

AMENDED FISCAL REPORTS

For Fiscal Years:

July 1, 2019 to June 30, 2020

July 1, 2020 to June 30, 2021

Fayette County Children and Youth Agency

November 2022



Commonwealth of Pennsylvania
Department of the Auditor General

Timothy L. DeFoor • Auditor General



**Commonwealth of Pennsylvania
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**TIMOTHY L. DEFOOR
AUDITOR GENERAL**

The Commissioners of Fayette County
Fayette County Courthouse
61 East Main Street
Uniontown, PA 15401

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 Fayette County Children and Youth Services (agency). The purpose of this engagement is to ascertain and certify the actual commonwealth expenditures incurred on behalf of children residing within the county for the fiscal years July 1, 2019 to June 30, 2020, and July 1, 2020 to June 30, 2021. The scope of our engagement was limited to the fiscal reports submitted to the Pennsylvania Department of Human Services (DHS) as part of the Act 148 Invoice Packages for the fiscal years ended June 30, 2020, and June 30, 2021.

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

We certify the enclosed amended fiscal reports fairly present, in all material respects, the total commonwealth expenditures paid on behalf of children residing within the county for the 2019-2020 and 2020-2021 fiscal years based on the accrual basis of accounting.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 period.

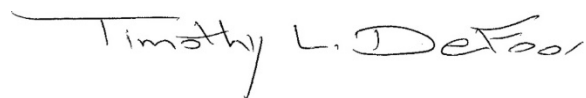
This report includes the following observation:

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

The results of our engagement procedures, as presented in this report, were discussed with agency management at an exit conference held on October 31, 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. We appreciate the cooperation, assistance, and courtesy granted to our representatives by your officials and agency staff. If you have any questions, please feel free to contact the Bureau of County Audits at 717-787-1363.

Sincerely,



Timothy L. DeFoor
Auditor General
November 7, 2022

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.

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BACKGROUND

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

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

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

**FAYETTE 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		\$	8,024,431
Supplemental Act 148			<u>0</u>
Total State Allocation			8,024,431
State Share (CY348) ²	\$	7,021,763	
Less: Major Service Category Adjustment		<u>0</u>	
Net State Share	\$	7,021,763	
Less: Expenditures in Excess of the Approved State Allocation		<u>0</u>	
Final Net State Share Payable ³	\$	7,021,763	
Actual Act 148 Revenues Received ⁴		<u>7,021,763</u>	
Net Amount Due County/(State) ⁵	\$	<u>0</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.

FAYETTE COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2019 TO JUNE 30, 2020
AMENDED CY348
FISCAL SUMMARY

	A	B	C	D	E	F	G	H	I	J	K
	GRAND TOTAL	PROGRAM INCOME	TITLE IV-E	TANF	TITLE XX	TITLE IV-B	Child Welfare Demonstration Project Title IV-E	MEDICAL ASSISTANCE	NET TOTAL	STATE ACT 148	LOCAL SHARE
NET CHILD WELFARE EXPENDITURES											
01. 100% REIMBURSEMENT	134,424	0	22,073	0	0	0	0	0	112,351	112,351	0
02. 90% REIMBURSEMENT	256,961	0	54,219	0	0	0	0	0	202,742	182,468	20,274
03. 80% REIMBURSEMENT	10,649,268	100,751	2,784,706	306,875	116,955	20,343	0	0	7,319,638	5,855,711	1,463,927
04. 60% REIMBURSEMENT	1,404,912	21,821	227,115	0	0	0	0	2,795	1,153,181	691,909	461,272
05. 50% REIMBURSEMENT	358,646	0	0	0	0	0	0	0	358,646	179,324	179,322
06. TOTAL NET CHILD WELFARE EXPEND.	12,804,211	122,572	3,088,113	306,875	116,955	20,343	0	2,795	9,146,558	7,021,763	2,124,795

