

# AMENDED FISCAL REPORTS

For Fiscal Years:

July 1, 2010 to June 30, 2011

July 1, 2011 to June 30, 2012

July 1, 2012 to June 30, 2013

July 1, 2013 to June 30, 2014

---

## Lawrence County Children and Youth Agency

---

December 2017



Commonwealth of Pennsylvania  
Department of the Auditor General

Eugene A. DePasquale • Auditor General



**Commonwealth of Pennsylvania  
Department of the Auditor General  
Harrisburg, PA 17120-0018  
Facebook: Pennsylvania Auditor General  
Twitter: @PAAuditorGen  
www.PaAuditor.gov**

**EUGENE A. DePASQUALE  
AUDITOR GENERAL**

The Commissioners of Lawrence County  
Lawrence County Government Center  
430 Court St  
New Castle, PA 16101

Dear Commissioners:

We have examined 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 Agency, legally known as Lawrence County Children and Youth Services, (agency) for the purpose of ascertaining and certifying the actual Commonwealth expenditures incurred on behalf of children residing within the County for the fiscal years July 1, 2010 to June 30, 2011, July 1, 2011 to June 30, 2012, July 1, 2012 to June 30, 2013, and July 1, 2013 to June 30, 2014 pursuant to authority derived from Act 148 of 1976, as amended, (62 P.S. § 704.1(a)(4)). The scope of our engagement was limited to the fiscal reports submitted to the Department of Human Services (DHS) as part of the Act 148 Invoice Packages for the fiscal years ended June 30, 2011, June 30, 2012, June 30, 2013, and June 30, 2014.

Preparation of the submitted fiscal reports, and compliance with children, youth, and families regulations, are the responsibility of agency management. Our engagement procedures included a review of selected agency records, and other procedures we deemed necessary, to enable us to ascertain and certify the actual Commonwealth expenditures incurred on behalf of children residing within the County and to determine the County's compliance<sup>1</sup> with certain provisions of 55 Pa. Code, Part V. Children, Youth, and Families Manual, Subpart C, Chapters 3140 and 3170 (55 Pa. Code §§ 3140.1 *et seq.* and 3170.1 *et seq.*), but was not required to be and was not conducted in accordance with professional auditing or attestation standards

We performed a review of the agency's internal controls over its invoice review and approval process for the 2010-2011 through the 2013-2014 fiscal years. We determined that agency staff responsible for reviewing and approving invoices submitted for payment did not perform procedures to obtain reasonable assurance that services corresponding to fees invoiced by In-Home Purchased Service providers were actually provided, and provided in adherence to executed key contract terms before these invoices were approved for payment. Specifically, as detailed in the Finding No. 1 in this report, for submitted In-Home Purchased Services invoices

selected for detailed review and the corresponding expenditures reported on the agency's submitted fiscal reports, the agency failed to provide supporting documentation evidencing that the services corresponding to the fees charged on the submitted invoices, and subsequently paid by the agency, were actually provided, and if provided, were provided in adherence to the requirements of the respective provider key contract terms.

Because of the significance of the matter described in the preceding paragraph, we had no assurance that total expenditures of \$3,099,699 paid to In-Home Purchased Service providers and included in total Purchased Services expenditures of \$14,353,266 reported on the agency's CY-370 Expenditure Reports, and corresponding CY-383 Fee-For-Service Schedules, submitted to the DHS for the fiscal years ended 2011, 2012, 2013, and 2014, and included in the agency's respective general ledgers, were valid because we were provided no evidence that the corresponding services were actually provided or, if provided, that the services adhered to respective key executed contract terms and DHS regulations. Therefore, while we achieved our objective of ascertaining and certifying the total Commonwealth expenditures paid on behalf of children residing within the county for the fiscal years ended 2011, 2012, 2013, and 2014, we cannot attest that services corresponding to the \$3,099,699 expended by the agency (and which the Commonwealth participated in) for In-Home Purchased Services were actually provided, or if provided, were provided in adherence to executed key contract provisions and DHS regulations because a high risk exists that overbillings and fraudulent billings could have occurred.

Despite the matter described in the third paragraph of the previous page, we did perform procedures using the documentation available to us, and the results of those procedures are described in the bulleted items below. However, these results may have been affected by the matter described in the third paragraph, and our assurance provided is limited by this matter.

The results of our procedures performed during this engagement were as follows:

- **For the 2010-2011 fiscal year**, our engagement resulted in no adjustments being made to the agency's submitted fiscal reports. Thus, there is no effect on the Final Net Share, as detailed in our amended fiscal reports for the July 1, 2010 to June 30, 2011 fiscal year, included in Section 1 of this report.
- **For the 2011-2012 fiscal year**, our engagement resulted in two adjustments being made to the agency's submitted fiscal reports. These adjustments in total impacted the agency's Final Net State Share by decreasing agency expenditures by \$40,000, increasing non-reimbursable expenditures by \$10,408. Based on the application of the state participation rates, the two adjustments impacting the agency's Final Net State Share Payable resulted in an amount due to the state totaling \$30,245. Both adjustments are detailed in our amended fiscal reports for fiscal year 2011-2012, as included in Section 2 of this report.
- **For the 2012-2013 fiscal year**, our engagement resulted in one adjustment being made to the agency's submitted fiscal reports. This adjustment in total impacted the agency's Final Net State Share by increasing non-reimbursable expenditures by \$46,548. Based on the application of the state

participation rates, the one adjustment impacting the agency's Final Net State Share Payable resulted in an amount due to the state totaling \$27,928. The one adjustment is detailed in our amended fiscal reports for fiscal year 2012-2013, as included in Section 3 of this report.

- **For the 2013-2014 fiscal year**, our engagement resulted in three adjustments being made to the agency's submitted fiscal reports. These adjustments in total impacted the agency's Final Net State Share by decreasing agency expenditures by \$1,990, and increasing non-reimbursable expenditures by \$47,299. Based on the application of the state participation rates, the three adjustments impacting the agency's Final Net State Share Payable resulted in an amount due to the state totaling \$29,574. All three adjustments are detailed in our amended fiscal reports for fiscal year 2013-2014, as included in Section 4 of this report.

In addition, we found that the agency complied with the findings included in our prior released audit report, as detailed in Section 5 of this report.

We also identified the following areas of non-compliance, as detailed in Section 6 of this report:

- Finding No. 1 – Lawrence County Children and Youth Agency Paid Contractors for In-Home Purchased Services but Failed to Obtain Reasonable Assurance That These Services Were Actually Provided
- Finding No. 2 – Lawrence County Children and Youth Agency Failed to Execute Written Contracts with Two In-Home Service Providers

Finally, we included the following current engagement observation, as detailed in Section 7 of this report:

Current Engagement Observation – Significant Control Deficiencies Exist in DHS' Oversight of Children and Youth (C&Y) Agencies' Adherence with the Requirements of the Child Protective Services Law (CPSL)

The results of our engagement procedures, as presented in this report, were discussed with agency management at an exit conference held on December 4, 2017.

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

We appreciate the cooperation, assistance, and courtesy granted our representatives by your officials and the staff of the Lawrence County Children and Youth Agency.

