u>	<u>\$ 55,443,371</u>

**DELAWARE 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	2-G	4	1	CY-370 Adjustment				
	1-G	5		Foster Family (Dependent)- Operating	\$ 559,859	\$ 1,802	\$ 561,661	
	1-M	5		Day Treatment (Dependent) - Purchased Services	\$ 770,194	\$ (9,000)	\$ 761,194	
	1-N	5		Protective Service Child Abuse - Purchased Services	\$ 710,768	\$ (1,733)	\$ 709,035	
	1-O	5		Protective Service General - Purchased Services	\$ 1,617,314	\$ (3,801)	\$ 1,613,513	
	2-C	5		Service Planning - Purchased Services	\$ 110,781	\$ 11	\$ 110,792	
	2-E	5		Community Residential (Dependent) - Purchased Services	\$ 2,423,786	\$ (50,659)	\$ 2,373,127	
	2-G	5		Emergency Shelter (Dependent) - Purchased Services	\$ 261,527	\$ 1,100	\$ 262,627	
	2-I	5		Foster Family (Dependent) - Purchased Services	\$ 5,867,264	\$ (10,953)	\$ 5,856,311	
	3-B	5		Supervised Independent Living (Dependent) - Purchased Services	\$ 629,252	\$ (6,744)	\$ 622,508	
					Residential Service (Dependent) - Purchased Services	\$ 1,319,625	\$ (25)	\$ 1,319,600
					Total Adjustment Amount		\$ (80,002)	
					To decrease expenditures by \$80,002 to properly report total expenditures and reconcile to the agency's final expenditure ledger. Revisions were made to the expenditure ledger subsequent to the submission of the Act 148 Invoice to the State Department of Human Services.			
			Title 55 PA Code, Chapter 3170.95(a)(b)					
CY-370A	1-A	2	2	CY-370A Adjustment				
	1-J			Adoption Service - Program Income	\$ 1,051	\$ 1,984	\$ 3,035	
	1-M			Intake & Referral - Program Income	\$ 442	\$ 838	\$ 1,280	
	1-N			Protective Service Child Abuse - Program Income	\$ 1,384	\$ 2,615	\$ 3,999	
	1-O			Protective Service General - Program Income	\$ 1,003	\$ 1,897	\$ 2,900	
	2-G			Service Planning - Program Income	\$ 140	\$ 264	\$ 404	
	2-I			Foster Family (Dependent) - Program Income	\$ 215,734	\$ 1,684	\$ 217,418	
	4			Supervised Independent Living (Dependent) - Program Income	\$ 6,512	\$ 226	\$ 6,738	
				Administration - Program Income	\$ 182	\$ 343	\$ 525	
						Total Adjustment Amount		\$ 9,851
			To increase Program Income by \$9,851 to properly revenue and reconcile to the agency's final revenue ledger. Revisions were made to the revenue ledger subsequent to the submission of the Act 148 Invoice to the State Department of Human Services.					
			Title 55 PA Code, Chapter 3170.95(a)(b)					

SECTION 4

STATUS OF PRIOR ENGAGEMENT FINDING AND RECOMMENDATIONS

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

Finding – Delaware 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 Delaware County Children and Youth Agency (agency) for failure to provide sufficient supporting documentation evidencing that services related to fees invoiced by contracted In-Home Purchased Service providers, and paid by the agency, were actually provided, and if provided, provided in adherence to the requirements of the respective provider contract terms. Agency management informed us that they did not require any of the Fee-For-Service or Program Funded In-Home providers it contracted with during our prior engagement scope period to submit any documentation, other than submitted invoices and provider-prepared certification statements, to substantiate the fees invoiced by these respective 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 audit engagement, we did not make the agency aware of these internal control deficiencies until November 15, 2017, well after the June 30, 2017 end of our current engagement scope period. Therefore, these control deficiencies and corresponding risks continued to exist for all 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 Finding and Recommendations section (Section 5) of this report.

