

AMENDED FISCAL REPORTS

For Fiscal Years:

July 1, 2019 to June 30, 2020

July 1, 2020 to June 30, 2021

Northampton County Children and Youth Agency

February 2023



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 Honorable Lamont G. McClure, Jr.
County Executive
Northampton County Government Center
669 Washington Street
Easton, PA 18042

Dear County Executive McClure:

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

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

We certify the enclosed amended fiscal reports fairly present, in all material respects, the total commonwealth expenditures paid on behalf of children residing within the county for the 2019-2020 and 2020-2021 fiscal years based on the accrual basis of accounting.¹

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

- 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 decreasing agency expenditures by \$525. Based on the application of the state participation rates, this adjustment resulted in an amount due to the state totaling \$357.
- For the **2020-2021 fiscal year**, our engagement resulted in two adjustments made to the agency's submitted fiscal reports. These adjustments in total affected the agency's Net State Share by increasing agency expenditures by \$878 and increasing program income by \$109. Based on the application of the state participation rates, both adjustments resulted in an amount due to the county totaling \$914.

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.

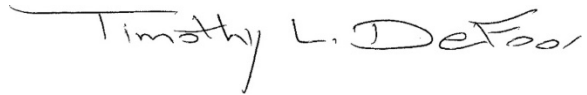
The results of our engagement procedures, as presented in this report, were discussed with County representatives and agency management at an exit conference held on February 1, 2023.

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 to the left of the first letter.

Timothy L. DeFoor
Auditor General
February 7, 2023

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BACKGROUND

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

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

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

SECTION 1

AMENDED FISCAL REPORTS

FOR THE FISCAL YEAR:

JULY 1, 2019 to JUNE 30, 2020

**NORTHAMPTON 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		\$	18,993,435
Supplemental Act 148			<u>28,556</u>
Total State Allocation			19,021,991
State Share (CY348) ²	\$		19,021,634
Less: Major Service Category Adjustment			<u>0</u>
Net State Share		\$	19,021,634
Less: Expenditures in Excess of the Approved State Allocation			<u>0</u>
Final Net State Share Payable ³		\$	19,021,634
Actual Act 148 Revenues Received ⁴			<u>19,021,991</u>
Net Amount Due County/(State) ⁵		\$	<u><u>(357)</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.

NORTHAMPTON 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	762,040	0	96,785	0	0	0	0	0	665,255	665,255	0
02. 90% REIMBURSEMENT	328,862	232	50,137	0	0	0	0	0	278,493	250,644	27,849
03. 80% REIMBURSEMENT	26,982,464	1,969,277	4,492,454	893,488	270,641	107,512	0	29,102	19,219,990	15,375,993	3,843,997
04. 60% REIMBURSEMENT	3,747,493	136,013	372,981	0	0	0	0	7,643	3,230,856	1,938,514	1,292,342
05. 50% REIMBURSEMENT	1,587,130	2,393	2,282	0	0	0	0	0	1,582,455	791,228	791,227
06. TOTAL NET CHILD WELFARE EXPEND.	33,407,989	2,107,915	5,014,639	893,488	270,641	107,512	0	36,745	24,977,049	19,021,634	5,955,415
YDC/YFC PLACEMENT COSTS											
07. 60% DHS PARTICIPATION	1,039,740	30,202							1,009,538	605,723	403,815
08. NON-REIMBURSABLE EXPENDITURES	132,779	9,319							123,460		123,460
09. TOTAL EXPENDITURES	34,580,508	2,147,436	5,014,639	893,488	270,641	107,512	0	36,745	26,110,047	19,627,357	6,482,690
10. TOTAL TITLE IV-D COLLECTIONS	667,673										
11. TITLE IV-D Collections for IV-E Children	83,022										
12. STATE ACT 148 - line 6	19,021,634										
13. STATE ACT 148 ALLOCATION	19,021,991										
14. ADJUSTED STATE SHARE (lower of 12 or 13)	19,021,634										
INVOICE											
AMENDED STATE SHARE (ACT 148)	19,021,634										
ACT 148 AMOUNT RECEIVED	19,021,991										
ADJUSTMENT TO STATE SHARE	(357)										

