

AMENDED FISCAL REPORTS

For Fiscal Years:

July 1, 2018 to June 30, 2019

July 1, 2019 to June 30, 2020

July 1, 2020 to June 30, 2021

Lawrence County Children and Youth Agency

October 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 Lawrence County
Lawrence County Government Center
430 Court Street
New Castle, PA 16101

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 Lawrence 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, 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, 2019, 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 Lawrence County.

We certify that the enclosed amended fiscal reports fairly present, in all material respects, the total Commonwealth expenditures paid on behalf of children residing within the county for the 2018-2019, 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 **2018-2019 fiscal year**, our engagement resulted in no adjustments made to the agency's submitted fiscal reports.
- For the **2019-2020 fiscal year**, our engagement resulted in two adjustments made to the agency's submitted fiscal reports. These adjustments in total affected the agency's Net State Share by decreasing agency expenditures by \$298 and increasing non-reimbursable expenditures by \$582. Based on the application of the state participation rates, the two adjustments resulted in an amount due to the state totaling \$528.
- For the **2020-2021 fiscal year**, our engagement resulted in two adjustments made to the agency's submitted fiscal reports. These adjustments affected the agency's Net State Share by decreasing non-reimbursable expenditures by \$4,266. 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 \$2,559 and the agency cannot receive state reimbursement in excess of the total state Act 148 Allocation.

This report includes the following finding and observation.

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

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

The results of our engagement procedures, as presented in this report, were discussed with agency management at an exit conference held on September 15, 2022.

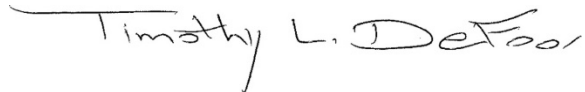
This report is being forwarded to the DHS Bureau of Financial Operations, and the Office of Children, Youth, and Families for review and settlement of any recommended adjustments included in our amended fiscal reports. You will be notified by DHS of the decisions made regarding the approval and finalization 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 §

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.

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 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 above the first few letters.

Timothy L. DeFoor
Auditor General
September 15, 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

**LAWRENCE 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	\$	5,338,081
Supplemental Act 148		<u>0</u>
Total State Allocation		5,338,081
State Share (CY348) ²	\$	4,728,192
Less: Major Service Category Adjustment		<u>0</u>
Net State Share	\$	4,728,192
Less: Expenditures in Excess of the Approved State Allocation		<u>0</u>
Final Net State Share Payable ³	\$	4,728,192
Actual Act 148 Revenues Received ⁴		<u>4,728,192</u>
Net Amount Due County/(State) ⁵	\$	<u><u>0</u></u>

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

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

LAWRENCE 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	65,529	0	9,632	0	0	0	0	0	55,897	55,897	0
02. 90% REIMBURSEMENT	76,758	0	0	0	0	0	0	0	76,758	69,082	7,676
03. 80% REIMBURSEMENT	6,247,554	110,071	1,540,310	164,948	94,905	16,266	0	0	4,321,054	3,456,842	864,212
04. 60% REIMBURSEMENT	2,230,828	12,622	308,117	0	0	5,423	0	1,736	1,902,930	1,141,758	761,172
05. 50% REIMBURSEMENT	9,225	0	0	0	0	0	0	0	9,225	4,613	4,612
06. TOTAL NET CHILD WELFARE EXPEND	8,629,894	122,693	1,858,059	164,948	94,905	21,689	0	1,736	6,365,864	4,728,192	1,637,672

YDC/YFC PLACEMENT COSTS											
07. 60% DHS PARTICIPATION	130,662	225							130,437	78,262	52,175
08. NON-REIMBURSABLE EXPENDITURES	903	0							903		903

09. TOTAL EXPENDITURES	8,761,459	122,918	1,858,059	164,948	94,905	21,689	0	1,736	6,497,204	4,806,454	1,690,750
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10. TOTAL TITLE IV-D COLLECTIONS 80,812