Sincerely,



Eugene A. DePasquale  
Auditor General

December 15, 2017

### Endnote

---

The Child Protective Services Law (CPSL), 23 Pa.C.S. § 6301 *et seq.*, requires the conduct of criminal background checks and child abuse history clearances (certifications) for all employees and direct volunteers of county children and youth (C&Y) agencies, as well as the volunteers/employees of their contractors (providers) and subcontractors (sub-recipients). To ensure adherence to these requirements, the Commonwealth DHS has assigned monitoring responsibilities to internal offices and bureaus based on the types of services provided. However, the safety of children receiving services from/through these agencies may be at risk due to significant control deficiencies related to the CPSL adherence that exist within C&Y agencies and the Commonwealth DHS. Details regarding these deficiencies are further outlined in the Observation included in this report.

# CONTENTS

	Page
Background.....	1
Section 1 – Amended Fiscal Reports for the Fiscal Year July 1, 2010 to June 30, 2011	
Amended Computation of Final Net State Share.....	3
Amended CY-348 - Fiscal Summary.....	4
Amended CY-370A - Revenue Report.....	5
Amended CY-370 - Expenditure Report.....	6
Amended Summary of Expense and Expense Adjustments.....	7
Section 2 – Amended Fiscal Reports for the Fiscal Year July 1, 2011 to June 30, 2012	
Amended Computation of Final Net State Share.....	9
Amended CY-348 - Fiscal Summary.....	10
Amended CY-370A - Revenue Report.....	11
Amended CY-370 - Expenditure Report.....	12
Amended Summary of Expense and Expense Adjustments.....	13
Adjustment Schedule.....	14
Section 3 – Amended Fiscal Reports for the Fiscal Year July 1, 2012 to June 30, 2013	
Amended Computation of Final Net State Share.....	16
Amended CY-348 - Fiscal Summary.....	17
Amended CY-370A - Revenue Report.....	18
Amended CY-370 - Expenditure Report.....	19
Amended Summary of Expense and Expense Adjustments.....	20
Adjustment Schedule.....	21
Section 4 – Amended Fiscal Reports for the Fiscal Year July 1, 2013 to June 30, 2014	
Amended Computation of Final Net State Share.....	23
Amended CY-348 - Fiscal Summary.....	24
Amended CY-370A - Revenue Report.....	25
Amended CY-370 - Expenditure Report.....	26
Amended Summary of Expense and Expense Adjustments.....	27
Adjustment Schedule.....	28
Section 5 – Status of Prior Engagement Findings and Recommendations.....	30
Section 6 – Current Engagement Findings and Recommendations.....	32
Section 7 – Current Engagement Observation.....	40
Report Distribution List.....	42

## **BACKGROUND**

The Department of the Auditor General is responsible for reviewing the fiscal reports, known as the submitted CY-370 Expenditure Report, the CY-370A Revenue Report, and the CY-348 Fiscal Summary of the 67 County Children and Youth Agencies to determine proper reporting and utilization of funds according to program regulations and guidelines under the Human Services Code 62 P.S. § 704.1(a)(4). The annual state Act 148 allocations are used by the Counties to administer social services for the children and youth that reside within the Commonwealth of Pennsylvania, whose stated goal is “to ensure, for each child in this Commonwealth, a permanent, legally assured family which protects the child from abuse and neglect.” According to information provided by the Department of Human Services (DHS), Office of Children, Youth and Families (OCYF), the Lawrence County Children and Youth Agency provided in-home and placement services to 213 children residing within the County during the 2014-2015 fiscal year. The Children and Youth Social Services Program is County-Administered and State-Supervised by the DHS and thus, they are jointly responsible for achieving the Commonwealth’s goal.

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

As part of our engagement, we reviewed the County Children and Youth Agency’s submitted fiscal reports, as referenced above, which are included in the Act 148 Invoice package. Specifically, we reviewed the final, cumulative 4<sup>th</sup> Quarter fiscal reports submitted to the DHS, along with the County Children and Youth Agency’s related financial records and supporting documentation, to determine whether the County Children and Youth Agency’s actual, cumulative expenditures and revenues were properly reported to the DHS for the respective fiscal years (FYs). The variances identified between the submitted and actual costs and revenues required adjustments to these fiscal reports, and thus, our Amended CY-370 Expenditure Report, Amended CY-370A Revenue Report, and Amended CY-348 Fiscal Summary, resulting from our engagement procedures and included in this report for each fiscal year included in our scope, reflect the County Children and Youth Agency’s actual related costs and revenues for those years and those costs and revenues’ impact on the County Children and Youth Agency’s corresponding Net State Shares.

# SECTION 1

## AMENDED FISCAL REPORTS

**FOR THE FISCAL YEAR:**

**JULY 1, 2010 to JUNE 30, 2011**



**LAWRENCE COUNTY CHILDREN AND YOUTH AGENCY  
FOR THE PERIOD JULY 1, 2010 TO JUNE 30, 2011  
AMENDED  
COMPUTATION OF FINAL NET STATE SHARE**

Approved State Allocation <sup>1</sup>		\$	3,424,446
Supplemental Act 148			<u>0</u>
Total State Allocation			3,424,446
State Share (CY348) <sup>2</sup>	\$		3,002,932
Less: Major Service Category Adjustment			<u>0</u>
Net State Share		\$	3,002,932
Less: Expenditures in Excess of the Approved State Allocation			<u>0</u>
Final Net State Share Payable <sup>3</sup>		\$	3,002,932
Actual Act 148 Revenues Received <sup>4</sup>			<u>3,002,932</u>
Net Amount Due County/(State) <sup>5</sup>		\$	<u>0</u>

---

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

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

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

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

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

---

**LAWRENCE COUNTY CHILDREN AND YOUTH AGENCY  
FOR THE PERIOD JULY 1, 2010 TO JUNE 30, 2011  
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	OTHER FUNDING	MEDICAL ASSISTANCE	NET TOTAL	STATE ACT 148	LOCAL SHARE
NET CHILD WELFARE EXPENDITURES											
01. 100% REIMBURSEMENT	17,471	0	3,559	0	0	0	0	0	13,912	13,912	0
02. 90% REIMBURSEMENT	269,539	0	45,122	0	0	0	0	0	224,417	201,975	22,442
03. 80% REIMBURSEMENT	4,696,521	130,102	1,097,982	177,873	94,905	23,031	0	0	3,172,628	2,538,101	634,527
04. 60% REIMBURSEMENT	394,589	4,787	61,698	0	0	0	0	1,466	326,638	195,983	130,655
05. 50% REIMBURSEMENT	105,922	0	0	0	0	0	0	0	105,922	52,961	52,961
06. TOTAL NET CHILD WELFARE EXPEND.	5,484,042	134,889	1,208,361	177,873	94,905	23,031	0	1,466	3,843,517	3,002,932	840,585

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

08. NON-REIMBURSABLE EXPENDITURES	42,365	0	0						42,365		42,365
-----------------------------------	--------	---	---	--	--	--	--	--	--------	--	--------

09. TOTAL EXPENDITURES	5,526,407	134,889	1,208,361	177,873	94,905	23,031	0	1,466	3,885,882	3,002,932	882,950
------------------------	-----------	---------	-----------	---------	--------	--------	---	-------	-----------	-----------	---------