YDC/YFC PLACEMENT COSTS											
07. 60% DHS PARTICIPATION	480,912	5,670							475,242	285,145	190,097

08. NON-REIMBURSABLE EXPENDITURES	12,535	0							12,535		12,535
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09. TOTAL EXPENDITURES	13,297,658	128,242	3,088,113	306,875	116,955	20,343	0	2,795	9,634,335	7,306,908	2,327,427
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10. TOTAL TITLE IV-D COLLECTIONS 79,045

11. TITLE IV-D Collections for IV-E Children 14,645

12. STATE ACT 148 - line 6 7,021,763

13. STATE ACT 148 ALLOCATION 8,024,431

14. ADJUSTED STATE SHARE (lower of 12 or 13) 7,021,763

INVOICE	
AMENDED STATE SHARE (ACT 148)	7,021,763
ACT 148 AMOUNT RECEIVED	7,021,763
ADJUSTMENT TO STATE SHARE	0

**FAYETTE 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	
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														134,424	0			22,073	0		0	0	0	112,351	112,351	0
1-B ADOPTION ASSISTANCE														2,278,077	0	1,105,660	0			0	0	0	1,172,417	937,934	234,483	
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP														542,454	0	178,527	0			0	0	0	363,927	291,142	72,785	
1-D COUNSELING - DEPENDENT														1,451,449	269		40,480	306,875	0	0	0	0	1,103,825	883,060	220,765	
1-E COUNSELING - DELINQUENT														281,558	0			0	0	0	0	0	281,558	225,246	56,312	
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														328,351	0		59,220	0	0	0	0	0	269,131	215,305	53,826	
1-K LIFE SKILLS - DEPENDENT														11,114	0			0	0	0	0	0	11,114	8,891	2,223	
1-L LIFE SKILLS - DELINQUENT														0	0			0	0	0	0	0	0	0	0	
1-M PROTECTIVE SERVICE - CHILD ABUSE														604,306	0		94,392	0	0	0	0	0	509,914	407,931	101,983	
1-N PROTECTIVE SERVICE - GENERAL														1,647,117	0		297,048	0	0	0	0	0	1,350,069	1,080,055	270,014	
1-O SERVICE PLANNING														0	0			0	0	0	0	0	0	0	0	
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT														98,221	0			0	0	0	0	0	98,221	49,111	49,110	
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT														0	0			0	0	0	0	0	0	0	0	
SUBTOTAL IN-HOME														7,377,071	269	1,284,187	513,213	306,875	0	0	0	0	5,272,527	4,211,026	1,061,501	
COMMUNITY BASED PLACEMENT														TOTAL REIMBURSABLE EXPENDITURES	PROGRAM INCOME	TITLE IV-E MAINTENANCE	TITLE IV-E ADMIN.	TANF	TITLE XX	TITLE IV-B	Child Welfare Demonstration Project Title IV-E	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE	
2-A ALTERNATIVE TREATMENT - DEPENDENT														0	0	0	0			0	0	0	0	0	0	
2-B ALTERNATIVE TREATMENT - DELINQUENT														0	0	0	0			0	0	0	0	0	0	
2-C COMMUNITY RESIDENTIAL - DEPENDENT														422,923	17,258	37,499	17,749	0	0	0	0	350,417	280,334	70,083		
2-D COMMUNITY RESIDENTIAL - DELINQUENT														138,158	4,637	16,876	1,784			0	0	114,861	91,889	22,972		
2-E EMERGENCY SHELTER - DEPENDENT														193,112	0	20,067	28,292	0	0	0	0	144,753	130,278	14,475		
2-F EMERGENCY SHELTER - DELINQUENT														63,849	0	5,401	459	0	0	0	0	57,989	52,190	5,799		
2-G FOSTER FAMILY - DEPENDENT														1,840,966	67,335	157,218	292,352		116,955	20,343	0	1,186,763	949,410	237,353		
2-H FOSTER FAMILY - DELINQUENT														0	0	0	0		0	0	0	0	0	0	0	
2-I KINSHIP CARE - DEPENDENT														1,102,795	11,252	235,263	250,638		0	0	0	605,642	484,514	121,128		
2-J KINSHIP CARE - DELINQUENT														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	
2-L SUP. INDEPENDENT LIVING - DELINQUENT														0	0	0	0		0	0	0	0	0	0	0	
SUBTOTAL CBP														3,761,803	100,482	472,324	591,274	0	116,955	20,343	0	2,460,425	1,988,615	471,810		
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														260,425	0							0	260,425	130,213	130,212	
3-B RESIDENTIAL SERVICE - DEPENDENT														192,590	8,315	21,400	5,981		0	0	0	0	156,894	94,136	62,758	
3-C RES. SERVICE - DELINQUENT (NON YDC/VFC)														179,622	11,939	39,160	5,503		0	0	0	123,020	73,812	49,208		
3-D SECURE RES. SERVICE (EXCEPT YDC)														171,578	1,567							170,011	102,007	68,004		
3-E YDC SECURE														480,912	5,670							475,242	285,145	190,097		
SUBTOTAL INSTITUTIONAL														1,285,127	27,491	60,560	11,484	0	0	0	0	1,185,592	685,313	500,279		
ADMINISTRATION														861,122	0				0	0	0	2,795	703,256	421,954	281,302	
TOTAL REVENUES														13,285,123	128,242	1,817,071	1,271,042	306,875	116,955	20,343	0	2,795	9,621,800	7,306,908	2,314,892	

