

# AMENDED FISCAL REPORTS

## For Fiscal Years:

July 1, 2018 to June 30, 2019

July 1, 2019 to June 30, 2020

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# Sullivan County Children and Youth Agency

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March 2022



Commonwealth of Pennsylvania  
Department of the Auditor General

Timothy L. DeFoor • Auditor General



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

The Commissioners of Sullivan County  
Sullivan County Courthouse  
245 Muncy Street, P.O. Box 157  
Laporte, PA 18626

Dear Commissioners:

We have fulfilled the requirements pursuant to authority derived from Act 148 of 1976, as amended, (62 P.S. § 704.1(a)(4)) for the submitted CY-370 Expenditure Report, the CY-370A Revenue Report, and the CY-348 Fiscal Summary, hereinafter referred to as the submitted fiscal reports, and the related financial records of the Sullivan County Children and Youth Services (agency). The purpose of this engagement is to ascertain and certify the actual commonwealth expenditures incurred on behalf of children residing within the county for the fiscal years July 1, 2018 to June 30, 2019, and July 1, 2019 to June 30, 2020. The scope of our engagement was limited to the fiscal reports submitted to the Department of Human Services (DHS) as part of the Act 148 Invoice Packages for the fiscal years ended June 30, 2019, and June 30, 2020.

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

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

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

- For the **2018-2019 fiscal year**, our engagement resulted in no adjustments made to the agency's submitted fiscal reports.
- For the **2019-2020 fiscal year**, our engagement resulted in one adjustment being made to the agency's submitted fiscal reports. This adjustment in total impacted the agency's Net State Share by increasing agency expenditures by \$718. Based on the application of the state participation rates, the adjustment resulted in an amount due to the county totaling \$509.

This report includes the following observation.

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

The results of our engagement procedures, as presented in this report, were discussed with agency management at an exit conference held on March 11, 2022.

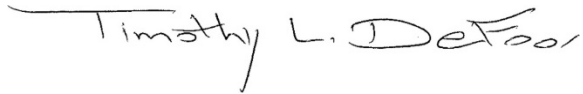
This report is being forwarded to the DHS Bureau of Financial Operations, and the Office of Children, Youth, and Families for review and settlement of any recommended adjustments included in our amended fiscal reports. You will be notified by DHS of the decisions made regarding the approval and finalization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

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<sup>1</sup> 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 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  
March 22, 2022

# CONTENTS

	Page
<b><u>Background</u></b> .....	1
<b><u>Section 1 – Amended Fiscal Reports for the Fiscal Year July 1, 2018 to June 30, 2019</u></b>	
Amended Computation of Final Net State Share .....	3
Amended CY-348 - Fiscal Summary .....	4
Amended CY-370A - Revenue Report .....	5
Amended CY-370 - Expenditure Report.....	6
Amended Summary of Expense and Expense Adjustments .....	7
<b><u>Section 2 – Amended Fiscal Reports for the Fiscal Year July 1, 2019 to June 30, 2020</u></b>	
Amended Computation of Final Net State Share .....	9
Amended CY-348 - Fiscal Summary .....	10
Amended CY-370A - Revenue Report .....	11
Amended CY-370 - Expenditure Report.....	12
Amended Summary of Expense and Expense Adjustments .....	13
Adjustment Schedule .....	14
<b><u>Section 3 – Status of Prior Engagement Finding and Recommendation</u></b> .....	16
<b><u>Section 4 – Current Engagement Observation</u></b> .....	18
<b><u>Report Distribution List</u></b> .....	22

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

**SECTION 1**

**AMENDED FISCAL REPORTS**

**FOR THE FISCAL YEAR:**

**JULY 1, 2018 to JUNE 30, 2019**

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

Approved State Allocation <sup>1</sup>	\$	469,930
Supplemental Act 148		0
Total State Allocation		469,930
State Share (CY348) <sup>2</sup>	\$	400,775
Less: Major Service Category Adjustment		0
Net State Share	\$	400,775
Less: Expenditures in Excess of the Approved State Allocation		0
Final Net State Share Payable <sup>3</sup>	\$	400,775
Actual Act 148 Revenues Received <sup>4</sup>		400,775
Net Amount Due County/(State) <sup>5</sup>	\$	0