NORTHAMPTON 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												
I-A ADOPTION SERVICE	762,040	0		96,785	0		0	0	0	665,255	665,255	0
I-B ADOPTION ASSISTANCE	3,142,916	0	1,556,498	14,432			0	0	0	1,571,986	1,257,589	314,397
I-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	945,099	81	178,374				0	0	0	766,644	613,315	153,329
I-D COUNSELING - DEPENDENT	4,786,420	996,962		117,350	855,324		0	0	0	2,816,784	2,253,427	563,357
I-E COUNSELING - DELINQUENT	108,490	0			38,164		0	0	0	70,326	56,261	14,065
I-F DAY CARE	509,392	161,545					0	0	0	347,847	278,278	69,569
I-G DAY TREATMENT - DEPENDENT	0	0					0	0	0	0	0	0
I-H DAY TREATMENT - DELINQUENT	0	0					0	0	0	0	0	0
I-I HOMEMAKER SERVICE	0	0					0	0	0	0	0	0
I-J INTAKE & REFERRAL	35,881	0		4,533			0	0	0	0	0	0
I-K LIFE SKILLS - DEPENDENT	139,035	20,000		9,249			0	0	0	109,786	87,829	21,957
I-L LIFE SKILLS - DELINQUENT	0	0					0	0	0	0	0	0
I-M PROTECTIVE SERVICE - CHILD ABUSE	1,778,482	110		226,226			0	0	0	1,552,146	1,241,717	310,429
I-N PROTECTIVE SERVICE - GENERAL	3,775,384	4,672		458,791			0	0	0	3,311,921	2,649,537	662,384
I-O SERVICE PLANNING	1,047,465	0		133,071			0	0	0	914,394	731,515	182,879
I-P JUVENILE ACT PROCEEDINGS - DEPENDENT	165,495	806		2,282			0	0	0	162,407	81,204	81,203
I-Q JUVENILE ACT PROCEEDINGS - DELINQUENT	0	0					0	0	0	0	0	0
1-R SUBTOTAL IN-HOME	17,196,099	1,184,176	1,734,872	1,062,719	893,488	0	0	0	0	12,320,844	9,941,005	2,379,839
COMMUNITY BASED PLACEMENT	TOTAL REIMBURSABLE EXPENDITURES	PROGRAM INCOME	TITLE IV-E MAINTENANCE	TITLE IV-E ADMIN.	TANF	TITLE XX	TITLE IV-B	Child Welfare Demonstration Project Title IV-E	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE
2-A ALTERNATIVE TREATMENT - DEPENDENT	0	0		0			0	0	0	0	0	0
2-B ALTERNATIVE TREATMENT - DELINQUENT	0	0		0			0	0	0	0	0	0
2-C COMMUNITY RESIDENTIAL - DEPENDENT	1,455,557	139,244	88,335	25,401			0	0	0	1,202,577	962,062	240,515
2-D COMMUNITY RESIDENTIAL - DELINQUENT	2,236,282	52,837	167,402	6,905			0	0	0	2,009,138	1,607,310	401,828
2-E EMERGENCY SHELTER - DEPENDENT	328,862	232	20,277	29,860			0	0	0	278,493	250,644	27,849
2-F EMERGENCY SHELTER - DELINQUENT	0	0		0			0	0	0	0	0	0
2-G FOSTER FAMILY - DEPENDENT	5,398,854	326,544	529,634	670,607		270,641	107,512	0	0	3,493,916	2,795,133	698,783
2-H FOSTER FAMILY - DELINQUENT	126,189	6,717	7,341	5,520			0	0	0	106,611	85,289	21,322
2-I KINSHIP CARE - DEPENDENT	1,393,180	249,394	215,739	44,900			0	0	29,102	854,045	683,236	170,809
2-J KINSHIP CARE - DELINQUENT	0	0		0			0	0	0	0	0	0
2-K SUP. INDEPENDENT LIVING - DEPENDENT	103,838	11,171	27,291	4,855			0	0	0	60,521	48,417	12,104
2-L SUP. INDEPENDENT LIVING - DELINQUENT	0	0		0			0	0	0	0	0	0
2-M SUBTOTAL CBP	11,042,762	786,139	1,056,019	788,948	0	270,641	107,512	0	29,102	8,005,301	6,432,091	1,573,210
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	1,421,635	1,587					0	0	0	1,420,048	710,024	710,024
3-B RESIDENTIAL SERVICE - DEPENDENT	581,691	26,074	122,100	15,367			0	0	0	418,150	250,890	167,260
3-C RES. SERVICE - DELINQUENT (NON YDC/YFC)	1,447,660	82,666	76,556	2,753			0	0	0	1,285,685	771,411	514,274
3-D SECURE RES. SERVICE (EXCEPT YDC)	491,191	27,273					0	0	0	463,918	278,351	185,567
3-E YDC SECURE	1,039,740	30,202					0	0	0	1,009,538	605,723	403,815
3-F SUBTOTAL INSTITUTIONAL	4,981,917	167,802	198,656	18,120	0	0	0	0	0	4,597,339	2,616,399	1,980,940
4 ADMINISTRATION	1,226,951	0		156,205		0	0	0	7,643	1,063,103	637,862	425,241
5 TOTAL REVENUES	34,447,729	2,138,117	2,989,547	2,025,092	893,488	270,641	107,512	0	36,745	25,986,587	19,627,357	6,359,230