10. IL Grant Funds Reported 0

11. TOTAL HSDF used for Child Welfare 0

12. TOTAL TITLE IV-D COLLECTIONS 84,509

13. TITLE IV-D Collections for IV-E Children 39,005

14. STATE ACT 148 - line 6 3,002,932

15. STATE ACT 148 ALLOCATION 3,424,446

16. ADJUSTED STATE SHARE (lower of 14 or 15) 3,002,932

INVOICE											
AMENDED STATE SHARE (ACT 148)	3,002,932										
ACT 148 AMOUNT RECEIVED	3,002,932										
ADJUSTMENT TO STATE SHARE	0										

Subsidized Permanent Legal Custodianship SPLC	Total Subsidies	Number of Days	Number of Children
	148,609	13,029	34

LAWRENCE COUNTY CHILDREN AND YOUTH AGENCY  
 FOR THE PERIOD JULY 1, 2010 TO JUNE 30, 2011  
 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	OTHER FUNDING	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE
<b>IN-HOME</b>												
1-A ADOPTION SERVICE	17,471	0		3,559	0					13,912	13,912	0
1-B ADOPTION ASSISTANCE	615,615	0	292,104							323,511	258,809	64,702
1-C COUNSELING - DEPENDENT	38,909	0		4,148	7,458	0	0	0	0	27,303	21,842	5,461
1-D COUNSELING - DELINQUENT	189,350	0				0	0	0	0	189,350	151,480	37,870
1-E DAY CARE	0	0				0	0	0	0	0	0	0
1-F DAY TREATMENT - DEPENDENT	0	0				0	0	0	0	0	0	0
1-G DAY TREATMENT - DELINQUENT	0	0				0	0	0	0	0	0	0
1-H HOMEMAKER SERVICE	44,715	0			19,625	0	0	0	0	25,090	20,072	5,018
1-I INTAKE & REFERRAL	231,158	0		41,924	0	0	0	0	0	189,234	151,387	37,847
1-J LIFE SKILLS - DEPENDENT	0	0				0	0	0	0	0	0	0
1-K LIFE SKILLS - DELINQUENT	0	0				0	0	0	0	0	0	0
1-L PROTECTIVE SERVICE - CHILD ABUSE	190,769	0		29,035	0	0	0	0	0	161,734	129,387	32,347
1-M PROTECTIVE SERVICE - GENERAL	472,557	912		21,850	150,790	94,905				204,100	163,280	40,820
1-N SERVICE PLANNING	90,405	0		14,861	0	0	0	0	0	75,544	60,435	15,109
1-O JUVENILE ACT PROCEEDINGS - DEPENDENT	0	0				0	0	0	0	0	0	0
1-P JUVENILE ACT PROCEEDINGS - DELINQUENT	0	0				0	0	0	0	0	0	0
1-Q SUBTOTAL IN-HOME	1,890,949	912	292,104	115,377	177,873	94,905	0	0	0	1,209,778	970,604	239,174
<b>COMMUNITY BASED PLACEMENT</b>												
2-A ALTERNATIVE TREATMENT - DEPENDENT	0	0				0	0	0	0	0	0	0
2-B ALTERNATIVE TREATMENT - DELINQUENT	32,714	0		4,074		0	0	0	0	28,640	22,912	5,728
2-C COMMUNITY RESIDENTIAL - DEPENDENT	941,905	45,678		185,483	19,742	0	5,758	0	0	685,244	548,195	137,049
2-D COMMUNITY RESIDENTIAL - DELINQUENT	326,439	9,061		19,045		0	0	0	0	298,333	238,666	59,667
2-E EMERGENCY SHELTER - DEPENDENT	156,303	0		32,701	8,783	0	0	0	0	114,819	103,337	11,482
2-F EMERGENCY SHELTER - DELINQUENT	113,236	0		3,638	0	0	0	0	0	109,598	98,638	10,960
2-G FOSTER FAMILY - DEPENDENT	1,521,985	74,451		283,066	182,650	0	17,273	0	0	964,545	771,636	192,909
2-H FOSTER FAMILY - DELINQUENT	0	0				0	0	0	0	0	0	0
2-I SUP. INDEPENDENT LIVING - DEPENDENT	0	0				0	0	0	0	0	0	0
2-J SUP. INDEPENDENT LIVING - DELINQUENT	0	0				0	0	0	0	0	0	0
2-K SUBTOTAL CBP	3,092,582	129,190	528,007	211,175	0	0	23,031	0	0	2,201,179	1,783,384	417,795
<b>INSTITUTIONAL PLACEMENT</b>												
3-A JUVENILE DETENTION SERVICE	105,922	0						0	0	105,922	52,961	52,961
3-B RESIDENTIAL SERVICE - DEPENDENT	25,718	4,534		6	3,417	0	0	0	0	17,761	10,657	7,104
3-C RES. SERVICE - DELINQUENT (NON YDC/YFC)	85,893	253		6,548	0	0	0	0	0	79,092	47,455	31,637
3-D SECURE RES. SERVICE (EXCEPT YDC)	0	0								0	0	0
3-E YDC/YFC (NON-SECURE)-Institutional	0	0								0	0	0
3-F YDC SECURE	0	0								0	0	0
3-G SUBTOTAL INSTITUTIONAL	217,533	4,787	6,554	3,417	0	0	0	0	0	202,775	111,073	91,702
4 ADMINISTRATION	282,978	0		51,727		0	0	0	1,466	229,785	137,871	91,914
5 TOTAL REVENUES	5,484,042	134,889	826,665	381,696	177,873	94,905	23,031	0	1,466	3,843,517	3,002,932	840,585

LAWRENCE COUNTY CHILDREN AND YOUTH AGENCY  
 FOR THE PERIOD JULY 1, 2010 TO JUNE 30, 2011  
 AMENDED CY370  
 EXPENDITURE REPORT

