

AMENDED FISCAL REPORTS

For Fiscal Years:

July 1, 2018 to June 30, 2019

July 1, 2019 to June 30, 2020

Venango County Children and Youth Agency

May 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 Venango County
Venango County Courthouse Annex, 2nd Floor
1174 Elk Street, PO Box 831
Franklin, PA 16323

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 Venango County Children and Youth Services (agency). The purpose of this engagement is to ascertain and certify the actual commonwealth expenditures incurred on behalf of children residing within the county for the fiscal years July 1, 2018 to June 30, 2019, and July 1, 2019 to June 30, 2020. The scope of our engagement was limited to the fiscal reports submitted to the Pennsylvania Department of Human Services (DHS) as part of the Act 148 Invoice Packages for the fiscal years ended June 30, 2019, and June 30, 2020.

Agency management is responsible for the preparation of the submitted fiscal reports, and compliance with children, youth, and families regulations. Our engagement procedures included a review of selected agency records and other procedures we deemed necessary to enable us to ascertain and certify the actual commonwealth expenditures incurred on behalf of children residing within the county. We also performed procedures to determine the county's compliance with certain provisions of 55 Pa. Code, Part V. Children, Youth, and Families Manual, Subpart C, Chapters 3140 and 3170 (55 Pa. Code §§ 3140.1 *et seq.* and 3170.1 *et seq.*). The engagement was not conducted, nor was it required to be, in accordance with professional auditing or attestation standards. We believe that our engagement procedures provided us a reasonable basis to ascertain and certify the actual commonwealth expenditures incurred on behalf of children residing within Venango 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 2018-2019 and 2019-2020 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 **2018-2019 fiscal year**, our engagement resulted in two adjustments being made to the agency's submitted fiscal reports. These adjustments affected the agency's Net State Share by decreasing agency expenditures by \$413 and increasing program income by \$1,498. Based on the application of the state participation rates, the two adjustments resulted in an amount due to the state totaling \$1,534.
- For the **2019-2020 fiscal year**, our engagement resulted in one adjustment being made to the agency's submitted fiscal reports. This adjustment affected the agency's Net State Share by decreasing program income by \$1,235. There is no impact on the Net State Share and no amount is due to the county or state because the agency's expenditures exceeded the total state Act 148 allocation by \$988 and the agency cannot receive state reimbursement in excess of the total state Act 148 allocation.

This report includes the following observation:

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

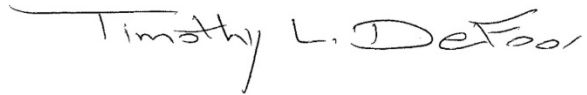
The results of our engagement procedures, as presented in this report, were discussed with County representatives and agency management at an exit conference held on May 19, 2022.

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 horizontal line extending from the start of the name.

Timothy L. DeFoor
Auditor General
May 20, 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, 2018 to JUNE 30, 2019

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

Approved State Allocation ¹		\$	4,301,719
Supplemental Act 148			<u>214,879</u>
Total State Allocation			4,516,598
State Share (CY348) ²	\$	4,515,064	
Less: Major Service Category Adjustment		<u>0</u>	
Net State Share	\$	4,515,064	
Less: Expenditures in Excess of the Approved State Allocation		<u>0</u>	
Final Net State Share Payable ³	\$	4,515,064	
Actual Act 148 Revenues Received ⁴			<u>4,516,598</u>
Net Amount Due County/(State) ⁵	\$		<u>(1,534)</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.

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

	A	B	C	D	E	F	G	H	I	J	K
	GRAND TOTAL	PROGRAM INCOME	TITLE IV-E	TANF	TITLE XX	TITLE IV-B	Child Welfare Demonstration Project Title IV-E	MEDICAL ASSISTANCE	NET TOTAL	STATE ACT 148	LOCAL SHARE
NET CHILD WELFARE EXPENDITURES											
01. 100% REIMBURSEMENT	16,617	0	209	0	0	0	1,804	0	14,604	14,604	0
02. 90% REIMBURSEMENT	203,067	0	780	11,263	0	0	13,138	0	177,886	160,097	17,789
03. 80% REIMBURSEMENT	6,751,100	128,210	333,062	176,896	60,055	153,669	633,436	0	5,265,772	4,212,615	1,053,157
04. 60% REIMBURSEMENT	241,058	0	2,995	0	0	0	52,988	2,025	183,050	109,830	73,220
05. 50% REIMBURSEMENT	40,468	0	526	0	0	0	4,106	0	35,836	17,918	17,918
06. TOTAL NET CHILD WELFARE EXPEND.	7,252,310	128,210	337,572	188,159	60,055	153,669	705,472	2,025	5,677,148	4,515,064	1,162,084

