

AMENDED FISCAL REPORTS

For Fiscal Years:

July 1, 2016 to June 30, 2017

July 1, 2017 to June 30, 2018

Forest County Children and Youth Agency

October 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**

Independent Auditor's Report

The Commissioners of Forest County
Forest County Children and Youth Services
623 Elm Street, PO Box 523
Tionesta, PA 16353

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 Forest County Children and Youth Agency (agency), legally known as Forest 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, 2016 to June 30, 2017, and July 1, 2017 to June 30, 2018. 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, 2017, and June 30, 2018.

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

Independent Auditor's Report (Continued)

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 2016-2017 and 2017-2018 fiscal years based on the accrual basis of accounting.¹

The procedures we performed during this engagement resulted in no adjustments to the agency's submitted fiscal reports for the fiscal years included in our engagement scope period. The fiscal reports are included in the following sections of this report:

- Section 1 for the 2016-2017 fiscal year
- Section 2 for the 2017-2018 fiscal year

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 3 of this report.

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

The results of our engagement procedures, as presented in this report, were discussed with agency management at an exit conference held on October 8, 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 DHS of the decisions made regarding the approval and finalization of the adjustment amounts during 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 Forest County Children and Youth Agency.

Sincerely,



Eugene A. DePasquale
Auditor General

October 8, 2019

¹ The accrual basis of accounting is required by DHS.

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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 Forest County Children and Youth Agency provided in-home and placement services to 115 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 DHS and thus, they are jointly responsible 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. 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.

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 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 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. The reports also include the impact of those costs and revenues on the County Children and Youth Agency’s corresponding Net State Shares.

SECTION 1

AMENDED FISCAL REPORTS

FOR THE FISCAL YEAR:

JULY 1, 2016 to JUNE 30, 2017

**FOREST 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		\$	545,002
Supplemental Act 148			<u>0</u>
Total State Allocation			545,002
State Share (CY348) ²	\$		327,211
Less: Major Service Category Adjustment			<u>0</u>
Net State Share		\$	327,211
Less: Expenditures in Excess of the Approved State Allocation			<u>0</u>
Final Net State Share Payable ³		\$	327,211
Actual Act 148 Revenues Received ⁴			<u>327,211</u>
Net Amount Due County/(State) ⁵		\$	<u><u>0</u></u>

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

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

³ Final Net Share Payable is the net amount of reimbursable expenditures from Act 148 funds after audit adjustments are considered.

⁴ Actual Act 148 Revenues Received is the amount of Act 148 funds the County received.

⁵ Net Amount Due the County/(State) is the variance between the amount of Act 148 funds the County received and the Final Net State Share Payable to the County.

**FOREST 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	5,221	0	1,330	0	0	0	0	0	3,891	3,891	0
02. 90% REIMBURSEMENT	290	0	0	290	0	0	0	0	0	0	0
03. 80% REIMBURSEMENT	531,838	9,215	155,780	2,704	2,494	1,792	0	0	359,853	287,881	71,972
04. 60% REIMBURSEMENT	83,271	1,291	22,322	0	831	457	0	545	57,825	34,695	23,130
05. 50% REIMBURSEMENT	5,785	0	491	0	0	3,807	0	0	1,487	744	743
06. TOTAL NET CHILD WELFARE EXPEND.	626,405	10,506	179,923	2,994	3,325	6,056	0	545	423,056	327,211	95,845
YDC/YFC PLACEMENT COSTS											
07. 60% DHS PARTICIPATION	0	0	0	0	0	0	0	0	0	0	0
08. NON-REIMBURSABLE EXPENDITURES	0	0	0	0	0	0	0	0	0	0	0
09. TOTAL EXPENDITURES	626,405	10,506	179,923	2,994	3,325	6,056	0	545	423,056	327,211	95,845
10. TOTAL TITLE IV-D COLLECTIONS	4,389										
11. TITLE IV-D Collections for IV-E Children	4,389										
12. STATE ACT 148 - line 6	327,211										
13. STATE ACT 148 ALLOCATION	545,002										
14. ADJUSTED STATE SHARE (lower of 12 or 13)	327,211										
INVOICE											
AMENDED STATE SHARE (ACT 148)	327,211										
ACT 148 AMOUNT RECEIVED	327,211										
ADJUSTMENT TO STATE SHARE	0										