FAYETTE COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2019 TO JUNE 30, 2020
AMENDED CY370
EXPENDITURE REPORT

MAJOR SERVICE CATEGORIES & COST CENTERS		OBJECTS OF EXPENDITURE											
		1	2	3	4	5	6	7	8	9	10	11	12
IN-HOME		WAGES AND SALARIES	EMPLOYEE BENEFITS	SUBSIDIES	OPERATING	PURCHASED SERVICES	FIXED ASSETS	TOTAL EXPENDITURES	Children Served (by county)	Children Served (Purchased)	Non- Reimbursable Non PS/Sub.	Non-Reim. Purchased Serv/ Subsidies	Program Income related to all Non- Reimbursable
I-A	ADOPTION SERVICE	44,148	21,499		57,305	11,472	0	134,424	56	7	0	0	0
I-B	ADOPTION ASSISTANCE	0	0	2,290,612	0	0	0	2,290,612	0	276	0	12,535	0
I-C	SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	0	0	542,454	0	0	0	542,454	0	70	0	0	0
I-D	COUNSELING - DEPENDENT	132,443	64,496		46,641	1,207,869	0	1,451,449	238	440	0	0	0
I-E	COUNSELING - DELINQUENT	0	0		20,938	260,620	0	281,558	0	51	0	0	0
I-F	DAY CARE	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
I-H	DAY TREATMENT - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
I-I	HOMEMAKER SERVICE	0	0		0	0	0	0	0	0	0	0	0
I-J	INTAKE & REFERRAL	193,759	94,355		40,237	0	0	328,351	1,659	0	0	0	0
I-K	LIFE SKILLS - DEPENDENT	0	0		0	11,114	0	11,114	0	11	0	0	0
I-L	LIFE SKILLS - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
I-M	PROTECTIVE SERVICE - CHILD ABUSE	301,676	146,908		74,722	81,000	0	604,306	288	71	0	0	0
I-N	PROTECTIVE SERVICE - GENERAL	966,345	470,583		210,189	0	0	1,647,117	1,412	0	0	0	0
I-O	SERVICE PLANNING	0	0		0	0	0	0	0	0	0	0	0
I-P	JUVENILE ACT PROCEEDINGS - DEPENDENT				7,961	90,260		98,221	0	354	0	0	0
I-Q	JUVENILE ACT PROCEEDINGS - DELINQUENT				0	0		0	0	0	0	0	0
I-R	SUBTOTAL IN-HOME	1,638,371	797,841	2,833,066	457,993	1,662,335	0	7,389,606			0	12,535	0
Number of Children receiving only NON-PURCHASED IN-Home Services 1,650													
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	31,884	15,527	0	7,856	367,656	0	422,923	1,754	15	0	0	0
2-D	COMMUNITY RESIDENTIAL - DELINQUENT	0	0	0	0	138,158	0	138,158	520	7	0	0	0
2-E	EMERGENCY SHELTER - DEPENDENT	29,432	14,332	0	10,430	138,918	0	193,112	1,853	76	0	0	0
2-F	EMERGENCY SHELTER - DELINQUENT	0	0	0	0	63,849	0	63,849	244	21	0	0	0
2-G	FOSTER FAMILY - DEPENDENT	409,593	199,460	0	104,289	1,127,624	0	1,840,966	16,405	91	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	0	0	0	3,486	1,099,309	0	1,102,795	18,100	74	0	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	470,909	229,319	0	126,061	2,935,514	0	3,761,803	38,876	284	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	Non-Reim. Program Income
3-A	JUVENILE DETENTION SERVICE	0	0	0	470	259,955	0	260,425	1,135	27	0	0	0
3-B	RESIDENTIAL SERVICE - DEPENDENT	9,811	4,777	0	3,026	174,976	0	192,590	911	8	0	0	0
3-C	RES. SERVICE - DELINQUENT (EXCEPT YDC/YFC)	0	0	0	1,320	178,302	0	179,622	875	11	0	0	0
3-D	SECURE RES. SERVICE (EXCEPT YDC)	0	0	0	0	171,578	0	171,578	526	6	0	0	0
3-E	YDC SECURE	0	0	0	0	480,912	0	480,912	932	5	0	0	0
3-F	SUBTOTAL INSTITUTIONAL	9,811	4,777	0	4,816	1,265,723	0	1,285,127	4,379	57	0	0	0
4	ADMINISTRATION	333,560	162,435	0	365,127	0	0	861,122			0	0	0
5	TOTAL EXPENDITURES	2,452,651	1,194,372	2,833,066	953,997	5,863,572	0	13,297,658			0	12,535	0
County Indirect Costs = \$ 287,478													

