

AMENDED FISCAL REPORTS

For Fiscal Years:

July 1, 2018 to June 30, 2019

July 1, 2019 to June 30, 2020

Elk County Children and Youth Agency

March 2022



Commonwealth of Pennsylvania
Department of the Auditor General

Timothy L. DeFoor • Auditor General



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

**TIMOTHY L. DEFOOR
AUDITOR GENERAL**

The Commissioners of Elk County
Elk County Courthouse Annex
300 Center Street PO Box 448
Ridgeway, PA 15853

Dear Commissioners:

We have fulfilled the requirements pursuant to authority derived from Act 148 of 1976, as amended, (62 P.S. § 704.1(a)(4)) for the submitted CY-370 Expenditure Report, the CY-370A Revenue Report, and the CY-348 Fiscal Summary, hereinafter referred to as the submitted fiscal reports, and the related financial records of the Elk County Children and Youth Services (agency). The purpose of this engagement is to ascertain and certify the actual commonwealth expenditures incurred on behalf of children residing within the county for the fiscal years July 1, 2018 to June 30, 2019, and July 1, 2019 to June 30, 2020. The scope of our engagement was limited to the fiscal reports submitted to the Pennsylvania Department of Human Services (DHS) as part of the Act 148 Invoice Packages for the fiscal years ended June 30, 2019, and June 30, 2020.

Agency management is responsible for the preparation of the submitted fiscal reports, and compliance with children, youth, and families regulations. Our engagement procedures included a review of selected agency records and other procedures we deemed necessary to enable us to ascertain and certify the actual commonwealth expenditures incurred on behalf of children residing within the county. We also performed procedures to determine the county's compliance with certain provisions of 55 Pa. Code, Part V. Children, Youth, and Families Manual, Subpart C, Chapters 3140 and 3170 (55 Pa. Code §§ 3140.1 *et seq.* and 3170.1 *et seq.*). The engagement was not conducted, nor was it required to be, in accordance with professional auditing or attestation standards. We believe that our engagement procedures provided us a reasonable basis to ascertain and certify the actual commonwealth expenditures incurred on behalf of children residing within Elk County.

We certify the enclosed amended fiscal reports fairly present, in all material respects, the total commonwealth expenditures paid on behalf of children residing within the county for the 2018-2019 and 2019-2020 fiscal years based on the accrual basis of accounting.¹

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

- For the **2018-2019 fiscal year**, our engagement resulted in one adjustment being made to the agency's submitted fiscal reports. This adjustment in total impacted the agency's Net State Share by increasing revenue by \$1,623. Based on the application of the state participation rates, the one adjustment resulted in an amount due to the state totaling \$974.
- For the **2019-2020 fiscal year**, our engagement resulted in no adjustments made to the agency's submitted fiscal reports.

This report includes the following observation.

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

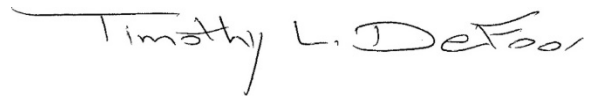
The results of our engagement procedures, as presented in this report, were discussed with County representatives and agency management at an exit conference held on March 2, 2022.

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

¹ In accordance with DHS regulations, the expenditures reported in the enclosed fiscal reports are limited to expenditures funded by allocations made pursuant to Act 148 of 1976, as amended, (62 P.S. § 704.1) and do not include any expenditures made from other appropriations or grant funds.

We appreciate the cooperation, assistance, and courtesy granted to our representatives by your officials and the agency. If you have any questions, please feel free to contact the Bureau of County Audits at 717-787-1363.

Sincerely,

A handwritten signature in black ink that reads "Timothy L. DeFoor". The signature is written in a cursive style with a long horizontal line extending to the left of the first letter.

Timothy L. DeFoor
Auditor General
March 8, 2022

CONTENTS

	Page
<u>Background</u>	1
<u>Section 1 – Amended Fiscal Reports for the Fiscal Year July 1, 2018 to June 30, 2019</u>	
Amended Computation of Final Net State Share	3
Amended CY-348 - Fiscal Summary	4
Amended CY-370A - Revenue Report	5
Amended CY-370 - Expenditure Report.....	6
Amended Summary of Expense and Expense Adjustments	7
Adjustment Schedule	8
<u>Section 2 – Amended Fiscal Reports for the Fiscal Year July 1, 2019 to June 30, 2020</u>	
Amended Computation of Final Net State Share	10
Amended CY-348 - Fiscal Summary	11
Amended CY-370A - Revenue Report	12
Amended CY-370 - Expenditure Report.....	13
Amended Summary of Expense and Expense Adjustments	14
Adjustment Schedule	15
<u>Section 3 – Current Engagement Observation</u>	16
<u>Report Distribution List</u>	20

BACKGROUND

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

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

We reviewed the final, cumulative 4th quarter fiscal reports submitted to DHS, the agency’s related financial records, and other supporting documentation. This was done to determine whether the agency’s actual, cumulative expenditures and revenues were properly reported to DHS for the respective fiscal years. The amended fiscal reports below include any adjustments we considered necessary to reflect the agency’s actual related revenue, expenditures, and net state share for each fiscal year in our engagement period.

