

AMENDED FISCAL REPORTS

For Fiscal Years:

July 1, 2010 to June 30, 2011
July 1, 2011 to June 30, 2012
July 1, 2012 to June 30, 2013
July 1, 2013 to June 30, 2014

Northampton County Children and Youth Agency

March 2018



Commonwealth of Pennsylvania
Department of the Auditor General

Eugene A. DePasquale • Auditor General



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**EUGENE A. DePASQUALE
AUDITOR GENERAL**

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

Dear County Executive McClure:

We have examined 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 Northampton County Children and Youth Agency, legally known as Northampton Children, Youth and Family Division (agency) for the purpose of ascertaining and certifying the actual Commonwealth expenditures incurred on behalf of children residing within the County for the fiscal years July 1, 2010 to June 30, 2011, July 1, 2011 to June 30, 2012, July 1, 2012 to June 30, 2013, and July 1, 2013 to June 30, 2014 pursuant to authority derived from Act 148 of 1976, as amended, (62 P.S. § 704.1(a)(4)). The scope of our engagement was limited to the fiscal reports submitted to the Department of Human Services (DHS) as part of the Act 148 Invoice Packages for the fiscal years ended June 30, 2011, June 30, 2012, June 30, 2013, and June 30, 2014.

Preparation of the submitted fiscal reports, and compliance with children, youth, and families regulations, are the responsibility of agency management. Our engagement procedures included a review of selected agency records, and other procedures we deemed necessary, to enable us to ascertain and certify the actual Commonwealth expenditures incurred on behalf of children residing within the County and to determine the County's compliance¹ with certain provisions of 55 Pa. Code, Part V. Children, Youth, and Families Manual, Subpart C, Chapters 3140 and 3170 (55 Pa. Code §§ 3140.1 *et seq.* and 3170.1 *et seq.*), but was not required to be and was not conducted in accordance with professional auditing or attestation standards.

We performed a review of the agency's internal controls over its invoice review and approval process for the 2010-2011 through the 2013-2014 fiscal years. We determined that agency staff responsible for reviewing and approving invoices submitted for payment did not perform procedures to obtain reasonable assurance that services corresponding to fees invoiced by In-Home Purchased Service providers were actually provided, and provided in adherence to executed key contract terms, before these invoices were approved for payment. Specifically, as detailed in the Finding in this report, for submitted In-Home Purchased Services invoices selected for detailed review and the corresponding expenditures reported on the agency's submitted fiscal

reports, the agency failed to provide supporting documentation evidencing that the services corresponding to the fees charged on the submitted invoices, and subsequently paid by the agency, were actually provided, and if provided, were provided in adherence to the requirements of the respective provider key contract terms.

Because of the significance of the matter described in the preceding paragraph, we were not able to obtain reasonable assurance that total expenditures of \$17,795,235 paid to In-Home Purchased Service providers and included in total Purchased Services expenditures of \$67,040,369 reported on the agency's CY-370 Expenditure Reports, and corresponding CY-383 Fee-For-Service Schedules, submitted to the DHS for the fiscal years ended 2011, 2012, 2013, and 2014, and included in the agency's respective general ledgers, were valid because the agency did not provide sufficient evidence that the corresponding services were actually provided or, if provided, that the services adhered to respective key executed contract provisions and DHS regulations. Therefore, while we achieved our objective of ascertaining and certifying the total Commonwealth expenditures paid on behalf of children residing within the county for the fiscal years ended 2011, 2012, 2013, and 2014, we cannot attest that services corresponding to the \$17,795,235 expended by the agency (and which the Commonwealth participated in) for In-Home Purchased Services, were actually provided, or if provided, were provided in adherence to executed key contract provisions and DHS regulations because a high risk exists that overbillings and fraudulent billings could have occurred.

Despite the matter described in the third paragraph of the previous page, we did perform procedures using the documentation available to us, and the results of those procedures are described in the bulleted items below. However, these results may have been affected by the matter described in the third paragraph, and our assurance provided is limited by this matter.

The results of our procedures performed during this engagement were as follows:

- **For the 2010-2011 fiscal year**, our engagement resulted in 1 adjustment being made to the agency's submitted fiscal reports. This adjustment in total impacted the agency's Final Net State Share by increasing expenditures by \$4,770. Based on the application of the state participation rates, the adjustment resulted in an amount due to the county totaling \$3,816. The adjustment is detailed in our amended fiscal reports for fiscal year 2010-2011, as included in Section 1 of this report.
- **For the 2011-2012 fiscal year**, our engagement resulted in no adjustments being made to the agency's submitted fiscal reports. There is no impact on the Final Net State Share which resulted in \$0 due to the county/state. Refer to Section 2 of this report.

- **For the 2012-2013 fiscal year**, our engagement resulted in 4 adjustments being made to the agency's submitted fiscal reports. These adjustments in total impacted the agency's Final Net State Share by increasing agency expenditures by \$7,777, increasing non-reimbursable expenditures by \$7,100 and increasing revenue by \$723. Based on the application of the state participation rates, the 4 adjustments resulted in an amount due to the state totaling \$114. All 4 adjustments are detailed in our amended fiscal reports for fiscal year 2012-2013, as included in Section 3 of this report.
- **For the 2013-2014 fiscal year**, our engagement resulted in 2 adjustments being made to the agency's submitted fiscal reports. These adjustments in total impacted the agency's Final Net State Share by decreasing revenue by \$2,743. Based on the application of the state participation rates, the adjustment resulted in an amount due to the county totaling \$2,094. These adjustments are detailed in our amended fiscal reports for fiscal year 2013-2014, as included in Section 4 of this report.

In addition, we identified the following internal control deficiency, as detailed in Section 5 of this report.

Finding – Northampton County Children and Youth Services Agency Paid Contractors for In-Home Purchased Services but Failed to Obtain Reasonable Assurance That These Services Were Actually Provided

Finally, we included the following current engagement observation, as detailed in Section 6 of this report:

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

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 March 8, 2018.

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

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

Sincerely,



Eugene A. DePasquale
Auditor General

March 12, 2018

Endnote

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

CONTENTS

	Page
Background	1
Section 1 – Amended Fiscal Reports for the Fiscal Year July 1, 2010 to June 30, 2011	
Amended Computation of Final Net State Share	3
Amended CY-348 - Fiscal Summary	4
Amended CY-370A - Revenue Report	5
Amended CY-370 - Expenditure Report.....	6
Amended Summary of Expense and Expense Adjustments	7
Adjustment Schedule	8
Section 2 – Amended Fiscal Reports for the Fiscal Year July 1, 2011 to June 30, 2012	
Amended Computation of Final Net State Share	10
Amended CY-348 - Fiscal Summary	11
Amended CY-370A - Revenue Report	11
Amended CY-370 - Expenditure Report.....	12
Amended Summary of Expense and Expense Adjustments	13
Section 3 – Amended Fiscal Reports for the Fiscal Year July 1, 2012 to June 30, 2013	
Amended Computation of Final Net State Share	16
Amended CY-348 - Fiscal Summary	17
Amended CY-370A - Revenue Report	18
Amended CY-370 - Expenditure Report.....	19
Amended Summary of Expense and Expense Adjustments	20
Adjustment Schedule	21
Section 4 – Amended Fiscal Reports for the Fiscal Year July 1, 2013 to June 30, 2014	
Amended Computation of Final Net State Share	23
Amended CY-348 - Fiscal Summary	24
Amended CY-370A - Revenue Report	25
Amended CY-370 - Expenditure Report.....	26
Amended Summary of Expense and Expense Adjustments	27
Adjustment Schedule	28
Section 5 – Current Engagement Finding and Recommendation	30
Section 6 – Current Engagement Observation	37
Report Distribution List	39

BACKGROUND

The Department of the Auditor General is responsible for reviewing the fiscal reports, known as the submitted CY-370 Expenditure Report, the CY-370A Revenue Report, and the CY-348 Fiscal Summary of the 67 County Children and Youth Agencies to determine proper reporting and utilization of funds according to program regulations and guidelines under the Human Services Code 62 P.S. § 704.1(a)(4). The annual state Act 148 allocations are used by the Counties to administer social services for the children and youth that reside within the Commonwealth of Pennsylvania, whose stated goal is “to ensure, for each child in this Commonwealth, a permanent, legally assured family which protects the child from abuse and neglect.” According to information provided by the Department of Human Services (DHS), Office of Children, Youth and Families (OCYF), the Northampton County Children and Youth Agency provided in-home and placement services to 4,085 children residing within the County during the 2015-2016 fiscal year. The Children and Youth Social Services Program is County-Administered and State-Supervised by the DHS and thus, they are jointly responsible for achieving the Commonwealth’s goal.

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

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

SECTION 1

AMENDED FISCAL REPORTS

FOR THE FISCAL YEAR:

JULY 1, 2010 to JUNE 30, 2011

**NORTHAMPTON COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2010 TO JUNE 30, 2011
AMENDED
COMPUTATION OF FINAL NET STATE SHARE**

Approved State Allocation ¹		\$	17,487,181
Supplemental Act 148			<u>0</u>
Total State Allocation			17,487,181
State Share (CY348) ²	\$		17,485,898
Less: Major Service Category Adjustment			<u>0</u>
Net State Share		\$	17,485,898
Less: Expenditures in Excess of the Approved State Allocation			<u>0</u>
Final Net State Share Payable ³		\$	17,485,898
Actual Act 148 Revenues Received ⁴			<u>17,482,082</u>
Net Amount Due County/(State) ⁵		\$	<u><u>3,816</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 audit adjustments are considered.

