

AMENDED FISCAL REPORTS

For Fiscal Years:

July 1, 2014 to June 30, 2015

July 1, 2015 to June 30, 2016

July 1, 2016 to June 30, 2017

Tioga County

Children and Youth Agency

July 2019



Commonwealth of Pennsylvania
Department of the Auditor General

Eugene A. DePasquale • Auditor General



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EUGENE A. DePASQUALE
AUDITOR GENERAL

Independent Auditor's Report

The Commissioners of Tioga County
Tioga County Courthouse
118 Main Street
Wellsboro, PA 16901

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

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

Independent Auditor's Report (Continued)

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 2014-2015, 2015-2016, and 2016-2017 fiscal years based on the accrual basis of accounting.¹

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

- For the **2014-2015 fiscal year**, our engagement resulted in two adjustments being made to the agency's submitted fiscal reports. These adjustments in total impacted the agency's Final Net State Share by increasing agency expenditures by \$1,375 and increasing non-reimbursable expenditures by \$3,000. Based on the application of the state participation rates, these adjustments resulted in an amount due to the state totaling \$1,300. Both adjustments are detailed in our amended fiscal reports for fiscal year 2014-2015, as included in Section 1 of this report.
- For the **2015-2016 fiscal year**, our engagement resulted in no adjustments being made to the agency's submitted fiscal reports. Thus, there is no effect on the Final Net State Share, as detailed in our amended fiscal reports for fiscal year 2015-2016, included in Section 2 of this report.
- For the **2016-2017 fiscal year**, our engagement resulted in one adjustment being made to the agency's submitted fiscal reports. This adjustment impacted the agency's Final Net State Share by decreasing agency expenditures by \$364. Based on the application of the state participation rates, this adjustment resulted in an amount due to the state totaling \$291. This adjustment is detailed in our amended fiscal reports for fiscal year 2016-2017, as included in Section 3 of this report.

In addition, due to the timing of the conduct of our prior engagement, the agency was not able to implement corrective action to comply with the recommendations in the finding included in our prior released engagement report, as detailed in Section 4 of this report. As a result, we concluded that this finding should be reissued as a repeat finding in the current section of our engagement report, as listed below and detailed in Section 5 of this report.

Finding – Unresolved Prior Audit Recommendations – Lack of Internal Control Policies and Procedures to Reduce the Risk of Paying Overbillings or Fraudulent Billings Submitted by Contracted In-Home Purchased Service Providers

Furthermore, we updated our Child Protective Services Law Observation to include DHS management's current and planned corrective actions in response to our concerns, as listed below and detailed in Section 6 of this report.

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

¹ The accrual basis of accounting is required by the DHS.

Independent Auditor's Report (Continued)

The results of our engagement procedures, as presented in this report, were discussed with agency management at an exit conference call held on July 2, 2019.

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 Tioga County Children and Youth Agency.

Sincerely,



Eugene A. DePasquale
Auditor General

July 8, 2019

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BACKGROUND

The Department of the Auditor General is responsible for reviewing the fiscal reports, known as the submitted CY-370 Expenditure Report, the CY-370A Revenue Report, and the CY-348 Fiscal Summary of the 67 County Children and Youth Agencies to determine proper reporting and utilization of funds according to program regulations and guidelines under the Human Services Code 62 P.S. § 704.1(a)(4). The annual state Act 148 allocations are used by the Counties to administer social services for the children and youth that reside within the Commonwealth of Pennsylvania, whose stated goal is “to ensure, for each child in this Commonwealth, a permanent, legally assured family which protects the child from abuse and neglect.” According to information provided by the Department of Human Services (DHS), Office of Children, Youth and Families (OCYF), the Tioga County Children and Youth Agency provided in-home and placement services to 1,153 children residing within the County during the 2016-2017 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). Any variances identified between the submitted and actual costs and revenues required adjustments to these fiscal reports, and thus, our Amended CY-370 Expenditure Report, Amended CY-370A Revenue Report, and Amended CY-348 Fiscal Summary, resulting from our engagement procedures and included in this report for each fiscal year included in our scope, reflect the County Children and Youth Agency’s actual related costs and revenues for those years. The reports also include the impact of those costs and revenues on the County Children and Youth Agency’s corresponding Net State Shares.

SECTION 1

AMENDED FISCAL REPORTS

FOR THE FISCAL YEAR:

JULY 1, 2014 to JUNE 30, 2015

**TIOGA COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2014 TO JUNE 30, 2015
AMENDED
COMPUTATION OF FINAL NET STATE SHARE**

Approved State Allocation ¹		\$	4,116,401
Supplemental Act 148			<u>0</u>
Total State Allocation			4,116,401
State Share (CY348) ²	\$		3,955,758
Less: Major Service Category Adjustment			<u>0</u>
Net State Share		\$	3,955,758
Less: Expenditures in Excess of the Approved State Allocation			<u>0</u>
Final Net State Share Payable ³		\$	3,955,758
Actual Act 148 Revenues Received ⁴			<u>3,957,058</u>
Net Amount Due County/(State) ⁵		\$	<u><u>(1,300)</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.

**TIOGA COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2014 TO JUNE 30, 2015
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	88,252	3,010	9,854	0	0	0	0	0	75,388	75,388	0
02. 90% REIMBURSEMENT	73,229	0	11,690	0	0	0	0	0	61,539	55,385	6,154
03. 80% REIMBURSEMENT	5,563,047	205,274	762,025	264,605	36,378	220,405	0	0	4,074,360	3,259,488	814,872
04. 60% REIMBURSEMENT	1,069,507	17,640	149,733	0	0	0	0	4,339	897,795	538,677	359,118
05. 50% REIMBURSEMENT	53,774	0	134	0	0	0	0	0	53,640	26,820	26,820
06. TOTAL NET CHILD WELFARE EXPEND.	6,847,809	225,924	933,436	264,605	36,378	220,405	0	4,339	5,162,722	3,955,758	1,206,964
YDC/YFC PLACEMENT COSTS											
07. 60% DHS PARTICIPATION	0	0							0	0	0
08. NON-REIMBURSABLE EXPENDITURES	7,317	1,116							6,201		6,201
09. TOTAL EXPENDITURES	6,855,126	227,040	933,436	264,605	36,378	220,405	0	4,339	5,168,923	3,955,758	1,213,165
10. TOTAL TITLE IV-D COLLECTIONS	58,626										
11. TITLE IV-D Collections for IV-E Children	11,785										
12. STATE ACT 148 - line 6	3,955,758										
13. STATE ACT 148 ALLOCATION	4,116,401										
14. ADJUSTED STATE SHARE (lower of 12 or 13)	3,955,758										
INVOICE											
AMENDED STATE SHARE (ACT 148)	3,955,758										
ACT 148 AMOUNT RECEIVED	3,957,058										
ADJUSTMENT TO STATE SHARE	(1,300)										