SECTION 1

AMENDED FISCAL REPORTS

FOR THE FISCAL YEAR:

JULY 1, 2018 to JUNE 30, 2019

**ELK COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2018 TO JUNE 30, 2019
AMENDED
COMPUTATION OF FINAL NET STATE SHARE**

Approved State Allocation ¹		\$	1,103,974
Supplemental Act 148			<u>0</u>
Total State Allocation			1,103,974
State Share (CY348) ²	\$		957,912
Less: Major Service Category Adjustment			<u>0</u>
Net State Share		\$	957,912
Less: Expenditures in Excess of the Approved State Allocation			<u>0</u>
Final Net State Share Payable ³		\$	957,912
Actual Act 148 Revenues Received ⁴			<u>958,886</u>
Net Amount Due County/(State) ⁵		\$	<u>(974)</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 auditor's adjustments are considered.

³ Final Net Share Payable is the net amount of reimbursable expenditures from Act 148 funds after auditor's 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.

ELK COUNTY CHILDREN AND YOUTH AGENCY
 FOR THE PERIOD JULY 1, 2018 TO JUNE 30, 2019
 AMENDED CY348
 FISCAL SUMMARY

	A	B	C	D	E	F	G	H	I	J	K
	GRAND TOTAL	PROGRAM INCOME	TITLE IV-E	TANF	TITLE XX	TITLE IV-B	Child Welfare Demonstration Project Title IV-E	MEDICAL ASSISTANCE	NET TOTAL	STATE ACT 148	LOCAL SHARE
NET CHILD WELFARE EXPENDITURES											
01. 100% REIMBURSEMENT	9,490	0	1,704	0	0	0	0	0	7,786	7,786	0
02. 90% REIMBURSEMENT	45,378	343	4,008	12,843	0	0	0	0	28,184	25,366	2,818
03. 80% REIMBURSEMENT	1,359,490	23,437	274,775	13,077	43,512	0	0	0	1,004,689	803,752	200,937
04. 60% REIMBURSEMENT	242,158	7,979	23,137	0	0	20,491	0	610	189,941	113,965	75,976
05. 50% REIMBURSEMENT	14,089	0	5	0	0	0	0	0	14,084	7,043	7,041
06. TOTAL NET CHILD WELFARE EXPEND.	1,670,605	31,759	303,629	25,920	43,512	20,491	0	610	1,244,684	957,912	286,772

YDC/YFC PLACEMENT COSTS											
07. 60% DHS PARTICIPATION	0	0								0	0
08. NON-REIMBURSABLE EXPENDITURES	691	0								691	691

09. TOTAL EXPENDITURES	1,671,296	31,759	303,629	25,920	43,512	20,491	0	610	1,245,375	957,912	287,463
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10. TOTAL TITLE IV-D COLLECTIONS 15,620

11. TITLE IV-D Collections for IV-E Children 7,758

12. STATE ACT 148 - line 6 957,912

13. STATE ACT 148 ALLOCATION 1,103,974

14. ADJUSTED STATE SHARE (lower of 12 or 13) 957,912

INVOICE											
AMENDED STATE SHARE (ACT 148)	957,912										
ACT 148 AMOUNT RECEIVED	958,886										
ADJUSTMENT TO STATE SHARE	(974)										

