

AMENDED FISCAL REPORTS

For Fiscal Years:

July 1, 2018 to June 30, 2019

July 1, 2019 to June 30, 2020

Montour County Children and Youth Agency

June 2022



Commonwealth of Pennsylvania
Department of the Auditor General

Timothy L. DeFoor • Auditor General



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

The Commissioners of Montour County
Montour County Administration Building
435 East Front Street
Danville, PA 17821

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 Montour County Children and Youth Services (agency). The purpose of this engagement is to ascertain and certify the actual commonwealth expenditures incurred on behalf of children residing within the county for the fiscal years July 1, 2018 to June 30, 2019 and July 1, 2019 to June 30, 2020. The scope of our engagement was limited to the fiscal reports submitted to the Pennsylvania Department of Human Services (DHS) as part of the Act 148 Invoice Packages for the fiscal years ended June 30, 2019 and June 30, 2020.

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

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

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

- For the **2018-2019 fiscal year**, our engagement resulted in one adjustment being made to the agency's submitted fiscal reports. This adjustment impacted the agency's Net State Share by decreasing agency expenditures by \$4,652. Based on the application of the state participation rates, this adjustment resulted in an amount due to the state totaling \$3,722.
- For the **2019-2020 fiscal year**, our engagement resulted in one adjustment being made to the agency's submitted fiscal reports. This adjustment impacted the agency's Net State Share by increasing agency revenue by \$583. Based on the application of the state participation rates, this adjustment resulted in an amount due to the state totaling \$466.

This report includes the following observation:

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

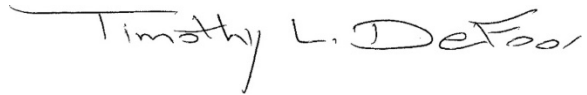
The results of our engagement procedures, as presented in this report, were discussed with agency management at an exit conference call held on June 1, 2022.

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

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

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

Sincerely,

A handwritten signature in black ink that reads "Timothy L. DeFoor". The signature is written in a cursive style with a long horizontal line extending from the start of the word "Timothy".

Timothy L. DeFoor
Auditor General
June 8, 2022

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BACKGROUND

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

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

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

SECTION 1

AMENDED FISCAL REPORTS

FOR THE FISCAL YEAR:

JULY 1, 2018 to JUNE 30, 2019

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

Approved State Allocation ¹	\$	740,087
Supplemental Act 148		<u>0</u>
Total State Allocation		740,087
State Share (CY348) ²	\$	614,611
Less: Major Service Category Adjustment		<u>0</u>
Net State Share	\$	614,611
Less: Expenditures in Excess of the Approved State Allocation		<u>0</u>
Final Net State Share Payable ³	\$	614,611
Actual Act 148 Revenues Received ⁴		<u>618,333</u>
Net Amount Due County/(State) ⁵	\$	<u><u>(3,722)</u></u>

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

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

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

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

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

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

	A	B	C	D	E	F	G	H	I	J	K
	GRAND TOTAL	PROGRAM INCOME	TITLE IV-E	TANF	TITLE XX	TITLE IV-B	Child Welfare Demonstration Project Title IV-E	MEDICAL ASSISTANCE	NET TOTAL	STATE ACT 148	LOCAL SHARE
NET CHILD WELFARE EXPENDITURES											
01. 100% REIMBURSEMENT	18,178	0	3,164	0	0	0	0	0	15,014	15,014	0
02. 90% REIMBURSEMENT	0	0	0	0	0	0	0	0	0	0	0
03. 80% REIMBURSEMENT	835,875	24,224	140,095	7,068	8,995	14,303	0	0	641,190	512,952	128,238
04. 60% REIMBURSEMENT	62,325	0	10,866	0	0	0	0	280	51,179	30,707	20,472
05. 50% REIMBURSEMENT	112,657	782	0	0	0	0	0	0	111,875	55,938	55,937
06. TOTAL NET CHILD WELFARE EXPEND.	1,029,035	25,006	154,125	7,068	8,995	14,303	0	280	819,258	614,611	204,647