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

MAJOR SERVICE CATEGORIES & COST CENTERS	REVENUE SOURCES											
	1	2	3	4	5	6	7	8	9	10	11	12
	TOTAL REIMBURSABLE EXPENDITURES	PROGRAM INCOME	TITLE IV-E MAINTENANCE	TITLE IV-E ADMIN.	TANF	TITLE XX	TITLE IV-B	Child Welfare Demonstration Project Title IV-E	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE
IN-HOME												
I-A ADOPTION SERVICE	88,252	3,010		9,854	0		0	0	0	75,388	75,388	0
I-B ADOPTION ASSISTANCE	523,857	0	201,826	4,986			0	0	0	317,045	253,636	63,409
I-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	102,790	0	17,173	0			0	0	0	85,617	68,494	17,123
I-D COUNSELING - DEPENDENT	140,725	0		19,886	0		0	0	0	120,839	96,671	24,168
I-E COUNSELING - DELINQUENT	0	0		0	0		0	0	0	0	0	0
I-F DAY CARE	5,161	0		0	0		0	0	0	5,161	4,129	1,032
I-G DAY TREATMENT - DEPENDENT	765,939	2,478		7,420	0		220,405	0	0	535,636	428,509	107,127
I-H DAY TREATMENT - DELINQUENT	58,063	0		0	0		0	0	0	58,063	46,450	11,613
I-I HOMEMAKER SERVICE	224,793	0		32,362	0		0	0	0	192,431	153,945	38,486
I-J INTAKE & REFERRAL	205,094	12,444		27,292	0		0	0	0	165,358	132,286	33,072
I-K LIFE SKILLS - DEPENDENT	0	0		0	0		0	0	0	0	0	0
I-L LIFE SKILLS - DELINQUENT	0	0		0	0		0	0	0	0	0	0
I-M PROTECTIVE SERVICE - CHILD ABUSE	292,680	0		23,873	68,123			0	0	200,684	160,547	40,137
I-N PROTECTIVE SERVICE - GENERAL	1,004,385	403		79,334	196,482			0	0	728,166	582,533	145,633
I-O SERVICE PLANNING	276,071	432		37,680	0		0	0	0	237,959	190,367	47,592
I-P JUVENILE ACT PROCEEDINGS - DEPENDENT	48,720	0		134	0		0	0	0	48,586	24,293	24,293
I-Q JUVENILE ACT PROCEEDINGS - DELINQUENT	0	0		0	0		0	0	0	0	0	0
I-R SUBTOTAL IN-HOME	3,736,530	18,767	218,999	242,821	264,605	0	220,405	0	0	2,770,933	2,217,248	555,685
COMMUNITY BASED PLACEMENT												
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	671,261	30,978	74,913	31,834			0	0	0	533,536	426,829	106,707
2-D COMMUNITY RESIDENTIAL - DELINQUENT	152,762	0		0	0		0	0	0	152,762	122,210	30,552
2-E EMERGENCY SHELTER - DEPENDENT	73,229	0	3,549	8,141	0		0	0	0	61,539	55,385	6,154
2-F EMERGENCY SHELTER - DELINQUENT	0	0		0	0		0	0	0	0	0	0
2-G FOSTER FAMILY - DEPENDENT	1,139,466	158,539	81,079	122,367			36,378	0	0	741,103	592,882	148,221
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 SUBTOTAL CBP	2,036,718	189,517	159,541	162,342	0	36,378	0	0	0	1,488,940	1,197,306	291,634
INSTITUTIONAL PLACEMENT												
3-A JUVENILE DETENTION SERVICE	5,054	0		0	0		0	0	0	5,054	2,527	2,527
3-B RESIDENTIAL SERVICE - DEPENDENT	287,082	8,843	59,496	0			0	0	0	218,743	131,246	87,497
3-C RES. SERVICE - DELINQUENT (NON YDC/YFC)	150,848	8,150	0	0	0		0	0	0	142,698	85,619	57,079
3-D SECURE RES. SERVICE (EXCEPT YDC)	0	0		0	0		0	0	0	0	0	0
3-E YDC SECURE	0	0		0	0		0	0	0	0	0	0
3-F SUBTOTAL INSTITUTIONAL	442,984	16,993	59,496	0	0	0	0	0	0	366,495	219,392	147,103
4 ADMINISTRATION	631,577	647		90,237			0	0	4,339	536,354	321,812	214,542
5 TOTAL REVENUES	6,847,809	225,924	438,036	495,400	264,605	36,378	220,405	0	4,339	5,162,722	3,955,758	1,206,964

**TIOGA COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2014 TO JUNE 30, 2015
AMENDED CY370
EXPENDITURE REPORT**

MAJOR SERVICE CATEGORIES & COST CENTERS	OBJECTS OF EXPENDITURE											
	1	2	3	4	5	6	7	8	9	10	11	12
	WAGES AND SALARIES	EMPLOYEE BENEFITS	SUBSIDIES	OPERATING	PURCHASED SERVICES	FIXED ASSETS	TOTAL EXPENDITURES	Children Served (by county)	Children Served (Purchased)	Non- Reimbursable Non PS Sub.	Non-Reim. Purchased Serv/ Subsidies	Program Income related to all Non- Reimbursable
IN-HOME												
I-A ADOPTION SERVICE	37,311	17,493		17,126	14,775	1,547	88,252	26	7	0	0	0
I-B ADOPTION ASSISTANCE	0	0	523,857	0	0	0	523,857	0	89	0	0	0
I-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	0	0	102,790	0	0	0	102,790	0	18	0	0	0
I-D COUNSELING - DEPENDENT	70,600	36,506		28,422	555	4,642	140,725	212	3	0	0	0
I-E COUNSELING - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
I-F DAY CARE	0	0		0	5,161	0	5,161	0	8	0	0	0
I-G DAY TREATMENT - DEPENDENT	85,723	35,847		270,837	363,321	10,211	765,939	188	154	0	0	0
I-H DAY TREATMENT - DELINQUENT	0	0		0	58,063	0	58,063	18	18	0	0	0
I-I HOME/MAKER SERVICE	54,846	28,297		129,617	0	12,033	224,793	138	0	0	0	0
I-J INTAKE & REFERRAL	97,881	43,895		54,928	4,258	4,132	205,094	986	108	0	0	0
I-K LIFE SKILLS - DEPENDENT	0	0		0	0	0	0	0	0	0	0	0
I-L LIFE SKILLS - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
I-M PROTECTIVE SERVICE - CHILD ABUSE	140,471	61,888		79,798	4,602	5,921	292,680	117	16	0	0	0
I-N PROTECTIVE SERVICE - GENERAL	514,252	229,077		228,163	17,305	19,075	1,007,872	975	243	0	3,487	410
I-O SERVICE PLANNING	120,888	51,093		88,380	10,122	5,613	276,096	1,120	140	0	25	0
I-P JUVENILE ACT PROCEEDINGS - DEPENDENT				930	47,790		48,720	10	6	0	0	0
I-Q JUVENILE ACT PROCEEDINGS - DELINQUENT							0	0	0	0	0	0
I-R SUBTOTAL IN-HOME	1,121,972	504,096	626,647	898,201	525,952	63,174	3,740,042			0	3,512	410
	Number of Children receiving only NON-PURCHASED IN-Home Services											
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	110,098	54,615	0	58,503	443,708	4,337	671,261	2,076	20	0	0	0
2-D COMMUNITY RESIDENTIAL - DELINQUENT	0	0	0	0	152,762	0	152,762	629	5	0	0	0
2-E EMERGENCY SHELTER - DEPENDENT	31,794	15,413	0	9,914	15,309	799	73,229	673	29	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	259,994	117,099	0	263,305	495,100	7,674	1,143,172	13,726	78	0	3,706	706
2-H FOSTER FAMILY - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-I SUP. INDEPENDENT LIVING - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
2-J SUP. INDEPENDENT LIVING - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-K SUBTOTAL CBP	401,886	187,127	0	331,722	1,106,879	12,810	2,040,424	17,104	132	0	3,706	706
INSTITUTIONAL PLACEMENT												
3-A JUVENILE DETENTION SERVICE	0	0	0	0	5,153	0	5,153	20	2	0	99	0
3-B RESIDENTIAL SERVICE - DEPENDENT	0	0	0	0	287,082	0	287,082	1,831	8	0	0	0
3-C RES. SERVICE - DELINQUENT (EXCEPT YDC/YFC)	0	0	0	0	150,848	0	150,848	856	4	0	0	0
3-D SECURE RES. SERVICE (EXCEPT YDC)	0	0	0	0	0	0	0	0	0	0	0	0
3-E YDC SECURE	0	0	0	0	0	0	0	0	0	0	0	0
3-F SUBTOTAL INSTITUTIONAL	0	0	0	0	443,083	0	443,083	2,707	14	0	99	0
ADMINISTRATION	155,642	61,778	0	398,419	0	15,738	631,577			0	0	0
TOTAL EXPENDITURES	1,679,500	753,001	626,647	1,628,342	2,075,914	91,722	6,855,126			0	7,317	1,116
	County Indirect Costs = \$ 45,312											

**TIOGA COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2014 TO JUNE 30, 2015
AMENDED
SUMMARY OF EXPENSE AND EXPENSE ADJUSTMENTS**

COST CENTER ITEMS	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Adoption Service	\$ 88,252	\$ 0	\$ 88,252
Adoption Assistance	523,857	0	523,857
Subsidized Permanent Legal Custodianship	102,790	0	102,790
Counseling	140,725	0	140,725
Day Care	5,161	0	5,161
Day Treatment	824,002	0	824,002
Homemaker Service	224,793	0	224,793
Intake and Referral	205,094	0	205,094
Life Skills	0	0	0
Protective Service - Child Abuse	292,680	0	292,680
Protective Service - General	1,007,997	(125)	1,007,872
Service Planning	276,096	0	276,096
Juvenile Act Proceedings	48,720	0	48,720
Alternative Treatment	0	0	0
Community Residential	824,023	0	824,023
Emergency Shelter	73,229	0	73,229
Foster Family	1,141,672	1,500	1,143,172
Supervised Independent Living	0	0	0
Juvenile Detention Service	5,153	0	5,153
Residential Service	437,930	0	437,930
Secure Residential Service (Except YDC)	0	0	0
YDC Secure	0	0	0
Administration	631,577	0	631,577
Combined Total Expense	<u>6,853,751</u>	<u>1,375</u>	<u>6,855,126</u>
Less Non-reimbursables	<u>4,317</u>	<u>3,000</u>	<u>7,317</u>
Total Net Expense	<u>\$ 6,849,434</u>	<u>\$ (1,625)</u>	<u>\$ 6,847,809</u>

