

# AMENDED FISCAL REPORTS

## For Fiscal Years:

July 1, 2014 to June 30, 2015

July 1, 2015 to June 30, 2016

July 1, 2016 to June 30, 2017

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# Lackawanna County Children and Youth Agency

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January 2019



Commonwealth of Pennsylvania  
Department of the Auditor General

Eugene A. DePasquale • Auditor General



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

The Commissioners of Lackawanna County  
Lackawanna County Administration Building  
200 Adams Ave, Sixth Floor  
Scranton, PA 18503

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

Preparation of the submitted fiscal reports, and compliance with children, youth, and families regulations, are the responsibility of agency management. Our engagement procedures included a review of selected agency records, and other procedures we deemed necessary, to enable us to ascertain and certify the actual Commonwealth expenditures incurred on behalf of children residing within the County and to determine the County's compliance<sup>1</sup> 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

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

engagement procedures provided us a reasonable basis to ascertain and certify the actual Commonwealth expenditures incurred on behalf of children residing within Lackawanna County.

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

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

- For the **2014-2015 fiscal year**, our engagement resulted in two adjustments being made to the agency's submitted fiscal reports. These adjustment in total impacted the agency's Final Net State Share by increasing agency expenditures by \$79,976 and by decreasing nonreimbursable expenditures by \$25,694. Based on the application of the state participation rates, the adjustment resulted in an amount due to the county totaling \$80,225. This adjustment is detailed in our amended fiscal reports for fiscal year 2014-2015, as included in Section 1 of this report.
- For the **2015-2016 fiscal year**, our engagement resulted in two adjustments being made to the agency's submitted fiscal reports. These adjustment in total impacted the agency's Final Net State Share by increasing agency expenditures by \$73,507, and by decreasing nonreimbursable expenditures by \$30,397. Based on the application of the state participation rates, the adjustment resulted in an amount due to the county totaling \$77,397. This adjustment is detailed in our amended fiscal reports for fiscal year 2015-2016, as included in Section 2 of this report.
- For the **2016-2017 fiscal year**, our engagement resulted in three adjustments being made to the agency's submitted fiscal reports. These adjustments in total impacted the agency's Final Net State Share by increasing agency expenditures by \$98,742 and increasing nonreimbursable expenditures by \$29,920. Based on the application of the state participation rates, the three adjustments resulted in an amount due to the county totaling \$51,775. These adjustments are detailed in our amended fiscal reports for fiscal year 2016-2017, as included in Section 3 of this report.

In addition, we found that the agency complied with one of the two findings included in our prior released audit report, as detailed in Section 4 of this report. For the remaining finding, due to the timing of the conduct of our prior engagement, the agency was not able to implement corrective action to comply with the recommendations in this finding, as detailed in Section 4 of this report. As a result, we concluded that this finding should be re-issued as a repeat finding in the current section of our engagement report, as listed below and detailed in Section 5 of this report.

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

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<sup>2</sup> The accrual basis of accounting is required by DHS.

Additionally, we updated our Child Protective Services Law Observation to include DHS management's current and planned corrective actions in response to our concerns, as listed below and detailed in Section 6 of this report.

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

The results of our engagement procedures, as presented in this report, were discussed with County representatives and agency management at an exit conference held on December 21, 2018.

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

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

Sincerely,



Eugene A. DePasquale  
Auditor General

December 31, 2018

# CONTENTS

	Page
<b>Background</b> .....	1
<b>Section 1 – Amended Fiscal Reports for the Fiscal Year July 1, 2014 to June 30, 2015</b>	
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
<b>Section 2 – Amended Fiscal Reports for the Fiscal Year July 1, 2015 to June 30, 2016</b>	
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
<b>Section 3 – Amended Fiscal Reports for the Fiscal Year July 1, 2016 to June 30, 2017</b>	
Amended Computation of Final Net State Share .....	17
Amended CY-348 - Fiscal Summary .....	18
Amended CY-370A - Revenue Report .....	19
Amended CY-370 - Expenditure Report.....	20
Amended Summary of Expense and Expense Adjustments .....	21
Adjustment Schedule .....	22
<b>Section 4 – Status of Prior Engagement Findings and Recommendations</b> .....	24
<b>Section 5 – Current Engagement Finding and Recommendations</b> .....	27
<b>Section 6 – Current Engagement Observation</b> .....	33
<b>Report Distribution List</b> .....	38

## 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 Lackawanna County Children and Youth Agency provided in-home and placement services to 1,948 children residing within the County during the 2016-2017 fiscal year. The Children and Youth Social Services Program is County-Administered and State-Supervised by the DHS and thus, they are jointly responsible for achieving the Commonwealth’s goal.

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

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

# SECTION 1

## AMENDED FISCAL REPORTS

**FOR THE FISCAL YEAR:**

**JULY 1, 2014 to JUNE 30, 2015**

**LACKAWANNA COUNTY CHILDREN AND YOUTH AGENCY  
FOR THE PERIOD JULY 1, 2014 TO JUNE 30, 2015  
AMENDED  
COMPUTATION OF FINAL NET STATE SHARE**

Approved State Allocation <sup>1</sup>		\$ 10,855,522
Supplemental Act 148		<u>0</u>
Total State Allocation		10,855,522
State Share (CY348) <sup>2</sup>	\$ 9,980,832	
Less: Major Service Category Adjustment	<u>0</u>	
Net State Share		\$ 9,980,832
Less: Expenditures in Excess of the Approved State Allocation		<u>0</u>
Final Net State Share Payable <sup>3</sup>		\$ 9,980,832
Actual Act 148 Revenues Received <sup>4</sup>		<u>9,900,607</u>
Net Amount Due County/(State) <sup>5</sup>		<u>\$ 80,225</u>

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

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

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

<sup>4</sup> Actual Act 148 Revenues Received is the amount of Act 148 funds the County received.

<sup>5</sup> 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.

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LACKAWANNA COUNTY CHILDREN AND YOUTH AGENCY  
 FOR THE PERIOD JULY 1, 2014 TO JUNE 30, 2015  
 AMENDED CY348  
 FISCAL SUMMARY

	A	B	C	D	E	F	G	H	I	J	K
	GRAND TOTAL	PROGRAM INCOME	TITLE IV-E	TANF	TITLE XX	TITLE IV-B	Child Welfare Demonstration Project Title IV-E	MEDICAL ASSISTANCE	NET TOTAL	STATE ACT 148	LOCAL SHARE
NET CHILD WELFARE EXPENDITURES											
01. 100% REIMBURSEMENT	468,644	0	5,649	0	0	0	69,660	0	393,335	393,335	0
02. 90% REIMBURSEMENT	12,380	0	161	0	0	0	1,987	0	10,232	9,209	1,023
03. 80% REIMBURSEMENT	13,361,526	319,112	1,281,309	163,118	160,373	60,386	1,393,116	0	9,984,112	7,987,290	1,996,822
04. 60% REIMBURSEMENT	1,621,056	17,879	5,828	0	0	0	71,469	9,369	1,516,511	909,907	606,604
05. 50% REIMBURSEMENT	1,362,181	0	0	0	0	0	0	0	1,362,181	681,091	681,090
06. TOTAL NET CHILD WELFARE EXPEND.	16,825,787	336,991	1,292,947	163,118	160,373	60,386	1,536,232	9,369	13,266,371	9,980,832	3,285,539
YDC/YFC PLACEMENT COSTS											
07. 60% DHS PARTICIPATION	53,580	0							53,580	32,148	21,432
08. NON-REIMBURSABLE EXPENDITURES	341,135	0							341,135		
09. TOTAL EXPENDITURES	17,220,502	336,991	1,292,947	163,118	160,373	60,386	1,536,232	9,369	13,661,086	10,012,980	3,648,106
10. TOTAL TITLE IV-D COLLECTIONS	77,973										
11. TITLE IV-D Collections for IV-E Children	46,381										
12. STATE ACT 148 - line 6	9,980,832										
13. STATE ACT 148 ALLOCATION	10,855,522										
14. ADJUSTED STATE SHARE (lower of 12 or 13)	9,980,832										
INVOICE											
AMENDED STATE SHARE (ACT 148)	9,980,832										
ACT 148 AMOUNT RECEIVED	9,900,607										
ADJUSTMENT TO STATE SHARE	80,225										

LACKAWANNA COUNTY CHILDREN AND YOUTH AGENCY  
 FOR THE PERIOD JULY 1, 2014 TO JUNE 30, 2015  
 AMENDED CV370A  
 REVENUE REPORT