FOREST COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2016 TO JUNE 30, 2017
AMENDED CY370A
REVENUE REPORT

MAJOR SERVICE CATEGORIES & COST CENTERS	REVENUE SOURCES											
	1	2	3	4	5	6	7	8	9	10	11	12
	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	5,221	0		1,330	0		0	0	0	3,891	3,891	0
1-B ADOPTION ASSISTANCE	28,126	0	12,462	2,000			0	0	0	13,664	10,931	2,733
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	7,391	0	3,832				0	0	0	3,559	2,847	712
1-D COUNSELING - DEPENDENT	12,878	0		2,518	1,850		0	0	0	8,510	6,808	1,702
1-E COUNSELING - DELINQUENT	658	0		0	0		0	0	0	658	526	132
1-F DAY CARE	0	0		0	0		0	0	0	0	0	0
1-G DAY TREATMENT - DEPENDENT	0	0		0	0		0	0	0	0	0	0
1-H DAY TREATMENT - DELINQUENT	0	0		0	0		0	0	0	0	0	0
1-I HOMEMAKER SERVICE	0	0		0	0		0	0	0	0	0	0
1-J INTAKE & REFERRAL	11,780	0		3,011	0		0	0	0	8,769	7,015	1,754
1-K LIFE SKILLS - DEPENDENT	21,384	0		5,463	0		0	0	0	15,921	12,737	3,184
1-L LIFE SKILLS - DELINQUENT	0	0		0	0		0	0	0	0	0	0
1-M PROTECTIVE SERVICE - CHILD ABUSE	34,569	0		8,432	0		0	0	0	26,137	20,910	5,227
1-N PROTECTIVE SERVICE - GENERAL	271,659	5,803		67,043	854		0	0	0	197,959	158,367	39,592
1-O SERVICE PLANNING	40,295	0		10,287	0		0	0	0	30,008	24,006	6,002
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT	5,785	0		491	0		3,807	0	0	1,487	744	743
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT	0	0		0	0		0	0	0	0	0	0
1-R SUBTOTAL IN-HOME	439,746	5,803	16,294	100,575	2,704	0	3,807	0	0	310,563	248,782	61,781
COMMUNITY BASED PLACEMENT												
2-A ALTERNATIVE TREATMENT - DEPENDENT	0	0		0			0	0	0	0	0	0
2-B ALTERNATIVE TREATMENT - DELINQUENT	0	0		0			0	0	0	0	0	0
2-C COMMUNITY RESIDENTIAL - DEPENDENT	73,632	3,412	23,155	3,870		2,494	1,792	0	0	38,909	31,127	7,782
2-D COMMUNITY RESIDENTIAL - DELINQUENT	23,817	0	12,264				0	0	0	11,553	9,242	2,311
2-E EMERGENCY SHELTER - DEPENDENT	290	0		0	290		0	0	0	0	0	0
2-F EMERGENCY SHELTER - DELINQUENT	0	0		0	0		0	0	0	0	0	0
2-G FOSTER FAMILY - DEPENDENT	5,649	0		1,443			0	0	0	4,206	3,365	841
2-H FOSTER FAMILY - DELINQUENT	0	0		0			0	0	0	0	0	0
2-I SUP. INDEPENDENT LIVING - DEPENDENT	0	0		0			0	0	0	0	0	0
2-J SUP. INDEPENDENT LIVING - DELINQUENT	0	0		0			0	0	0	0	0	0
2-K SUBTOTAL CBP	103,388	3,412	35,419	5,313	290	2,494	1,792	0	0	54,668	43,734	10,934
INSTITUTIONAL PLACEMENT												
3-A JUVENILE DETENTION SERVICE	0	0										
3-B RESIDENTIAL SERVICE - DEPENDENT	18,767	977	4,586	1,442		831	457	0	0	10,474	6,284	4,190
3-C RES. SERVICE - DELINQUENT (NON YDC/YFC)	0	0		0			0	0	0	0	0	0
3-D SECURE RES. SERVICE (EXCEPT YDC)	0	0										
3-E YDC SECURE	0	0										
3-F SUBTOTAL INSTITUTIONAL	18,767	977	4,586	1,442	0	831	457	0	0	10,474	6,284	4,190
4 ADMINISTRATION	64,504	314		16,294		0	0	0	0	545	28,411	18,940
TOTAL REVENUES	626,405	10,506	56,299	123,624	2,994	3,325	6,056	0	545	423,056	327,211	95,845