OBJECTS OF EXPENDITURE	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Wages and Salaries	\$ 1,679,500	\$ 0	\$ 1,679,500
Employee Benefits	753,001	0	753,001
Subsidies	626,647	0	626,647
Operating	1,628,342	0	1,628,342
Purchased Services	2,074,539	1,375	2,075,914
Fixed Assets	91,722	0	91,722
Combined Total Expense	<u>6,853,751</u>	<u>1,375</u>	<u>6,855,126</u>
Less Non-reimbursables	<u>4,317</u>	<u>3,000</u>	<u>7,317</u>
Total Net Expense	<u>\$ 6,849,434</u>	<u>\$ (1,625)</u>	<u>\$ 6,847,809</u>

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

REPORT REFERENCE			ADJ. NO.	EXPLANATION OF ADJUSTMENTS	AS REPORTED OR ADJUSTED	INCREASE/ (DECREASE)	ADJUSTED TOTAL
SCHEDULE	LINE	COLUMN					
CY-370	1-N	5	1	<p style="text-align: center;">CY-370 Adjustments</p> Protective Service General - Purchased Services Foster Family (Dep.) - Purchased Services Total Adjustment Amount To increase expenditures by a net amount of \$1,375 to include expenditures not reported on the CY-370 Expenditure Report submitted to the Commonwealth Department of Human Services and reconcile to the agency's final expenditure ledger. Title 55 PA Code, Chapter 3170.95(a)(b)	\$ 17,430	\$ (125)	\$ 17,305
	2-G	5			\$ 493,600	\$ 1,500	\$ 495,100
						\$ 1,375	
CY-370	2-G	11	2	Foster Family (Dep.) - Non-Reimb. Purchased Serv/Subsidies To increase Non-Reimbursable Purchased Services/Subsidies by \$3,000 to reconcile to the agency's final expenditure ledger. The agency made revisions to the expenditure ledger subsequent to the submission of the Act 148 invoice to the Commonwealth Department of Human Services. Title 55 PA Code, Chapter 3170.95(a)(b)	\$ 706	\$ 3,000	\$ 3,706

SECTION 2

AMENDED FISCAL REPORTS

FOR THE FISCAL YEAR:

JULY 1, 2015 to JUNE 30, 2016

**TIOGA COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2015 TO JUNE 30, 2016
AMENDED
COMPUTATION OF FINAL NET STATE SHARE**

Approved State Allocation ¹		\$	4,127,663
Supplemental Act 148			<u>153,824</u>
Total State Allocation			4,281,487
State Share (CY348) ²	\$		4,281,487
Less: Major Service Category Adjustment			<u>0</u>
Net State Share		\$	4,281,487
Less: Expenditures in Excess of the Approved State Allocation			<u>0</u>
Final Net State Share Payable ³		\$	4,281,487
Actual Act 148 Revenues Received ⁴			<u>4,281,487</u>
Net Amount Due County/(State) ⁵		\$	<u>0</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.

**TIOGA COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2015 TO JUNE 30, 2016
AMENDED CY348
FISCAL SUMMARY**

	A	B	C	D	E	F	G	H	I	J	K
	GRAND 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	56,117	0	7,121	0	0	0	0	0	48,996	48,996	0
02. 90% REIMBURSEMENT	85,355	0	15,411	0	0	0	0	0	69,944	62,950	6,994
03. 80% REIMBURSEMENT	6,042,558	242,843	851,176	264,605	36,378	220,405	0	0	4,427,151	3,541,723	885,428
04. 60% REIMBURSEMENT	1,169,328	17,399	167,462	0	0	0	0	3,921	980,546	588,328	392,218
05. 50% REIMBURSEMENT	79,077	0	97	0	0	0	0	0	78,980	39,490	39,490
06. TOTAL NET CHILD WELFARE EXPEND.	7,432,435	260,242	1,041,267	264,605	36,378	220,405	0	3,921	5,605,617	4,281,487	1,324,130

YDC/YFC PLACEMENT COSTS											
07. 60% DHS PARTICIPATION	0	0							0	0	0
08. NON-REIMBURSABLE EXPENDITURES	11,025	2,163							8,862		8,862

09. TOTAL EXPENDITURES	7,443,460	262,405	1,041,267	264,605	36,378	220,405	0	3,921	5,614,479	4,281,487	1,332,992
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10. TOTAL TITLE IV-D COLLECTIONS 64,533

11. TITLE IV-D Collections for IV-E Children 19,118

12. STATE ACT 148 - line 6 4,281,487

13. STATE ACT 148 ALLOCATION 4,281,487

14. ADJUSTED STATE SHARE (lower of 12 or 13) 4,281,487

INVOICE	
AMENDED STATE SHARE (ACT 148)	4,281,487
ACT 148 AMOUNT RECEIVED	4,281,487
ADJUSTMENT TO STATE SHARE	0

TIOGA COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2015 TO JUNE 30, 2016
AMENDED CY370A
REVENUE REPORT

MAJOR SERVICE CATEGORIES & COST CENTERS	REVENUE SOURCES											
	1	2	3	4	5	6	7	8	9	10	11	12
IN-HOME	TOTAL REIMBURSABLE EXPENDITURES	PROGRAM INCOME	TITLE IV-E MAINTENANCE	TITLE IV-E ADMIN.	TANF	TITLE XX	TITLE IV-B	Child Welfare Demonstration Project Title IV-E	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE
1-A ADOPTION SERVICE	56,117	0	0	7,121	0	0	0	0	0	48,996	48,996	0
1-B ADOPTION ASSISTANCE	572,394	0	227,497	0	0	0	0	0	0	344,897	275,918	68,979
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	118,408	0	23,791	0	0	0	0	0	0	94,617	75,694	18,923
1-D COUNSELING - DEPENDENT	156,700	0	0	66	0	0	0	0	0	156,634	125,307	31,327
1-E COUNSELING - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
1-F DAY CARE	16,776	0	0	0	0	0	0	0	0	16,776	13,421	3,355
1-G DAY TREATMENT - DEPENDENT	665,911	18,870	0	0	0	220,405	0	0	0	426,636	341,309	85,327
1-H DAY TREATMENT - DELINQUENT	29,030	0	0	0	0	0	0	0	0	29,030	23,224	5,806
1-I HOMEMAKER SERVICE	139,551	20	34	0	0	0	0	0	0	139,497	111,598	27,899
1-J INTAKE & REFERRAL	194,023	13,884	27,057	0	0	0	0	0	0	153,082	122,466	30,616
1-K LIFE SKILLS - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
1-L LIFE SKILLS - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
1-M PROTECTIVE SERVICE - CHILD ABUSE	343,256	0	38,949	0	66,389	0	0	0	0	237,918	190,334	47,584
1-N PROTECTIVE SERVICE - GENERAL	1,144,139	0	127,548	198,216	0	0	0	0	0	818,375	654,700	163,675
1-O SERVICE PLANNING	301,657	0	43,687	0	0	0	0	0	0	257,970	206,376	51,594
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT	67,577	0	97	0	0	0	0	0	0	67,480	33,740	33,740
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
1-R SUBTOTAL IN-HOME	3,805,539	32,774	251,288	244,559	264,605	0	220,405	0	0	2,791,908	2,223,083	568,825

COMMUNITY BASED PLACEMENT	REVENUE SOURCES											
	1	2	3	4	5	6	7	8	9	10	11	12
TOTAL REIMBURSABLE EXPENDITURES	PROGRAM INCOME	TITLE IV-E MAINTENANCE	TITLE IV-E ADMIN.	TANF	TITLE XX	TITLE IV-B	Child Welfare Demonstration Project Title IV-E	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE	
2-A ALTERNATIVE TREATMENT - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
2-B ALTERNATIVE TREATMENT - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-C COMMUNITY RESIDENTIAL - DEPENDENT	839,402	32,929	117,907	32,035	0	0	0	0	656,531	525,225	131,306	0
2-D COMMUNITY RESIDENTIAL - DELINQUENT	132,617	525	0	0	0	0	0	0	132,092	105,674	26,418	0
2-E EMERGENCY SHELTER - DEPENDENT	85,355	0	6,766	8,645	0	0	0	0	69,944	62,950	6,994	0
2-F EMERGENCY SHELTER - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-G FOSTER FAMILY - DEPENDENT	1,388,694	176,615	91,060	121,545	36,378	0	0	0	963,096	770,477	192,619	0
2-H FOSTER FAMILY - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-I SUP. INDEPENDENT LIVING - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
2-J SUP. INDEPENDENT LIVING - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-K SUBTOTAL CBP	2,446,068	210,069	215,733	162,225	36,378	0	0	0	1,821,663	1,464,326	357,337	0