SECTION 5

CURRENT ENGAGEMENT FINDING AND RECOMMENDATIONS

DELAWARE COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT FINDING AND RECOMMENDATIONS

Finding – Unresolved Prior Audit 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 Delaware County Children and Youth Agency (agency) lacked internal control policies and procedures designed to sufficiently reduce the agency's 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 substantiating the validity of the number of units invoiced for each individual listed on invoices submitted by these providers. In addition, for contracted In-Home Program-Funded Purchased Service providers, these providers submitted no supporting documentation, nor did the agency require any documentation, substantiating the monthly operating costs detailed on these providers' monthly submitted invoices. Furthermore, for both contracted Fee-for-Service and Program-Funded 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 and recommendations in similar findings issued to other county children and youth agencies, agency management provided documentation detailing formal, written monitoring policy, and corresponding procedures, that they indicated they had begun performing in January 2017, with complete formal implementation occurring in February 2018, to obtain reasonable assurance that contracted In-Home services were actually provided and to reduce the agency's risk of paying overbillings or fraudulent billings submitted by contracted In-Home Purchased Service providers. Because agency management did not implement this updated policy and corresponding procedures until after the close of our current engagement scope period (June 30, 2017), we did not assess the sufficiency of these newly implemented monitoring policies and procedures during the conduct of our current engagement. We will review and evaluate these implemented monitoring 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 invoiced by contracted Program-Funded In-Home providers are properly substantiated, thus, reducing the agency's risk of paying overbillings or fraudulent billings submitted by In-Home Purchased Service providers.

DELAWARE COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT FINDING AND RECOMMENDATIONS

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

- *Office of Children, Youth and Families (OCYF) Bulletin 3140-06-06, applicable for fiscal year ended 6/30/2011; Bulletin 3140-11-02, applicable for fiscal year ended 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

DELAWARE COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT FINDING AND RECOMMENDATIONS

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, agency management was not notified of these internal control deficiencies until November 2017, well after the June 30, 2017 end of our current engagement scope period. 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. However, we would like to emphasize that agency management informed us that the development and implementation of internal control procedures over payment to In-Home providers began in January 2017, when they became aware of similar findings included in engagement reports we issued to other children and youth agencies. The complete implementation of procedures related to payments to all In-Home providers occurred in February 2018.

Effect: The agency’s lack of internal control procedures designed to reduce the risk of paying overbillings and/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 recommend that agency management ensure that any implemented monitoring policy, and corresponding procedures, related to payments made to contracted In-Home providers are sufficient in providing agency management reasonable assurance that the services related to fees invoiced by contracted In-Home Purchased Service providers were actually provided, and provided in adherence to executed contract terms, and in reducing the agency’s risk of paying overbillings or fraudulent billings by In-Home Purchased Service providers.

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 and the operating costs invoiced by any Program-Funded providers.

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

DELAWARE COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT FINDING AND RECOMMENDATIONS

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:

In response to media reports of the Auditor General's finding in Erie County in October 2016, Delaware County Children and Youth Services developed and implemented more stringent policies and procedures for verification of in-home services invoices during the latter half of FY 2016/2017. The specific timelines are below.

- | | |
|----------|---|
| 10/26/16 | An Auditor General report was released about a finding in regard to Erie County Children and Youth Services and the lack of internal controls for payment of in-home services |
| 1/1/17 | Delaware County Children and Youth Services began creating new policies and procedures for verification of in-home services providers with selected providers, in response to the Erie County information. The procedures included obtaining reasonable assurance that invoiced in-home services were performed and for the number of units invoiced. The procedures included checking on preauthorization of services and checking that the services were performed by reviewing client-specific reports and/or verifying provision of services with the CYS casework staff. |
| 1/2017 | Children and Youth Services began implementation of on-site provider audits for in-home services providers. The audits are on a three-year cycle. The monitoring tool includes review of the following: <ul style="list-style-type: none">• Contract amount and effective period• Budget• Reimbursement methodology• Fiscal related risk factors (contract exceeds \$100,000, provider meets single audit threshold, etc.)• Fiscal performance reports• Board approval of budgets and notation in minutes |

DELAWARE COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT FINDING AND RECOMMENDATIONS

- Separation of duties related to invoice processing
- Fiscal stability (cash flow, balance sheet review, prior fiscal issues in past, etc.)
- Policies and procedures (HIPPA, Disbarment verification, Program Operations, etc.)
- Provider’s quality management program
- Personnel (organizational chart, documentation of training, job descriptions, etc.)
- Physical site and health/safety procedures (universal precautions, fire drills, inspections, handicapped accessible, etc.)
- Provider board
- Record review (case notes, releases of information, etc.)
- Check of CPSL certifications (clearances) for provider staff, volunteers, and foster parents

2/3/17 Entrance meeting for Auditor General Audit for FYs 2010/2011, 2011/2012, 2013/2014. Delaware County provided copy of new procedure document entitled, “Children and Youth Services of Delaware County Procedure for Invoice Approval for In-Home Services Providers.”

3/10/17 Training provided to Children and Youth Services staff on new procedures for Invoice Approval for In-Home Services Providers. New procedures went into effect immediately, going forward.

