

AMENDED FISCAL REPORTS

For Fiscal Years:

July 1, 2019 to June 30, 2020

July 1, 2020 to June 30, 2021

Union County Children and Youth Agency

November 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 Union County
Union County Government Center
155 North 15th Street
Lewisburg, PA 17837

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 Union 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, 2019 to June 30, 2020 and July 1, 2020 to June 30, 2021. The scope of our engagement was limited to the fiscal reports submitted to the Pennsylvania Department of Human Services (DHS) as part of the Act 148 Invoice Packages for the fiscal years ended June 30, 2020 and June 30, 2021.

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

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

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

- For the **2019-2020 fiscal year**, our engagement resulted in one adjustment being made to the agency's submitted fiscal reports. This adjustment impacted the agency's Net State Share by decreasing non-reimbursable expenditures by \$2,352. Based on the application of the state participation rates, this adjustment resulted in an amount due to the county totaling \$1,411.
- For the **2020-2021 fiscal year**, our engagement resulted in one adjustment being made to the agency's submitted fiscal reports. This adjustment impacted the agency's Net State Share by increasing non-reimbursable expenditures by \$289. Based on the application of the state participation rates, this adjustment resulted in an amount due to the state totaling \$173.

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 Requirement

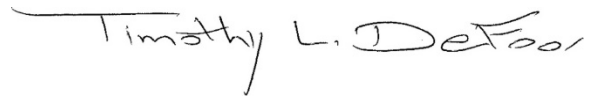
The results of our engagement procedures, as presented in this report, were discussed with County representatives and agency management at an exit conference call held on October 31, 2022.

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

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

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

Sincerely,

A handwritten signature in black ink that reads "Timothy L. DeFoor". The signature is written in a cursive style with a long horizontal line extending to the left of the first letter.

Timothy L. DeFoor
Auditor General
November 7, 2022

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BACKGROUND

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

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

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

SECTION 1

AMENDED FISCAL REPORTS

FOR THE FISCAL YEAR:

JULY 1, 2019 to JUNE 30, 2020

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

Approved State Allocation ¹		\$ 1,467,673
Supplemental Act 148		<u>0</u>
Total State Allocation		1,467,673
State Share (CY348) ²	\$ 1,370,591	
Less: Major Service Category Adjustment	<u>0</u>	
Net State Share		\$ 1,370,591
Less: Expenditures in Excess of the Approved State Allocation		<u>0</u>
Final Net State Share Payable ³		\$ 1,370,591
Actual Act 148 Revenues Received ⁴		<u>1,369,180</u>
Net Amount Due County/(State) ⁵		<u><u>\$ 1,411</u></u>

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

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

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

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

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

UNION 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 Tit IV-E	MEDICAL ASSISTANCE	NET TOTAL	STATE ACT 148	LOCAL SHARE
NET CHILD WELFARE EXPENDITURES											
01. 100% REIMBURSEMENT	3,640	0	106	0	0	0	0	0	3,534	3,534	0
02. 90% REIMBURSEMENT	15,587	0	2	0	3,340	0	0	0	12,245	11,021	1,224
03. 80% REIMBURSEMENT	1,810,818	29,639	141,956	31,778	18,242	62,462	0	0	1,526,741	1,221,391	305,350
04. 60% REIMBURSEMENT	205,398	3,454	6,272	0	0	0	0	1,049	194,623	116,773	77,850
05. 50% REIMBURSEMENT	35,744	0	0	0	0	0	0	0	35,744	17,872	17,872
06. TOTAL NET CHILD WELFARE EXPEND.	2,071,187	33,093	148,336	31,778	21,582	62,462	0	1,049	1,772,887	1,370,591	402,296

YDC/YFC PLACEMENT COSTS											
07. 60% DHSPARTICIPATION	0	0							0	0	0

08. NON-REIMBURSABLE EXPENDITURES	48,100	0							48,100		48,100
09. TOTAL EXPENDITURES	2,119,287	33,093	148,336	31,778	21,582	62,462	0	1,049	1,820,987	1,370,591	450,396