INSTITUTIONAL PLACEMENT	REVENUE SOURCES											
	1	2	3	4	5	6	7	8	9	10	11	12
TOTAL REIMBURSABLE EXPENDITURES	PROGRAM INCOME	TITLE IV-E MAINTENANCE	TITLE IV-E ADMIN.	TANF	TITLE XX	TITLE IV-B	Child Welfare Demonstration Project Title IV-E	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE	
3-A JUVENILE DETENTION SERVICE	11,500	0	0	0	0	0	0	0	11,500	5,750	5,750	0
3-B RESIDENTIAL SERVICE - DEPENDENT	203,723	14,337	51,179	0	0	0	0	0	138,207	82,924	55,283	0
3-C RES. SERVICE - DELINQUENT (NON YDC/YFC)	114,573	0	0	0	0	0	0	0	114,573	68,744	45,829	0
3-D SECURE RES. SERVICE (EXCEPT YDC)	72,225	1,712	0	0	0	0	0	0	70,513	42,308	28,205	0
3-E YDC SECURE	0	0	0	0	0	0	0	0	0	0	0	0
3-F SUBTOTAL INSTITUTIONAL	402,021	16,049	51,179	0	0	0	0	0	334,793	199,726	135,067	0

4 ADMINISTRATION	778,807	1,350	0	116,283	0	0	0	0	3,921	657,253	394,352	262,901
5 TOTAL REVENUES	7,432,435	260,242	518,200	523,067	264,605	36,378	220,405	0	3,921	5,605,617	4,281,487	1,324,130

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

MAJOR SERVICE CATEGORIES & COST CENTERS	OBJECTS OF EXPENDITURE											
	1	2	3	4	5	6	7	8	9	10	11	12
	WAGES AND SALARIES	EMPLOYEE BENEFITS	EMPLOYEE BENEFITS	OPERATING SUBSIDIES	OPERATING 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	21,705	12,803	13,113	8,496	0	56,117	24	6	0	0	0	0
1-A ADOPTION SERVICE	0	0	572,394	0	0	572,394	0	90	0	0	0	0
1-B ADOPTION ASSISTANCE	0	0	118,408	0	0	118,408	0	18	0	0	0	0
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	0	0	403	156,297	0	156,700	0	239	0	0	0	0
1-D COUNSELING - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
1-E COUNSELING - DELINQUENT	0	0	0	16,776	0	16,776	0	8	0	0	0	0
1-F DAY CARE	0	0	12,056	653,855	0	665,911	0	230	0	0	0	0
1-G DAY TREATMENT - DEPENDENT	0	0	207	139,344	0	139,551	0	145	0	0	0	0
1-H DAY TREATMENT - DELINQUENT	0	0	79,307	2,999	0	194,023	1,333	6	0	0	0	0
1-I HOMEMAKER SERVICE	74,018	37,699	0	0	0	0	0	0	0	0	0	0
1-J INTAKE & REFERRAL	0	0	0	0	0	0	0	0	0	0	0	0
1-K LIFE SKILLS - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
1-L LIFE SKILLS - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
1-M PROTECTIVE SERVICE - CHILD ABUSE	156,197	72,299	113,018	1,792	0	343,306	316	2	0	0	50	0
1-N PROTECTIVE SERVICE - GENERAL	519,033	236,657	379,691	14,497	0	1,149,878	984	72	0	0	5,739	0
1-O SERVICE PLANNING	123,704	55,675	112,603	9,675	0	301,657	1,322	152	0	0	0	0
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT	0	0	624	66,953	0	67,577	9	9	0	0	0	0
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
1-R SUBTOTAL IN-HOME	894,657	415,133	690,802	711,022	1,099,714	3,811,328	0	0	0	0	5,789	0
Number of Children receiving only NON-PURCHASED IN-Home Services												
COMMUNITY BASED PLACEMENT	93,365	48,801	75,105	622,131	0	839,402	2,735	16	0	0	0	0
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	132,617	0	132,617	665	3	0	0	0	0
2-D COMMUNITY RESIDENTIAL - DELINQUENT	32,576	16,456	8,681	27,642	0	85,355	1,346	48	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	210,409	100,270	238,715	844,536	0	1,393,930	17,061	93	0	0	5,236	2,163
2-G FOSTER FAMILY - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
2-H FOSTER FAMILY - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-I SUP. INDEPENDENT LIVING - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
2-J SUP. INDEPENDENT LIVING - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-K SUBTOTAL CBP	336,350	165,527	322,501	1,626,926	0	2,451,304	21,807	160	0	0	5,236	2,163
INSTITUTIONAL PLACEMENT	74,365	30,175	674,267	0	0	778,807	0	0	0	0	0	0
3-A JUVENILE DETENTION SERVICE	0	0	0	11,500	0	11,500	46	4	0	0	0	0
3-B RESIDENTIAL SERVICE - DEPENDENT	0	0	100	203,623	0	203,723	1,126	6	0	0	0	0
3-C RES. SERVICE - DELINQUENT (EXCEPT YDC/YFC)	0	0	0	114,573	0	114,573	758	5	0	0	0	0
3-D SECURE RES. SERVICE (EXCEPT YDC)	0	0	0	72,225	0	72,225	236	1	0	0	0	0
3-E YDC SECURE	0	0	0	0	0	0	0	0	0	0	0	0
3-F SUBTOTAL INSTITUTIONAL	0	0	100	401,921	0	402,021	2,166	16	0	0	0	0
4 ADMINISTRATION	74,365	30,175	674,267	0	0	778,807	0	0	0	0	0	0
5 TOTAL EXPENDITURES	1,305,372	610,835	690,802	1,707,890	3,128,561	7,443,460	0	0	0	0	11,025	2,163
County Indirect Costs = \$ 84,209												

**TIOGA COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2015 TO JUNE 30, 2016
AMENDED
SUMMARY OF EXPENSE AND EXPENSE ADJUSTMENTS**

COST CENTER ITEMS	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Adoption Service	\$ 56,117	\$ 0	\$ 56,117
Adoption Assistance	572,394	0	572,394
Subsidized Permanent Legal Custodianship	118,408	0	118,408
Counseling	156,700	0	156,700
Day Care	16,776	0	16,776
Day Treatment	694,941	0	694,941
Homemaker Service	139,551	0	139,551
Intake and Referral	194,023	0	194,023
Life Skills	0	0	0
Protective Service - Child Abuse	343,306	0	343,306
Protective Service - General	1,149,878	0	1,149,878
Service Planning	301,657	0	301,657
Juvenile Act Proceedings	67,577	0	67,577
Alternative Treatment	0	0	0
Community Residential	972,019	0	972,019
Emergency Shelter	85,355	0	85,355
Foster Family	1,393,930	0	1,393,930
Supervised Independent Living	0	0	0
Juvenile Detention Service	11,500	0	11,500
Residential Service	318,296	0	318,296
Secure Residential Service (Except YDC)	72,225	0	72,225
YDC Secure	0	0	0
Administration	778,807	0	778,807
Combined Total Expense	<u>7,443,460</u>	<u>0</u>	<u>7,443,460</u>
Less Non-reimbursables	<u>11,025</u>	<u>0</u>	<u>11,025</u>
Total Net Expense	<u>\$ 7,432,435</u>	<u>\$ 0</u>	<u>\$ 7,432,435</u>

OBJECTS OF EXPENDITURE	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Wages and Salaries	\$ 1,305,372	\$ 0	\$ 1,305,372
Employee Benefits	610,835	0	610,835
Subsidies	690,802	0	690,802
Operating	1,707,890	0	1,707,890
Purchased Services	3,128,561	0	3,128,561
Fixed Assets	0	0	0
Combined Total Expense	<u>7,443,460</u>	<u>0</u>	<u>7,443,460</u>
Less Non-reimbursables	<u>11,025</u>	<u>0</u>	<u>11,025</u>
Total Net Expense	<u>\$ 7,432,435</u>	<u>\$ 0</u>	<u>\$ 7,432,435</u>

SECTION 3

AMENDED FISCAL REPORTS

FOR THE FISCAL YEAR:

JULY 1, 2016 to JUNE 30, 2017

**TIOGA COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2016 TO JUNE 30, 2017
AMENDED
COMPUTATION OF FINAL NET STATE SHARE**

Approved State Allocation ¹		\$	4,669,872
Supplemental Act 148			<u>187,084</u>
Total State Allocation			4,856,956
State Share (CY348) ²	\$		4,856,665
Less: Major Service Category Adjustment			<u>0</u>
Net State Share		\$	4,856,665
Less: Expenditures in Excess of the Approved State Allocation			<u>0</u>
Final Net State Share Payable ³		\$	4,856,665
Actual Act 148 Revenues Received ⁴			<u>4,856,956</u>
Net Amount Due County/(State) ⁵		\$	<u><u>(291)</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.