**FAYETTE 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	\$ 134,424	\$ 0	\$ 134,424
Adoption Assistance	2,290,612	0	2,290,612
Subsidized Permanent Legal Custodianship	542,454	0	542,454
Counseling	1,733,007	0	1,733,007
Day Care	0	0	0
Day Treatment	0	0	0
Homemaker Service	0	0	0
Intake and Referral	328,351	0	328,351
Life Skills	11,114	0	11,114
Protective Service - Child Abuse	604,306	0	604,306
Protective Service - General	1,647,117	0	1,647,117
Service Planning	0	0	0
Juvenile Act Proceedings	98,221	0	98,221
Alternative Treatment	0	0	0
Community Residential	561,081	0	561,081
Emergency Shelter	256,961	0	256,961
Foster Family	1,840,966	0	1,840,966
Kinship Care	1,102,795	0	1,102,795
Supervised Independent Living	0	0	0
Juvenile Detention Service	260,425	0	260,425
Residential Service	372,212	0	372,212
Secure Residential Service (Except YDC)	171,578	0	171,578
YDC Secure	480,912	0	480,912
Administration	861,122	0	861,122
Combined Total Expense	13,297,658	0	13,297,658
Less Non-reimbursables	12,535	0	12,535
Total Net Expense	\$ 13,285,123	\$ 0	\$ 13,285,123

OBJECTS OF EXPENDITURE	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Wages and Salaries	\$ 2,452,651	\$ 0	\$ 2,452,651
Employee Benefits	1,194,372	0	1,194,372
Subsidies	2,833,066	0	2,833,066
Operating	953,997	0	953,997
Purchased Services	5,863,572	0	5,863,572
Fixed Assets	0	0	0
Combined Total Expense	13,297,658	0	13,297,658
Less Non-reimbursables	12,535	0	12,535
Total Net Expense	\$ 13,285,123	\$ 0	\$ 13,285,123