11. TITLE IV-D Collections for IV-E Children 40,775

12. STATE ACT 148 - line 6 4,728,192

13. STATE ACT 148 ALLOCATION 5,338,081

14. ADJUSTED STATE SHARE (lower of 12 or 13) 4,728,192

INVOICE	
AMENDED STATE SHARE (ACT 148)	4,728,192
ACT 148 AMOUNT RECEIVED	4,728,192
ADJUSTMENT TO STATE SHARE	0

LAWRENCE COUNTY CHILDREN AND YOUTH AGENCY
 FOR THE PERIOD JULY 1, 2018 TO JUNE 30, 2019
 AMENDED C370A
 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 IVE MAINTENANCE	TITLE IVE 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	65,529	0		9,632	0		0	0	55,897	55,897	0	
I-B ADOPTION ASSISTANCE	1,303,916	0	616,756	0			0	0	687,180	549,744	137,436	
I-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	299,256	0	72,798	0			0	0	226,458	181,166	45,292	
I-D COUNSELING - DEPENDENT	109,044	0		525	0		0	0	108,519	86,815	21,704	
I-E COUNSELING - DELINQUENT	705,753	0			0		0	0	705,753	564,602	141,151	
I-F DAY CARE	0	0			0		0	0	0	0	0	
I-G DAY TREATMENT - DEPENDENT	0	0			0		0	0	0	0	0	
I-H DAY TREATMENT - DELINQUENT	0	0			0		0	0	0	0	0	
I-I HOMEMAKER SERVICE	43,256	0			23,142		0	0	20,114	16,091	4,023	
I-J INTAKE & REFERRAL	84,720	0		12,453	0		0	0	72,267	57,814	14,453	
I-K LIFE SKILLS - DEPENDENT	0	0			0		0	0	0	0	0	
I-L LIFE SKILLS - DELINQUENT	0	0			0		0	0	0	0	0	
I-M PROTECTIVE SERVICE - CHILD ABUSE	177,163	0			21,608		0	0	155,555	124,444	31,111	
I-N PROTECTIVE SERVICE - GENERAL	813,521	150		72,772	141,806		0	0	503,888	403,110	100,778	
I-O SERVICE PLANNING	90,841	0		11,936	0		0	0	78,905	63,124	15,781	
I-P JUVENILE ACT PROCEEDINGS - DEPENDENT	0	0			0		0	0	0	0	0	
I-Q JUVENILE ACT PROCEEDINGS - DELINQUENT	0	0			0		0	0	0	0	0	
I-R SUBTOTAL IN-HOME	3,692,999	150	689,534	128,926	164,948	94,905	0	0	2,614,536	2,102,807	511,729	
COMMUNITY BASED PLACEMENT												
2-A ALTERNATIVE TREATMENT - DEPENDENT	0	0					0	0	0	0	0	
2-B ALTERNATIVE TREATMENT - DELINQUENT	0	0					0	0	0	0	0	
2-C COMMUNITY RESIDENTIAL - DEPENDENT	902,375	22,031	246,074	1,135			10,844	0	622,291	497,833	124,458	
2-D COMMUNITY RESIDENTIAL - DELINQUENT	96,573	1,218					0	0	95,355	76,284	19,071	
2-E EMERGENCY SHELTER - DEPENDENT	0	0			0		0	0	0	0	0	
2-F EMERGENCY SHELTER - DELINQUENT	76,738	0			0		0	0	76,738	69,082	7,656	
2-G FOSTER FAMILY - DEPENDENT	1,621,136	86,672	236,995	247,278			5,422	0	1,044,769	835,815	208,954	
2-H FOSTER FAMILY - DELINQUENT	0	0					0	0	0	0	0	
2-I SUP. INDEPENDENT LIVING - DEPENDENT	0	0					0	0	0	0	0	
2-J SUP. INDEPENDENT LIVING - DELINQUENT	0	0					0	0	0	0	0	
2-K SUBTOTAL CBP	2,696,842	109,921	483,069	248,413	0	0	16,266	0	1,839,173	1,479,014	360,159	
INSTITUTIONAL PLACEMENT												
3-A JUVENILE DETENTION SERVICE	9,225	0						0	9,225	4,613	4,613	
3-B RESIDENTIAL SERVICE - DEPENDENT	295,246	6,255	78,869	1,617			5,423	0	203,082	121,849	81,233	
3-C RES. SERVICE - DELINQUENT (NON YDC/YFC)	316,369	6,210					0	0	310,159	186,095	124,064	
3-D SECURE RES. SERVICE (EXCEPT YDC)	69,615	157						0	69,458	41,675	27,783	
3-E YDC SECURE	130,662	225						0	130,437	78,262	52,175	
3-F SUBTOTAL INSTITUTIONAL	821,117	12,847	78,869	1,617	0	0	5,423	0	722,361	432,494	289,867	
ADMINISTRATION	1,549,598	0		227,631		0	0	0	1,320,231	792,139	528,092	
TOTAL REVENUES	8,760,556	122,918	1,251,472	606,587	164,948	94,905	21,689	0	6,496,301	4,806,454	1,689,847	

LAWRENCE 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										Program Income related to all Non-Reimbursable	
	1	2	3	4	5	6	7	8	9	10		11
	WAGES AND SALARIES	EMPLOYEE BENEFITS	SUBSIDIES	OPERATING	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	401,138	21,862		3,529	0		65,529	17	0	0	0	0
I-B ADOPTION ASSISTANCE	0	0	1,303,916	0	0	0	1,303,916	0	291	0	0	0
I-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	0	0	299,256	0	0	0	299,256	0	55	0	0	0
I-D COUNSELING - DEPENDENT	1,864	1,015		714	105,451	0	109,044	20	22	0	0	0
I-E COUNSELING - DELINQUENT	0	0		0	705,753	0	705,753	0	46	0	0	0
I-F DAY CARE	0	0		0	0	0	0	0	0	0	0	0
I-G DAY TREATMENT - DEPENDENT	0	0		0	0	0	0	0	0	0	0	0
I-H DAY TREATMENT - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
I-I DAY TREATMENT - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
I-J HOMEMAKER SERVICE	0	0		0	43,256	0	43,256	0	26	0	0	0
I-K INTAKE & REFERRAL	51,892	28,264		4,564	0	0	84,720	1,670	0	0	0	0
I-L LIFE SKILLS - DEPENDENT	0	0		0	0	0	0	0	0	0	0	0
I-M LIFE SKILLS - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
I-N LIFE SKILLS - DELINQUENT	75,977	41,381		29,805	30,000	0	177,163	712	54	0	0	0
I-O PROTECTIVE SERVICE - CHILD ABUSE	289,282	157,563		48,412	318,264	0	813,521	1,627	75	0	0	0
I-P PROTECTIVE SERVICE - GENERAL	49,743	27,094		4,374	9,630	0	90,841	417	15	0	0	0
I-Q JUVENILE ACT PROCEEDINGS - DEPENDENT				0	0	0	0	0	0	0	0	0
I-R JUVENILE ACT PROCEEDINGS - DELINQUENT				0	0	0	0	0	0	0	0	0
SUBTOTAL IN-HOME	508,896	277,179	1,603,172	91,398	1,212,354	0	3,692,999			0	0	0
Number of Children receiving only NON-PURCHASED IN-Home Services: 527												
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	4,730	2,576	0	8,409	886,660	0	902,375	6,841	64	0	0	0
2-D COMMUNITY RESIDENTIAL - DELINQUENT	0	0	0	1,182	95,391	0	96,573	618	24	0	0	0
2-E EMERGENCY SHELTER - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
2-F EMERGENCY SHELTER - DELINQUENT	0	0	0	0	76,758	0	76,758	865	25	0	0	0
2-G FOSTER FAMILY - DEPENDENT	136,900	74,565	0	27,023	1,382,648	0	1,621,136	34,901	186	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
SUBTOTAL CBP	141,630	77,141	0	36,614	2,441,457	0	2,696,842	43,225	299	0	0	0
INSTITUTIONAL PLACEMENT												
3-A JUVENILE DETENTION SERVICE	0	0	0	0	9,225	0	9,225	51	4	0	0	0
3-B RESIDENTIAL SERVICE - DEPENDENT	6,737	3,669	0	2,665	282,175	0	295,246	1,928	18	0	0	0
3-C RES. SERVICE - DELINQUENT (EXCEPT YDC/DFC)	0	0	0	645	315,724	0	316,369	1,951	15	0	0	0
3-D SECURE RES. SERVICE (EXCEPT YDC)	0	0	0	0	69,615	0	69,615	215	2	0	0	0
3-E YDC SECURE	0	0	0	0	130,662	0	130,662	238	1	0	0	0
SUBTOTAL INSTITUTIONAL	6,737	3,669	0	3,310	807,401	0	821,117	4,383	40	0	0	0
4 ADMINISTRATION	776,247	422,795	0	329,183	0	22,276	1,550,501			903	0	0
TOTAL EXPENDITURES	1,433,510	780,784	1,603,172	460,505	4,461,212	22,276	8,761,459			903	0	0
County Indirect Costs = \$ 217,850												