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

08. NON-REIMBURSABLE EXPENDITURES	0	0	0						0		0
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09. TOTAL EXPENDITURES	7,252,310	128,210	337,572	188,159	60,055	153,669	705,472	2,025	5,677,148	4,515,064	1,162,084
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10. TOTAL TITLE IV-D COLLECTIONS 109,201

11. TITLE IV-D Collections for IV-E Children 41,605

12. STATE ACT 148 - line 6 4,515,064

13. STATE ACT 148 ALLOCATION 4,516,598

14. ADJUSTED STATE SHARE (lower of 12 or 13) 4,515,064

INVOICE	
AMENDED STATE SHARE (ACT 148)	4,515,064
ACT 148 AMOUNT RECEIVED	4,516,598
ADJUSTMENT TO STATE SHARE	(1,534)

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

MAJOR SERVICE CATEGORIES & COST CENTERS		REVENUE SOURCES											
		1	2	3	4	5	6	7	8	9	10	11	12
IN-HOME	TOTAL REIMBURSABLE EXPENDITURES				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	16,617	0		209	0			1,804	0	14,604	14,604	0
	1-B ADOPTION ASSISTANCE	512,909	0	207,835	4,000			0	0	0	301,074	240,859	60,215
	1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	0	0	77,231	0			0	0	0	(77,231)	(61,765)	(15,446)
	1-D COUNSELING - DEPENDENT	982,785	0		1,854	0	59,048	127,252	15,787	0	778,844	623,075	155,769
	1-E COUNSELING - DELINQUENT	10,469	0		0	0	0	0	0	0	10,469	8,375	2,094
	1-F DAY CARE	0	0		0	0	0	0	0	0	0	0	0
	1-G DAY TREATMENT - DEPENDENT	0	0		0	0	0	0	0	0	0	0	0
	1-H DAY TREATMENT - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
	1-I HOMEMAKER SERVICE	0	0		0	0	0	0	0	0	0	0	0
	1-J INTAKE & REFERRAL	581,199	0		7,390	0	0	0	62,084	0	511,725	409,380	102,345
	1-K LIFE SKILLS - DEPENDENT	454,061	0		1,003	176,896	0	0	8,579	0	267,583	214,066	53,517
	1-L LIFE SKILLS - DELINQUENT	95,442	0		8	0	0	0	76	0	95,358	76,287	19,071
	1-M PROTECTIVE SERVICE - CHILD ABUSE	589,887	0		7,515	0	0	0	63,918	0	518,454	414,763	103,691
	1-N PROTECTIVE SERVICE - GENERAL	349,211	0		4,362	0	0	0	37,433	0	307,416	245,932	61,484
	1-O SERVICE PLANNING	800,009	0		8,267	0	1,007	26,417	70,748	0	693,570	554,856	138,714
	1-P JUVENILE ACT PROCEEDINGS - DEPENDENT	40,468	0		526	0		0	4,106	0	35,836	17,918	17,918
	1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT	0	0		0	0		0	0	0	0	0	0
	SUBTOTAL IN-HOME	4,433,058	0	285,066	35,134	176,896	60,055	153,669	264,535	0	3,457,702	2,758,330	699,372
COMMUNITY BASED PLACEMENT	TOTAL REIMBURSABLE EXPENDITURES				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	647,724	27,862	661	779		0	0	88,813	0	529,609	423,687	105,922
	2-D COMMUNITY RESIDENTIAL - DELINQUENT	404,548	8,495		0		0	0	16,199	0	379,854	303,883	75,971
	2-E EMERGENCY SHELTER - DEPENDENT	144,932	0	0	780	3,719	0	0	13,138	0	127,295	114,565	12,730
	2-F EMERGENCY SHELTER - DELINQUENT	58,135	0	0	0	7,544	0	0	0	0	50,591	45,532	5,059
	2-G FOSTER FAMILY - DEPENDENT	1,322,855	91,853	8,189	3,968		0	0	269,799	0	949,046	759,237	189,809
	2-H FOSTER FAMILY - DELINQUENT	0	0	0	0		0	0	0	0	0	0	0
	2-I SUP. INDEPENDENT LIVING - DEPENDENT	0	0	0	0		0	0	0	0	0	0	0
	2-J SUP. INDEPENDENT LIVING - DELINQUENT	0	0	0	0		0	0	0	0	0	0	0
	SUBTOTAL CBP	2,578,194	128,210	8,850	5,527	11,263	0	0	387,949	0	2,036,395	1,646,904	389,491
INSTITUTIONAL PLACEMENT	TOTAL REIMBURSABLE EXPENDITURES				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	0	0							0	0	0	0
	3-B RESIDENTIAL SERVICE - DEPENDENT	13,755	0	0	174		0	0	1,494	0	12,087	7,252	4,835
	3-C RES. SERVICE - DELINQUENT (NON YDC/YFC)	750	0	0	0		0	0	0	0	750	450	300
	3-D SECURE RES. SERVICE (EXCEPT YDC)	0	0							0	0	0	0
	3-E YDC SECURE	0	0								0	0	0
	SUBTOTAL INSTITUTIONAL	14,505	0	0	174	0	0	0	1,494	0	12,837	7,702	5,135
4	ADMINISTRATION	226,553	0		2,821		0	0	51,494	2,025	170,213	102,128	68,085
5	TOTAL REVENUES	7,252,310	128,210	293,916	43,656	188,159	60,055	153,669	705,472	2,025	5,677,148	4,515,064	1,162,084

