

# 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

July 1, 2017 to June 30, 2018

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# Lawrence County Children and Youth Agency

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February 2020



Commonwealth of Pennsylvania  
Department of the Auditor General

Eugene A. DePasquale • Auditor General



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EUGENE A. DePASQUALE  
AUDITOR GENERAL

Independent Auditor's Report

The Commissioners of Lawrence County  
Lawrence County Government Center  
430 Court Street  
New Castle, PA 16101

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 Lawrence County Children and Youth Agency (agency), legally known as Lawrence County Children and Youth Services, for the purpose of ascertaining and certifying the actual Commonwealth expenditures incurred on behalf of children residing within the County for the fiscal years July 1, 2014 to June 30, 2015, July 1, 2015 to June 30, 2016, July 1, 2016 to June 30, 2017, and July 1, 2017 to June 30, 2018. The scope of our engagement was limited to the fiscal reports submitted to the Department of Human Services (DHS) as part of the Act 148 Invoice Packages for the fiscal years ended June 30, 2015, June 30, 2016, June 30, 2017, and June 30, 2018.

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

## Independent Auditor's Report (Continued)

2014-2015, 2015-2016, 2016-2017, and 2017-2018 fiscal years based on the accrual basis of accounting.<sup>1</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 adjustments in total impacted the agency's Final Net State Share by decreasing agency expenditures by \$1,260 and increasing non-reimbursable expenditures by \$11,443. Based on the application of the state participation rates, the two adjustments resulted in an amount due to the state totaling \$7,622. Both adjustments are detailed in our amended fiscal reports for fiscal year 2014-2015, as included in Section 1 of this report.
- For the **2015-2016 fiscal year**, our engagement resulted in one adjustment being made to the agency's submitted fiscal reports. This adjustment in total impacted the agency's Final Net State Share by increasing non-reimbursable expenditures by \$59,143. Based on the application of the state participation rates, this adjustment resulted in an amount due to the state totaling \$35,486. 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 one adjustment being made to the agency's submitted fiscal reports. This adjustment in total impacted the agency's Final Net State Share by decreasing non-reimbursable expenditures by \$10,277. Based on the application of the state participation rates, this adjustment resulted in an amount due to the county totaling \$6,166. This adjustment is detailed in our amended fiscal reports for fiscal year 2016-2017, as included in Section 3 of this report.
- For the **2017-2018 fiscal year**, our engagement resulted in one adjustment being made to the agency's submitted fiscal reports. This adjustment in total impacted the agency's Final Net State Share by decreasing non-reimbursable expenditures by \$12,187. Based on the application of the state participation rates, this adjustment resulted in an amount due to the county totaling \$7,312. This adjustment is detailed in our amended fiscal reports for fiscal year 2017-2018, as included in Section 4 of this report.

In addition, we found that the agency did not comply with the two findings included in the prior released audit report, as detailed in Section 5 of this report. This resulted in our issuance of repeat findings in the current section of our engagement report, as listed below and detailed in Section 6 of this report.

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<sup>1</sup> The accrual basis of accounting is required by DHS.

Independent Auditor's Report (Continued)

Finding No. 1 – 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

Finding No. 2 – Unresolved Prior Audit Recommendations – Failure to Execute Required Contracts with Service Providers

Furthermore, we updated our Child Protective Services Law Observation to include DHS management's current and planned corrective actions in response to our concerns, as listed below and detailed in Section 7 of this report.

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

The results of our engagement procedures, as presented in this report, were discussed with agency management at an exit conference held on February 7, 2020.

This report is being forwarded to the DHS Bureau of Financial Operations, and the Office of Children, Youth, and Families for review and settlement of the recommended adjustments included in our amended fiscal reports. You will be notified by DHS of the decisions made regarding the approval and finalization of the adjustment amounts during 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 Lawrence County Children and Youth Agency.

Sincerely,



Eugene A. DePasquale  
Auditor General

February 11, 2020

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## BACKGROUND

The Department of the Auditor General is responsible for reviewing the fiscal reports, known as the submitted CY-370 Expenditure Report, the CY-370A Revenue Report, and the CY-348 Fiscal Summary of the 67 County Children and Youth Agencies to determine proper reporting and utilization of funds according to program regulations and guidelines under the Human Services Code 62 P.S. § 704.1(a)(4). The annual state Act 148 allocations are used by the Counties to administer social services for the children and youth that reside within the Commonwealth of Pennsylvania, whose stated goal is “to ensure, for each child in this Commonwealth, a permanent, legally assured family which protects the child from abuse and neglect.” According to information provided by the Department of Human Services (DHS), Office of Children, Youth and Families (OCYF), the Lawrence County Children and Youth Agency provided in-home and placement services to 226 children residing within the County during the 2017-2018 fiscal year. The Children and Youth Social Services Program is County-Administered and State-Supervised by DHS and thus, they are jointly responsible for achieving the Commonwealth’s goal.

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

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

# SECTION 1

## AMENDED FISCAL REPORTS

**FOR THE FISCAL YEAR:**

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

**LAWRENCE 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>	\$	4,070,736
Supplemental Act 148		<u>132,101</u>
Total State Allocation		4,202,837
State Share (CY348) <sup>2</sup>	\$	4,195,215
Less: Major Service Category Adjustment		<u>0</u>
Net State Share	\$	4,195,215
Less: Expenditures in Excess of the Approved State Allocation		<u>0</u>
Final Net State Share Payable <sup>3</sup>	\$	4,195,215
Actual Act 148 Revenues Received <sup>4</sup>		<u>4,202,837</u>
Net Amount Due County/(State) <sup>5</sup>	\$	<u><u>(7,622)</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.



LAWRENCE COUNTY CHILDREN AND YOUTH AGENCY  
 FOR THE PERIOD JULY 1, 2014 TO JUNE 30, 2015  
 AMENDED CY370A  
 REVENUE REPORT

MAJOR SERVICE CATEGORIES & COST CENTERS	REVENUE SOURCES											
	1	2	3	4	5	6	7	8	9	10	11	12
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	21,398	0	0	3,563	0	0	0	0	0	17,835	17,835	0
1-B ADOPTION ASSISTANCE	821,994	0	329,142	0	0	0	0	0	0	492,852	394,282	98,570
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	134,940	0	0	0	0	0	0	0	0	134,940	107,952	26,988
1-D COUNSELING - DEPENDENT	116,005	0	0	5,289	3,300	11,862	0	0	0	95,554	76,443	19,111
1-E COUNSELING - DELINQUENT	444,806	0	0	0	0	71,178	0	0	0	373,628	298,902	74,726
1-F DAY CARE	0	0	0	0	0	0	0	0	0	0	0	0
1-G DAY TREATMENT - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
1-H DAY TREATMENT - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
1-I HOMEMAKER SERVICE	47,916	0	0	0	36,135	0	0	0	0	11,781	9,425	2,356
1-J INTAKE & REFERRAL	320,960	0	0	53,453	0	0	0	0	0	267,507	214,006	53,501
1-K LIFE SKILLS - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
1-L LIFE SKILLS - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
1-M PROTECTIVE SERVICE - CHILD ABUSE	370,091	0	0	36,047	57,806	11,865	0	0	0	264,373	211,498	52,875
1-N PROTECTIVE SERVICE - GENERAL	167,388	0	0	27,884	0	0	0	0	0	139,504	111,603	27,901
1-O SERVICE PLANNING	130,368	0	0	18,949	0	0	0	0	0	111,419	89,135	22,284
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT	0	0	0	0	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
1-R SUBTOTAL IN-HOME	2,575,866	0	329,142	145,185	97,241	94,905	0	0	0	1,909,393	1,531,081	378,312

COMMUNITY BASED PLACEMENT	REVENUE SOURCES											
	1	2	3	4	5	6	7	8	9	10	11	12
TOTAL REIMBURSABLE EXPENDITURES	PROGRAM INCOME	TITLE IV-E MAINTENANCE	TITLE IV-E ADMIN.	TANF	TITLE XX	TITLE IV-B	Child Welfare Demonstration Project Title IV-E	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE	
2-A ALTERNATIVE TREATMENT - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
2-B ALTERNATIVE TREATMENT - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-C COMMUNITY RESIDENTIAL - DEPENDENT	1,533,216	31,611	365,370	25,172	0	10,844	0	0	1,100,219	880,175	220,044	0
2-D COMMUNITY RESIDENTIAL - DELINQUENT	50,227	121	0	0	0	0	0	0	50,106	40,085	10,021	0
2-E EMERGENCY SHELTER - DEPENDENT	164,353	28,394	23,044	11,198	0	0	0	0	101,517	91,565	10,152	0
2-F EMERGENCY SHELTER - DELINQUENT	61,913	0	0	0	0	0	0	0	61,913	55,722	6,191	0
2-G FOSTER FAMILY - DEPENDENT	2,139,384	70,314	289,162	275,138	0	10,845	0	0	1,493,925	1,195,140	298,785	0
2-H FOSTER FAMILY - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-I SUP. INDEPENDENT LIVING - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
2-J SUP. INDEPENDENT LIVING - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-K SUBTOTAL CBP	3,949,093	130,640	677,576	311,508	0	21,689	0	0	2,807,680	2,262,487	545,193	0