**LAWRENCE 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	\$ 65,529	\$ 0	\$ 65,529
Adoption Assistance	1,303,916	0	1,303,916
Subsidized Permanent Legal Custodianship	299,256	0	299,256
Counseling	814,797	0	814,797
Day Care	0	0	0
Day Treatment	0	0	0
Homemaker Service	43,256	0	43,256
Intake and Referral	84,720	0	84,720
Life Skills	0	0	0
Protective Service - Child Abuse	177,163	0	177,163
Protective Service - General	813,521	0	813,521
Service Planning	90,841	0	90,841
Juvenile Act Proceedings	0	0	0
Alternative Treatment	0	0	0
Community Residential	998,948	0	998,948
Emergency Shelter	76,758	0	76,758
Foster Family	1,621,136	0	1,621,136
Supervised Independent Living	0	0	0
Juvenile Detention Service	9,225	0	9,225
Residential Service	611,615	0	611,615
Secure Residential Service (Except YDC)	69,615	0	69,615
YDC Secure	130,662	0	130,662
Administration	1,550,501	0	1,550,501
Combined Total Expense	<u>8,761,459</u>	<u>0</u>	<u>8,761,459</u>
Less Non-reimbursables	<u>903</u>	<u>0</u>	<u>903</u>
Total Net Expense	<u>\$ 8,760,556</u>	<u>\$ 0</u>	<u>\$ 8,760,556</u>

OBJECTS OF EXPENDITURE	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Wages and Salaries	\$ 1,433,510	\$ 0	\$ 1,433,510
Employee Benefits	780,784	0	780,784
Subsidies	1,603,172	0	1,603,172
Operating	460,505	0	460,505
Purchased Services	4,461,212	0	4,461,212
Fixed Assets	22,276	0	22,276
Combined Total Expense	<u>8,761,459</u>	<u>0</u>	<u>8,761,459</u>
Less Non-reimbursables	<u>903</u>	<u>0</u>	<u>903</u>
Total Net Expense	<u>\$ 8,760,556</u>	<u>\$ 0</u>	<u>\$ 8,760,556</u>

SECTION 2

AMENDED FISCAL REPORTS

FOR THE FISCAL YEAR:

JULY 1, 2019 to JUNE 30, 2020

**LAWRENCE 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	\$	5,374,199
Supplemental Act 148		<u>171,047</u>
Total State Allocation		5,545,246
State Share (CY348) ²	\$	5,373,671
Less: Major Service Category Adjustment		<u>0</u>
Net State Share	\$	5,373,671
Less: Expenditures in Excess of the Approved State Allocation		<u>0</u>
Final Net State Share Payable ³	\$	5,373,671
Actual Act 148 Revenues Received ⁴		<u>5,374,199</u>
Net Amount Due County/(State) ⁵	\$	<u>(528)</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.

LAWRENCE 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	70,072	8,663	0	0	0	0	0	61,409	61,409	0
02. 90% REIMBURSEMENT	53,658	153	0	0	0	0	0	53,505	48,154	5,351
03. 80% REIMBURSEMENT	7,465,468	1,888,340	182,954	94,905	16,267	0	0	5,127,608	4,102,086	1,025,522
04. 60% REIMBURSEMENT	2,191,017	235,604	0	0	5,422	0	2,027	1,926,050	1,155,630	770,420
05. 50% REIMBURSEMENT	12,783	0	0	0	0	0	0	12,783	6,392	6,391
06. TOTAL NET CHILD WELFARE EXPEND.	9,792,998	2,132,760	182,954	94,905	21,689	0	2,027	7,181,355	5,373,671	1,807,684
YDC/YFC PLACEMENT COSTS										
07. 60% DHS PARTICIPATION	14,964							14,964	8,978	5,986
08. NON-REIMBURSABLE EXPENDITURES	13,503							13,503		13,503
09. TOTAL EXPENDITURES	9,821,465	2,132,760	182,954	94,905	21,689	0	2,027	7,209,822	5,382,649	1,827,173
10. TOTAL TITLE IV-D COLLECTIONS	146,522									
11. TITLE IV-D Collections for IV-E Children	57,991									
12. STATE ACT 148 - line 6	5,373,671									
13. STATE ACT 148 ALLOCATION	5,374,199									
14. ADJUSTED STATE SHARE (lower of 12 or 13)	5,373,671									
INVOICE										
AMENDED STATE SHARE (ACT 148)	5,373,671									
ACT 148 AMOUNT RECEIVED	5,374,199									
ADJUSTMENT TO STATE SHARE	(528)									