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

08. NON-REIMBURSABLE EXPENDITURES	0	0							0		0
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09. TOTAL EXPENDITURES	1,029,035	25,006	154,125	7,068	8,995	14,303	0	280	819,258	614,611	204,647
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10. TOTAL TITLE IV-D COLLECTIONS 23,161

11. TITLE IV-D Collections for IV-E Children 3,586

12. STATE ACT 148 - line 6 614,611

13. STATE ACT 148 ALLOCATION 740,087

14. ADJUSTED STATE SHARE (lower of 12 or 13) 614,611

INVOICE											
AMENDED STATE SHARE (ACT 148)	614,611										
ACT 148 AMOUNT RECEIVED	618,333										
ADJUSTMENT TO STATE SHARE	(3,722)										

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

MAJOR SERVICE CATEGORIES & COST CENTERS	REVENUE SOURCES											
	1	2	3	4	5	6	7	8	9	10	11	12
	TOTAL REIMBURSABLE EXPENDITURES	PROGRAM INCOME	TITLE IV-E MAINTENANCE	TITLE IV-E ADMIN.	TANF	TITLE XX	TITLE IV-B	Child Welfare Demonstration Project Title IV-E	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE
IN-HOME												
1-A ADOPTION SERVICE	18,178	0		3,164	0				0	15,014	15,014	0
1-B ADOPTION ASSISTANCE	100,330	0	29,714	2			7,152		0	63,462	50,770	12,692
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	53,684	1,998	9,546	0			7,151		0	34,989	27,991	6,998
1-D COUNSELING - DEPENDENT	0	0		0	0	0	0	0	0	0	0	0
1-E COUNSELING - DELINQUENT	17,211	0		0	7,068	0	0	0	0	10,143	8,114	2,029
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 HOME MAKER SERVICE	0	0		0	0	0	0	0	0	0	0	0
1-J INTAKE & REFERRAL	48,248	0		8,400	0	0	0	0	0	39,848	31,878	7,970
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	105,453	0		17,819	0	2,248	0	0	0	85,386	68,309	17,077
1-N PROTECTIVE SERVICE - GENERAL	118,482	0		20,321	0	0	0	0	0	98,161	78,529	19,632
1-O SERVICE PLANNING	6,395	0		1,098	0	0	0	0	0	5,297	4,238	1,059
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT	4,000	0		0	0	0	0	0	0	4,000	2,000	2,000
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
SUBTOTAL IN-HOME	471,981	1,998	39,260	50,804	7,068	2,248	14,303	0	0	356,300	286,843	69,457
COMMUNITY BASED PLACEMENT												
2-A ALTERNATIVE TREATMENT - DEPENDENT	0	0		0	0	0	0	0	0	0	0	0
2-B ALTERNATIVE TREATMENT - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
2-C COMMUNITY RESIDENTIAL - DEPENDENT	138,256	8,696	0	0	0	0	0	0	0	129,560	103,648	25,912
2-D COMMUNITY RESIDENTIAL - DELINQUENT	48,146	2,321	0	0	0	0	0	0	0	45,825	36,660	9,165
2-E EMERGENCY SHELTER - DEPENDENT	0	0		0	0	0	0	0	0	0	0	0
2-F EMERGENCY SHELTER - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
2-G FOSTER FAMILY - DEPENDENT	199,670	11,209	16,312	36,883		6,747	0	0	0	128,519	102,815	25,704
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
SUBTOTAL CBP	386,072	22,226	16,312	36,883	0	6,747	0	0	0	303,904	243,123	60,781
INSTITUTIONAL PLACEMENT												
3-A JUVENILE DETENTION SERVICE	108,657	782								107,875	53,938	53,937
3-B RESIDENTIAL SERVICE - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
3-C RES. SERVICE - DELINQUENT (NON YDC/YFC)	0	0	0	0	0	0	0	0	0	0	0	0
3-D SECURE RES. SERVICE (EXCEPT YDC)	0	0								0	0	0
3-E YDC SECURE	0	0								0	0	0
SUBTOTAL INSTITUTIONAL	108,657	782	0	0	0	0	0	0	0	107,875	53,938	53,937
ADMINISTRATION	62,325	0		10,866		0	0	0	280	51,179	30,707	20,472
TOTAL REVENUES	1,029,035	25,006	55,572	98,553	7,068	8,995	14,303	0	280	819,258	614,611	204,647