INSTITUTIONAL PLACEMENT	REVENUE SOURCES											
	1	2	3	4	5	6	7	8	9	10	11	12
TOTAL REIMBURSABLE EXPENDITURES	PROGRAM INCOME	TITLE IV-E MAINTENANCE	TITLE IV-E ADMIN.	TANF	TITLE XX	TITLE IV-B	Child Welfare Demonstration Project Title IV-E	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE	
3-A JUVENILE DETENTION SERVICE	0	0	0	0	0	0	0	0	0	0	0	0
3-B RESIDENTIAL SERVICE - DEPENDENT	65,786	403	0	4,356	0	0	0	0	61,027	36,616	24,411	0
3-C RES. SERVICE - DELINQUENT (NON YDC/YC)	235,964	11,063	0	0	0	0	0	0	224,901	134,941	89,960	0
3-D SECURE RES. SERVICE (EXCEPT YDC)	0	0	0	0	0	0	0	0	0	0	0	0
3-E YDC SECURE	0	0	0	0	0	0	0	0	0	0	0	0
3-F SUBTOTAL INSTITUTIONAL	301,750	11,466	0	4,356	0	0	0	0	285,928	171,557	114,371	0
4 ADMINISTRATION	465,748	0	0	79,669	0	0	0	0	383,484	230,090	153,394	0
5 TOTAL REVENUES	7,292,457	142,106	1,006,718	540,718	97,241	94,905	21,689	0	5,386,485	4,195,215	1,191,270	0

LAWRENCE COUNTY CHILDREN AND YOUTH AGENCY  
 FOR THE PERIOD JULY 1, 2014 TO JUNE 30, 2015  
 AMENDED CV370  
 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	13,389	6,324		1,590	0	95	21,398	19	0	0	0	0
1-B ADOPTION ASSISTANCE	0	0	821,994	0	0	0	821,994	0	226	0	0	0
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	0	0	134,940	0	0	0	134,940	0	35	0	0	0
1-D COUNSELING - DEPENDENT	19,871	9,385		2,360	84,248	141	116,005	54	13	0	0	0
1-E COUNSELING - DELINQUENT	0	0		0	444,806	0	444,806	0	383	0	0	0
1-F DAY CARE	0	0		0	0	0	0	0	0	0	0	0
1-G DAY TREATMENT - DEPENDENT	0	0		0	0	0	0	0	0	0	0	0
1-H DAY TREATMENT - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
1-I HOMEMAKER SERVICE	0	0		0	47,916	0	47,916	0	27	0	0	0
1-J INTAKE & REFERRAL	200,838	94,850		23,844	0	1,428	320,960	1,322	0	0	0	0
1-K LIFE SKILLS - DEPENDENT	0	0		0	0	0	0	0	0	0	0	0
1-L LIFE SKILLS - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
1-M PROTECTIVE SERVICE - CHILD ABUSE	124,967	59,018		31,509	153,709	888	370,091	265	40	0	0	0
1-N PROTECTIVE SERVICE - GENERAL	94,575	44,664		27,477	0	672	167,388	793	0	0	0	0
1-O SERVICE PLANNING	71,197	33,624		8,452	16,588	507	130,368	762	13	0	0	0
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT				0	0		0	0	0	0	0	0
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT				0	0		0	0	0	0	0	0
1-R SUBTOTAL IN-HOME	524,837	247,865	956,934	95,232	747,267	3,731	2,575,866			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	94,574	44,664	0	11,907	1,381,399	672	1,532,166	10,678	81	0	0	0
2-D COMMUNITY RESIDENTIAL - DELINQUENT	0	0	0	480	49,277	0	50,227	352	11	0	0	0
2-E EMERGENCY SHELTER - DEPENDENT	42,081	19,873	0	4,994	97,106	299	164,353	821	35	0	0	0
2-F EMERGENCY SHELTER - DELINQUENT	0	0	0	0	61,913	0	61,913	439	44	0	0	0
2-G FOSTER FAMILY - DEPENDENT	231,762	109,453	0	44,463	1,752,058	1,648	2,139,384	47,591	285	0	0	0
2-H FOSTER FAMILY - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-I SUP. INDEPENDENT LIVING - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
2-J SUP. INDEPENDENT LIVING - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-K SUBTOTAL CBP	368,417	173,990	0	61,844	3,342,223	2,619	3,949,093	59,881	456	0	0	0
<b>INSTITUTIONAL PLACEMENT</b>												
3-A JUVENILE DETENTION SERVICE	0	0	0	0	0	0	0	0	0	0	0	0
3-B RESIDENTIAL SERVICE - DEPENDENT	16,364	7,729	0	2,160	39,417	116	65,786	293	6	0	0	0
3-C RES. SERVICE - DELINQUENT (EXCEPT YDC/YFC)	0	0	0	908	235,056	0	235,964	1,714	9	0	0	0
3-D SECURE RES. SERVICE (EXCEPT YDC)	0	0	0	0	0	0	0	0	0	0	0	0
3-E YDC SECURE	0	0	0	0	0	0	0	0	0	0	0	0
3-F SUBTOTAL INSTITUTIONAL	16,364	7,729	0	3,068	274,473	116	301,750	2,007	15	0	0	0
<b>ADMINISTRATION</b>	153,019	72,266	0	319,041	0	18,157	562,483			96,735	0	0
<b>TOTAL EXPENDITURES</b>	1,062,637	501,850	956,934	479,185	4,363,963	24,623	7,389,192			96,735	0	0
	County Indirect Costs = \$ 266,236											

**LAWRENCE 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	\$ 21,398	\$ 0	\$ 21,398
Adoption Assistance	821,994	0	821,994
Subsidized Permanent Legal Custodianship	134,940	0	134,940
Counseling	560,811	0	560,811
Day Care	0	0	0
Day Treatment	0	0	0
Homemaker Service	47,916	0	47,916
Intake and Referral	320,960	0	320,960
Life Skills	0	0	0
Protective Service - Child Abuse	370,091	0	370,091
Protective Service - General	167,388	0	167,388
Service Planning	130,368	0	130,368
Juvenile Act Proceedings	0	0	0
Alternative Treatment	0	0	0
Community Residential	1,583,443	0	1,583,443
Emergency Shelter	226,266	0	226,266
Foster Family	2,139,384	0	2,139,384
Supervised Independent Living	0	0	0
Juvenile Detention Service	0	0	0
Residential Service	301,750	0	301,750
Secure Residential Service (Except YDC)	0	0	0
YDC Secure	0	0	0
Administration	<u>563,743</u>	<u>(1,260)</u>	<u>562,483</u>
Combined Total Expense	7,390,452	(1,260)	7,389,192
Less Non-reimbursables	<u>85,292</u>	<u>11,443</u>	<u>96,735</u>
Total Net Expense	<u>\$ 7,305,160</u>	<u>\$ (12,703)</u>	<u>\$ 7,292,457</u>

<b>OBJECTS OF EXPENDITURE</b>	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Wages and Salaries	\$ 1,062,637	\$ 0	\$ 1,062,637
Employee Benefits	501,850	0	501,850
Subsidies	956,934	0	956,934
Operating	480,445	(1,260)	479,185
Purchased Services	4,363,963	0	4,363,963
Fixed Assets	<u>24,623</u>	<u>0</u>	<u>24,623</u>
Combined Total Expense	7,390,452	(1,260)	7,389,192
Less Non-reimbursables	<u>85,292</u>	<u>11,443</u>	<u>96,735</u>
Total Net Expense	<u>\$ 7,305,160</u>	<u>\$ (12,703)</u>	<u>\$ 7,292,457</u>

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

REPORT REFERENCE			ADJ. NO.	EXPLANATION OF ADJUSTMENTS	AS REPORTED OR ADJUSTED	INCREASE/ (DECREASE)	ADJUSTED TOTAL
SCHEDULE	LINE	COLUMN					
CY-370	4	4	1	CY-370 ADJUSTMENTS			
				Administration - Operating	\$ 320,301	\$ (1,260)	\$ 319,041
				To decrease Administration-Operating expenditures by \$1,260 to reconcile to the County Cost Allocation Plan and properly report indirect costs.			
				Title 55 PA Code, Chapter 3170.60 OCYF Bulletin 00-95-12			
CY-370	4	10	2	Administration - Non-Reimbursable Non PS/Sub	\$ 85,292	\$ 11,443	\$ 96,735
				To increase Non-Reimbursable Expenditures in the Administration cost center by \$11,443 to properly report the indirect costs that exceeded the 2% cost limitation.			
				Title 55 PA Code, Chapter 3170.60 OCYF Bulletin 00-95-12			

# SECTION 2

## AMENDED FISCAL REPORTS

**FOR THE FISCAL YEAR:**

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

**LAWRENCE 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>	\$	4,281,694
Supplemental Act 148		<u>0</u>
Total State Allocation		4,281,694
State Share (CY348) <sup>2</sup>	\$	4,116,585
Less: Major Service Category Adjustment		<u>0</u>
Net State Share	\$	4,116,585
Less: Expenditures in Excess of the Approved State Allocation		<u>0</u>
Final Net State Share Payable <sup>3</sup>	\$	4,116,585
Actual Act 148 Revenues Received <sup>4</sup>		<u>4,152,071</u>
Net Amount Due County/(State) <sup>5</sup>	\$	<u><u>(35,486)</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.