10. TOTAL TITLE IV-D COLLECTIONS 15,295

11. TITLE IV-D Collections for IV-E Children 6,198

12. STATE ACT 148 - line 6 1,370,591

13. STATE ACT 148 ALLOCATION 1,467,673

14. ADJUSTED STATE SHARE (lower of 12 or 13) 1,370,591

INVOICE											
AMENDED STATE SHARE (ACT 148)	1,370,591										
ACT 148 AMOUNT RECEIVED	1,369,180										
ADJUSTMENT TO STATE SHARE	1,411										

UNION 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
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	3,640	0		106	0		0	0	0	3,534	0	0
1-B ADOPTION ASSISTANCE	194,489	0	92,224	0			0	0	0	102,265	81,812	20,453
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	29,328	0	0	0			0	0	0	29,328	23,462	5,866
1-D COUNSELING - DEPENDENT	76,713	0		2,277	4,816		0	0	0	69,620	55,696	13,924
1-E COUNSELING - DELINQUENT	6,545	0		0	3,427		0	0	0	3,118	2,494	624
1-F DAY CARE	240	0		0	0		0	0	0	240	192	48
1-G DAY TREATMENT - DEPENDENT	31,956	0		0	14,488		0	0	0	17,468	13,974	3,494
1-H DAY TREATMENT - DELINQUENT	16,517	0		0	9,047		0	0	0	7,470	5,976	1,494
1-I HOMEMAKER SERVICE	95,423	0		2,797	0		0	0	0	92,626	74,101	18,525
1-J INTAKE & REFERRAL	195,261	0		6,091	0		0	0	0	189,170	151,336	37,834
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	186,475	0		5,516	0		0	0	0	180,959	144,767	36,192
1-N PROTECTIVE SERVICE - GENERAL	446,864	0		13,339	0		0	0	0	433,525	346,820	86,705
1-O SERVICE PLANNING	116,448	0		3,629	0		0	0	0	112,819	90,255	22,564
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT	35,184	0		0	0		0	0	0	35,184	17,592	17,592
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT	0	0		0	0		0	0	0	0	0	0
1-R SUBTOTAL IN-HOME	1,435,083	0	92,224	33,755	31,778	0	0	0	0	1,277,326	1,012,011	265,315

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
2-B ALTERNATIVE TREATMENT - DELINQUENT	0	0		0	0		0	0	0	0	0	0
2-C COMMUNITY RESIDENTIAL - DEPENDENT	2,935	720		91	742	453	0	0	929	743	186	0
2-D COMMUNITY RESIDENTIAL - DELINQUENT	0	0		0	0		0	0	0	0	0	0
2-E EMERGENCY SHELTER - DEPENDENT	15,587	0		2	3,340		0	0	12,245	11,021	1,224	0
2-F EMERGENCY SHELTER - DELINQUENT	0	0		0	0		0	0	0	0	0	0
2-G FOSTER FAMILY - DEPENDENT	354,378	15,001	5,261	10,677	17,500	62,009	0	0	243,930	195,144	48,786	0
2-H FOSTER FAMILY - DELINQUENT	0	0		0	0		0	0	0	0	0	0
2-I KINSHIP CARE - DEPENDENT	57,246	13,918	0	54		0	0	0	43,274	34,619	8,655	0
2-J KINSHIP CARE - DELINQUENT	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
2-L SUP. INDEPENDENT LIVING - DELINQUENT	0	0		0	0		0	0	0	0	0	0
2-M SUBTOTAL CBP	430,146	29,639	5,261	10,824	21,582	62,462	0	0	300,378	241,527	58,851	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	560	0		62	0		0	0	560	280	280	0
3-B RESIDENTIAL SERVICE - DEPENDENT	3,885	3,454	0	0	0		0	0	369	221	148	0
3-C RES. SERVICE - DELINQUENT (NON YDC/YFC)	0	0		0	0		0	0	0	0	0	0
3-D SECURE RES. SERVICE (EXCEPT YDC)	0	0		0	0		0	0	0	0	0	0
3-E YDC SECURE	0	0		0	0		0	0	0	0	0	0
3-F SUBTOTAL INSTITUTIONAL	4,445	3,454	0	62	0	0	0	0	929	501	428	0