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

MAJOR SERVICE CATEGORIES & COST CENTERS	OBJECTS OF EXPENDITURE											
	1	2	3	4	5	6	7	8	9	10	11	12
IN-HOME	WAGES AND SALARIES	EMPLOYEE BENEFITS	SUBSIDIES	OPERATING	PURCHASED SERVICES	FIXED ASSETS	TOTAL EXPENDITURES	Children Served (by county)	Children Served (Purchased)	Non-Reimbursable Non PS/Sub.	Non-Reim. Purchased Serv/ Subsidies	Program Income related to all Non-Reimbursable
1-A ADOPTION SERVICE	453,959	203,442		104,539	100	0	762,040	275	1	0	0	0
1-B ADOPTION ASSISTANCE	0	0	3,142,916	0	0	0	3,142,916	0	387	0	0	0
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	0	0	945,099	0	0	0	945,099	0	96	0	0	0
1-D COUNSELING - DEPENDENT	594,154	249,469		80,033	3,862,764	0	4,786,420	128	452	0	0	0
1-E COUNSELING - DELINQUENT	0	0		0	108,490	0	108,490	0	47	0	0	0
1-F DAY CARE	0	0		0	509,392	0	509,392	0	93	0	0	0
1-G DAY TREATMENT - DEPENDENT	0	0		0	0	0	0	0	0	0	0	0
1-H DAY TREATMENT - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
1-I HOMEMAKER SERVICE	0	0		0	0	0	0	0	0	0	0	0
1-J INTAKE & REFERRAL	0	0	35,881	0	0	0	35,881	6,797	0	0	0	0
1-K LIFE SKILLS - DEPENDENT	41,364	22,966		8,399	66,306	0	139,035	100	1	0	0	0
1-L LIFE SKILLS - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
1-M PROTECTIVE SERVICE - CHILD ABUSE	1,068,463	467,607		242,412	0	0	1,778,482	1,322	0	0	0	0
1-N PROTECTIVE SERVICE - GENERAL	2,162,888	919,780		564,141	107,934	20,641	3,775,384	4,166	438	0	0	0
1-O SERVICE PLANNING	594,950	291,262		161,253	0	0	1,047,465	5,143	0	0	0	0
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT				19,089	146,406		165,495	3	368	0	0	0
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT				0	0		0	0	0	0	0	0
1-R SUBTOTAL IN-HOME	4,915,778	2,154,526	4,088,015	1,215,747	4,801,392	20,641	17,196,099			0	0	0
	Number of Children receiving only NON-PURCHASED IN-Home Services 8,487											
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	36,424	17,355	0	13,122	1,388,656	0	1,455,557	10,262	110	0	0	0
2-D COMMUNITY RESIDENTIAL - DELINQUENT	0	0	0	0	2,236,282	0	2,236,282	4,462	25	0	0	0
2-E EMERGENCY SHELTER - DEPENDENT	91,603	44,901	0	20,937	171,421	0	328,862	2,339	76	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	557,472	255,302	0	201,373	4,384,707	0	5,398,854	52,309	325	0	0	0
2-H FOSTER FAMILY - DELINQUENT	0	0	0	0	126,189	0	126,189	794	4	0	0	0
2-I KINSHIP CARE - DEPENDENT	200,007	97,533	0	80,054	1,062,810	0	1,440,404	41,880	122	0	47,224	9,319
2-J KINSHIP CARE - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-K SUP. INDEPENDENT LIVING - DEPENDENT	0	0	0	143	103,695	0	103,838	474	3	0	0	0
2-L SUP. INDEPENDENT LIVING - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-M SUBTOTAL CBP	885,506	415,091	0	315,629	9,473,760	0	11,089,986	112,520	665	0	47,224	9,319
INSTITUTIONAL PLACEMENT	WAGES AND SALARIES	EMPLOYEE BENEFITS	SUBSIDIES	OPERATING	PURCHASED SERVICES	FIXED ASSETS	TOTAL EXPENDITURES	DAYS OF CARE	Children Served (Purchased)	Non-Reimbursable Non PS/Sub.	Non-Reim. Purchased Serv/ Subsidies	Non-Reim. Program Income
3-A JUVENILE DETENTION SERVICE	0	0	0	0	1,421,635	0	1,421,635	3,846	119	0	0	0
3-B RESIDENTIAL SERVICE - DEPENDENT	0	0	0	1,882	579,809	0	581,691	3,818	20	0	0	0
3-C RES. SERVICE - DELINQUENT (EXCEPT YDC/YFC)	0	0	0	0	1,447,660	0	1,447,660	4,239	22	0	0	0
3-D SECURE RES. SERVICE (EXCEPT YDC)	0	0	0	0	491,191	0	491,191	1,838	11	0	0	0
3-E YDC SECURE	0	0	0	0	1,039,740	0	1,039,740	2,015	7	0	0	0
3-F SUBTOTAL INSTITUTIONAL	0	0	0	1,882	4,980,035	0	4,981,917	15,756	179	0	0	0
4 ADMINISTRATION	403,966	210,222	0	698,318	0	0	1,312,506			85,555	0	0
5 TOTAL EXPENDITURES	6,205,250	2,779,839	4,088,015	2,231,576	19,255,187	20,641	34,580,508			85,555	47,224	9,319
	County Indirect Costs = \$ 653,104											