LAWRENCE 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	PROGRAM	TITLE	TANF	TITLE	TITLE	Child Welfare Demonstration Project Title IV-E	MEDICAL	NET	STATE	LOCAL
	TOTAL	INCOME	IV-E		XX	IV-B		ASSISTANCE	TOTAL	ACT 148	SHARE
NET CHILD WELFARE EXPENDITURES											
01. 100% REIMBURSEMENT	23,016	0	3,987	0	0	0	0	0	19,029	19,029	0
02. 90% REIMBURSEMENT	179,925	0	25,543	0	0	0	0	0	154,382	138,944	15,438
03. 80% REIMBURSEMENT	6,108,543	180,763	1,403,832	69,142	94,905	5,422	0	0	4,354,479	3,483,584	870,895
04. 60% REIMBURSEMENT	984,876	16,410	161,809	0	0	16,267	0	2,842	787,548	472,528	315,020
05. 50% REIMBURSEMENT	5,000	0	0	0	0	0	0	0	5,000	2,500	2,500
06. TOTAL NET CHILD WELFARE EXPEND.	7,301,360	197,173	1,595,171	69,142	94,905	21,689	0	2,842	5,320,438	4,116,585	1,203,853

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

08. NON-REIMBURSABLE EXPENDITURES	59,402	0							59,402		59,402
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09. TOTAL EXPENDITURES	7,360,762	197,173	1,595,171	69,142	94,905	21,689	0	2,842	5,379,840	4,116,585	1,263,255
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10. TOTAL TITLE IV-D COLLECTIONS 107,992

11. TITLE IV-D Collections for IV-E Children 35,881

12. STATE ACT 148 - line 6 4,116,585

13. STATE ACT 148 ALLOCATION 4,281,694

14. ADJUSTED STATE SHARE (lower of 12 or 13) 4,116,585

INVOICE											
AMENDED STATE SHARE (ACT 148)	4,116,585										
ACT 148 AMOUNT RECEIVED	4,152,071										
ADJUSTMENT TO STATE SHARE	(35,486)										

LAWRENCE 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>I-HOME</b>												
I-A ADOPTION SERVICE	23,016	0		3,987						19,029	19,029	0
I-B ADOPTION ASSISTANCE	912,090	0	381,763							530,327	424,262	106,065
I-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	157,410	0	15,993							141,417	113,134	28,283
I-D COUNSELING - DEPENDENT	145,936	0		5,893	3,234					136,809	109,447	27,362
I-E COUNSELING - DELINQUENT	388,634	0		784		47,452				340,398	272,318	68,080
I-F DAY CARE	0	0								0	0	0
I-G DAY TREATMENT - DEPENDENT	0	0								0	0	0
I-H DAY TREATMENT - DELINQUENT	0	0								0	0	0
I-I HOMEMAKER SERVICE	31,515	0			13,233					18,282	14,626	3,656
I-J INTAKE & REFERRAL	343,809	0		59,556						284,253	227,402	56,851
I-K LIFE SKILLS - DEPENDENT	0	0								0	0	0
I-L LIFE SKILLS - DELINQUENT	0	0								0	0	0
I-M PROTECTIVE SERVICE - CHILD ABUSE	378,143	0		39,571	52,675	35,590				250,307	200,246	50,061
I-N PROTECTIVE SERVICE - GENERAL	176,292	0		30,541						145,751	116,601	29,150
I-O SERVICE PLANNING	145,909	0		21,112		11,863				112,934	90,347	22,587
I-P JUVENILE ACT PROCEEDINGS - DEPENDENT	0	0								0	0	0
I-Q JUVENILE ACT PROCEEDINGS - DELINQUENT	0	0								0	0	0
I-R SUBTOTAL IN-HOME	2,702,754	0	397,756	161,444	69,142	94,905	0	0	0	1,979,507	1,587,412	392,095
<b>COMMUNITY BASED PLACEMENT</b>												
2-A ALTERNATIVE TREATMENT - DEPENDENT	0	0								0	0	0
2-B ALTERNATIVE TREATMENT - DELINQUENT	0	0								0	0	0
2-C COMMUNITY RESIDENTIAL - DEPENDENT	1,190,504	26,865	220,773	28,045						914,821	731,857	182,964
2-D COMMUNITY RESIDENTIAL - DELINQUENT	75,709	0								75,709	60,567	15,142
2-E EMERGENCY SHELTER - DEPENDENT	139,154	0	13,065	12,478						113,611	102,250	11,361
2-F EMERGENCY SHELTER - DELINQUENT	40,771	0								40,771	36,694	4,077
2-G FOSTER FAMILY - DEPENDENT	2,162,592	153,898	291,006	308,795			5,422			1,403,471	1,122,777	280,694
2-H FOSTER FAMILY - DELINQUENT	0	0								0	0	0
2-I SUP. INDEPENDENT LIVING - DEPENDENT	0	0								0	0	0
2-J SUP. INDEPENDENT LIVING - DELINQUENT	0	0								0	0	0
2-K SUBTOTAL CBP	3,608,730	180,763	524,844	349,318	0	0	5,422	0	0	2,548,383	2,054,145	494,238
<b>INSTITUTIONAL PLACEMENT</b>												
3-A JUVENILE DETENTION SERVICE	5,000	0								5,000	2,500	2,500
3-B RESIDENTIAL SERVICE - DEPENDENT	221,871	9,593	31,565	4,854			16,267			159,592	95,755	63,837
3-C RES. SERVICE - DELINQUENT (NON YDC/YFC)	61,292	6,817	0							54,475	32,685	21,790
3-D SECURE RES. SERVICE (EXCEPT YDC)	40,114	0								40,114	24,068	16,046
3-E YDC SECURE	0	0								0	0	0
3-F SUBTOTAL INSTITUTIONAL	328,277	16,410	31,565	4,854	0	0	16,267	0	0	259,181	155,008	104,173
4 ADMINISTRATION	661,599	0		125,590						533,367	320,020	213,347
5 TOTAL REVENUES	7,301,360	197,173	954,165	641,066	69,142	94,905	21,689	0	2,842	5,320,438	4,116,585	1,203,853

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

MAJOR SERVICE CATEGORIES & COST CENTERS	OBJECTS OF EXPENDITURE											
	1	2	3	4	5	6	7	8	9	10	11	12
	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	14,128	7,065		1,823	0	0	23,016	33	0	0	0	0
1-B ADOPTION ASSISTANCE	0	0	912,090	0	0	0	912,090	0	248	0	0	0
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	0	0	157,410	0	0	0	157,410	0	41	0	0	0
1-D COUNSELLING - DEPENDENT	20,967	10,487		2,564	111,918	0	145,936	10	20	0	0	0
1-E COUNSELLING - DELINQUENT	0	0		4,608	384,026	0	388,634	0	279	0	0	0
1-F DAY CARE	0	0		0	0	0	0	0	0	0	0	0
1-G DAY TREATMENT - DEPENDENT	0	0		0	0	0	0	0	0	0	0	0
1-H DAY TREATMENT - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
1-I HOMEMAKER SERVICE	0	0		0	31,515	0	31,515	0	37	0	0	0
1-J INTAKE & REFERRAL	211,903	105,982		25,924	0	0	343,809	1,295	0	0	0	0
1-K LIFE SKILLS - DEPENDENT	0	0		0	0	0	0	0	0	0	0	0
1-L LIFE SKILLS - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
1-M PROTECTIVE SERVICE - CHILD ABUSE	131,850	65,945		30,621	149,727	0	378,143	672	46	0	0	0
1-N PROTECTIVE SERVICE - GENERAL	99,785	49,908		26,599	0	0	176,292	1,679	0	0	0	0
1-O SERVICE PLANNING	75,119	37,571		9,189	24,030	0	145,909	812	26	0	0	0
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT				0	0	0	0	0	0	0	0	0
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT				0	0	0	0	0	0	0	0	0
1-R SUBTOTAL IN-HOME	553,752	276,958	1,069,500	101,328	701,216	0	2,702,754			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	99,784	49,908	0	13,091	1,027,721	0	1,190,504	8,133	68	0	0	0
2-D COMMUNITY RESIDENTIAL - DELINQUENT	0	0	0	800	74,909	0	75,709	556	7	0	0	0
2-E EMERGENCY SHELTER - DEPENDENT	44,398	22,205	0	5,433	67,118	0	139,154	443	27	0	0	0
2-F EMERGENCY SHELTER - DELINQUENT	0	0	0	0	40,771	0	40,771	295	31	0	0	0
2-G FOSTER FAMILY - DEPENDENT	244,529	122,300	0	44,276	1,751,487	0	2,162,592	34,442	227	0	0	0
2-H FOSTER FAMILY - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-I SUP. INDEPENDENT LIVING - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
2-J SUP. INDEPENDENT LIVING - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-K SUBTOTAL CBP	388,711	194,413	0	63,600	2,962,006	0	3,608,730	43,869	360	0	0	0
<b>INSTITUTIONAL PLACEMENT</b>												
3-A JUVENILE DETENTION SERVICE	0	0	0	0	5,000	0	5,000	20	1	0	0	0
3-B RESIDENTIAL SERVICE - DEPENDENT	17,266	8,636	0	2,646	193,323	0	221,871	1,170	10	0	0	0
3-C RES. SERVICE - DELINQUENT (EXCEPT YDC/YFC)	0	0	0	434	60,858	0	61,292	400	11	0	0	0
3-D SECURE RES. SERVICE (EXCEPT YDC)	0	0	0	0	40,114	0	40,114	124	1	0	0	0
3-E YDC SECURE	0	0	0	0	0	0	0	0	0	0	0	0
3-F SUBTOTAL INSTITUTIONAL	17,266	8,636	0	3,080	299,295	0	328,277	1,714	23	0	0	0
4 ADMINISTRATION	161,450	80,749	0	317,978	0	160,824	721,001			59,402	0	0
5 TOTAL EXPENDITURES	1,121,179	560,756	1,069,500	485,986	3,962,517	160,824	7,360,762			59,402	0	0
	County Indirect Costs = \$ 255,536											