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

MAJOR SERVICE CATEGORIES & COST CENTERS	OBJECTS OF EXPENDITURE											
	1	2	3	4	5	6	7	8	9	10	11	12
IN-HOME	WAGES AND SALARIES	EMPLOYEE BENEFITS	SUBSIDIES	OPERATING	PURCHASED SERVICES	FIXED ASSETS	TOTAL EXPENDITURES	Children Served (by county)	Children Served (Purchased)	Non-Reimbursable Non PS/Sub.	Non-Reim. Purchased Serv/ Subsidies	Program Income related to all Non-Reimbursable
1-A ADOPTION SERVICE	3,323	1,147		751	0	0	5,221	5	0	0	0	0
1-B ADOPTION ASSISTANCE	0	0	28,126	0	0	0	28,126	0	4	0	0	0
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	0	0	7,391	0	0	0	7,391	0	1	0	0	0
1-D COUNSELING - DEPENDENT	6,054	2,088		2,214	2,515	7	12,878	43	5	0	0	0
1-E COUNSELING - DELINQUENT	0	0		658	0	0	658	0	0	0	0	0
1-F DAY CARE	0	0		0	0	0	0	0	0	0	0	0
1-G DAY TREATMENT - DEPENDENT	0	0		0	0	0	0	0	0	0	0	0
1-H DAY TREATMENT - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
1-I HOMEMAKER SERVICE	0	0		0	0	0	0	2	0	0	0	0
1-J INTAKE & REFERRAL	7,563	2,630		1,582	0	5	11,780	104	0	0	0	0
1-K LIFE SKILLS - DEPENDENT	14,768	5,116		1,486	0	14	21,384	11	0	0	0	0
1-L LIFE SKILLS - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
1-M PROTECTIVE SERVICE - CHILD ABUSE	18,279	6,348		9,011	700	231	34,569	24	1	0	0	0
1-N PROTECTIVE SERVICE - GENERAL	155,428	50,271		43,185	1,020	21,755	271,659	88	4	0	0	0
1-O SERVICE PLANNING	24,610	8,552		7,119	0	14	40,295	30	0	0	0	0
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT				1,978	3,807		5,785	0	3	0	0	0
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT				0	0		0	0	0	0	0	0
1-R SUBTOTAL IN-HOME	230,025	76,152	35,517	67,984	8,042	22,026	439,746					
Number of Children receiving only NON-PURCHASED IN-Home Services 110												
COMMUNITY BASED PLACEMENT	WAGES AND SALARIES	EMPLOYEE BENEFITS	SUBSIDIES	OPERATING	PURCHASED SERVICES	FIXED ASSETS	TOTAL EXPENDITURES	DAYS OF CARE	Children Served (Purchased)	Non-Reimbursable Non PS/Sub.	Non-Reim. Purchased Serv/ Subsidies	Program Income related to all Non-Reimbursable
2-A ALTERNATIVE TREATMENT - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
2-B ALTERNATIVE TREATMENT - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-C COMMUNITY RESIDENTIAL - DEPENDENT	9,734	3,357	0	2,065	58,468	8	73,632	246	1	0	0	0
2-D COMMUNITY RESIDENTIAL - DELINQUENT	0	0	0	192	23,625	0	23,817	175	1	0	0	0
2-E EMERGENCY SHELTER - DEPENDENT	0	0	0	0	290	0	290	0	2	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	2,229	778	0	2,642	0	0	5,649	0	0	0	0	0
2-H FOSTER FAMILY - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-I SUP. INDEPENDENT LIVING - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
2-J SUP. INDEPENDENT LIVING - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-K SUBTOTAL CBP	11,963	4,135	0	4,899	82,383	8	103,388	423	3	0	0	0
INSTITUTIONAL PLACEMENT	WAGES AND SALARIES	EMPLOYEE BENEFITS	SUBSIDIES	OPERATING	PURCHASED SERVICES	FIXED ASSETS	TOTAL EXPENDITURES	DAYS OF CARE	Children Served (Purchased)	Non-Reimbursable Non PS/Sub.	Non-Reim. Purchased Serv/ Subsidies	Program Income related to all Non-Reimbursable
3-A JUVENILE DETENTION SERVICE	0	0	0	0	0	0	0	0	0	0	0	0
3-B RESIDENTIAL SERVICE - DEPENDENT	3,651	1,242	0	1,138	12,736	0	18,767	80	1	0	0	0
3-C RES. SERVICE - DELINQUENT (EXCEPT YDC/YFC)	0	0	0	0	0	0	0	0	0	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	3,651	1,242	0	1,138	12,736	0	18,767	80	1	0	0	0
4 ADMINISTRATION	37,249	12,855	0	14,400	0	0	64,504					
5 TOTAL EXPENDITURES	282,888	94,384	35,517	88,421	103,161	22,034	626,405					
County Indirect Costs = \$ 0												