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

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

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

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

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

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

	A	B	C	D	E	F	G	H	I	J	K
	GRAND TOTAL	PROGRAM INCOME	TITLE IV-E	TANF	TITLE XX	TITLE IV-B	Child Welfare Demonstration Project Title IV-E	MEDICAL ASSISTANCE	NET TOTAL	STATE ACT 148	LOCAL SHARE
NET CHILD WELFARE EXPENDITURES											
01. 100% REIMBURSEMENT	3,183	0	224	0	0	0	0	0	2,959	2,959	0
02. 90% REIMBURSEMENT	765	0	400	0	0	0	0	0	365	329	36
03. 80% REIMBURSEMENT	474,692	980	36,772	3,296	4,989	6,577	0	0	422,078	337,662	84,416
04. 60% REIMBURSEMENT	99,208	4,431	3,892	0	0	0	0	309	90,576	54,346	36,230
05. 50% REIMBURSEMENT	10,957	0	0	0	0	0	0	0	10,957	5,479	5,478
06. TOTAL NET CHILD WELFARE EXPEND.	588,805	5,411	41,288	3,296	4,989	6,577	0	309	526,935	400,775	126,160
YDC/YFC PLACEMENT COSTS											
07. 60% DHS PARTICIPATION	0	0							0	0	0
08. NON-REIMBURSABLE EXPENDITURES	0	0							0		0
09. TOTAL EXPENDITURES	588,805	5,411	41,288	3,296	4,989	6,577	0	309	526,935	400,775	126,160
10. TOTAL TITLE IV-D COLLECTIONS	5,411										
11. TITLE IV-D Collections for IV-E Children	41										
12. STATE ACT 148 - line 6	400,775										
13. STATE ACT 148 ALLOCATION	469,930										
14. ADJUSTED STATE SHARE (lower of 12 or 13)	400,775										
INVOICE											
AMENDED STATE SHARE (ACT 148)	400,775										
ACT 148 AMOUNT RECEIVED	400,775										
ADJUSTMENT TO STATE SHARE	0										