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

MAJOR SERVICE CATEGORIES & COST CENTERS	OBJECTS OF EXPENDITURE											
	1	2	3	4	5	6	7	8	9	10	11	12
IN-HOME	WAGES AND SALARIES	EMPLOYEE BENEFITS	SUBSIDIES	OPERATING	PURCHASED SERVICES	FIXED ASSETS	TOTAL EXPENDITURES	Children Served (by county)	Children Served (Purchased)	Non-Reimbursable Non PS/Sub.	Non-Reim. Purchased Serv./Subsidies	Program Income related to all Non-Reimbursable
I-A ADOPTION SERVICE	9,691	7,103		1,090	0	294	18,178	16	0	0	0	0
I-B ADOPTION ASSISTANCE	0	0	100,320	10	0	0	100,330	0	60	0	0	0
I-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	0	0	53,684	0	0	0	53,684	0	18	0	0	0
I-D COUNSELING - DEPENDENT	0	0		0	0	0	0	0	0	0	0	0
I-E COUNSELING - DELINQUENT	0	0		0	17,211	0	17,211	0	7	0	0	0
I-F DAY CARE	0	0		0	0	0	0	0	0	0	0	0
I-G DAY TREATMENT - DEPENDENT	0	0		0	0	0	0	0	0	0	0	0
I-H DAY TREATMENT - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
I-I HOMEMAKER SERVICE	0	0		0	0	0	0	0	0	0	0	0
I-J INTAKE & REFERRAL	24,911	19,248		3,254	0	835	48,248	584	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	61,099	34,028		6,549	2,000	1,777	105,453	133	6	0	0	0
I-N PROTECTIVE SERVICE - GENERAL	58,437	44,897		12,004	976	2,168	118,482	327	85	0	0	0
I-O SERVICE PLANNING	3,106	2,728		459	0	102	6,395	31	0	0	0	0
I-P JUVENILE ACT PROCEEDINGS - DEPENDENT					4,000		4,000	0	31	0	0	0
I-Q JUVENILE ACT PROCEEDINGS - DELINQUENT					0		0	0	0	0	0	0
I-R SUBTOTAL IN-HOME	157,244	108,004	154,004	23,366	24,187	5,176	471,981					
Number of Children receiving only NON-PURCHASED IN-Home Services												
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	0	0	0	0	138,256	0	138,256	413	6	0	0	0
2-D COMMUNITY RESIDENTIAL - DELINQUENT	0	0	0	0	48,146	0	48,146	212	4	0	0	0
2-E EMERGENCY SHELTER - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
2-F EMERGENCY SHELTER - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-G FOSTER FAMILY - DEPENDENT	24,051	19,198	0	11,586	143,930	905	199,670	2,259	28	0	0	0
2-H FOSTER FAMILY - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-J SUP. INDEPENDENT LIVING - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
2-K SUP. INDEPENDENT LIVING - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-K SUBTOTAL CBP	24,051	19,198	0	11,586	330,332	905	386,072	2,884	38	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	63	108,594	0	108,657	334	4	0	0	0
3-B RESIDENTIAL SERVICE - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
3-C RES. SERVICE - DELINQUENT (EXCEPT YDC/YFC)	0	0	0	0	0	0	0	0	0	0	0	0
3-D SECURE RES. SERVICE (EXCEPT YDC)	0	0	0	0	0	0	0	0	0	0	0	0
3-E YDC SECURE	0	0	0	0	0	0	0	0	0	0	0	0
3-F SUBTOTAL INSTITUTIONAL	0	0	0	63	108,594	0	108,657	334	4	0	0	0
4 ADMINISTRATION	39,666	17,627	0	3,972	0	1,060	62,325					
5 TOTAL EXPENDITURES	220,961	144,829	154,004	38,987	463,113	7,141	1,029,035					
County Indirect Costs = \$ 0												