LAWRENCE COUNTY CHILDREN AND YOUTH AGENCY
 FOR THE PERIOD JULY 1, 2019 TO JUNE 30, 2020
 AMENDED CY370A
 REVENUE REPORT

MAJOR SERVICE CATEGORIES & COST CENTERS	REVENUE SOURCES											
	1	2	3	4	5	6	7	8	9	10	11	12
	TOTAL REIMBURSABLE EXPENDITURES	PROGRAM INCOME	TITLE IV-E MAINTENANCE	TITLE IV-E ADMIN.	TANF	TITLE XX	TITLE IV-B	Child Welfare Demonstration Project Title IV-E	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE
IN-HOME												
I-A ADOPTION SERVICE	70,072	0		8,663	0		0	0	0	61,409	61,409	0
I-B ADOPTION ASSISTANCE	1,410,865	0	728,681					0	0	682,184	545,747	136,437
I-C SUBSIDIZED PERMANENT LEGAL CUSTODIANS	293,025	0	80,316				0	0	0	212,709	170,167	42,542
I-D COUNSELING - DEPENDENT	448,907	0		402	0	0	0	0	0	448,505	358,804	89,701
I-E COUNSELING - DELINQUENT	670,526	0		0	0	0	0	0	0	670,526	536,421	134,105
I-F DAY CARE	0	0		0	0	0	0	0	0	0	0	0
I-G DAY TREATMENT - DEPENDENT	0	0		0	0	0	0	0	0	0	0	0
I-H DAY TREATMENT - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
I-I HOME MAKER SERVICE	23,067	0		0	12,644	0	0	0	0	10,423	8,338	2,085
I-J INTAKE & REFERRAL	90,593	0		11,201	0	0	0	0	0	79,392	63,514	15,878
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	176,788	0		19,010	0	0	0	0	0	157,778	126,222	31,556
I-N PROTECTIVE SERVICE - GENERAL	926,637	0		65,601	170,310	94,905	0	0	0	595,821	476,657	119,164
I-O SERVICE PLANNING	89,478	0		10,736	0	0	0	0	0	78,742	62,994	15,748
I-P JUVENILE ACT PROCEEDINGS - DEPENDENT	0	0		0	0	0	0	0	0	0	0	0
I-Q JUVENILE ACT PROCEEDINGS - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
I-R SUBTOTAL IN-HOME	4,199,938	0	808,997	115,613	182,954	94,905	0	0	0	2,997,489	2,410,273	587,216

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
2-B ALTERNATIVE TREATMENT - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
2-C COMMUNITY RESIDENTIAL - DEPENDENT	1,151,499	15,282	317,284	67,991		0	5,422	0	0	745,520	596,416	149,104
2-D COMMUNITY RESIDENTIAL - DELINQUENT	295,899	26,013	0	0		0	5,423	0	0	264,463	211,570	52,893
2-E EMERGENCY SHELTER - DEPENDENT	302	0	139	14	0	0	0	0	0	149	134	15
2-F EMERGENCY SHELTER - DELINQUENT	53,356	0	0	0	0	0	0	0	0	53,356	48,020	5,336
2-G FOSTER FAMILY - DEPENDENT	1,673,342	108,540	222,396	296,704		0	5,422	0	0	1,040,280	832,224	208,056
2-H FOSTER FAMILY - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-I KINSHIP CARE - DEPENDENT	214,842	5,559	57,201	10,817		0	0	0	0	141,265	113,012	28,253
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	3,389,240	155,394	597,020	375,526	0	0	16,267	0	0	2,245,033	1,801,376	443,657

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	12,783	0							0	12,783	6,392	6,391
3-B RESIDENTIAL SERVICE - DEPENDENT	198,070	12,962	25,210	3,180		0	0	0	0	156,718	94,031	62,687
3-C RES. SERVICE - DELINQUENT (NON YDC/YFC)	219,486	8,952	0	0		0	5,422	0	0	205,112	123,067	82,045
3-D SECURE RES. SERVICE (EXCEPT YDC)	97,933	0							0	97,933	58,760	39,173
3-E YDC SECURE	14,964	0								14,964	8,978	5,986
SUBTOTAL INSTITUTIONAL	543,236	21,914	25,210	3,180	0	0	5,422	0	0	487,510	291,228	196,282
ADMINISTRATION	1,675,528	0		207,214		0	0	0	2,027	1,466,287	879,772	586,515
TOTAL REVENUES	9,807,962	177,308	1,431,227	701,533	182,954	94,905	21,689	0	2,027	7,196,319	5,382,649	1,813,670

LAWRENCE 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	42,949	22,967		4,005	0	151	70,072	19	0	0	0	0
1-B ADOPTION ASSISTANCE	0	0	1,410,865		0	0	1,410,865	0	276	0	0	0
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSH	0	0	293,025		0	0	293,025	0	46	0	0	0
1-D COUNSELING - DEPENDENT	1,994	1,066		187	445,653	7	448,907	12	37	0	0	0
1-E COUNSELING - DELINQUENT	0	0			670,526	0	670,526	0	27	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			23,067	0	23,067	0	27	0	0	0
1-J INTAKE & REFERRAL	55,526	29,693		5,178	0	196	90,593	1,980	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	81,296	43,472		29,234	22,500	286	176,788	447	13	0	0	0
1-N PROTECTIVE SERVICE - GENERAL	309,536	165,525		54,960	395,526	1,090	926,637	1,687	61	0	0	0
1-O SERVICE PLANNING	53,226	28,463		4,962	2,640	187	89,478	132	5	0	0	0
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT					0	0	0	0	0	0	0	0
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT					0	0	0	0	0	0	0	0
1-R SUBTOTAL IN-HOME	544,527	291,186	1,703,890	98,526	1,559,912	1,917	4,199,958					
Number of Children receiving only NON-PURCHASED IN-Home Services: 272												
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	5,062	2,707		2,432	1,141,280	18	1,151,499	7,260	66	0	0	0
2-D COMMUNITY RESIDENTIAL - DELINQUENT	0	0		878	295,021	0	295,899	1,929	15	0	0	0
2-E EMERGENCY SHELTER - DEPENDENT	0	0			302	0	302	1	1	0	0	0
2-F EMERGENCY SHELTER - DELINQUENT	0	0			53,356	0	53,356	324	23	0	0	0
2-G FOSTER FAMILY - DEPENDENT	146,484	78,333		26,643	1,421,366	516	1,673,342	25,176	145	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		1,582	213,260	0	214,842	9,852	46	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	151,546	81,040	0	31,535	3,124,585	534	3,389,240	44,542	296	0	0	0
INSTITUTIONAL PLACEMENT												
3-A JUVENILE DETENTION SERVICE	0	0		8	12,775	0	12,783	73	4	0	0	0
3-B RESIDENTIAL SERVICE - DEPENDENT	7,208	3,854		2,643	184,340	25	198,070	902	10	0	0	0
3-C RES. SERVICE - DELINQUENT (EXCEPT YDC/YFC)	0	0		215	219,271	0	219,486	971	7	0	0	0
3-D SECURE RES. SERVICE (EXCEPT YDC)	0	0			97,933	0	97,933	292	4	0	0	0
3-E YDC SECURE	0	0			14,964	0	14,964	29	1	0	0	0
3-F SUBTOTAL INSTITUTIONAL	7,208	3,854	0	2,866	529,283	25	543,236	2,267	26	0	0	0
4 ADMINISTRATION	830,593	444,160	0	371,407	0	42,871	1,689,031			13,503	0	0
5 TOTAL EXPENDITURES	1,533,874	820,240	1,703,890	504,334	5,213,780	45,347	9,821,465			13,503	0	0
County Indirect Costs = \$ 241,690												