**NORTHAMPTON 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	\$ 762,040	\$ 0	\$ 762,040
Adoption Assistance	3,142,916	0	3,142,916
Subsidized Permanent Legal Custodianship	945,099	0	945,099
Counseling	4,894,910	0	4,894,910
Day Care	509,392	0	509,392
Day Treatment	0	0	0
Homemaker Service	0	0	0
Intake and Referral	35,881	0	35,881
Life Skills	139,035	0	139,035
Protective Service - Child Abuse	1,778,632	(150)	1,778,482
Protective Service - General	3,775,459	(75)	3,775,384
Service Planning	1,047,465	0	1,047,465
Juvenile Act Proceedings	165,495	0	165,495
Alternative Treatment	0	0	0
Community Residential	3,691,839	0	3,691,839
Emergency Shelter	328,862	0	328,862
Foster Family	5,525,043	0	5,525,043
Kinship Care	1,440,404	0	1,440,404
Supervised Independent Living	103,838	0	103,838
Juvenile Detention Service	1,421,635	0	1,421,635
Residential Service	2,029,351	0	2,029,351
Secure Residential Service (Except YDC)	491,191	0	491,191
YDC Secure	1,039,740	0	1,039,740
Administration	<u>1,312,806</u>	<u>(300)</u>	<u>1,312,506</u>
Combined Total Expense	34,581,033	(525)	34,580,508
Less Non-reimbursables	<u>132,779</u>	<u>0</u>	<u>132,779</u>
Total Net Expense	\$ <u>34,448,254</u>	\$ <u>(525)</u>	\$ <u>34,447,729</u>

OBJECTS OF EXPENDITURE	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Wages and Salaries	\$ 6,205,250	\$ 0	\$ 6,205,250
Employee Benefits	2,779,839	0	2,779,839
Subsidies	4,088,015	0	4,088,015
Operating	2,232,101	(525)	2,231,576
Purchased Services	19,255,187	0	19,255,187
Fixed Assets	<u>20,641</u>	<u>0</u>	<u>20,641</u>
Combined Total Expense	34,581,033	(525)	34,580,508
Less Non-reimbursables	<u>132,779</u>	<u>0</u>	<u>132,779</u>
Total Net Expense	\$ <u>34,448,254</u>	\$ <u>(525)</u>	\$ <u>34,447,729</u>

NORTHAMPTON 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-370	1-M	4	1	CY-370 Adjustment			
	1-N	4		Protective Service Child Abuse - Operating	\$ 242,562	\$ (150)	\$ 242,412
		4		Protective Service General - Operating	\$ 564,216	\$ (75)	\$ 564,141
	4	4		Administration - Operating	\$ 698,618	\$ (300)	\$ 698,318
				Total Adjustment Amount		\$ (525)	
				To decrease expenditures by \$525 to reconcile to the agency's final expenditure ledger. The agency made revisions to the expenditure ledger subsequent to the submission of the Act 148 invoice to the Commonwealth Department of Human Services.			
				Title 55 PA Code, Chapter 3170.95(a)(b)			

SECTION 2

AMENDED FISCAL REPORTS

FOR THE FISCAL YEAR:

JULY 1, 2020 to JUNE 30, 2021

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

Approved State Allocation ¹		\$	21,228,740
Supplemental Act 148			0
Total State Allocation			21,228,740
State Share (CY348) ²	\$		19,862,608
Less: Major Service Category Adjustment			0
Net State Share		\$	19,862,608
Less: Expenditures in Excess of the Approved State Allocation			0
Final Net State Share Payable ³		\$	19,862,608
Actual Act 148 Revenues Received ⁴			19,861,694
Net Amount Due County/(State) ⁵		\$	914

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.