**TIOGA COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2016 TO JUNE 30, 2017
AMENDED CY348
FISCAL SUMMARY**

	A	B	C	D	E	F	G	H	I	J	K
	GRAND	PROGRAM	TITLE	TANF	TITLE	TITLE	Child Welfare Demonstration Project Title IV-E	MEDICAL	NET	STATE	LOCAL
	TOTAL	INCOME	IV-E		XX	IV-B		ASSISTANCE	TOTAL	ACT 148	SHARE
NET CHILD WELFARE EXPENDITURES											
01. 100% REIMBURSEMENT	57,600	274	7,138	0	0	0	0	0	50,188	50,188	0
02. 90% REIMBURSEMENT	92,081	24	13,273	0	0	0	0	0	78,784	70,906	7,878
03. 80% REIMBURSEMENT	7,195,077	272,987	1,026,866	264,605	36,378	220,405	0	0	5,373,836	4,299,069	1,074,767
04. 60% REIMBURSEMENT	783,685	7,111	94,264	0	0	0	0	4,276	678,034	406,820	271,214
05. 50% REIMBURSEMENT	59,624	0	261	0	0	0	0	0	59,363	29,682	29,681
06. TOTAL NET CHILD WELFARE EXPEND.	8,188,067	280,396	1,141,802	264,605	36,378	220,405	0	4,276	6,240,205	4,856,665	1,383,540

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

08. NON-REIMBURSABLE EXPENDITURES	16,034	1,179							14,855		14,855
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09. TOTAL EXPENDITURES	8,204,101	281,575	1,141,802	264,605	36,378	220,405	0	4,276	6,255,060	4,856,665	1,398,395
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10. TOTAL TITLE IV-D COLLECTIONS 64,241

11. TITLE IV-D Collections for IV-E Children 19,473

12. STATE ACT 148 - line 6 4,856,665

13. STATE ACT 148 ALLOCATION 4,856,956

14. ADJUSTED STATE SHARE (lower of 12 or 13) 4,856,665

INVOICE	
AMENDED STATE SHARE (ACT 148)	4,856,665
ACT 148 AMOUNT RECEIVED	4,856,956
ADJUSTMENT TO STATE SHARE	(291)

TIOGA COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2016 TO JUNE 30, 2017
AMENDED CY370A
REVENUE REPORT

MAJOR SERVICE CATEGORIES & COST CENTERS	REVENUE SOURCES											
	1	2	3	4	5	6	7	8	9	10	11	12
	TOTAL REIMBURSABLE EXPENDITURES	PROGRAM INCOME	TITLE IV-E MAINTENANCE	TITLE IV-E ADMIN.	TANF	TITLE XX	TITLE IV-B	Child Welfare Demonstration Project Title IV-E	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE
IN-HOME												
1-A ADOPTION SERVICE	57,600	274		7,138						50,188	50,188	0
1-B ADOPTION ASSISTANCE	605,829	0	239,799							366,030	292,824	73,206
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	121,764	0	25,257							96,507	77,206	19,301
1-D COUNSELING - DEPENDENT	231,616	0								231,616	185,293	46,323
1-E COUNSELING - DELINQUENT		0								0	0	0
1-F DAY CARE	16,563	0								16,563	13,250	3,313
1-G DAY TREATMENT - DEPENDENT	815,812	20,370		24		220,405				575,013	460,010	115,003
1-H DAY TREATMENT - DELINQUENT	32,525	0								32,525	26,020	6,505
1-I HOMEMAKER SERVICE	203,332	0								203,332	162,666	40,666
1-J INTAKE & REFERRAL	229,067	12,733		32,217						184,117	147,294	36,823
1-K LIFE SKILLS - DEPENDENT	0	0								0	0	0
1-L LIFE SKILLS - DELINQUENT	0	0								0	0	0
1-M PROTECTIVE SERVICE - CHILD ABUSE	371,382	56		43,752	60,342					267,232	213,786	53,446
1-N PROTECTIVE SERVICE - GENERAL	1,244,823	1,234		146,720	204,263					892,606	714,085	178,521
1-O SERVICE PLANNING	361,119	309		51,477						309,333	247,466	61,867
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT	58,584	0		261						58,323	29,162	29,161
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT	0	0								0	0	0
1-R SUBTOTAL IN-HOME	4,350,016	34,976	265,056	281,589	264,605	0	220,405	0	0	3,283,385	2,619,250	664,135
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	1,020,111	24,524	180,785	35,401						779,401	623,521	155,880
2-D COMMUNITY RESIDENTIAL - DELINQUENT	105,826	4,487								101,339	81,071	20,268
2-E EMERGENCY SHELTER - DEPENDENT	92,081	24	3,158	10,115						78,784	70,906	7,878
2-F EMERGENCY SHELTER - DELINQUENT	0	0								0	0	0
2-G FOSTER FAMILY - DEPENDENT	1,792,460	209,274	125,599	145,835		36,378				1,275,374	1,020,299	255,075
2-H FOSTER FAMILY - DELINQUENT	0	0								0	0	0
2-I SUP. INDEPENDENT LIVING - DEPENDENT	42,848	0								42,848	34,278	8,570
2-J SUP. INDEPENDENT LIVING - DELINQUENT	0	0								0	0	0
2-K SUBTOTAL CBP	3,053,326	238,309	309,542	191,351	0	36,378	0	0	0	2,277,746	1,830,075	447,671
INSTITUTIONAL PLACEMENT												
3-A JUVENILE DETENTION SERVICE	1,040	0								1,040	520	520
3-B RESIDENTIAL SERVICE - DEPENDENT	79,328	5,015								74,313	44,588	29,725
3-C RES. SERVICE - DELINQUENT (NON YDC/YFC)	67,991	1,502								66,489	39,893	26,596
3-D SECURE RES. SERVICE (EXCEPT YDC)	0	0								0	0	0
3-E YDC SECURE	0	0								0	0	0
3-F SUBTOTAL INSTITUTIONAL	148,359	6,517	0	0	0	0	0	0	0	141,842	85,001	56,841
4 ADMINISTRATION	636,366	594		94,264					4,276	537,232	322,339	214,893
TOTAL REVENUES	8,188,067	280,396	574,598	567,204	264,605	36,378	220,405	0	4,276	6,240,205	4,856,665	1,383,540