7/28/17 Delaware County Department of Human Services issued Bulletin Fiscal 003 – Payment Approval and Processing. This Bulletin was submitted as part of the County’s response to the Auditor General’s Office Audit Report for FY 10-11, 11-12, 12-13 and 13-14. Bulletin Fiscal-003 defines the responsibilities of program, fiscal and accounts payable staff in invoice approval and processing. Invoices were reviewed for delivery of services, client eligibility, accuracy, adherence to contractual terms and inclusion of required supporting documentation.

11/13/17 and
2/13/18 Children and Youth Services issued revisions to Invoice Approval Procedures to add providers and refine the procedures.

2/1/18 Delaware County Juvenile Probation implementation of Invoice Approval Procedures for In-Home Services Providers

DELAWARE COUNTY CHILDREN AND YOUTH AGENCY
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- 2/1/18 Children and Youth Services implementation of on-site provider audits for placement providers. Audits are on a five-year cycle and use the same tool as for the in-home providers, mentioned above.
- 6/25/18 Children and Youth Services revised the Procedure for Invoice Approval for In-Home Services Providers
- 9/20/18 Training provided to Children and Youth Services staff on the revisions date 6/25/18. Implementation was immediate for all invoices going forward.

Auditor's Conclusion: We commend the Delaware County Children and Youth Agency on their 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 the agency's implemented monitoring policy and procedures and assess whether they are sufficient to reduce the agency's risk of overbillings and fraudulent billings submitted by contracted In-Home Purchased Services providers going undetected.

SECTION 6

CURRENT ENGAGEMENT OBSERVATION

DELAWARE 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 Law³ (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).⁴ 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,⁵ 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 Delaware County Children and Youth Agency provided in-home and placement services to 4,334 children residing within the County during the 2016-2017 fiscal year.

³ Please note that the CPSL was extensively amended in 2013, 2014, and 2015 with 24 pieces of legislation “[being] enacted, changing how Pennsylvania responds to child abuse. These changes will significantly impact the reporting, investigation, assessment, prosecution and judicial handling of child abuse and neglect cases. The new laws will expand and further define mandatory reporters and the reporting process, increase penalties for those mandated to report suspected child abuse who fail to do so, and provide protections from employment discrimination for filing a good faith report of child abuse.” See <http://keepkidssafe.pa.gov/laws/index.htm> last accessed on September 2, 2016. Please note that although this particular DHS’ keepkidssafe.pa.gov link only refers to 23, instead of 24, pieces of legislation, we were able to confirm that the link should actually refer to 24 pieces of legislation, just as in the following DHS’ link: <http://keepkidssafe.pa.gov/index.htm>

⁴ 23 Pa.C.S. §§ 6344 and 6344.2.

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).

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Day Treatment Centers and Child Residential Facilities

Beginning July 1, 2012, the DHS Bureau of Human Services' Licensing (bureau) took over responsibility for the performance of the annual licensing inspections of Child Day Treatment Centers and Child Residential Facilities, which encompasses the performance of CPSL adherence reviews of the employees of these providers. Prior to July 1, 2012, the DHS OCYF had been responsible for performing these CPSL adherence reviews during its annual licensing inspections of these providers. Through a review of the DHS website, we found letters, posted by DHS, to the management staff of Child Day Treatment Centers and Child Residential Facilities detailing the results of the licensing inspections performed by the bureau and identifying regulatory violations, including CPSL adherence violations, as specified in the accompanying License Inspection Summaries. However, we are unable to attest to: 1) the timeliness of the completion and approval of these annual inspections and 2) whether the CPSL adherence of any potential sub-recipients used by these providers are being monitored.⁶

Contracted In-Home Preventative Service Providers

For contracted *In-Home Preventative Service providers*,⁷ we were informed by DHS OCYF that these providers are not required to be licensed by the Commonwealth and, thus, are not subject to the annual inspections performed by the DHS. DHS' position was that while not all in-home service providers would meet the criteria requiring the conduct of *certifications* for employees/volunteers, when they do, C&Y agencies were responsible for including provisions in their executed contracts with these providers.

In correspondence with management of C&Y agencies during some of our recently conducted audit engagements, we have found that some C&Y agencies' management staffs are still of the opinion that there is no need to directly monitor CPSL adherence of the providers' employees/volunteers because they are now including the requirements for this type of monitoring in their executed contracts with these providers. However, our interpretation of the CPSL remains that C&Y agencies cannot fulfill their duties under the CPSL to protect the children receiving in-home preventative services from child abuse by merely including the requirements for "direct monitoring"⁸ in their provider executed contracts. Instead, all C&Y

⁶ 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).

⁷ 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.