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

MAJOR SERVICE CATEGORIES & COST CENTERS												
OBJECTS OF EXPENDITURE												
	1	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												
1-A	ADOPTION SERVICE	7,934	2,733	5,950	0	0	16,617	15	0	0	0	0
1-B	ADOPTION ASSISTANCE	0	0	512,908	1	0	512,909	0	74	0	0	0
1-C	SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	0	0	246,147	(246,147)	0	0	0	29	0	0	0
1-D	COUNSELING - DEPENDENT	80,758	27,968	38,083	835,976	0	982,785	164	292	0	0	0
1-E	COUNSELING - DELINQUENT	0	0	1	10,468	0	10,469	0	31	0	0	0
1-F	DAY CARE	0	0		0	0	0	0	0	0	0	0
1-G	DAY TREATMENT - DEPENDENT	0	0		0	0	0	0	0	0	0	0
1-H	DAY TREATMENT - DELINQUENT	0	0		0	0	0	0	0	0	0	0
1-I	HOMEMAKER SERVICE	0	0		0	0	0	0	0	0	0	0
1-J	INTAKE & REFERRAL	405,736	119,128	56,335	0	0	581,199	1,232	0	0	0	0
1-K	LIFE SKILLS - DEPENDENT	46,899	14,183	17,883	375,096	0	454,061	8	541	0	0	0
1-L	LIFE SKILLS - DELINQUENT	0	0	499	94,943	0	95,442	0	27	0	0	0
1-M	PROTECTIVE SERVICE - CHILD ABUSE	409,145	119,580	61,162	0	0	589,887	227	0	0	0	0
1-N	PROTECTIVE SERVICE - GENERAL	178,785	57,724	112,702	0	0	349,211	1,076	0	0	0	0
1-O	SERVICE PLANNING	379,154	126,327	145,838	148,690	0	800,009	1,474	116	0	0	0
1-P	JUVENILE ACT PROCEEDINGS - DEPENDENT			40,468	0		40,468	154	0	0	0	0
1-Q	JUVENILE ACT PROCEEDINGS - DELINQUENT			0	0		0	0	0	0	0	0
1-R	SUBTOTAL IN-HOME	1,508,411	467,643	759,055	232,776	1,465,173	4,433,058					0
Number of Children receiving only NON-PURCHASED IN-Home Services 317												
COMMUNITY BASED PLACEMENT												
2-A	ALTERNATIVE TREATMENT - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0
2-B	ALTERNATIVE TREATMENT - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0
2-C	COMMUNITY RESIDENTIAL - DEPENDENT	33,451	9,287	20,494	584,492	0	647,724	4,287	27	0	0	0
2-D	COMMUNITY RESIDENTIAL - DELINQUENT	0	0	679	403,869	0	404,548	2,583	17	0	0	0
2-E	EMERGENCY SHELTER - DEPENDENT	32,520	9,825	19,395	83,192	0	144,932	2,274	60	0	0	0
2-F	EMERGENCY SHELTER - DELINQUENT	0	0	0	58,135	0	58,135	329	17	0	0	0
2-G	FOSTER FAMILY - DEPENDENT	182,620	65,291	379,171	695,773	0	1,322,855	25,096	170	0	0	0
2-H	FOSTER FAMILY - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0
2-I	SUP. INDEPENDENT LIVING - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0
2-J	SUP. INDEPENDENT LIVING - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0
2-K	SUBTOTAL CBP	248,591	84,403	419,739	1,823,461	0	2,578,194	34,569	291	0	0	0
INSTITUTIONAL PLACEMENT												
3-A	JUVENILE DETENTION SERVICE	0	0	0	0	0	0	0	0	0	0	0
3-B	RESIDENTIAL SERVICE - DEPENDENT	7,934	2,748	3,073	0	0	13,755	0	0	0	0	0
3-C	RES. SERVICE - DELINQUENT (EXCEPT YDC/YFC)	0	0	0	750	0	750	3	1	0	0	0
3-D	SECURE RES. SERVICE (EXCEPT YDC)	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
3-F	SUBTOTAL INSTITUTIONAL	7,934	2,748	3,073	750	0	14,505	3	1	0	0	0
ADMINISTRATION												
4	ADMINISTRATION	92,619	25,403	103,976	4,555	0	226,553			0	0	0
TOTAL EXPENDITURES												
5	TOTAL EXPENDITURES	1,857,555	580,197	759,055	759,564	3,295,939	7,252,310			0	0	0
County Indirect Costs = \$ 99,821												