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

COST CENTER ITEMS	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Adoption Service	\$ 18,178	\$ 0	\$ 18,178
Adoption Assistance	100,330	0	100,330
Subsidized Permanent Legal Custodianship	53,684	0	53,684
Counseling	24,281	(7,070)	17,211
Day Care	0	0	0
Day Treatment	0	0	0
Homemaker Service	0	0	0
Intake and Referral	48,248	0	48,248
Life Skills	0	0	0
Protective Service - Child Abuse	105,453	0	105,453
Protective Service - General	118,482	0	118,482
Service Planning	6,395	0	6,395
Juvenile Act Proceedings	4,000	0	4,000
Alternative Treatment	0	0	0
Community Residential	186,402	0	186,402
Emergency Shelter	0	0	0
Foster Family	197,252	2,418	199,670
Supervised Independent Living	0	0	0
Juvenile Detention Service	108,657	0	108,657
Residential Service	0	0	0
Secure Residential Service (Except YDC)	0	0	0
YDC Secure	0	0	0
Administration	62,325	0	62,325
Combined Total Expense	<u>1,033,687</u>	<u>(4,652)</u>	<u>1,029,035</u>
Less Non-reimbursables	<u>0</u>	<u>0</u>	<u>0</u>
Total Net Expense	<u>\$ 1,033,687</u>	<u>\$ (4,652)</u>	<u>\$ 1,029,035</u>

OBJECTS OF EXPENDITURE	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Wages and Salaries	\$ 220,961	\$ 0	\$ 220,961
Employee Benefits	144,829	0	144,829
Subsidies	154,004	0	154,004
Operating	36,569	2,418	38,987
Purchased Services	470,183	(7,070)	463,113
Fixed Assets	7,141	0	7,141
Combined Total Expense	<u>1,033,687</u>	<u>(4,652)</u>	<u>1,029,035</u>
Less Non-reimbursables	<u>0</u>	<u>0</u>	<u>0</u>
Total Net Expense	<u>\$ 1,033,687</u>	<u>\$ (4,652)</u>	<u>\$ 1,029,035</u>

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

REPORT REFERENCE			ADJ. NO.	EXPLANATION OF ADJUSTMENT	AS REPORTED OR ADJUSTED	INCREASE/ (DECREASE)	ADJUSTED TOTAL
SCHEDULE	LINE	COLUMN					
CY-370	2-G	4	1	CY-370 Adjustment			
	1-E	5		Foster Family (Dependent) - Operating	\$ 9,168	\$ 2,418	\$ 11,586
				Counseling (Delinquent) - Purchased Services	\$ 24,281	\$ (7,070)	\$ 17,211
			Total Adjustment Amount		\$ (4,652)		
				Expenditures were decreased by a net \$4,652. A \$2,418 invoice was not reported on the agency's submitted CY-370 Expenditure Report and \$7,070 of TANF State Special Grant expenditures were erroneously reported on the agency's submitted CY-370 Expenditure Report.			
				Title 55 PA Code, Chapter 3170.95(a)(b) C, Y & F Bulletin 3140-20-02 C, Y & F Bulletin 3140-21-01			

SECTION 2

AMENDED FISCAL REPORTS

FOR THE FISCAL YEAR:

JULY 1, 2019 to JUNE 30, 2020

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

Approved State Allocation ¹		\$	720,982
Supplemental Act 148			<u>0</u>
Total State Allocation			720,982
State Share (CY348) ²	\$	696,423	
Less: Major Service Category Adjustment			<u>0</u>
Net State Share	\$	696,423	
Less: Expenditures in Excess of the Approved State Allocation			<u>0</u>
Final Net State Share Payable ³	\$	696,423	
Actual Act 148 Revenues Received ⁴			<u>696,889</u>
Net Amount Due County/(State) ⁵	\$		<u><u>(466)</u></u>