MAJOR SERVICE CATEGORIES & COST CENTERS	REVENUE SOURCES											
	1	2	3	4	5	6	7	8	9	10	11	12
	TOTAL REIMBURSABLE EXPENDITURES	PROGRAM INCOME	TITLE IV-E MAINTENANCE	TITLE IV-E ADMIN.	TANF	TITLE XX	TITLE IV-B	Child Welfare Demonstration Project Title IV-E	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE
<b>IN-HOME</b>												
1-A ADOPTION SERVICE	468,644	0		5,649	0			69,660	0	393,335	393,335	0
1-B ADOPTION ASSISTANCE	2,898,458	0	1,060,423	12,184				5,961	0	1,819,890	1,455,912	363,978
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANS	448,001	0	121,327	427				5,260	0	320,787	256,630	64,157
1-D COUNSELING - DEPENDENT	57,750	0		559	0			6,896	0	50,295	40,236	10,059
1-E COUNSELING - DELINQUENT	54,645	0			31,870			0	0	22,775	18,220	4,555
1-F DAY CARE	8,700	0		0	0			0	0	8,700	6,960	1,740
1-G DAY TREATMENT - DEPENDENT	7,716	0		0	0			0	0	7,716	6,173	1,543
1-H DAY TREATMENT - DELINQUENT	1,266	0		0	0			0	0	1,266	1,013	253
1-I HOMEMAKER SERVICE	115,191	0		1,554	0			19,168	0	94,469	75,575	18,894
1-J INTAKE & REFERRAL	657,483	0		8,872	0			109,399	0	539,162	431,330	107,832
1-K LIFE SKILLS - DEPENDENT	303,431	0		4,095	0			50,492	0	248,844	199,075	49,769
1-L LIFE SKILLS - DELINQUENT	0	0		0	0			0	0	0	0	0
1-M PROTECTIVE SERVICE - CHILD ABUSE	556,200	0		6,560	62,000			80,881	0	406,759	325,407	81,352
1-N PROTECTIVE SERVICE - GENERAL	3,758,022	0		46,570	13,024			574,226	0	3,124,202	2,499,362	624,840
1-O SERVICE PLANNING	467,916	0		1,464	56,224			19,940	0	390,288	312,230	78,058
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT	131,903	0		0	0			0	0	131,903	65,952	65,951
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT	0	0		0	0			0	0	0	0	0
<b>1-R SUBTOTAL IN-HOME</b>	<b>9,935,276</b>	<b>0</b>	<b>1,181,950</b>	<b>87,934</b>	<b>163,118</b>	<b>0</b>	<b>0</b>	<b>941,883</b>	<b>0</b>	<b>7,560,391</b>	<b>6,087,410</b>	<b>1,472,981</b>

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
2-B ALTERNATIVE TREATMENT - DELINQUENT	0	0	0	0				0	0	0	0	0
2-C COMMUNITY RESIDENTIAL - DEPENDENT	11,125	3,392		9				117	0	7,607	6,086	1,521
2-D COMMUNITY RESIDENTIAL - DELINQUENT	166,284	0	0	0				0	0	166,284	133,027	33,257
2-E EMERGENCY SHELTER - DEPENDENT	12,380	0	0	161	0			1,987	0	10,232	9,209	1,023
2-F EMERGENCY SHELTER - DELINQUENT	0	0	0	0	0			0	0	0	0	0
2-G FOSTER FAMILY - DEPENDENT	3,806,354	315,720	2,551	14,514				60,386	0	2,732,034	2,185,627	546,407
2-H FOSTER FAMILY - DELINQUENT	5,304	0	0	0				520,776	0	5,304	4,243	1,061
2-I SUP. INDEPENDENT LIVING - DEPENDENT	37,730	0	0	0				0	0	37,730	30,184	7,546
2-J SUP. INDEPENDENT LIVING - DELINQUENT	0	0	0	0				0	0	0	0	0
<b>2-K SUBTOTAL CBP</b>	<b>4,039,177</b>	<b>319,112</b>	<b>2,551</b>	<b>14,684</b>	<b>0</b>	<b>160,373</b>	<b>60,386</b>	<b>522,880</b>	<b>0</b>	<b>2,959,191</b>	<b>2,368,376</b>	<b>590,815</b>

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	1,230,278	0		294					0	1,230,278	615,139	615,139
3-B RESIDENTIAL SERVICE - DEPENDENT	166,226	17,879	0	294				3,623	0	144,430	86,658	57,772
3-C RES. SERVICE - DELINQUENT (NON YDC/YFC)	1,023,905	0	0	0				0	0	1,023,905	614,343	409,562
3-D SECURE RES. SERVICE (EXCEPT YDC)	0	0	0	0				0	0	0	0	0
3-E YDC SECURE	53,580	0	0	0				0	0	53,580	32,148	21,432
<b>3-F SUBTOTAL INSTITUTIONAL</b>	<b>2,473,989</b>	<b>17,879</b>	<b>0</b>	<b>294</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,623</b>	<b>0</b>	<b>2,452,193</b>	<b>1,348,288</b>	<b>1,103,905</b>

<b>4 ADMINISTRATION</b>	430,925	0		5,534				67,846	9,369	348,176	208,906	139,270
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<b>5 TOTAL REVENUES</b>	<b>16,879,367</b>	<b>336,991</b>	<b>1,184,501</b>	<b>108,446</b>	<b>163,118</b>	<b>160,373</b>	<b>60,386</b>	<b>1,536,232</b>	<b>9,369</b>	<b>13,319,951</b>	<b>10,012,980</b>	<b>3,306,971</b>
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LACKAWANNA COUNTY CHILDREN AND YOUTH AGENCY  
 FOR THE PERIOD JULY 1, 2014 TO JUNE 30, 2015  
 AMENDED CY370  
 EXPENDITURE REPORT

MAJOR SERVICE CATEGORIES & COST CENTERS	OBJECTS OF EXPENDITURE											
	1	2	3	4	5	6	7	8	9	10	11	12
	WAGES AND SALARIES	EMPLOYEE BENEFITS	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
<b>IN-HOME</b>												
1-A ADOPTION SERVICE	243,098	95,490	80,038	50,024	82	469,472	628	67	828	0	0	0
1-B ADOPTION ASSISTANCE	20,803	8,172	2,862,634	6,849	0	2,898,528	89	1,536	70	0	0	0
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	18,355	7,210	416,394	6,042	0	448,063	0	179	62	0	0	0
1-D COUNSELING - DELINQUENT	24,064	9,454	7,923	16,309	82	57,832	244	50	82	0	0	0
1-E COUNSELING - DELINQUENT	0	0	54,645	0	54,645	0	35	0	0	0	0	0
1-F DAY CARE	0	0	8,700	0	8,700	0	14	0	0	0	0	0
1-G DAY TREATMENT - DEPENDENT	0	0	7,716	0	7,716	0	8	0	0	0	0	0
1-H DAY TREATMENT - DELINQUENT	0	0	1,266	0	1,266	0	1	0	0	0	0	0
1-I HOMEMAKER SERVICE	66,893	26,275	22,025	0	226	115,419	0	0	228	0	0	0
1-J INTAKE & REFERRAL	381,778	149,964	125,699	0	1,291	658,732	1,179	0	1,299	0	0	0
1-K LIFE SKILLS - DEPENDENT	176,206	69,214	58,015	0	596	304,031	180	0	600	0	0	0
1-L LIFE SKILLS - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
1-M PROTECTIVE SERVICE - CHILD ABUSE	282,254	110,871	92,931	70,150	955	557,161	173	393	961	0	0	0
1-N PROTECTIVE SERVICE - GENERAL	2,003,924	787,148	659,775	307,216	6,781	3,764,844	1,512	341	6,822	0	0	0
1-O SERVICE PLANNING	157,034	61,684	51,702	197,500	531	468,451	868	36	535	0	0	0
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT	0	0	131,903	0	131,903	0	76	0	0	0	0	0
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
1-R <b>SUBTOTAL IN-HOME</b>	3,374,409	1,325,482	3,279,028	1,110,999	845,429	11,416	9,946,763	11,487	11,487	0	0	0
Number of Children receiving only NON-PURCHASED IN-Home Services												
<b>COMMUNITY BASED PLACEMENT</b>												
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	408	160	134	10,422	1	11,125	79	9	11,125	0	0	0
2-D COMMUNITY RESIDENTIAL - DELINQUENT	0	0	0	166,284	0	166,284	782	23	0	0	0	0
2-E EMERGENCY SHELTER - DEPENDENT	6,934	2,724	2,282	440	24	12,404	11	20	24	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	660,768	259,553	316,756	2,569,286	2,236	3,808,599	39,337	1,119	2,245	0	0	0
2-H FOSTER FAMILY - DELINQUENT	0	0	0	5,304	0	5,304	58	1	0	0	0	0
2-I SUP. INDEPENDENT LIVING - DEPENDENT	0	0	0	37,730	0	37,730	31	3	0	0	0	0
2-J SUP. INDEPENDENT LIVING - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-K <b>SUBTOTAL CBP</b>	668,110	262,437	319,172	2,789,466	2,261	4,041,446	40,298	1,175	2,269	0	0	0
<b>INSTITUTIONAL PLACEMENT</b>												
3-A JUVENILE DETENTION SERVICE	0	0	0	1,230,278	0	1,230,278	2,275	193	0	0	0	0
3-B RESIDENTIAL SERVICE - DEPENDENT	12,644	4,968	4,756	143,838	43	166,269	551	19	43	0	0	0
3-C RES. SERVICE - DELINQUENT (EXCEPT YDC/YFC)	0	0	0	1,023,905	0	1,023,905	4,322	63	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	53,580	0	53,580	114	4	0	0	0	0
3-F <b>SUBTOTAL INSTITUTIONAL</b>	12,644	4,968	4,756	2,451,621	43	2,474,032	7,262	279	43	0	0	0
4. <b>ADMINISTRATION</b>	23,656	9,293	0	725,231	0	81	758,261	327,336	327,336	0	0	0
5. <b>TOTAL EXPENDITURES</b>	4,078,819	1,602,180	3,279,028	2,160,158	6,086,516	13,801	17,220,502	341,135	341,135	0	0	0
County Indirect Costs = \$ 717,444												