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

	A	B	C	D	E	F	G	H	I	J	K
	GRAND TOTAL	PROGRAM INCOME	TITLE IV-E	TANF	TITLE XX	TITLE IV-B	FAMILY FIRST TRANSITION ACT	MEDICAL ASSISTANCE	NET TOTAL	STATE ACT 148	LOCAL SHARE
NET CHILD WELFARE EXPENDITURES											
01. 100% REIMBURSEMENT	715,837	0	82,936	0	0	0	0	0	632,901	632,901	0
02. 90% REIMBURSEMENT	238,396	252	23,315	0	0	0	0	0	214,829	193,346	21,483
03. 80% REIMBURSEMENT	27,695,783	1,501,917	4,549,380	893,488	270,641	107,512	0	36,349	20,336,496	16,269,197	4,067,299
04. 60% REIMBURSEMENT	3,952,384	145,458	459,986	0	0	0	0	10,201	3,336,739	2,002,044	1,334,695
05. 50% REIMBURSEMENT	1,531,352	1,114	0	0	0	0	0	0	1,530,238	765,120	765,118
06. TOTAL NET CHILD WELFARE EXPEND.	34,133,752	1,648,741	5,115,617	893,488	270,641	107,512	0	46,550	26,051,203	19,862,608	6,188,595
YDC/YFC PLACEMENT COSTS											
07. 60% DHS PARTICIPATION	811,374	23,906							787,468	472,481	314,987
08. NON-REIMBURSABLE EXPENDITURES	378,954	42,960							335,994		335,994
09. TOTAL EXPENDITURES	35,324,080	1,715,607	5,115,617	893,488	270,641	107,512	0	46,550	27,174,665	20,335,089	6,839,576
10. TOTAL TITLE IV-D COLLECTIONS	866,201										
11. TITLE IV-D Collections for IV-E Children	111,361										
12. STATE ACT 148 - line 6	19,862,608										
13. STATE ACT 148 ALLOCATION	21,228,740										
14. ADJUSTED STATE SHARE (lower of 12 or 13)	19,862,608										
INVOICE											
AMENDED STATE SHARE (ACT 148)	19,862,608										
ACT 148 AMOUNT RECEIVED	19,861,694										
ADJUSTMENT TO STATE SHARE	914										