4 ADMINISTRATION	201,513	0		6,210	0		0	0	1,049	194,254	116,552	77,702
5 TOTAL REVENUES	2,071,187	33,093	97,485	50,851	31,778	21,582	62,462	0	1,049	1,772,887	1,370,591	402,296

UNION 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	EMPLOYEE BENEFITS	OPERATING	PURCHASED SERVICES	FIXED ASSETS	TOTAL EXPENDITURES	CHILDREN SERVED (BY COUNTY)	CHILDREN SERVED (PURCHASED)	NON-REIMBURSABLE NON PS/SUB.	NON-REIM. PURCHASED SERV/ SUBSIDIES	PROGRAM INCOME RELATED TO ALL NON-REIMBURSABLE
IN-HOME	1,791	1,048		460	275	66	3,640	5	2	0	0	0
1-A ADOPTION SERVICE	0	0	194,489	0	0	0	194,489	0	23	0	0	0
1-B ADOPTION ASSISTANCE	0	0	29,328	0	0	0	29,328	0	4	0	0	0
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	48,799	16,625		5,674	4,020	1,595	76,713	49	2	0	0	0
1-D COUNSELING - DEPENDENT	0	0			6,545	0	6,545	0	3	0	0	0
1-E COUNSELING - DELINQUENT	0	0			240	0	240	0	1	0	0	0
1-F DAY CARE	0	0			31,956	0	31,956	0	17	0	0	0
1-G DAY TREATMENT - DEPENDENT	0	0			16,517	0	16,517	0	6	0	0	0
1-H DAY TREATMENT - DELINQUENT	0	0			0	0	0	0	0	0	0	0
1-I HOMEMAKER SERVICE	50,561	44,862			0	0	95,423	47	0	0	0	0
1-J INTAKE & REFERRAL	121,980	54,236		14,866	0	4,179	195,261	326	0	0	0	0
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	110,542	54,337		14,371	3,942	3,283	186,475	72	11	0	0	0
1-N PROTECTIVE SERVICE - GENERAL	255,512	119,724		49,421	12,978	9,229	446,864	178	26	0	0	0
1-O SERVICE PLANNING	75,102	31,733		7,503	0	2,110	116,448	28	0	0	0	0
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT	0	0			0	0	0	0	0	0	0	0
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT	0	0			0	0	0	0	0	0	0	0
1-R SUBTOTAL IN-HOME	664,287	322,565	223,817	92,295	111,657	20,462	1,435,083					
Number of Children receiving only NON-PURCHASED IN-Home Services 457												
COMMUNITY BASED PLACEMENT	0	0	0	0	0	0	0	0	0	0	0	0
2-A ALTERNATIVE TREATMENT - DEPENDENT	0	0			0	0	0	0	0	0	0	0
2-B ALTERNATIVE TREATMENT - DELINQUENT	0	0			0	0	0	0	0	0	0	0
2-C COMMUNITY RESIDENTIAL - DEPENDENT	1,791	848		230	0	66	2,935	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	0	0		963	14,624	0	15,587	399	15	0	0	0
2-F EMERGENCY SHELTER - DELINQUENT	0	0			0	0	0	0	0	0	0	0
2-G FOSTER FAMILY - DEPENDENT	152,794	73,268		28,046	95,077	5,193	354,378	1,281	17	0	0	0
2-H FOSTER FAMILY - DELINQUENT	0	0			0	0	0	0	0	0	0	0
2-I KINSHIP CARE - DEPENDENT	0	0		7,148	50,098	0	57,246	2,087	18	0	0	0
2-J KINSHIP CARE - DELINQUENT	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
2-L SUP. INDEPENDENT LIVING - DELINQUENT	0	0			0	0	0	0	0	0	0	0
2-M SUBTOTAL CBP	154,585	74,116	0	36,387	159,799	5,259	430,146	3,767	50	0	0	0
INSTITUTIONAL PLACEMENT	986	397	0	727	1,758	17	3,885	0	2	0	0	0
3-A JUVENILE DETENTION SERVICE	0	0			560	0	560	2	1	0	0	0
3-B RESIDENTIAL SERVICE - DEPENDENT	986	397	0	727	1,758	17	3,885	0	2	0	0	0
3-C RES. SERVICE - DELINQUENT (EXCEPT YDC/YFC)	0	0			0	0	0	0	0	0	0	0
3-D SECURE RES. SERVICE (EXCEPT YDC)	0	0			0	0	0	0	0	0	0	0
3-E YDC SECURE	0	0			0	0	0	0	0	0	0	0
3-F SUBTOTAL INSTITUTIONAL	986	397	0	727	2,318	17	4,445	2	3	0	0	0
ADMINISTRATION	91,434	36,928	0	119,318	0	1,933	249,613			48,100	0	0
TOTAL EXPENDITURES	911,292	434,006	223,817	248,727	273,774	27,671	2,119,287			48,100	0	0
County Indirect Costs = \$ 109,808												