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

MAJOR SERVICE CATEGORIES & COST CENTERS		REVENUE SOURCES											
		1	2	3	4	5	6	7	8	9	10	11	12
		TOTAL REIMBURSABLE EXPENDITURES	PROGRAM INCOME	TITLE IV-E MAINTENANCE	TITLE IV-E ADMIN.	TANF	TITLE XX TITLE IV-B	Child Welfare Demonstration Project Title IV-E	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE	
<b>IN-HOME</b>													
1-A	ADOPTION SERVICE	3,183	0		224	0		0	0	2,959	2,959	0	
1-B	ADOPTION ASSISTANCE	7,440	0	3,880	0			0	0	3,560	2,848	712	
1-C	SUBSIDIZED PERMANENT LEGAL CUSTODIANSH	6,850	0	0	0			0	0	6,850	5,480	1,370	
1-D	COUNSELING - DEPENDENT	3,296	0		0	3,296	0	0	0	0	0	0	
1-E	COUNSELING - DELINQUENT	0	0		0	0	0	0	0	0	0	0	
1-F	DAY CARE	0	0		0	0	0	0	0	0	0	0	
1-G	DAY TREATMENT - DEPENDENT	0	0		0	0	0	0	0	0	0	0	
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	88,767	0		6,388	0	0	0	0	82,379	65,903	16,476	
1-K	LIFE SKILLS - DEPENDENT	0	0		0	0	0	0	0	0	0	0	
1-L	LIFE SKILLS - DELINQUENT	0	0		0	0	0	0	0	0	0	0	
1-M	PROTECTIVE SERVICE - CHILD ABUSE	61,023	0		3,920	0	4,989	0	0	52,114	41,691	10,423	
1-N	PROTECTIVE SERVICE - GENERAL	175,114	0		11,967	0	0	0	0	163,147	130,518	32,629	
1-O	SERVICE PLANNING	39,851	0		2,429	0	0	6,577	0	30,845	24,676	6,169	
1-P	JUVENILE ACT PROCEEDINGS - DEPENDENT	1,857	0		0	0	0	0	0	1,857	929	928	
1-Q	JUVENILE ACT PROCEEDINGS - DELINQUENT	0	0		0	0	0	0	0	0	0	0	
1-R	<b>SUBTOTAL IN-HOME</b>	<b>387,381</b>	<b>0</b>	<b>3,880</b>	<b>24,928</b>	<b>3,296</b>	<b>4,989</b>	<b>6,577</b>	<b>0</b>	<b>343,711</b>	<b>275,004</b>	<b>68,707</b>	
<b>COMMUNITY BASED PLACEMENT</b>													
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	0	0		0	0	0	0	0	0	0	0	
2-D	COMMUNITY RESIDENTIAL - DELINQUENT	0	0		0	0	0	0	0	0	0	0	
2-E	EMERGENCY SHELTER - DEPENDENT	765	0	400	0	0	0	0	0	365	329	36	
2-F	EMERGENCY SHELTER - DELINQUENT	0	0		0	0	0	0	0	0	0	0	
2-G	FOSTER FAMILY - DEPENDENT	92,351	980	4,467	3,721		0	0	0	83,183	66,546	16,637	
2-H	FOSTER FAMILY - DELINQUENT	0	0		0	0	0	0	0	0	0	0	
2-I	SUP. INDEPENDENT LIVING - DEPENDENT	0	0		0	0	0	0	0	0	0	0	
2-J	SUP. INDEPENDENT LIVING - DELINQUENT	0	0		0	0	0	0	0	0	0	0	
2-K	<b>SUBTOTAL CBP</b>	<b>93,116</b>	<b>980</b>	<b>4,867</b>	<b>3,721</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>83,548</b>	<b>66,875</b>	<b>16,673</b>	
<b>INSTITUTIONAL PLACEMENT</b>													
3-A	JUVENILE DETENTION SERVICE	9,100	0							9,100	4,550	4,550	
3-B	RESIDENTIAL SERVICE - DEPENDENT	7,559	0	0	518		0	0	0	7,041	4,225	2,816	
3-C	RES. SERVICE - DELINQUENT (NON YDC/VFC)	44,297	4,431		0		0	0	0	39,866	23,920	15,946	
3-D	SECURE RES. SERVICE (EXCEPT YDC)	0	0							0	0	0	
3-E	YDC SECURE	0	0							0	0	0	
3-F	<b>SUBTOTAL INSTITUTIONAL</b>	<b>60,956</b>	<b>4,431</b>	<b>0</b>	<b>518</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>56,007</b>	<b>32,695</b>	<b>23,312</b>	
4	<b>ADMINISTRATION</b>	<b>47,352</b>	<b>0</b>		<b>3,374</b>		<b>0</b>	<b>0</b>	<b>309</b>	<b>43,669</b>	<b>26,201</b>	<b>17,468</b>	
5	<b>TOTAL REVENUES</b>	<b>588,805</b>	<b>5,411</b>	<b>8,747</b>	<b>32,541</b>	<b>3,296</b>	<b>4,989</b>	<b>6,577</b>	<b>0</b>	<b>526,935</b>	<b>400,775</b>	<b>126,160</b>	