³ Final Net Share Payable is the net amount of reimbursable expenditures from Act 148 funds after audit 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, 2010 TO JUNE 30, 2011
 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	OTHER FUNDING	MEDICAL ASSISTANCE	NET TOTAL	STATE ACT 148	LOCAL SHARE
NET CHILD WELFARE EXPENDITURES											
01. 100% REIMBURSEMENT	807,191	0	116,249	0	0	0	0	0	690,942	690,942	0
02. 90% REIMBURSEMENT	805,966	142	103,229	0	0	0	0	0	702,595	632,336	70,259
03. 80% REIMBURSEMENT	22,553,140	682,885	3,928,433	868,675	270,641	114,166	0	92,405	16,595,935	13,276,748	3,319,187
04. 60% REIMBURSEMENT	3,798,413	152,000	549,314	0	0	0	0	10,211	3,086,888	1,852,133	1,234,755
05. 50% REIMBURSEMENT	2,067,656	0	178	0	0	0	0	0	2,067,478	1,033,739	1,033,739
06. TOTAL NET CHILD WELFARE EXPEND.	30,032,366	835,027	4,697,403	868,675	270,641	114,166	0	102,616	23,143,838	17,485,898	5,657,940
YDC/YFC PLACEMENT COSTS											
07. 60% DHS PARTICIPATION	340,704	11,893							328,811	197,287	131,524
08. NON-REIMBURSABLE EXPENDITURES	181,469	0	0						181,469		181,469
09. TOTAL EXPENDITURES	30,554,539	846,920	4,697,403	868,675	270,641	114,166	0	102,616	23,654,118	17,683,185	5,970,933
10. IL Grant Funds Reported	0										
11. TOTAL HSDF used for Child Welfare	0										
12. TOTAL TITLE IV-D COLLECTIONS	573,518										
13. TITLE IV-D Collections for IV-E Children	94,681										
14. STATE ACT 148 - line 6	17,485,898										
15. STATE ACT 148 ALLOCATION	17,487,181										
16. ADJUSTED STATE SHARE (lower of 14 or 15)	17,485,898										
INVOICE											
AMENDED STATE SHARE (ACT 148)	17,485,898										
ACT 148 AMOUNT RECEIVED	17,482,082										
ADJUSTMENT TO STATE SHARE	3,816										

Subsidized Permanent Legal Custodianship SPLC	Total Subsidies	Number of Days	Number of Children
	207,242	8,592	31

NORTHAMPTON COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2010 TO JUNE 30, 2011
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	OTHER FUNDING	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE
IN-HOME												
1-A ADOPTION SERVICE	807,191	0		116,249	0		0	0	0	690,942	690,942	0
1-B ADOPTION ASSISTANCE	1,706,499	0	895,240							811,259	649,007	162,252
1-C COUNSELING - DEPENDENT	4,908,815	49,710		152,117	653,059	0	0	0	0	4,083,929	3,243,143	810,786
1-D COUNSELING - DELINQUENT	386,271	0		0	119,776	0	0	0	0	266,495	213,196	53,299
1-E DAY CARE	419,953	0		0	74,492	0	0	0	0	345,461	276,369	69,092
1-F DAY TREATMENT - DEPENDENT	10,117	0		0	0	0	0	0	0	10,117	8,094	2,023
1-G DAY TREATMENT - DELINQUENT	93,736	0		0	19,324	0	0	0	0	74,412	59,530	14,882
1-H HOMEMAKER SERVICE	0	0		0	0	0	0	0	0	0	0	0
1-I INTAKE & REFERRAL	78,006	0		11,505	0	0	0	0	0	66,501	53,201	13,300
1-J LIFE SKILLS - DEPENDENT	75,638	0		10,239	680	0	0	0	0	64,719	51,775	12,944
1-K LIFE SKILLS - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
1-L LIFE SKILLS - DELINQUENT	1,444,114	0		209,607	0	0	0	0	0	1,234,507	987,606	246,901
1-M PROTECTIVE SERVICE - CHILD ABUSE	2,940,628	2,550		415,691	1,344	0	0	0	0	2,521,043	2,016,834	504,209
1-N PROTECTIVE SERVICE - GENERAL	1,072,864	0		155,755	0	0	0	0	0	917,109	733,687	183,422
1-O SERVICE PLANNING	110,902	0		178	0	0	0	0	0	110,724	55,362	55,362
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT	0	0		0	0	0	0	0	0	0	0	0
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
SUBTOTAL IN-HOME	14,054,734	52,260	895,240	1,071,341	868,675	0	0	0	0	11,167,218	9,038,746	2,128,472
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	1,214,864	66,569	182,333	11,187		0	0	0	0	954,775	763,820	190,955
2-D COMMUNITY RESIDENTIAL - DELINQUENT	2,776,340	96,785	534,030			0	0	0	0	2,145,525	1,716,420	429,105
2-E EMERGENCY SHELTER - DEPENDENT	805,966	142	67,618	35,611	0	0	0	0	0	702,595	632,336	70,259
2-F EMERGENCY SHELTER - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-G FOSTER FAMILY - DEPENDENT	4,844,300	399,141	668,573	672,218		270,641	114,166	0	92,405	2,627,156	2,101,725	525,431
2-H FOSTER FAMILY - DELINQUENT	265,216	41,151	4,444	6,783		0	0	0	0	212,838	170,270	42,568
2-I SUP. INDEPENDENT LIVING - DEPENDENT	295,209	26,979	(1,311)	22		0	0	0	0	269,519	215,615	53,904
2-J SUP. INDEPENDENT LIVING - DELINQUENT	20,570	0	0	0		0	0	0	0	20,570	16,456	4,114
2-K SUBTOTAL CBP	10,222,465	630,767	1,455,687	725,821	0	270,641	114,166	0	92,405	6,932,978	5,616,642	1,316,336
INSTITUTIONAL PLACEMENT												
3-A JUVENILE DETENTION SERVICE	1,956,754	0						0	0	1,956,754	978,377	978,377
3-B RESIDENTIAL SERVICE - DEPENDENT	1,656,223	64,875	233,857	263		0	0	0	0	1,357,228	814,337	542,891
3-C RES. SERVICE - DELINQUENT (NON YDC/YFC)	1,242,715	58,702	196,502	0		0	0	0	0	997,511	592,507	395,004
3-D SECURE RES. SERVICE (EXCEPT YDC)	79,702	28,423						0	0	51,279	30,767	20,512
3-E YDC/YFC (NON-SECURE)-Institutional	251,460	6,490								244,970	146,982	97,988
3-F YDC SECURE	89,244	5,403								83,841	50,305	33,536
3-G SUBTOTAL INSTITUTIONAL	5,276,098	163,893	430,359	263	0	0	0	0	0	4,681,583	2,613,275	2,068,308
4 ADMINISTRATION	819,773	0		118,692		0	0	0	10,211	690,870	414,522	276,348
5 TOTAL REVENUES	30,373,070	846,920	2,781,286	1,916,117	868,675	270,641	114,166	0	102,616	23,472,649	17,683,185	5,789,464

NORTHAMPTON COUNTY CHILDREN AND YOUTH AGENCY
 FOR THE PERIOD JULY 1, 2010 TO JUNE 30, 2011
 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	473,950	247,798	88,796	6,900	0	817,444	147	6	10,253	0	0	0
1-B ADOPTION ASSISTANCE	0	0	1,706,499	0	0	1,706,499	0	294	0	0	0	0
1-C COUNSELING - DEPENDENT	691,584	315,104	60,680	3,857,683	0	4,925,051	0	928	16,236	0	0	0
1-D COUNSELING - DELINQUENT	0	0	0	386,271	0	386,271	0	130	0	0	0	0
1-E DAY CARE	0	0	0	419,953	0	419,953	0	108	0	0	0	0
1-F DAY TREATMENT - DEPENDENT	0	0	0	10,117	0	10,117	0	2	0	0	0	0
1-G DAY TREATMENT - DELINQUENT	0	0	0	93,736	0	93,736	0	21	0	0	0	0
1-H HOMEMAHER SERVICE	0	0	0	0	0	0	0	0	0	0	0	0
1-I INTAKE & REFERRAL	44,058	23,457	0	78,006	0	78,006	5,368	0	0	0	0	0
1-J LIFE SKILLS - DEPENDENT	0	0	0	3,354	0	3,354	0	2	270	0	0	0
1-K LIFE SKILLS - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
1-L PROTECTIVE SERVICE - CHILD ABUSE	811,423	440,726	0	208,745	0	1,460,894	777	0	16,780	0	0	0
1-M PROTECTIVE SERVICE - GENERAL	1,557,343	789,857	534,928	0	82,799	2,964,927	3,672	0	24,299	0	0	0
1-N SERVICE PLANNING	622,122	304,822	152,016	0	0	1,078,960	3,710	0	6,096	0	0	0
1-O JUVENILE ACT PROCEEDINGS - DEPENDENT	0	0	1,280	109,622	0	110,902	0	410	0	0	0	0
1-P JUVENILE ACT PROCEEDINGS - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
1-Q SUBTOTAL IN-HOME	4,200,480	2,121,764	1,706,499	1,127,805	4,889,321	82,799	14,128,668	75,934	0	0	0	0
Number of Children receiving only NON-PURCHASED IN-Home Services 2,740												
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	43,235	23,396	0	24,415	1,124,131	0	1,215,177	7,331	97	313	0	0
2-D COMMUNITY RESIDENTIAL - DELINQUENT	0	0	0	0	2,776,340	0	2,776,340	10,205	76	0	0	0
2-E EMERGENCY SHELTER - DEPENDENT	48,980	21,987	0	22,508	712,491	0	805,966	6,816	267	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	644,687	340,243	207,242	308,546	3,348,164	0	4,848,882	66,599	343	4,582	0	0
2-H FOSTER FAMILY - DELINQUENT	0	0	0	0	265,216	0	265,216	2,022	13	0	0	0
2-I SUP. INDEPENDENT LIVING - DEPENDENT	0	0	0	767	294,442	0	295,209	1,806	16	0	0	0
2-J SUP. INDEPENDENT LIVING - DELINQUENT	0	0	0	0	20,570	0	20,570	207	2	0	0	0
2-K SUBTOTAL CBP	736,902	385,626	207,242	356,236	8,541,354	0	10,227,360	94,986	814	4,895	0	0
INSTITUTIONAL PLACEMENT	WAGES AND SALARIES	EMPLOYEE BENEFITS	SUBSIDIES	OPERATING	PURCHASED SERVICES	FIXED ASSETS	TOTAL EXPENDITURES	DAYS OF CARE	Children Served (Purchased)	Non-Reimbursable Non PS,Sub.	Non-Reim. Purchased Serv/ Subsidies	Program Income related to all Non-Reimbursable
3-A JUVENILE DETENTION SERVICE	0	0	0	0	1,956,754	0	1,956,754	6,566	210	0	0	0
3-B RESIDENTIAL SERVICE - DEPENDENT	0	0	0	22,271	1,653,952	0	1,656,223	7,476	69	0	0	0
3-C RES. SERVICE - DELINQUENT (EXCEPT YDC/YFC)	0	0	0	0	1,242,715	0	1,242,715	5,425	31	0	0	0
3-D SECURE RES. SERVICE (EXCEPT YDC)	0	0	0	0	79,702	0	79,702	259	1	0	0	0
3-E YDC/YFC (NON-SECURE)-Institutional	0	0	0	0	251,460	0	251,460	671	5	0	0	0
3-F YDC SECURE	0	0	0	0	89,244	0	89,244	201	1	0	0	0
3-G SUBTOTAL INSTITUTIONAL	0	0	0	22,271	5,253,827	0	5,276,098	20,598	317	0	0	0
4 ADMINISTRATION	253,542	190,064	0	478,807	0	0	922,413	0	102,640	0	0	0
TOTAL EXPENDITURES	5,190,924	2,697,454	1,913,741	1,985,119	18,684,502	82,799	30,554,539	181,469	0	0	0	0
County Indirect Costs = \$ 442,152												