**LAWRENCE 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	\$ 23,016	\$ 0	\$ 23,016
Adoption Assistance	912,090	0	912,090
Subsidized Permanent Legal Custodianship	157,410	0	157,410
Counseling	534,570	0	534,570
Day Care	0	0	0
Day Treatment	0	0	0
Homemaker Service	31,515	0	31,515
Intake and Referral	343,809	0	343,809
Life Skills	0	0	0
Protective Service - Child Abuse	378,143	0	378,143
Protective Service - General	176,292	0	176,292
Service Planning	145,909	0	145,909
Juvenile Act Proceedings	0	0	0
Alternative Treatment	0	0	0
Community Residential	1,266,213	0	1,266,213
Emergency Shelter	179,925	0	179,925
Foster Family	2,162,592	0	2,162,592
Supervised Independent Living	0	0	0
Juvenile Detention Service	5,000	0	5,000
Residential Service	283,163	0	283,163
Secure Residential Service (Except YDC)	40,114	0	40,114
YDC Secure	0	0	0
Administration	<u>721,001</u>	<u>0</u>	<u>721,001</u>
Combined Total Expense	7,360,762	0	7,360,762
Less Non-reimbursables	<u>259</u>	<u>59,143</u>	<u>59,402</u>
Total Net Expense	<u>\$ 7,360,503</u>	<u>\$ (59,143)</u>	<u>\$ 7,301,360</u>

<b>OBJECTS OF EXPENDITURE</b>	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Wages and Salaries	\$ 1,121,179	\$ 0	\$ 1,121,179
Employee Benefits	560,756	0	560,756
Subsidies	1,069,500	0	1,069,500
Operating	485,986	0	485,986
Purchased Services	3,962,517	0	3,962,517
Fixed Assets	<u>160,824</u>	<u>0</u>	<u>160,824</u>
Combined Total Expense	7,360,762	0	7,360,762
Less Non-reimbursables	<u>259</u>	<u>59,143</u>	<u>59,402</u>
Total Net Expense	<u>\$ 7,360,503</u>	<u>\$ (59,143)</u>	<u>\$ 7,301,360</u>

**LAWRENCE COUNTY CHILDREN AND YOUTH AGENCY  
FOR THE PERIOD JULY 1, 2015 TO JUNE 30, 2016  
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	<p style="text-align: center;">CY-370 Adjustment</p> <p>Administration - Non-Reimbursable Non PS/Sub</p> <p>To increase Non-Reimbursable Expenditures in the Administration cost center by \$59,143 to properly report the indirect costs that exceeded the 2% cost limitation.</p> <p>Title 55 PA Code, Chapter 3170.60 OCYF Bulletin 00-95-12</p>	\$ 259	\$ 59,143	\$ 59,402

# SECTION 3

## AMENDED FISCAL REPORTS

**FOR THE FISCAL YEAR:**

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

**LAWRENCE 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>	\$	4,770,405
Supplemental Act 148		<u>0</u>
Total State Allocation		4,770,405
State Share (CY348) <sup>2</sup>	\$	4,761,160
Less: Major Service Category Adjustment		<u>0</u>
Net State Share	\$	4,761,160
Less: Expenditures in Excess of the Approved State Allocation		<u>0</u>
Final Net State Share Payable <sup>3</sup>	\$	4,761,160
Actual Act 148 Revenues Received <sup>4</sup>		<u>4,754,994</u>
Net Amount Due County/(State) <sup>5</sup>	\$	<u><u>6,166</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.

LAWRENCE 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	PROGRAM	TITLE	TANF	TITLE	TITLE	Child Welfare Demonstration Project Title IV-E	MEDICAL ASSISTANCE	NET	STATE	LOCAL
	TOTAL	INCOME	IV-E		XX	IV-B			TOTAL	ACT 148	SHARE
NET CHILD WELFARE EXPENDITURES											
01. 100% REIMBURSEMENT	25,599	0	4,145	0	0	0	0	0	21,454	21,454	0
02. 90% REIMBURSEMENT	212,893	0	19,647	0	0	0	0	0	193,246	173,922	19,324
03. 80% REIMBURSEMENT	6,803,768	123,406	1,504,273	182,954	94,905	0	0	0	4,898,230	3,918,582	979,648
04. 60% REIMBURSEMENT	1,268,200	9,523	172,300	0	0	21,689	0	2,893	1,061,795	637,077	424,718
05. 50% REIMBURSEMENT	20,250	0	0	0	0	0	0	0	20,250	10,125	10,125
06. TOTAL NET CHILD WELFARE EXPEND.	8,330,710	132,929	1,700,365	182,954	94,905	21,689	0	2,893	6,194,975	4,761,160	1,433,815

YDC/YFC PLACEMENT COSTS											
07. 60% DHS PARTICIPATION	0	0							0	0	0
08. NON-REIMBURSABLE EXPENDITURES	43,611	0							43,611		43,611

09. TOTAL EXPENDITURES	8,374,321	132,929	1,700,365	182,954	94,905	21,689	0	2,893	6,238,586	4,761,160	1,477,426
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10. TOTAL TITLE IV-D COLLECTIONS 71,651

11. TITLE IV-D Collections for IV-E Children 36,720

12. STATE ACT 148 - line 6 4,761,160

13. STATE ACT 148 ALLOCATION 4,770,405

14. ADJUSTED STATE SHARE (lower of 12 or 13) 4,761,160

INVOICE	
AMENDED STATE SHARE (ACT 148)	4,761,160
ACT 148 AMOUNT RECEIVED	4,754,994
ADJUSTMENT TO STATE SHARE	6,166

LAWRENCE 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>												
I-A ADOPTION SERVICE	25,599	0		4,145	0			0	0	21,454	21,454	0
I-B ADOPTION ASSISTANCE	1,076,124	0	472,326	0				0	0	603,798	483,038	120,760
I-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	247,656	0	44,988	0				0	0	202,668	162,134	40,534
I-D COUNSELING - DEPENDENT	281,076	0		6,152	1,056			0	0	273,868	219,094	54,774
I-E COUNSELING - DELINQUENT	428,276	0			0	11,863		0	0	416,413	333,130	83,283
I-F DAY CARE	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
I-H DAY TREATMENT - DELINQUENT	0	0		0	0	0		0	0	0	0	0
I-I HOME MAKER SERVICE	52,537	0			12,276			0	0	40,261	32,209	8,052
I-J INTAKE & REFERRAL	383,979	0		62,176	0			0	0	321,803	257,442	64,361
I-K LIFE SKILLS - DEPENDENT	0	0		0	0	0		0	0	0	0	0
I-L LIFE SKILLS - DELINQUENT	0	0		0	0	0		0	0	0	0	0
I-M PROTECTIVE SERVICE - CHILD ABUSE	397,785	0		41,460	21,383			0	0	334,942	267,954	66,988
I-N PROTECTIVE SERVICE - GENERAL	624,695	150		32,084	148,239	83,042		0	0	361,230	288,984	72,246
I-O SERVICE PLANNING	150,234	0			22,041			0	0	128,193	102,554	25,639
I-P JUVENILE ACT PROCEEDINGS - DEPENDENT	0	0		0	0			0	0	0	0	0
I-Q JUVENILE ACT PROCEEDINGS - DELINQUENT	0	0		0	0			0	0	0	0	0
I-R SUBTOTAL IN-HOME	3,667,961	150	517,314	168,008	182,954	94,905	0	0	0	2,704,630	2,167,993	536,637

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	920,826	21,853	200,507	29,279				0	0	669,187	535,350	133,837
2-D COMMUNITY RESIDENTIAL - DELINQUENT	171,276	1,602						0	0	169,674	135,739	33,935
2-E EMERGENCY SHELTER - DEPENDENT	140,729	0	6,620	13,027				0	0	121,082	108,974	12,108
2-F EMERGENCY SHELTER - DELINQUENT	72,164	0			0			0	0	72,164	64,948	7,216
2-G FOSTER FAMILY - DEPENDENT	2,069,304	99,801	292,331	300,979				0	0	1,376,193	1,100,954	275,239
2-H FOSTER FAMILY - DELINQUENT	0	0		0	0			0	0	0	0	0
2-I SUP. INDEPENDENT LIVING - DEPENDENT	0	0		0	0			0	0	0	0	0
2-J SUP. INDEPENDENT LIVING - DELINQUENT	0	0		0	0			0	0	0	0	0
2-K SUBTOTAL CBP	3,374,299	123,256	499,458	343,285	0	0	0	0	0	2,408,300	1,945,965	462,335