**LACKAWANNA COUNTY CHILDREN AND YOUTH AGENCY  
FOR THE PERIOD JULY 1, 2014 TO JUNE 30, 2015  
AMENDED  
SUMMARY OF EXPENSE AND EXPENSE ADJUSTMENTS**

<b>COST CENTER ITEMS</b>	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Adoption Service	\$ 464,705	\$ 4,767	\$ 469,472
Adoption Assistance	2,898,121	407	2,898,528
Subsidized Permanent Legal Custodianship	447,704	359	448,063
Counseling	112,006	471	112,477
Day Care	8,700	0	8,700
Day Treatment	8,982	0	8,982
Homemaker Service	114,108	1,311	115,419
Intake and Referral	651,246	7,486	658,732
Life Skills	300,575	3,456	304,031
Protective Service - Child Abuse	551,627	5,534	557,161
Protective Service - General	3,725,547	39,297	3,764,844
Service Planning	465,373	3,078	468,451
Juvenile Act Proceedings	131,903	0	131,903
Alternative Treatment	0	0	0
Community Residential	177,401	8	177,409
Emergency Shelter	12,269	135	12,404
Foster Family	3,800,948	12,955	3,813,903
Supervised Independent Living	37,730	0	37,730
Juvenile Detention Service	1,230,278	0	1,230,278
Residential Service	1,189,925	249	1,190,174
Secure Residential Service (Except YDC)	0	0	0
YDC Secure	53,580	0	53,580
Administration	757,798	463	758,261
Combined Total Expense	<u>17,140,526</u>	<u>79,976</u>	<u>17,220,502</u>
Less Non-reimbursables	<u>366,829</u>	<u>(25,694)</u>	<u>341,135</u>
Total Net Expense	<u>\$ 16,773,697</u>	<u>\$ 105,670</u>	<u>\$ 16,879,367</u>

<b>OBJECTS OF EXPENDITURE</b>	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Wages and Salaries	\$ 4,078,819	\$ 0	\$ 4,078,819
Employee Benefits	1,602,180	0	1,602,180
Subsidies	3,279,028	0	3,279,028
Operating	2,080,182	79,976	2,160,158
Purchased Services	6,086,516	0	6,086,516
Fixed Assets	13,801	0	13,801
Combined Total Expense	<u>17,140,526</u>	<u>79,976</u>	<u>17,220,502</u>
Less Non-reimbursables	<u>366,829</u>	<u>(25,694)</u>	<u>341,135</u>
Total Net Expense	<u>\$ 16,773,697</u>	<u>\$ 105,670</u>	<u>\$ 16,879,367</u>

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

REPORT REFERENCE			ADJ. NO.	EXPLANATION OF ADJUSTMENT	AS REPORTED OR ADJUSTED	INCREASE/ (DECREASE)	ADJUSTED TOTAL	
SCHEDULE	LINE	COLUMN						
CY-370	4	10	1	CY-370 Adjustment				
				Administration - Non-Reimbursable Non-PS/Sub.  To decrease non-reimbursable expenditures by \$25,674 to properly report the amount of indirect costs which exceed the 2% cost limitation.  Title 55 PA Code, Chapter 3170.60 OCYF Bulletin 00-95-12	\$ 353,030	\$ (25,694)	\$ 327,336	
CY-370	1-A	4	2	Adoption Service - Operating	\$ 75,271	\$ 4,767	\$ 80,038	
	1-B	4		Adoption Assistance - Operating	\$ 6,442	\$ 407	\$ 6,849	
	1-C	4		SPLC - Operating	\$ 5,683	\$ 359	\$ 6,042	
	1-D	4		Counseling (Dep.) - Operating	\$ 7,452	\$ 471	\$ 7,923	
	1-I	4		Homemaker Service - Operating	\$ 20,714	\$ 1,311	\$ 22,025	
	1-J	4		Intake & Referral - Operating	\$ 118,213	\$ 7,486	\$ 125,699	
	1-K	4		Life Skills (Dep.) - Operating	\$ 54,559	\$ 3,456	\$ 58,015	
	1-M	4		Protective Services Child Abuse - Operating	\$ 87,397	\$ 5,534	\$ 92,931	
	1-N	4		Protective Services General - Operating	\$ 620,478	\$ 39,297	\$ 659,775	
	1-O	4		Service Planning - Operating	\$ 48,624	\$ 3,078	\$ 51,702	
	2-C	4		Community Residential (Dep.) - Operating	\$ 126	\$ 8	\$ 134	
	2-E	4		Emergency Shelter (Dep.) - Operating	\$ 2,147	\$ 135	\$ 2,282	
	2-G	4		Foster Family (Dep.) - Operating	\$ 303,801	\$ 12,955	\$ 316,756	
	3-B	4		Residential Service (Dep.) - Operating	\$ 4,507	\$ 249	\$ 4,756	
	4	4		Administration - Operating	\$ 724,768	\$ 463	\$ 725,231	
					Total Adjustment Amount		<u>\$ 79,976</u>	
					To increase expenditures by \$79,976 to properly report Operating costs and reconcile to the agency's final expenditure ledger.  Title 55 PA Code, Chapter 3170.95(a)(b)			

# SECTION 2

## AMENDED FISCAL REPORTS

**FOR THE FISCAL YEAR:**

**JULY 1, 2015 to JUNE 30, 2016**

**LACKAWANNA COUNTY CHILDREN AND YOUTH AGENCY  
FOR THE PERIOD JULY 1, 2015 TO JUNE 30, 2016  
AMENDED  
COMPUTATION OF FINAL NET STATE SHARE**

Approved State Allocation <sup>1</sup>		\$	10,387,750
Supplemental Act 148			<u>0</u>
Total State Allocation			10,387,750
State Share (CY348) <sup>2</sup>	\$		9,969,584
Less: Major Service Category Adjustment			<u>0</u>
Net State Share		\$	9,969,584
Less: Expenditures in Excess of the Approved State Allocation			<u>0</u>
Final Net State Share Payable <sup>3</sup>		\$	9,969,584
Actual Act 148 Revenues Received <sup>4</sup>			<u>9,892,187</u>
Net Amount Due County/(State) <sup>5</sup>		\$	<u><u>77,397</u></u>

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

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

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

<sup>4</sup> Actual Act 148 Revenues Received is the amount of Act 148 funds the County received.

<sup>5</sup> 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.

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LACKAWANNA COUNTY CHILDREN AND YOUTH AGENCY  
 FOR THE PERIOD JULY 1, 2015 TO JUNE 30, 2016  
 AMENDED CY348  
 FISCAL SUMMARY

	A	B	C	D	E	F	G	H	I	J	K
	GRAND TOTAL	PROGRAM INCOME	TITLE IV-E	TANF	TITLE XX	TITLE IV-B	Child Welfare Demonstration Project Title IV-E	MEDICAL ASSISTANCE	NET TOTAL	STATE ACT 148	LOCAL SHARE
NET CHILD WELFARE EXPENDITURES											
01. 100% REIMBURSEMENT	318,972	0	4,111	0	0	0	52,832	0	262,029	262,029	0
02. 90% REIMBURSEMENT	20,981	0	77	0	0	0	994	0	19,910	17,919	1,991
03. 80% REIMBURSEMENT	13,973,004	249,689	1,383,913	163,128	160,373	60,386	1,749,110	0	10,206,405	8,165,123	2,041,282
04. 60% REIMBURSEMENT	1,231,226	15,145	6,716	0	0	0	(231,947)	9,668	1,431,644	858,986	572,658
05. 50% REIMBURSEMENT	1,331,054	0	0	0	0	0	0	0	1,331,054	665,527	665,527
06. TOTAL NET CHILD WELFARE EXPEND.	16,875,237	264,834	1,394,817	163,128	160,373	60,386	1,570,989	9,668	13,251,042	9,969,584	3,281,458
YDC/YFC PLACEMENT COSTS											
07. 60% DHS PARTICIPATION	3,808	0							3,808	2,285	1,523
08. NON-REIMBURSABLE EXPENDITURES	417,737	0							417,737		417,737
09. TOTAL EXPENDITURES	17,296,782	264,834	1,394,817	163,128	160,373	60,386	1,570,989	9,668	13,672,587	9,971,869	3,700,718
10. TOTAL TITLE IV-D COLLECTIONS	62,221										
11. TITLE IV-D Collections for IV-E Children	27,979										
12. STATE ACT 148 - line 6	9,969,584										
13. STATE ACT 148 ALLOCATION	10,387,750										
14. ADJUSTED STATE SHARE (lower of 12 or 13)	9,969,584										
INVOICE											
AMENDED STATE SHARE (ACT 148)	9,969,584										
ACT 148 AMOUNT RECEIVED	9,892,187										
ADJUSTMENT TO STATE SHARE	77,397										