**NORTHAMPTON COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2010 TO JUNE 30, 2011
AMENDED**

SUMMARY OF EXPENSE AND EXPENSE ADJUSTMENTS

COST CENTER ITEMS	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Adoption Service	\$ 817,444	\$ 0	\$ 817,444
Adoption Assistance	1,706,499	0	1,706,499
Counseling	5,311,322	0	5,311,322
Day Care	415,183	4,770	419,953
Day Treatment	103,853	0	103,853
Homemaker Service	0	0	0
Intake and Referral	78,006	0	78,006
Life Skills	75,908	0	75,908
Protective Service - Child Abuse	1,460,894	0	1,460,894
Protective Service - General	2,964,927	0	2,964,927
Service Planning	1,078,960	0	1,078,960
Juvenile Act Proceedings	110,902	0	110,902
Alternative Treatment	0	0	0
Community Residential	3,991,517	0	3,991,517
Emergency Shelter	805,966	0	805,966
Foster Family	5,114,098	0	5,114,098
Supervised Independent Living	315,779	0	315,779
Juvenile Detention Service	1,956,754	0	1,956,754
Residential Service	2,898,938	0	2,898,938
Secure Residential Service (Except YDC)	79,702	0	79,702
YDC/YFC (Non-Secure) - Institutional	251,460	0	251,460
YDC Secure	89,244	0	89,244
Administration	922,413	0	922,413
Combined Total Expense	<u>30,549,769</u>	<u>4,770</u>	<u>30,554,539</u>
Less Non-reimbursables	<u>181,469</u>	<u>0</u>	<u>181,469</u>
Total Net Expense	<u>\$ 30,368,300</u>	<u>\$ 4,770</u>	<u>\$ 30,373,070</u>

OBJECTS OF EXPENDITURE	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Wages and Salaries	\$ 5,190,924	\$ 0	\$ 5,190,924
Employee Benefits	2,697,454	0	2,697,454
Subsidies	1,913,741	0	1,913,741
Operating	1,985,119	4,770	1,989,889
Purchased Services	18,679,732	0	18,679,732
Fixed Assets	82,799	0	82,799
Combined Total Expense	<u>30,549,769</u>	<u>4,770</u>	<u>30,554,539</u>
Less Non-reimbursables	<u>181,469</u>	<u>0</u>	<u>181,469</u>
Total Net Expense	<u>\$ 30,368,300</u>	<u>\$ 4,770</u>	<u>\$ 30,373,070</u>

**NORTHAMPTON COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2010 TO JUNE 30, 2011
ADJUSTMENT SCHEDULE**

REPORT REFERENCE			ADJ. NO.	EXPLANATION OF ADJUSTMENT	AS REPORTED OR ADJUSTED	INCREASE/ (DECREASE)	ADJUSTED TOTAL
SCHEDULE	LINE	COLUMN					
CY-370	1-E	5	1	<p style="text-align: center;">CY-370 Adjustment</p> <p>Daycare - Purchased Services</p> <p>To increase expenditures by \$4,770 to include agency adjustments made to the general ledger after the submission of the 10-11 fiscal reports to the Commonwealth Department of Human Services.</p> <p>Title 55 PA Code, Chapter 3170.95(a)(b)</p>	\$ 415,183	\$ 4,770	\$ 419,953

SECTION 2

AMENDED FISCAL REPORTS

FOR THE FISCAL YEAR:

JULY 1, 2011 to JUNE 30, 2012

**NORTHAMPTON COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2011 TO JUNE 30, 2012
AMENDED
COMPUTATION OF FINAL NET STATE SHARE**

Approved State Allocation ¹		\$	17,119,620
Supplemental Act 148			<u>0</u>
Total State Allocation			17,119,620
State Share (CY348) ²	\$		16,342,171
Less: Major Service Category Adjustment			<u>0</u>
Net State Share		\$	16,342,171
Less: Expenditures in Excess of the Approved State Allocation			<u>0</u>
Final Net State Share Payable ³		\$	16,342,171
Actual Act 148 Revenues Received ⁴			<u>16,342,171</u>
Net Amount Due County/(State) ⁵		\$	<u><u>0</u></u>

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

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

³ Final Net Share Payable is the net amount of reimbursable expenditures from Act 148 funds after audit 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, 2011 TO JUNE 30, 2012
 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	OTHER FUNDING	MEDICAL ASSISTANCE	NET TOTAL	STATE ACT 148	LOCAL SHARE
NET CHILD WELFARE EXPENDITURES											
01. 100% REIMBURSEMENT	800,372	0	111,325	0	0	0	0	0	689,047	689,047	0
02. 90% REIMBURSEMENT	387,506	1,397	45,495	0	0	0	0	0	340,614	306,553	34,061
03. 80% REIMBURSEMENT	22,055,844	610,128	3,726,399	893,488	270,641	114,166	0	83,160	16,357,862	13,086,289	3,271,573
04. 60% REIMBURSEMENT	2,811,516	114,012	346,914	0	0	0	0	17,204	2,333,386	1,400,032	933,354
05. 50% REIMBURSEMENT	1,720,697	0	198	0	0	0	0	0	1,720,499	860,250	860,249
06. TOTAL NET CHILD WELFARE EXPEND.	27,775,935	725,537	4,230,331	893,488	270,641	114,166	0	100,364	21,441,408	16,342,171	5,099,237
YDC/YFC PLACEMENT COSTS											
07. 60% DHS PARTICIPATION	125,649	7,431							118,218	70,931	47,287
08. NON-REIMBURSABLE EXPENDITURES	100,847	192							100,655		100,655
09. TOTAL EXPENDITURES	28,002,431	733,160	4,230,331	893,488	270,641	114,166	0	100,364	21,660,281	16,413,102	5,247,179
10. TOTAL TITLE IV-D COLLECTIONS	504,980										
11. TITLE IV-D Collections for IV-E Children	89,505										
12. STATE ACT 148 - line 6	16,342,171										
13. STATE ACT 148 ALLOCATION	17,119,620										
14. ADJUSTED STATE SHARE (lower of 12 or 13)	16,342,171										
INVOICE											
AMENDED STATE SHARE (ACT 148)	16,342,171										
ACT 148 AMOUNT RECEIVED	16,342,171										
ADJUSTMENT TO STATE SHARE	0										

NORTHAMPTON COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2011 TO JUNE 30, 2012
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	TITLE IV-B FUNDING	OTHER FUNDING	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE
IN-HOME												
1-A ADOPTION SERVICE	800,372	0		111,325	0		0	0	0	689,047	689,047	0
1-B ADOPTION ASSISTANCE	1,730,741	0	817,762	6,449					0	906,530	725,224	181,306
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	217,124	0	52,755						0	161,369	129,095	32,274
1-D COUNSELING - DEPENDENT	4,338,113	56,340		144,311	743,209	0	0	0	0	3,394,233	2,715,402	678,831
1-E COUNSELING - DELINQUENT	459,212	0			110,626	0	0	0	0	348,586	278,869	69,717
1-F DAY CARE	346,773	0			31,080	0	0	0	0	315,693	252,554	63,139
1-G DAY TREATMENT - DEPENDENT	0	0			0	0	0	0	0	0	0	0
1-H DAY TREATMENT - DELINQUENT	130,761	0			5,722	0	0	0	0	125,039	100,031	25,008
1-I HOMEMAKER SERVICE	0	0			0	0	0	0	0	0	0	0
1-J INTAKE & REFERRAL	72,585	0		10,123	0	0	0	0	0	62,462	49,970	12,492
1-K LIFE SKILLS - DEPENDENT	71,514	0		9,719	0	0	0	0	0	61,795	49,436	12,359
1-L LIFE SKILLS - DELINQUENT	0	0			0	0	0	0	0	0	0	0
1-M PROTECTIVE SERVICE - CHILD ABUSE	1,508,111	20		210,170	0				0	1,297,921	1,038,337	259,584
1-N PROTECTIVE SERVICE - GENERAL	3,000,611	3,258		409,812	2,851	0	0	0	0	2,584,690	2,067,752	516,938
1-O SERVICE PLANNING	1,114,851	0		155,462	0	0	0	0	0	959,389	767,511	191,878
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT	100,232	0		198	0				0	100,034	50,017	50,017
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT	0	0			0	0	0	0	0	0	0	0
SUBTOTAL IN-HOME	13,891,000	59,618	873,517	1,057,569	893,488	0	0	0	0	11,006,808	8,913,245	2,093,563
COMMUNITY BASED PLACEMENT												
2-A ALTERNATIVE TREATMENT - DEPENDENT	0	0								0	0	0
2-B ALTERNATIVE TREATMENT - DELINQUENT	0	0								0	0	0
2-C COMMUNITY RESIDENTIAL - DEPENDENT	1,131,624	55,529	192,616	7,608					0	875,871	700,697	175,174
2-D COMMUNITY RESIDENTIAL - DELINQUENT	2,810,601	120,655	423,706						0	2,266,240	1,812,992	453,248
2-E EMERGENCY SHELTER - DEPENDENT	387,506	1,397	23,317	22,178	0	0	0	0	0	340,614	306,553	34,061
2-F EMERGENCY SHELTER - DELINQUENT	0	0			0	0	0	0	0	0	0	0
2-G FOSTER FAMILY - DEPENDENT	4,616,498	315,645	540,106	695,796		270,641	114,166	0	83,160	2,396,984	2,077,587	519,397
2-H FOSTER FAMILY - DELINQUENT	215,214	26,949	12,498	14,659					0	161,108	128,886	32,222
2-I SUP. INDEPENDENT LIVING - DEPENDENT	240,534	31,732	19,847						0	188,955	151,164	37,791
2-J SUP. INDEPENDENT LIVING - DELINQUENT	50,977	0							0	50,977	40,782	10,195
SUBTOTAL CBP	9,452,954	551,907	1,212,090	740,241	0	270,641	114,166	0	83,160	6,480,749	5,218,661	1,262,088
INSTITUTIONAL PLACEMENT												
3-A JUVENILE DETENTION SERVICE	1,620,465	0							0	1,620,465	810,233	810,232
3-B RESIDENTIAL SERVICE - DEPENDENT	793,044	51,758	100,832	320					0	640,134	384,080	256,054
3-C RES. SERVICE - DELINQUENT (NON YDC/YFC)	1,112,565	62,254	124,140						0	926,171	555,703	370,468
3-D SECURE RES. SERVICE (EXCEPT YDC)	33,948	0							0	33,948	20,369	13,579
3-E YDC SECURE	125,649	7,451								118,218	70,931	47,287
SUBTOTAL INSTITUTIONAL	3,685,671	121,443	224,972	320	0	0	0	0	0	3,338,936	1,841,316	1,497,620
4 ADMINISTRATION	871,939	0		121,622		0	0	0	17,204	733,133	439,880	293,253
5 TOTAL REVENUES	27,901,584	732,968	2,310,579	1,919,752	893,488	270,641	114,166	0	100,364	21,559,626	16,413,102	5,146,524

NORTHAMPTON COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2011 TO JUNE 30, 2012
AMENDED CV370
EXPENDITURE REPORT