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

MAJOR SERVICE CATEGORIES & COST CENTERS		OBJECTS OF EXPENDITURE											
		1 WAGES AND SALARIES	2 EMPLOYEE BENEFITS	3 SUBSIDIES	4 OPERATING	5 PURCHASED SERVICES	6 FIXED ASSETS	7 TOTAL EXPENDITURES	8 CHILDREN SERVED (BY COUNTY)	9 CHILDREN SERVED (PURCHASED)	10 NON- REIMBURSABLE NON PS SUB.	11 NON-REIM. PURCHASED SERV/ SUBSIDIES	12 PROGRAM INCOME RELATED TO ALL NON- REIMBURSABLE
<b>IN-HOME</b>													
1-A	ADOPTION SERVICE	2,269	697	217	0	0	3,183	1	0	0	0	0	
1-B	ADOPTION ASSISTANCE	0	0	7,440	0	0	7,440	0	1	0	0	0	
1-C	SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	0	0	6,850	0	0	6,850	0	1	0	0	0	
1-D	COUNSELING - DEPENDENT	0	0	3,296	0	0	3,296	0	1	0	0	0	
1-E	COUNSELING - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	
1-F	DAY CARE	0	0	0	0	0	0	0	0	0	0	0	
1-G	DAY TREATMENT - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	
1-H	DAY TREATMENT - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	
1-I	HOMEMAKER SERVICE	0	0	0	0	0	0	0	0	0	0	0	
1-J	INTAKE & REFERRAL	54,969	29,854	3,944	0	0	88,767	280	0	0	0	0	
1-K	LIFE SKILLS - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	
1-L	LIFE SKILLS - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	
1-M	PROTECTIVE SERVICE - CHILD ABUSE	33,848	12,350	9,825	5,000	0	61,023	40	3,702	0	0	0	
1-N	PROTECTIVE SERVICE - GENERAL	104,086	53,777	9,866	7,385	0	175,114	303	7	0	0	0	
1-O	SERVICE PLANNING	25,549	10,041	4,261	0	0	39,851	343	0	0	0	0	
1-P	JUVENILE ACT PROCEEDINGS - DEPENDENT	0	0	1,857	0	0	1,857	0	3	0	0	0	
1-Q	JUVENILE ACT PROCEEDINGS - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	
1-R	<b>SUBTOTAL IN-HOME</b>	220,721	106,719	14,290	28,113	17,538	387,381	0	0	0	0	0	
		Number of Children receiving only NON-PURCHASED IN-Home Services 180											
<b>COMMUNITY BASED PLACEMENT</b>													
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	0	0	0	0	0	0	0	0	0	0	0	
2-D	COMMUNITY RESIDENTIAL - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	
2-E	EMERGENCY SHELTER - DEPENDENT	0	0	0	0	765	765	30	1	0	0	0	
2-F	EMERGENCY SHELTER - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	
2-G	FOSTER FAMILY - DEPENDENT	27,059	13,230	12,901	39,161	0	92,351	632	3	0	0	0	
2-H	FOSTER FAMILY - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	
2-I	SUP. INDEPENDENT LIVING - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	
2-J	SUP. INDEPENDENT LIVING - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	
2-K	<b>SUBTOTAL CBP</b>	27,059	13,230	12,901	39,926	0	93,116	662	4	0	0	0	
<b>ADMINISTRATION</b>													
4	<b>ADMINISTRATION</b>	14,977	6,558	0	25,817	0	47,352	0	0	0	0	0	
5	<b>TOTAL EXPENDITURES</b>	267,714	128,372	14,290	67,798	0	588,805	0	0	0	0	0	
		County Indirect Costs = \$ 5,844											

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

<b>COST CENTER ITEMS</b>	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Adoption Service	\$ 3,183	\$ 0	\$ 3,183
Adoption Assistance	7,440	0	7,440
Subsidized Permanent Legal Custodianship	6,850	0	6,850
Counseling	3,296	0	3,296
Day Care	0	0	0
Day Treatment	0	0	0
Homemaker Service	0	0	0
Intake and Referral	88,767	0	88,767
Life Skills	0	0	0
Protective Service - Child Abuse	61,023	0	61,023
Protective Service - General	175,114	0	175,114
Service Planning	39,851	0	39,851
Juvenile Act Proceedings	1,857	0	1,857
Alternative Treatment	0	0	0
Community Residential	0	0	0
Emergency Shelter	765	0	765
Foster Family	92,351	0	92,351
Supervised Independent Living	0	0	0
Juvenile Detention Service	9,100	0	9,100
Residential Service	51,856	0	51,856
Secure Residential Service (Except YDC)	0	0	0
YDC Secure	0	0	0
Administration	47,352	0	47,352
Combined Total Expense	<u>588,805</u>	<u>0</u>	<u>588,805</u>
Less Non-reimbursables	<u>0</u>	<u>0</u>	<u>0</u>
Total Net Expense	<u>\$ 588,805</u>	<u>\$ 0</u>	<u>\$ 588,805</u>