**LAWRENCE 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	\$ 70,072	\$ 0	\$ 70,072
Adoption Assistance	1,410,865	0	1,410,865
Subsidized Permanent Legal Custodianship	293,025	0	293,025
Counseling	1,119,433	0	1,119,433
Day Care	0	0	0
Day Treatment	0	0	0
Homemaker Service	23,067	0	23,067
Intake and Referral	90,593	0	90,593
Life Skills	0	0	0
Protective Service - Child Abuse	176,788	0	176,788
Protective Service - General	926,637	0	926,637
Service Planning	89,478	0	89,478
Juvenile Act Proceedings	0	0	0
Alternative Treatment	0	0	0
Community Residential	1,447,398	0	1,447,398
Emergency Shelter	53,658	0	53,658
Foster Family	1,673,342	0	1,673,342
Kinship Care	214,842	0	214,842
Supervised Independent Living	0	0	0
Juvenile Detention Service	12,783	0	12,783
Residential Service	417,556	0	417,556
Secure Residential Service (Except YDC)	97,933	0	97,933
YDC Secure	14,964	0	14,964
Administration	<u>1,689,329</u>	<u>(298)</u>	<u>1,689,031</u>
Combined Total Expense	9,821,763	(298)	9,821,465
Less Non-reimbursables	<u>12,921</u>	<u>582</u>	<u>13,503</u>
Total Net Expense	\$ <u>9,808,842</u>	\$ <u>(880)</u>	\$ <u>9,807,962</u>

OBJECTS OF EXPENDITURE	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Wages and Salaries	\$ 1,533,874	\$ 0	\$ 1,533,874
Employee Benefits	820,240	0	820,240
Subsidies	1,703,890	0	1,703,890
Operating	522,624	(18,290)	504,334
Purchased Services	5,213,780	0	5,213,780
Fixed Assets	<u>27,355</u>	<u>17,992</u>	<u>45,347</u>
Combined Total Expense	9,821,763	(298)	9,821,465
Less Non-reimbursables	<u>12,921</u>	<u>582</u>	<u>13,503</u>
Total Net Expense	\$ <u>9,808,842</u>	\$ <u>(880)</u>	\$ <u>9,807,962</u>

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

REPORT REFERENCE			ADJ. NO.	EXPLANATION OF ADJUSTMENTS	AS REPORTED OR ADJUSTED	INCREASE/ (DECREASE)	ADJUSTED TOTAL
SCHEDULE	LINE	COLUMN					
				CY-370 Adjustments			
CY-370	1-A	4	1	Adoption Services - Operating	\$ 4,156	\$ (151)	\$ 4,005
	1-D	4		Counseling (Dependent) - Operating	\$ 194	\$ (7)	\$ 187
	1-J	4		Intake & Referral - Operating	\$ 5,374	\$ (196)	\$ 5,178
	1-M	4		Protective Service Child Abuse - Operating	\$ 29,520	\$ (286)	\$ 29,234
	1-N	4		Protective Service General - Operating	\$ 56,050	\$ (1,090)	\$ 54,960
	1-O	4		Service Planning - Operating	\$ 5,149	\$ (187)	\$ 4,962
	2-C	4		Community Residential (Dependent) - Operating	\$ 2,450	\$ (18)	\$ 2,432
	2-G	4		Foster Family (Dependent) - Operating	\$ 27,159	\$ (516)	\$ 26,643
	3-B	4		Residential Service (Dependent) - Operating	\$ 2,668	\$ (25)	\$ 2,643
	4	4		Administration - Operating	\$ 387,221	\$ (15,814)	\$ 371,407
	1-A	6		Adoption Services - Fixed Assets	\$ -	\$ 151	\$ 151
	1-D	6		Counseling (Dependent) - Fixed Assets	\$ -	\$ 7	\$ 7
	1-J	6		Intake & Referral - Fixed Assets	\$ -	\$ 196	\$ 196
	1-M	6		Protective Service Child Abuse - Fixed Assets	\$ -	\$ 286	\$ 286
	1-N	6		Protective Service General - Fixed Assets	\$ -	\$ 1,090	\$ 1,090
	1-O	6		Service Planning - Fixed Assets	\$ -	\$ 187	\$ 187
	2-C	6		Community Residential (Dependent) - Fixed Assets	\$ -	\$ 18	\$ 18
	2-G	6		Foster Family (Dependent) - Fixed Assets	\$ -	\$ 516	\$ 516
	3-B	6		Residential Service (Dependent) - Fixed Assets	\$ -	\$ 25	\$ 25
	4	6		Administration - Fixed Assets	\$ 27,355	\$ 15,516	\$ 42,871
				Total Adjustment Amount		\$ (298)	
				To decrease total expenditures by \$298 to reconcile to the agency's final expenditure ledger and reclassify \$17,992 of repair assets from Operating to Fixed Assets to properly report expenditures.			
				Title 55 PA Code, Chapter 3170.95(a)(b) C,Y&F Bulletin 3140-20-02			
CY-370	4	10	2	Administration - Non-Reimbursable Non-PS/Sub.	\$ 12,921	\$ 582	\$ 13,503
				To increase Non-Reimbursable Expenditures by \$582 to properly report indirect costs which exceed the two percent cost limitation.			
				Title 55 PA Code, Chapter 3170.60 C,Y&F Bulletin 00-95-12			

SECTION 3

AMENDED FISCAL REPORTS

FOR THE FISCAL YEAR:

JULY 1, 2020 to JUNE 30, 2021

**LAWRENCE 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		\$	5,538,398
Supplemental Act 148			<u>127,983</u>
Total State Allocation			5,666,381
State Share (CY348) ²	\$		5,668,940
Less: Major Service Category Adjustment			<u>0</u>
Net State Share		\$	5,668,940
Less: Expenditures in Excess of the Approved State Allocation			<u>2,559</u>
Final Net State Share Payable ³		\$	5,666,381
Actual Act 148 Revenues Received ⁴			<u>5,666,381</u>
Net Amount Due County/(State) ⁵		\$	<u><u>0</u></u>

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

² State Share (CY348) is the total amount of County expenditures that are eligible for reimbursement from Act 148 Funds after 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 \$2,559, as detailed on this page. While our adjustments resulted in a state share increase of \$2,559 for the agency for said fiscal year, as detailed in 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.