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

COST CENTER ITEMS	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Adoption Service	\$ 3,640	\$ 0	\$ 3,640
Adoption Assistance	194,489	0	194,489
Subsidized Permanent Legal Custodianship	29,328	0	29,328
Counseling	83,258	0	83,258
Day Care	240	0	240
Day Treatment	48,473	0	48,473
Homemaker Service	95,423	0	95,423
Intake and Referral	195,261	0	195,261
Life Skills	0	0	0
Protective Service - Child Abuse	186,475	0	186,475
Protective Service - General	446,864	0	446,864
Service Planning	116,448	0	116,448
Juvenile Act Proceedings	35,184	0	35,184
Alternative Treatment	0	0	0
Community Residential	2,935	0	2,935
Emergency Shelter	15,587	0	15,587
Foster Family	354,378	0	354,378
Kinship Care	57,246	0	57,246
Supervised Independent Living	0	0	0
Juvenile Detention Service	560	0	560
Residential Service	3,885	0	3,885
Secure Residential Service (Except YDC)	0	0	0
YDC Secure	0	0	0
Administration	249,613	0	249,613
Combined Total Expense	<u>2,119,287</u>	<u>0</u>	<u>2,119,287</u>
Less Non-reimbursables	<u>50,452</u>	<u>(2,352)</u>	<u>48,100</u>
Total Net Expense	<u>\$ 2,068,835</u>	<u>\$ 2,352</u>	<u>\$ 2,071,187</u>

OBJECTS OF EXPENDITURE	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Wages and Salaries	\$ 911,292	\$ 0	\$ 911,292
Employee Benefits	434,006	0	434,006
Subsidies	223,817	0	223,817
Operating	248,727	0	248,727
Purchased Services	273,774	0	273,774
Fixed Assets	27,671	0	27,671
Combined Total Expense	<u>2,119,287</u>	<u>0</u>	<u>2,119,287</u>
Less Non-reimbursables	<u>50,452</u>	<u>(2,352)</u>	<u>48,100</u>
Total Net Expense	<u>\$ 2,068,835</u>	<u>\$ 2,352</u>	<u>\$ 2,071,187</u>

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

REPORT REFERENCE			ADJ. NO.	EXPLANATION OF ADJUSTMENT	AS REPORTED OR ADJUSTED	INCREASE/ (DECREASE)	ADJUSTED TOTAL
SCHEDULE	LINE	COLUMN					
CY-370	4	10	1	<p style="text-align: center;">CY-370 Adjustment</p> <p>Administration - Non-Reimbursable Non PS/Sub.</p> <p>To decrease Non-Reimbursable Non Purchased Services/Subsidies by \$2,352 to properly report indirect costs which exceed the two percent cost limitation.</p> <p>Title 55 PA Code, Chapter 3170.60 OCYF Bulletin 00-95-12</p>	\$ 50,452	\$ (2,352)	\$ 48,100

SECTION 2

AMENDED FISCAL REPORTS

FOR THE FISCAL YEAR:

JULY 1, 2020 to JUNE 30, 2021

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

Approved State Allocation ¹		\$	1,675,575
Supplemental Act 148			<u>0</u>
Total State Allocation			1,675,575
State Share (CY348) ²	\$		1,408,901
Less: Major Service Category Adjustment			<u>0</u>
Net State Share		\$	1,408,901
Less: Expenditures in Excess of the Approved State Allocation			<u>0</u>
Final Net State Share Payable ³		\$	1,408,901
Actual Act 148 Revenues Received ⁴			<u>1,409,074</u>
Net Amount Due County/(State) ⁵		\$	<u><u>(173)</u></u>

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

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

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

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

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

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

	A	B	C	D	E	F	G	H	I	J	K
	GRAND TOTAL	PROGRAM INCOME	TITLE IV-E	TANF	TITLE XX	TITLE IV-B	Family First Transition Act	MEDICAL ASSISTANCE	NET TOTAL	STATE ACT 148	LOCAL SHARE
NET CHILD WELFARE EXPENDITURES											
01. 100% REIMBURSEMENT	6,739	0	244	0	0	0	0	0	6,495	6,495	0
02. 90% REIMBURSEMENT	8,345	0	0	0	0	0	0	0	8,345	7,511	834
03. 80% REIMBURSEMENT	1,856,654	16,942	174,905	31,778	20,137	46,848	0	0	1,566,044	1,252,836	313,208
04. 60% REIMBURSEMENT	239,326	5,612	10,091	0	1,445	15,614	0	1,514	205,050	123,030	82,020
05. 50% REIMBURSEMENT	38,057	0	0	0	0	0	0	0	38,057	19,029	19,028
06. TOTAL NET CHILD WELFARE EXPEND.	2,149,121	22,554	185,240	31,778	21,582	62,462	0	1,514	1,823,991	1,408,901	415,090
YDC/YFC PLACEMENT COSTS											
07. 60% DHS PARTICIPATION	0	0							0	0	0
08. NON-REIMBURSABLE EXPENDITURES	58,081	0							58,081		58,081
09. TOTAL EXPENDITURES	2,207,202	22,554	185,240	31,778	21,582	62,462	0	1,514	1,882,072	1,408,901	473,171
10. TOTAL TITLE IV-D COLLECTIONS	13,447										
11. TITLE IV-D Collections for IV-E Children	7,867										
12. STATE ACT 148 - line 6	1,408,901										
13. STATE ACT 148 ALLOCATION	1,675,575										
14. ADJUSTED STATE SHARE (lower of 12 or 13)	1,408,901										
INVOICE											
AMENDED STATE SHARE (ACT 148)	1,408,901										
ACT 148 AMOUNT RECEIVED	1,409,074										
ADJUSTMENT TO STATE SHARE	(173)										

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

MAJOR SERVICE CATEGORIES & COST CENTERS	REVENUE SOURCES											
	1	2	3	4	5	6	7	8	9	10	11	12
	TOTAL REIMBURSABLE EXPENDITURES	PROGRAM INCOME	TITLE IV-E MAINTENANCE	TITLE IV-E ADMIN.	TANF	TITLE XX	TITLE IV-B	Family First Transition Act	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE
IN-HOME												
1-A ADOPTION SERVICE	6,739	0		244	0			0	0	6,495	6,495	0
1-B ADOPTION ASSISTANCE	209,488	0	103,446	0				0	0	106,042	84,834	21,208
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	22,578	0	0	0	0			0	0	22,578	18,062	4,516
1-D COUNSELING - DEPENDENT	78,666	0		3,430	3,350	0		0	0	71,886	57,509	14,377
1-E COUNSELING - DELINQUENT	2,606	0		0	1,391	0		0	0	1,215	972	243
1-F DAY CARE	0	0		0	0	0		0	0	0	0	0
1-G DAY TREATMENT - DEPENDENT	48,383	0		0	27,037	0		0	0	21,346	17,077	4,269
1-H DAY TREATMENT - DELINQUENT	0	0		0	0	0		0	0	0	0	0
1-I HOMEMAKER SERVICE	121,929	0		5,672	0	0		0	0	116,257	93,006	23,251
1-J INTAKE & REFERRAL	191,789	0		8,915	0	0		0	0	182,874	146,299	36,575
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	184,428	0		8,358	0	0		0	0	176,070	140,856	35,214
1-N PROTECTIVE SERVICE - GENERAL	493,084	0		22,039	0	0		0	0	471,045	376,836	94,209
1-O SERVICE PLANNING	117,088	0		5,417	0	0		0	0	111,671	89,337	22,334
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT	37,767	0		0	0	0		0	0	37,767	18,884	18,883
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT	0	0		0	0	0		0	0	0	0	0
1-R SUBTOTAL IN-HOME	1,514,545	0	103,446	54,075	31,778	0	0	0	0	1,325,246	1,050,167	275,079