MAJOR SERVICE CATEGORIES & COST CENTERS	OBJECTS OF EXPENDITURE											
	1	2	3	4	5	6	7	8	9	10	11	12
	WAGES AND SALARIES	EMPLOYEE BENEFITS	SUBSIDIES	OPERATING SERVICES	PURCHASED SERVICES	FIXED ASSETS	TOTAL EXPENDITURES	Children Served (by county)	Children Served (Purchased)	Non- Reimbursable Non-PS Sub.	Non-Reim. Purchased Serv/ Subsidies	Program Income related to all Non- Reimbursable
IN-HOME												
1-A ADOPTION SERVICE	481,220	216,707		96,028	1,875	0	795,830	129	2	(4,542)	0	0
1-B ADOPTION ASSISTANCE	0	0	1,730,741	0	0	0	1,730,741	0	285	0	0	0
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANS	0	0	217,124	0	0	0	217,124	0	36	0	0	0
1-D COUNSELING - DEPENDENT	707,183	279,238		61,231	3,302,805	0	4,550,457	0	811	12,344	0	0
1-E COUNSELING - DELINQUENT	0	0		0	459,212	0	459,212	0	122	0	0	0
1-F DAY CARE	0	0		0	346,773	0	346,773	0	69	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	130,761	0	130,761	0	28	0	0	0
1-I HOME/MAKER SERVICE	0	0		0	0	0	0	0	0	0	0	0
1-J INTAKE & REFERRAL	0	0		72,585	0	0	72,585	4,539	0	0	0	0
1-K LIFE SKILLS - DEPENDENT	45,620	20,527		3,257	1,814	0	71,218	0	2	(296)	0	0
1-L LIFE SKILLS - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
1-M PROTECTIVE SERVICE - CHILD ABUSE	889,065	401,803		219,241	0	0	1,510,109	798	0	1,998	0	0
1-N PROTECTIVE SERVICE - GENERAL	1,675,772	717,073		583,754	0	21,281	2,997,880	3,958	0	(2,731)	0	0
1-O SERVICE PLANNING	661,821	284,568		163,631	0	0	1,110,020	4,080	0	(4,831)	0	0
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT				1,421	98,811		100,232	0	220	0	0	0
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT				0	0		0	0	0	0	0	0
1-R SUBTOTAL IN-HOME	4,460,681	1,919,916	1,947,865	1,201,148	4,342,051	21,281	13,892,942			1,942	0	0
	Number of Children receiving only NON-PURCHASED IN-Home Services											
	WAGES AND SALARIES	EMPLOYEE BENEFITS	SUBSIDIES	OPERATING SERVICES	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
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	30,951	15,949	0	12,406	1,071,510	0	1,130,816	6,515	76	(808)	0	0
2-D COMMUNITY RESIDENTIAL - DELINQUENT	0	0	0	0	2,810,601	0	2,810,601	11,213	70	0	0	0
2-E EMERGENCY SHELTER - DEPENDENT	52,160	19,117	0	26,385	290,167	0	387,829	3,267	162	323	0	0
2-F EMERGENCY SHELTER - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-G FOSTER FAMILY - DEPENDENT	713,861	323,067	0	251,818	3,332,173	0	4,620,919	60,668	285	4,229	192	192
2-H FOSTER FAMILY - DELINQUENT	0	0	0	0	215,214	0	215,214	1,611	9	0	0	0
2-I SUP INDEPENDENT LIVING - DEPENDENT	0	0	0	1,091	239,443	0	240,534	1,474	12	0	0	0
2-J SUP INDEPENDENT LIVING - DELINQUENT	0	0	0	0	50,977	0	50,977	407	4	0	0	0
2-K SUBTOTAL CBP	796,972	358,133	0	291,700	8,010,085	0	9,456,890	85,155	618	3,744	192	192
INSTITUTIONAL PLACEMENT												
3-A JUVENILE DETENTION SERVICE	0	0	0	0	1,620,465	0	1,620,465	5,241	197	0	0	0
3-B RESIDENTIAL SERVICE - DEPENDENT	0	0	0	35,223	757,821	0	793,044	3,854	47	0	0	0
3-C RES SERVICE - DELINQUENT (EXCEPT YDC)	0	0	0	1,112,565	5,170	0	1,112,565	5,170	31	0	0	0
3-D SECURE RES. SERVICE (EXCEPT YDC)	0	0	0	0	33,948	0	33,948	138	1	0	0	0
3-E YDC SECURE	0	0	0	0	125,649	0	125,649	324	4	0	0	0
3-F SUBTOTAL INSTITUTIONAL	0	0	0	35,223	3,650,448	0	3,685,671	14,727	280	0	0	0
ADMINISTRATION	254,270	173,407	0	539,251	0	0	966,928			94,969	0	0
TOTAL EXPENDITURES	5,511,923	2,451,456	1,947,865	2,067,322	16,002,584	21,281	28,002,431			100,655	192	192
	County Indirect Costs = \$ 493,598											

**NORTHAMPTON COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2011 TO JUNE 30, 2012
AMENDED
SUMMARY OF EXPENSE AND EXPENSE ADJUSTMENTS**

COST CENTER ITEMS	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Adoption Service	\$ 795,830	\$ 0	\$ 795,830
Adoption Assistance	1,730,741	0	1,730,741
Subsidized Permanent Legal Custodianship	217,124	0	217,124
Counseling	4,809,669	0	4,809,669
Day Care	346,773	0	346,773
Day Treatment	130,761	0	130,761
Homemaker Service	0	0	0
Intake and Referral	72,585	0	72,585
Life Skills	71,218	0	71,218
Protective Service - Child Abuse	1,510,109	0	1,510,109
Protective Service - General	2,997,880	0	2,997,880
Service Planning	1,110,020	0	1,110,020
Juvenile Act Proceedings	100,232	0	100,232
Alternative Treatment	0	0	0
Community Residential	3,941,417	0	3,941,417
Emergency Shelter	387,829	0	387,829
Foster Family	4,836,133	0	4,836,133
Supervised Independent Living	291,511	0	291,511
Juvenile Detention Service	1,620,465	0	1,620,465
Residential Service	1,905,609	0	1,905,609
Secure Residential Service (Except YDC)	33,948	0	33,948
YDC Secure	125,649	0	125,649
Administration	966,928	0	966,928
Combined Total Expense	<u>28,002,431</u>	<u>0</u>	<u>28,002,431</u>
Less Non-reimbursables	<u>100,847</u>	<u>0</u>	<u>100,847</u>
Total Net Expense	<u>\$ 27,901,584</u>	<u>\$ 0</u>	<u>\$ 27,901,584</u>

OBJECTS OF EXPENDITURE	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Wages and Salaries	\$ 5,511,923	\$ 0	\$ 5,511,923
Employee Benefits	2,451,456	0	2,451,456
Subsidies	1,947,865	0	1,947,865
Operating	2,067,322	0	2,067,322
Purchased Services	16,002,584	0	16,002,584
Fixed Assets	21,281	0	21,281
Combined Total Expense	<u>28,002,431</u>	<u>0</u>	<u>28,002,431</u>
Less Non-reimbursables	<u>100,847</u>	<u>0</u>	<u>100,847</u>
Total Net Expense	<u>\$ 27,901,584</u>	<u>\$ 0</u>	<u>\$ 27,901,584</u>

SECTION 3

AMENDED FISCAL REPORTS

FOR THE FISCAL YEAR:

JULY 1, 2012 to JUNE 30, 2013

**NORTHAMPTON COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2012 TO JUNE 30, 2013
AMENDED
COMPUTATION OF FINAL NET STATE SHARE**

Approved State Allocation ¹		\$	18,276,802
Supplemental Act 148			<u>0</u>
Total State Allocation			18,276,802
State Share (CY348) ²	\$		16,858,573
Less: Major Service Category Adjustment			<u>0</u>
Net State Share		\$	16,858,573
Less: Expenditures in Excess of the Approved State Allocation			<u>0</u>
Final Net State Share Payable ³		\$	16,858,573
Actual Act 148 Revenues Received ⁴			<u>16,858,687</u>
Net Amount Due County/(State) ⁵		\$	<u><u>(114)</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 audit adjustments are considered.

³ Final Net Share Payable is the net amount of reimbursable expenditures from Act 148 funds after audit 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, 2012 TO JUNE 30, 2013
 AMENDED CY3-48
 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	OTHER FUNDING	MEDICAL ASSISTANCE	NET TOTAL	STATE ACT 148	LOCAL SHARE
NET CHILD WELFARE EXPENDITURES											
01. 100% REIMBURSEMENT	825,606	0	110,181	0	0	0	0	0	715,425	715,425	0
02. 90% REIMBURSEMENT	361,252	1,452	55,597	0	0	0	0	0	304,203	273,783	30,420
03. 80% REIMBURSEMENT	22,292,412	569,019	3,449,156	893,488	270,641	114,166	0	37,643	16,958,299	13,566,641	3,391,658
04. 60% REIMBURSEMENT	2,893,864	105,913	464,756	0	0	0	0	19,705	2,303,490	1,382,095	921,395
05. 50% REIMBURSEMENT	1,841,395	0	139	0	0	0	0	0	1,841,256	920,629	920,627
06. TOTAL NET CHILD WELFARE EXPEND	28,214,529	676,384	4,079,829	893,488	270,641	114,166	0	57,348	22,122,673	16,858,573	5,264,100
YDC/YFC PLACEMENT COSTS											
07. 60% DHS PARTICIPATION	263,940	3,373							260,567	156,340	104,227
08. NON-REIMBURSABLE EXPENDITURES	117,957	0							117,957		117,957
09. TOTAL EXPENDITURES	28,596,426	679,757	4,079,829	893,488	270,641	114,166	0	57,348	22,501,197	17,014,913	5,486,284
10. TOTAL TITLE IV-D COLLECTIONS	471,136										
11. TITLE IV-D Collections for IV-E Children	74,139										
12. STATE ACT 148 - fine 6	16,858,573										
13. STATE ACT 148 ALLOCATION	18,276,802										
14. ADJUSTED STATE SHARE (lower of 12 or 13)	16,858,573										
INVOICE											
AMENDED STATE SHARE (ACT 148)	16,858,573										
ACT 148 AMOUNT RECEIVED	16,858,687										
ADJUSTMENT TO STATE SHARE	(114)										