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

MAJOR SERVICE CATEGORIES & COST CENTERS	REVENUE SOURCES											
	1	2	3	4	5	6	7	8	9	10	11	12
	TOTAL REIMBURSABLE EXPENDITURES	PROGRAM INCOME	TITLE IV-E MAINTENANCE	TITLE IV-E ADMIN.	TANF	TITLE XX	TITLE IV-B	Child Welfare Demonstration Project Title IV-E	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE
<b>IN-HOME</b>												
1-A ADOPTION SERVICE	318,972	0	0	4,111	0	0	0	52,832	0	262,029	262,029	0
1-B ADOPTION ASSISTANCE	3,034,431	0	1,092,677	16,534	0	0	0	10,084	0	1,915,136	1,532,109	383,027
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	555,074	0	152,909	520	0	0	0	6,676	0	394,969	315,975	78,994
1-D COUNSELING - DEPENDENT	71,540	0	0	840	35,760	0	0	10,900	0	24,040	19,232	4,808
1-E COUNSELING - DELINQUENT	58,015	0	0	0	0	0	0	0	0	58,015	46,412	11,603
1-F DAY CARE	43,539	0	0	0	0	0	0	0	0	43,539	34,831	8,708
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 HOMEMAKER SERVICE	81,754	0	0	1,216	0	0	0	15,623	0	64,915	51,932	12,983
1-J INTAKE & REFERRAL	1,022,660	0	0	15,207	0	0	0	197,059	0	810,394	648,315	162,079
1-K LIFE SKILLS - DEPENDENT	361,603	0	0	5,006	0	0	0	64,336	0	292,261	233,809	58,452
1-L LIFE SKILLS - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
1-M PROTECTIVE SERVICE - CHILD ABUSE	947,128	0	0	12,819	61,223	0	0	166,126	0	706,960	565,568	141,392
1-N PROTECTIVE SERVICE - GENERAL	3,632,838	1,956	0	46,095	22,389	0	0	592,375	0	2,970,023	2,376,018	594,005
1-O SERVICE PLANNING	478,638	0	0	2,173	43,756	0	0	28,348	0	404,361	323,489	80,872
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT	97,322	0	0	0	0	0	0	0	0	97,322	48,661	48,661
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
1-R <b>SUBTOTAL IN-HOME</b>	10,703,514	1,956	1,245,586	104,521	163,128	0	0	1,144,359	0	8,043,964	6,458,380	1,585,584
<b>COMMUNITY BASED PLACEMENT</b>												
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	57,242	3,675	0	101	0	0	0	1,308	0	52,158	41,726	10,432
2-D COMMUNITY RESIDENTIAL - DELINQUENT	197,056	0	0	0	0	0	0	0	0	197,056	157,645	39,411
2-E EMERGENCY SHELTER - DEPENDENT	20,981	0	0	77	0	0	0	994	0	19,910	17,919	1,991
2-F EMERGENCY SHELTER - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-G FOSTER FAMILY - DEPENDENT	3,405,091	244,058	10,964	26,852	0	160,373	60,386	656,275	0	2,246,183	1,796,946	449,237
2-H FOSTER FAMILY - DELINQUENT	26,395	0	0	0	0	0	0	0	0	26,395	21,116	5,279
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 <b>SUBTOTAL CBP</b>	3,706,765	247,733	10,964	27,030	0	160,373	60,386	658,577	0	2,541,702	2,035,352	506,350
<b>INSTITUTIONAL PLACEMENT</b>												
3-A JUVENILE DETENTION SERVICE	1,233,732	0	0	0	0	0	0	0	0	1,233,732	616,866	616,866
3-B RESIDENTIAL SERVICE - DEPENDENT	39,055	14,679	0	121	0	0	0	1,561	0	22,694	13,616	9,078
3-C RES. SERVICE - DELINQUENT (NON YDC/YFC)	723,899	466	0	0	0	0	0	0	0	723,433	434,060	289,373
3-D SECURE RES. SERVICE (EXCEPT YDC)	0	0	0	0	0	0	0	0	0	0	0	0
3-E YDC SECURE	3,808	0	0	0	0	0	0	0	0	3,808	2,285	1,523
3-F <b>SUBTOTAL INSTITUTIONAL</b>	2,000,494	15,145	0	121	0	0	0	1,561	0	1,983,667	1,066,827	916,840
4 <b>ADMINISTRATION</b>	468,272	0	0	6,595	0	0	0	(233,508)	9,668	685,517	411,310	274,207
5 <b>TOTAL REVENUES</b>	16,879,045	264,834	1,256,550	138,267	163,128	160,373	60,386	1,570,989	9,668	13,254,850	9,971,869	3,282,981

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

MAJOR SERVICE CATEGORIES & COST CENTERS	OBJECTS OF EXPENDITURE											Program Income related to all Non-Reimbursable
	1	2	3	4	5	6	7	8	9	10	11	
	WAGES AND SALARIES	EMPLOYEE BENEFITS	SUBSIDIES	OPERATING	PURCHASED SERVICES	FIXED ASSETS	TOTAL EXPENDITURES	Children Served (by county)	Children Served (Purchased)	Non-Reimbursable Non PSSub.	Non-Reim. Purchased Serv/ Subsidies	Program Income related to all Non-Reimbursable
<b>IN-HOME</b>												
I-A ADOPTION SERVICE	158,877	61,660		55,610	42,500	994	319,641	482	40	669	0	0
I-B ADOPTION ASSISTANCE	30,323	11,769	2,981,663	10,613	0	190	3,034,558	92	1,592	127	0	0
I-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	20,074	7,790	520,141	7,028	0	126	555,159	6	249	85	0	0
I-D COUNSELING - DEPENDENT	32,458	12,597		11,362	15,057	203	71,677	88	43	137	0	0
I-E COUNSELING - DELINQUENT	0	0		0	58,015	0	58,015	0	29	0	0	0
I-F DAY CARE	0	0		0	43,539	0	43,539	0	70	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 HOME/MAKER SERVICE	46,980	18,233		16,445	0	294	81,952	143	158	198	0	0
I-J INTAKE & REFERRAL	587,669	228,077		205,710	0	3,678	1,025,134	1,785	0	2,474	0	0
I-K LIFE SKILLS - DEPENDENT	193,470	75,086		67,723	24,927	1,211	362,417	587	303	814	0	0
I-L LIFE SKILLS - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
I-M PROTECTIVE SERVICE - CHILD ABUSE	495,419	192,274		173,419	85,000	3,101	949,213	1,504	361	2,085	0	0
I-N PROTECTIVE SERVICE - GENERAL	1,781,374	691,360		623,557	532,896	11,149	3,640,336	5,409	305	7,498	0	0
I-O SERVICE PLANNING	164,429	63,815		57,556	192,501	1,029	479,330	499	40	692	0	0
I-P JUVENILE ACT PROCEEDINGS - DEPENDENT					97,322		97,322	0	460	0	0	0
I-Q JUVENILE ACT PROCEEDINGS - DELINQUENT					0		0	0	0	0	0	0
I-R <b>SUBTOTAL IN-HOME</b>	3,511,073	1,362,661	3,501,804	1,229,023	1,091,757	21,975	10,718,293			14,779	0	0
	Number of Children receiving only NON-PURCHASED IN-Home Services											
<b>COMMUNITY BASED PLACEMENT</b>												
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	4,271	1,658	0	1,497	49,807	27	57,260	243	4	18	0	0
2-D COMMUNITY RESIDENTIAL - DELINQUENT	0	0	0	0	197,056	0	197,056	924	29	0	0	0
2-E EMERGENCY SHELTER - DEPENDENT	2,989	1,160	0	1,046	15,780	19	20,994	314	73	13	0	0
2-F EMERGENCY SHELTER - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-G FOSTER FAMILY - DEPENDENT	696,577	270,344	0	375,583	2,061,156	4,359	3,408,019	64,036	903	2,928	0	0
2-H FOSTER FAMILY - DELINQUENT	0	0	0	0	26,395	0	26,395	259	3	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 <b>SUBTOTAL CBP</b>	703,837	273,162	0	378,126	2,350,194	4,405	3,709,724	65,776	1,012	2,959	0	0
<b>INSTITUTIONAL PLACEMENT</b>												
3-A JUVENILE DETENTION SERVICE	0	0	0	0	1,233,732	0	1,233,732	2,075	235	0	0	0
3-B RESIDENTIAL SERVICE - DEPENDENT	4,271	1,658	0	4,664	28,453	27	39,073	165	12	18	0	0
3-C RES. SERVICE - DELINQUENT (EXCEPT YDC/YFC)	0	0	0	0	723,899	0	723,899	3,393	69	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	3,808	0	3,808	8	1	0	0	0
3-F <b>SUBTOTAL INSTITUTIONAL</b>	4,271	1,658	0	4,664	1,989,892	27	2,000,512	5,641	317	18	0	0
<b>ADMINISTRATION</b>	51,677	20,056	0	796,197	0	323	868,253			399,981	0	0
<b>TOTAL EXPENDITURES</b>	4,270,858	1,657,537	3,501,804	2,408,010	5,431,843	26,730	17,296,782			417,737	0	0
	County Indirect Costs = \$ 779,063											