LAWRENCE 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 Transitions Act	MEDICAL ASSISTANCE	NET TOTAL	STATE ACT 148	LOCAL SHARE
NET CHILD WELFARE EXPENDITURES											
01. 100% REIMBURSEMENT	79,151	0	10,466	0	0	0	0	0	68,685	68,685	0
02. 90% REIMBURSEMENT	35,962	0	0	0	0	0	0	0	35,962	32,366	3,596
03. 80% REIMBURSEMENT	7,888,413	136,680	2,015,333	182,954	94,905	10,845	0	0	5,447,696	4,358,157	1,089,539
04. 60% REIMBURSEMENT	2,308,806	6,342	275,344	0	0	10,844	0	2,972	2,013,304	1,207,982	805,322
05. 50% REIMBURSEMENT	3,500	0	0	0	0	0	0	0	3,500	1,750	1,750
06. TOTAL NET CHILD WELFARE EXPEND.	10,315,832	143,022	2,301,143	182,954	94,905	21,689	0	2,972	7,569,147	5,668,940	1,900,207

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

08. NON-REIMBURSABLE EXPENDITURES	5,722	0							5,722		5,722
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09. TOTAL EXPENDITURES	10,321,554	143,022	2,301,143	182,954	94,905	21,689	0	2,972	7,574,869	5,668,940	1,905,929
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10. TOTAL TITLE IV-D COLLECTIONS 116,650

11. TITLE IV-D Collections for IV-E Children 57,853

12. STATE ACT 148 - line 6 5,668,940

13. STATE ACT 148 ALLOCATION 5,666,381

14. ADJUSTED STATE SHARE (lower of 12 or 13) 5,666,381

INVOICE											
AMENDED STATE SHARE (ACT 148)	5,668,940										
ACT 148 AMOUNT RECEIVED	5,666,381										
ADJUSTMENT TO STATE SHARE	2,559										

LAWRENCE 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
IN-HOME	TOTAL REIMBURSABLE EXPENDITURES	PROGRAM INCOME	TITLE IV-E MAINTENANCE	TITLE IV-E ADMIN.	TANF	TITLE XX	TITLE IV-B	Family First Transitions Act	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE
1-A ADOPTION SERVICE	79,151	0		10,466	0			0	0	68,685	68,685	0
1-B ADOPTION ASSISTANCE	1,429,011	0	789,155	0				0	0	639,856	511,885	127,971
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	267,669	0	76,292	0				0	0	191,377	153,102	38,275
1-D COUNSELING - DEPENDENT	533,497	0		486	0	11,864	0	0	0	521,147	416,918	104,229
1-E COUNSELING - DELINQUENT	676,029	0		0	0	11,862	0	0	0	664,167	531,334	132,833
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	29,580	0		0	17,331	0	0	0	0	12,249	9,799	2,450
1-J INTAKE & REFERRAL	102,331	0		13,530	0	0	0	0	0	88,801	71,041	17,760
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	196,841	0		22,001	0	0	0	0	0	174,840	139,872	34,968
1-N PROTECTIVE SERVICE - GENERAL	866,051	308		78,373	165,623	71,179	0	0	0	550,568	440,454	110,114
1-O SERVICE PLANNING	100,567	0		12,969	0	0	0	0	0	87,598	70,078	17,520
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT	0	0		0	0	0	0	0	0	0	0	0
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
1-R SUBTOTAL IN-HOME	4,280,727	308	865,447	137,825	182,954	94,905	0	0	0	2,999,288	2,413,168	586,120

COMMUNITY BASED PLACEMENT	REVENUE SOURCES											
	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	781,159	19,104	247,365	33,695						480,995	384,796	96,199
2-D COMMUNITY RESIDENTIAL - DELINQUENT	245,692	7,332		0	0	0	0	0	0	238,360	190,688	47,672
2-E EMERGENCY SHELTER - DEPENDENT	0	0		0	0	0	0	0	0	0	0	0
2-F EMERGENCY SHELTER - DELINQUENT	35,962	0		0	0	0	0	0	0	35,962	32,366	3,596
2-G FOSTER FAMILY - DEPENDENT	2,190,003	91,292	319,808	271,293			10,845	0	0	1,496,765	1,197,412	299,353
2-H FOSTER FAMILY - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
2-I KINSHIP CARE - DEPENDENT	469,983	18,644	136,295	14,071						300,973	240,778	60,195
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
2-M SUBTOTAL CBP	3,722,799	136,372	703,468	319,059	0	0	10,845	0	0	2,553,055	2,046,040	507,015

INSTITUTIONAL PLACEMENT	REVENUE SOURCES											
	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	3,500	0								3,500	1,750	1,750
3-B RESIDENTIAL SERVICE - DEPENDENT	201,701	4,409	23,350	7,566			10,844	0	0	155,532	93,319	62,213
3-C RES. SERVICE - DELINQUENT (NON YDC/YFC)	167,192	1,933		0			0	0	0	165,259	99,155	66,104
3-D SECURE RES. SERVICE (EXCEPT YDC)	90,621	0								90,621	54,373	36,248
3-E YDC SECURE	0	0								0	0	0
3-F SUBTOTAL INSTITUTIONAL	463,014	6,342	23,350	7,566	0	0	10,844	0	0	414,912	248,597	166,315
4 ADMINISTRATION	1,849,292	0		244,428			0	0	2,972	1,601,892	961,135	640,757
5 TOTAL REVENUES	10,315,832	143,022	1,592,265	708,878	182,954	94,905	21,689	0	2,972	7,569,147	5,668,940	1,900,207