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

COST CENTER ITEMS	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Adoption Service	\$ 16,620	\$ (3)	\$ 16,617
Adoption Assistance	512,908	1	512,909
Subsidized Permanent Legal Custodianship	246,147	(246,147)	0
Counseling	993,295	(41)	993,254
Day Care	0	0	0
Day Treatment	0	0	0
Homemaker Service	0	0	0
Intake and Referral	581,203	(4)	581,199
Life Skills	549,684	(181)	549,503
Protective Service - Child Abuse	589,890	(3)	589,887
Protective Service - General	349,294	(83)	349,211
Service Planning	800,196	(187)	800,009
Juvenile Act Proceedings	40,469	(1)	40,468
Alternative Treatment	0	0	0
Community Residential	1,052,278	(6)	1,052,272
Emergency Shelter	203,079	(12)	203,067
Foster Family	1,076,606	246,249	1,322,855
Supervised Independent Living	0	0	0
Juvenile Detention Service	0	0	0
Residential Service	14,501	4	14,505
Secure Residential Service (Except YDC)	0	0	0
YDC Secure	0	0	0
Administration	226,552	1	226,553
Combined Total Expense	7,252,722	(413)	7,252,310
Less Non-reimbursables	0	0	0
Total Net Expense	\$ 7,252,722	\$ (413)	\$ 7,252,310

OBJECTS OF EXPENDITURE	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Wages and Salaries	\$ 1,857,555	\$ 0	\$ 1,857,555
Employee Benefits	580,197	0	580,197
Subsidies	759,055	0	759,055
Operating	759,976	(413)	759,564
Purchased Services	3,295,939	0	3,295,939
Fixed Assets	0	0	0
Combined Total Expense	7,252,722	(413)	7,252,310
Less Non-reimbursables	0	0	0
Total Net Expense	\$ 7,252,722	\$ (413)	\$ 7,252,310

**VENANGO COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2018 TO JUNE 30, 2019
ADJUSTMENT SCHEDULE**

REPORT REFERENCE			ADJ. NO.	EXPLANATION OF ADJUSTMENTS	AS REPORTED OR ADJUSTED	INCREASE/ (DECREASE)	ADJUSTED TOTAL
SCHEDULE	LINE	COLUMN					
CY-370			1	CY-370 Adjustment			
	1-B	3		Adoption Assistance - Subsidies	\$ 512,908	\$ 1	\$ 512,909
	1-C	3		Subsidized Permanent Legal Custodianship - Subsidies	\$ 246,147	\$ (246,147)	\$ -
	1-A	4		Adoption Service - Operating	\$ 5,953	\$ (3)	\$ 5,950
	1-D	4		Counseling (Dependent) - Operating	\$ 38,125	\$ (42)	\$ 38,083
	1-E	4		Counseling (Delinquent) - Operating	\$ 10,468	\$ 1	\$ 10,469
	1-J	4		Intake & Referral - Operating	\$ 56,339	\$ (4)	\$ 56,335
	1-K	4		Life Skills (Dependent) - Operating	\$ 17,908	\$ (25)	\$ 17,883
	1-L	4		Life Skills (Delinquent) - Operating	\$ 655	\$ (156)	\$ 499
	1-M	4		Protective Service Child Abuse - Operating	\$ 61,165	\$ (3)	\$ 61,162
	1-N	4		Protective Service General - Operating	\$ 112,785	\$ (83)	\$ 112,702
	1-O	4		Service Planning - Operating	\$ 146,025	\$ (187)	\$ 145,838
	1-P	4		Juvenile Act Proceedings (Dependent) - Operating	\$ 40,469	\$ (1)	\$ 40,468
	2-C	4		Community Residential (Dependent) - Operating	\$ 20,502	\$ (8)	\$ 20,494
	2-D	4		Community Residential (Delinquent) - Operating	\$ 677	\$ 2	\$ 679
	2-E	4		Emergency Shelter (Dependent) - Operating	\$ 19,407	\$ (12)	\$ 19,395
	2-G	4		Foster Family (Dependent) - Operating	\$ 132,922	\$ 246,249	\$ 379,171
	3-B	4		Residential Service (Dependent) - Operating	\$ 3,069	\$ 4	\$ 3,073
	4	4		Administration - Operating	\$ 103,975	\$ 1	\$ 103,976
				Total Adjustment Amount		\$ (413)	
				To decrease expenditures by \$413 to include a revision to the expenditure ledger subsequent to the submission of the 4th quarter Act 148 Invoice to the Department of Human Services.			
				Title 55 PA Code, Chapter 3170.95(a)(b)			
CY-370A			2	CY-370A Adjustment			
	2-G	2		Foster Family (Dependent) - Program Income	\$ 90,355	\$ 1,498	\$ 91,853
				To increase program income by \$1,498 to include revenue received subsequent to the agency's submission of the Act 148 Invoice to the Department of Human Services and reconcile to the agency's Program Income ledger.			
				Title 55 PA Code, Chapter 3170.95(a)(b)			