ELK COUNTY CHILDREN AND YOUTH AGENCY
 FOR THE PERIOD JULY 1, 2018 TO JUNE 30, 2019
 AMENDED CY370A
 REVENUE REPORT

MAJOR SERVICE CATEGORIES & COST CENTERS	REVENUE SOURCES											
	1	2	3	4	5	6	7	8	9	10	11	12
IN-HOME	TOTAL REIMBURSABLE EXPENDITURES	PROGRAM INCOME	TITLE IV-E MAINTENANCE	TITLE IV-E ADMIN.	TANF	TITLE XX	TITLE IV-B	Child Welfare Demonstration Project Title IV-E	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE
I-A ADOPTION SERVICE	9,490	0		1,704	0			0	0	7,786	7,786	0
I-B ADOPTION ASSISTANCE	153,335	0	67,611	3,290				0	0	82,434	65,947	16,487
I-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	0	0	0	0				0	0	0	0	0
I-D COUNSELING - DEPENDENT	9,376	0		1,684	0			0	0	7,692	6,154	1,538
I-E COUNSELING - DELINQUENT	543	0		0	0			0	0	543	434	109
I-F DAY CARE	0	0		0	0			0	0	0	0	0
I-G DAY TREATMENT - DEPENDENT	0	0		0	0			0	0	0	0	0
I-H DAY TREATMENT - DELINQUENT	0	0		0	0			0	0	0	0	0
I-I HOME/MAKER SERVICE	9,376	0		1,684	0			0	0	7,692	6,154	1,538
I-J INTAKE & REFERRAL	131,274	0		23,576	0			0	0	107,698	86,158	21,540
I-K LIFE SKILLS - DEPENDENT	108,927	8,564		1,574	12,777	43,512		0	0	42,500	34,000	8,500
I-L LIFE SKILLS - DELINQUENT	2,926	0		110	0			0	0	2,816	2,253	563
I-M PROTECTIVE SERVICE - CHILD ABUSE	181,382	0		30,722	300			0	0	150,360	120,288	30,072
I-N PROTECTIVE SERVICE - GENERAL	256,840	0		44,299	0			0	0	212,541	170,033	42,508
I-O SERVICE PLANNING	168,780	0		30,313	0			0	0	138,467	110,774	27,693
I-P JUVENILE ACT PROCEEDINGS - DEPENDENT	11,879	0		0	0			0	0	11,879	5,940	5,939
I-Q JUVENILE ACT PROCEEDINGS - DELINQUENT	140	0		5	0			0	0	135	68	67
I-R SUBTOTAL IN-HOME	1,044,268	8,564	67,611	138,961	13,077	43,512	0	0	0	772,543	615,989	156,554
COMMUNITY BASED PLACEMENT	TOTAL REIMBURSABLE EXPENDITURES	PROGRAM INCOME	TITLE IV-E MAINTENANCE	TITLE IV-E ADMIN.	TANF	TITLE XX	TITLE IV-B	Child Welfare Demonstration Project Title IV-E	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE
2-A ALTERNATIVE TREATMENT - DEPENDENT	0	0		0				0	0	0	0	0
2-B ALTERNATIVE TREATMENT - DELINQUENT	0	0		0				0	0	0	0	0
2-C COMMUNITY RESIDENTIAL - DEPENDENT	120,312	4,333	0	1,724				0	0	114,235	91,388	22,847
2-D COMMUNITY RESIDENTIAL - DELINQUENT	0	416		0				0	0	(416)	(333)	(83)
2-E EMERGENCY SHELTER - DEPENDENT	23,363	343	1,136	2,865	7,399			0	0	11,620	10,458	1,162
2-F EMERGENCY SHELTER - DELINQUENT	22,015	0		7	5,444			0	0	16,564	14,908	1,656
2-G FOSTER FAMILY - DEPENDENT	216,419	10,104	34,657	33,531				0	0	138,127	110,502	27,625
2-H FOSTER FAMILY - DELINQUENT	0	0		0				0	0	0	0	0
2-I SUP. INDEPENDENT LIVING - DEPENDENT	0	0		0				0	0	0	0	0
2-J SUP. INDEPENDENT LIVING - DELINQUENT	0	0		0				0	0	0	0	0
2-K SUBTOTAL CBP	382,109	15,216	35,793	38,127	12,843	0	0	0	0	280,130	226,923	53,207
INSTITUTIONAL PLACEMENT	TOTAL REIMBURSABLE EXPENDITURES	PROGRAM INCOME	TITLE IV-E MAINTENANCE	TITLE IV-E ADMIN.	TANF	TITLE XX	TITLE IV-B	Child Welfare Demonstration Project Title IV-E	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE
3-A JUVENILE DETENTION SERVICE	2,070	0							0	2,070	1,035	1,035
3-B RESIDENTIAL SERVICE - DEPENDENT	9,376	0		1,684				0	0	7,692	4,615	3,077
3-C RES. SERVICE - DELINQUENT (NON YDC/YFC)	114,555	7,976	591	84			20,491	0	0	85,413	51,248	34,165
3-D SECURE RES. SERVICE (EXCEPT YDC)	0	0							0	0	0	0
3-E YDC SECURE	0	0										
3-F SUBTOTAL INSTITUTIONAL	126,001	7,976	591	1,768	0		20,491	0	0	95,175	56,898	38,277
4 ADMINISTRATION	118,227	3		20,778			0	0	610	96,836	58,102	38,734
5 TOTAL REVENUES	1,670,605	31,759	103,995	199,634	25,920	43,512	20,491	0	610	1,244,684	957,912	286,772