LAWRENCE 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											
	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 (by county)	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	49,400	25,430	4,321	0	0	0	79,151	11	0	0	0	0
1-B ADOPTION ASSISTANCE	0	0	1,429,011	0	0	0	1,429,011	0	259	0	0	0
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	0	0	2,67,669	0	0	0	2,67,669	0	43	0	0	0
1-D COUNSELING - DEPENDENT	2,293	1,181	200	200	529,823	0	533,497	12	74	0	0	0
1-E COUNSELING - DELINQUENT	0	0	0	0	676,029	0	676,029	0	209	0	0	0
1-F DAY CARE	0	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	0
1-H DAY TREATMENT - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
1-I HOMEMAKER SERVICE	0	0	0	0	29,580	0	29,580	0	42	0	0	0
1-J INTAKE & REFERRAL	63,868	32,878	5,585	0	0	0	102,331	2,387	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	93,508	48,135	25,197	0	30,001	0	196,841	314	11	0	0	0
1-N PROTECTIVE SERVICE - GENERAL	356,037	183,276	54,305	54,305	272,433	0	866,051	1,075	65	0	0	0
1-O SERVICE PLANNING	61,222	31,514	5,356	2,475	0	0	100,567	684	3	0	0	0
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
1-R SUBTOTAL IN-HOME	626,328	322,414	1,696,680	94,964	1,540,341	0	4,280,727	0	0	0	0	0
	LRCNP = Legal Representation for Children in Placement = \$ 0											
	LRCNP = Legal Representation for Children Non-Placed in Placement = \$ 0											
	Number of Children receiving non-PURCHASED III Services = 0											
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	5,822	2,997	0	4,156	768,184	0	781,159	4,455	9	0	0	0
2-D COMMUNITY RESIDENTIAL - DELINQUENT	0	0	0	613	245,079	0	245,692	1,361	5	0	0	0
2-E EMERGENCY SHELTER - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
2-F EMERGENCY SHELTER - DELINQUENT	0	0	0	0	35,962	0	35,962	210	15	0	0	0
2-G FOSTER FAMILY - DEPENDENT	168,491	86,733	0	22,918	1,911,861	0	2,190,003	33,612	105	0	0	0
2-H FOSTER FAMILY - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-I KINSHIP CARE - DEPENDENT	0	0	0	629	469,354	0	469,983	16,226	79	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	174,313	89,730	0	28,316	3,430,440	0	3,722,799	55,864	213	0	0	0
INSTITUTIONAL PLACEMENT												
3-A JUVENILE DETENTION SERVICE	0	0	0	0	3,500	0	3,500	20	2	0	0	0
3-B RESIDENTIAL SERVICE - DEPENDENT	8,293	4,267	0	3,431	185,710	0	201,701	639	6	0	0	0
3-C RES. SERVICE - DELINQUENT (EXCEPT YDC/YFC)	0	0	0	609	166,583	0	167,192	608	3	0	0	0
3-D SECURE RES. SERVICE (EXCEPT YDC)	0	0	0	0	90,621	0	90,621	267	1	0	0	0
3-E YDC SECURE	0	0	0	0	0	0	0	0	0	0	0	0
3-F SUBTOTAL INSTITUTIONAL	8,293	4,267	0	4,040	446,414	0	463,014	1,534	12	0	0	0
4 ADMINISTRATION	955,370	491,793	0	389,050	0	18,801	1,855,014	0	0	5,722	0	0
5 TOTAL EXPENDITURES	1,764,304	908,204	1,696,680	516,370	5,417,195	18,801	10,321,554	0	0	5,722	0	0
	County Indirect Costs = \$ 253,753											

**LAWRENCE 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	\$ 79,151	\$ 0	\$ 79,151
Adoption Assistance	1,429,011	0	1,429,011
Subsidized Permanent Legal Custodianship	267,669	0	267,669
Counseling	1,209,526	0	1,209,526
Day Care	0	0	0
Day Treatment	0	0	0
Homemaker Service	29,580	0	29,580
Intake and Referral	102,331	0	102,331
Life Skills	0	0	0
Protective Service - Child Abuse	196,841	0	196,841
Protective Service - General	866,051	0	866,051
Service Planning	100,567	0	100,567
Juvenile Act Proceedings	0	0	0
Alternative Treatment	0	0	0
Community Residential	1,026,851	0	1,026,851
Emergency Shelter	35,962	0	35,962
Foster Family	2,190,003	0	2,190,003
Kinship Care	469,983	0	469,983
Supervised Independent Living	0	0	0
Juvenile Detention Service	3,500	0	3,500
Residential Service	368,893	0	368,893
Secure Residential Service (Except YDC)	90,621	0	90,621
YDC Secure	0	0	0
Administration	<u>1,855,014</u>	<u>0</u>	<u>1,855,014</u>
Combined Total Expense	10,321,554	0	10,321,554
Less Non-reimbursables	<u>9,988</u>	<u>(4,266)</u>	<u>5,722</u>
Total Net Expense	<u>\$ 10,311,566</u>	<u>\$ 4,266</u>	<u>\$ 10,315,832</u>

OBJECTS OF EXPENDITURE	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Wages and Salaries	\$ 1,764,304	\$ 0	\$ 1,764,304
Employee Benefits	908,204	0	908,204
Subsidies	1,696,680	0	1,696,680
Operating	535,171	(18,801)	516,370
Purchased Services	5,417,195	0	5,417,195
Fixed Assets	0	18,801	18,801
Combined Total Expense	10,321,554	0	10,321,554
Less Non-reimbursables	<u>9,988</u>	<u>(4,266)</u>	<u>5,722</u>
Total Net Expense	<u>\$ 10,311,566</u>	<u>\$ 4,266</u>	<u>\$ 10,315,832</u>