**FOREST 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	\$ 5,221	\$ 0	\$ 5,221
Adoption Assistance	28,126	0	28,126
Subsidized Permanent Legal Custodianship	7,391	0	7,391
Counseling	13,536	0	13,536
Day Care	0	0	0
Day Treatment	0	0	0
Homemaker Service	0	0	0
Intake and Referral	11,780	0	11,780
Life Skills	21,384	0	21,384
Protective Service - Child Abuse	34,569	0	34,569
Protective Service - General	271,659	0	271,659
Service Planning	40,295	0	40,295
Juvenile Act Proceedings	5,785	0	5,785
Alternative Treatment	0	0	0
Community Residential	97,449	0	97,449
Emergency Shelter	290	0	290
Foster Family	5,649	0	5,649
Supervised Independent Living	0	0	0
Juvenile Detention Service	0	0	0
Residential Service	18,767	0	18,767
Secure Residential Service (Except YDC)	0	0	0
YDC Secure	0	0	0
Administration	<u>64,504</u>	<u>0</u>	<u>64,504</u>
Combined Total Expense	<u>626,405</u>	<u>0</u>	<u>626,405</u>
Less Non-reimbursables	<u>0</u>	<u>0</u>	<u>0</u>
Total Net Expense	<u>\$ 626,405</u>	<u>\$ 0</u>	<u>\$ 626,405</u>

OBJECTS OF EXPENDITURE	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Wages and Salaries	\$ 282,888	\$ 0	\$ 282,888
Employee Benefits	94,384	0	94,384
Subsidies	35,517	0	35,517
Operating	88,421	0	88,421
Purchased Services	103,161	0	103,161
Fixed Assets	<u>22,034</u>	<u>0</u>	<u>22,034</u>
Combined Total Expense	<u>626,405</u>	<u>0</u>	<u>626,405</u>
Less Non-reimbursables	<u>0</u>	<u>0</u>	<u>0</u>
Total Net Expense	<u>\$ 626,405</u>	<u>\$ 0</u>	<u>\$ 626,405</u>

SECTION 2

AMENDED FISCAL REPORTS

FOR THE FISCAL YEAR:

JULY 1, 2017 to JUNE 30, 2018

**FOREST COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2017 TO JUNE 30, 2018
AMENDED
COMPUTATION OF FINAL NET STATE SHARE**

Approved State Allocation ¹		\$	458,604
Supplemental Act 148			<u>0</u>
Total State Allocation			458,604
State Share (CY348) ²	\$		328,489
Less: Major Service Category Adjustment			<u>0</u>
Net State Share		\$	328,489
Less: Expenditures in Excess of the Approved State Allocation			<u>0</u>
Final Net State Share Payable ³		\$	328,489
Actual Act 148 Revenues Received ⁴			<u>328,489</u>
Net Amount Due County/(State) ⁵		\$	<u><u>0</u></u>

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

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

³ Final Net Share Payable is the net amount of reimbursable expenditures from Act 148 funds after audit adjustments are considered.