⁸ In our Department's opinion "direct monitoring" consists of C&Y agencies routinely performing procedures (no less frequently than quarterly) to obtain reasonable assurance that their *contracted In-Home Preventative Service providers* and their sub-recipients are properly vetting a representative sample of the background checks

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CURRENT ENGAGEMENT OBSERVATION

agencies should have a process in place that allows them to actively monitor their providers and sub-recipients by routinely reviewing their employees' and volunteers' *certifications* for disqualifying convictions.

Therefore, we concluded that DHS had not taken every action to obtain reasonable assurance that C&Y agencies were taking enough action to ensure the safety and welfare of the vulnerable, at risk children receiving in-home preventative services. Further, because DHS has not implemented a process to ensure that C&Y agencies are consistently monitoring the CPSL adherence of the contracted In-Home Preventative Service providers' employees and volunteers, this Department will continue to raise concerns about the risks posed to the safety of these vulnerable children.⁹

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 providers¹⁰ to ensure that their *certifications* adhere to the CPSL falls to the C&Y agencies, as does the responsibility to take appropriate action when they do not comply.

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

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

⁹ 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.

¹⁰ This includes *contracted In-Home Preventative Service providers* and their sub-recipients.

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

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

Greater Scrutiny of Arrest and Conviction Records

It is important to note that background checks and child abuse clearances have historically been valid for one year after being obtained.¹¹ However, recent amendments to the CPSL extend this time frame from one year to five years.¹² Therefore, there is a need for DHS and C&Y agencies across the commonwealth to have a *greatly heightened* awareness about the arrest and conviction records, as well as child abuse adjudications, of the employees/volunteers of C&Y agencies' *contracted In-Home Preventative Service providers* and their sub-recipients. This is to ensure that no new, disqualifying incidents have occurred from the date of the background clearances since certain disqualifying offenses could go undetected for years.

Auditor General Senior Management's Follow-up Conclusion Statement

We commend DHS management for acknowledging the seriousness of the risks to children's safety resulting from the significant control deficiencies we identified related to CPSL adherence as discussed in our March 18, 2018 Position Statement letter. Further, we recognize the challenges that DHS faces in monitoring the 67 C&Y agencies' direct monitoring of the numerous *contracted In-Home Preventative Service providers* and their sub-recipients. We

¹¹ 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.

¹² 23 Pa.C.S. § 6344.4.

DELAWARE COUNTY CHILDREN AND YOUTH AGENCY
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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.¹³

Furthermore, as previously stated, we have communicated to DHS that we believe that DHS should do more to assure that employees/volunteers of *contracted In-Home Preventative Service providers* are properly vetted through reviews of background checks and child abuse history clearances and to ensure that employees/volunteers do not have any convictions or adjudications that are disqualifying under the CPSL. Further, because of more recent amendments to the CPSL that changed the validity timeframe for background checks and child abuse history clearances from one to five years (i.e., 60 months) after being obtained, we believe that a greatly heightened awareness of these providers and sub-recipients' arrest and conviction records and child abuse adjudications is warranted.¹⁴

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)*.

Agency Management Response:

Children and Youth Services of Delaware County, in conjunction with Delaware County Human Services Department, considers it our responsibility to monitor compliance of our providers with the certifications (clearances) of employees, foster parents and volunteers. We

¹³ The potential 9-21 month delay is based on the Single Audit being due nine months after the end of the fiscal year plus up to 12 months for possible noncompliance occurring at the beginning of the fiscal year. The period of delay would be higher when the Single Audit is not received within nine months from the end of the fiscal year.

¹⁴ 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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have included the requirement for clearances in all Delaware County contracts with providers and we conduct audits to verify compliance. Starting in FY 2015/2016, our contracts have required that new certifications are obtained every three years, a higher standard than the five years required in the CPSL.

Children and Youth Consultants

Individual consultants, such as psychologists, financial and IT consultants, are required to forward copies of their certification (clearances) to the Department of Human Services. This began during calendar year 2015. All clearances are scrutinized for compliance and an ongoing record is kept to assure continual compliance. New certifications are required every three years.

In-Home Providers

All service provider organizations were placed on a schedule of program/fiscal audits to be completed every three years starting in 2017. During the program/fiscal audits, CYS program staff check certifications (clearances) of all staff and volunteers.

Placement Providers

All placement provider agencies were placed on a schedule of program/fiscal audits beginning in 2018. During the audits, CYS program staff check certifications (clearances) of staff, volunteers and foster parents.

Summary

Delaware County Department of Human Services believes that there is a need for the County to monitor CPSL adherence of our providers, employees, volunteers and foster parents. As such, we have developed procedures to assure that all of our contracted entities are in full compliance with CPSL certification requirements.¹⁵

¹⁵ We did not perform procedures to evaluate the agency's performance of those procedures.

DELAWARE COUNTY CHILDREN AND YOUTH AGENCY
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