**LACKAWANNA COUNTY CHILDREN AND YOUTH AGENCY  
FOR THE PERIOD JULY 1, 2015 TO JUNE 30, 2016  
AMENDED  
SUMMARY OF EXPENSE AND EXPENSE ADJUSTMENTS**

<b>COST CENTER ITEMS</b>	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Adoption Service	\$ 316,941	\$ 2,700	\$ 319,641
Adoption Assistance	3,034,043	515	3,034,558
Subsidized Permanent Legal Custodianship	554,818	341	555,159
Counseling	129,141	551	129,692
Day Care	43,539	0	43,539
Day Treatment	0	0	0
Homemaker Service	81,154	798	81,952
Intake and Referral	1,015,148	9,986	1,025,134
Life Skills	359,130	3,287	362,417
Protective Service - Child Abuse	940,795	8,418	949,213
Protective Service - General	3,610,064	30,272	3,640,336
Service Planning	476,536	2,794	479,330
Juvenile Act Proceedings	97,322	0	97,322
Alternative Treatment	0	0	0
Community Residential	254,243	73	254,316
Emergency Shelter	20,943	51	20,994
Foster Family	3,421,644	12,770	3,434,414
Supervised Independent Living	0	0	0
Juvenile Detention Service	1,233,732	0	1,233,732
Residential Service	762,899	73	762,972
Secure Residential Service (Except YDC)	0	0	0
YDC Secure	3,808	0	3,808
Administration	867,375	878	868,253
Combined Total Expense	<u>17,223,275</u>	<u>73,507</u>	<u>17,296,782</u>
Less Non-reimbursables	<u>448,134</u>	<u>(30,397)</u>	<u>417,737</u>
Total Net Expense	<u>\$ 16,775,141</u>	<u>\$ 103,904</u>	<u>\$ 16,879,045</u>

<b>OBJECTS OF EXPENDITURE</b>	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Wages and Salaries	\$ 4,270,858	\$ 0	\$ 4,270,858
Employee Benefits	1,657,537	0	1,657,537
Subsidies	3,501,804	0	3,501,804
Operating	2,334,503	73,507	2,408,010
Purchased Services	5,431,843	0	5,431,843
Fixed Assets	26,730	0	26,730
Combined Total Expense	<u>17,223,275</u>	<u>73,507</u>	<u>17,296,782</u>
Less Non-reimbursables	<u>448,134</u>	<u>(30,397)</u>	<u>417,737</u>
Total Net Expense	<u>\$ 16,775,141</u>	<u>\$ 103,904</u>	<u>\$ 16,879,045</u>

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

REPORT REFERENCE			ADJ. NO.	EXPLANATION OF ADJUSTMENTS	AS REPORTED OR ADJUSTED	INCREASE/ (DECREASE)	ADJUSTED TOTAL
SCHEDULE	LINE	COLUMN					
CY-370	4	10	1	<p style="text-align: center;">CY-370 Adjustment</p> <p>Administration - Non-Reimbursable Non-PS/Sub.</p> <p>To decrease non-reimbursable expenditures by \$30,397 to properly report the amount of indirect costs which exceed the 2% cost limitation.</p> <p>Title 55 PA Code, Chapter 3170.60 OCYF Bulletin 00-95-12</p>	\$ 430,378	\$ (30,397)	\$ 399,981
CY-370	1-A	4	2	Adoption Service - Operating	\$ 52,910	\$ 2,700	\$ 55,610
	1-B	4		Adoption Assistance - Operating	\$ 10,098	\$ 515	\$ 10,613
	1-C	4		SPLC - Operating	\$ 6,687	\$ 341	\$ 7,028
	1-D	4		Counseling (Dep.) - Operating	\$ 10,811	\$ 551	\$ 11,362
	1-I	4		Homemaker Service - Operating	\$ 15,647	\$ 798	\$ 16,445
	1-J	4		Intake & Referral - Operating	\$ 195,724	\$ 9,986	\$ 205,710
	1-K	4		Life Skills (Dep.) - Operating	\$ 64,436	\$ 3,287	\$ 67,723
	1-M	4		Protective Services Child Abuse - Operating	\$ 165,001	\$ 8,418	\$ 173,419
	1-N	4		Protective Services General - Operating	\$ 593,285	\$ 30,272	\$ 623,557
	1-O	4		Service Planning - Operating	\$ 54,762	\$ 2,794	\$ 57,556
	2-C	4		Community Residential (Dep.) - Operating	\$ 1,424	\$ 73	\$ 1,497
	2-E	4		Emergency Shelter (Dep.) - Operating	\$ 995	\$ 51	\$ 1,046
	2-G	4		Foster Family (Dep.) - Operating	\$ 362,813	\$ 12,770	\$ 375,583
	3-B	4		Residential Service (Dep.) - Operating	\$ 4,591	\$ 73	\$ 4,664
	4	4		Administration - Operating	\$ 795,319	\$ 878	\$ 796,197
				Total Adjustment Amount		\$ 73,507	
			To increase expenditures by \$73,507 to properly report Operating costs and reconcile to the agency's final expenditure ledger.				
			Title 55 PA Code, Chapter 3170.95(a)(b)				

# SECTION 3

## AMENDED FISCAL REPORTS

**FOR THE FISCAL YEAR:**

**JULY 1, 2016 to JUNE 30, 2017**

**LACKAWANNA 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 <sup>1</sup>		\$	10,405,062
Supplemental Act 148			<u>0</u>
Total State Allocation			10,405,062
State Share (CY348) <sup>2</sup>	\$		10,302,280
Less: Major Service Category Adjustment			<u>0</u>
Net State Share		\$	10,302,280
Less: Expenditures in Excess of the Approved State Allocation			<u>0</u>
Final Net State Share Payable <sup>3</sup>		\$	10,302,280
Actual Act 148 Revenues Received <sup>4</sup>			<u>10,250,505</u>
Net Amount Due County/(State) <sup>5</sup>		\$	<u><u>51,775</u></u>

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

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

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

<sup>4</sup> Actual Act 148 Revenues Received is the amount of Act 148 funds the County received.

<sup>5</sup> 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.

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LACKAWANNA 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	193,102	0	2,089	0	0	0	28,548	0	162,465	162,465	0
02. 90% REIMBURSEMENT	27,603	0	90	0	0	0	1,235	0	26,278	23,650	2,628
03. 80% REIMBURSEMENT	14,006,407	172,408	1,387,843	163,127	160,373	60,386	1,432,971	54,986	10,574,313	8,459,451	2,114,862
04. 60% REIMBURSEMENT	1,696,544	11,583	6,646	0	0	0	98,614	9,537	1,570,164	942,098	628,066
05. 50% REIMBURSEMENT	1,429,231	0	0	0	0	0	0	0	1,429,231	714,616	714,615
06. TOTAL NET CHILD WELFARE EXPEND.	17,352,887	183,991	1,396,668	163,127	160,373	60,386	1,561,368	64,523	13,762,451	10,302,280	3,460,171

YDC/YFC PLACEMENT COSTS											
07. 60% DHS PARTICIPATION	0	0							0	0	0

08. NON-REIMBURSABLE EXPENDITURES	480,260	0							480,260		480,260
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09. TOTAL EXPENDITURES	17,833,147	183,991	1,396,668	163,127	160,373	60,386	1,561,368	64,523	14,242,711	10,302,280	3,940,431
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10. TOTAL TITLE IV-D COLLECTIONS 61,263

11. TITLE IV-D Collections for IV-E Children 18,916

12. STATE ACT 148 - line 6 10,302,280

13. STATE ACT 148 ALLOCATION 10,405,062

14. ADJUSTED STATE SHARE (lower of 12 or 13) 10,302,280

INVOICE											
AMENDED STATE SHARE (ACT 148)	10,302,280										
ACT 148 AMOUNT RECEIVED	10,250,505										
ADJUSTMENT TO STATE SHARE	51,775										