⁴ Actual Act 148 Revenues Received is the amount of Act 148 funds the County received.

⁵ Net Amount Due the County/(State) is the variance between the amount of Act 148 funds the County received and the Final Net State Share Payable to the County.

**FOREST COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2017 TO JUNE 30, 2018
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	3,520	0	297	0	0	0	0	0	3,223	3,223	0
02. 90% REIMBURSEMENT	318	0	0	0	0	0	0	0	318	286	32
03. 80% REIMBURSEMENT	421,335	10,154	45,039	2,994	3,325	1,069	0	0	358,754	287,003	71,751
04. 60% REIMBURSEMENT	67,539	675	4,333	0	0	0	0	660	61,871	37,123	24,748
05. 50% REIMBURSEMENT	6,717	0	22	0	0	4,987	0	0	1,708	854	854
06. TOTAL NET CHILD WELFARE EXPEND.	499,429	10,829	49,691	2,994	3,325	6,056	0	660	425,874	328,489	97,385
YDC/YFC PLACEMENT COSTS											
07. 60% DHS PARTICIPATION	0	0	0	0	0	0	0	0	0	0	0
08. NON-REIMBURSABLE EXPENDITURES	0	0	0	0	0	0	0	0	0	0	0
09. TOTAL EXPENDITURES	499,429	10,829	49,691	2,994	3,325	6,056	0	660	425,874	328,489	97,385
10. TOTAL TITLE IV-D COLLECTIONS	3,300										
11. TITLE IV-D Collections for IV-E Children	3,300										
12. STATE ACT 148 - line 6	328,489										
13. STATE ACT 148 ALLOCATION	458,604										
14. ADJUSTED STATE SHARE (lower of 12 or 13)	328,489										
INVOICE											
AMENDED STATE SHARE (ACT 148)	328,489										
ACT 148 AMOUNT RECEIVED	328,489										
ADJUSTMENT TO STATE SHARE	0										

FOREST COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2017 TO JUNE 30, 2018
AMENDED CY370A
REVENUE REPORT

MAJOR SERVICE CATEGORIES & COST CENTERS	REVENUE SOURCES											
	1	2	3	4	5	6	7	8	9	10	11	12
IN-HOME	TOTAL REIMBURSABLE EXPENDITURES	PROGRAM INCOME	TITLE IV-E MAINTENANCE	TITLE IV-E ADMIN.	TANF	TITLE XX	TITLE IV-B	Child Welfare Demonstration Project Title IV-E	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE
1-A ADOPTION SERVICE	3,520	0		297	0		0	0	0	3,223	3,223	0
1-B ADOPTION ASSISTANCE	26,463	0	13,711	0			0	0	0	12,752	10,202	2,550
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	7,391	0	3,829	0			0	0	0	3,562	2,850	712
1-D COUNSELING - DEPENDENT	16,829	1,800		644	2,994	644	896	0	0	9,851	7,881	1,970
1-E COUNSELING - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
1-F DAY CARE	0	0		0	0	0	0	0	0	0	0	0
1-G DAY TREATMENT - DEPENDENT	0	0		0	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	605	0		10	0	0	0	0	0	595	476	119
1-J INTAKE & REFERRAL	14,745	0		1,144	0	0	0	0	0	13,601	10,881	2,720
1-K LIFE SKILLS - DEPENDENT	28,932	0		1,950	0	365	173	0	0	26,444	21,155	5,289
1-L LIFE SKILLS - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
1-M PROTECTIVE SERVICE - CHILD ABUSE	48,335	0		2,758	0	1,282	0	0	0	44,295	35,436	8,859
1-N PROTECTIVE SERVICE - GENERAL	224,726	5,054		15,920	0	894	0	0	0	202,858	162,286	40,572
1-O SERVICE PLANNING	37,124	0		3,116	0	0	0	0	0	34,008	27,206	6,802
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT	6,717	0		22	0		4,987	0	0	1,708	854	854
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
1-R SUBTOTAL IN-HOME	415,387	6,854	17,540	25,861	2,994	3,185	6,056	0	0	352,897	282,450	70,447