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

MAJOR SERVICE CATEGORIES & COST CENTERS	OBJECTS OF EXPENDITURE											
	1	2	3	4	5	6	7	8	9	10	11	12
	WAGES AND SALARIES	EMPLOYEE BENEFITS	EMPLOYEE BENEFITS	OPERATING SERVICES	PURCHASED SERVICES	FIXED ASSETS	TOTAL EXPENDITURES (by county)	Children Served (Purchased)	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	5,499	2,473		1,388	0	172	9,532	10	0	42	0	0
1-B ADOPTION ASSISTANCE	0	0	153,335	0	0	0	153,335	0	19	0	0	0
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	0	0	0	0	0	0	0	0	0	0	0	0
1-D COUNSELING - DEPENDENT	5,499	2,473		1,232	0	172	9,376	807	0	0	0	0
1-E COUNSELING - DELINQUENT	0	0		0	543	0	543	0	2	0	0	0
1-F DAY CARE	0	0		0	0	0	0	0	0	0	0	0
1-G DAY TREATMENT - DEPENDENT	0	0		0	0	0	0	0	0	0	0	0
1-H DAY TREATMENT - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
1-I HOMEMAKER SERVICE	5,499	2,473		1,232	0	172	9,376	55	0	0	0	0
1-J INTAKE & REFERRAL	76,989	34,631		17,243	0	2,411	131,274	1,304	0	0	0	0
1-K LIFE SKILLS - DEPENDENT	5,499	2,473		1,232	99,551	172	108,927	78	42	0	0	0
1-L LIFE SKILLS - DELINQUENT	0	0		2,926	0	0	2,926	15	0	0	0	0
1-M PROTECTIVE SERVICE - CHILD ABUSE	93,486	42,050		38,465	4,500	2,927	181,428	128	14	46	0	0
1-N PROTECTIVE SERVICE - GENERAL	142,978	64,314		44,718	385	4,477	256,872	679	1	32	0	0
1-O SERVICE PLANNING	98,986	44,525		22,170	0	3,099	168,780	807	0	0	0	0
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT				1,042	10,837		11,879	2	14	0	0	0
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT				140	0		140	27	0	0	0	0
1-R SUBTOTAL IN-HOME	434,435	195,412	153,335	131,788	115,816	13,602	1,044,588			120		0
Number of Children receiving only NON-PURCHASED IN-Home Services 807												
COMMUNITY BASED PLACEMENT												
2-A ALTERNATIVE TREATMENT - DEPENDENT	0	0		0	0	0	0	0	0	0	0	0
2-B ALTERNATIVE TREATMENT - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
2-C COMMUNITY RESIDENTIAL - DEPENDENT	5,499	2,473		2,543	109,810	172	120,497	569	4	185	0	0
2-D COMMUNITY RESIDENTIAL - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
2-E EMERGENCY SHELTER - DEPENDENT	5,499	2,473		2,008	13,222	172	23,374	120	4	11	0	0
2-F EMERGENCY SHELTER - DELINQUENT	0	0		40	21,975	0	22,015	97	5	0	0	0
2-G FOSTER FAMILY - DEPENDENT	32,995	14,842		22,779	144,994	1,033	216,643	3,518	13	224	0	0
2-H FOSTER FAMILY - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
2-I SUP. INDEPENDENT LIVING - DEPENDENT	0	0		0	0	0	0	0	0	0	0	0
2-J SUP. INDEPENDENT LIVING - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
2-K SUBTOTAL CBP	43,993	19,788	0	27,370	290,001	1,377	382,529	4,304	26	420	0	0
INSTITUTIONAL PLACEMENT												
3-A JUVENILE DETENTION SERVICE	0	0		0	2,070	0	2,070	8	2	0	0	0
3-B RESIDENTIAL SERVICE - DEPENDENT	5,499	2,473		1,232	0	172	9,376	0	0	0	0	0
3-C RES. SERVICE - DELINQUENT (EXCEPT YDC/YFC)	0	0		676	113,992	0	114,668	547	9	113	0	0
3-D SECURE RES. SERVICE (EXCEPT YDC)	0	0		0	0	0	0	0	0	0	0	0
3-E YDC SECURE	0	0		0	0	0	0	0	0	0	0	0
3-F SUBTOTAL INSTITUTIONAL	5,499	2,473	0	1,908	116,062	172	126,114	555	11	113	0	0
4 ADMINISTRATION	65,990	29,683	0	18,026	2,500	2,066	118,265			38		0
5 TOTAL EXPENDITURES	549,917	247,356	153,335	179,092	524,379	17,217	1,671,296			691		0
County Indirect Costs = \$ 41,637												

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

COST CENTER ITEMS	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Adoption Service	\$ 9,532	\$ 0	\$ 9,532
Adoption Assistance	153,335	0	153,335
Subsidized Permanent Legal Custodianship	0	0	0
Counseling	9,919	0	9,919
Day Care	0	0	0
Day Treatment	0	0	0
Homemaker Service	9,376	0	9,376
Intake and Referral	131,274	0	131,274
Life Skills	111,853	0	111,853
Protective Service - Child Abuse	181,428	0	181,428
Protective Service - General	256,872	0	256,872
Service Planning	168,780	0	168,780
Juvenile Act Proceedings	12,019	0	12,019
Alternative Treatment	0	0	0
Community Residential	120,497	0	120,497
Emergency Shelter	45,389	0	45,389
Foster Family	216,643	0	216,643
Supervised Independent Living	0	0	0
Juvenile Detention Service	2,070	0	2,070
Residential Service	124,044	0	124,044
Secure Residential Service (Except YDC)	0	0	0
YDC Secure	0	0	0
Administration	118,265	0	118,265
Combined Total Expense	<u>1,671,296</u>	<u>0</u>	<u>1,671,296</u>
Less Non-reimbursables	<u>691</u>	<u>0</u>	<u>691</u>
Total Net Expense	<u>\$ 1,670,605</u>	<u>\$ 0</u>	<u>\$ 1,670,605</u>

OBJECTS OF EXPENDITURE	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Wages and Salaries	\$ 549,917	\$ 0	\$ 549,917
Employee Benefits	247,356	0	247,356
Subsidies	153,335	0	153,335
Operating	179,092	0	179,092
Purchased Services	524,379	0	524,379
Fixed Assets	17,217	0	17,217
Combined Total Expense	<u>1,671,296</u>	<u>0</u>	<u>1,671,296</u>
Less Non-reimbursables	<u>691</u>	<u>0</u>	<u>691</u>
Total Net Expense	<u>\$ 1,670,605</u>	<u>\$ 0</u>	<u>\$ 1,670,605</u>

**ELK COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2018 TO JUNE 30, 2019
ADJUSTMENT SCHEDULE**

REPORT REFERENCE			ADJ. NO.	EXPLANATION OF ADJUSTMENT	AS REPORTED OR ADJUSTED	INCREASE/ (DECREASE)	ADJUSTED TOTAL
SCHEDULE	LINE	COLUMN					
370A	3-C	2	1	<p style="text-align: center;">CY-370A</p> <p>Residential Service (Delinquent) (Non YDC/YFC) - Program Income</p> <p>To increase program income by \$1,623 to include revenue received subsequent to the agency's submission of the Act 148 invoice to Commonwealth DHS and reconcile to the agency's final revenue ledger.</p> <p>Title 55 PA Code, Chapter 3170.95</p>	\$ 6,353	\$ 1,623	\$ 7,976