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	20,250	0						0	0	20,250	10,125	10,125	
3-B RESIDENTIAL SERVICE - DEPENDENT	276,377	4,707	50,343	5,066			21,689	0	0	194,572	116,743	77,829	
3-C RES. SERVICE - DELINQUENT (NON YDC/YFC)	172,751	4,816						0	0	167,935	100,761	67,174	
3-D SECURE RES. SERVICE (EXCEPT YDC)	73,673	0						0	0	73,673	44,204	29,469	
3-E YDC SECURE	0	0						0	0	0	0	0	
3-F SUBTOTAL INSTITUTIONAL	543,051	9,523	50,343	5,066	0	0	21,689	0	0	456,430	271,833	184,597	
4 ADMINISTRATION	745,399	0		116,891				0	0	2,893	625,615	375,369	250,246
<b>TOTAL REVENUES</b>	8,330,710	132,929	1,067,115	633,250	182,954	94,905	21,689	0	2,893	6,194,975	4,761,160	1,433,815	

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

MAJOR SERVICE CATEGORIES & COST CENTERS	OBJECTS OF EXPENDITURE											
	1	2	3	4	5	6	7	8	9	10	11	12
	WAGES AND SALARIES	EMPLOYEE BENEFITS	SUBSIDIES	OPERATING SERVICES	PURCHASED SERVICES	FIXED ASSETS	TOTAL EXPENDITURES	Children Served (by county)	Children Served (Purchased)	Non-Reimbursable Non PS Sub.	Non-Reim. Purchased Serv/ Subsidies	Program Income related to all Non-Reimbursable
<b>IN-HOME</b>												
I-A ADOPTION SERVICE	16,539	7,279		1,781	0	0	25,599	15	0	0	0	0
I-B ADOPTION ASSISTANCE	0	0	1,076,124	0	0	0	1,076,124	0	260	0	0	0
I-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	0	0	247,656	0	0	0	247,656	0	53	0	0	0
I-D COUNSELING - DEPENDENT	24,546	10,801		2,645	243,084	0	281,076	28	48	0	0	0
I-E COUNSELING - DELINQUENT	0	0		0	428,276	0	428,276	0	76	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 HOME MAKER SERVICE	0	0		0	52,537	0	52,537	0	23	0	0	0
I-J INTAKE & REFERRAL	248,073	109,169		26,737	0	0	383,979	947	0	0	0	0
I-K LIFE SKILLS - DEPENDENT	0	0		0	0	0	0	0	0	0	0	0
I-L LIFE SKILLS - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
I-M PROTECTIVE SERVICE - CHILD ABUSE	154,336	67,927		33,704	141,798	0	397,785	665	54	0	0	0
I-N PROTECTIVE SERVICE - GENERAL	116,817	51,408		29,550	426,920	0	624,695	1,336	68	0	0	0
I-O SERVICE PLANNING	87,941	38,700		9,478	14,115	0	150,234	984	18	0	0	0
I-P JUVENILE ACT PROCEEDINGS - DEPENDENT				0	0		0	0	0	0	0	0
I-Q JUVENILE ACT PROCEEDINGS - DELINQUENT				0	0		0	0	0	0	0	0
I-R <b>SUBTOTAL IN-HOME</b>	648,272	285,284	1,323,780	103,895	1,306,730	0	3,667,961					0
Number of Children receiving only NON-PURCHASED IN-Home Services 607												
<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	116,818	51,408		14,646	737,954	0	920,826	5,831	46	0	0	0
2-D COMMUNITY RESIDENTIAL - DELINQUENT	0	0	0	1,040	170,236	0	171,276	1,322	13	0	0	0
2-E EMERGENCY SHELTER - DEPENDENT	51,978	22,873		5,601	60,277	0	140,729	400	16	0	0	0
2-F EMERGENCY SHELTER - DELINQUENT	0	0	0	0	72,164	0	72,164	483	28	0	0	0
2-G FOSTER FAMILY - DEPENDENT	286,269	125,979		43,969	1,613,087	0	2,069,304	39,181	181	0	0	0
2-H FOSTER FAMILY - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-I SUP. INDEPENDENT LIVING - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
2-J SUP. INDEPENDENT LIVING - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-K <b>SUBTOTAL CBP</b>	455,065	200,260	0	63,256	2,653,718	0	3,374,299	47,217	284	0	0	0
<b>INSTITUTIONAL PLACEMENT</b>												
3-A JUVENILE DETENTION SERVICE	0	0	0	0	20,250	0	20,250	81	1	0	0	0
3-B RESIDENTIAL SERVICE - DEPENDENT	20,214	8,895		2,902	244,366	0	276,377	1,131	9	0	0	0
3-C RES. SERVICE - DELINQUENT (EXCEPT YDC/VFC)	0	0	0	1,682	171,069	0	172,751	957	9	0	0	0
3-D SECURE RES. SERVICE (EXCEPT YDC)	0	0	0	0	73,673	0	73,673	232	2	0	0	0
3-E YDC SECURE	0	0	0	0	0	0	0	0	0	0	0	0
3-F <b>SUBTOTAL INSTITUTIONAL</b>	20,214	8,895	0	4,584	509,358	0	543,051	2,401	21	0	0	0
<b>ADMINISTRATION</b>	189,007	83,176	0	334,095	0	182,732	789,010			43,611	0	0
<b>TOTAL EXPENDITURES</b>	1,312,558	577,615	1,323,780	507,830	4,469,806	182,732	8,374,321			43,611	0	0
County Indirect Costs = \$ 245,577												

**LAWRENCE 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	\$ 25,599	\$ 0	\$ 25,599
Adoption Assistance	1,076,124	0	1,076,124
Subsidized Permanent Legal Custodianship	247,656	0	247,656
Counseling	709,352	0	709,352
Day Care	0	0	0
Day Treatment	0	0	0
Homemaker Service	52,537	0	52,537
Intake and Referral	383,979	0	383,979
Life Skills	0	0	0
Protective Service - Child Abuse	397,785	0	397,785
Protective Service - General	624,695	0	624,695
Service Planning	150,234	0	150,234
Juvenile Act Proceedings	0	0	0
Alternative Treatment	0	0	0
Community Residential	1,092,102	0	1,092,102
Emergency Shelter	212,893	0	212,893
Foster Family	2,069,304	0	2,069,304
Supervised Independent Living	0	0	0
Juvenile Detention Service	20,250	0	20,250
Residential Service	449,128	0	449,128
Secure Residential Service (Except YDC)	73,673	0	73,673
YDC Secure	0	0	0
Administration	789,010	0	789,010
Combined Total Expense	<u>8,374,321</u>	<u>0</u>	<u>8,374,321</u>
Less Non-reimbursables	<u>53,888</u>	<u>(10,277)</u>	<u>43,611</u>
Total Net Expense	<u>\$ 8,320,433</u>	<u>\$ 10,277</u>	<u>\$ 8,330,710</u>

<b>OBJECTS OF EXPENDITURE</b>	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Wages and Salaries	\$ 1,312,558	\$ 0	\$ 1,312,558
Employee Benefits	577,615	0	577,615
Subsidies	1,323,780	0	1,323,780
Operating	507,830	0	507,830
Purchased Services	4,469,806	0	4,469,806
Fixed Assets	182,732	0	182,732
Combined Total Expense	<u>8,374,321</u>	<u>0</u>	<u>8,374,321</u>
Less Non-reimbursables	<u>53,888</u>	<u>(10,277)</u>	<u>43,611</u>
Total Net Expense	<u>\$ 8,320,433</u>	<u>\$ 10,277</u>	<u>\$ 8,330,710</u>

**LAWRENCE COUNTY CHILDREN AND YOUTH AGENCY  
FOR THE PERIOD JULY 1, 2016 TO JUNE 30, 2017  
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	<p style="text-align: center;">CY-370 Adjustment</p> <p>Administration - Non-Reimbursable Non PS/Sub</p> <p>To decrease Non-Reimbursable Expenditures in the Administration cost center by \$10,277 to properly report the indirect costs that exceeded the 2% cost limitation.</p> <p>Title 55 PA Code, Chapter 3170.60 OCYF Bulletin 00-95-12</p>	\$ 53,888	\$ (10,277)	\$ 43,611

# SECTION 4

## AMENDED FISCAL REPORTS

**FOR THE FISCAL YEAR:**

**JULY 1, 2017 to JUNE 30, 2018**

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

Approved State Allocation <sup>1</sup>		\$	5,073,418
Supplemental Act 148			<u>0</u>
Total State Allocation			5,073,418
State Share (CY348) <sup>2</sup>	\$		4,701,915
Less: Major Service Category Adjustment			<u>0</u>
Net State Share		\$	4,701,915
Less: Expenditures in Excess of the Approved State Allocation			<u>0</u>
Final Net State Share Payable <sup>3</sup>		\$	4,701,915
Actual Act 148 Revenues Received <sup>4</sup>			<u>4,694,603</u>
Net Amount Due County/(State) <sup>5</sup>		\$	<u><u>7,312</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.