SECTION 2

AMENDED FISCAL REPORTS

FOR THE FISCAL YEAR:

JULY 1, 2019 to JUNE 30, 2020

**VENANGO 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	\$	4,302,582
Supplemental Act 148		<u>112,227</u>
Total State Allocation		4,414,809
State Share (CY348) ²	\$	4,415,797
Less: Major Service Category Adjustment		<u>0</u>
Net State Share	\$	4,415,797
Less: Expenditures in Excess of the Approved State Allocation		<u>988</u>
Final Net State Share Payable ³	\$	4,414,809
Actual Act 148 Revenues Received ⁴		<u>4,414,809</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 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 No amount is due to the County or State because the Children and Youth Agency's expenditures exceeded the Total State Act 148 Allocation by \$988, as detailed on this page. While our Program Income adjustment resulted in a net increase of \$1,235 in expenditures for the agency for said fiscal year, as detailed on page 15 of this report, the agency cannot receive state reimbursement in excess of the Total State Act 148 Allocation. Thus, there is no impact on the the Final Net State Share of Expenditures.

VENANGO COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2019 TO JUNE 30, 2020
AMENDED CY348
FISCAL SUMMARY

	A	B	C	D	E	F	G	H	I	J	K
	GRAND TOTAL	PROGRAM INCOME	TITLE IV-E	TANF	TITLE XX	TITLE IV-B	Child Welfare Demonstration Project Title IV-E	MEDICAL ASSISTANCE	NET TOTAL	STATE ACT 148	LOCAL SHARE
NET CHILD WELFARE EXPENDITURES											
01. 100% REIMBURSEMENT	15,743	0	1,826	0	0	0	422	0	13,495	13,495	(0)
02. 90% REIMBURSEMENT	206,918	0	5,036	81,068	0	0	1,511	0	119,303	107,373	11,930
03. 80% REIMBURSEMENT	6,728,538	139,592	965,129	107,091	60,055	153,669	147,744	0	5,155,258	4,124,206	1,031,052
04. 60% REIMBURSEMENT	288,425	0	30,380	0	0	0	5,749	2,210	250,086	150,052	100,034
05. 50% REIMBURSEMENT	41,342	0	0	0	0	0	0	0	41,342	20,671	20,671
06. TOTAL NET CHILD WELFARE EXPEND.	7,280,966	139,592	1,002,371	188,159	60,055	153,669	155,427	2,210	5,579,483	4,415,797	1,163,686

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

08. NON-REIMBURSABLE EXPENDITURES	0	0							0		0
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09. TOTAL EXPENDITURES	7,280,966	139,592	1,002,371	188,159	60,055	153,669	155,427	2,210	5,579,483	4,415,797	1,163,686
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10. TOTAL TITLE IV-D COLLECTIONS 140,826