TIOGA COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2016 TO JUNE 30, 2017
AMENDED CY170
EXPENDITURE REPORT

MAJOR SERVICE CATEGORIES & COST CENTERS	OBJECTS OF EXPENDITURE											
	1	2	3	4	5	6	7	8	9	10	11	12
	WAGES AND SALARIES	EMPLOYEE BENEFITS	SUBSIDIES	OPERATING	PURCHASED SERVICES	FIXED ASSETS	TOTAL EXPENDITURES	CHILDREN SERVED (BY COUNTY)	CHILDREN SERVED (PURCHASED)	NON-REIMBURSABLE NON-PS/SUB.	NON-REIM. PURCHASED SERV./ SUBSIDIES	PROGRAM INCOME RELATED TO ALL NON-REIMBURSABLE
IN-HOME	24,184	9,626		15,071	8,719	0	57,600	21	5	0	0	0
1-A ADOPTION SERVICE	0	0	605,829	0	0	0	605,829	0	90	0	0	0
1-B ADOPTION ASSISTANCE	0	0	125,600	0	0	0	125,600	0	18	0	3,836	0
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	0	0		0	231,616	0	231,616	0	266	0	0	0
1-D COUNSELING - DEPENDENT	0	0		0	0	0	0	0	0	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	16,563	0	16,563	0	10	0	0	0
1-G DAY TREATMENT - DEPENDENT	0	0		261	815,551	0	815,812	0	206	0	0	0
1-H DAY TREATMENT - DELINQUENT	0	0		0	32,525	0	32,525	0	14	0	0	0
1-I HOMEMAKER SERVICE	0	0		0	203,332	0	203,332	0	142	0	0	0
1-J INTAKE & REFERRAL	85,775	31,344		111,601	347	0	229,067	1,448	1	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	185,067	65,044		118,746	2,957	0	371,814	393	27	0	432	301
1-N PROTECTIVE SERVICE - GENERAL	597,873	200,436		435,515	14,927	0	1,248,751	975	74	0	3,928	556
1-O SERVICE PLANNING	172,192	56,344		122,233	10,350	0	361,119	1,343	153	0	0	0
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT				2,975	55,609		58,584	33	33	0	0	0
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT					0		0	0	0	0	0	0
1-R SUBTOTAL IN-HOME	1,065,091	362,794	731,429	806,402	1,392,496	0	4,358,212			0	8,196	857
Number of Children receiving only NON-PURCHASED IN-Home Services 1,153												
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	114,568	48,251	0	81,842	775,450	0	1,020,111	3,316	22	0	0	0
2-D COMMUNITY RESIDENTIAL - DELINQUENT	0	0	0	0	105,826	0	105,826	428	3	0	0	0
2-E EMERGENCY SHELTER - DEPENDENT	41,365	15,896	0	11,637	23,183	0	92,081	1,060	43	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	262,035	107,642	0	279,485	1,146,620	0	1,795,782	17,586	85	0	3,322	322
2-H FOSTER FAMILY - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-I SUP. INDEPENDENT LIVING - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
2-J SUP. INDEPENDENT LIVING - DELINQUENT	0	0	0	0	42,848	0	42,848	211	1	0	0	0
2-K SUBTOTAL CBP	417,968	171,789	0	372,964	2,093,927	0	3,056,648	22,601	154	0	3,322	322
INSTITUTIONAL PLACEMENT												
3-A JUVENILE DETENTION SERVICE	0	0	0	0	1,040	0	1,040	4	2	0	0	0
3-B RESIDENTIAL SERVICE - DEPENDENT	0	0	0	580	78,748	0	79,328	359	4	0	0	0
3-C RES. SERVICE - DELINQUENT (EXCEPT YDC/YFC)	0	0	0	0	67,991	0	67,991	375	4	0	0	0
3-D SECURE RES. SERVICE (EXCEPT YDC)	0	0	0	0	0	0	0	0	0	0	0	0
3-E YDC SECURE	0	0	0	0	0	0	0	0	0	0	0	0
3-F SUBTOTAL INSTITUTIONAL	0	0	0	580	147,779	0	148,359	738	10	0	0	0
4 ADMINISTRATION	69,852	25,759	0	538,738	403	6,130	640,882			4,516	0	0
5 TOTAL EXPENDITURES	1,552,911	560,342	731,429	1,718,684	3,634,605	6,130	8,204,101			4,516	11,518	1,179
County Indirect Costs = \$ 63,646												

**TIOGA COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2016 TO JUNE 30, 2017
AMENDED
SUMMARY OF EXPENSE AND EXPENSE ADJUSTMENTS**

COST CENTER ITEMS	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Adoption Service	\$ 57,600	\$ 0	\$ 57,600
Adoption Assistance	605,829	0	605,829
Subsidized Permanent Legal Custodianship	125,600	0	125,600
Counseling	231,616	0	231,616
Day Care	16,563	0	16,563
Day Treatment	848,337	0	848,337
Homemaker Service	203,332	0	203,332
Intake and Referral	229,067	0	229,067
Life Skills	0	0	0
Protective Service - Child Abuse	371,814	0	371,814
Protective Service - General	1,248,751	0	1,248,751
Service Planning	361,119	0	361,119
Juvenile Act Proceedings	58,584	0	58,584
Alternative Treatment	0	0	0
Community Residential	1,125,937	0	1,125,937
Emergency Shelter	92,081	0	92,081
Foster Family	1,796,146	(364)	1,795,782
Supervised Independent Living	42,848	0	42,848
Juvenile Detention Service	1,040	0	1,040
Residential Service	147,319	0	147,319
Secure Residential Service (Except YDC)	0	0	0
YDC Secure	0	0	0
Administration	640,882	0	640,882
Combined Total Expense	<u>8,204,465</u>	<u>(364)</u>	<u>8,204,101</u>
Less Non-reimbursables	<u>16,034</u>	<u>0</u>	<u>16,034</u>
Total Net Expense	<u>\$ 8,188,431</u>	<u>\$ (364)</u>	<u>\$ 8,188,067</u>

OBJECTS OF EXPENDITURE	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Wages and Salaries	\$ 1,552,911	\$ 0	\$ 1,552,911
Employee Benefits	560,342	0	560,342
Subsidies	731,429	0	731,429
Operating	1,718,684	0	1,718,684
Purchased Services	3,634,969	(364)	3,634,605
Fixed Assets	6,130	0	6,130
Combined Total Expense	<u>8,204,465</u>	<u>(364)</u>	<u>8,204,101</u>
Less Non-reimbursables	<u>16,034</u>	<u>0</u>	<u>16,034</u>
Total Net Expense	<u>\$ 8,188,431</u>	<u>\$ (364)</u>	<u>\$ 8,188,067</u>

**TIOGA COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2016 TO JUNE 30, 2017
ADJUSTMENT SCHEDULE**

REPORT REFERENCE			ADJ. NO.	EXPLANATION OF ADJUSTMENT	AS REPORTED OR ADJUSTED	INCREASE/ (DECREASE)	ADJUSTED TOTAL
SCHEDULE	LINE	COLUMN					
CY-370	2-G	5	1	<p style="text-align: center;">CY-370 Adjustment</p> <p>Foster Family (Dep.) - Purchased Services</p> <p>To decrease expenditures by \$364 to reconcile to the agency's final expenditure ledger. The agency made revisions to the expenditure ledger subsequent to the submission of the Act 148 invoice to the Commonwealth Department of Human Services.</p> <p>Title 55 PA Code, Chapter 3170.95(a)(b)</p>	\$ 1,146,984	\$ (364)	\$ 1,146,620

SECTION 4

STATUS OF PRIOR ENGAGEMENT FINDING AND RECOMMENDATIONS

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

Prior Engagement Finding – The Tioga County Children and Youth Agency Paid Contractors for In-Home Purchased Services but Failed to Obtain Reasonable Assurance that Services Were Actually Provided in Adherence to Executed Contract Terms (Unresolved)

In our prior engagement report, for the fiscal years July 1, 2010 to June 30, 2014, we cited the Tioga County Children and Youth Agency (agency) for failure to obtain reasonable assurance 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 our prior engagement, we evaluated the agency's internal control procedures over expenditures for all In-Home Purchased Services by selecting a provider that accounted for approximately 85 percent of the agency's total reported In-Home Purchased Services expenditures for our engagement scope period. This provider was contracted as a Program-Funded In-Home Purchased Service provider and was the only Program-Funded provider contracted by the agency during our engagement scope period. The terms of the agency's executed contract with this provider called for the provider to invoice the agency monthly for 1/12th of the total annual salaries and fringe benefits for five provider employees assigned to provide the contracted In-Home services. We found the agency failed to implement fiscal-related monitoring procedures to obtain reasonable assurance that this provider actually consistently used all five employees to perform the contracted In-Home services throughout the contract period. Specifically, this provider included no supporting documentation with its submitted invoices, nor did the agency require any documentation, substantiating that this provider actually consistently used the contractually required number of employees to perform the contracted In-Home services throughout the contract period. Furthermore, while agency employees were on site at each provider location participating in contracted program delivery, they performed no fiscal-related monitoring procedures to obtain reasonable assurance that all five contracted employees actually provided contracted services throughout the entire contract period.

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. We concluded that the agency did not have sufficient controls in place to obtain reasonable assurance that contracted services invoiced by In-Home Purchased Service providers were actually provided and if provided, provided in adherence to key executed contract terms.

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

Our current engagement scope period included the 2014-2015, 2015-2016, and 2016-2017 fiscal years. Due to the timing of the conduct of our prior audit engagement, we did not make the agency aware of these internal control deficiencies until March 1, 2018, well after the June 30, 2017, end of our current engagement scope period. Therefore, these control deficiencies and corresponding risks continued to exist for all three fiscal years included in our current engagement scope period. As such, we concluded that the issuance of a repeat finding is warranted. This repeat finding is included in the Current Engagement Finding and Recommendations section (Section 5) of this report.