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

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

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

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

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

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

	A	B	C	D	E	F	G	H	I	J	K
	GRAND TOTAL	PROGRAM INCOME	TITLE IV-E	TANF	TITLE XX	TITLE IV-B	Child Welfare Demonstration Project Title IV-E	MEDICAL ASSISTANCE	NET TOTAL	STATE ACT 148	LOCAL SHARE
NET CHILD WELFARE EXPENDITURES											
01. 100% REIMBURSEMENT	8,145	0	1,576	0	0	0	0	0	6,569	6,569	0
02. 90% REIMBURSEMENT	2,661	0	496	0	0	0	0	0	2,165	1,949	216
03. 80% REIMBURSEMENT	1,146,769	24,603	247,792	7,068	8,995	14,303	0	0	844,008	675,207	168,801
04. 60% REIMBURSEMENT	21,457	0	2,850	0	0	0	0	248	18,359	11,015	7,344
05. 50% REIMBURSEMENT	4,000	633	0	0	0	0	0	0	3,367	1,683	1,684
06. TOTAL NET CHILD WELFARE EXPEND.	1,183,032	25,236	252,714	7,068	8,995	14,303	0	248	874,468	696,423	178,045
YDC/YFC PLACEMENT COSTS											
07. 60% DHS PARTICIPATION	0	0							0	0	0
08. NON-REIMBURSABLE EXPENDITURES	0	0							0		0
09. TOTAL EXPENDITURES	1,183,032	25,236	252,714	7,068	8,995	14,303	0	248	874,468	696,423	178,045
10. TOTAL TITLE IV-D COLLECTIONS	7,227										
11. TITLE IV-D Collections for IV-E Children	2,586										
12. STATE ACT 148 - line 6	696,423										
13. STATE ACT 148 ALLOCATION	720,982										
14. ADJUSTED STATE SHARE (lower of 12 or 13)	696,423										
INVOICE											
AMENDED STATE SHARE (ACT 148)	696,423										
ACT 148 AMOUNT RECEIVED	696,889										
ADJUSTMENT TO STATE SHARE	(466)										

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

MAJOR SERVICE CATEGORIES & COST CENTERS	REVENUE SOURCES											
	1	2	3	4	5	6	7	8	9	10	11	12
	TOTAL REIMBURSABLE EXPENDITURES	PROGRAM INCOME	TITLE IV-E MAINTENANCE	TITLE IV-E ADMIN.	TANF	TITLE XX	TITLE IV-B	Child Welfare Demonstration Project Title IV-E	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE
IN-HOME												
1-A ADOPTION SERVICE	8,145	0		1,576	0		0	0	0	6,569	6,569	0
1-B ADOPTION ASSISTANCE	86,565	0	27,136	2			0	0	0	59,427	47,542	11,885
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	22,154	2,431	2,888	0			0	0	0	16,835	13,468	3,367
1-D COUNSELING - DEPENDENT	27,976	0		571	2,830	0	0	0	0	24,575	19,660	4,915
1-E COUNSELING - DELINQUENT	64,602	65		0	4,238	0	0	0	0	60,299	48,239	12,060
1-F DAY CARE	0	0		0	0	0	0	0	0	0	0	0
1-G DAY TREATMENT - DEPENDENT	0	0		0	0	0	0	0	0	0	0	0
1-H DAY TREATMENT - DELINQUENT	2,169	0		0	0	0	0	0	0	2,169	1,735	434
1-I HOME MAKER SERVICE	14,644	0		2,742	0	0	0	0	0	11,902	9,522	2,380
1-J INTAKE & REFERRAL	29,012	0		5,639	0	0	0	0	0	23,373	18,698	4,675
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	129,046	0		24,721	0	0	0	0	0	104,325	83,460	20,865
1-N PROTECTIVE SERVICE - GENERAL	111,245	0		19,674	0	0	0	0	0	91,571	73,257	18,314
1-O SERVICE PLANNING	17,768	0		3,372	0	0	0	0	0	14,396	11,517	2,879
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT	4,000	0		0	0	0	0	0	0	4,000	2,000	2,000
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
1-R SUBTOTAL IN-HOME	517,326	2,496	30,024	58,297	7,068	0	0	0	0	419,441	335,667	83,774