11. TITLE IV-D Collections for IV-E Children 61,792

12. STATE ACT 148 - line 6 4,415,797

13. STATE ACT 148 ALLOCATION 4,414,809

14. ADJUSTED STATE SHARE (lower of 12 or 13) 4,414,809

INVOICE	
AMENDED STATE SHARE (ACT 148)	4,415,797
ACT 148 AMOUNT RECEIVED	4,414,809
ADJUSTMENT TO STATE SHARE	988

VENANGO COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2019 TO JUNE 30, 2020
AMENDED CV370A
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	15,743	0		1,826	0		0	422	0	13,495	13,495	(0)
1-B ADOPTION ASSISTANCE	589,717	0	259,127	13,500				0	0	317,090	253,672	63,418
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	271,388	0	93,188					0	0	178,200	142,560	35,640
1-D COUNSELING -DEPENDENT	903,970	0		9,404	0	60,055	112,251	1,993	0	720,267	576,214	144,053
1-E COUNSELING -DELINQUENT	17,418	0			0	0	0	0	0	17,418	13,934	3,484
1-F DAY CARE	0	0		0	0	0	0	0	0	0	0	0
1-G DAY TREATMENT - DEPENDENT	0	0			0	0	0	0	0	0	0	0
1-H DAY TREATMENT - DELINQUENT	0	0			0	0	0	0	0	0	0	0
1-I HOMEMAKER SERVICE	0	0			0	0	0	0	0	0	0	0
1-J INTAKE & REFERRAL	557,974	0		67,302	0	0	0	13,054	0	477,618	382,095	95,523
1-K LIFE SKILLS - DEPENDENT	393,837	0		6,947	107,091	60,055	6,000	1,442	0	272,357	217,885	54,472
1-L LIFE SKILLS - DELINQUENT	98,075	0			25	0	0	0	0	98,050	78,440	19,610
1-M PROTECTIVE SERVICE - CHILD ABUSE	550,192	0		65,959	0	0	0	13,141	0	471,092	376,874	94,218
1-N PROTECTIVE SERVICE - GENERAL	551,525	0		65,382	0	0	0	12,975	0	473,168	378,535	94,633
1-O SERVICE PLANNING	779,784	0		74,760	0	0	35,418	14,818	0	654,788	523,830	130,958
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT	41,342	0			0		0	0	0	41,342	20,671	20,671
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT	0	0			0		0	0	0	0	0	0
SUBTOTAL IN-HOME	4,770,965	0	352,315	305,105	107,091	60,055	153,669	57,845	0	3,734,885	2,978,205	756,680
COMMUNITY BASED PLACEMENT	TOTAL REIMBURSABLE EXPENDITURES	PROGRAM INCOME	TITLE IV-E MAINTENANCE	TITLE IV-E ADMIN.	TANF	TITLE XX	TITLE IV-B	Child Welfare Demonstration Project Title IV-E	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE
2-A ALTERNATIVE TREATMENT - DEPENDENT	0	0	0	0		0	0	0	0	0	0	0
2-B ALTERNATIVE TREATMENT - DELINQUENT	0	0	0	0		0	0	0	0	0	0	0
2-C COMMUNITY RESIDENTIAL - DEPENDENT	325,053	20,239	7,823	41,199		0	0	11,808	0	243,984	195,187	48,797
2-D COMMUNITY RESIDENTIAL - DELINQUENT	423,982	25,329	0	3		0	0	12	0	398,638	318,911	79,727
2-E EMERGENCY SHELTER - DEPENDENT	96,105	0	1,155	3,881	0	0	0	1,511	0	89,558	80,602	8,956
2-F EMERGENCY SHELTER - DELINQUENT	110,813	0	0	0	81,068	0	0	0	0	29,745	26,771	2,974
2-G FOSTER FAMILY - DEPENDENT	811,879	24,942	94,630	63,660		0	0	76,582	0	552,065	441,652	110,413
2-H FOSTER FAMILY - DELINQUENT	3,699	0	0	0		0	0	0	0	3,699	2,959	740
2-I KINSHIP CARE - DEPENDENT	450,045	69,082	90,939	11,281		0	0	1,920	0	276,823	221,458	55,365
2-J KINSHIP CARE - DELINQUENT	0	0	0	0		0	0	0	0	0	0	0
2-K SUP. INDEPENDENT LIVING - DEPENDENT	0	0	0	0		0	0	0	0	0	0	0
2-L SUP. INDEPENDENT LIVING - DELINQUENT	0	0	0	0		0	0	0	0	0	0	0
SUBTOTAL CBP	2,221,576	139,592	194,547	120,024	81,068	0	0	91,833	0	1,594,512	1,287,540	306,972
INSTITUTIONAL PLACEMENT	TOTAL REIMBURSABLE EXPENDITURES	PROGRAM INCOME	TITLE IV-E MAINTENANCE	TITLE IV-E ADMIN.	TANF	TITLE XX	TITLE IV-B	Child Welfare Demonstration Project Title IV-E	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE
3-A JUVENILE DETENTION SERVICE	0	0							0	0	0	0
3-B RESIDENTIAL SERVICE - DEPENDENT	27,399	0	0	1,728		0	0	345	0	25,326	15,196	10,130
3-C RES. SERVICE - DELINQUENT (NON YDC/YFC)	25,223	0	0	0		0	0	0	0	25,223	15,134	10,089
3-D SECURE RES. SERVICE (EXCEPT YDC)	0	0							0	0	0	0
3-E YDC SECURE	0	0								0	0	0
SUBTOTAL INSTITUTIONAL	52,622	0	0	1,728	0	0	0	345	0	50,549	30,330	20,219
ADMINISTRATION	235,803	0		28,652		0	0	5,405	2,210	199,536	119,722	79,814
TOTAL REVENUES	7,280,966	139,592	546,862	455,509	188,159	60,055	153,669	155,427	2,210	5,579,483	4,415,797	1,163,686