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	Family First Transition Act	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE
2-A ALTERNATIVE TREATMENT - DEPENDENT	0	0	0	0	0			0	0	0	0	0
2-B ALTERNATIVE TREATMENT - DELINQUENT	0	0	0	0	0			0	0	0	0	0
2-C COMMUNITY RESIDENTIAL - DEPENDENT	3,222	0		149		1,545		0	0	1,528	1,222	306
2-D COMMUNITY RESIDENTIAL - DELINQUENT	0	0		0		0		0	0	0	0	0
2-E EMERGENCY SHELTER - DEPENDENT	7,800	0		0	0	0		0	0	7,800	7,020	780
2-F EMERGENCY SHELTER - DELINQUENT	545	0		0	0	0		0	0	545	491	54
2-G FOSTER FAMILY - DEPENDENT	347,339	4,057	5,284	12,188		15,989	42,143	0	0	267,678	214,142	53,536
2-H FOSTER FAMILY - DELINQUENT	8,955	0		0		2,603		0	0	6,352	5,082	1,270
2-I KINSHIP CARE - DEPENDENT	26,592	12,780	0	7		0	4,705	0	0	9,100	7,280	1,820
2-J KINSHIP CARE - DELINQUENT	507	105	0	0		0	0	0	0	402	322	80
2-K SUP. INDEPENDENT LIVING - DEPENDENT	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
2-M SUBTOTAL CBP	394,960	16,942	5,284	12,344	0	20,137	46,848	0	0	293,405	235,559	57,846

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	Family First Transition Act	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE
3-A JUVENILE DETENTION SERVICE	290	0		92		954		0	0	290	145	145
3-B RESIDENTIAL SERVICE - DEPENDENT	2,882	816	0	0		0		0	0	1,020	612	408
3-C RES. SERVICE - DELINQUENT (NON YDC/YFC)	21,406	4,796	0	0		491	15,614	0	0	505	303	202
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	24,578	5,612	0	92	0	1,445	15,614	0	0	1,815	1,060	755

4 ADMINISTRATION	215,038	0		9,999		0	0	0	1,514	203,525	122,115	81,410
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5 TOTAL REVENUES	2,149,121	22,554	108,730	76,510	31,778	21,582	62,462	0	1,514	1,823,991	1,408,901	415,090
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**UNION COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2020 TO JUNE 30, 2021
AMENDED CY370
EXPENDITURE REPORT**