COMMUNITY BASED PLACEMENT	REVENUE SOURCES											
	1	2	3	4	5	6	7	8	9	10	11	12
TOTAL REIMBURSABLE EXPENDITURES	PROGRAM INCOME	TITLE IV-E MAINTENANCE	TITLE IV-E ADMIN.	TANF	TITLE XX	TITLE IV-B	Child Welfare Demonstration Project Title IV-E	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE	
2-A ALTERNATIVE TREATMENT - DEPENDENT	0	0	0	0		0	0	0	0	0	0	0
2-B ALTERNATIVE TREATMENT - DELINQUENT	0	0	0	0		0	0	0	0	0	0	0
2-C COMMUNITY RESIDENTIAL - DEPENDENT	13,395	3,300	520	1,117		0	0	0	8,458	6,766	1,692	0
2-D COMMUNITY RESIDENTIAL - DELINQUENT	161	0	0	0		140	0	0	21	17	4	0
2-E EMERGENCY SHELTER - DEPENDENT	0	0	0	0		0	0	0	0	0	0	0
2-F EMERGENCY SHELTER - DELINQUENT	318	0	0	0		0	0	0	318	286	32	0
2-G FOSTER FAMILY - DEPENDENT	2,629	0	0	320		0	0	0	2,309	1,847	462	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	16,503	3,300	520	1,437	0	140	0	0	11,106	8,916	2,190	0

INSTITUTIONAL PLACEMENT	REVENUE SOURCES											
	1	2	3	4	5	6	7	8	9	10	11	12
TOTAL REIMBURSABLE EXPENDITURES	PROGRAM INCOME	TITLE IV-E MAINTENANCE	TITLE IV-E ADMIN.	TANF	TITLE XX	TITLE IV-B	Child Welfare Demonstration Project Title IV-E	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE	
3-A JUVENILE DETENTION SERVICE	0	0							0	0	0	0
3-B RESIDENTIAL SERVICE - DEPENDENT	143	0	0	37		0	0	0	106	64	42	0
3-C RES. SERVICE - DELINQUENT (NON YDC/MFC)	0	0	0	0		0	0	0	0	0	0	0
3-D SECURE RES. SERVICE (EXCEPT YDC)	0	0							0	0	0	0
3-E YDC SECURE	0	0							0	0	0	0
3-F SUBTOTAL INSTITUTIONAL	143	0	0	37	0	0	0	0	106	64	42	0

4 ADMINISTRATION	67,396	675		4,296		0	0	0	660	61,765	37,059	24,706
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5 TOTAL REVENUES	499,429	10,829	18,060	31,631	2,994	3,325	6,056	0	660	425,874	328,489	97,385
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FOREST COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2017 TO JUNE 30, 2018
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	EMPLOYEE BENEFITS	EMPLOYEE BENEFITS	EMPLOYEE BENEFITS	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	2,268	778		457	0	17	3,520	5	0	0	0	0
1-B ADOPTION ASSISTANCE	0	0	26,463	0	0	0	26,463	0	4	0	0	0
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	0	0	7,391	0	0	0	7,391	0	1	0	0	0
1-D COUNSELING - DEPENDENT	6,635	2,285		2,100	5,768	41	16,829	44	5	0	0	0
1-E COUNSELING - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
1-F DAY CARE	0	0		0	0	0	0	0	0	0	0	0
1-G DAY TREATMENT - DEPENDENT	0	0		0	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	391	129		85	0	0	605	14	0	0	0	0
1-J INTAKE & REFERRAL	8,521	2,911		3,273	0	40	14,745	124	0	0	0	0
1-K LIFE SKILLS - DEPENDENT	18,521	6,391		3,391	538	91	28,932	12	1	0	0	0
1-L LIFE SKILLS - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
1-M PROTECTIVE SERVICE - CHILD ABUSE	27,585	9,502		10,005	760	483	48,335	18	1	0	0	0
1-N PROTECTIVE SERVICE - GENERAL	140,213	45,166		37,807	0	1,540	224,726	132	0	0	0	0
1-O SERVICE PLANNING	23,961	8,192		4,844	0	127	37,124	33	0	0	0	0
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT				1,660	5,057		6,717	0	8	0	0	0
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT				0	0		0	0	0	0	0	0
1-R SUBTOTAL IN-HOME	228,095	75,354	33,854	63,622	12,123	2,339	415,387					
Number of Children receiving only NON-PURCHASED IN-Home Services 141												
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	5,809	1,998		1,205	4,340	43	13,395	31	1	0	0	0
2-D COMMUNITY RESIDENTIAL - DELINQUENT	0	0	0	21	140	0	161	1	1	0	0	0
2-E EMERGENCY SHELTER - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
2-F EMERGENCY SHELTER - DELINQUENT	0	0	0	0	318	0	318	2	1	0	0	0
2-G FOSTER FAMILY - DEPENDENT	1,698	577		346	0	8	2,629	0	0	0	0	0
2-H FOSTER FAMILY - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-I SUP. INDEPENDENT LIVING - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
2-J SUP. INDEPENDENT LIVING - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-K SUBTOTAL CBP	7,507	2,575	0	1,572	4,798	51	16,503	34	3	0	0	0
INSTITUTIONAL PLACEMENT												
3-A JUVENILE DETENTION SERVICE	0	0	0	0	0	0	0	0	0	0	0	0
3-B RESIDENTIAL SERVICE - DEPENDENT	93	31		19	0	0	143	0	0	0	0	0
3-C RES. SERVICE - DELINQUENT (EXCEPT YDC/YFC)	0	0	0	0	0	0	0	0	0	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	93	31	0	19	0	0	143	0	0	0	0	0
ADMINISTRATION	37,954	12,994	0	16,170	0	278	67,396					
TOTAL EXPENDITURES	273,649	90,954	33,854	81,383	16,921	2,668	499,429					
County Indirect Costs = \$ 0												