MAJOR SERVICE CATEGORIES & COST CENTERS	OBJECTS OF EXPENDITURE											
	1	2	3	4	5	6	7	8	9	10	11	12
	WAGES AND SALARIES	EMPLOYEE BENEFITS	EMPLOYEE BENEFITS	OPERATING SERVICES	OPERATING SERVICES	FIXED ASSETS	TOTAL EXPENDITURES	Children Served (by county)	Children Served (Purchased)	Non- Reimbursable Non PS/Sub.	Non-Reim. Purchased Serv/ Subsidies	Program Income related to all Non- Reimbursable
<b>IN-HOME</b>												
I-A ADOPTION SERVICE	9,189	4,494		3,788	0	17,471	7	0	0	0	0	
I-B ADOPTION ASSISTANCE	0	0	615,615	0	0	615,615	0	159	0	0	0	
I-C COUNSELING - DEPENDENT	13,639	6,668		2,564	16,038	38,909	12	13	0	0	0	
I-D COUNSELING - DELINQUENT	0	0		0	189,350	189,350	0	483	0	0	0	
I-E DAY CARE	0	0		0	0	0	0	0	0	0	0	
I-F DAY TREATMENT - DEPENDENT	0	0		0	0	0	0	0	0	0	0	
I-G DAY TREATMENT - DELINQUENT	0	0		0	0	0	0	0	0	0	0	
I-H HOMEMAKER SERVICE	0	0		0	44,715	44,715	0	18	0	0	0	
I-I INTAKE & REFERRAL	137,842	67,405		25,911	0	231,158	973	0	0	0	0	
I-J LIFE SKILLS - DEPENDENT	0	0		0	0	0	0	0	0	0	0	
I-K LIFE SKILLS - DELINQUENT	0	0		0	0	0	0	0	0	0	0	
I-L PROTECTIVE SERVICE - CHILD ABUSE	85,769	41,941		32,459	30,600	190,769	217	13	0	0	0	
I-M PROTECTIVE SERVICE - GENERAL	64,910	31,741		23,889	352,017	472,557	1,257	41	0	0	0	
I-N SERVICE PLANNING	48,864	23,895		9,186	8,460	90,405	297	5	0	0	0	
I-O JUVENILE ACT PROCEEDINGS - DEPENDENT							0	0	0	0	0	
I-P JUVENILE ACT PROCEEDINGS - DELINQUENT							0	0	0	0	0	
I-Q SUBTOTAL IN-HOME	360,213	176,144	615,615	97,797	641,180	1,890,949						
							Number of Children receiving only NON-PURCHASED IN-Home Services					132
<b>COMMUNITY BASED PLACEMENT</b>							DAYS OF CARE	Children Served (Purchased)	Non- Reimbursable Non PS/Sub.	Non-Reim. Purchased Serv/ Subsidies	Program Income related to all Non- Reimbursable	
2-A ALTERNATIVE TREATMENT - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	
2-B ALTERNATIVE TREATMENT - DELINQUENT	0	0	0	0	0	32,714	225	4	0	0	0	
2-C COMMUNITY RESIDENTIAL - DEPENDENT	64,910	31,741	0	12,400	832,854	941,905	6,391	42	0	0	0	
2-D COMMUNITY RESIDENTIAL - DELINQUENT	0	0	0	0	326,439	326,439	2,319	22	0	0	0	
2-E EMERGENCY SHELTER - DEPENDENT	28,881	14,123	0	5,478	107,821	156,303	863	57	0	0	0	
2-F EMERGENCY SHELTER - DELINQUENT	0	0	0	0	113,236	113,236	863	78	0	0	0	
2-G FOSTER FAMILY - DEPENDENT	159,066	77,782	148,609	41,453	1,095,075	1,521,985	35,657	126	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	252,857	123,646	148,609	59,331	2,508,139	3,092,582	46,318	329	0	0	0	
<b>INSTITUTIONAL PLACEMENT</b>							DAYS OF CARE	Children Served (Purchased)	Non- Reimbursable Non PS/Sub.	Non-Reim. Purchased Serv/ Subsidies	Program Income related to all Non- Reimbursable	
3-A JUVENILE DETENTION SERVICE	0	0	0	0	0	105,922	365	2	0	0	0	
3-B RESIDENTIAL SERVICE - DEPENDENT	11,231	5,493	0	2,694	6,300	25,718	2,353	5	0	0	0	
3-C RES. SERVICE - DELINQUENT (EXCEPT YDC/YFC)	0	0	0	0	85,893	85,893	601	7	0	0	0	
3-D SECURE RES. SERVICE (EXCEPT YDC)	0	0	0	0	0	0	0	0	0	0	0	
3-E YDC/YFC (NON-SECURE)-Institutional	0	0	0	0	0	0	0	0	0	0	0	
3-F YDC SECURE	0	0	0	0	0	0	0	0	0	0	0	
3-G SUBTOTAL INSTITUTIONAL	11,231	5,493	0	2,694	198,115	217,533	3,319	14	0	0	0	
4. ADMINISTRATION	105,023	51,356	0	168,964	0	325,343			42,365	0	0	
5. TOTAL EXPENDITURES	729,324	356,639	764,224	328,786	3,347,434	5,526,407			42,365	0	0	
							County Indirect Costs = \$					120,528

**LAWRENCE COUNTY CHILDREN AND YOUTH AGENCY  
FOR THE PERIOD JULY 1, 2010 TO JUNE 30, 2011  
AMENDED  
SUMMARY OF EXPENSE AND EXPENSE ADJUSTMENTS**

<b>COST CENTER ITEMS</b>	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Adoption Service	\$ 17,471	\$ 0	\$ 17,471
Adoption Assistance	615,615	0	615,615
Counseling	228,259	0	228,259
Day Care	0	0	0
Day Treatment	0	0	0
Homemaker Service	44,715	0	44,715
Intake and Referral	231,158	0	231,158
Life Skills	0	0	0
Protective Service - Child Abuse	190,769	0	190,769
Protective Service - General	472,557	0	472,557
Service Planning	90,405	0	90,405
Juvenile Act Proceedings	0	0	0
Alternative Treatment	32,714	0	32,714
Community Residential	1,268,344	0	1,268,344
Emergency Shelter	269,539	0	269,539
Foster Family	1,521,985	0	1,521,985
Supervised Independent Living	0	0	0
Juvenile Detention Service	105,922	0	105,922
Residential Service	111,611	0	111,611
Secure Residential Service (Except YDC)	0	0	0
YDC/YFC (Non-Secure) - Institutional	0	0	0
YDC Secure	0	0	0
Administration	325,343	0	325,343
Combined Total Expense	<u>5,526,407</u>	<u>0</u>	<u>5,526,407</u>
Less Non-reimbursables	<u>42,365</u>	<u>0</u>	<u>42,365</u>
Total Net Expense	<u>\$ 5,484,042</u>	<u>\$ 0</u>	<u>\$ 5,484,042</u>

<b>OBJECTS OF EXPENDITURE</b>	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Wages and Salaries	\$ 729,324	\$ 0	\$ 729,324
Employee Benefits	356,639	0	356,639
Subsidies	764,224	0	764,224
Operating	328,786	0	328,786
Purchased Services	3,347,434	0	3,347,434
Fixed Assets	0	0	0
Combined Total Expense	<u>5,526,407</u>	<u>0</u>	<u>5,526,407</u>
Less Non-reimbursables	<u>42,365</u>	<u>0</u>	<u>42,365</u>
Total Net Expense	<u>\$ 5,484,042</u>	<u>\$ 0</u>	<u>\$ 5,484,042</u>

# **SECTION 2**

## **AMENDED FISCAL REPORTS**

**FOR THE FISCAL YEAR:**

**JULY 1, 2011 to JUNE 30, 2012**

**LAWRENCE COUNTY CHILDREN AND YOUTH AGENCY  
FOR THE PERIOD JULY 1, 2011 TO JUNE 30, 2012  
AMENDED  
COMPUTATION OF FINAL NET STATE SHARE**

Approved State Allocation <sup>1</sup>	\$	3,250,610
Supplemental Act 148		<u>0</u>
Total State Allocation		3,250,610
State Share (CY348) <sup>2</sup>	\$	3,166,627
Less: Major Service Category Adjustment		<u>0</u>
Net State Share	\$	3,166,627
Less: Expenditures in Excess of the Approved State Allocation		<u>0</u>
Final Net State Share Payable <sup>3</sup>	\$	3,166,627
Actual Act 148 Revenues Received <sup>4</sup>		<u>3,196,872</u>
Net Amount Due County/(State) <sup>5</sup>	\$	<u><u>(30,245)</u></u>