SECTION 5

CURRENT ENGAGEMENT FINDING AND RECOMMENDATIONS

TIOGA COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT FINDING AND RECOMMENDATIONS

Finding – Unresolved Prior Audit Recommendations – Lack of Internal Control Policies and Procedures to Reduce the Risk of Paying Overbillings or Fraudulent Billings Submitted by Contracted In-Home Purchased Service Providers

Condition: As detailed in our Status of Prior Engagement Finding and Recommendations section (Section 4) of this report, the Tioga County Children and Youth Agency (agency) lacked internal control policies and procedures designed to sufficiently reduce the agency’s risk of paying overbillings or fraudulent billings submitted by contracted In-Home Purchased Service providers.

For the contracted In-Home Program-Funded Purchased Service provider discussed in the Status of Prior Engagement Finding and Recommendations section, we again found the agency did not perform fiscal-related monitoring procedures to obtain reasonable assurance that this provider actually consistently used all of the contractually specified number of employees (five) to perform the contracted In-Home services throughout the contract period. As we found in our prior engagement, this provider included no supporting documentation with its submitted invoices, nor did the agency require any documentation, substantiating that this provider actually consistently used the contractually required five employees to perform the contracted In-Home services throughout the contract period. Furthermore, agency employees performed no fiscal-related monitoring procedures to obtain reasonable assurance that all of the five contracted employees actually provided contracted services throughout the entire contract period.

Furthermore, for the remaining contracted Fee-for-Service and Program-Funded In-Home Purchased Service providers, the agency failed to provide supporting documentation evidencing that services related to fees invoiced by these providers, and paid by the agency, were actually provided, and if provided, provided in adherence to the requirements of the respective provider contract terms. For contracted In-Home Fee-For-Service Purchased Service providers, the agency could not provide evidence that it substantiated the validity of the number of units invoiced for each individual listed on these providers’ submitted invoices. In addition, for contracted Program-Funded providers, these providers submitted no supporting documentation, nor did the agency require any documentation, substantiating the monthly operating costs detailed on these providers’ submitted monthly invoices.

During the conduct of our current engagement, in response to the recommendations included in our prior engagement report, agency management provided documentation detailing formal, written fiscal-related monitoring policy, and corresponding procedures, that they indicated had been developed and formally implemented in March 2018, to obtain reasonable assurance that contracted In-Home services were actually provided and to reduce the agency’s risk of paying overbillings or fraudulent billings submitted by contracted In-Home Purchased Service

TIOGA COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT FINDING AND RECOMMENDATIONS

providers. Because agency management did not implement the updated policy and procedures until after the close of our current engagement scope period (June 30, 2017), we did not assess the sufficiency of the newly implemented monitoring policy and procedures during the conduct of our current engagement. We will review and evaluate the implemented monitoring policy and procedures during the conduct of our next regularly scheduled engagement of this agency and determine whether they are sufficient in providing agency management reasonable assurance that invoiced contracted In-Home Purchased Services were actually provided, and that the number of units invoiced by contracted Fee-For Service, and operating costs invoiced by contracted Program-Funded In-Home providers, are properly substantiated, thus, reducing the agency's risk of paying overbillings or fraudulent billings submitted by In-Home Purchased Service providers.

Criteria: The following section of 55 Pa. Code Chapter 3140. Planning and Financial Reimbursement Requirements for County Children and Youth Social Service Programs.

Section 3140.21. Reimbursement for Services. General. “(a) Under section 704.1 of the [Human Services] (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).*

The following sections of 55 Pa. Code § 3170. Allowable Costs and Procedures for County Children and Youth.

- *Section 3170.2. Definitions. Program funded agency – An agency whose total eligible expenditures are funded in a manner which is predetermined by the appropriate county authorities.*
- *Section 3170.23(a). Purchase of Service. Purchase of service funding may be by unit of service funding or by program funding.*

TIOGA COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT FINDING AND RECOMMENDATIONS

- *Section 3170.85. Responsibility of the County.* "...the county executive officers shall be responsible for the effective execution of each purchase of service agreement..."
- *Section 3170.91. County Responsibility.* "The county is responsible for the general fiscal management of the county agency. This includes maintaining fiscal records of expenditures and revenues of the program, providing data for budgeting and expenditure reporting to the Department, monitoring the financial activities of the program, and other activities related to the fiscal operations of the program."
- *Section 3170.92(b). Accountability for Expenditures for Clients. Records Maintenance.* "County agencies shall maintain sufficient and appropriate records and data to justify payment for expenses by the Department. The local authorities or contractors shall maintain books, records, documents and other evidence and accounting procedures and practices, sufficient to reflect properly all direct and indirect costs of whatever nature claimed to have been incurred and anticipated to be incurred for funds supported by the Department and for which reimbursement is claimed..."

Cause: Due to the timing of the conduct of our prior engagement, agency management was not notified of these internal control deficiencies until March 16, 2018, well after the June 30, 2017, end of our current engagement scope period. Therefore, these control deficiencies and corresponding risks continued to exist for all three fiscal years (2014-2015, 2015-2016 and 2016-2017) included in our current engagement scope period.

Effect: The agency's lack of internal control procedures, during the fiscal years included in our current engagement scope period, designed to reduce the agency's risk of paying overbillings and/or fraudulent billings submitted by contracted In-Home Purchased Service providers, increased 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.
- Receipt of Act 148 funds to which the agency may not be entitled.

Recommendations: We again recommend that agency management ensure its policy and procedures are sufficient in providing agency management reasonable assurance that services related to the fees invoiced by contracted In-Home Purchased Service providers were actually provided, provided in adherence to executed contract terms, and in reducing the agency's risk of paying overbillings or fraudulent billings submitted by In-Home Purchased Service providers.

TIOGA COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT FINDING AND RECOMMENDATIONS

Specifically, this written fiscal-related monitoring policy, and corresponding procedures, must be sufficient to assess the validity of the number of units invoiced by contracted Fee-For-Service providers and the operating costs invoiced by Program-Funded providers.

The policy and procedures should also provide reasonable assurance that the five employees described in the Program-Funded In-Home Purchased Service provider's executed contract discussed above are consistently used to provide monthly contracted services in adherence to executed contract terms and DHS regulations.

Agency management should also consider procedures such as the following:

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

The specific fiscal-related monitoring procedures selected by agency management may consist of procedures performed prior to payment of the providers' submitted invoices, procedures performed subsequent to payment to verify the existence of documentation substantiating the invoiced costs, or some combination of such pre- and post-payment monitoring procedures.

We again further recommend that agency management ensure that:

- Agency staff responsible for reviewing and approving submitted In-Home Purchased Services providers' invoices for payment are made aware of the results of fiscal-related monitoring reviews of these providers and, for any such providers for which significant documentation deficiencies have been identified, the impact on the agency's review and approval process for these providers; and,
- The agency maintains sufficient evidence substantiating the results of all fiscal-related monitoring procedures performed to determine whether the services for which contracted In-Home Purchased Services providers were paid were actually provided, and provided in adherence to DHS regulations and executed contract terms and to

TIOGA COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT FINDING AND RECOMMENDATIONS

reduce the risk of overbillings and fraudulent billings by contracted In-Home Purchased Services Providers going undetected.

Agency Management Response: Agency management agreed with the finding and provided the following response: “Clearly, the delay in the audit cycle renders us incapable of addressing findings in a timely manner, resulting in repeat findings in the next audit cycle.”

Auditor’s Conclusion: We commend the agency’s management on their efforts to develop and implement formal, written fiscal-related monitoring policy and procedures for contracted In-Home Purchased Services providers. However, we would like to point out that it is agency management’s responsibility to develop sufficient internal controls; our responsibility as auditors is to assess the sufficiency of the internal controls developed and implemented by agency management. During our next audit of the agency, we will review the agency’s implemented monitoring policy, and corresponding procedures, and determine whether they are sufficient to reduce the agency’s risk of overbillings and fraudulent billings submitted by contracted In-Home Purchased Services providers going undetected.

SECTION 6

CURRENT ENGAGEMENT OBSERVATION

TIOGA COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT OBSERVATION

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

The Child Protective Services Law (CPSL) requires the conduct of criminal background checks and child abuse history clearances (certifications) for all employees and direct volunteers of county children and youth (C&Y) agencies as well as the volunteers/employees of these agencies’ contractors (providers) and subcontractors (sub-recipients).² To ensure adherence to these requirements, the Commonwealth DHS (DHS) has assigned monitoring responsibilities to internal offices and bureaus based on the types of services provided.

Foster Care

As a part of its annual licensing inspection process of county C&Y agencies, the Commonwealth DHS’ Office of Children, Youth and Families (OCYF) performs reviews of agency employees and agency foster parents’ adherence to the requirements of the CPSL. The OCYF also performs CPSL adherence reviews of employees of contracted foster family agencies through its annual licensing inspection of these providers. However, because the OCYF is behind in its completion of these annual inspections and does not have adequate procedures in place to determine whether C&Y agencies are monitoring their respective providers’ and sub-recipients’ adherence to the CPSL,³ 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 Tioga County Children and Youth Agency provided in-home and placement services to 1,153 children residing within the County during the 2016-2017 fiscal year.