MAJOR SERVICE CATEGORIES & COST CENTERS	OBJECTS OF EXPENDITURE										Program Income related to all Non- Reimbursable	
	1	2	3	4	5	6	7	8	9	10		11
IN-HOME	WAGES AND SALARIES	EMPLOYEE BENEFITS	SUBSIDIES	OPERATING	PURCHASED SERVICES	FIXED ASSETS	TOTAL EXPENDITURES	Children Served (by county)	Children Served (Purchased)	Non- Reimbursable Non PS/Sub.	Non-Reim. Purchased Serv/ Subsidies	Program Income related to all Non- Reimbursable
1-A ADOPTION SERVICE	1,834	1,108		2,961	783	53	6,739	2	2	0	0	0
1-B ADOPTION ASSISTANCE	0	0	209,488	0	0	0	209,488	0	23	0	0	0
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	0	0	22,578	0	0	0	22,578	0	4	0	0	0
1-D COUNSELING - DEPENDENT	49,238	18,513		5,563	4,065	1,287	78,666	26	6	0	0	0
1-E COUNSELING - DELINQUENT	0	0		0	2,606	0	2,606	2	4	0	0	0
1-F IDAY CARE	0	0		0	0	0	0	0	0	0	0	0
1-G IDAY TREATMENT - DEPENDENT	0	0		0	48,383	0	48,383	0	17	0	0	0
1-H IDAY TREATMENT - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
1-I HOMEMAKER SERVICE	65,269	56,616		0	0	44	121,929	42	0	0	0	0
1-J INTAKE & REFERRAL	118,843	55,019		14,577	0	3,350	191,789	190	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	124,156	41,198		12,963	3,463	0	184,428	62	29	0	0	0
1-N PROTECTIVE SERVICE - GENERAL	280,490	142,259		50,627	12,262	7,446	493,084	77	14	0	0	0
1-O SERVICE PLANNING	75,020	33,032		7,358	0	1,678	117,088	20	0	0	0	0
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT				0	37,767		37,767	0	14	0	0	0
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT				0	0		0	0	0	0	0	0
1-R SUBTOTAL IN-HOME	714,850	347,745	232,066	94,049	109,329	16,506	1,514,545			0	0	0
	LRPC = Legal Representation for Children in Placement = \$										0	
	LRCPN = Legal Representation for Children Non-Placement = \$										0	
	Number of Children receiving only NON-PURCHASED HH Services										0	
COMMUNITY BASED PLACEMENT	WAGES AND SALARIES	EMPLOYEE BENEFITS	SUBSIDIES	OPERATING	PURCHASED SERVICES	FIXED ASSETS	TOTAL EXPENDITURES	DAYS OF CARE	Children Served (Purchased)	Non- Reimbursable Non PS/Sub.	Non-Reim. Purchased Serv/ Subsidies	Program Income related to all Non- Reimbursable
2-A ALTERNATIVE TREATMENT - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
2-B ALTERNATIVE TREATMENT - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-C COMMUNITY RESIDENTIAL - DEPENDENT	1,834	1,108		227	0	53	3,222	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	755	7,045	0	7,800	73	4	0	0	0
2-F EMERGENCY SHELTER - DELINQUENT	0	0	0	20	525	0	545	30	1	0	0	0
2-G FOSTER FAMILY - DEPENDENT	150,554	72,329		22,571	97,697	4,188	347,339	1,112	7	0	0	0
2-H FOSTER FAMILY - DELINQUENT	0	0	0	20	8,935	0	8,955	128	1	0	0	0
2-I KINSHIP CARE - DEPENDENT	0	0	0	5,863	20,729	0	26,592	869	8	0	0	0
2-J KINSHIP CARE - DELINQUENT	0	0	0	245	262	0	507	15	1	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 SUBTOTAL CBP	152,388	73,437	0	29,701	135,193	4,241	394,960	2,227	22	0	0	0
INSTITUTIONAL PLACEMENT	WAGES AND SALARIES	EMPLOYEE BENEFITS	SUBSIDIES	OPERATING	PURCHASED SERVICES	FIXED ASSETS	TOTAL EXPENDITURES	DAYS OF CARE	Children Served (Purchased)	Non- Reimbursable Non PS/Sub.	Non-Reim. Purchased Serv/ Subsidies	Program Income related to all Non- Reimbursable
3-A JUVENILE DETENTION SERVICE	0	0	0	0	290	0	290	1	1	0	0	0
3-B RESIDENTIAL SERVICE - DEPENDENT	1,019	421		671	758	13	2,882	0	1	0	0	0
3-C RES. SERVICE - DELINQUENT (EXCEPT YDC/YFC)	0	0	0	0	21,406	0	21,406	186	1	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	1,019	421	0	671	22,454	13	24,578	187	3	0	0	0
4 ADMINISTRATION	94,527	40,174	0	136,857	0	1,561	273,119			58,081	0	0
5 TOTAL EXPENDITURES	962,784	461,777	232,066	261,278	266,976	22,321	2,207,202			58,081	0	0
	County Indirect Costs = \$										127,460	