NORTHAMPTON COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2012 TO JUNE 30, 2013
AMENDED CY 370A
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 ADMN.	TANF	TITLE XX	TITLE IV-B	OTHER FUNDING	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE
IN-HOME												
1-A ADOPTION SERVICE	825,606	0	0	110,181	0	0	0	0	0	715,425	715,425	0
1-B ADOPTION ASSISTANCE	1,816,730	0	818,816	20,287	0	0	0	0	0	977,627	782,102	195,525
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	235,881	0	65,974	0	0	0	0	0	0	169,907	135,926	33,981
1-D COUNSELING - DEPENDENT	4,398,633	51,420	0	141,538	764,554	0	0	0	0	3,441,121	2,752,897	688,224
1-E COUNSELING - DELINQUENT	363,044	0	0	69,388	0	0	0	0	0	293,656	234,925	58,731
1-F DAY CARE	348,323	0	0	0	44,563	0	0	0	0	303,760	243,008	60,752
1-G DAY TREATMENT - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
1-H DAY TREATMENT - DELINQUENT	71,793	0	0	0	11,654	0	0	0	0	60,139	48,111	12,028
1-I HOME/MAKER SERVICE	0	0	0	0	0	0	0	0	0	0	0	0
1-J INTAKE & REFERRAL	72,425	0	0	9,780	0	0	0	0	0	62,645	50,116	12,529
1-K LIFE SKILLS - DEPENDENT	76,331	0	0	9,829	555	0	0	0	0	65,947	52,758	13,189
1-L LIFE SKILLS - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
1-M PROTECTIVE SERVICE - CHILD ABUSE	1,693,097	0	0	228,838	0	0	0	0	0	1,464,259	1,171,391	292,848
1-N PROTECTIVE SERVICE - GENERAL	3,400,032	12,138	0	449,655	2,774	0	0	0	0	2,935,445	2,348,356	587,089
1-O SERVICE PLANNING	1,225,330	0	0	165,478	0	0	0	0	0	1,059,852	847,882	211,970
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT	90,304	0	0	139	0	0	0	0	0	90,165	45,083	45,082
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
1-R SUBTOTAL IN-HOME	14,617,529	63,578	884,790	1,135,745	893,488	0	0	0	0	11,639,928	9,427,980	2,211,948
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	1,097,782	43,729	95,695	9,530	0	0	0	0	0	948,828	759,062	189,766
2-D COMMUNITY RESIDENTIAL - DELINQUENT	2,565,264	98,234	276,189	0	0	0	0	0	0	2,190,841	1,732,673	438,168
2-E EMERGENCY SHELTER - DEPENDENT	361,232	1,432	35,239	20,338	0	0	0	0	0	304,203	273,783	30,420
2-F EMERGENCY SHELTER - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-G FOSTER FAMILY - DEPENDENT	4,442,319	340,463	476,171	642,541	0	270,641	114,166	0	37,643	2,560,694	2,048,555	512,139
2-H FOSTER FAMILY - DELINQUENT	124,415	12,560	11,765	15,553	0	0	0	0	0	84,537	67,630	16,907
2-I SUP. INDEPENDENT LIVING - DEPENDENT	240,513	8,266	11,497	0	0	0	0	0	0	220,750	176,600	44,150
2-J SUP. INDEPENDENT LIVING - DELINQUENT	120,500	2,189	0	0	0	0	0	0	0	118,311	94,649	23,662
2-K SUBTOTAL CBP	8,952,045	506,893	906,556	687,982	0	270,641	114,166	0	37,643	6,428,164	5,172,952	1,255,212
INSTITUTIONAL PLACEMENT												
3-A JUVENILE DETENTION SERVICE	1,751,091	0	0	0	0	0	0	0	0	1,751,091	875,546	875,545
3-B RESIDENTIAL SERVICE - DEPENDENT	821,812	58,603	181,987	16	0	0	0	0	0	581,206	348,724	232,482
3-C RES. SERVICE - DELINQUENT (NON-YDC/YFO)	1,146,132	47,310	163,456	0	0	0	0	0	0	935,366	561,220	374,146
3-D SECURE RES. SERVICE (EXCEPT YDC)	41,666	0	0	0	0	0	0	0	0	41,666	25,000	16,666
3-E YDC SECURE	263,940	3,373	0	0	0	0	0	0	0	260,567	156,340	104,227
3-F SUBTOTAL INSTITUTIONAL	4,024,641	109,286	345,443	16	0	0	0	0	0	3,589,896	1,966,830	1,603,066
4 ADMINISTRATION	884,234	0	0	119,297	0	0	0	0	19,705	745,232	447,151	298,101
TOTAL REVENUES	28,478,469	679,757	2,136,789	1,943,040	893,488	270,641	114,166	0	57,348	22,383,240	17,014,913	5,368,327

NORTHAMPTON COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2012 TO JUNE 30, 2013
AMENDED CY 370
EXPENDITURE REPORT

MAJOR SERVICE CATEGORIES & COST CENTERS	OBJECTS OF EXPENDITURE											Program Income related to all Non- Reimbursable
	1	2	3	4	5	6	7	8	9	10	11	
	WAGES AND SALARIES	EMPLOYEE BENEFITS	SUBSIDIES	OPERATING SERVICES	PURCHASED SERVICES	FIXED ASSETS	TOTAL EXPENDITURES	Children Served (by count)	Children Served (Purchase)	Non- Reimbursable Non-PS Sub.	Non-Reim. Purchase of Serv/ Subsidies	Program Income related to all Non- Reimbursable
IN-HOME												
1-A ADOPTION SERVICE	484,426	225,403		99,111	10,000	0	818,940	126	8	(6,666)	0	0
1-B ADOPTION ASSISTANCE	0	0	1,817,706	0	0	0	1,817,706	0	319	0	976	0
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	0	0	235,881	0	0	0	235,881	0	36	0	0	0
1-D COUNSELING - DEPENDENT	698,956	282,623		73,691	3,349,720	0	4,404,990	0	766	6,357	0	0
1-E COUNSELING - DELINQUENT	0	0		0	363,044	0	363,044	0	85	0	0	0
1-F DAY CARE	0	0		300	348,023	0	348,323	0	65	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	71,793	0	71,793	0	13	0	0	0
1-I HOMEMAKER SERVICE	0	0		0	0	0	0	0	0	0	0	0
1-J INTAKE & REFERRAL	0	0		72,425	0	0	72,425	4,398	0	0	0	0
1-K LIFE SKILLS - DEPENDENT	48,136	22,304		2,833	3,505	0	76,780	0	4	449	0	0
1-L LIFE SKILLS - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
1-M PROTECTIVE SERVICE - CHILD ABUSE	993,018	477,345		226,406	0	0	1,696,769	747	0	3,672	0	0
1-N PROTECTIVE SERVICE - GENERAL	1,586,352	697,798		624,150	0	489,808	3,398,108	3,783	0	(1,924)	0	0
1-O SERVICE PLANNING	719,167	335,889		172,894	0	0	1,227,950	3,939	0	2,120	0	0
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT				1,017	89,287		90,304	0	185	0	0	0
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT				0	0		0	0	0	0	0	0
1-R SUBTOTAL IN-HOME	4,530,055	2,041,362	2,053,587	1,272,229	4,235,372	489,808	14,622,513			4,008	976	0
Number of Children receiving only NON-PURCHASED IN-Home Services 3,104												
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	39,333	21,571		16,509	1,020,962	0	1,098,375	6,347	78	593	0	0
2-D COMMUNITY RESIDENTIAL - DELINQUENT	0	0	0	0	2,565,264	0	2,565,264	8,543	67	0	0	0
2-E EMERGENCY SHELTER - DEPENDENT	54,577	21,126		14,945	270,843	0	361,491	3,033	157	239	0	0
2-F EMERGENCY SHELTER - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-G FOSTER FAMILY - DEPENDENT	730,516	351,494		283,947	3,090,379	0	4,456,336	55,187	271	6,917	7,100	0
2-H FOSTER FAMILY - DELINQUENT	0	0	0	0	124,415	0	124,415	878	4	0	0	0
2-I SUP. INDEPENDENT LIVING - DEPENDENT	0	0	0	287	240,226	0	240,513	2,353	15	0	0	0
2-J SUP. INDEPENDENT LIVING - DELINQUENT	0	0	0	0	120,500	0	120,500	825	6	0	0	0
2-K SUBTOTAL CBP	824,426	394,191	0	315,688	7,432,589	0	8,966,894	77,168	598	7,149	7,100	0
INSTITUTIONAL PLACEMENT												
3-A JUVENILE DETENTION SERVICE	0	0	0	0	1,751,091	0	1,751,091	4,309	158	0	0	0
3-B RESIDENTIAL SERVICE - DEPENDENT	0	0	0	3,833	817,979	0	821,812	4,289	46	0	0	0
3-C RES. SERVICE - DELINQUENT (EXCEPT YDC/YCS)	0	0	0	0	1,146,132	0	1,146,132	4,403	26	0	0	0
3-D SEC. RES. SERVICE (EXCEPT YDC)	0	0	0	0	41,666	0	41,666	166	1	0	0	0
3-E YDC SECURE	0	0	0	0	263,940	0	263,940	480	3	0	0	0
3-F SUBTOTAL INSTITUTIONAL	0	0	0	3,833	4,020,808	0	4,024,641	13,647	234	0	0	0
4 ADMINISTRATION	256,715	186,013	0	539,650	0	0	982,378			98,124	0	0
5 TOTAL EXPENDITURES	5,611,196	2,621,566	2,053,587	2,151,500	15,688,769	489,808	28,596,426			109,881	8,076	0
County Indirect Costs = \$ 491,850												

**NORTHAMPTON COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2012 TO JUNE 30, 2013
AMENDED**

SUMMARY OF EXPENSE AND EXPENSE ADJUSTMENTS

COST CENTER ITEMS	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Adoption Service	\$ 819,439	\$ (499)	\$ 818,940
Adoption Assistance	1,817,706	0	1,817,706
Subsidized Permanent Legal Custodianship	235,881	0	235,881
Counseling	4,767,265	769	4,768,034
Day Care	348,323	0	348,323
Day Treatment	71,793	0	71,793
Homemaker Service	0	0	0
Intake and Referral	72,425	0	72,425
Life Skills	76,780	0	76,780
Protective Service - Child Abuse	1,696,769	0	1,696,769
Protective Service - General	3,397,500	608	3,398,108
Service Planning	1,227,450	0	1,227,450
Juvenile Act Proceedings	90,304	0	90,304
Alternative Treatment	0	0	0
Community Residential	3,663,639	0	3,663,639
Emergency Shelter	361,678	(187)	361,491
Foster Family	4,573,665	7,086	4,580,751
Supervised Independent Living	361,013	0	361,013
Juvenile Detention Service	1,751,091	0	1,751,091
Residential Service	1,967,944	0	1,967,944
Secure Residential Service (Except YDC)	41,666	0	41,666
YDC Secure	263,940	0	263,940
Administration	982,378	0	982,378
Combined Total Expense	<u>28,588,649</u>	<u>7,777</u>	<u>28,596,426</u>
Less Non-reimbursables	<u>110,857</u>	<u>7,100</u>	<u>117,957</u>
Total Net Expense	<u>\$ 28,477,792</u>	<u>\$ 677</u>	<u>\$ 28,478,469</u>

OBJECTS OF EXPENDITURE	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Wages and Salaries	\$ 5,611,695	\$ (499)	\$ 5,611,196
Employee Benefits	2,621,566	0	2,621,566
Subsidies	2,053,587	0	2,053,587
Operating	2,131,079	421	2,131,500
Purchased Services	15,680,914	7,855	15,688,769
Fixed Assets	489,808	0	489,808
Combined Total Expense	<u>28,588,649</u>	<u>7,777</u>	<u>28,596,426</u>
Less Non-reimbursables	<u>110,857</u>	<u>7,100</u>	<u>117,957</u>
Total Net Expense	<u>\$ 28,477,792</u>	<u>\$ 677</u>	<u>\$ 28,478,469</u>