SECTION 2

AMENDED FISCAL REPORTS

FOR THE FISCAL YEAR:

JULY 1, 2019 to JUNE 30, 2020

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

Approved State Allocation ¹		\$ 1,113,964
Supplemental Act 148		<u>0</u>
Total State Allocation		1,113,964
State Share (CY348) ²	\$ 884,591	
Less: Major Service Category Adjustment	<u>0</u>	
Net State Share		\$ 884,591
Less: Expenditures in Excess of the Approved State Allocation		<u>0</u>
Final Net State Share Payable ³		\$ 884,591
Actual Act 148 Revenues Received ⁴		<u>884,591</u>
Net Amount Due County/(State) ⁵		<u><u>0</u></u>

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

² State Share (CY348) is the total amount of County expenditures that are eligible for reimbursement from Act 148 Funds after auditor's adjustments are considered.

³ Final Net Share Payable is the net amount of reimbursable expenditures from Act 148 funds after auditor's 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.

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

MAJOR SERVICE CATEGORIES & COST CENTERS	REVENUE SOURCES											
	1	2	3	4	5	6	7	8	9	10	11	12
	TOTAL REIMBURSABLE EXPENDITURES	PROGRAM INCOME	TITLE IV-E MAINTENANCE	TITLE IV-E ADMIN.	TITLE IV-E 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	10,049	0	1,513	0	0	0	0	0	0	8,536	8,536	0
I-B ADOPTION ASSISTANCE	168,164	0	81,406	2,303	0	0	0	0	0	84,455	67,564	16,891
I-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	0	0	0	0	0	0	0	0	0	0	0	0
I-D COUNSELING - DEPENDENT	9,961	0	1,500	0	0	0	0	0	0	8,461	6,769	1,692
I-E COUNSELING - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
I-F DAY CARE	0	0	0	0	0	0	0	0	0	0	0	0
I-G DAY TREATMENT - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
I-H DAY TREATMENT - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
I-I HOMEMAKER SERVICE	9,962	0	1,500	0	0	0	0	0	0	8,462	6,770	1,692
I-J INTAKE & REFERRAL	99,605	0	15,010	0	0	0	0	0	0	84,595	67,676	16,919
I-K LIFE SKILLS - DEPENDENT	32,938	7,693	1,500	2,619	11,486	3,910	0	0	0	5,730	4,584	1,146
I-L LIFE SKILLS - DELINQUENT	2,792	0	0	0	0	0	0	0	0	2,792	2,234	558
I-M PROTECTIVE SERVICE - CHILD ABUSE	159,510	757	23,427	900	0	0	0	0	0	134,426	107,541	26,885
I-N PROTECTIVE SERVICE - GENERAL	273,588	0	40,749	0	0	0	0	0	0	232,839	186,271	46,568
I-O SERVICE PLANNING	199,212	0	30,020	0	0	0	0	0	0	169,192	135,354	33,838
I-P JUVENILE ACT PROCEEDINGS - DEPENDENT	10,684	0	17	0	0	4,835	0	0	0	3,832	2,916	2,916
I-Q JUVENILE ACT PROCEEDINGS - DELINQUENT	440	0	4	0	0	400	0	0	0	36	18	18
I-R SUBTOTAL IN-HOME	976,905	8,450	81,406	117,543	3,519	11,486	9,145	0	0	745,356	596,233	149,123

COMMUNITY BASED PLACEMENT	REVENUE SOURCES											
	1	2	3	4	5	6	7	8	9	10	11	12
	TOTAL REIMBURSABLE EXPENDITURES	PROGRAM INCOME	TITLE IV-E MAINTENANCE	TITLE IV-E ADMIN.	TITLE IV-E TANF	TITLE XX	TITLE IV-B	Child Welfare Demonstration Project Title IV-E	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE
2-A ALTERNATIVE TREATMENT - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
2-B ALTERNATIVE TREATMENT - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-C COMMUNITY RESIDENTIAL - DEPENDENT	63,976	3,984	0	3,007	0	804	0	0	0	56,181	44,945	11,236
2-D COMMUNITY RESIDENTIAL - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-E EMERGENCY SHELTER - DEPENDENT	23,490	705	0	1,584	4,945	0	0	0	0	16,256	14,630	1,626
2-F EMERGENCY SHELTER - DELINQUENT	30,603	151	0	0	17,456	0	0	0	0	12,996	11,696	1,300
2-G FOSTER FAMILY - DEPENDENT	196,912	30,386	17,416	32,082	0	248	0	0	0	116,780	93,424	23,356
2-H FOSTER FAMILY - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-I KINSHIP CARE - DEPENDENT	63,837	15,771	5,820	1,666	0	10,744	0	0	0	29,836	23,869	5,967
2-J KINSHIP CARE - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-K SUP. INDEPENDENT LIVING - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
2-L SUP. INDEPENDENT LIVING - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-M SUBTOTAL CBP	378,818	50,997	23,236	38,339	22,401	10,992	804	0	0	232,049	188,564	43,485