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

MAJOR SERVICE CATEGORIES & COST CENTERS	REVENUE SOURCES											
	1	2	3	4	5	6	7	8	9	10	11	12
IN-HOME	TOTAL REIMBURSABLE EXPENDITURES	PROGRAM INCOME	TITLE IV-E MAINTENANCE	TITLE IV-E ADMIN.	TANF	TITLE XX	TITLE IV-B	Family First Transition Act	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE
1-A ADOPTION SERVICE	71,583.7	0		82,936	0		0	0	0	632,901	632,901	0
1-B ADOPTION ASSISTANCE	3,260,759	0	1,730,129	14,349	0		0	0	0	1,516,281	1,213,025	303,256
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	1,031,824	0	221,722	0	0		0	0	0	810,102	648,082	162,020
1-D COUNSELING - DEPENDENT	5,322,318	695,684		108,884	868,174		0	0	0	3,649,576	2,919,661	729,915
1-E COUNSELING - DELINQUENT	126,406	0		0	25,314		0	0	0	101,092	80,874	20,218
1-F DAY CARE	469,376	0		0	0		0	0	0	469,376	375,501	93,875
1-G DAY TREATMENT - DEPENDENT	0	0		0	0		0	0	0	0	0	0
1-H DAY TREATMENT - DELINQUENT	0	0		0	0		0	0	0	0	0	0
1-I HOMEMAKER SERVICE	0	0		0	0		0	0	0	0	0	0
1-J INTAKE & REFERRAL	26,344	0		3,061	0		0	0	0	23,283	18,626	4,657
1-K LIFE SKILLS - DEPENDENT	48,315	0		5,594	0		0	0	0	42,721	34,177	8,544
1-L LIFE SKILLS - DELINQUENT	0	0		0	0		0	0	0	0	0	0
1-M PROTECTIVE SERVICE - CHILD ABUSE	1,669,039	0		193,409	0		0	0	0	1,475,630	1,180,504	295,126
1-N PROTECTIVE SERVICE - GENERAL	3,814,114	0		425,723	0		0	0	0	3,388,391	2,710,713	677,678
1-O SERVICE PLANNING	1,041,382	0		120,792	0		0	0	0	920,590	736,472	184,118
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT	120,847	1,114		0	0		0	0	0	119,733	59,867	59,866
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT	0	0		0	0		0	0	0	0	0	0
1-R SUBTOTAL IN-HOME	17,646,561	696,798	1,951,851	954,748	893,488		0	0	0	13,149,676	10,610,403	2,539,273
COMMUNITY BASED PLACEMENT	TOTAL REIMBURSABLE EXPENDITURES	PROGRAM INCOME	TITLE IV-E MAINTENANCE	TITLE IV-E ADMIN.	TANF	TITLE XX	TITLE IV-B	Child Welfare Demonstration Project Title IV-E	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE
2-A ALTERNATIVE TREATMENT - DEPENDENT	0	0		0	0		0	0	0	0	0	0
2-B ALTERNATIVE TREATMENT - DELINQUENT	0	0		0	0		0	0	0	0	0	0
2-C COMMUNITY RESIDENTIAL - DEPENDENT	1,421,702	41,079	108,233	24,251			0	0	0	1,248,139	998,511	249,628
2-D COMMUNITY RESIDENTIAL - DELINQUENT	2,256,602	45,903	48,461	1,713			0	0	0	2,160,525	1,728,420	432,105
2-E EMERGENCY SHELTER - DEPENDENT	238,396	252	4,786	18,529	0		0	0	0	214,829	193,346	21,483
2-F EMERGENCY SHELTER - DELINQUENT	0	0		0	0		0	0	0	0	0	0
2-G FOSTER FAMILY - DEPENDENT	4,738,417	342,457	451,203	607,442		2,70,641	107,512	0	0	2,959,162	2,367,330	591,832
2-H FOSTER FAMILY - DELINQUENT	130,916	15,943	0	0			0	0	0	114,973	91,978	22,995
2-I KINSHIP CARE - DEPENDENT	1,899,510	352,144	252,802	116,027			0	0	36,349	1,142,188	913,750	228,438
2-J KINSHIP CARE - DELINQUENT	0	0		0	0		0	0	0	0	0	0
2-K SUP. INDEPENDENT LIVING - DEPENDENT	417,596	8,707	94,981	20,604			0	0	0	293,304	234,643	58,661
2-L SUP. INDEPENDENT LIVING - DELINQUENT	21,163	0	0	0	0		0	0	0	21,163	16,930	4,233
2-M SUBTOTAL CBP	11,124,302	806,485	960,466	788,566	0	2,70,641	107,512	0	36,349	8,154,283	6,544,908	1,609,375
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	1,410,505	0							0	1,410,505	705,253	705,252
3-B RESIDENTIAL SERVICE - DEPENDENT	818,029	33,296	181,589	39,348			0	0	0	563,796	338,278	225,518
3-C RES. SERVICE - DELINQUENT (NON YDC/YFC)	1,336,870	67,439	97,650	3,310			0	0	0	1,168,471	701,083	467,388
3-D SECURE RES. SERVICE (EXCEPT YDC)	605,171	44,723							0	560,448	336,269	224,179
3-E YDC SECURE	811,374	23,906								787,468	472,481	314,987
3-F SUBTOTAL INSTITUTIONAL	4,981,949	169,364	279,239	42,658	0		0	0	0	4,490,688	2,553,364	1,937,324
4 ADMINISTRATION	1,192,314	0		138,089			0	0	10,201	1,044,024	626,414	417,610
5 TOTAL REVENUES	34,945,126	1,672,647	3,191,556	1,924,061	893,488	2,70,641	107,512	0	46,550	26,838,671	20,335,089	6,503,582