LAWRENCE COUNTY CHILDREN AND YOUTH AGENCY  
 FOR THE PERIOD JULY 1, 2017 TO JUNE 30, 2018  
 AMENDED CY348  
 FISCAL SUMMARY

	A	B	C	D	E	F	G	H	I	J	K
	GRAND TOTAL	PROGRAM INCOME	TITLE IV-E	TANF	TITLE XX	TITLE IV-B	Child Welfare Demonstration Project Title IV-E	MEDICAL ASSISTANCE	NET TOTAL	STATE ACT 148	LOCAL SHARE
NET CHILD WELFARE EXPENDITURES											
01. 100% REIMBURSEMENT	62,072	0	9,177	0	0	0	0	0	52,895	52,895	0
02. 90% REIMBURSEMENT	58,677	0	3,788	0	0	0	0	0	54,889	49,400	5,489
03. 80% REIMBURSEMENT	6,035,260	123,202	1,443,556	182,954	94,905	10,844	0	0	4,179,799	3,343,840	835,959
04. 60% REIMBURSEMENT	2,410,491	6,592	312,524	0	0	10,845	0	4,396	2,076,134	1,245,680	830,454
05. 50% REIMBURSEMENT	20,200	0	0	0	0	0	0	0	20,200	10,100	10,100
06. TOTAL NET CHILD WELFARE EXPEND.	8,586,700	129,794	1,769,045	182,954	94,905	21,689	0	4,396	6,383,917	4,701,915	1,682,002

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

08. NON-REIMBURSABLE EXPENDITURES	10,088	0							10,088		10,088
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09. TOTAL EXPENDITURES	8,596,788	129,794	1,769,045	182,954	94,905	21,689	0	4,396	6,394,005	4,701,915	1,692,090
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10. TOTAL TITLE IV-D COLLECTIONS 45,218

11. TITLE IV-D Collections for IV-E Children 22,187

12. STATE ACT 148 - line 6 4,701,915

13. STATE ACT 148 ALLOCATION 5,073,418

14. ADJUSTED STATE SHARE (lower of 12 or 13) 4,701,915

INVOICE											
AMENDED STATE SHARE (ACT 148)	4,701,915										
ACT 148 AMOUNT RECEIVED	4,694,603										
ADJUSTMENT TO STATE SHARE	7,312										

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

MAJOR SERVICE CATEGORIES & COST CENTERS	REVENUE SOURCES											
	1	2	3	4	5	6	7	8	9	10	11	12
IN-HOME	TOTAL REIMBURSABLE EXPENDITURES	PROGRAM INCOME	TITLE IV-E MAINTENANCE	TITLE IV-E ADMIN.	TANF	TITLE XX	TITLE IV-B	Child Welfare Demonstration Project Title IV-E	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE
1-A ADOPTION SERVICE	62,072	0		9,177	0			0	0	52,895	52,895	0
1-B ADOPTION ASSISTANCE	1,166,648	0	528,866	0				0	0	637,782	510,226	127,556
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANS	290,701	0	62,546	0				0	0	228,155	182,524	45,631
1-D COUNSELING - DEPENDENT	119,486	0		426	0			0	0	119,060	95,248	23,812
1-E COUNSELING - DELINQUENT	671,665	0			0			0	0	671,665	537,332	134,333
1-F DAY CARE	0	0			0			0	0	0	0	0
1-G DAY TREATMENT - DEPENDENT	0	0			0			0	0	0	0	0
1-H DAY TREATMENT - DELINQUENT	0	0			0			0	0	0	0	0
1-I HOMEMAKER SERVICE	59,318	0			28,842	0		0	0	30,476	24,381	6,095
1-J INTAKE & REFERRAL	80,250	0		11,865	0			0	0	68,385	54,708	13,677
1-K LIFE SKILLS - DEPENDENT	0	0			0			0	0	0	0	0
1-L LIFE SKILLS - DELINQUENT	0	0			0			0	0	0	0	0
1-M PROTECTIVE SERVICE - CHILD ABUSE	164,904	0		19,941	0			0	0	144,963	115,970	28,993
1-N PROTECTIVE SERVICE - GENERAL	841,814	0		68,713	154,112	94,905		0	0	524,084	419,267	104,817
1-O SERVICE PLANNING	85,625	0		11,374	0			0	0	74,251	59,401	14,850
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT	0	0			0			0	0	0	0	0
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT	0	0			0			0	0	0	0	0
1-R SUBTOTAL IN-HOME	3,542,483	0	591,412	121,496	182,954	94,905	0	0	0	2,551,716	2,051,952	499,764
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
2-B ALTERNATIVE TREATMENT - DELINQUENT	0	0						0	0	0	0	0
2-C COMMUNITY RESIDENTIAL - DEPENDENT	573,421	30,370	149,018	1,081				0	0	392,952	314,362	78,590
2-D COMMUNITY RESIDENTIAL - DELINQUENT	78,929	6,893						0	0	72,036	57,629	14,407
2-E EMERGENCY SHELTER - DEPENDENT	9,917	0	3,788					0	0	6,129	5,516	613
2-F EMERGENCY SHELTER - DELINQUENT	48,760	0						0	0	48,760	43,884	4,876
2-G FOSTER FAMILY - DEPENDENT	1,902,499	85,939	302,389	287,337			10,844	0	0	1,215,990	972,792	243,198
2-H FOSTER FAMILY - DELINQUENT	0	0						0	0	0	0	0
2-I SUP. INDEPENDENT LIVING - DEPENDENT	0	0						0	0	0	0	0
2-J SUP. INDEPENDENT LIVING - DELINQUENT	0	0						0	0	0	0	0
2-K SUBTOTAL CBP	2,613,526	123,202	455,195	288,418	0	0	10,844	0	0	1,735,867	1,394,183	341,684
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	20,200	0							0	20,200	10,100	10,100
3-B RESIDENTIAL SERVICE - DEPENDENT	230,230	0	58,441	1,540			10,845	0	0	159,404	95,642	63,762
3-C RES. SERVICE - DELINQUENT (NON-YDC/YFC)	315,106	6,178						0	0	308,928	185,357	123,571
3-D SECURE RES. SERVICE (EXCEPT YDC)	130,114	414							0	129,700	77,820	51,880
3-E YDC SECURE	0	0								0	0	0
3-F SUBTOTAL INSTITUTIONAL	695,650	6,592	58,441	1,540	0	0	10,845	0	0	618,232	368,919	249,313
4 ADMINISTRATION	1,735,041	0		252,543				0	0	4,396	886,861	591,241
5 TOTAL REVENUES	8,586,700	129,794	1,105,048	663,997	182,954	94,905	21,689	0	4,396	6,383,917	4,701,915	1,682,002

LAWRENCE COUNTY CHILDREN AND YOUTH AGENCY  
 FOR THE PERIOD JULY 1, 2017 TO JUNE 30, 2018  
 AMENDED CY370  
 EXPENDITURE REPORT

MAJOR SERVICE CATEGORIES & COST CENTERS	OBJECTS OF EXPENDITURE											
	1	2	3	4	5	6	7	8	9	10	11	12
IN-HOME	WAGES AND SALARIES	EMPLOYEE BENEFITS	SUBSIDIES	OPERATING	PURCHASED SERVICES	FIXED ASSETS	TOTAL EXPENDITURES	Children Served (by contract)	Children Served (Purchased)	Non-Reimbursable Non PS/Sub.	Non-Reim. Purchased Serv/ Subsidies	Program Income related to all Non-Reimbursable
1-A ADOPTION SERVICE	38,724	19,776		3,572	0	0	62,072	20	0	0	0	0
1-B ADOPTION ASSISTANCE	0	0	1,166,648	0	0	0	1,166,648	0	253	0	0	0
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	0	0	290,701	0	0	0	290,701	0	57	0	0	0
1-D COUNSELING - DEPENDENT	1,798	918		164	116,606	0	119,486	11	16	0	0	0
1-E COUNSELING - DELINQUENT	0	0		0	671,665	0	671,665	0	68	0	0	0
1-F DAY CARE	0	0		0	0	0	0	0	0	0	0	0
1-G DAY TREATMENT - DEPENDENT	0	0		0	0	0	0	0	0	0	0	0
1-H DAY TREATMENT - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
1-I HOMEMAKER SERVICE	0	0		0	59,318	0	59,318	0	42	0	0	0
1-J INTAKE & REFERRAL	50,064	25,569		4,617	0	0	80,250	2,471	0	0	0	0
1-K LIFE SKILLS - DEPENDENT	0	0		0	0	0	0	0	0	0	0	0
1-L LIFE SKILLS - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
1-M PROTECTIVE SERVICE - CHILD ABUSE	73,298	37,434		24,172	30,000	0	164,904	653	36	0	0	0
1-N PROTECTIVE SERVICE - GENERAL	279,090	142,532		43,151	377,041	0	841,814	1,279	64	0	0	0
1-O SERVICE PLANNING	47,990	24,510		4,425	8,700	0	85,625	1,946	35	0	0	0
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT												
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT												
1-R SUBTOTAL IN-HOME	490,964	250,739	1,457,349	80,101	1,263,330	0	3,542,483					
Number of Children receiving only NON-PURCHASED IN-Home Services: 691												
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	4,563	2,331	0	1,313	565,214	0	573,421	3,869	21	0	0	0
2-D COMMUNITY RESIDENTIAL - DELINQUENT	0	0	0	400	78,529	0	78,929	576	5	0	0	0
2-E EMERGENCY SHELTER - DEPENDENT	0	0	0	0	9,917	0	9,917	54	2	0	0	0
2-F EMERGENCY SHELTER - DELINQUENT	0	0	0	0	48,760	0	48,760	304	23	0	0	0
2-G FOSTER FAMILY - DEPENDENT	132,076	67,453	0	26,149	1,676,821	0	1,902,499	41,510	167	0	0	0
2-H FOSTER FAMILY - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-I SUP. INDEPENDENT LIVING - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
2-J SUP. INDEPENDENT LIVING - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-K SUBTOTAL CBP	136,639	69,784	0	27,862	2,379,241	0	2,613,526	46,313	218	0	0	0
INSTITUTIONAL PLACEMENT	WAGES AND SALARIES	EMPLOYEE BENEFITS	SUBSIDIES	OPERATING	PURCHASED SERVICES	FIXED ASSETS	TOTAL EXPENDITURES	DAYS OF CARE	Children Served (Purchased)	Non-Reimbursable Non PS/Sub.	Non-Reim. Purchased Serv/ Subsidies	Program Income related to all Non-Reimbursable
3-A JUVENILE DETENTION SERVICE	0	0	0	0	20,200	0	20,200	82	1	0	0	0
3-B RESIDENTIAL SERVICE - DEPENDENT	6,500	3,320	0	1,522	218,888	0	230,230	1,051	9	0	0	0
3-C RES. SERVICE - DELINQUENT (EXCEPT YDC/VFC)	0	0	0	701	314,405	0	315,106	1,675	7	0	0	0
3-D SECURE RES. SERVICE (EXCEPT YDC)	0	0	0	0	130,114	0	130,114	412	2	0	0	0
3-E YDC SECURE	0	0	0	0	0	0	0	0	0	0	0	0
3-F SUBTOTAL INSTITUTIONAL	6,500	3,320	0	2,223	683,607	0	695,650	3,220	19	0	0	0
4 ADMINISTRATION	748,894	382,466	0	343,878	0	269,891	1,745,129			10,088	0	0
5 TOTAL EXPENDITURES	1,382,997	706,309	1,457,349	454,064	4,326,178	269,891	8,596,788			10,088	0	0
County Indirect Costs = \$ 218,536												