INSTITUTIONAL PLACEMENT	REVENUE SOURCES											
	1	2	3	4	5	6	7	8	9	10	11	12
	TOTAL REIMBURSABLE EXPENDITURES	PROGRAM INCOME	TITLE IV-E MAINTENANCE	TITLE IV-E ADMIN.	TITLE IV-E 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	9,202	609	0	1,504	20,360	1,212	0	0	0	8,593	4,297	4,296
3-B RESIDENTIAL SERVICE - DEPENDENT	31,680	0	0	53	674	9,330	0	0	0	8,604	5,162	3,442
3-C RES. SERVICE - DELINQUENT (NON YDC/YFC)	80,516	6,335	0	0	0	0	0	0	0	64,124	38,474	25,650
3-D SECURE RES. SERVICE (EXCEPT YDC)	0	0	0	0	0	0	0	0	0	0	0	0
3-E YDC SECURE	0	0	0	0	0	0	0	0	0	0	0	0
3-F SUBTOTAL INSTITUTIONAL	121,398	6,944	0	1,557	21,034	10,542	0	0	0	81,321	47,933	33,388

ADMINISTRATION	103,700	1,036	0	15,596	0	0	0	0	633	86,435	51,861	34,574
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TOTAL REVENUES	1,580,821	67,427	104,642	173,035	25,920	43,512	20,491	0	633	1,145,161	884,591	260,570
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ELK COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2019 TO JUNE 30, 2020
AMENDED CY370
EXPENDITURE REPORT

MAJOR SERVICE CATEGORIES & COST CENTERS	OBJECTS OF EXPENDITURE											
	1	2	3	4	5	6	7	8	9	10	11	12
	WAGES AND SALARIES	EMPLOYEE BENEFITS	SUBSIDIES	OPERATING SERVICES	PURCHASED SERVICES	FIXED ASSETS	TOTAL EXPENDITURES	CHILDREN SERVED (BY COUNTY)	CHILDREN SERVED (PURCHASED)	NON- REIMBURSABLE NON PS/SUB.	NON-REIM. PURCHASED SERV/ SUBSIDIES	PROGRAM INCOME RELATED TO ALL NON- REIMBURSABLE
IN-HOME												
1-A ADOPTION SERVICE	6,121	2,606	1,256	0	81	10,064	6	0	15	0	0	0
1-B ADOPTION ASSISTANCE	0	0	168,164	0	0	168,164	0	21	0	0	0	0
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	0	0	0	0	0	0	0	0	0	0	0	0
1-D COUNSELING - DEPENDENT	6,121	2,606	1,153	0	81	9,961	779	0	0	0	0	0
1-E COUNSELING - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
1-F DAY CARE	0	0	0	0	0	0	0	0	0	0	0	0
1-G DAY TREATMENT - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
1-H DAY TREATMENT - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
1-I HOME/MAKER SERVICE	6,121	2,606	1,154	0	81	9,962	60	0	0	0	0	0
1-J INTAKE & REFERRAL	61,204	26,062	11,531	0	808	99,605	1,339	0	0	0	0	0
1-K LIFE SKILLS - DEPENDENT	6,121	2,606	1,154	22,976	81	32,938	75	11	0	0	0	0
1-L LIFE SKILLS - DELINQUENT	0	0	2,792	0	0	2,792	15	0	0	0	0	0
1-M PROTECTIVE SERVICE - CHILD ABUSE	91,805	39,093	24,700	2,700	1,212	159,510	146	8	0	0	0	0
1-N PROTECTIVE SERVICE - GENERAL	165,249	70,366	35,840	25	2,182	273,662	633	1	74	0	0	0
1-O SERVICE PLANNING	122,407	52,123	23,065	0	1,617	199,212	779	0	0	0	0	0
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT	0	0	432	10,432	0	10,864	16	13	0	180	0	0
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT	0	0	0	40	0	440	19	1	0	0	0	0
1-R SUBTOTAL IN-HOME	465,149	198,968	168,164	103,117	36,533	977,174	89	89	289	180	0	0
Number of Children receiving only NON-PURCHASED In-Home Services 779												
COMMUNITY BASED PLACEMENT												
2-A ALTERNATIVE TREATMENT - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
2-B ALTERNATIVE TREATMENT - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-C COMMUNITY RESIDENTIAL - DEPENDENT	12,240	5,213	0	3,246	43,181	64,041	267	2	65	0	0	0
2-D COMMUNITY RESIDENTIAL - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-E EMERGENCY SHELTER - DEPENDENT	6,121	2,606	3,822	10,872	81	23,502	212	8	12	0	0	0
2-F EMERGENCY SHELTER - DELINQUENT	0	0	328	30,275	4	30,603	106	4	0	0	0	0
2-G FOSTER FAMILY - DEPENDENT	55,082	23,455	18,500	99,301	728	197,066	2,353	13	154	0	0	0
2-H FOSTER FAMILY - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-I KINSHIP CARE - DEPENDENT	6,121	2,606	7,710	48,643	81	65,161	1,601	9	58	1,266	0	0
2-J KINSHIP CARE - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-K SUP. INDEPENDENT LIVING - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
2-L SUP. INDEPENDENT LIVING - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-M SUBTOTAL CBP	79,564	33,880	33,606	232,272	1,051	380,373	4,559	36	289	1,266	0	0
INSTITUTIONAL PLACEMENT												
3-A JUVENILE DETENTION SERVICE	0	0	0	9,202	0	9,202	28	2	0	0	0	0
3-B RESIDENTIAL SERVICE - DEPENDENT	6,121	2,606	1,310	21,572	81	31,690	91	1	10	0	0	0
3-C RES. SERVICE - DELINQUENT (EXCEPT YDC/YFC)	0	0	694	79,844	0	80,538	372	5	22	0	0	0
3-D SECURE RES. SERVICE (EXCEPT YDC)	0	0	0	0	0	0	0	0	0	0	0	0
3-E YDC SECURE	0	0	0	0	0	0	0	0	0	0	0	0
3-F SUBTOTAL INSTITUTIONAL	6,121	2,606	2,004	110,618	81	121,430	491	8	32	0	0	0
4 ADMINISTRATION	61,204	26,062	0	15,662	0	808	103,736	36	36	0	0	0
TOTAL EXPENDITURES	612,038	260,616	168,164	154,389	379,423	8,083	1,582,713	446	446	1,446	0	0
County Indirect Costs = \$ 39,518												