<b>OBJECTS OF EXPENDITURE</b>	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Wages and Salaries	\$ 267,714	\$ 0	\$ 267,714
Employee Benefits	128,372	0	128,372
Subsidies	14,290	0	14,290
Operating	67,798	0	67,798
Purchased Services	110,631	0	110,631
Fixed Assets	0	0	0
Combined Total Expense	<u>588,805</u>	<u>0</u>	<u>588,805</u>
Less Non-reimbursables	<u>0</u>	<u>0</u>	<u>0</u>
Total Net Expense	<u>\$ 588,805</u>	<u>\$ 0</u>	<u>\$ 588,805</u>

# **SECTION 2**

## **AMENDED FISCAL REPORTS**

**FOR THE FISCAL YEAR:**

**JULY 1, 2019 to JUNE 30, 2020**

**SULLIVAN 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 <sup>1</sup>	\$	470,429
Supplemental Act 148		<u>0</u>
Total State Allocation		470,429
State Share (CY348) <sup>2</sup>	\$	370,175
Less: Major Service Category Adjustment		<u>0</u>
Net State Share	\$	370,175
Less: Expenditures in Excess of the Approved State Allocation		<u>0</u>
Final Net State Share Payable <sup>3</sup>	\$	370,175
Actual Act 148 Revenues Received <sup>4</sup>		<u>369,666</u>
Net Amount Due County/(State) <sup>5</sup>	\$	<u><u>509</u></u>

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

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

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

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

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

SULLIVAN 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	2,054	0	232	0	0	0	0	0	1,822	1,822	0
02. 90% REIMBURSEMENT	0	0	0	0	0	0	0	0	0	0	0
03. 80% REIMBURSEMENT	496,380	1,319	52,742	3,296	4,989	6,577	0	0	427,457	341,967	85,490
04. 60% REIMBURSEMENT	52,536	4,153	4,522	0	0	0	0	329	43,532	26,119	17,413
05. 50% REIMBURSEMENT	534	0	0	0	0	0	0	0	534	267	267
06. TOTAL NET CHILD WELFARE EXPEND.	551,505	5,472	57,496	3,296	4,989	6,577	0	329	473,346	370,175	103,171
YDC/YFC PLACEMENT COSTS											
07. 60% DHS PARTICIPATION	0	0	0						0	0	0
08. NON-REIMBURSABLE EXPENDITURES	0	0							0		0
09. TOTAL EXPENDITURES	551,505	5,472	57,496	3,296	4,989	6,577	0	329	473,346	370,175	103,171
10. TOTAL TITLE IV-D COLLECTIONS	5,472										
11. TITLE IV-D Collections for IV-E Children	208										
12. STATE ACT 148 - line 6	370,175										
13. STATE ACT 148 ALLOCATION	470,429										
14. ADJUSTED STATE SHARE (lower of 12 or 13)	370,175										
INVOICE											
AMENDED STATE SHARE (ACT 148)	370,175										
ACT 148 AMOUNT RECEIVED	369,666										
ADJUSTMENT TO STATE SHARE	509										