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

<b>COST CENTER ITEMS</b>	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Adoption Service	\$ 62,072	\$ 0	\$ 62,072
Adoption Assistance	1,166,648	0	1,166,648
Subsidized Permanent Legal Custodianship	290,701	0	290,701
Counseling	791,151	0	791,151
Day Care	0	0	0
Day Treatment	0	0	0
Homemaker Service	59,318	0	59,318
Intake and Referral	80,250	0	80,250
Life Skills	0	0	0
Protective Service - Child Abuse	164,904	0	164,904
Protective Service - General	841,814	0	841,814
Service Planning	85,625	0	85,625
Juvenile Act Proceedings	0	0	0
Alternative Treatment	0	0	0
Community Residential	652,350	0	652,350
Emergency Shelter	58,677	0	58,677
Foster Family	1,902,499	0	1,902,499
Supervised Independent Living	0	0	0
Juvenile Detention Service	20,200	0	20,200
Residential Service	545,336	0	545,336
Secure Residential Service (Except YDC)	130,114	0	130,114
YDC Secure	0	0	0
Administration	<u>1,745,129</u>	<u>0</u>	<u>1,745,129</u>
Combined Total Expense	8,596,788	0	8,596,788
Less Non-reimbursables	<u>22,275</u>	<u>(12,187)</u>	<u>10,088</u>
Total Net Expense	<u>\$ 8,574,513</u>	<u>\$ 12,187</u>	<u>\$ 8,586,700</u>

<b>OBJECTS OF EXPENDITURE</b>	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Wages and Salaries	\$ 1,382,997	\$ 0	\$ 1,382,997
Employee Benefits	706,309	0	706,309
Subsidies	1,457,349	0	1,457,349
Operating	454,064	0	454,064
Purchased Services	4,326,178	0	4,326,178
Fixed Assets	<u>269,891</u>	<u>0</u>	<u>269,891</u>
Combined Total Expense	8,596,788	0	8,596,788
Less Non-reimbursables	<u>22,275</u>	<u>(12,187)</u>	<u>10,088</u>
Total Net Expense	<u>\$ 8,574,513</u>	<u>\$ 12,187</u>	<u>\$ 8,586,700</u>

**LAWRENCE COUNTY CHILDREN AND YOUTH AGENCY  
FOR THE PERIOD JULY 1, 2017 TO JUNE 30, 2018  
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	Administration - Non-Reimbursable Non PS/Sub  To decrease Non-Reimbursable Expenditures in the Administration cost center by \$12,187 to properly report the indirect costs that exceeded the 2% cost limitation.  Title 55 PA Code, Chapter 3170.60 OCYF Bulletin 00-95-12	\$ 22,275	\$ (12,187)	\$ 10,088

# SECTION 5

## STATUS OF PRIOR ENGAGEMENT FINDINGS AND RECOMMENDATIONS

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

**Finding No. 1 - Lawrence County Children and Youth Agency Paid Contractors for In-Home Purchased Services but Failed to Obtain Reasonable Assurance That These Services Were Actually Provided (Unresolved)**

In our prior engagement report, for the fiscal years July 1, 2010 to June 30, 2014, we cited the Lawrence County Children and Youth Agency (agency) for failure to obtain reasonable assurance that In-Home Purchased Service providers actually provided the services for which the agency was invoiced, and subsequently paid, and that if provided, provided in adherence to the requirements of the respective provider's contract terms. Agency management informed us that, during the fiscal years included in our prior engagement scope period, agency fiscal staff verified all children listed on the Fee-for-Service providers' submitted invoices were authorized to receive the invoiced services, and the invoiced rates were compared to contracts. However, no fiscal-related monitoring procedures were performed to obtain reasonable assurance that the contracted services related to In-Home Purchased Service fees invoiced by Fee-for-Service In-Home providers were actually provided on the dates, and for the number of units, for each individual listed on the providers' submitted invoices.

Our current engagement scope period included the 2014-2015, 2015-2016, 2016-2017, and 2017-2018 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 December 2017, six months before the end of our current engagement period. Therefore, these control deficiencies and corresponding risks continued to exist during the 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 Findings and Recommendations section (Section 6) of this report.

**Finding No. 2 – Noncompliance - Lawrence County Children and Youth Agency Failed to Execute Written Contracts With Two In-Home Service Providers (Unresolved)**

In our prior audit report, we cited the Lawrence County Children and Youth Agency (agency) for failure to execute purchase of services agreements with two In-Home Purchased Service providers. During our current engagement, we found that the agency did not have executed contracts with four of its In-Home Purchased Services providers. Therefore, we concluded that the issuance of a repeat finding is warranted. This repeat finding is included in the Current Engagement Findings and Recommendations section (Section 6) of this report.

## SECTION 6

# CURRENT ENGAGEMENT FINDINGS AND RECOMMENDATIONS

LAWRENCE COUNTY CHILDREN AND YOUTH AGENCY  
CURRENT ENGAGEMENT FINDINGS AND RECOMMENDATIONS

**Finding No. 1 – Unresolved Prior Audit Recommendations – Lack of Internal Control Policies and Procedures to Reduce the Risk of Paying Overbillings or Fraudulent Billings by Contracted In-Home Purchased Service Providers**

Condition: As detailed in our Status of Prior Engagement Findings and Recommendations section (Section 5) of this report, the Lawrence County Children and Youth Agency (agency) lacked internal control procedures designed to sufficiently reduce the risk of paying overbillings or fraudulent billings submitted by contracted In-Home Purchased Service providers. For contracted In-Home Fee-for-Service Purchased Service providers, as cited in the finding included in our prior engagement report, the agency could not provide evidence that substantiated the validity of the number of units invoiced for each individual listed on invoices submitted by these providers.

During the conduct of our current engagement, in response to the recommendations included in our prior engagement report, agency management stated the development and implementation of a written fiscal-related monitoring policy and corresponding procedures is a priority for the 2019-2020 fiscal year. We will review and evaluate the implemented policy and procedures during the conduct of our next regularly scheduled engagement of this agency and determine whether they are sufficient in providing agency management reasonable assurance that invoiced contracted In-Home Services were actually provided, and that the number of units invoiced by contracted Fee-for-Service In-Home providers and (if applicable) operating costs for Program Funded providers are properly substantiated, thus reducing the agency's risk of paying overbillings or fraudulent billings submitted by In-Home Purchased Service providers.

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 Code (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.*

LAWRENCE COUNTY CHILDREN AND YOUTH AGENCY  
CURRENT ENGAGEMENT FINDINGS AND RECOMMENDATIONS

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 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 December 2017, six months prior to the end of our current engagement scope period. Therefore, these control deficiencies and corresponding risks continued to exist for all four fiscal years (2014-2015, 2015-2016, 2016-2017 and 2017-2018) included in our current engagement scope period.

Effect: The agency’s lack of internal control procedures, during the fiscal years included in our current engagement scope period, designed to reduce the agency’s risk of paying overbillings or fraudulent billings by contracted In-Home Purchased Service providers, increased agency management’s risk of:

LAWRENCE COUNTY CHILDREN AND YOUTH AGENCY  
CURRENT ENGAGEMENT FINDINGS AND RECOMMENDATIONS

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

Recommendation: We recommend that agency management develop and implement a fiscal-related monitoring policy, and corresponding procedures, designed to sufficiently reduce the agency's risk of paying overbillings and fraudulent billings submitted by In-Home Purchased Service providers. We further recommend that agency management ensure that such policies and procedures 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.