SECTION 2

AMENDED FISCAL REPORTS

FOR THE FISCAL YEAR:

JULY 1, 2020 to JUNE 30, 2021

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

Approved State Allocation ¹	\$	8,854,173
Supplemental Act 148		<u>0</u>
Total State Allocation		8,854,173
State Share (CY348) ²	\$	7,642,043
Less: Major Service Category Adjustment		<u>0</u>
Net State Share	\$	7,642,043
Less: Expenditures in Excess of the Approved State Allocation		<u>0</u>
Final Net State Share Payable ³	\$	7,642,043
Actual Act 148 Revenues Received ⁴		<u>7,642,043</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.

FAYETTE COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2020 TO JUNE 30, 2021
AMENDED CY348
FISCAL SUMMARY

	A	B	C	D	E	F	G	H	I	J	K
	GRAND TOTAL	PROGRAM INCOME	TITLE IV-E	TANF	TITLE XX	TITLE IV-B	Child Welfare Demonstration Project Title IV-E	MEDICAL ASSISTANCE	NET TOTAL	STATE ACT 148	LOCAL SHARE
NET CHILD WELFARE EXPENDITURES											
01. 100% REIMBURSEMENT	124,072	0	15,369	0	0	0	0	0	108,703	108,703	0
02. 90% REIMBURSEMENT	197,947	0	34,276	0	0	0	0	0	163,671	147,304	16,367
03. 80% REIMBURSEMENT	11,695,023	220,321	2,939,154	306,875	116,955	20,343	0	0	8,091,375	6,473,101	1,618,274
04. 60% REIMBURSEMENT	1,588,595	13,372	202,168	0	0	0	0	4,837	1,368,218	820,930	547,288
05. 50% REIMBURSEMENT	197,741	0	13,730	0	0	0	0	0	184,011	92,005	92,006
06. TOTAL NET CHILD WELFARE EXPEND.	13,803,378	233,693	3,204,697	306,875	116,955	20,343	0	4,837	9,915,978	7,642,043	2,273,935
YDC/YFC PLACEMENT COSTS											
07. 60% DHS PARTICIPATION	282,382	3,566							278,816	167,290	111,526
08. NON-REIMBURSABLE EXPENDITURES	3,284	0							3,284		3,284
09. TOTAL EXPENDITURES	14,089,044	237,259	3,204,697	306,875	116,955	20,343	0	4,837	10,198,078	7,809,333	2,388,745
10. TOTAL TITLE IV-D COLLECTIONS	57,863										
11. TITLE IV-D Collections for IV-E Children	6,170										
12. STATE ACT 148 - line 6	7,642,043										
13. STATE ACT 148 ALLOCATION	8,854,173										
14. ADJUSTED STATE SHARE (lower of 12 or 13)	7,642,043										
INVOICE											
AMENDED STATE SHARE (ACT 148)	7,642,043										
ACT 148 AMOUNT RECEIVED	7,642,043										
ADJUSTMENT TO STATE SHARE	0										