---

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

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

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

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

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

---

LAWRENCE COUNTY CHILDREN AND YOUTH AGENCY  
 FOR THE PERIOD JULY 1, 2011 TO JUNE 30, 2012  
 AMENDED CY348  
 FISCAL SUMMARY

	A	B	C	D	E	F	G	H	I	J	K
	GRAND	PROGRAM	TITLE	TANF	TITLE	TITLE	OTHER	MEDICAL	NET	STATE	LOCAL
	TOTAL	INCOME	IV-E		XX	IV-B	FUNDING	ASSISTANCE	TOTAL	ACT 148	SHARE
NET CHILD WELFARE EXPENDITURES											
01. 100% REIMBURSEMENT	18,335	0	3,241	0	0	0	0	0	15,094	15,094	0
02. 90% REIMBURSEMENT	248,327	125	34,118	0	0	0	0	0	214,084	192,675	21,409
03. 80% REIMBURSEMENT	4,730,020	92,692	984,342	182,954	94,905	11,516	0	0	3,363,611	2,690,887	672,724
04. 60% REIMBURSEMENT	451,063	6,946	63,491	0	0	11,515	0	2,548	366,563	219,938	146,625
05. 50% REIMBURSEMENT	96,065	0	0	0	0	0	0	0	96,065	48,033	48,032
06. TOTAL NET CHILD WELFARE EXPEND.	5,543,810	99,763	1,085,192	182,954	94,905	23,031	0	2,548	4,055,417	3,166,627	888,790

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

08. NON-REIMBURSABLE EXPENDITURES	81,881	0							81,881		81,881
-----------------------------------	--------	---	--	--	--	--	--	--	--------	--	--------

09. TOTAL EXPENDITURES	5,625,691	99,763	1,085,192	182,954	94,905	23,031	0	2,548	4,137,298	3,166,627	970,671
------------------------	-----------	--------	-----------	---------	--------	--------	---	-------	-----------	-----------	---------

10. TOTAL TITLE IV-D COLLECTIONS 63,939

11. TITLE IV-D Collections for IV-E Children 28,271

12. STATE ACT 148 - line 6 3,166,627

13. STATE ACT 148 ALLOCATION 3,250,610

14. ADJUSTED STATE SHARE (lower of 12 or 13) 3,166,627

INVOICE	
AMENDED STATE SHARE (ACT 148)	3,166,627
ACT 148 AMOUNT RECEIVED	3,196,872
ADJUSTMENT TO STATE SHARE	(30,245)



LAWRENCE COUNTY CHILDREN AND YOUTH AGENCY  
 FOR THE PERIOD JULY 1, 2011 TO JUNE 30, 2012  
 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	OTHER FUNDING	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE
1-A ADOPTION SERVICE	18,335	0	0	3,241	0	0	0	0	0	15,094	15,094	0
1-B ADOPTION ASSISTANCE	637,285	0	274,939	1,233	0	0	0	0	0	361,113	288,890	72,223
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	134,174	0	0	0	0	0	0	0	0	134,174	107,339	26,835
1-D COUNSELING - DEPENDENT	28,815	0	0	4,139	1,914	0	0	0	0	22,762	18,210	4,552
1-E COUNSELING - DELINQUENT	220,963	0	0	0	0	24,680	0	0	0	196,283	157,026	39,257
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	56,711	0	0	0	37,455	0	0	0	0	19,256	15,405	3,851
1-J INTAKE & REFERRAL	236,901	0	0	41,833	0	0	0	0	0	195,068	156,054	39,014
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	286,058	0	0	28,837	0	0	0	0	0	257,221	205,777	51,444
1-N PROTECTIVE SERVICE - GENERAL	475,688	225	0	21,526	143,585	70,225	0	0	0	240,127	192,102	48,025
1-O SERVICE PLANNING	88,252	0	0	14,829	0	0	0	0	0	73,423	58,738	14,685
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	2,183,182	225	274,939	115,638	182,954	94,905	0	0	0	1,514,521	1,214,655	299,886
COMMUNITY BASED PLACEMENT	TOTAL REIMBURSABLE EXPENDITURES	PROGRAM INCOME	TITLE IV-E MAINTENANCE	TITLE IV-E ADMIN.	TANF	TITLE XX	TITLE IV-B	OTHER FUNDING	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE
2-A ALTERNATIVE TREATMENT - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
2-B ALTERNATIVE TREATMENT - DELINQUENT	33,399	0	0	0	0	0	0	0	0	33,399	26,719	6,680
2-C COMMUNITY RESIDENTIAL - DEPENDENT	820,275	28,387	121,690	19,699	0	0	0	0	0	650,499	520,399	130,100
2-D COMMUNITY RESIDENTIAL - DELINQUENT	256,137	3,319	0	0	0	0	0	0	0	252,618	202,094	50,524
2-E EMERGENCY SHELTER - DEPENDENT	157,101	125	25,353	8,765	0	0	0	0	0	122,858	110,572	12,286
2-F EMERGENCY SHELTER - DELINQUENT	91,226	0	0	0	0	0	0	0	0	91,226	82,103	9,123
2-G FOSTER FAMILY - DEPENDENT	1,455,362	60,561	243,451	212,166	0	0	11,516	0	0	927,668	742,134	185,534
2-H FOSTER FAMILY - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-I SUP. INDEPENDENT LIVING - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
2-J SUP. INDEPENDENT LIVING - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-K SUBTOTAL CBP	2,813,500	92,592	390,494	240,630	0	0	11,516	0	0	2,078,268	1,684,021	394,247
INSTITUTIONAL PLACEMENT	TOTAL REIMBURSABLE EXPENDITURES	PROGRAM INCOME	TITLE IV-E MAINTENANCE	TITLE IV-E ADMIN.	TANF	TITLE XX	TITLE IV-B	OTHER FUNDING	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE
3-A JUVENILE DETENTION SERVICE	96,065	0	0	0	0	0	0	0	0	96,065	48,033	48,032
3-B RESIDENTIAL SERVICE - DEPENDENT	57,957	6,946	4,894	3,409	0	0	5,758	0	0	36,950	22,170	14,780
3-C RES. SERVICE - DELINQUENT (NON YDC/YFC)	124,204	0	0	0	0	0	5,757	0	0	118,447	71,068	47,379
3-D SECURE RES. SERVICE (EXCEPT YDC)	7,853	0	0	0	0	0	0	0	0	7,853	4,712	3,141
3-E YDC SECURE	0	0	0	0	0	0	0	0	0	0	0	0
3-F SUBTOTAL INSTITUTIONAL	286,079	6,946	4,894	3,409	0	0	11,515	0	0	259,315	145,983	113,332
4 ADMINISTRATION	261,049	0	0	55,188	0	0	0	0	2,548	203,313	121,988	81,325
5 TOTAL REVENUES	5,543,810	99,763	670,327	414,865	182,954	94,905	23,031	0	2,548	4,055,417	3,166,627	888,790