**FOREST COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2017 TO JUNE 30, 2018
AMENDED
SUMMARY OF EXPENSE AND EXPENSE ADJUSTMENTS**

COST CENTER ITEMS	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Adoption Service	\$ 3,520	\$ 0	\$ 3,520
Adoption Assistance	26,463	0	26,463
Subsidized Permanent Legal Custodianship	7,391	0	7,391
Counseling	16,829	0	16,829
Day Care	0	0	0
Day Treatment	0	0	0
Homemaker Service	605	0	605
Intake and Referral	14,745	0	14,745
Life Skills	28,932	0	28,932
Protective Service - Child Abuse	48,335	0	48,335
Protective Service - General	224,726	0	224,726
Service Planning	37,124	0	37,124
Juvenile Act Proceedings	6,717	0	6,717
Alternative Treatment	0	0	0
Community Residential	13,556	0	13,556
Emergency Shelter	318	0	318
Foster Family	2,629	0	2,629
Supervised Independent Living	0	0	0
Juvenile Detention Service	0	0	0
Residential Service	143	0	143
Secure Residential Service (Except YDC)	0	0	0
YDC Secure	0	0	0
Administration	67,396	0	67,396
Combined Total Expense	<u>499,429</u>	<u>0</u>	<u>499,429</u>
Less Non-reimbursables	<u>0</u>	<u>0</u>	<u>0</u>
Total Net Expense	<u>\$ 499,429</u>	<u>\$ 0</u>	<u>\$ 499,429</u>

OBJECTS OF EXPENDITURE	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Wages and Salaries	\$ 273,649	\$ 0	\$ 273,649
Employee Benefits	90,954	0	90,954
Subsidies	33,854	0	33,854
Operating	81,383	0	81,383
Purchased Services	16,921	0	16,921
Fixed Assets	2,668	0	2,668
Combined Total Expense	<u>499,429</u>	<u>0</u>	<u>499,429</u>
Less Non-reimbursables	<u>0</u>	<u>0</u>	<u>0</u>
Total Net Expense	<u>\$ 499,429</u>	<u>\$ 0</u>	<u>\$ 499,429</u>

SECTION 3

CURRENT ENGAGEMENT OBSERVATION

FOREST COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT OBSERVATION

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

The Child Protective Services Law (CPSL) requires the conduct of criminal background checks and child abuse history clearances (certifications) for all employees and direct volunteers of county children and youth (C&Y) agencies as well as the volunteers/employees of these agencies’ contractors (providers) and subcontractors (sub-recipients).² 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,³ the safety of children receiving services from these agencies and their contractors and subcontractors may be at **risk**. According to information provided by DHS OCYF, the Forest County Children and Youth Agency provided in-home and placement services to 115 children residing within the County during the 2016-2017 fiscal year.