COMMUNITY BASED PLACEMENT	REVENUE SOURCES											
	TOTAL REIMBURSABLE EXPENDITURES	PROGRAM INCOME	TITLE IV-E MAINTENANCE	TITLE IV-E ADMIN.	TANF	TITLE XX	TITLE IV-B	Child Welfare Demonstration Project Title IV-E	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE
2-A ALTERNATIVE TREATMENT - DEPENDENT	0	0	0	0			0	0	0	0	0	0
2-B ALTERNATIVE TREATMENT - DELINQUENT	0	0	0	0			0	0	0	0	0	0
2-C COMMUNITY RESIDENTIAL - DEPENDENT	157,822	8,813	0	29	2,249	2,249	3,575	0	0	143,156	114,525	28,631
2-D COMMUNITY RESIDENTIAL - DELINQUENT	103,868	1,292	0	33			7,152	0	0	95,391	76,313	19,078
2-E EMERGENCY SHELTER - DEPENDENT	2,661	0	0	496	0	0	0	0	0	2,165	1,949	216
2-F EMERGENCY SHELTER - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-G FOSTER FAMILY - DEPENDENT	372,343	12,002	77,033	82,539		6,746	3,576	0	0	190,447	152,358	38,089
2-H FOSTER FAMILY - DELINQUENT	0	0	0	0			0	0	0	0	0	0
2-I KINSHIP CARE - DEPENDENT	3,378	0	0	614			0	0	0	2,764	2,211	553
2-J KINSHIP CARE - DELINQUENT	0	0	0	0			0	0	0	0	0	0
2-K SUP. INDEPENDENT LIVING - DEPENDENT	4,177	0	0	799			0	0	0	3,378	2,702	676
2-L SUP. INDEPENDENT LIVING - DELINQUENT	0	0	0	0			0	0	0	0	0	0
2-M SUBTOTAL CBP	644,249	22,107	77,033	84,510	0	8,995	14,303	0	0	437,301	350,058	87,243

INSTITUTIONAL PLACEMENT	REVENUE SOURCES											
	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	633	0	0			0	0	0	(633)	(317)	(316)
3-B RESIDENTIAL SERVICE - DEPENDENT	0	0	0	0			0	0	0	0	0	0
3-C RES. SERVICE - DELINQUENT (NON YDC/YFC)	3,360	0	0	0			0	0	0	3,360	2,016	1,344
3-D SECURE RES. SERVICE (EXCEPT YDC)	3,365	0	0	0			0	0	0	3,365	2,019	1,346
3-E YDC SECURE	0	0	0	0			0	0	0	0	0	0
3-F SUBTOTAL INSTITUTIONAL	6,725	633	0	0	0	0	0	0	0	6,092	3,718	2,374

4 ADMINISTRATION	14,732	0		2,850			0	0	248	11,634	6,980	4,654
5 TOTAL REVENUES	1,183,032	25,236	107,057	145,657	7,068	8,995	14,303	0	248	874,468	696,423	178,045

**MONTEUR COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2019 TO JUNE 30, 2020
AMENDED CY 370
EXPENDITURE REPORT**