LAWRENCE COUNTY CHILDREN AND YOUTH AGENCY  
FOR THE PERIOD JULY 1, 2011 TO JUNE 30, 2012  
AMENDED CY 370  
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	EMPLOYEE BENEFITS	OPERATING SERVICES	PURCHASED SERVICES	FIXED ASSETS	TOTAL EXPENDITURES	Children Served (by county)	Children Served (Purchased)	Non- Reimbursable Non PS/Sub.	Non-Reim. Purchased Serv/ Subsidies	Program Income related to all Non- Reimbursable
<b>IN-HOME</b>												
1-A ADOPTION SERVICE	9,205	4,847		4,283	0	0	18,335	8	0	0	0	0
1-B ADOPTION ASSISTANCE	0	0	637,285	0	0	0	637,285	0	171	0	0	0
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	0	0	134,174	0	0	0	134,174	0	34	0	0	0
1-D COUNSELING - DEPENDENT	13,660	7,196		2,583	5,376	0	28,815	10	8	0	0	0
1-E COUNSELING - DELINQUENT	0	0		0	220,963	0	220,963	0	337	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	56,711	0	56,711	0	24	0	0	0
1-J INTAKE & REFERRAL	138,064	72,713		26,124	0	0	236,901	812	0	0	0	0
1-K LIFE SKILLS - DEPENDENT	0	0		0	0	0	0	0	0	0	0	0
1-L LIFE SKILLS - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
1-M PROTECTIVE SERVICE - CHILD ABUSE	85,906	45,243		32,181	122,728	0	286,058	161	19	0	0	0
1-N PROTECTIVE SERVICE - GENERAL	65,015	34,240		22,657	353,776	0	475,688	651	82	0	0	0
1-O SERVICE PLANNING	48,943	25,776		9,261	4,272	0	88,252	150	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	360,793	190,015	771,459	97,089	763,826	0	2,183,182			0	0	0
	Number of Children receiving only NON-PURCHASED IN-Home Services											111
<b>COMMUNITY BASED PLACEMENT</b>												
2-A ALTERNATIVE TREATMENT - DEPENDENT	0	0		0	0	0	0	0	0	0	0	0
2-B ALTERNATIVE TREATMENT - DELINQUENT	0	0		0	33,399	0	33,399	281	4	0	0	0
2-C COMMUNITY RESIDENTIAL - DEPENDENT	65,015	34,240		12,301	708,719	0	820,275	5,376	49	0	0	0
2-D COMMUNITY RESIDENTIAL - DELINQUENT	0	0		484	255,653	0	256,137	1,850	19	0	0	0
2-E EMERGENCY SHELTER - DEPENDENT	28,928	15,235		5,473	107,465	0	157,101	900	61	0	0	0
2-F EMERGENCY SHELTER - DELINQUENT	0	0		0	91,226	0	91,226	709	66	0	0	0
2-G FOSTER FAMILY - DEPENDENT	159,321	83,907		39,659	1,172,475	0	1,455,362	34,549	140	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	253,264	133,382		57,917	2,368,937	0	2,813,500	43,665	339	0	0	0
<b>INSTITUTIONAL PLACEMENT</b>												
3-A JUVENILE DETENTION SERVICE	0	0		0	96,065	0	96,065	328	1	0	0	0
3-B RESIDENTIAL SERVICE - DEPENDENT	11,250	5,925		2,329	38,453	0	57,957	274	1	0	0	0
3-C RES. SERVICE - DELINQUENT (EXCEPT YDC/YFC)	0	0		421	123,783	0	124,204	812	11	0	0	0
3-D SECURE RES. SERVICE (EXCEPT YDC)	0	0		0	7,853	0	7,853	39	1	0	0	0
3-E YDC SECURE	0	0		0	0	0	0	0	0	0	0	0
3-F SUBTOTAL INSTITUTIONAL	11,250	5,925		2,750	266,154	0	286,079	1,453	14	0	0	0
4 ADMINISTRATION	105,192	55,400		179,413	0	2,925	342,930			81,881	0	0
<b>TOTAL EXPENDITURES</b>	730,499	384,722	771,459	337,169	3,398,917	2,925	5,625,691			81,881	0	0
	County Indirect Costs = \$ 133,104											

**LAWRENCE COUNTY CHILDREN AND YOUTH AGENCY  
FOR THE PERIOD JULY 1, 2011 TO JUNE 30, 2012  
AMENDED  
SUMMARY OF EXPENSE AND EXPENSE ADJUSTMENTS**

<b>COST CENTER ITEMS</b>	<b>AS REPORTED PER CY370</b>	<b>INCREASE (DECREASE)</b>	<b>AS AMENDED PER CY370</b>
Adoption Service	\$ 18,335	\$ 0	\$ 18,335
Adoption Assistance	637,285	0	637,285
Subsidized Permanent Legal Custodianship	134,174	0	134,174
Counseling	249,778	0	249,778
Day Care	0	0	0
Day Treatment	0	0	0
Homemaker Service	56,711	0	56,711
Intake and Referral	236,901	0	236,901
Life Skills	0	0	0
Protective Service - Child Abuse	286,058	0	286,058
Protective Service - General	475,688	0	475,688
Service Planning	88,252	0	88,252
Juvenile Act Proceedings	0	0	0
Alternative Treatment	33,399	0	33,399
Community Residential	1,076,412	0	1,076,412
Emergency Shelter	248,327	0	248,327
Foster Family	1,455,362	0	1,455,362
Supervised Independent Living	0	0	0
Juvenile Detention Service	96,065	0	96,065
Residential Service	182,161	0	182,161
Secure Residential Service (Except YDC)	7,853	0	7,853
YDC Secure	0	0	0
Administration	382,930	(40,000)	342,930
Combined Total Expense	<u>5,665,691</u>	<u>(40,000)</u>	<u>5,625,691</u>
Less Non-reimbursables	<u>71,473</u>	<u>10,408</u>	<u>81,881</u>
Total Net Expense	<u>\$ 5,594,218</u>	<u>\$ (50,408)</u>	<u>\$ 5,543,810</u>

<b>OBJECTS OF EXPENDITURE</b>	<b>AS REPORTED PER CY370</b>	<b>INCREASE (DECREASE)</b>	<b>AS AMENDED PER CY370</b>
Wages and Salaries	\$ 730,499	\$ 0	\$ 730,499
Employee Benefits	384,722	0	384,722
Subsidies	771,459	0	771,459
Operating	377,169	(40,000)	337,169
Purchased Services	3,398,917	0	3,398,917
Fixed Assets	2,925	0	2,925
Combined Total Expense	<u>5,665,691</u>	<u>(40,000)</u>	<u>5,625,691</u>
Less Non-reimbursables	<u>71,473</u>	<u>10,408</u>	<u>81,881</u>
Total Net Expense	<u>\$ 5,594,218</u>	<u>\$ (50,408)</u>	<u>\$ 5,543,810</u>