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

MAJOR SERVICE CATEGORIES & COST CENTERS	OBJECTS OF EXPENDITURE											
	1	2	3	4	5	6	7	8	9	10	11	12
	WAGES AND SALARIES	EMPLOYEE BENEFITS	SUBSIDIES	OPERATING	PURCHASED SERVICES	FIXED ASSETS	TOTAL EXPENDITURES	Children Served (by county)	Children Served (Purchased)	Non- Reimbursable Non PS Sub.	Non-Reim. Purchased Serv/ Subsidies	Program Income related to all Non- Reimbursable
IN-HOME												
1-A ADOPTION SERVICE	8,418	2,747		4,578	0	0	15,743	25	0	0	0	0
1-B ADOPTION ASSISTANCE	0	0	589,717	0	0	0	589,717	0	82	0	0	0
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	0	0	271,388	0	0	0	271,388	0	44	0	0	0
1-D COUNSELING - DEPENDENT	42,741	15,911		20,827	824,491	0	903,970	138	186	0	0	0
1-E COUNSELING - DELINQUENT	0	0		0	17,418	0	17,418	0	25	0	0	0
1-F DAY CARE	0	0		0	0	0	0	0	0	0	0	0
1-G DAY TREATMENT - DEPENDENT	0	0		0	0	0	0	0	0	0	0	0
1-H DAY TREATMENT - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
1-I HOMEMAKER SERVICE	0	0		0	0	0	0	0	0	0	0	0
1-J INTAKE & REFERRAL	384,317	116,634		57,023	0	0	557,974	1,194	0	0	0	0
1-K LIFE SKILLS - DEPENDENT	34,254	11,754		12,431	335,398	0	393,837	6	451	0	0	0
1-L LIFE SKILLS - DELINQUENT	0	0		165	97,910	0	98,075	1	32	0	0	0
1-M PROTECTIVE SERVICE - CHILD ABUSE	377,054	115,575		57,563	0	0	550,192	171	0	0	0	0
1-N PROTECTIVE SERVICE - GENERAL	309,825	92,548		149,152	0	0	551,525	1,070	0	0	0	0
1-O SERVICE PLANNING	355,212	115,681		151,016	157,875	0	779,784	1,344	63	0	0	0
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT				2,342	39,000		41,342	228	228	0	0	0
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT				0	0		0	0	0	0	0	0
1-R SUBTOTAL IN-HOME	1,511,821	470,850	861,105	455,097	1,472,092	0	4,770,965			0	0	0
Number of Children receiving only NON-PURCHASED IN-Home Services 585												
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	27,354	10,783	0	11,883	275,033	0	325,053	1,410	13	0	0	0
2-D COMMUNITY RESIDENTIAL - DELINQUENT	0	0	0	128	423,854	0	423,982	2,198	20	0	0	0
2-E EMERGENCY SHELTER - DEPENDENT	18,929	8,201	0	5,937	63,038	0	96,105	1,414	50	0	0	0
2-F EMERGENCY SHELTER - DELINQUENT	0	0	0	0	110,813	0	110,813	654	30	0	0	0
2-G FOSTER FAMILY - DEPENDENT	142,400	55,102	0	110,815	503,562	0	811,879	12,966	56	0	0	0
2-H FOSTER FAMILY - DELINQUENT	0	0	0	0	3,699	0	3,699	49	1	0	0	0
2-I KINSHIP CARE - DEPENDENT	53,935	15,383	0	20,699	360,028	0	450,045	17,978	83	0	0	0
2-J KINSHIP CARE - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-K SUP. INDEPENDENT LIVING - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
2-L SUP. INDEPENDENT LIVING - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-M SUBTOTAL CBP	242,618	89,469	0	149,462	1,740,027	0	2,221,576	36,669	253	0	0	0
INSTITUTIONAL PLACEMENT												
3-A JUVENILE DETENTION SERVICE	0	0	0	0	0	0	0	0	0	0	0	0
3-B RESIDENTIAL SERVICE - DEPENDENT	8,418	2,750	0	3,233	12,998	0	27,399	80	2	0	0	0
3-C RES. SERVICE - DELINQUENT (EXCEPT YDC/YFC)	0	0	0	0	25,223	0	25,223	118	2	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	8,418	2,750	0	3,233	38,221	0	52,622	198	4	0	0	0
ADMINISTRATION	101,348	32,597	0	101,858	0	0	235,803			0	0	0
TOTAL EXPENDITURES	1,864,205	595,666	861,105	709,650	3,250,340	0	7,280,966			0	0	0
County Indirect Costs = \$ 99,821												