**ELK COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2019 TO JUNE 30, 2020
AMENDED**

SUMMARY OF EXPENSE AND EXPENSE ADJUSTMENTS

COST CENTER ITEMS	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Adoption Service	\$ 10,064	\$ 0	\$ 10,064
Adoption Assistance	168,164	0	168,164
Subsidized Permanent Legal Custodianship	0	0	0
Counseling	9,961	0	9,961
Day Care	0	0	0
Day Treatment	0	0	0
Homemaker Service	9,962	0	9,962
Intake and Referral	99,605	0	99,605
Life Skills	35,730	0	35,730
Protective Service - Child Abuse	159,510	0	159,510
Protective Service - General	273,662	0	273,662
Service Planning	199,212	0	199,212
Juvenile Act Proceedings	11,304	0	11,304
Alternative Treatment	0	0	0
Community Residential	64,041	0	64,041
Emergency Shelter	54,105	0	54,105
Foster Family	197,066	0	197,066
Kinship Care	65,161	0	65,161
Supervised Independent Living	0	0	0
Juvenile Detention Service	9,202	0	9,202
Residential Service	112,228	0	112,228
Secure Residential Service (Except YDC)	0	0	0
YDC Secure	0	0	0
Administration	103,736	0	103,736
Combined Total Expense	<u>1,582,713</u>	<u>0</u>	<u>1,582,713</u>
Less Non-reimbursables	<u>1,892</u>	<u>0</u>	<u>1,892</u>
Total Net Expense	\$ <u>1,580,821</u>	\$ <u>0</u>	\$ <u>1,580,821</u>

OBJECTS OF EXPENDITURE	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Wages and Salaries	\$ 612,038	\$ 0	\$ 612,038
Employee Benefits	260,616	0	260,616
Subsidies	168,164	0	168,164
Operating	154,389	0	154,389
Purchased Services	379,423	0	379,423
Fixed Assets	8,083	0	8,083
Combined Total Expense	<u>1,582,713</u>	<u>0</u>	<u>1,582,713</u>
Less Non-reimbursables	<u>1,892</u>	<u>0</u>	<u>1,892</u>
Total Net Expense	\$ <u>1,580,821</u>	\$ <u>0</u>	\$ <u>1,580,821</u>

SECTION 3

CURRENT ENGAGEMENT OBSERVATION

ELK COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT OBSERVATION

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

The vast majority of Pennsylvania’s County Children and Youth (C&Y) agencies contract with non-government In-Home Preventative Service providers (contracted providers) to deliver services to children outside of an institutional or community-based setting, and those services are referred to as In-Home Purchased Services.² The Child Protective Services Law (CPSL) requires the conduct of Criminal Background Checks and Child Abuse History Clearances (certifications) for all contracted providers’ (and their respective subcontractors’) employees and direct volunteers.³

Since 2016, we have communicated concerns to the Pennsylvania Department of Human Services (DHS) that these contracted providers were not being monitored for compliance with the CPSL certification mandates. Specifically, this needed monitoring relates to obtaining assurance as to the sufficiency of each C&Y agency’s procedures for reviewing the certifications of contracted providers’ employees and volunteers and their respective subcontractors, whose duties require them to come into direct contact with children and taking appropriate corrective actions when disqualifying incidents are identified. Furthermore, these contracted providers are not subject to licensure nor annual inspections under the Human Services Code (Code).⁴ Our concerns continue to be communicated through the inclusion of a standardized observation in our C&Y Program engagement reports and through correspondence with DHS.

In February 2018, DHS senior management staff affirmed that DHS is responsible for communicating contract-monitoring expectations to the C&Y agencies and for implementing a

² Institutional and community-based settings are those in which the child is outside of the home for the entire time (e.g., Juvenile Detention, Residential Services, Secure Residential, Youth Development Camps, Youth Forestry Camps, Foster Care, Emergency Shelter, Group Homes, etc.). In-Home supportive services are provided while the child is in their own home or supportive services provided to the child or child’s family while the child is in substitute care.

³ 23 Pa.C.S. §§ 6344 and 6344.2. Please note that CPSL 23 Pa.C.S. § 6344.4 now requires recertification of the required state and federal background checks and the child abuse clearance every 60 months.

⁴ Based on a recent communication with DHS in early September 2020, the state agency candidly indicated that it lacks sufficient budgetary resources, leading to inadequate staffing to provide for the licensure and inspection of these contracted providers, which includes a large population of not only these providers, but also their subcontractors. Further, the implication of these budgetary constraints is that it would not be reasonable to pursue or support related legislation to make these contracted providers and their subcontractors subject to licensure and inspection. Please see the Special Note in Endnote 1.