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

REPORT REFERENCE			ADJ. NO.	EXPLANATION OF ADJUSTMENTS	AS REPORTED OR ADJUSTED	INCREASE/ (DECREASE)	ADJUSTED TOTAL
SCHEDULE	LINE	COLUMN					
CY-370	4	4	1	Administration - Operating	\$ 407,851	\$ (18,801)	\$ 389,050
	4	6		Administration - Fixed Assets	\$ -	\$ 18,801	\$ 18,801
				To reclassify \$18,801 of repair assets from the Operating Object of Expenditure to the Fixed Assets Object of Expenditure to properly report expenditures on the CY370 Expenditure Report.			
				Title 55 PA Code, Chapter 3170.95(a)(b) C,Y&F Bulletin 3140-21-01			
CY-370	4	10	2	Administration - Non-Reimbursable Non PS/Sub.	\$ 9,988	\$ (4,266)	\$ 5,722
				To decrease Non-Reimbursable Expenditures by \$4,266 to properly report indirect costs which exceed the two percent cost limitation.			
				Title 55 PA Code, Chapter 3170.60 C,Y&F Bulletin 00-95-12			

SECTION 4

STATUS OF PRIOR ENGAGEMENT FINDINGS AND RECOMMENDATIONS

LAWRENCE COUNTY CHILDREN AND YOUTH AGENCY
STATUS OF PRIOR ENGAGEMENT FINDINGS AND RECOMMENDATIONS

The prior report included the following findings:

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

In our prior engagement report, for the fiscal years July 1, 2014, to June 30, 2018, we cited the agency for failing to develop and implement internal control policies and procedures to require adequate supporting documentation evidencing that services related to fees invoiced by In-Home Purchased Service providers, and paid by the agency, were actually provided, and if provided, provided in adherence to the requirements of the respective provider contract terms.

During the conduct of our current engagement, we determined the issuance of a repeat finding is warranted since these control deficiencies and corresponding risks continued to exist for invoices submitted by In-Home Purchased Service providers during our current engagement period.

Failure to Execute Written Contracts With Two In-Home Service Providers

In our prior engagement report, for the fiscal years July 1, 2014 to June 30, 2018 we cited the agency for failing to execute written contracts with two In-Home Purchased Service providers.

During the conduct of our current engagement, as of the 2018-2019 fiscal year, the agency executed contracts with all providers. The two In-Home service providers we cited during our prior engagement were not regularly used during our current engagement period. In addition, we performed contract testing for each current engagement fiscal year and the agency executed contracts with all providers reviewed.

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

SECTION 5

CURRENT ENGAGEMENT FINDING AND RECOMMENDATION

LAWRENCE COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT FINDING AND RECOMMENDATIONS

Finding – Unresolved Prior Engagement 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 Findings and Recommendations section (Section 3) of this report, the Lebanon County Children and Youth Agency (agency) lacked internal control policies, and corresponding procedures, designed to sufficiently reduce the risk of paying overbillings or fraudulent billings submitted by contracted In-Home Purchased Service providers and failed to obtain reasonable assurance that services related to costs invoiced by these providers were actually provided and provided in adherence to executed contract terms. For contracted Fee-For-Service In-Home Purchased Service providers, the agency could not provide evidence substantiating the validity of the number of units invoiced for individuals listed on invoices submitted by these providers.

During the conduct of our current engagement, in response to the recommendations included in our prior engagement report, agency management indicated a contract monitor was hired in August 2021 and the first monitoring review was performed in April 2022. As a result, fiscal-related monitoring policy and corresponding procedures were not implemented during our current engagement period.

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 Code (62 P.S. § 704.1), the Department reimburses expenses incurred by the county for children and youth social services, including services to alleged and adjudicated dependent and delinquent children according to an approved county plan and budget estimate up to the amount of State funds allocated to the county under section 709.3 of the Human Services Code (62 P.S. § 709.3).”

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

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.
- *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

LAWRENCE COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT FINDING AND RECOMMENDATIONS

maintain books, records, documents and other evidence and accounting procedures and practices, sufficient to reflect properly all direct and indirect costs of whatever nature claimed to have been incurred and anticipated to be incurred for funds supported by the Department and for which reimbursement is claimed...”

Cause: The agency did not develop and implement corrective actions during our current engagement period due to inadequate staffing and not being able to fill a contract monitor position until August 2021.

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 or fraudulent billings 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.

Recommendation: We recommend that agency management ensure recently implemented fiscal-related monitoring policy, and corresponding procedures, are designed to sufficiently reduce the agency’s risk of paying overbillings and fraudulent billings submitted by contracted In-Home Purchased Service providers. We further recommend that agency management obtain reasonable assurance that contracted In-Home Purchased Services were actually provided for the number of units detailed for each individual listed on invoices submitted by Fee-For-Service providers and, if applicable, operating costs invoiced by contracted Program Funded providers are substantiated.

We further recommend agency management ensure that it:

- Notifies agency staff responsible for reviewing and approving submitted In-Home Purchased Service 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.

Agency Response: The agency agreed with our finding recommendations and did not provide a written response.

Auditor’s Conclusion: We commend the Lawrence County Children and Youth Agency management on their efforts in developing and implementing formal, written fiscal related monitoring policy and procedures. During our next regularly scheduled engagement, we will determine if the agency’s implemented policy and procedures sufficiently 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

LAWRENCE 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.

LAWRENCE COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT OBSERVATION

Our 2018 Position Statement Letter

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

DHS Corrective Actions Taken

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

C&Y agencies are required to:

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

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

- Obtain a listing of contracted providers that deliver in-home coded services for the C&Y agency.
- Test the listing of contracted providers for completeness.
- Analyze the C&Y agency's documentation of monitoring activities for adequacy of monitoring, the C&Y agency's obtaining of any necessary corrective action plans, the C&Y agency's timely follow-up on corrective action plans, and the adequacy and accuracy of the monitoring documentation as represented on the supplemental schedule.
- Disclose any exceptions or findings within the Single Audit package for items not reflected on the supplemental schedule.

LAWRENCE COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT OBSERVATION

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

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.

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

LAWRENCE COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT OBSERVATION

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.

LAWRENCE COUNTY CHILDREN AND YOUTH AGENCY
REPORT DISTRIBUTION LIST

This report was originally distributed to the following:

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