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	\$ 15,743	\$ 0	\$ 15,743
Adoption Assistance	589,717	0	589,717
Subsidized Permanent Legal Custodianship	271,388	0	271,388
Counseling	921,388	0	921,388
Day Care	0	0	0
Day Treatment	0	0	0
Homemaker Service	0	0	0
Intake and Referral	557,974	0	557,974
Life Skills	491,912	0	491,912
Protective Service - Child Abuse	550,192	0	550,192
Protective Service - General	551,525	0	551,525
Service Planning	779,784	0	779,784
Juvenile Act Proceedings	41,342	0	41,342
Alternative Treatment	0	0	0
Community Residential	749,035	0	749,035
Emergency Shelter	206,918	0	206,918
Foster Family	815,578	0	815,578
Kinship Care	450,045	0	450,045
Supervised Independent Living	0	0	0
Juvenile Detention Service	0	0	0
Residential Service	52,622	0	52,622
Secure Residential Service (Except YDC)	0	0	0
YDC Secure	0	0	0
Administration	235,803	0	235,803
Combined Total Expense	<u>7,280,966</u>	<u>0</u>	<u>7,280,966</u>
Less Non-reimbursables	<u>0</u>	<u>0</u>	<u>0</u>
Total Net Expense	<u>\$ 7,280,966</u>	<u>\$ 0</u>	<u>\$ 7,280,966</u>

OBJECTS OF EXPENDITURE	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Wages and Salaries	\$ 1,864,205	\$ 0	\$ 1,864,205
Employee Benefits	595,666	0	595,666
Subsidies	861,105	0	861,105
Operating	709,650	0	709,650
Purchased Services	3,250,340	0	3,250,340
Fixed Assets	0	0	0
Combined Total Expense	<u>7,280,966</u>	<u>0</u>	<u>7,280,966</u>
Less Non-reimbursables	<u>0</u>	<u>0</u>	<u>0</u>
Total Net Expense	<u>\$ 7,280,966</u>	<u>\$ 0</u>	<u>\$ 7,280,966</u>

**VENANGO 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-370A	2-G	2	1	<p style="text-align: center;">CY-370A Adjustment</p> <p>Foster Family (Dependent) - Program Income</p> <p>To decrease program income by \$1,235 to include revisions made to the agency's program income ledger subsequent to the submission of the Act 148 Invoice to Commonwealth DHS.</p> <p>Title 55 PA Code, Chapter 3170.95(a)(b)</p>	\$ 26,177	\$ (1,235)	\$ 24,942

VENANGO COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT OBSERVATION

SECTION 3

CURRENT ENGAGEMENT OBSERVATION

VENANGO 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 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.

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.

VENANGO COUNTY CHILDREN AND YOUTH AGENCY CURRENT ENGAGEMENT OBSERVATION

Our 2018 Position Statement Letter

On March 18, 2018, we sent a Position Statement Letter to then DHS Deputy Secretary for Children, Youth and Families, which was also delivered to the Pennsylvania Senate and House of Representatives' children and youth committee chairs who focuses on protecting the health, safety, and wellbeing of the children and youth receiving contracted in-home services across the commonwealth. The major purpose of our letter was to express our concerns, as detailed above.

DHS Corrective Actions Taken

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

C&Y agencies are required to:

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

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

- Obtain a listing of contracted providers that deliver in-home coded services for the C&Y agency.
- Test the listing of contracted providers for completeness.
- Analyze the C&Y agency's documentation of monitoring activities for adequacy of monitoring, the C&Y agency's obtaining of any necessary corrective action plans, the C&Y agency's timely follow-up on corrective action plans, and the adequacy and accuracy of the monitoring documentation as represented on the supplemental schedule.

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- 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.ⁱ

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.

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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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.

VENANGO COUNTY CHILDREN AND YOUTH AGENCY
REPORT DISTRIBUTION LIST

This report was originally distributed to the following:

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