LACKAWANNA 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
<b>IN-HOME</b>												
1-A ADOPTION SERVICE	193,102	0		2,089	0			28,548	0	162,465		0
1-B ADOPTION ASSISTANCE	3,123,308	0	1,117,965	14,303				15,770	0	1,975,270	1,580,216	395,054
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	560,466	0	157,874	676				9,244	0	392,672	314,138	78,534
1-D COUNSELING - DEPENDENT	80,891	0		843	10,590			11,555	0	57,901	46,321	11,580
1-E COUNSELING - DELINQUENT	67,605	0			30,050			0	0	37,555	30,044	7,511
1-F DAY CARE	34,708	0		0	0			0	0	34,708	27,766	6,942
1-G DAY TREATMENT - DEPENDENT	0	0		0	0			0	0	0	0	0
1-H DAY TREATMENT - DELINQUENT	0	0		0	0			0	0	0	0	0
1-I HOMEMAKER SERVICE	90,442	0		1,103	0			15,090	0	74,249	59,399	14,850
1-J INTAKE & REFERRAL	1,018,470	0		12,433	0			169,928	0	836,109	668,887	167,222
1-K LIFE SKILLS - DEPENDENT	169,366	0		1,841	0			25,333	0	142,192	113,754	28,438
1-L LIFE SKILLS - DELINQUENT	0	0		0	0			0	0	0	0	0
1-M PROTECTIVE SERVICE - CHILD ABUSE	720,747	0		7,640	63,133			82,838	0	567,136	453,709	113,427
1-N PROTECTIVE SERVICE - GENERAL	4,711,556	0		52,230	15,299			560,777	0	4,083,250	3,266,600	816,650
1-O SERVICE PLANNING	512,818	0		2,175	44,055			21,758	0	444,830	355,564	88,966
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT	125,830	0		0	0			0	0	125,830	62,915	62,915
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT	0	0		0	0			0	0	0	0	0
1-R SUBTOTAL IN-HOME	11,409,309	0	1,275,839	95,335	163,127	0	0	940,841	0	8,934,167	7,142,078	1,792,089
<b>COMMUNITY BASED PLACEMENT</b>												
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	14,397	0		0	0			0	0	14,399	11,519	2,880
2-D COMMUNITY RESIDENTIAL - DELINQUENT	51,715	0		0	0			0	0	51,715	41,372	10,343
2-E EMERGENCY SHELTER - DEPENDENT	27,603	0		90	0			1,235	0	26,278	23,650	2,628
2-F EMERGENCY SHELTER - DELINQUENT	0	0		0	0			0	0	0	0	0
2-G FOSTER FAMILY - DEPENDENT	2,847,008	172,408	2,616	16,142		160,373	60,386	520,680	54,986	1,859,417	1,487,534	371,883
2-H FOSTER FAMILY - DELINQUENT	2,910	0		0	0			0	0	2,910	2,328	582
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	2,943,633	172,408	2,616	16,232	0	160,373	60,386	521,913	54,986	1,954,719	1,566,403	388,316
<b>INSTITUTIONAL PLACEMENT</b>												
3-A JUVENILE DETENTION SERVICE	1,303,401	0							0	1,303,401	651,701	651,700
3-B RESIDENTIAL SERVICE - DEPENDENT	282,615	11,583	0	1,423				19,439	0	250,170	150,102	100,068
3-C RES. SERVICE - DELINQUENT (NON YDC/FC)	969,140	0		0	0			0	0	969,140	581,484	387,656
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	2,555,156	11,583	0	1,423	0	0	0	19,439	0	2,522,711	1,383,287	1,139,424
<b>ADMINISTRATION</b>	444,789	0		5,223		0	0	79,175	9,537	350,854	210,512	140,342
<b>TOTAL REVENUES</b>	17,552,887	183,991	1,278,455	118,213	163,127	160,373	60,386	1,561,368	64,523	13,762,451	10,302,280	3,460,171



LACKAWANNA 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										7 TOTAL EXPENDITURES	8 Children Served (by county)	9 Children Served (Purchased)	10 Non-Reimbursable Non PS Sub	11 Non-Reim. Purchased Serv/ Subsites	12 Program Income related to all Non-Reimbursable
	1 WAGES AND SALARIES	2 EMPLOYEE BENEFITS	3 SUBSIDIES	4 OPERATING	5 PURCHASED SERVICES	6 FIXED ASSETS	7 TOTAL EXPENDITURES	8 DAYS OF CARE	9 Children Served (Purchased)	10 Non-Reimbursable Non PS Sub						
<b>IN-HOME</b>																
1-A ADOPTION SERVICE	95,467	35,665	31,498	22,000	8,908	193,538	349	29	436	0	0	0	0	0	0	0
1-B ADOPTION ASSISTANCE	52,734	19,701	3,028,793	17,400	0	4,921	3,123,549	193	241	0	0	0	0	0	0	0
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	30,913	11,549	505,062	10,198	0	2,885	560,607	59	72	141	0	0	0	0	0	0
1-D COUNSELING - DEPENDENT	38,641	14,436	12,747	11,637	3,606	81,067	141	20	176	0	0	0	0	0	0	0
1-E COUNSELING - DELINQUENT	0	0	0	67,605	0	67,605	0	30	0	0	0	0	0	0	0	0
1-F DAY CARE	0	0	0	34,708	0	34,708	0	18	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	0	0	0	0
1-H DAY TREATMENT - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1-I HOMEMAKER SERVICE	50,462	18,851	16,651	0	4,709	90,673	184	0	231	0	0	0	0	0	0	0
1-J INTAKE & REFERRAL	568,256	212,293	187,489	0	53,027	1,021,065	2,075	0	2,595	0	0	0	0	0	0	0
1-K LIFE SKILLS - DEPENDENT	84,102	31,419	27,746	18,635	7,848	169,750	307	65	384	0	0	0	0	0	0	0
1-L LIFE SKILLS - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1-M PROTECTIVE SERVICE - CHILD ABUSE	349,137	130,433	115,191	95,000	32,580	722,341	1,275	499	1,594	0	0	0	0	0	0	0
1-N PROTECTIVE SERVICE - GENERAL	2,387,130	891,798	787,602	433,173	222,754	4,722,457	8,716	529	10,901	0	0	0	0	0	0	0
1-O SERVICE PLANNING	175,931	65,725	58,047	197,501	16,417	513,621	642	31	803	0	0	0	0	0	0	0
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT	0	0	0	125,830	0	125,830	0	45	0	0	0	0	0	0	0	0
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1-R SUBTOTAL IN-HOME	3,832,773	1,431,870	3,533,855	1,264,569	1,006,089	11,426,811	17,502	674	2,755	0	0	0	0	0	0	0
Number of Children receiving only NON-PURCHASED IN-Home Services 3,684																
<b>COMMUNITY BASED PLACEMENT</b>																
2-A ALTERNATIVE TREATMENT - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2-B ALTERNATIVE TREATMENT - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2-C COMMUNITY RESIDENTIAL - DEPENDENT	0	0	0	14,416	0	14,416	76	15	19	0	0	0	0	0	0	0
2-D COMMUNITY RESIDENTIAL - DELINQUENT	0	0	0	51,715	0	51,715	333	10	0	0	0	0	0	0	0	0
2-E EMERGENCY SHELTER - DEPENDENT	4,091	1,529	1,351	20,230	382	27,603	450	320	0	0	0	0	0	0	0	0
2-F EMERGENCY SHELTER - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2-G FOSTER FAMILY - DEPENDENT	600,078	224,180	316,414	1,653,076	55,996	2,849,744	52,625	328	2,736	0	0	0	0	0	0	0
2-H FOSTER FAMILY - DELINQUENT	0	0	0	2,910	0	2,910	28	1	0	0	0	0	0	0	0	0
2-I SUP. INDEPENDENT LIVING - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2-J SUP. INDEPENDENT LIVING - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2-K SUBTOTAL CBP	604,169	225,709	317,765	1,742,367	56,378	2,946,388	53,512	674	2,755	0	0	0	0	0	0	0
<b>INSTITUTIONAL PLACEMENT</b>																
3-A JUVENILE DETENTION SERVICE	0	0	0	1,303,401	0	1,303,401	1,523	82	297	0	0	0	0	0	0	0
3-B RESIDENTIAL SERVICE - DEPENDENT	65,008	24,286	21,525	166,027	6,066	282,912	708	8	0	0	0	0	0	0	0	0
3-C RES. SERVICE - DELINQUENT (EXCEPT YDC/YFC)	0	0	0	969,140	0	969,140	4,288	35	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	0	0	0	0
3-E YDC SECURE	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3-F SUBTOTAL INSTITUTIONAL	65,008	24,286	21,525	2,438,568	6,066	2,555,453	6,519	125	297	0	0	0	0	0	0	0
<b>4 ADMINISTRATION</b>	44,098	16,475	0	839,807	0	904,495	459,706	0	0	0	0	0	0	0	0	0
<b>TOTAL EXPENDITURES</b>	4,546,048	1,698,340	3,533,855	2,443,666	5,187,024	17,833,147	17,833,147	480,260	0	0	0	0	0	0	0	0
County Indirect Costs = \$ 825,257																

**LACKAWANNA COUNTY CHILDREN AND YOUTH AGENCY  
FOR THE PERIOD JULY 1, 2016 TO JUNE 30, 2017  
AMENDED  
SUMMARY OF EXPENSE AND EXPENSE ADJUSTMENTS**