ELK COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT OBSERVATION

method to ensure certification monitoring is being performed adequately. DHS staff also stated these expectations were communicated to C&Y agencies on numerous occasions since 2016.

Our 2018 Position Statement Letter

On March 18, 2018, we sent a Position Statement Letter to then DHS Deputy Secretary for Children, Youth and Families, which was also delivered to the Pennsylvania Senate and House of Representatives' children and youth committee chairs. The major purpose of our letter was to express our concerns, as detailed above.

DHS Corrective Actions Taken

In an effort to further address our concerns, DHS expanded its CPSL adherence requirements for C&Y agencies through the issuance of its 2019 revision of its Single Audit Supplement (supplement) for counties, effective for the fiscal year ended June 30, 2019. The supplement included the following requirements for C&Y agencies and their auditors who conduct Single Audits of counties.

C&Y agencies are required to:

- Monitor contracted provider adherence to the CPSL background check requirements to assure the safety of children receiving prevention, reunification, and aftercare services (services coded as in-home).
- Document these efforts and report them to DHS on a supplemental schedule included in each counties' Single Audit package.
- Create a listing of contracted providers that deliver in-home coded services.
- Monitor a sample of contracted providers' compliance with the CPSL requirements, including checking for incidents since the date of the background clearances.
- Communicate any violations to contracted providers and obtain a corrective action plan.
- Follow-up on implementation of the corrective action plan within six months.
- Document the results of the monitoring.

As part of the Single Audit, the auditors are required to perform agreed-upon procedures with regard to the supplemental schedule noted above, including the following:

- Obtain a listing of contracted providers that deliver in-home coded services for the C&Y agency.
- Test the listing of contracted providers for completeness.

ELK COUNTY CHILDREN AND YOUTH AGENCY CURRENT ENGAGEMENT OBSERVATION

- Analyze the C&Y agency's documentation of monitoring activities for adequacy of monitoring, the C&Y agency's obtaining of any necessary corrective action plans, the C&Y agency's timely follow-up on corrective action plans, and the adequacy and accuracy of the monitoring documentation as represented on the supplemental schedule.
- Disclose any exceptions or findings within the Single Audit package for items not reflected on the supplemental schedule.

Our Current Position

We believe that the requirements that DHS included in its supplement are great first steps in obtaining assurance of the C&Y agencies' compliance with the CPSL certification requirements. Specifically, having independent auditors reviewing the adequacy of the C&Y agencies' monitoring of the CPSL background check requirements for contracted providers annually, and reporting the C&Y agencies' monitoring efforts in a supplemental schedule of the Single Audit package that is provided to DHS appears to be effective. As part of the CPSL certification monitoring process, it is incumbent upon DHS to review the supplemental schedule and any exceptions or findings within the Single Audit packages to ascertain whether the C&Y agencies are properly monitoring for CPSL certification requirements of its contracted providers. However, as of March 2021, DHS officials acknowledged that staff have not started reviewing the Single Audit packages for this purpose.⁵

This lack of review by DHS is especially concerning considering DHS as the oversight agency could remain unaware of improper monitoring being performed by a C&Y agency and/or non-compliance with the CPSL occurring despite receiving an audit report disclosing such information. Therefore, we believe that it is imperative that DHS review the Single Audit packages for CPSL compliance by the C&Y agencies in a timely manner.

Alternatively, DHS could implement its own monitoring process whereby it reviews the adequacy of each C&Y agency's monitoring to ensure the agency's contracted providers and their subcontractors complied with CPSL certification requirements. The process would include reviewing the corrective actions plans when disqualifying incidents were identified and verifying that the corrective action plans were implemented.¹

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

ELK COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT OBSERVATION

Conclusion

As the oversight agency, it is our opinion that DHS should ensure that every C&Y agency and its respective contracted providers are actually adhering to the CPSL certification requirements. This specifically relates to obtaining assurance as to the adequacy of each C&Y Agency's procedures for reviewing the certifications of their contracted providers' employees and volunteers and their subcontractors (whose duties require them to come into direct contact with children) and taking appropriate corrective action when disqualifying incidents are identified. We continue to believe that these children remain particularly vulnerable because contracted in-home services are often times provided outside the presence and view of others.

ⁱ **Special Note:** In marked contrast to contracted foster care parents/providers and day treatment centers/child residential facilities, as well as 12 other types of facilities and programs, these C&Y contracted providers are not subject to annual licensure and an inspection process in accordance with the Human Services Code (Code). As noted in an earlier footnote, DHS recently made the candid statement that it lacks sufficient budgetary resources, leading to inadequate staffing to provide for the licensure and inspection of these contracted providers.

Our Department understands and appreciates these budgetary difficulties and that it may not be practical, but it is definitely reasonable to have licensure and inspections under the Code for this very large population of these C&Y agencies' contracted providers and their subcontractors.

ELK COUNTY CHILDREN AND YOUTH AGENCY
REPORT DISTRIBUTION LIST

This report was originally distributed to the following:

The Honorable Tom W. Wolf
Governor
Commonwealth of Pennsylvania

The Honorable Megan Snead
Acting Secretary
Department of Human Services

Mr. Jonathan Rubin
Deputy Secretary
Office of Children, Youth and Families
Department of Human Services

Ms. Tia Petrovitz
Fiscal Management Specialist 4
Division of County Programs
Bureau of Budget and Fiscal Support
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Bureau of Budget and Fiscal Support
Office of Children, Youth and Families
Department of Human Services

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

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