SULLIVAN 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 Denomination Project Title IV-E	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE
<b>IN-HOME</b>												
1-A ADOPTION SERVICE	2,054	0		232	0			0	0	1,822	1,822	0
1-B ADOPTION ASSISTANCE	7,560	0	4,118	17				0	0	3,425	2,740	685
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	5,976	0	3,462					0	0	2,514	2,011	503
1-D COUNSELING - DEPENDENT	3,296	0			3,296			0	0	0	0	0
1-E COUNSELING - DELINQUENT	0	0						0	0	0	0	0
1-F DAY CARE	0	0						0	0	0	0	0
1-G DAY TREATMENT - DEPENDENT	0	0						0	0	0	0	0
1-H DAY TREATMENT - DELINQUENT	0	0						0	0	0	0	0
1-I HOMEMAKER SERVICE	0	0						0	0	0	0	0
1-J HOMEMAKER REFERRAL	105,028	0		10,321				0	0	94,707	75,766	18,941
1-K LIFE SKILLS - DEPENDENT	0	0						0	0	0	0	0
1-L LIFE SKILLS - DELINQUENT	0	0						0	0	0	0	0
1-M PROTECTIVE SERVICE - CHILD ABUSE	70,018	0		5,542		4,989		0	0	59,487	47,590	11,897
1-N PROTECTIVE SERVICE - GENERAL	223,868	0		20,133				0	0	203,735	162,988	40,747
1-O SERVICE PLANNING	58,175	0		4,193			6,577	0	0	47,405	37,924	9,481
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT	534	0						0	0	534	267	267
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT	0	0						0	0	0	0	0
1-R <b>SUBTOTAL IN-HOME</b>	476,509	0	7,580	40,438	3,296	4,989	6,577	0	0	413,629	331,108	82,521
<b>COMMUNITY BASED PLACEMENT</b>												
2-A ALTERNATIVE TREATMENT - DEPENDENT	0	0						0	0	0	0	0
2-B ALTERNATIVE TREATMENT - DELINQUENT	0	0						0	0	0	0	0
2-C COMMUNITY RESIDENTIAL - DEPENDENT	0	0						0	0	0	0	0
2-D COMMUNITY RESIDENTIAL - DELINQUENT	0	0						0	0	0	0	0
2-E EMERGENCY SHELTER - DEPENDENT	0	0						0	0	0	0	0
2-F EMERGENCY SHELTER - DELINQUENT	22,460	1,319	2,695	2,261				0	0	16,185	12,948	3,237
2-G FOSTER FAMILY - DEPENDENT	0	0						0	0	0	0	0
2-H FOSTER FAMILY - DELINQUENT	0	0						0	0	0	0	0
2-I KINSHIP CARE - DEPENDENT	0	0						0	0	0	0	0
2-J KINSHIP CARE - DELINQUENT	0	0						0	0	0	0	0
2-K SUP. INDEPENDENT LIVING - DEPENDENT	0	0						0	0	0	0	0
2-L SUP. INDEPENDENT LIVING - DELINQUENT	0	0						0	0	0	0	0
2-M <b>SUBTOTAL CBP</b>	22,460	1,319	2,695	2,261	0	0	0	0	0	16,185	12,948	3,237
<b>INSTITUTIONAL PLACEMENT</b>												
3-A JUVENILE DETENTION SERVICE	0	0						0	0	0	0	0
3-B RESIDENTIAL SERVICE - DEPENDENT	1,632	600	0	192				0	0	840	504	336
3-C RES. SERVICE - DELINQUENT (NON YDC/YFC)	9,757	3,553	0					0	0	6,204	3,722	2,482
3-D SECURE RES. SERVICE (EXCEPT YDC)	0	0						0	0	0	0	0
3-E YDC SECURE	0	0						0	0	0	0	0
3-F <b>SUBTOTAL INSTITUTIONAL</b>	11,389	4,153	0	192	0	0	0	0	0	7,044	4,226	2,818
<b>ADMINISTRATION</b>	41,148	0		4,330				0	0	329	21,893	14,596
<b>TOTAL REVENUES</b>	551,505	5,472	10,275	47,221	3,296	4,989	6,577	0	329	473,346	370,175	103,171