FAYETTE COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2020 TO JUNE 30, 2021
AMENDED CY370A
REVENUE REPORT

MAJOR SERVICE CATEGORIES & COST CENTERS		REVENUE SOURCES											
		1	2	3	4	5	6	7	8	9	10	11	12
IN-HOME		TOTAL REIMBURSABLE EXPENDITURES	PROGRAM INCOME	TITLE IV-E MAINTENANCE	TITLE IV-E ADMIN.	TANF	TITLE XX	TITLE IV-B	Child Welfare Demonstration Project Title IV-E	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE
1-A	ADOPTION SERVICE	124,072	0		15,369	0		0	0	0	108,703	108,703	0
1-B	ADOPTION ASSISTANCE	2,340,191	0	1,206,986	0			0	0	0	1,133,205	906,564	226,641
1-C	SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	482,084	0	177,749	0			0	0	0	304,335	243,468	60,867
1-D	COUNSELING - DEPENDENT	1,645,569	0		38,093	306,875	0	0	0	0	1,300,601	1,040,481	260,120
1-E	COUNSELING - DELINQUENT	268,922	0		0	0	0	0	0	0	268,922	215,138	53,784
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	2,698	0		0	0	0	0	0	0	2,698	2,158	540
1-I	HOMEMAKER SERVICE	0	0		0	0	0	0	0	0	0	0	0
1-J	INTAKE & REFERRAL	361,101	0		55,647	0	0	0	0	0	305,454	244,363	61,091
1-K	LIFE SKILLS - DEPENDENT	19,260	0		0	0	0	0	0	0	19,260	15,408	3,852
1-L	LIFE SKILLS - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
1-M	PROTECTIVE SERVICE - CHILD ABUSE	649,865	0		87,123	0	0	0	0	0	562,742	450,194	112,548
1-N	PROTECTIVE SERVICE - GENERAL	1,802,082	0		277,704	0	0	0	0	0	1,524,378	1,219,502	304,876
1-O	SERVICE PLANNING	0	0		0	0	0	0	0	0	0	0	0
1-P	JUVENILE ACT PROCEEDINGS - DEPENDENT	113,257	0		13,730	0		0	0	0	99,527	49,763	49,764
1-Q	JUVENILE ACT PROCEEDINGS - DELINQUENT	0	0		0	0		0	0	0	0	0	0
1-R	SUBTOTAL IN-HOME	7,809,101	0	1,384,735	487,666	306,875	0	0	0	0	5,629,825	4,495,742	1,134,083

COMMUNITY BASED PLACEMENT		TOTAL REIMBURSABLE EXPENDITURES	PROGRAM INCOME	TITLE IV-E MAINTENANCE	TITLE IV-E ADMIN.	TANF	TITLE XX	TITLE IV-B	Child Welfare Demonstration Project Title IV-E	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE
2-A	ALTERNATIVE TREATMENT - DEPENDENT	0	0	0	0		0	0	0	0	0	0	0
2-B	ALTERNATIVE TREATMENT - DELINQUENT	0	0	0	0		0	0	0	0	0	0	0
2-C	COMMUNITY RESIDENTIAL - DEPENDENT	476,468	18,536	76,237	20,063		0	0	0	0	361,632	289,306	72,326
2-D	COMMUNITY RESIDENTIAL - DELINQUENT	286,119	5,259	16,526	1,352		0	0	0	0	262,982	210,386	52,596
2-E	EMERGENCY SHELTER - DEPENDENT	166,748	0	15,177	19,099	0	0	0	0	0	132,472	119,225	13,247
2-F	EMERGENCY SHELTER - DELINQUENT	31,199	0	0	0	0	0	0	0	0	31,199	28,079	3,120
2-G	FOSTER FAMILY - DEPENDENT	2,137,036	182,262	188,404	305,802		116,955	20,343	0	0	1,323,270	1,058,616	264,654
2-H	FOSTER FAMILY - DELINQUENT	0	0	0	0		0	0	0	0	0	0	0
2-I	KINSHIP CARE - DEPENDENT	1,223,628	14,264	235,722	251,746		0	0	0	0	721,896	577,517	144,379
2-J	KINSHIP CARE - DELINQUENT	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
2-L	SUP. INDEPENDENT LIVING - DELINQUENT	0	0	0	0		0	0	0	0	0	0	0
2-M	SUBTOTAL CBP	4,321,198	220,321	532,066	598,062	0	116,955	20,343	0	0	2,833,451	2,283,129	550,322