Day Treatment Centers and Child Residential Facilities

Beginning July 1, 2012, the DHS Bureau of Human Services’ Licensing (bureau) took over responsibility for the performance of the annual licensing inspections of Child Day Treatment Centers and Child Residential Facilities, which encompasses the performance of CPSL adherence reviews of the employees of these providers. Prior to July 1, 2012, 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

² 23 Pa.C.S. §§ 6344 and 6344.2.

³ 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).

FOREST COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT OBSERVATION

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.⁴

Contracted In-Home Preventative Service Providers

For contracted In-Home Preventative Service providers, we were informed by DHS OCYF that these providers are not required to be licensed by the Commonwealth and, thus, are not subject to the annual inspections performed by DHS.⁵ 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 engagements, we have found that some C&Y agencies' management staffs are still of the opinion that there is no need to directly monitor CPSL adherence of the providers' employees/volunteers because they are now including the requirements for this type of monitoring in their executed contracts with these providers. However, our interpretation of the CPSL remains that C&Y agencies cannot fulfill their duties under the CPSL to protect the children receiving in-home preventative services from child abuse by merely including the requirements for "direct monitoring" in their provider executed contracts.⁶ Instead, all C&Y agencies should have a process in place that allows them to actively monitor their providers and sub-recipients by routinely reviewing their employees' and volunteers' *certifications* for disqualifying convictions.

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

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

⁵ 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.

⁶ In our Department's opinion "direct monitoring" consists of C&Y agencies routinely performing procedures to obtain reasonable assurance that their *contracted In-Home Preventative Service providers* and their sub-recipients are properly vetting a representative sample of the background checks and child abuse history clearances of their employees and volunteers to identify, and properly address, any identified disqualifying convictions.

FOREST COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT OBSERVATION

volunteers, this Department will continue to raise concerns about the risks posed to the safety of these vulnerable children.⁷

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 providers⁸ to ensure that their *certifications* adhere to the CPSL falls to the C&Y agencies, as does the responsibility to take appropriate action when they do not comply.

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

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

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

⁷ 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.

⁸ This includes *contracted In-Home Preventative Service providers* and their sub-recipients.

FOREST COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT OBSERVATION

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.⁹ However, recent amendments to the CPSL extend this time frame from one year to five years.¹⁰ Therefore, there is a need for DHS and C&Y agencies across the commonwealth to have a *greatly heightened* awareness about the arrest and conviction records, as well as child abuse adjudications, of the employees/volunteers of C&Y agencies' *contracted In-Home Preventative Service providers* and their sub-recipients. This is to ensure that no new, disqualifying incidents have occurred from the date of the background clearances since certain disqualifying offenses could go undetected for years.

Auditor General Senior Management's Follow-up Conclusion Statement

We commend DHS management for acknowledging the seriousness of the risks to children's safety resulting from the significant control deficiencies we identified related to CPSL adherence as discussed in our March 18, 2018 Position Statement letter. Further, we recognize the challenges that DHS faces in monitoring the 67 C&Y agencies' direct monitoring of the numerous *contracted In-Home Preventative Service providers* and their sub-recipients. We believe that requiring C&Y agencies to submit a schedule that captures the details of the agency's monitoring efforts as described above will be a major improvement. However, we also recognize that risks to these vulnerable children continue to exist. One such risk results from the potential delay of 9 to 21 months (or possibly longer) between the date of possible noncompliance by a *contracted In-Home Preventative Service provider* and/or inadequate monitoring by a county C&Y agency and DHS becoming aware of those issues.¹¹

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*

⁹ 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.

¹⁰ 23 Pa.C.S. § 6344.4.

¹¹ 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.

FOREST COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT OBSERVATION

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.¹²

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)*.

¹² As noted in an earlier footnote, the now repealed one year validity of checks and clearances only applied to prospective employees.

CTY1 COUNTY CHILDREN AND YOUTH AGENCY
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