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 (if applicable) the operating costs invoiced by any Program-Funded providers. Agency management should consider procedures such as the following:

- Performance of on-site fiscal-related monitoring visits of In-Home Purchased Services providers, as deemed necessary by agency management, to determine whether appropriate supporting documentation exists substantiating invoiced costs, including assessing the validity the number of units invoiced by Fee-for-Service providers and (if applicable) the operating costs invoiced by Program-Funded providers, and that related services were actually provided according to executed contract terms.
- Require In-Home Purchased Services providers, as deemed necessary by agency management, to submit substantiation evidencing that services related to invoiced In-Home Purchased Services costs were actually provided.<sup>2</sup>

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.

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<sup>2</sup> For any Program-Funded providers, fiscal-related monitoring should include substantiation of these providers' operating costs invoiced to the agency.

LAWRENCE COUNTY CHILDREN AND YOUTH AGENCY  
CURRENT ENGAGEMENT FINDINGS AND RECOMMENDATIONS

- The agency maintains sufficient evidence substantiating the results of all fiscal-related monitoring procedures performed to determine whether the services for which In-Home Purchased Services providers were paid were actually provided, and provided in adherence to DHS regulations and executed contract terms, and to reduce the risk of overbillings and fraudulent billings by contracted In-Home Purchased Services Providers going undetected.

Agency Representative Response: The agency has asked for a Contract Monitor/Program Specialist in their Needs Based Budget in order to comply not only with the contracts for In-Home Purchased Service providers, but also with monitoring these providers.

Auditors Conclusion: We commend the agency's management on their efforts to hire an additional employee to develop and implement a formal, written fiscal-related monitoring policy and related procedures for contracted In-Home Purchased Services providers. During our next audit of the agency, we will review the agency's implemented monitoring policy, and corresponding 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.

LAWRENCE COUNTY CHILDREN AND YOUTH AGENCY  
CURRENT ENGAGEMENT FINDINGS AND RECOMMENDATIONS

**Finding No. 2 – Unresolved Prior Audit Recommendations – Failure to Execute Written Contracts with Service Providers**

Condition: In our prior engagement report, for the fiscal years July 1, 2010, to June 30, 2014, we cited the Lawrence County Children and Youth Agency (agency) for failure to execute written contracts with two In-Home Purchased Service providers used for services as detailed in our Status of Prior Engagement Findings and Recommendations section (Section 5) of this report. During the conduct of our current engagement, we found the agency failed to execute written contracts with four service providers. As such, we found that the agency again violated the Commonwealth’s Department of Human Services (DHS) regulations requiring that written contracts be signed annually with providers to which clients are regularly referred, or with which the agency, juvenile court, and juvenile probation office have a continuing relationship, and that the agency must maintain records to justify payment for expenses.

Criteria: Title 55, Pa. Code § 3170.23(b) and § 3170.93(b) related to purchase of service and contract requirements, state, in part:

- *Section 3170.23(b).Purchase of Service.* A written agreement complying with Section 3170.93 (relating to contracts) shall be signed by the county and those providers to which clients are regularly referred or with which the public agency, the juvenile court, and juvenile probation office have a continuing relationship. This requirement shall apply to both unit of service and program-funded agencies.
- *Section 3170.93(b).Contracts.* In addition to restating the language of Section 3170.23, this section states the contract shall represent a legally binding agreement between the county and the provider, and shall be renewed annually.
- Title 55, Pa. Code § 3170.92(b) related to records maintenance, states, in part:

Section 3170.92(b). Records maintenance. County agency shall maintain sufficient and appropriate records and data to justify payment for expenses by the Department.

Cause: Agency management stated that corrective actions were not implemented due to staffing limitations.

Effect: Because services were rendered in the absence of legally binding contracts, these violations could have resulted in misunderstandings between the agency and service providers as to the types of services requested and the approved rates to be charged for each respective service. However, based on DHS’ position that because the legal service costs were incurred by the agency and were considered allowable expenses during the aforementioned time frames, we did not issue adjustments to disallow these Service Providers’ costs.

LAWRENCE COUNTY CHILDREN AND YOUTH AGENCY  
CURRENT ENGAGEMENT FINDINGS AND RECOMMENDATIONS

Recommendation: We again recommend that the Lawrence County Children and Youth Agency establish policies and procedures to ensure the agency properly executes written contracts with all service providers to which clients are regularly referred or with which the agency, juvenile court, and juvenile probation office have a continuing relationship, in accordance with DHS regulations. In addition, agency management should ensure that all DHS contracting requirements, along with the agency's established policies and procedures, are communicated to and understood by all county and agency staff, thus preventing future misunderstandings regarding the proper execution of contracts with providers of any services.

Agency Representative Response: The agency has asked for a Contract Monitor/Program Specialist in their Needs Based Budget in order to comply not only with the contracts for In-Home Purchased Services providers, but also with monitoring these providers.

Auditors Conclusion: We commend the agency's management on their efforts to hire an additional employee to develop and implement formal, written fiscal-related policy and related procedures to ensure the agency properly executes written contracts with all service providers to which clients are regularly referred or have a continuing relationship with. During our next audit of the agency, we will review the agency's implemented policy, and corresponding procedures, and determine whether they are sufficient, thus, preventing future misunderstandings regarding the proper execution of contracts with providers of any services.

# SECTION 7

## CURRENT ENGAGEMENT OBSERVATION

LAWRENCE COUNTY CHILDREN AND YOUTH AGENCY  
CURRENT ENGAGEMENT OBSERVATION

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

The Child Protective Services Law (CPSL) requires the conduct of criminal background checks and child abuse history clearances (certifications) for all employees and direct volunteers of county children and youth (C&Y) agencies as well as the volunteers/employees of these agencies’ contractors (providers) and subcontractors (sub-recipients).<sup>3</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>4</sup> the safety of children receiving services from these agencies and their contractors and subcontractors may be at **risk**. According to information provided by DHS OCYF, the Lawrence County Children and Youth Agency provided in-home and placement services to 226 children residing within the County during the 2017-2018 fiscal year.

**Day Treatment Centers and Child Residential Facilities**

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

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<sup>3</sup> 23 Pa.C.S. §§ 6344 and 6344.2.

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

LAWRENCE COUNTY CHILDREN AND YOUTH AGENCY  
CURRENT ENGAGEMENT OBSERVATION

timeliness of the completion and approval of these annual inspections and 2) whether the CPSL adherence of any potential sub-recipients used by these providers are being monitored.<sup>5</sup>

**Contracted In-Home Preventative Service Providers**

For contracted In-Home Preventative Service providers, we were informed by DHS OCYF that these providers are not required to be licensed by the Commonwealth and, thus, are not subject to the annual inspections performed by DHS.<sup>6</sup> DHS' position was that while not all in-home service providers would meet the criteria requiring the conduct of *certifications* for employees/volunteers, when they do, C&Y agencies were responsible for including provisions in their executed contracts with these providers.

In correspondence with management of C&Y agencies during some of our recently conducted engagements, we have found that some C&Y agencies' management staffs are still of the opinion that there is no need to directly monitor CPSL adherence of the providers' employees/volunteers because they are now including the requirements for this type of monitoring in their executed contracts with these providers. However, our interpretation of the CPSL remains that C&Y agencies cannot fulfill their duties under the CPSL to protect the children receiving in-home preventative services from child abuse by merely including the requirements for "direct monitoring" in their provider executed contracts.<sup>7</sup> Instead, all C&Y agencies should have a process in place that allows them to actively monitor their providers and sub-recipients by routinely reviewing their employees' and volunteers' *certifications* for disqualifying convictions.

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

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<sup>5</sup> This is detailed in the Commonwealth of Pennsylvania Single Audit Reports (most recently for the fiscal year ended June 30, 2018, via Finding 2018-010).

<sup>6</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>7</sup> In our Department's opinion "direct monitoring" consists of C&Y agencies routinely performing procedures to obtain reasonable assurance that their *contracted In-Home Preventative Service providers* and their sub-recipients are properly vetting a representative sample of the background checks and child abuse history clearances of their employees and volunteers to identify, and properly address, any identified disqualifying convictions.

LAWRENCE COUNTY CHILDREN AND YOUTH AGENCY  
CURRENT ENGAGEMENT OBSERVATION

volunteers, this Department will continue to raise concerns about the risks posed to the safety of these vulnerable children.<sup>8</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>9</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.

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

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<sup>8</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>9</sup> This includes *contracted In-Home Preventative Service providers* and their sub-recipients.

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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.<sup>10</sup> 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 also recognize that risks to these vulnerable children continue to exist. One such risk results from the potential delay of 9 to 21 months (or possibly longer) between the date of possible noncompliance by a *contracted In-Home Preventative Service provider* and/or inadequate monitoring by a county C&Y agency and DHS becoming aware of those issues.<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*

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<sup>10</sup> Please note that the previous one year validity of checks and clearances only applied to prospective employees, which is a requirement that was deleted by Act 153 of 2014.

<sup>11</sup> 23 Pa.C.S. § 6344.4.

<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 noncompliance occurring at the beginning of the fiscal year. The period of delay would be higher when the Single Audit is not received within nine months from the end of the fiscal year.

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*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.<sup>13</sup>

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)*.

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<sup>13</sup> As noted in an earlier footnote, the now repealed one year validity of checks and clearances only applied to prospective employees.

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