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

MAJOR SERVICE CATEGORIES & COST CENTERS	OBJECTS OF EXPENDITURE											
	1	2	3	4	5	6	7	8	9	10	11	12
	WAGES AND SALARIES	EMPLOYEE BENEFITS	SUBSIDIES	OPERATING	PURCHASED SERVICES	FIXED ASSETS	TOTAL EXPENDITURES	Children Served (by county)	Children Served (Purchased)	Non-Reimbursable Non PS/Sub.	Non-Reim. Purchased Serv/ Subsidies	Program Income related to all Non-Reimbursable
IN-HOME												
I-A ADOPTION SERVICE	419,863	202,229		93,745	0	0	715,837	179	0	0	0	0
I-B ADOPTION ASSISTANCE	0	0	3,260,759	0	0	0	3,260,759	0	391	0	0	0
I-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	0	0	1,031,824	0	0	0	1,031,824	0	109	0	0	0
I-D COUNSELING - DEPENDENT	587,029	281,918		71,648	4,381,723	0	5,322,318	43	741	0	0	0
I-E COUNSELING - DELINQUENT	0	0		0	126,406	0	126,406	0	49	0	0	0
I-F DAY CARE	0	0		0	469,376	0	469,376	0	86	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	0	0		26,344	0	0	26,344	5,894	0	0	0	0
I-K LIFE SKILLS - DEPENDENT	25,960	15,409		6,946	0	0	48,315	49	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	1,004,647	455,413		208,979	0	0	1,669,039	1,081	0	0	0	0
I-N PROTECTIVE SERVICE - GENERAL	2,157,825	956,922		539,650	123,953	35,764	3,814,114	2,792	578	0	0	0
I-O SERVICE PLANNING	597,342	305,923		138,117	0	0	1,041,382	1,181	0	0	0	0
I-P JUVENILE ACT PROCEEDINGS - DEPENDENT				23	120,824		120,847	0	439	0	0	0
I-Q JUVENILE ACT PROCEEDINGS - DELINQUENT					0			0	0	0	0	0
I-R SUBTOTAL IN-HOME	4,792,666	2,217,814	4,292,583	1,085,452	5,222,282	35,764	17,646,561					
	LRCNP = Legal Representation for Children in Placement = \$ 0											
	LRCNP = Legal Representation for Children Non-Placement = \$ 0											
	Number of Children receiving any NON-PURCHASED III 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	33,672	15,679	0	12,613	1,359,738	0	1,421,702	8,614	108	0	0	0
2-D COMMUNITY RESIDENTIAL - DELINQUENT	0	0	0	0	2,256,602	0	2,256,602	2,958	19	0	0	0
2-E EMERGENCY SHELTER - DEPENDENT	78,836	42,511	0	13,850	103,199	0	238,396	1,537	58	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	655,504	319,366	0	116,548	3,646,999	0	4,738,417	40,910	181	0	0	0
2-H FOSTER FAMILY - DELINQUENT	0	0	0	0	130,916	0	130,916	803	4	0	0	0
2-I KINSHIP CARE - DEPENDENT	194,387	97,505	0	72,780	1,862,042	0	2,226,714	50,568	228	0	37,204	42,960
2-J KINSHIP CARE - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-K SUP. INDEPENDENT LIVING - DEPENDENT	0	0	0	636	416,960	0	417,596	1,900	16	0	0	0
2-L SUP. INDEPENDENT LIVING - DELINQUENT	0	0	0	0	21,163	0	21,163	102	1	0	0	0
2-M SUBTOTAL CBP	962,399	475,061	0	216,427	9,797,619	0	11,451,506	107,392	615	0	37,204	42,960
	LRCNP = Legal Representation for Children in Placement = \$ 0											
	LRCNP = Legal Representation for Children Non-Placement = \$ 0											
	Number of Children receiving any NON-PURCHASED III Services											
	0											
INSTITUTIONAL PLACEMENT												
3-A JUVENILE DETENTION SERVICE	0	0	0	0	1,410,505	0	1,410,505	1,773	63	0	0	0
3-B RESIDENTIAL SERVICE - DEPENDENT	0	0	0	1,055	816,974	0	818,029	3,864	39	0	0	0
3-C RES. SERVICE - DELINQUENT (EXCEPT YDC/YFC)	0	0	0	0	1,336,870	0	1,336,870	3,407	13	0	0	0
3-D SECURE RES. SERVICE (EXCEPT YDC)	0	0	0	0	605,171	0	605,171	2,285	9	0	0	0
3-E YDC SECURE	0	0	0	0	811,374	0	811,374	1,497	6	0	0	0
3-F SUBTOTAL INSTITUTIONAL	0	0	0	1,055	4,980,894	0	4,981,949	12,826	130	0	0	0
ADMINISTRATION	319,579	173,694	0	750,791	0	0	1,244,064			51,750	0	0
TOTAL EXPENDITURES	6,074,644	2,866,569	4,292,583	2,053,725	20,000,795	35,764	35,324,080			51,750	37,204	42,960
	County Indirect Costs = \$ 692,498											

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

COST CENTER ITEMS	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Adoption Service	\$ 715,837	\$ 0	\$ 715,837
Adoption Assistance	3,260,759	0	3,260,759
Subsidized Permanent Legal Custodianship	1,031,824	0	1,031,824
Counseling	5,447,224	1,500	5,448,724
Day Care	469,376	0	469,376
Day Treatment	0	0	0
Homemaker Service	0	0	0
Intake and Referral	26,344	0	26,344
Life Skills	48,315	0	48,315
Protective Service - Child Abuse	1,669,039	0	1,669,039
Protective Service - General	3,813,711	403	3,814,114
Service Planning	1,041,382	0	1,041,382
Juvenile Act Proceedings	120,847	0	120,847
Alternative Treatment	0	0	0
Community Residential	3,678,008	296	3,678,304
Emergency Shelter	238,396	0	238,396
Foster Family	4,869,333	0	4,869,333
Kinship Care	2,226,714	0	2,226,714
Supervised Independent Living	438,759	0	438,759
Juvenile Detention Service	1,410,505	0	1,410,505
Residential Service	2,156,220	(1,321)	2,154,899
Secure Residential Service (Except YDC)	605,171	0	605,171
YDC Secure	811,374	0	811,374
Administration	1,244,064	0	1,244,064
Combined Total Expense	<u>35,323,202</u>	<u>878</u>	<u>35,324,080</u>
Less Non-reimbursables	<u>378,954</u>	<u>0</u>	<u>378,954</u>
Total Net Expense	<u>\$ 34,944,248</u>	<u>\$ 878</u>	<u>\$ 34,945,126</u>