**LAWRENCE COUNTY CHILDREN AND YOUTH AGENCY  
FOR THE PERIOD JULY 1, 2011 TO JUNE 30, 2012  
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  To decrease Operating Expenditures by \$40,00 to reconcile to the County Cost Allocation Plan and properly report indirect costs.  Title 55 PA Code, Chapter 3170.60 OCYF Bulletin 00-95-12	\$ 219,413	\$ (40,000)	\$ 179,413
CY-370	4	10	2	Administration - Non-Reimbursable Non PS/Sub.  To increase Non-Reimbursable Expenditures within the Administration Cost Center by \$10,408 to reflect the indirect costs that exceeded the 2 percent cost limitation.  Title 55 PA Code, Chapter 3170.60 OCYF Bulletin 00-95-12	\$ 71,473	\$ 10,408	\$ 81,881

# **SECTION 3**

## **AMENDED FISCAL REPORTS**

**FOR THE FISCAL YEAR:**

**JULY 1, 2012 to JUNE 30, 2013**

**LAWRENCE COUNTY CHILDREN AND YOUTH AGENCY  
FOR THE PERIOD JULY 1, 2012 TO JUNE 30, 2013  
AMENDED  
COMPUTATION OF FINAL NET STATE SHARE**

Approved State Allocation <sup>1</sup>		\$	3,370,947
Supplemental Act 148			<u>0</u>
Total State Allocation			3,370,947
State Share (CY348) <sup>2</sup>	\$		3,341,516
Less: Major Service Category Adjustment			<u>0</u>
Net State Share		\$	3,341,516
Less: Expenditures in Excess of the Approved State Allocation			<u>0</u>
Final Net State Share Payable <sup>3</sup>		\$	3,341,516
Actual Act 148 Revenues Received <sup>4</sup>			<u>3,369,444</u>
Net Amount Due County/(State) <sup>5</sup>		\$	<u><u>(27,928)</u></u>

---

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

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

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

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

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

---

LAWRENCE COUNTY CHILDREN AND YOUTH AGENCY  
 FOR THE PERIOD JULY 1, 2012 TO JUNE 30, 2013  
 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	OTHER FUNDING	MEDICAL ASSISTANCE	NET TOTAL	STATE ACT 148	LOCAL SHARE
NET CHILD WELFARE EXPENDITURES											
01. 100% REIMBURSEMENT	18,393	0	3,555	0	0	0	0	0	14,838	14,838	0
02. 90% REIMBURSEMENT	211,930	0	27,608	0	0	0	0	0	184,322	165,890	18,432
03. 80% REIMBURSEMENT	5,113,822	103,280	1,190,585	182,954	94,905	0	0	0	3,542,098	2,833,679	708,419
04. 60% REIMBURSEMENT	673,825	8,562	94,234	0	0	23,031	0	2,817	545,181	327,109	218,072
05. 50% REIMBURSEMENT	0	0	0	0	0	0	0	0	0	0	0
06. TOTAL NET CHILD WELFARE EXPEND.	6,017,970	111,842	1,315,982	182,954	94,905	23,031	0	2,817	4,286,439	3,341,516	944,923

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

08. NON-REIMBURSABLE EXPENDITURES	104,308	0							104,308		104,308
-----------------------------------	---------	---	--	--	--	--	--	--	---------	--	---------

09. TOTAL EXPENDITURES	6,122,278	111,842	1,315,982	182,954	94,905	23,031	0	2,817	4,390,747	3,341,516	1,049,231
------------------------	-----------	---------	-----------	---------	--------	--------	---	-------	-----------	-----------	-----------

10. TOTAL TITLE IV-D COLLECTIONS 79,782

11. TITLE IV-D Collections for IV-E Children 34,304

12. STATE ACT 148 - line 6 3,341,516

13. STATE ACT 148 ALLOCATION 3,370,947

14. ADJUSTED STATE SHARE (lower of 12 or 13) 3,341,516

INVOICE											
AMENDED STATE SHARE (ACT 148)	3,341,516										
ACT 148 AMOUNT RECEIVED	3,369,444										
ADJUSTMENT TO STATE SHARE	(27,928)										

LAWRENCE COUNTY CHILDREN AND YOUTH AGENCY  
 FOR THE PERIOD JULY 1, 2012 TO JUNE 30, 2013  
 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	OTHER FUNDING	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE
<b>IN-HOME</b>												
I-A ADOPTION SERVICE	18,393	0	3,555	0	0	0	0	0	0	14,838	14,838	0
I-B ADOPTION ASSISTANCE	721,552	0	308,490	807	0	0	0	0	0	412,255	329,804	82,451
I-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSH	139,442	0	0	0	0	0	0	0	0	139,442	111,554	27,888
I-D COUNSELING - DEPENDENT	33,457	0	4,621	1,518	0	0	0	0	0	27,318	21,854	5,464
I-E COUNSELING - DELINQUENT	211,501	0	0	0	17,795	0	0	0	0	193,706	154,965	38,741
I-F DAY CARE	0	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	0
I-H DAY TREATMENT - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
I-I HOMEMAKER SERVICE	62,386	0	0	0	28,495	0	0	0	0	33,891	27,113	6,778
I-J INTAKE & REFERRAL	242,827	0	46,710	0	0	0	0	0	0	196,117	156,894	39,223
I-K LIFE SKILLS - DEPENDENT	0	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	0
I-M PROTECTIVE SERVICE - CHILD ABUSE	290,251	0	32,239	0	5,931	0	0	0	0	232,081	201,665	50,416
I-N PROTECTIVE SERVICE - GENERAL	523,370	675	24,257	152,941	71,179	0	0	0	0	274,318	219,454	54,864
I-O SERVICE PLANNING	92,201	0	16,559	0	0	0	0	0	0	75,642	60,514	15,128
I-P JUVENILE ACT PROCEEDINGS - DEPENDENT	0	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	0
<b>SUBTOTAL IN-HOME</b>	<b>2,335,380</b>	<b>675</b>	<b>308,490</b>	<b>128,748</b>	<b>182,954</b>	<b>94,905</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,619,608</b>	<b>1,298,655</b>	<b>320,953</b>

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	OTHER FUNDING	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE
2-A ALTERNATIVE TREATMENT - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
2-B ALTERNATIVE TREATMENT - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-C COMMUNITY RESIDENTIAL - DEPENDENT	1,193,175	48,504	262,217	21,996	0	0	0	0	0	860,458	688,366	172,092
2-D COMMUNITY RESIDENTIAL - DELINQUENT	68,564	622	0	0	0	0	0	0	0	67,942	54,354	13,588
2-E EMERGENCY SHELTER - DEPENDENT	153,518	0	17,821	9,787	0	0	0	0	0	125,910	113,319	12,591
2-F EMERGENCY SHELTER - DELINQUENT	58,412	0	0	0	0	0	0	0	0	58,412	52,571	5,841
2-G FOSTER FAMILY - DEPENDENT	1,535,096	53,479	246,799	225,890	0	0	0	0	0	1,008,928	807,142	201,786
2-H FOSTER FAMILY - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-I SUP. INDEPENDENT LIVING - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
2-J SUP. INDEPENDENT LIVING - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-K <b>SUBTOTAL CBP</b>	<b>3,008,765</b>	<b>102,605</b>	<b>526,837</b>	<b>257,673</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,121,650</b>	<b>1,715,752</b>	<b>405,898</b>