Day Treatment Centers and Child Residential Facilities

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

² 23 Pa.C.S. §§ 6344 and 6344.2.

³ This is detailed in the Commonwealth of Pennsylvania Single Audit Reports (most recently for the fiscal year ended June 30, 2018, via Finding 2018-010).

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timeliness of the completion and approval of these annual inspections and 2) whether the CPSL adherence of any potential sub-recipients used by these providers are being monitored.⁴

Contracted In-Home Preventative Service Providers

For contracted In-Home Preventative Service providers, we were informed by DHS OCYF that these providers are not required to be licensed by the Commonwealth and, thus, are not subject to the annual inspections performed by the DHS.⁵ DHS' position was that while not all in-home service providers would meet the criteria requiring the conduct of *certifications* for employees/volunteers, when they do, C&Y agencies were responsible for including provisions in their executed contracts with these providers.

In correspondence with management of C&Y agencies during some of our recently conducted engagements, we have found that some C&Y agencies' management staffs are still of the opinion that there is no need to directly monitor CPSL adherence of the providers' employees/volunteers because they are now including the requirements for this type of monitoring in their executed contracts with these providers. However, our interpretation of the CPSL remains that C&Y agencies cannot fulfill their duties under the CPSL to protect the children receiving in-home preventative services from child abuse by merely including the requirements for "direct monitoring" in their provider executed contracts.⁶ Instead, all C&Y agencies should have a process in place that allows them to actively monitor their providers and sub-recipients by routinely reviewing their employees' and volunteers' *certifications* for disqualifying convictions.

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

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

⁵ Please note that based on recent correspondence with DHS, these providers are referred to as "private providers delivering prevention and reunification services." We refer to them as *contracted In-Home Preventative Service providers* throughout our observation for ease of understanding.

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

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volunteers, this Department will continue to raise concerns about the risks posed to the safety of these vulnerable children.⁷

DHS Senior Management Follow-Up Response

DHS senior management provided an official response to our concerns detailed in this Observation in a February 28, 2018 letter that affirmed their assertion that, because DHS has no contractual relationship with *contracted In-Home Preventative Service providers*, the ability and responsibility to monitor private providers⁸ to ensure that their *certifications* adhere to the CPSL falls to the C&Y agencies, as does the responsibility to take appropriate action when they do not comply.

DHS senior management staff further stated that DHS recognizes that they are responsible for communicating contract monitoring expectations to the C&Y agencies and for implementing a method to ensure that contract monitoring is being performed adequately. DHS' OCYF has communicated DHS' expectation that C&Y agencies must monitor these private providers' compliance with the requirements of the CPSL. DHS has also reiterated this expectation during quarterly Pennsylvania Children and Youth Administrators (PCYA) meetings held between June 2016 and October 2017, as well as in general guidance regarding contract monitoring efforts included in OCYF Bulletins issued for the 2017-18 and 2018-19 fiscal years. Further, DHS stated that OCYF will issue additional guidance in its Needs-Based Plan and Budget instructions for this year to emphasize adherence to the CPSL requirements for these providers as part of the C&Y agencies' monitoring expectations.

Finally, DHS informed us that they will address the adequacy of C&Y agencies' monitoring through the July 2019 version of the DHS Single Audit Supplement (SAS) and will develop and require through the SAS a schedule that captures the details of each C&Y agency's monitoring efforts. This will include a listing of these private providers, whether they were monitored and if any CPSL violations were identified. The schedule will be submitted with the respective county's annual single audit report and will be subject to an Agreed Upon Procedures (AUP) engagement. DHS will also provide technical assistance to any C&Y agency that needs improvement.

We believe that DHS obtaining C&Y agencies' reporting of the CPSL status of these providers as a part of their Single Audit Supplement and the other above discussed DHS' methods taken

⁷ The *2017 Annual Child Protective Services Report* notes that the DHS' Office of Children, Youth and Families (OCYF) and its regional offices (in Philadelphia, Scranton, Harrisburg, and Pittsburgh) have responsibilities that include, among others: "Monitoring, licensing, and providing technical assistance to CCYA and private children and youth agencies and facilities." [Emphasis added.], p. 7; http://www.dhs.pa.gov/cs/groups/webcontent/documents/document/c_275378.pdf, accessed August 3, 2018.

⁸ This includes *contracted In-Home Preventative Service providers* and their sub-recipients.

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to address the issues we raised in our March 18, 2018, Position Statement letter to DHS would be a significant improvement. However, until DHS implements a process to ensure that all 67 C&Y agencies are routinely directly monitoring the CPSL adherence to the *certifications* of their contracted in-home preventative service providers' employees and volunteers, this Department, as indicated in our March 18, 2018, Position Statement letter, will continue to raise our concerns. Our Department again wishes to re-emphasize that any failure to perform such monitoring puts the safety of these vulnerable children at great risk.

Greater Scrutiny of Arrest and Conviction Records

It is important to note that background checks and child abuse clearances have historically been valid for one year after being obtained.⁹ However, recent amendments to the CPSL extend this time frame from one year to five years.¹⁰ Therefore, there is a need for DHS and C&Y agencies across the commonwealth to have a *greatly heightened* awareness about the arrest and conviction records, as well as child abuse adjudications, of the employees/volunteers of C&Y agencies' *contracted In-Home Preventative Service providers* and their sub-recipients. This is to ensure that no new, disqualifying incidents have occurred from the date of the background clearances since certain disqualifying offenses could go undetected for years.

Auditor General Senior Management's Follow-up Conclusion Statement

We commend DHS management for acknowledging the seriousness of the risks to children's safety resulting from the significant control deficiencies we identified related to CPSL adherence as discussed in our March 18, 2018 Position Statement letter. Further, we recognize the challenges that DHS faces in monitoring the 67 C&Y agencies' direct monitoring of the numerous *contracted In-Home Preventative Service providers* and their sub-recipients. We believe that requiring C&Y agencies to submit a schedule that captures the details of the agency's monitoring efforts as described above will be a major improvement. However, we also recognize that risks to these vulnerable children continue to exist. One such risk results from the potential delay of 9 to 21 months (or possibly longer) between the date of possible noncompliance by a *contracted In-Home Preventative Service provider* and/or inadequate monitoring by a county C&Y agency and DHS becoming aware of those issues.¹¹

Furthermore, as previously stated, we have communicated to DHS that we believe that DHS should do more to assure that employees/volunteers of *contracted In-Home Preventative*

⁹ Please note that the previous one year validity of checks and clearances only applied to prospective employees, which is a requirement that was deleted by Act 153 of 2014.

¹⁰ 23 Pa.C.S. § 6344.4.

¹¹ The potential 9-21 month delay is based on the Single Audit being due nine months after the end of the fiscal year plus up to 12 months for possible noncompliance occurring at the beginning of the fiscal year. The period of delay would be higher when the Single Audit is not received within nine months from the end of the fiscal year.

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Service providers are properly vetted through reviews of background checks and child abuse history clearances and to ensure that employees/volunteers do not have any convictions or adjudications that are disqualifying under the CPSL. Further, because of more recent amendments to the CPSL that changed the validity timeframe for background checks and child abuse history clearances from one to five years (i.e., 60 months) after being obtained, we believe that a greatly heightened awareness of these providers and sub-recipients' arrest and conviction records and child abuse adjudications is warranted.¹²

Directly monitoring whether employees/volunteers of *contracted In-Home Preventative Service providers* are properly vetted through a background check process is a crucial step towards protecting these at-risk children. Therefore, we will continue to monitor the adequacy of measures taken by DHS to monitor and address C&Y agencies' compliance with the requirements of the CPSL as it relates to their contracted in-home preventative service providers and their sub-recipients. Again, our Department re-emphasizes that any failure to perform such monitoring puts the safety of these vulnerable children at great risk.

Finally, we requested that DHS reach out to, and work with, the chairs of the legislative committees of the Pennsylvania Senate and House of Representatives who help to protect the wellbeing of Pennsylvania children and youth to amend the Human Services Code to include provisions requiring the licensure and annual inspections of *contracted In-Home Preventative Service providers and their subcontractors (sub-recipients)*.

¹² As noted in an earlier footnote, the now repealed one year validity of checks and clearances only applied to prospective employees.

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This report was originally distributed to the following:

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

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Bureau of Budget and Fiscal Support
Office of Children, Youth and Families
Department of Human Services

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

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