MAJOR SERVICE CATEGORIES & COST CENTERS	OBJECTS OF EXPENDITURE											
	1	2	3	4	5	6	7	8	9	10	11	12
	WAGES AND SALARIES	EMPLOYEE BENEFITS	SUBSIDIES	OPERATING	PURCHASED SERVICES	FIXED ASSETS	TOTAL EXPENDITURES	Children Served (by county)	Children Served (Purchased)	Non-Reimbursable Non PS/Sub.	Non-Reim. Purchased Serv/ Subsidies	Program Income related to all Non-Reimbursable
IN-HOME												
1-A ADOPTION SERVICE	3,905	3,558		560	0	122	8,145	12	0	0	0	0
1-B ADOPTION ASSISTANCE	0	0	86,554	11	0	0	86,565	21	44	0	0	0
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	0	0	22,154	0	0	0	22,154	12	12	0	0	0
1-D COUNSELING - DEPENDENT	360	2,464		35	25,107	10	27,976	13	24	0	0	0
1-E COUNSELING - DELINQUENT	0	0		1	64,601	0	64,602	0	20	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	2,169	0	2,169	0	0	0	0	0
1-I HOMEMAKER SERVICE	7,553	7,091		0	0	0	14,644	13	0	0	0	0
1-J INTAKE & REFERRAL	14,062	12,566		1,944	0	440	29,012	877	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	72,574	44,436		8,211	1,800	2,025	129,046	185	109	0	0	0
1-N PROTECTIVE SERVICE - GENERAL	47,871	42,941		8,564	9,847	2,022	111,245	384	12	0	0	0
1-O SERVICE PLANNING	9,018	7,992		606	0	152	17,768	25	0	0	0	0
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT				0	4,000		4,000	55	69	0	0	0
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT				0	0		0	0	0	0	0	0
1-R SUBTOTAL IN-HOME	155,343	121,048	108,708	19,932	107,524	4,771	517,326					
Number of Children receiving only NON-PURCHASED IN-Home Services 0												
COMMUNITY BASED PLACEMENT												
2-A ALTERNATIVE TREATMENT - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
2-B ALTERNATIVE TREATMENT - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-C COMMUNITY RESIDENTIAL - DEPENDENT	0	0	0	1,074	156,748	0	157,822	982	15	0	0	0
2-D COMMUNITY RESIDENTIAL - DELINQUENT	0	0	0	156	103,712	0	103,868	461	7	0	0	0
2-E EMERGENCY SHELTER - DEPENDENT	1,488	1,173		0	0	0	2,661	1	0	0	0	0
2-F EMERGENCY SHELTER - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
2-G FOSTER FAMILY - DEPENDENT	27,568	27,625		16,366	299,777	1,007	372,343	4,086	58	0	0	0
2-H FOSTER FAMILY - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
2-I KINSHIP CARE - DEPENDENT	1,170	2,206		2	0	0	3,378	0	0	0	0	0
2-J KINSHIP CARE - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
2-K SUP. INDEPENDENT LIVING - DEPENDENT	2,084	2,093		0	0	0	4,177	0	2	0	0	0
2-L SUP. INDEPENDENT LIVING - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
2-M SUBTOTAL CBP	32,310	33,097	0	17,598	560,237	1,007	644,249	5,530	82	0	0	0
INSTITUTIONAL PLACEMENT												
3-A JUVENILE DETENTION SERVICE	0	0	0	0	0	0	0	0	0	0	0	0
3-B RESIDENTIAL SERVICE - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
3-C RES. SERVICE - DELINQUENT (EXCEPT YDC/YFC)	0	0	0	0	3,360	0	3,360	12	1	0	0	0
3-D SECURE RES. SERVICE (EXCEPT YDC)	0	0	0	0	3,365	0	3,365	11	1	0	0	0
3-E YDC SECURE	0	0	0	0	0	0	0	0	0	0	0	0
3-F SUBTOTAL INSTITUTIONAL	0	0	0	0	6,725	0	6,725	23	2	0	0	0
4 ADMINISTRATION	7,997	5,238	0	1,276	0	221	14,732					
5 TOTAL EXPENDITURES	195,650	159,383	108,708	38,806	674,486	5,999	1,183,032					
County Indirect Costs = \$ 0												

**MONTOUR COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2019 TO JUNE 30, 2020
AMENDED
SUMMARY OF EXPENSE AND EXPENSE ADJUSTMENTS**

COST CENTER ITEMS	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Adoption Service	\$ 8,145	\$ 0	\$ 8,145
Adoption Assistance	86,565	0	86,565
Subsidized Permanent Legal Custodianship	22,154	0	22,154
Counseling	92,578	0	92,578
Day Care	0	0	0
Day Treatment	2,169	0	2,169
Homemaker Service	14,644	0	14,644
Intake and Referral	29,012	0	29,012
Life Skills	0	0	0
Protective Service - Child Abuse	129,046	0	129,046
Protective Service - General	111,245	0	111,245
Service Planning	17,768	0	17,768
Juvenile Act Proceedings	4,000	0	4,000
Alternative Treatment	0	0	0
Community Residential	261,690	0	261,690
Emergency Shelter	2,661	0	2,661
Foster Family	372,343	0	372,343
Kinship Care	3,378	0	3,378
Supervised Independent Living	4,177	0	4,177
Juvenile Detention Service	0	0	0
Residential Service	3,360	0	3,360
Secure Residential Service (Except YDC)	3,365	0	3,365
YDC Secure	0	0	0
Administration	14,732	0	14,732
Combined Total Expense	<u>1,183,032</u>	<u>0</u>	<u>1,183,032</u>
Less Non-reimbursables	<u>0</u>	<u>0</u>	<u>0</u>
Total Net Expense	<u>\$ 1,183,032</u>	<u>\$ 0</u>	<u>\$ 1,183,032</u>