**NORTHAMPTON COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2012 TO JUNE 30, 2013
ADJUSTMENT SCHEDULE**

REPORT REFERENCE			ADJ. NO.	EXPLANATION OF ADJUSTMENTS	AS REPORTED OR ADJUSTED	INCREASE/ (DECREASE)	ADJUSTED TOTAL
SCHEDULE	LINE	COLUMN					
CY-370	1-A	1	1	CY-370 Adjustments			
				Adoption Service - Wages and Salaries	\$ 484,925	\$ (499)	\$ 484,426
				To decrease Wages and Salaries by \$499 to eliminate the amount of an agency employee's salary which exceeded the total maximum compensation allowed for an equivalent Commonwealth position. This is in accordance with a review of the agency's Roster of Personnel (PW1171) by the Department of Human Services, Bureau of Human Resources, which was summarized in a letter dated October 7, 2014.			
				Title 55 PA Code, Chapter 3170.42(b)			
CY-370	1-N	4	2	Protective Services General - Operating	\$ 623,542	\$ 608	\$ 624,150
	2-E	4		Emergency Shelter (Dep.) - Operating	\$ 15,132	\$ (187)	\$ 14,945
	1-D	5		Counseling (Dep.) - Purchased Services	\$ 3,348,951	\$ 769	\$ 3,349,720
	2-G	5		Foster Family (Dep.) - Purchased Services	\$ 3,083,293	\$ 7,086	\$ 3,090,379
				Total Adjustment		\$ 8,276	
				To increase expenditures by a total amount of \$8,276 to include expenditures not reported on the CY-370 Expenditure Report submitted to the Department of Human Services and reconcile to the agency's final expenditure ledger. Operating expenses were increased by \$421 and Purchased Services were increased by \$7,855.00			
				Title 55 PA Code, Chapter 3170.95(a)(b)			
CY-370	2-G	11	3	Foster Family (Dep)- Non-Reimbursable PS/Sub	\$ -	\$ 7,100	\$ 7,100
				To increase Non-Reimbursable Purchased Services/Subsidies \$7,100 to properly report kinship foster care payments.			
				Title 55 PA Code, Chapter 3170.95(a)(b)			
CY-370 A	CY-370A Adjustment						
	2-C	2	4	Community Residential (Dep.) - Program Income	\$ 43,514	\$ 215	\$ 43,729
	2-G	2		Foster Family (Dep.) - Program Income	\$ 340,161	\$ 302	\$ 340,463
	3-B	2		Residential Service (Dep.) - Program Income	\$ 58,397	\$ 206	\$ 58,603
				Total Adjustment		\$ 723	
				To increase Program Income by \$723 to include revenue not reported on the CY-370A Revenue Report submitted to the Department of Human Services and reconcile to the agency's final revenue ledger.			
				Title 55 PA Code, Chapter 3170.95(a)(b)			

SECTION 4

AMENDED FISCAL REPORTS

FOR THE FISCAL YEAR:

JULY 1, 2013 to JUNE 30, 2014

**NORTHAMPTON COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2013 TO JUNE 30, 2014
AMENDED
COMPUTATION OF FINAL NET STATE SHARE**

Approved State Allocation ¹		\$	17,791,622
Supplemental Act 148			<u>0</u>
Total State Allocation			17,791,622
State Share (CY348) ²	\$		17,502,556
Less: Major Service Category Adjustment			<u>0</u>
Net State Share		\$	17,502,556
Less: Expenditures in Excess of the Approved State Allocation			<u>0</u>
Final Net State Share Payable ³		\$	17,502,556
Actual Act 148 Revenues Received ⁴			<u>17,500,462</u>
Net Amount Due County/(State) ⁵		\$	<u><u>2,094</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 audit adjustments are considered.

³ Final Net Share Payable is the net amount of reimbursable expenditures from Act 148 funds after audit 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, 2013 TO JUNE 30, 2014
 AMENDED CY 348
 FISCAL SUMMARY

	A	B	C	D	E	F	G	H	I	J	K
	GRAND	PROGRAM	TITLE	TANF	TITLE	TITLE	Child Welfare Demonstration Project Title IV-E	MEDICAL	NET	STATE	LOCAL
	TOTAL	INCOME	IV-E		XX	IV-B		ASSISTANCE	TOTAL	ACT 148	SHARE
NET CHILD WELFARE EXPENDITURES											
01. 100% REIMBURSEMENT	826,830	0	118,124	0	0	0	0	0	708,706	708,706	0
02. 90% REIMBURSEMENT	553,723	1,584	72,197	0	0	0	0	0	479,942	431,948	47,994
03. 80% REIMBURSEMENT	23,208,860	534,561	3,788,303	893,488	270,641	107,512	0	64,910	17,549,445	14,039,556	3,509,889
04. 60% REIMBURSEMENT	2,986,646	127,796	400,087	0	0	0	0	16,318	2,442,445	1,465,468	976,977
05. 50% REIMBURSEMENT	1,713,861	0	106	0	0	0	0	0	1,713,755	856,878	856,877
06. TOTAL NET CHILD WELFARE EXPEND.	29,289,920	663,941	4,378,817	893,488	270,641	107,512	0	81,228	22,894,293	17,502,556	5,391,737

YDCYFC PLACEMENT COSTS											
07. 60% DHS PARTICIPATION	355,029	7,363							347,666	208,600	139,066

08. NON-REIMBURSABLE EXPENDITURES	167,934	0							167,934		167,934
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09. TOTAL EXPENDITURES	29,812,883	671,304	4,378,817	893,488	270,641	107,512	0	81,228	23,409,893	17,711,156	5,698,737
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10. TOTAL TITLE IV-D COLLECTIONS 457,509

11. TITLE IV-D Collections for IV-E Children 66,456

12. STATE ACT 148 - #E-6 17,502,556

13. STATE ACT 148 ALLOCATION 17,791,622

14. ADJUSTED STATE SHARE (lower of 12 or 13) 17,502,556

INVOICE											
AMENDED STATE SHARE (ACT 148)	17,502,556										
ACT 148 AMOUNT RECEIVED	17,500,462										
ADJUSTMENT TO STATE SHARE	2,094										

NORTHAMPTON COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2013 TO JUNE 30, 2014
AMENDED CY 370A
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 ADMN.	TANF	TITLE XX	TITLE IV-B	Club Waiver Demonstration Project Title IV-E	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE
IN-HOME												
1-A. ADOPTION SERVICE	826,830	0	0	118,124	0				0	708,706	708,706	0
1-B. ADOPTION ASSISTANCE	1,914,917	0	874,276	11,413					0	1,029,228	823,382	205,846
1-C. SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	258,690	0	77,216						0	181,474	145,179	36,295
1-D. COUNSELING - DEPENDENT	4,623,315	41,390	0	151,489	775,906				0	3,654,530	2,923,624	730,906
1-E. COUNSELING - DELINQUENT	286,037	0	0	98,325	0				0	187,712	150,170	37,542
1-F. DAY CARE	325,166	0	0	0	5,805				0	319,361	255,489	63,872
1-G. DAY TREATMENT - DEPENDENT	0	0	0	0	0				0	0	0	0
1-H. DAY TREATMENT - DELINQUENT	46,858	0	0	0	13,452				0	33,406	26,725	6,681
1-I. HOMEMAKER SERVICE	0	0	0	0	0				0	0	0	0
1-J. INTAKE & REFERRAL	69,682	0	0	9,977	0				0	59,705	47,764	11,941
1-K. LIFE SKILLS - DEPENDENT	100,501	0	0	11,639	0				0	88,862	71,090	17,772
1-L. LIFE SKILLS - DELINQUENT	0	0	0	0	0				0	0	0	0
1-M. PROTECTIVE SERVICE - CHILD ABUSE	1,862,125	0	0	266,520	0				0	1,595,605	1,276,484	319,121
1-N. PROTECTIVE SERVICE - GENERAL	3,247,653	8,049	0	456,152	0				0	2,783,454	2,226,763	556,691
1-O. SERVICE PLANNING	1,164,059	0	0	166,436	0				0	997,623	798,098	199,525
1-P. JUVENILE ACT PROCEEDINGS - DEPENDENT	95,740	0	0	106	0				0	95,634	47,817	47,817
1-Q. JUVENILE ACT PROCEEDINGS - DELINQUENT	0	0	0	0	0				0	0	0	0
1-R. SUBTOTAL IN-HOME	14,821,575	49,439	951,492	1,191,856	893,488	0	0	0	0	11,735,300	9,501,291	2,234,009
COMMUNITY BASED PLACEMENT												
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	1,099,595	32,479	127,837	9,595					0	929,684	743,747	185,937
2-D. COMMUNITY RESIDENTIAL - DELINQUENT	2,745,529	90,489	305,479	0					0	2,349,561	1,879,649	469,912
2-E. EMERGENCY SHELTER - DEPENDENT	553,723	1,584	36,048	36,149	0				0	479,942	431,948	47,994
2-F. EMERGENCY SHELTER - DELINQUENT	0	0	0	0	0				0	0	0	0
2-G. FOSTER FAMILY - DEPENDENT	5,032,406	338,211	551,742	689,860		270,641	107,512		64,910	3,009,530	2,407,624	601,906
2-H. FOSTER FAMILY - DELINQUENT	99,154	6,832	4,522	8,875					0	78,925	63,140	15,785
2-I. SUP. INDEPENDENT LIVING - DEPENDENT	258,906	17,111	65,274	1					0	176,520	141,216	35,304
2-J. SUP. INDEPENDENT LIVING - DELINQUENT	74,265	0	0	0					0	74,265	59,412	14,853
2-K. SUBTOTAL CBP	9,863,578	486,706	1,090,902	744,480	0	270,641	107,512	0	64,910	7,098,427	5,726,736	1,371,691
INSTITUTIONAL PLACEMENT												
3-A. JUVENILE DETENTION SERVICE	1,618,121	0	0	0					0	1,618,121	809,061	809,060
3-B. RESIDENTIAL SERVICE - DEPENDENT	809,793	58,845	94,187	0					0	656,761	394,057	262,704
3-C. RES. SERVICE - DELINQUENT (NON-YDC/YFC)	1,183,807	68,795	164,666	0					0	950,346	570,208	380,138
3-D. SECURE RES. SERVICE (EXCEPT YDC)	0	0	0	0					0	0	0	0
3-E. YDC SECURE	355,029	7,363	0	0					0	347,666	208,600	139,066
3-F. SUBTOTAL INSTITUTIONAL	3,966,750	135,003	258,853	0	0	0	0	0	0	3,572,894	1,981,926	1,590,968
ADMINISTRATION	993,046	156	0	141,234	0	0	0	0	16,318	835,338	501,203	334,135
TOTAL REVENUES	29,644,949	671,304	2,301,247	2,077,570	893,488	270,641	107,512	0	81,228	23,241,959	17,711,156	5,530,803