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

COST CENTER ITEMS	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Adoption Service	\$ 6,739	\$ 0	\$ 6,739
Adoption Assistance	209,488	0	209,488
Subsidized Permanent Legal Custodianship	22,578	0	22,578
Counseling	81,272	0	81,272
Day Care	0	0	0
Day Treatment	48,383	0	48,383
Homemaker Service	121,929	0	121,929
Intake and Referral	191,789	0	191,789
Life Skills	0	0	0
Protective Service - Child Abuse	184,428	0	184,428
Protective Service - General	493,084	0	493,084
Service Planning	117,088	0	117,088
Juvenile Act Proceedings	37,767	0	37,767
Alternative Treatment	0	0	0
Community Residential	3,222	0	3,222
Emergency Shelter	8,345	0	8,345
Foster Family	356,294	0	356,294
Kinship Care	27,099	0	27,099
Supervised Independent Living	0	0	0
Juvenile Detention Service	290	0	290
Residential Service	24,288	0	24,288
Secure Residential Service (Except YDC)	0	0	0
YDC Secure	0	0	0
Administration	273,119	0	273,119
Combined Total Expense	<u>2,207,202</u>	<u>0</u>	<u>2,207,202</u>
Less Non-reimbursables	<u>57,792</u>	<u>289</u>	<u>58,081</u>
Total Net Expense	<u>\$ 2,149,410</u>	<u>\$ (289)</u>	<u>\$ 2,149,121</u>

OBJECTS OF EXPENDITURE	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Wages and Salaries	\$ 962,784	\$ 0	\$ 962,784
Employee Benefits	461,777	0	461,777
Subsidies	232,066	0	232,066
Operating	261,278	0	261,278
Purchased Services	266,976	0	266,976
Fixed Assets	22,321	0	22,321
Combined Total Expense	<u>2,207,202</u>	<u>0</u>	<u>2,207,202</u>
Less Non-reimbursables	<u>57,792</u>	<u>289</u>	<u>58,081</u>
Total Net Expense	<u>\$ 2,149,410</u>	<u>\$ (289)</u>	<u>\$ 2,149,121</u>

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

REPORT REFERENCE			ADJ. NO.	EXPLANATION OF ADJUSTMENT	AS REPORTED OR ADJUSTED	INCREASE/ (DECREASE)	ADJUSTED TOTAL
SCHEDULE	LINE	COLUMN					
CY-370	4	10	1	<p style="text-align: center;">CY-370 Adjustment</p> <p>Administration - Non-Reimbursable Non PS/Sub.</p> <p>To increase Non-Reimbursable Non Purchased Services/Subsidies by \$289 to properly report indirect costs which exceed the two percent cost limitation.</p> <p>Title 55 PA Code, Chapter 3170.60 OCYF Bulletin 00-95-12</p>	\$ 57,792	\$ 289	\$ 58,081

SECTION 3

STATUS OF PRIOR ENGAGEMENT FINDING AND RECOMMENDATIONS

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

The prior report included the following finding:

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

In our prior engagement report, for the fiscal years July 1, 2017 to June 30, 2019, 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 3, 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 states the agency performs a quarterly review of one randomly selected monthly invoice each from two randomly selected In-Home providers. During these reviews, agency-selected invoices are compared to the respective provider's supporting documentation which includes signed encounter forms, case file notes, visit reports, and attendance reports. The policy further states that if discrepancies are found, each respective provider is contacted to submit an adjusted invoice, if applicable.

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

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

SECTION 4

CURRENT ENGAGEMENT OBSERVATION

UNION COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT OBSERVATION

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

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

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

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

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

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

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

UNION COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT OBSERVATION

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

Our 2018 Position Statement Letter

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

DHS Corrective Actions Taken

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

C&Y agencies are required to:

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

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

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

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

Our Current Position

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

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

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

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

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Conclusion

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

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

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

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This report was originally distributed to the following:

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