OBJECTS OF EXPENDITURE	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Wages and Salaries	\$ 195,650	\$ 0	\$ 195,650
Employee Benefits	159,383	0	159,383
Subsidies	108,708	0	108,708
Operating	38,806	0	38,806
Purchased Services	674,486	0	674,486
Fixed Assets	5,999	0	5,999
Combined Total Expense	<u>1,183,032</u>	<u>0</u>	<u>1,183,032</u>
Less Non-reimbursables	<u>0</u>	<u>0</u>	<u>0</u>
Total Net Expense	<u>\$ 1,183,032</u>	<u>\$ 0</u>	<u>\$ 1,183,032</u>

**MONTOUR COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2019 TO JUNE 30, 2020
ADJUSTMENT SCHEDULE**

REPORT REFERENCE			ADJ. NO.	EXPLANATION OF ADJUSTMENT	AS REPORTED OR ADJUSTED	INCREASE/ (DECREASE)	ADJUSTED TOTAL
SCHEDULE	LINE	COLUMN					
CY-370A	2-G	2	1	<p style="text-align: center;">CY-370A Adjustment</p> <p>Foster Family (Dependent) - Program Income</p> <p>To increase Program Income by \$583 to properly report the total amount received and reconcile to the agency's final Program Income ledger.</p> <p>Title 55 PA Code, Chapter 3170.95(a)(b)</p>	\$ 11,419	\$ 583	\$ 12,002

SECTION 3

STATUS OF PRIOR ENGAGEMENT FINDING AND RECOMMENDATIONS

MONTOUR COUNTY CHILDREN AND YOUTH AGENCY
STATUS OF PRIOR ENGAGEMENT FINDING AND RECOMMENDATIONS

The prior report included the following finding:

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

In our prior engagement report, for the fiscal years July 1, 2016 to June 30, 2018, we cited the agency for failing to develop and implement internal control policies and procedures to require adequate 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.

During the conduct of our current engagement, we obtained evidence substantiating that, as of July 19, 2019, the agency developed and implemented fiscal-related monitoring policy and procedures designed to reduce the agency's risk of paying overbillings or fraudulent billings submitted by contracted In-Home Purchased Service providers.

The agency's fiscal-related monitoring policy for In-Home Purchased Service providers states the agency performs biannual on-site or remote fiscal-related monitoring of contracted In-Home Purchased Service providers. During these reviews, agency selected invoices and case files are compared to the respective provider's supporting documentation which includes contact sign-in sheets, progress reports, and case file notes. The policy further states that a fiscal monitoring review form is completed by the agency and a report is sent to the provider, which details the results of the review. If an overbilling is found, the provider either writes a check or credits a future invoice.

To assess the sufficiency of these procedures, we reviewed several monitoring reports and verified the agency obtained sufficient documentation to verify the invoiced number of units.

Based on the procedures performed during our current engagement, we concluded the issuance of a repeat finding is not warranted.

SECTION 4

CURRENT ENGAGEMENT OBSERVATION

MONTOUR COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT OBSERVATION

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

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

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

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

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

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

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

MONTOUR COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT OBSERVATION

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

Our 2018 Position Statement Letter

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

DHS Corrective Actions Taken

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

C&Y agencies are required to:

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

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

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

MONTOUR COUNTY CHILDREN AND YOUTH AGENCY CURRENT ENGAGEMENT OBSERVATION

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

Our Current Position

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

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

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

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

MONTOUR COUNTY CHILDREN AND YOUTH AGENCY
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Conclusion

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

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

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

MONTOUR COUNTY CHILDREN AND YOUTH AGENCY
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