NORTHAMPTON COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2013 TO JUNE 30, 2014
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	EMPLOYEE BENEFITS SUBSIDIES	OPERATING SUBSIDIES	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	502,292	244,273	0	94,023	0	0	840,588	110	0	13,758	0	0
1-B ADOPTION ASSISTANCE	0	0	0	1,918,752	0	0	1,918,752	0	306	0	3,835	0
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	0	0	0	238,690	0	0	238,690	0	39	0	0	0
1-D COUNSELING - DEPENDENT	664,896	308,215	0	90,011	3,562,039	0	4,625,151	0	825	1,836	0	0
1-E COUNSELING - DELINQUENT	0	0	0	286,037	0	0	286,037	0	77	0	0	0
1-F DAY CARE	0	0	0	325,166	0	0	325,166	0	91	0	0	0
1-G DAY TREATMENT - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
1-H DAY TREATMENT - DELINQUENT	0	0	0	0	0	0	0	0	11	0	0	0
1-I HOMEMAKER SERVICE	0	0	0	0	46,838	0	46,838	0	0	0	0	0
1-J INTAKE & REFERRAL	0	0	0	69,682	0	0	69,682	4,305	0	0	0	0
1-K LIFE SKILLS - DEPENDENT	49,588	24,629	0	7,082	18,938	0	100,237	0	8	(264)	0	0
1-L LIFE SKILLS - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
1-M PROTECTIVE SERVICE - CHILD ABUSE	1,116,965	529,392	0	255,212	0	0	1,901,569	773	0	39,444	0	0
1-N PROTECTIVE SERVICE - GENERAL	1,366,731	739,621	0	693,513	0	212,010	3,231,875	3,586	0	(15,780)	0	0
1-O SERVICE PLANNING	661,715	342,033	0	170,423	0	0	1,174,171	4,122	0	10,112	0	0
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT	0	0	0	738	95,002	0	95,740	0	264	0	0	0
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
1-R SUBTOTAL IN-HOME	4,562,187	2,208,163	2,177,442	1,380,684	4,334,030	212,010	14,874,516	0	0	49,106	3,835	0
Number of Children receiving only NON-PURCHASED IN-HOME Services: 2,945												
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	34,518	23,367	0	11,550	1,029,828	0	1,099,263	7,158	68	(332)	0	0
2-D COMMUNITY RESIDENTIAL - DELINQUENT	0	0	0	0	2,745,529	0	2,745,529	7,047	53	0	0	0
2-E EMERGENCY SHELTER - DEPENDENT	56,328	25,227	0	21,660	451,673	0	554,888	5,145	234	1,165	0	0
2-F EMERGENCY SHELTER - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-G FOSTER FAMILY - DEPENDENT	665,704	346,937	0	313,931	3,718,801	0	5,045,373	69,301	327	9,067	3,900	0
2-H FOSTER FAMILY - DELINQUENT	0	0	0	0	99,154	0	99,154	729	6	0	0	0
2-I SUP. INDEPENDENT LIVING - DEPENDENT	0	0	0	5	238,901	0	238,906	1,452	12	0	0	0
2-J SUP. INDEPENDENT LIVING - DELINQUENT	0	0	0	0	74,265	0	74,265	402	4	0	0	0
2-K SUBTOTAL CBP	756,550	395,531	0	347,146	8,378,151	0	9,877,378	91,234	704	9,900	3,900	0
INSTITUTIONAL PLACEMENT												
3-A JUVENILE DETENTION SERVICE	0	0	0	0	1,618,121	0	1,618,121	4,297	140	0	0	0
3-B RESIDENTIAL SERVICE - DEPENDENT	0	0	0	3,382	808,001	0	811,383	5,718	32	0	1,590	0
3-C RES. SERVICE - DELINQUENT (EXCEPT YDC VFO)	0	0	0	0	1,183,807	0	1,183,807	4,463	31	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	355,029	0	355,029	726	6	0	0	0
3-F SUBTOTAL INSTITUTIONAL	0	0	0	3,382	3,964,958	0	3,968,340	15,204	209	0	1,590	0
4 ADMINISTRATION	319,531	205,668	0	567,450	0	0	1,092,649	0	0	99,603	0	0
5 TOTAL EXPENDITURES	5,638,268	2,809,362	2,177,442	2,298,662	16,677,139	212,010	29,812,883	0	0	158,609	9,325	0
County Indirect Costs = \$ 512,148												

**NORTHAMPTON COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2013 TO JUNE 30, 2014
AMENDED**

SUMMARY OF EXPENSE AND EXPENSE ADJUSTMENTS

COST CENTER ITEMS	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Adoption Service	\$ 840,588	\$ 0	\$ 840,588
Adoption Assistance	1,918,752	0	1,918,752
Subsidized Permanent Legal Custodianship	258,690	0	258,690
Counseling	4,911,188	0	4,911,188
Day Care	325,166	0	325,166
Day Treatment	46,858	0	46,858
Homemaker Service	0	0	0
Intake and Referral	69,682	0	69,682
Life Skills	100,237	0	100,237
Protective Service - Child Abuse	1,901,569	0	1,901,569
Protective Service - General	3,231,875	0	3,231,875
Service Planning	1,174,171	0	1,174,171
Juvenile Act Proceedings	95,740	0	95,740
Alternative Treatment	0	0	0
Community Residential	3,844,792	0	3,844,792
Emergency Shelter	554,888	0	554,888
Foster Family	5,144,527	0	5,144,527
Supervised Independent Living	333,171	0	333,171
Juvenile Detention Service	1,618,121	0	1,618,121
Residential Service	1,995,190	0	1,995,190
Secure Residential Service (Except YDC)	0	0	0
YDC Secure	355,029	0	355,029
Administration	1,092,649	0	1,092,649
Combined Total Expense	29,812,883	0	29,812,883
Less Non-reimbursables	167,934	0	167,934
Total Net Expense	\$ 29,644,949	\$ 0	\$ 29,644,949

OBJECTS OF EXPENDITURE	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Wages and Salaries	\$ 5,638,268	\$ 0	\$ 5,638,268
Employee Benefits	2,809,362	0	2,809,362
Subsidies	2,177,442	0	2,177,442
Operating	2,298,662	0	2,298,662
Purchased Services	16,677,139	0	16,677,139
Fixed Assets	212,010	0	212,010
Combined Total Expense	29,812,883	0	29,812,883
Less Non-reimbursables	167,934	0	167,934
Total Net Expense	\$ 29,644,949	\$ 0	\$ 29,644,949

**NORTHAMPTON COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2013 TO JUNE 30, 2014
ADJUSTMENT SCHEDULE**

REPORT REFERENCE			ADJ. NO.	EXPLANATION OF ADJUSTMENT	AS REPORTED OR ADJUSTED	INCREASE/ (DECREASE)	ADJUSTED TOTAL
SCHEDULE	LINE	COLUMN					
CY-370A	2-C	2	1	CY-370A Adjustments			
	2-E	2		Community Residential (Dep.) - Program Income	\$ 31,942	\$ 537	\$ 32,479
	2-G	2		Emergency Shelter (Dep.) - Program Income	\$ 1,583	\$ 1	\$ 1,584
	3-B	2		Foster Family (Dep.) - Program Income	\$ 339,575	\$ (1,364)	\$ 338,211
				Residential Service (Dep.) - Program Income	\$ 59,349	\$ (504)	\$ 58,845
			Total Adjustment		<u>\$ (1,330)</u>		
			To decrease Program Income by \$1,330 to properly report revenue on the CY-370A Revenue Report and reconcile to the agency's final revenue ledger.				
			Title 55 PA Code, Chapter 3170.95(a)(b)				
CY-370A	2-G	9	2	Foster Family (Dep.) - Medical Assistance	\$ 66,323	\$ (1,413)	\$ 64,910
			To decrease Medical Assistance by \$1,413 to properly report revenue on the CY-370A Revenue Report and reconcile to the agency's final revenue ledger.				
			Title 55 PA Code, Chapter 3170.95(a)(b)				

SECTION 5

CURRENT ENGAGEMENT FINDING AND RECOMMENDATION

NORTHAMPTON COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT FINDINGS AND RECOMMENDATION

Finding – Northampton County Children and Youth Services Agency Paid Contractors for In-Home Purchased Services but Failed to Obtain Reasonable Assurance That These Services Were Actually Provided

Condition: During the 2010-2011, 2011-2012, 2012-2013, and 2013-2014 fiscal years, Northampton County Children and Youth Services Agency (agency) paid In-Home Purchased Service providers¹ (providers) a total of \$17,795,235. We evaluated the agency's internal control procedures by judgmentally selecting 10 providers that were utilized during the aforementioned fiscal years and, from those providers, judgmentally selecting 21 invoices totaling \$864,344. While the agency provided the approved invoices corresponding to the \$17,795,235 expended, we found that the agency failed to obtain reasonable assurance that these providers, responsible for providing In-Home services directly to at-risk children and their families, actually performed the services for which the agency was invoiced, and subsequently paid, and that if provided, were provided in adherence to executed contract terms between the agency and the respective provider.

The 10 cited In-Home Purchased Service providers consisted of 7 Fee-for-Service and 3 Program-Funded providers. The approved contracts for the 7 Fee-for-Service providers included an agreed upon fee-for-service rate per unit (days/hours/evaluation/assessment), and costs invoiced by these types of providers were calculated by multiplying the contracted service rate by the number of units each respective Fee-for-Service provider listed on its submitted invoices. While the monthly invoices submitted by the Fee-For-Service providers included the names of individuals who received services, the agency did not provide evidence of the validity of the number of units invoiced for each individual.

Regarding the 3 Program-Funded providers, these providers contracted with the agency for a maximum amount to be paid for each contracted fiscal year, and each month these providers invoiced the agency a standard prorated monthly amount for operating costs. However, these Program-Funded providers submitted no supporting documentation, nor did the agency require any documentation, substantiating the operating costs summarized on these providers' monthly

¹ Agency management stated that 56 providers were utilized providers during the 2010-2011, 2011-2012, 2012-2013, and 2013-2014 fiscal years. Due to the amount of time it would have taken, based on how agency records are maintained, we did not verify the accuracy of this number, which is included for contextual purposes only. However, we did perform procedures to obtain reasonable assurance that the agency paid In-Home Purchased Service Providers a total of \$17,795,235 during the noted engagement scope period.

NORTHAMPTON COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT FINDINGS AND RECOMMENDATION

invoices or that the In-Home services corresponding to the invoiced costs were actually provided per the terms of their contractual requirements.

Furthermore, regarding the remaining In-Home Purchased Services providers for whom we performed no testing procedures, agency management informed us that they did not require these providers to submit any documentation other than submitted invoices during the aforementioned engagement period.

Criteria: 55 Pa. Code Chapter 3140. Planning and Financial Reimbursement Requirements for County Children and Youth Social Service Programs. *Section 3140.21. Reimbursement for Services. General.* “(a) Under section 704.1 of the Human Services Code (62 P.S. § 704.1), the Department reimburses expenses incurred by the county for children and youth social services, including services to alleged and adjudicated dependent and delinquent children according to an approved county plan and budget estimate up to the amount of State funds allocated to the county under section 709.3 of the Human Services Code (62 P.S. § 709.3).”

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

In addition, 55 Pa. Code § 3170. Allowable Costs and Procedures for County Children and Youth.

- *Section 3170.2. Definitions.* Program funded agency – An agency whose total eligible expenditures are funded in a manner which is predetermined by the appropriate county authorities.
- *Section 3170.23(a). Purchase of Service.* Purchase of service funding may be by unit of service funding or by program funding.
- *Section 3170.85. Responsibility of the County.* “...the county executive officers shall be responsible for the effective execution of each purchase of service agreement...”