OBJECTS OF EXPENDITURE	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Wages and Salaries	\$ 6,074,644	\$ 0	\$ 6,074,644
Employee Benefits	2,866,569	0	2,866,569
Subsidies	4,292,583	0	4,292,583
Operating	2,053,026	699	2,053,725
Purchased Services	20,000,616	179	20,000,795
Fixed Assets	35,764	0	35,764
Combined Total Expense	<u>35,323,202</u>	<u>878</u>	<u>35,324,080</u>
Less Non-reimbursables	<u>378,954</u>	<u>0</u>	<u>378,954</u>
Total Net Expense	<u>\$ 34,944,248</u>	<u>\$ 878</u>	<u>\$ 34,945,126</u>

**NORTHAMPTON COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2020 TO JUNE 30, 2021
ADJUSTMENT SCHEDULE**

REPORT REFERENCE			ADJ. NO.	EXPLANATION OF ADJUSTMENTS	AS REPORTED OR ADJUSTED	INCREASE/ (DECREASE)	ADJUSTED TOTAL
SCHEDULE	LINE	COLUMN					
CY-370	1-N	4	1	CY-370 Adjustment			
	2-C	4		Protective Service General - Operating	\$ 539,247	\$ 403	\$ 539,650
	1-D	5		Community Residential (Dependent) - Operating	\$ 12,317	\$ 296	\$ 12,613
	3-B	5		Counseling (Dependent) - Purchased Services	\$ 4,380,223	\$ 1,500	\$ 4,381,723
		5		Residential Service (Dependent) - Purchased Services	\$ 818,295	\$ (1,321)	\$ 816,974
			Total Adjustment Amount		\$ 878		
			To increase expenditures by \$878 to reconcile to the agency's final expenditure ledger. The agency made revisions to the expenditure ledger subsequent to the submission of the Act 148 invoice to the Commonwealth Department of Human Services.				
			Title 55 PA Code, Chapter 3170.95(a)(b)				
CY-370A	1-P	2	2	CY-370A Adjustment			
				Juvenile Act Proceedings (Dependent) - Program Income	\$ 1,005	\$ 109	\$ 1,114
			To increase Program Income by \$109 to properly report the total amount received and reconcile to the agency's final Program Income ledger.				
			Title 55 PA Code, Chapter 3170.95(a)(b)				

SECTION 3

CURRENT ENGAGEMENT OBSERVATION

NORTHAMPTON 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.

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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.

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- 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.

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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.

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REPORT DISTRIBUTION LIST

This report was originally distributed to the following:

The Honorable Joshua D. Shapiro
Governor
Commonwealth of Pennsylvania

Ms. Valerie A. Arkoosh, MD, MPH
Acting Secretary
Department of Human Services

Ms. Natalie Bates
Acting Deputy Secretary
Office of Children, Youth and Families
Department of Human Services

Ms. Tia Petrovitz
Fiscal Management Specialist 4
Division of County Programs
Bureau of Budget and Fiscal Support
Office of Children, Youth and Families
Department of Human Services

Mr. Jim Flanagan
Section Chief
Financial Reporting and Payments Section
Division of Financial Policy and Operations
Bureau of Financial Operations
Department of Human Services

Mr. David Bryan, CPA, CGMA
Manager
Audit Resolution Section
Bureau of Financial Operations
Department of Human Services

Ms. Linda L. Herrold
Audit Specialist
Audit Resolution Section
Bureau of Financial Operations
Department of Human Services

The Honorable Lamont G. McClure, Jr.
County Executive
Northampton County Council

Ms. Paula Karabasz MBA, M.Ed.
Fiscal Officer
Northampton County Children & Youth Agency

Ms. Susan Wandalowski
Director
Northampton County Human Services

Ms. Maria Torres
Administrator
Northampton County Children & Youth Agency

Mr. Richard J. Szulborski
Controller
Northampton County

Mr. Michael Burns, CPA, Director
Bureau of Accounting & Financial Management
Office of Comptroller Operations
Office of the Budget

Mr. R. Dennis Welker
Special Audit Services
Bureau of Audits
Office of the Budget

Ms. Melanie Retherford
Human Services Program Specialist Supervisor
Bureau of Budget and Fiscal Support
Office of Children, Youth and Families
Department of Human Services

Ms. Melissa Erazo, Director
Bureau of Budget and Fiscal Support

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