SULLIVAN 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
	WAGES AND SALARIES	EMPLOYEE BENEFITS	SUBSIDIES	OPERATING	PURCHASED SERVICES	FIXED ASSETS	TOTAL EXPENDITURES	Children Served (by county)	Children Served (Purchased)	Non- Reimbursable Non PS Sub.	Non-Reim. Purchased Serv/ Subsidies	Program Income related to all Non- Reimbursable
<b>IN-HOME</b>												
1-A ADOPTION SERVICE	1,513	450		91	0	0	2,054	1	0	0	0	0
1-B ADOPTION ASSISTANCE	0	0	7,440	120	0	0	7,560	0	1	0	0	0
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	0	0	5,976	0	0	0	5,976	0	1	0	0	0
1-D COUNSELING - DEPENDENT	0	0		0	3,296	0	3,296	0	2	0	0	0
1-E COUNSELING - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
1-F DAY CARE	0	0		0	0	0	0	0	0	0	0	0
1-G DAY TREATMENT - DEPENDENT	0	0		0	0	0	0	0	0	0	0	0
1-H DAY TREATMENT - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
1-I HOMEAKER SERVICE	0	0		0	0	0	0	0	0	0	0	0
1-J INTAKE & REFERRAL	63,607	30,064		11,357	0	0	105,028	250	0	0	0	0
1-K LIFE SKILLS - DEPENDENT	0	0		0	0	0	0	0	0	0	0	0
1-L LIFE SKILLS - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
1-M PROTECTIVE SERVICE - CHILD ABUSE	40,162	14,180		10,676	5,000	0	70,018	33	6,367	0	0	0
1-N PROTECTIVE SERVICE - GENERAL	126,281	59,152		24,223	14,212	0	223,868	277	5	0	0	0
1-O SERVICE PLANNING	32,318	13,978		11,879	0	0	58,175	310	0	0	0	0
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT					534	0	534	0	1	0	0	0
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT					0	0	0	0	0	0	0	0
1-R <b>SUBTOTAL IN-HOME</b>	263,881	117,824	13,416	58,346	23,042	0	476,509			0	0	0
	Number of Children receiving only NON-PURCHASED IN-Home Services 137											
<b>COMMUNITY BASED PLACEMENT</b>												
2-A ALTERNATIVE TREATMENT - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
2-B ALTERNATIVE TREATMENT - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-C COMMUNITY RESIDENTIAL - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
2-D COMMUNITY RESIDENTIAL - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-E EMERGENCY SHELTER - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
2-F EMERGENCY SHELTER - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-G FOSTER FAMILY - DEPENDENT	7,208	2,673	0	7,569	5,010	0	22,460	167	1	0	0	0
2-H FOSTER FAMILY - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-I KINSHIP CARE - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
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	0	0	0	0	0	0	0	0	0
2-L SUP. INDEPENDENT LIVING - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-M <b>SUBTOTAL CBP</b>	7,208	2,673	0	7,569	5,010	0	22,460	167	1	0	0	0
4 <b>ADMINISTRATION</b>	13,905	6,248	0	20,995	0	0	41,148			0	0	0
5 <b>TOTAL EXPENDITURES</b>	286,140	127,060	13,416	87,080	37,809	0	551,505			0	0	0
	County Indirect Costs = \$ 6,193											

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

<b>COST CENTER ITEMS</b>	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Adoption Service	\$ 2,051	\$ 3	\$ 2,054
Adoption Assistance	7,560	0	7,560
Subsidized Permanent Legal Custodianship	5,976	0	5,976
Counseling	3,296	0	3,296
Day Care	0	0	0
Day Treatment	0	0	0
Homemaker Service	0	0	0
Intake and Referral	104,936	92	105,028
Life Skills	0	0	0
Protective Service - Child Abuse	69,978	40	70,018
Protective Service - General	223,693	175	223,868
Service Planning	58,121	54	58,175
Juvenile Act Proceedings	534	0	534
Alternative Treatment	0	0	0
Community Residential	0	0	0
Emergency Shelter	0	0	0
Foster Family	22,436	24	22,460
Kinship Care	0	0	0
Supervised Independent Living	0	0	0
Juvenile Detention Service	0	0	0
Residential Service	11,385	4	11,389
Secure Residential Service (Except YDC)	0	0	0
YDC Secure	0	0	0
Administration	40,821	327	41,148
Combined Total Expense	<u>550,787</u>	<u>718</u>	<u>551,505</u>
Less Non-reimbursables	<u>0</u>	<u>0</u>	<u>0</u>
Total Net Expense	<u>\$ 550,787</u>	<u>\$ 718</u>	<u>\$ 551,505</u>

<b>OBJECTS OF EXPENDITURE</b>	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Wages and Salaries	\$ 286,140	\$ 0	\$ 286,140
Employee Benefits	127,060	0	127,060
Subsidies	13,416	0	13,416
Operating	86,362	718	87,080
Purchased Services	37,809	0	37,809
Fixed Assets	0	0	0
Combined Total Expense	<u>550,787</u>	<u>718</u>	<u>551,505</u>
Less Non-reimbursables	<u>0</u>	<u>0</u>	<u>0</u>
Total Net Expense	<u>\$ 550,787</u>	<u>\$ 718</u>	<u>\$ 551,505</u>