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	84,484	0							0	84,484	42,242	42,242
3-B	RESIDENTIAL SERVICE - DEPENDENT	120,894	5,932	41,368	10,160		0	0	0	0	63,434	38,060	25,374
3-C	RES. SERVICE - DELINQUENT (NON YDC/YEC)	344,305	3,782	7,950	1,721		0	0	0	0	330,852	198,511	132,341
3-D	SECURE RES. SERVICE (EXCEPT YDC)	205,498	3,598							0	201,900	121,140	80,760
3-E	YDC SECURE	282,382	3,566								278,816	167,290	111,526
3-F	SUBTOTAL INSTITUTIONAL	1,037,563	16,878	49,318	11,881	0	0	0	0	0	959,486	567,243	392,243
4	ADMINISTRATION	917,898	60		140,969		0	0	0	4,837	772,032	463,219	308,813
5	TOTAL REVENUES	14,085,760	237,259	1,966,119	1,238,578	306,875	116,955	20,343	0	4,837	10,194,794	7,809,333	2,385,461

FAYETTE COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2020 TO JUNE 30, 2021
AMENDED CY370
EXPENDITURE REPORT

MAJOR SERVICE CATEGORIES & COST CENTERS		OBJECTS OF EXPENDITURE											
		1	2	3	4	5	6	7	8	9	10	11	12
		WAGES AND SALARIES	EMPLOYEE BENEFITS	SUBSIDIES	OPERATING	PURCHASED SERVICES	FIXED ASSETS	TOTAL EXPENDITURES	Children Served (by county)	Children Served (Purchased)	Non- Reimbursable Non PS/Sub.	Non-Reim. Purchased Serv/ Subsidies	Program Income related to all Non- Reimbursable
IN-HOME													
1-A	ADOPTION SERVICE	48,256	23,639		27,880	24,297	0	124,072	69	17	0	0	0
1-B	ADOPTION ASSISTANCE	0	0	2,343,475	0	0	0	2,343,475	0	292	0	3,284	0
1-C	SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	0	0	482,084	0	0	0	482,084	0	70	0	0	0
1-D	COUNSELING - DEPENDENT	144,769	70,916		43,969	1,385,915	0	1,645,569	267	231	0	0	0
1-E	COUNSELING - DELINQUENT	0	0		18,808	250,114	0	268,922	0	49	0	0	0
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	0
1-H	DAY TREATMENT - DELINQUENT	0	0		0	2,698	0	2,698	0	1	0	0	0
1-I	HOMEMAKER SERVICE	0	0		0	0	0	0	0	0	0	0	0
1-J	INTAKE & REFERRAL	211,792	103,748		45,561	0	0	361,101	1,620	0	0	0	0
1-K	LIFE SKILLS - DEPENDENT	0	0		0	19,260	0	19,260	0	10	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	329,752	161,531		74,082	84,500	0	649,865	313	84	0	0	0
1-N	PROTECTIVE SERVICE - GENERAL	1,056,278	517,426		228,378	0	0	1,802,082	1,356	0	0	0	0
1-O	SERVICE PLANNING	0	0		0	0	0	0	0	0	0	0	0
1-P	JUVENILE ACT PROCEEDINGS - DEPENDENT				7,183	106,074		113,257	0	455	0	0	0
1-Q	JUVENILE ACT PROCEEDINGS - DELINQUENT					0		0	0	0	0	0	0
1-R	SUBTOTAL IN-HOME	1,790,847	877,260	2,825,559	445,861	1,872,858	0	7,812,385			0	3,284	0
		LRCNP = Legal Representation for Children in Placement = \$											
		LRCNP = Legal Representation for Children Non-Placement = \$											
		Number of Children receiving only NON-PURCHASED IH Services											
		0											
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	34,852	17,072	0	8,622	415,922	0	476,468	1,878	12	0	0	0
2-D	COMMUNITY RESIDENTIAL - DELINQUENT	0	0	0	714	285,405	0	286,119	1,063	8	0	0	0
2-E	EMERGENCY SHELTER - DEPENDENT	32,171	15,759	0	10,062	108,756	0	166,748	1,858	76	0	0	0
2-F	EMERGENCY SHELTER - DELINQUENT	0	0	0	0	31,199	0	31,199	105	7	0	0	0
2-G	FOSTER FAMILY - DEPENDENT	447,712	219,315	0	111,535	1,358,474	0	2,137,036	19,666	115	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	0	0	0	3,083	1,220,545	0	1,223,628	19,001	83	0	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	514,735	252,146	0	134,016	3,420,301	0	4,321,198	43,571	301	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	Non-Reim. Program Income
3-A	JUVENILE DETENTION SERVICE	0	0	0	970	83,514	0	84,484	309	29	0	0	0
3-B	RESIDENTIAL SERVICE - DEPENDENT	10,724	5,253	0	2,699	102,218	0	120,894	412	4	0	0	0
3-C	RES. SERVICE - DELINQUENT (EXCEPT YDC/YFC)	0	0	0	528	343,777	0	344,305	1,628	15	0	0	0
3-D	SECURE RES. SERVICE (EXCEPT YDC)	0	0	0	277	205,221	0	205,498	604	4	0	0	0
3-E	YDC SECURE	0	0	0	0	282,382	0	282,382	521	3	0	0	0
3-F	SUBTOTAL INSTITUTIONAL	10,724	5,253	0	4,474	1,017,112	0	1,037,563	3,474	55	0	0	0
4	ADMINISTRATION	364,603	178,604	0	374,691	0	0	917,898			0	0	0
5	TOTAL EXPENDITURES	2,680,909	1,313,263	2,825,559	959,042	6,310,271	0	14,089,044			0	3,284	0
		County Indirect Costs = \$											