NORTHAMPTON COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT FINDINGS AND RECOMMENDATION

- *Section 3170.91. County Responsibility.* “The county is responsible for the general fiscal management of the county agency. This includes maintaining fiscal records of expenditures and revenues of the program, providing data for budgeting and expenditure reporting to the Department, monitoring the financial activities of the program, and other activities related to the fiscal operations of the program.”
- *Section 3170.92(b). Accountability for Expenditures for Clients. Records Maintenance.* “County agencies shall maintain sufficient and appropriate records and data to justify payment for expenses by the Department. The local authorities or contractors shall maintain books, records, documents and other evidence and accounting procedures and practices, sufficient to reflect properly all direct and indirect costs of whatever nature claimed to have been incurred and anticipated to be incurred for funds supported by the Department and for which reimbursement is claimed...”

Cause: The agency failed to implement fiscal-related monitoring procedures that would provide reasonable assurance that invoiced, and paid for, contracted Fee-For-Service and Program Funded In-Home services were actually provided, and if provided, provided in adherence to the respective provider’s executed contract terms. Agency management informed us that, during the fiscal years included in our engagement scope period, agency fiscal staff verified that all children listed on the Fee-for-Service providers’ submitted invoices were authorized to receive the invoiced services and the invoiced rates were compared to contracts, however, no fiscal related monitoring procedures were performed to obtain reasonable assurance that the contracted services related to In-Home Purchased Service fees invoiced by Fee-For-Service In-Home Purchased Services providers were actually provided on the dates, and for the number of units, for each individual listed on these providers’ submitted invoices or that contracted services related to operating costs invoiced by Program Funded Purchased Services providers were actually provided.

Effect: The agency’s failure to obtain reasonable assurance that contracted In-Home Purchased Services were actually provided by contracted Fee-For-Service and Program Funded In-Home Purchased Services providers, and provided in adherence to the requirements of the respective provider’s executed contract terms (and therefore in adherence to DHS regulations), coupled with the agency’s failure to substantiate operating costs invoiced by Program Funded In-Home Purchased Services providers, increases agency management’s risk of:

- Failure to detect fraudulent or erroneous In-Home provider billings (invoices).
- Failure to prevent or detect improper payments for such invoices.
- Inappropriately billing the Commonwealth DHS for such improper payments.

NORTHAMPTON COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT FINDINGS AND RECOMMENDATION

- Receipt of Act 148 funds to which the agency may not be entitled.

As a result of these risks, for the aforementioned fiscal years, we cannot attest that the contracted services related to the invoiced In-Home Purchased Services fees were actually provided, and if provided, were provided in adherence to executed contracted terms and DHS regulations, or that contracted Program Funded In-Home Purchased Services providers actually incurred the monthly operating costs for which they were reimbursed by the agency.

Recommendation: We recommend that agency management implement routine, fiscal-related monitoring policy and procedures that provide reasonable assurance that contracted services related to the fees invoiced by Fee-For-Service and Program Funded In-Home Purchased Services providers were actually provided, and provided in adherence to executed contracted terms and DHS regulations. Specifically, this written fiscal-related monitoring policy, and corresponding procedures, should include, but not be limited to, the following:

- Development and implementation of formal policies and procedures detailing the specific fiscal-related In-Home monitoring procedures that must be performed, and documentation that must be maintained, to evidence monitoring results and how identified In-Home Purchased Services provider deficiencies will impact the agency's payment process for these submitted invoices.
- Performance of on-site fiscal-related monitoring visits of In-Home Purchased Services providers, as deemed necessary by agency management, to determine whether appropriate supporting documentation exists substantiating invoiced costs and that related services were actually provided according to executed contract terms.
- Requiring In-Home Purchased Services providers, as deemed necessary by agency management, to submit substantiation evidencing that services related invoiced In-Home Purchased Services costs were actually provided.²
- Ensuring that agency staff responsible for reviewing and approving submitted In-Home Purchased Services providers' invoices for payment are made aware of the results of fiscal-related monitoring reviews of these providers and, for any such providers for which significant documentation deficiencies have been identified, the impact on the agency's review and approval process for these providers.

² For any program funded providers, fiscal-related monitoring should include verification of the provider's operating costs invoiced to the agency.

NORTHAMPTON COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT FINDINGS AND RECOMMENDATION

We further recommend that the agency maintain sufficient evidence substantiating the results of all fiscal-related monitoring procedures performed to determine whether the services for which In-Home Purchased Services providers were paid were actually provided, and provided in adherence to DHS regulations and executed contract terms.

Agency Representative Response: Northampton County CYF along with its Department of Human Services put together a Risk Assessment Policy. This policy addresses Program and Fiscal Site Monitoring, and Audit Reviews, Sub-recipient vs Contractor status, Contract Requirements and a Risk Assessment Review. During FY 16-17 the Administrative Officer in the fiscal unit completed six on-site visits to In-Home Purchased Service providers. The goal for FY 2017-18 is to complete 25 on-site visits or 1/3 of our contracted Purchase Service providers. The 2017-18 contract year is also when the Agency started requiring all providers to submit client sign-in documentation with their monthly invoices.

The on-site review starts with pulling invoices from the provider and compiling a list of children receiving services from this provider. The invoices are reviewed to determine if there are errors or inconsistent information. The Agency then selects a random sample of 10 children or 10% of the children whichever is greater for review at the site. An e-mail is sent to the Agency Supervisors and Program Directors to find out if they have any concerns that need to be addressed during this visit. The list and any concerns are sent to the provider so that files are available on the date of review.

The Agency discusses questions and concerns with the provider and informs them of any upcoming changes. The Agency reviews the client files to determine: Did the child receive the services as listed in the program description? Was the child seen consistently and these services coincide with the invoices? Is there documentation for every service the child received? Did the child or guardian sign the grievance policy?

This information is documented on the review form and sent to the Fiscal Officer II and Program Specialist II in charge of contracts for discussion at the CYF Administrative meetings. Any errors or discrepancies are addressed with the provider.

Auditor's Conclusion: We commend the Northampton County Children and Youth agency management on their development of a Risk Assessment Policy. However, because this policy was developed subsequent to our engagement scope period, our finding will stand as presented. During our next audit of the agency, we will review this policy and the results of related on site reviews to determine whether appropriate evidence exists to provide reasonable assurance that related invoiced, and paid for, In-Home services were actually provided, and if provided, were provided in adherence to DHS regulations and executed key contract terms for both Fee-for-Service and Program-Funded In-Home Providers and that contracted

NORTHAMPTON COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT FINDINGS AND RECOMMENDATION

Program Funded In-Home Purchased Services providers actually incurred the monthly operating costs for which they were reimbursed.

SECTION 7

CURRENT ENGAGEMENT OBSERVATION

NORTHAMPTON COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT OBSERVATION

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

The Child Protective Services Law³ (CPSL) requires the conduct of criminal background checks and child abuse history clearances (certifications) for all employees and direct volunteers of county children and youth (C&Y) agencies as well as the volunteers/employees of these agencies’ contractors (providers) and subcontractors (sub-recipients).⁴ To ensure adherence to these requirements, the Commonwealth DHS (DHS) has assigned monitoring responsibilities to internal offices and bureaus based on the types of services provided.

As a part of its annual licensing inspection process of county C&Y agencies, the Commonwealth DHS’ Office of Children, Youth and Families (OCYF) performs reviews of agency employees and agency foster parents’ adherence to the requirements of the CPSL. The OCYF also performs CPSL adherence reviews of employees of contracted foster family agencies through its annual licensing inspection of these providers. However, because the OCYF is behind in its completion of these annual inspections and does not have adequate procedures in place to determine whether C&Y agencies are monitoring their respective providers’ and sub-recipients’ adherence to the CPSL,⁵ the safety of children receiving services from these agencies and their contractors and subcontractors may be at **risk**. According to information provided by the DHS OCYF, the Northampton County Children and Youth Agency provided in-home and placement services to 4,085 children residing within the County during the 2015-2016 fiscal year.

Furthermore, beginning July 1, 2012, the DHS Bureau of Human Services’ Licensing (bureau) took over the responsibility for the performance of the annual licensing inspections of Child Day Treatment Centers and Child Residential Facilities which encompasses the performance of CPSL adherence reviews of the employees of these providers. Prior to July 1, 2012, the DHS OCYF had been responsible for performing these CPSL adherence reviews during its annual licensing inspections of these providers. Through a review of DHS’ website, we found letters,

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

⁴ 23 Pa.C.S. §§ 6344 and 6344.2.

⁵ This is detailed in the Commonwealth of Pennsylvania Single Audit Reports (most recently for the fiscal year ended June 30, 2016, via Finding 2016-017).

NORTHAMPTON COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT OBSERVATION

posted by DHS, to the management staff of Child Day Treatment Centers and Child Residential Facilities detailing the results of the licensing inspections performed by the bureau; identified regulatory violations, including CPSL adherence violations, were specified in the accompanying License Inspection Summaries. However, we are unable to attest to the timeliness of the completion of these annual inspections. Furthermore, we are also unable to attest to whether the CPSL adherence of any potential sub-recipients used by these providers are being monitored.

Finally, for contracted in-home preventative service providers, we were informed by DHS OCYF that these providers are not required to be licensed by the Commonwealth and, thus, are not subject to the annual inspections performed by the DHS. However, it is DHS' position that while not all in-home service providers would meet the criteria requiring the conduct of criminal background checks and child abuse history clearances (certifications) for employees/volunteers, when they do, C&Y agencies are responsible for including provisions in their executed contracts with these providers and monitoring their providers' adherence to CPSL requirements.

However, in correspondence with agency management during the course of recently conducted audit engagements, we have found that the agency management staffs of these C&Y agencies are of the opinion that there is no need for C&Y agencies to monitor CPSL adherence of the employees/volunteers of these providers because they are now including the requirements for this monitoring in their executed contracts with these providers. Our interpretation of the CPSL is that the C&Y agencies cannot fulfill their duties under the CPSL to protect the children receiving in-home preventative services from child abuse by merely "monitoring" their executed provider contracts rather than actually monitoring their providers' adherence to the CPSL background check requirements. While it is evident that neither the DHS nor the C&Y agencies are monitoring the CPSL adherence of their employees and volunteers of contracted in-home preventative service providers, this Department will continue to raise concerns about their interpretation of the CPSL and that this faulty interpretation may be putting the safety of these children at **great risk**.

It is important to note that background checks and child abuse clearances have historically been valid for one year after being obtained. However, recent amendments to the CPSL extend this time frame from one year to five years.⁶ Therefore, there is a need for DHS and C&Y agencies across the commonwealth to have a *greatly heightened* awareness about their employees' providers' and sub-recipients' arrest and conviction records, as well as child abuse adjudications to ensure that no new, disqualifying incidents have occurred from the date of the background clearances since certain disqualifying offenses could go undetected for years.

⁶ 23 Pa.C.S. § 6344.4.

NORTHAMPTON COUNTY CHILDREN AND YOUTH AGENCY
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This report was originally distributed to the following:

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