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

REPORT REFERENCE			ADJ. NO.	EXPLANATION OF ADJUSTMENTS	AS REPORTED OR ADJUSTED	INCREASE/ (DECREASE)	ADJUSTED TOTAL
SCHEDULE	LINE	COLUMN					
				CY-370 Adjustment			
CY-370	1-A	4	1	Adoption Service - Operating	\$ 88	\$ 3	\$ 91
	1-J	4		Intake & Referral - Operating	\$ 11,265	\$ 92	\$ 11,357
	1-M	4		Protective Service Child Abuse - Operating	\$ 10,636	\$ 40	\$ 10,676
	1-N	4		Protective Service General - Operating	\$ 24,048	\$ 175	\$ 24,223
	1-O	4		Service Planning - Operating	\$ 11,825	\$ 54	\$ 11,879
	2-G	4		Foster Family (Dependent) - Operating	\$ 7,545	\$ 24	\$ 7,569
	3-B	4		Residential Service (Dependent) - Operating	\$ 167	\$ 4	\$ 171
	4	4		Administration - Operating	\$ 20,668	\$ 327	\$ 20,995
				Total Adjustment Amount		<u>\$ 718</u>	
				To increase operating expenditures by \$718 to include invoices erroneously omitted from the CY-370 Expenditure Report submitted to Commonwealth DHS and reconcile to the agency's expenditure ledger.			
				Title 55 PA Code, Chapter 3170.95(a)(b)			

## SECTION 3

# STATUS OF PRIOR ENGAGEMENT FINDING AND RECOMMENDATION

SULLIVAN COUNTY CHILDREN AND YOUTH AGENCY  
CURRENT ENGAGEMENT FINDING AND RECOMMENDATIONS

The prior report included the following finding:

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

In our prior engagement report, for the fiscal years July 1, 2016, to June 30, 2018, we cited the agency for failing to develop and implement internal control policies and procedures to require adequate supporting documentation evidencing that services related to fees invoiced by In-Home Purchased Service providers, and paid by the agency, were actually provided, and if provided, provided in adherence to the requirements of the respective provider contract terms.

During the conduct of our current engagement, we obtained evidence substantiating that, as of July 1, 2018, the agency developed and implemented fiscal-related monitoring policy and procedures designed to reduce the agency's risk of paying overbillings or fraudulent billings submitted by contracted In-Home Purchased Service providers.

The agency's fiscal-related monitoring policy for In-Home Purchased Service providers requires supporting documentation to be included with each submitted invoice. The documentation includes the signature of the child or parent verifying the delivery of the services and date of service. When an invoice is received, the agency director ensures the assigned caseworker found no discrepancies for the service dates or units of service. In addition, the agency fiscal administrator and director compare the supporting documentation with the invoice and each place a check mark and initials/date on the invoice and supporting documents to indicate the invoice is accurate and approved for payment. If a discrepancy is found, the invoice is returned to the provider for written verification and a resolution.

To assess the sufficiency of these procedures, we reviewed several invoices and verified the agency obtained sufficient documentation to verify the invoiced number of units and each document included a checkmark and initials/date to evidence the review was completed.

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

# SECTION 4

## CURRENT ENGAGEMENT OBSERVATION

SULLIVAN 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.<sup>2</sup> 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.<sup>3</sup>

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).<sup>4</sup> 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 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.

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<sup>2</sup> 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.

<sup>3</sup> 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.

<sup>4</sup> 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.

SULLIVAN COUNTY CHILDREN AND YOUTH AGENCY  
CURRENT ENGAGEMENT OBSERVATION

**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.
- 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.



SULLIVAN COUNTY CHILDREN AND YOUTH AGENCY  
CURRENT ENGAGEMENT OBSERVATION

- 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.<sup>5</sup>

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.<sup>1</sup>

**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.

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

SULLIVAN COUNTY CHILDREN AND YOUTH AGENCY  
CURRENT ENGAGEMENT OBSERVATION

<sup>i</sup> **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.

SULLIVAN COUNTY CHILDREN AND YOUTH AGENCY  
REPORT DISTRIBUTION LIST

This report was originally distributed to the following:

**The Honorable Tom W. Wolf**  
Governor  
Commonwealth of Pennsylvania

**The Honorable Megan Snead**  
Acting Secretary  
Department of Human Services

**Mr. Jonathan Rubin**  
Deputy Secretary  
Office of Children, Youth and Families  
Department of Human Services

**Ms. Tia Petrovitz**  
Fiscal Management Specialist 4  
Division of County Programs  
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