<b>COST CENTER ITEMS</b>	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Adoption Service	\$ 192,435	\$ 1,103	\$ 193,538
Adoption Assistance	3,122,940	609	3,123,549
Subsidized Permanent Legal Custodianship	560,249	358	560,607
Counseling	148,226	446	148,672
Day Care	34,708	0	34,708
Day Treatment	0	0	0
Homemaker Service	90,090	583	90,673
Intake and Referral	1,014,495	6,570	1,021,065
Life Skills	168,778	972	169,750
Protective Service - Child Abuse	718,305	4,036	722,341
Protective Service - General	4,694,863	27,594	4,722,457
Service Planning	511,588	2,033	513,621
Juvenile Act Proceedings	125,830	0	125,830
Alternative Treatment	0	0	0
Community Residential	66,131	0	66,131
Emergency Shelter	27,556	47	27,603
Foster Family	2,845,718	6,936	2,852,654
Supervised Independent Living	0	0	0
Juvenile Detention Service	1,303,401	0	1,303,401
Residential Service	1,251,300	752	1,252,052
Secure Residential Service (Except YDC)	0	0	0
YDC Secure	0	0	0
Administration	857,792	46,703	904,495
Combined Total Expense	<u>17,734,405</u>	<u>98,742</u>	<u>17,833,147</u>
Less Non-reimbursables	<u>450,340</u>	<u>29,920</u>	<u>480,260</u>
Total Net Expense	<u>\$ 17,284,065</u>	<u>\$ 68,822</u>	<u>\$ 17,352,887</u>

<b>OBJECTS OF EXPENDITURE</b>	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Wages and Salaries	\$ 4,546,048	\$ 0	\$ 4,546,048
Employee Benefits	1,698,340	0	1,698,340
Subsidies	3,533,855	0	3,533,855
Operating	2,344,924	98,742	2,443,666
Purchased Services	5,187,024	0	5,187,024
Fixed Assets	424,214	0	424,214
Combined Total Expense	<u>17,734,405</u>	<u>98,742</u>	<u>17,833,147</u>
Less Non-reimbursables	<u>450,340</u>	<u>29,920</u>	<u>480,260</u>
Total Net Expense	<u>\$ 17,284,065</u>	<u>\$ 68,822</u>	<u>\$ 17,352,887</u>

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

REPORT REFERENCE			ADJ. NO.	EXPLANATION OF ADJUSTMENTS	AS REPORTED OR ADJUSTED	INCREASE/ (DECREASE)	ADJUSTED TOTAL
SCHEDULE	LINE	COLUMN					
CY-370	4	4	1	CY-370 Adjustments			
				Administration - Operating	\$ 793,104	\$ 46,193	\$ 839,297
				To increase Administration Operating expenditures by \$46,193 to properly report indirect costs and reconcile to the County Cost Allocation Plan.			
				Title 55 PA Code, Chapter 3170.60 OCYF Bulletin 00-95-12			
CY-370	4	10	2	Administration - Non-Reimbursable Non-PS/Sub.	\$ 429,786	\$ 29,920	\$ 459,706
				To increase non-reimbursable expenditures by \$29,920 to properly report the amount of indirect costs which exceed the 2% cost limitation.			
				Title 55 PA Code, Chapter 3170.60 OCYF Bulletin 00-95-12			
CY-370	1-A	4	3	Adoption Service - Operating	\$ 30,395	\$ 1,103	\$ 31,498
	1-B	4		Adoption Assistance - Operating	\$ 16,791	\$ 609	\$ 17,400
	1-C	4		SPLC - Operating	\$ 9,840	\$ 358	\$ 10,198
	1-D	4		Counseling (Dep.) - Operating	\$ 12,301	\$ 446	\$ 12,747
	1-I	4		Homemaker Service - Operating	\$ 16,068	\$ 583	\$ 16,651
	1-J	4		Intake & Referral - Operating	\$ 180,919	\$ 6,570	\$ 187,489
	1-K	4		Life Skills (Dep.) - Operating	\$ 26,774	\$ 972	\$ 27,746
	1-M	4		Protective Services Child Abuse - Operating	\$ 111,155	\$ 4,036	\$ 115,191
	1-N	4		Protective Services General - Operating	\$ 760,008	\$ 27,594	\$ 787,602
	1-O	4		Service Planning - Operating	\$ 56,014	\$ 2,033	\$ 58,047
	2-E	4		Emergency Shelter (Dep.) - Operating	\$ 1,304	\$ 47	\$ 1,351
	2-G	4		Foster Family (Dep.) - Operating	\$ 309,478	\$ 6,936	\$ 316,414
	3-B	4		Residential Service (Dep.) - Operating	\$ 20,773	\$ 752	\$ 21,525
	4	4		Administration - Operating	\$ 839,297	\$ 510	\$ 839,807
					Total Adjustment Amount		\$ 52,549
				To increase expenditures by \$52,549 to properly report Operating costs and reconcile to the agency's final expenditure ledger.			
				Title 55 PA Code, Chapter 3170.95(a)(b)			

## SECTION 4

# STATUS OF PRIOR ENGAGEMENT FINDINGS AND RECOMMENDATIONS

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

**Finding No. 1 - Lackawanna County Children and Youth Agency Failed to Provide Adequate Supporting Documentation Evidencing that In-Home Purchased Services Paid For Were Actually Provided by the Contracted In-Home Purchased Service Providers (Unresolved)**

In our prior engagement report, for the fiscal years July 1, 2010 to June 30, 2014, we cited the Lackawanna County Children and Youth Agency (agency) for failure to provide supporting documentation evidencing that services related to fees invoiced by In-Home Purchased Service providers, and paid by the agency, were actually provided, and if provided, provided in adherence to the requirements of the respective provider contract terms. Agency management informed us that they did not require any of the Fee-for-Service or Program-Funded In-Home providers it contracted with during our prior engagement to submit any documentation, other than submitted invoices, to substantiate the fees or operating costs invoiced by these respective providers. We concluded that the agency did not have sufficient controls in place to ensure that contracted services invoiced by In-Home Purchased Service providers were actually provided and if provided, provided in adherence to key executed contract terms.

Our current engagement scope period included the 2014-2015, 2015-2016, and 2016-2017 fiscal years. Due to the timing of the conduct of our prior audit engagement, we did not make the agency aware of these internal control deficiencies until July 6, 2017; therefore, these control deficiencies and corresponding risks continued to exist for all three fiscal years included in our current engagement scope period. As such, we concluded that the issuance of a repeat finding is warranted. This repeat finding is included in the Current Engagement Finding and Recommendations section (Section 5) of this report.

During the conduct of our current engagement, agency management provided documentation describing the internal control policy and corresponding procedures that agency management indicated had been implemented in stages between July 2017 and December 2018 to reduce its risk of paying overbillings or fraudulent billings submitted by contracted In-Home Purchased Service providers. However, because these new internal control policies and procedures were not implemented until after our current audit engagement period, we did not review and evaluate them during our current engagement. We will assess the sufficiency of these policies and procedures during our next regularly scheduled audit of this agency.

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

**Finding No. 2 – Lackawanna County Children and Youth Agency Failed to Maintain Executed Contracts with Three Legal Service Providers (Resolved)**

In our prior engagement report, for the fiscal years July 1, 2010 to June 30, 2014, we cited the Lackawanna County Children and Youth Agency (agency) for failure to maintain executed contracts with three providers of legal services in Juvenile Act Proceedings on behalf of at-risk children and their families. Agency management stated that the county executed a contract with each of the three legal services providers; however, the county did not maintain physical copies of the provider contracts. During the conduct of our current engagement, we requested the contracts for two legal service providers, used only during the 2014-2015 fiscal year, and found that the agency failed to maintain the respective contracts that agency management stated were executed with these two providers. However, for the 2015-2016 and 2016-2017 fiscal years, the agency provided our auditors evidence that all of its reported Juvenile Act Proceedings legal services were provided by two individuals employed by the Lackawanna County Human Services Department; and, the Commonwealth Department of Human Service's position is that a contract is not required when a county Children and Youth agency receives services from an individual employed by the same county. Therefore, even though noncompliance occurred during the 2014-2015 fiscal year, we concluded the issuance of a repeat finding is not warranted because the agency complied during the final two fiscal years included in our engagement scope period.

## SECTION 5

# CURRENT ENGAGEMENT FINDING AND RECOMMENDATIONS

LACKAWANNA COUNTY CHILDREN AND YOUTH AGENCY  
CURRENT ENGAGEMENT FINDING AND RECOMMENDATIONS

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

Condition: As detailed in our Status of Prior Engagement Finding and Recommendations section (Section 4) of this report, during the conduct of our current engagement we found that the Lackawanna County Office of Youth and Family Services Agency (agency) lacked internal control procedures designed to sufficiently reduce the agency’s risk of paying overbillings or fraudulent billings by contracted In-Home Purchased Service providers. For contracted In-Home Fee-for-Service providers, as cited in the finding included in our prior engagement report, the agency could not provide evidence substantiating the validity of the number of units invoiced for each individual listed on invoices submitted by contracted Fee-for Service In-Home provider. For contracted Program-Funded providers, these providers submitted no supporting documentation, nor did the agency require any documentation, substantiating the monthly operating costs detailed on these providers’ monthly submitted invoices or that services were actually provided to the individuals named on the invoices.