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

COST CENTER ITEMS	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Adoption Service	\$ 124,072	\$ 0	\$ 124,072
Adoption Assistance	2,343,475	0	2,343,475
Subsidized Permanent Legal Custodianship	482,084	0	482,084
Counseling	1,914,491	0	1,914,491
Day Care	0	0	0
Day Treatment	2,698	0	2,698
Homemaker Service	0	0	0
Intake and Referral	361,101	0	361,101
Life Skills	19,260	0	19,260
Protective Service - Child Abuse	649,865	0	649,865
Protective Service - General	1,802,082	0	1,802,082
Service Planning	0	0	0
Juvenile Act Proceedings	113,257	0	113,257
Alternative Treatment	0	0	0
Community Residential	762,587	0	762,587
Emergency Shelter	197,947	0	197,947
Foster Family	2,137,036	0	2,137,036
Kinship Care	1,223,628	0	1,223,628
Supervised Independent Living	0	0	0
Juvenile Detention Service	84,484	0	84,484
Residential Service	465,199	0	465,199
Secure Residential Service (Except YDC)	205,498	0	205,498
YDC Secure	282,382	0	282,382
Administration	917,898	0	917,898
Combined Total Expense	14,089,044	0	14,089,044
Less Non-reimbursables	3,284	0	3,284
Total Net Expense	\$ 14,085,760	\$ 0	\$ 14,085,760

OBJECTS OF EXPENDITURE	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Wages and Salaries	\$ 2,680,909	\$ 0	\$ 2,680,909
Employee Benefits	1,313,263	0	1,313,263
Subsidies	2,825,559	0	2,825,559
Operating	959,042	0	959,042
Purchased Services	6,310,271	0	6,310,271
Fixed Assets	0	0	0
Combined Total Expense	14,089,044	0	14,089,044
Less Non-reimbursables	3,284	0	3,284
Total Net Expense	\$ 14,085,760	\$ 0	\$ 14,085,760

SECTION 3

CURRENT ENGAGEMENT OBSERVATION

FAYETTE 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 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.

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.

FAYETTE COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT OBSERVATION

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.
- 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.

FAYETTE COUNTY CHILDREN AND YOUTH AGENCY CURRENT ENGAGEMENT OBSERVATION

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

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.

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

FAYETTE COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT OBSERVATION

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.

FAYETTE COUNTY CHILDREN AND YOUTH AGENCY
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