During the conduct of our current engagement, in response to the recommendations included in our prior engagement report, we found that agency management developed a formal, written monitoring policy, and implemented corresponding procedures, to obtain reasonable assurance that contracted In-Home services were actually provided and to reduce the agency’s risk of paying overbillings or fraudulent billings submitted by contracted In-Home Purchased Service providers. Per agency management, this new monitoring process includes requiring In-Home providers to maintain sign-in sheets and include these documents with submitted invoices. Agency management further stated that several contracted In-Home providers were required to submit the sign-in sheets with invoices beginning in July 2017, and all In-Home Providers were required to submit sign-in sheets with invoices as of December 2018. Because agency management did not implement these updated policy and procedures until after the close of our current engagement scope period (June 30, 2017), we did not assess the sufficiency of these newly implemented monitoring policies and procedures during the conduct of our current engagement. We will review and evaluate these implemented monitoring policies and procedures during the conduct of our next regularly scheduled engagement of this agency and determine whether they are sufficient in providing agency management reasonable assurance that invoiced contracted In-Home Services were actually provided and in reducing the agency’s risk of paying overbillings or fraudulent billings submitted by In-Home Purchased Service providers.



LACKAWANNA COUNTY CHILDREN AND YOUTH AGENCY  
CURRENT ENGAGEMENT FINDING AND RECOMMENDATIONS

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

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

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

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

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

LACKAWANNA COUNTY CHILDREN AND YOUTH AGENCY  
CURRENT ENGAGEMENT FINDING AND RECOMMENDATIONS

practices, sufficient to reflect properly all direct and indirect costs of whatever nature claimed to have been incurred and anticipated to be incurred for funds supported by the Department and for which reimbursement is claimed...”

Cause: Due to the timing of our prior engagement, agency management was not notified of these internal control deficiencies until July 6, 2017, which is subsequent to our current engagement scope period. Agency management informed us that their implementation of monitoring procedures over payments to In-Home providers began in July 2017 and were fully implemented in December 2018. Therefore, these control deficiencies and corresponding risks continued to exist for all three fiscal years included in our current engagement scope period.

Effect: The agency’s lack of internal control procedures designed to reduce the risk of paying overbillings and/or fraudulent billings submitted by contracted In-Home Purchased Service providers, increased agency management’s risk of:

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

Recommendation: We again recommend that agency management ensure that the agency’s newly implemented monitoring procedures over payments to contracted In-Home providers are sufficient in providing agency management reasonable assurance that the services related to the fees invoiced by contracted In-Home Purchased Service providers were actually provided, and provided in adherence to executed contract terms and in reducing the agency’s risk of paying overbillings or fraudulent billings by In-Home Purchased Service providers.

Specifically, this written fiscal-related monitoring policy, and corresponding procedures, must be sufficient to assess the validity of the number of units invoiced by Fee-For-Service providers and the operating costs invoiced by of any Program-Funded providers.

We again further recommend that agency management ensure that:

- Agency staff responsible for reviewing and approving submitted In-Home Purchased Services providers’ invoices for payment are made aware of the results of fiscal-related monitoring reviews of these providers and, for any such providers for which significant documentation deficiencies have been identified, the impact on the agency’s review and approval process for these providers; and,
- The agency maintains sufficient evidence substantiating the results of all fiscal-related monitoring procedures performed to determine whether the services for

LACKAWANNA COUNTY CHILDREN AND YOUTH AGENCY  
CURRENT ENGAGEMENT FINDING AND RECOMMENDATIONS

which In-Home Purchased Services providers were paid were actually provided, and provided in adherence to DHS regulations and executed contract terms and to reduce the risk of overbillings and fraudulent billings by contracted In-Home Purchased Services Providers going undetected.

Agency Management Response: After the prior audit, the Agency implemented numerous changes to the in-home providers billing. The agency also informed all of the in-home providers that the Agency was going to require copies of all their employee background clearances be submitted as well. The invoices that were received from the arts providers, EOTC, and Penn State program consistently had the sign in sheets attached. All other in-home providers complied with adding on the invoice the certification statement and a detailed log for backup with children's names, date, number of hours, and detail as to what was done on each invoice. We have firmed up our policy about the sign in sheets in December 2018 and sent a follow up email to the in-home providers.

Several of these in-home services also require a Review Board signed off by administration before a referral is made. A copy of this form was sent during the audit as well. This clearly details what the agency will pay for and the reason. When appropriate this is attached to the invoice as well.

For any of the housing invoices the Agency has a Housing coordinator that handles making the referral to the providers. The coordinator attends meetings on site and discusses the cases and the progress made. When the invoices are sent in they are matched up with the referral and communication that is sent to verify services were provided before the invoice is signed off on.

When all in-home invoices are sent to the Agency by the in-home provider they are signed off on by the supervisor who double-checks via case notes, referral forms, etc. to make sure that the service was in fact provided for every single child listed. The agency already takes many steps to ensure that there is no fraudulent billing by providers.

The Agency is also open to any other suggestions to changes that could be made to strengthen the in-home service invoice process.

Auditor's Conclusion: We commend the agency's management on acknowledging the deficiencies that existed in the agency's invoice review and approval process for In-Home Purchased Services providers during the fiscal years included in our engagement scope period and their efforts to develop and implement formal, written fiscal-related monitoring policy and procedures for these contracted In-Home Purchased Services providers. Regarding the agency's statement that In-Home providers prepared and submitted signed certification statements with invoices, these documents do not constitute an independent source of

LACKAWANNA COUNTY CHILDREN AND YOUTH AGENCY  
CURRENT ENGAGEMENT FINDING AND RECOMMENDATIONS

verification that the services related to invoiced fees were actually provided. During our next audit of the agency, we will review the agency's implemented monitoring policy and procedures and determine whether they are sufficient to reduce the agency's risk of overbillings and fraudulent billings submitted by contracted In-Home Purchased Services providers going undetected.

# SECTION 6

## CURRENT ENGAGEMENT OBSERVATION

LACKAWANNA COUNTY CHILDREN AND YOUTH AGENCY  
CURRENT ENGAGEMENT OBSERVATION

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

The Child Protective Services Law<sup>3</sup> (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).<sup>4</sup> 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,<sup>5</sup> the safety of children receiving services from these agencies and their contractors and subcontractors may be at **risk**. According to information provided by the DHS OCYF, the Lackawanna County Children and Youth Agency provided in-home and placement services to 1,948 children residing within the County during the 2016-2017 fiscal year.

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

<sup>4</sup> 23 Pa.C.S. §§ 6344 and 6344.2.

<sup>5</sup> This is detailed in the Commonwealth of Pennsylvania Single Audit Reports (most recently for the fiscal year ended June 30, 2017, via Finding 2017-012).

LACKAWANNA COUNTY CHILDREN AND YOUTH AGENCY  
CURRENT ENGAGEMENT OBSERVATION

**Day Treatment Centers and Child Residential Facilities**

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

**Contracted In-Home Preventative Service Providers**

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

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

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<sup>6</sup> This is detailed in the Commonwealth of Pennsylvania Single Audit Reports (most recently for the fiscal year ended June 30, 2017, via Finding 2017-012).

<sup>7</sup> 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.

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

LACKAWANNA COUNTY CHILDREN AND YOUTH AGENCY  
CURRENT ENGAGEMENT OBSERVATION

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

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

**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 providers<sup>10</sup> 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.

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

<sup>9</sup> 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](http://www.dhs.pa.gov/cs/groups/webcontent/documents/document/c_275378.pdf), accessed August 3, 2018.

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



LACKAWANNA COUNTY CHILDREN AND YOUTH AGENCY  
CURRENT ENGAGEMENT OBSERVATION

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

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

**Greater Scrutiny of Arrest and Conviction Records**

It is important to note that background checks and child abuse clearances have historically been valid for one year after being obtained. However, recent amendments to the CPSL extend this time frame from one year to five years.<sup>11</sup> 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

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<sup>11</sup> 23 Pa.C.S. § 6344.4.

LACKAWANNA COUNTY CHILDREN AND YOUTH AGENCY  
CURRENT ENGAGEMENT OBSERVATION

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 non-compliance 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.<sup>12</sup>

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

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)*.<sup>13</sup>

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<sup>12</sup> 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 non-compliance 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.

<sup>13</sup> The agency stated that it conducts monitoring of CPSL compliance by its In-Home Purchased Service providers and sub-recipients and provided the following additional information: "The CPSL law enacted in 2013 with an effective date of January 1, 2014, called for more stringent monitoring of background checks and child abuse clearances. After the law was passed, the agency made the decision to add language in the In-Home provider contracts, starting with FY 2015-2016, that the provider is responsible for having on file and easily accessible to the county all of their employees: FBI, criminal history and Childline clearances. This language was also in the contracts for FYs 2016-2017 and FY 2017-2018. After the prior audit, the Agency made the decision to change the language in the contract to state that the provider is required to send copies to the county all of their employees' FBI, criminal history and Childline clearances. This language will be in all future contracts and copies will be required at the start of each fiscal year." We did not perform procedures to evaluate the agency's performance of those procedures.

LACKAWANNA COUNTY CHILDREN AND YOUTH AGENCY  
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