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	OTHER FUNDING	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE
3-A JUVENILE DETENTION SERVICE	0	0	0	0	0	0	0	0	0	0	0	0
3-B RESIDENTIAL SERVICE - DEPENDENT	58,516	5,776	14,425	3,806	0	0	5,738	0	0	28,751	17,251	11,500
3-C RES. SERVICE - DELINQUENT (NON YDC/YFC)	239,614	1,931	0	0	0	0	17,273	0	0	220,410	132,246	88,164
3-D SECURE RES. SERVICE (EXCEPT YDC)	30,444	855	0	0	0	0	0	0	0	29,589	17,753	11,836
3-E YDC SECURE	0	0	0	0	0	0	0	0	0	0	0	0
3-F <b>SUBTOTAL INSTITUTIONAL</b>	<b>328,574</b>	<b>8,562</b>	<b>14,425</b>	<b>3,806</b>	<b>0</b>	<b>0</b>	<b>23,031</b>	<b>0</b>	<b>0</b>	<b>278,750</b>	<b>167,250</b>	<b>111,500</b>

<b>4 ADMINISTRATION</b>	<b>345,251</b>	<b>0</b>	<b>0</b>	<b>76,003</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,817</b>	<b>266,431</b>	<b>159,859</b>	<b>106,572</b>
<b>5 TOTAL REVENUES</b>	<b>6,017,970</b>	<b>111,842</b>	<b>849,752</b>	<b>466,230</b>	<b>182,954</b>	<b>94,905</b>	<b>23,031</b>	<b>0</b>	<b>2,817</b>	<b>4,286,439</b>	<b>3,341,516</b>	<b>944,923</b>



LAWRENCE COUNTY CHILDREN AND YOUTH AGENCY  
 FOR THE PERIOD JULY 1, 2012 TO JUNE 30, 2013  
 AMENDED CY 370  
 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 Reimbursable
<b>IN-HOME</b>												
I-A ADOPTION SERVICE	9,457	4,976		3,960	0	0	18,393	15	0	0	0	0
I-B ADOPTION ASSISTANCE	0	0	721,552	0	0	0	721,552	0	188	0	0	0
I-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	0	0	139,442	0	0	0	139,442	0	35	0	0	0
I-D COUNSELING - DEPENDENT	14,034	7,384		2,607	9,432	0	33,457	0	6	0	0	0
I-E COUNSELING - DELINQUENT	0	0			211,501	0	211,501	0	355	0	0	0
I-F DAY CARE	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
I-H DAY TREATMENT - DELINQUENT	0	0			0	0	0	0	0	0	0	0
I-I HOMEMAKER SERVICE	0	0			62,386	0	62,386	0	26	0	0	0
I-J INTAKE & REFERRAL	141,845	74,634		26,348	0	0	242,827	715	0	0	0	0
I-K LIFE SKILLS - DEPENDENT	0	0			0	0	0	0	0	0	0	0
I-L LIFE SKILLS - DELINQUENT	0	0			0	0	0	0	0	0	0	0
I-M PROTECTIVE SERVICE - CHILD ABUSE	88,259	46,439		32,825	122,728	0	290,251	837	33	0	0	0
I-N PROTECTIVE SERVICE - GENERAL	66,794	35,146		24,193	397,237	0	523,370	644	48	0	0	0
I-O SERVICE PLANNING	50,283	26,457		9,341	6,120	0	92,201	213	10	0	0	0
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 <b>SUBTOTAL IN-HOME</b>	370,672	195,036	860,994	99,274	809,404	0	2,335,380					
Number of Children receiving only NON-PURCHASED IN-Home Services											181	
<b>COMMUNITY BASED PLACEMENT</b>												
2-A ALTERNATIVE TREATMENT - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
2-B ALTERNATIVE TREATMENT - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-C COMMUNITY RESIDENTIAL - DEPENDENT	66,794	35,144	0	12,704	1,078,533	0	1,193,175	8,318	47	0	0	0
2-D COMMUNITY RESIDENTIAL - DELINQUENT	0	0	0	0	68,564	0	68,564	451	3	0	0	0
2-E EMERGENCY SHELTER - DEPENDENT	29,720	15,638	0	5,520	102,640	0	153,518	846	63	0	0	0
2-F EMERGENCY SHELTER - DELINQUENT	0	0	0	0	58,412	0	58,412	448	37	0	0	0
2-G FOSTER FAMILY - DEPENDENT	163,686	86,126	0	36,498	1,248,786	0	1,535,096	36,254	168	0	0	0
2-H FOSTER FAMILY - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-I SUP. INDEPENDENT LIVING - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
2-J SUP. INDEPENDENT LIVING - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-K <b>SUBTOTAL CBP</b>	260,200	136,908	0	54,722	2,556,935	0	3,008,765	46,317	318	0	0	0
Number of Children at IMMINENT RISK											0	
<b>INSTITUTIONAL PLACEMENT</b>												
3-A JUVENILE DETENTION SERVICE	0	0	0	0	0	0	0	0	0	0	0	0
3-B RESIDENTIAL SERVICE - DEPENDENT	11,558	6,081	0	2,397	38,480	0	58,516	1,275	7	0	0	0
3-C RES. SERVICE - DELINQUENT (EXCEPT YDC/YTC)	0	0	0	1,181	238,433	0	239,614	1,713	8	0	0	0
3-D SECURE RES. SERVICE (EXCEPT YDC)	0	0	0	40	30,404	0	30,444	151	1	0	0	0
3-E YDC SECURE	0	0	0	0	0	0	0	0	0	0	0	0
3-F <b>SUBTOTAL INSTITUTIONAL</b>	11,558	6,081	0	3,618	307,317	0	328,574	3,139	16	0	0	0
<b>4 ADMINISTRATION</b>	108,072	56,864	0	284,623	0	0	449,559			104,308	0	0
<b>5 TOTAL EXPENDITURES</b>	750,502	394,889	860,994	442,237	3,673,656	0	6,122,278			104,308	0	0
County Indirect Costs = \$											235,206	

**LAWRENCE COUNTY CHILDREN AND YOUTH AGENCY  
FOR THE PERIOD JULY 1, 2012 TO JUNE 30, 2013  
AMENDED  
SUMMARY OF EXPENSE AND EXPENSE ADJUSTMENTS**

<b>COST CENTER ITEMS</b>	<b>AS REPORTED PER CY370</b>	<b>INCREASE (DECREASE)</b>	<b>AS AMENDED PER CY370</b>
Adoption Service	\$ 18,393	\$ 0	\$ 18,393
Adoption Assistance	721,552	0	721,552
Subsidized Permanent Legal Custodianship	139,442	0	139,442
Counseling	244,958	0	244,958
Day Care	0	0	0
Day Treatment	0	0	0
Homemaker Service	62,386	0	62,386
Intake and Referral	242,827	0	242,827
Life Skills	0	0	0
Protective Service - Child Abuse	290,251	0	290,251
Protective Service - General	523,370	0	523,370
Service Planning	92,201	0	92,201
Juvenile Act Proceedings	0	0	0
Alternative Treatment	0	0	0
Community Residential	1,261,739	0	1,261,739
Emergency Shelter	211,930	0	211,930
Foster Family	1,535,096	0	1,535,096
Supervised Independent Living	0	0	0
Juvenile Detention Service	0	0	0
Residential Service	298,130	0	298,130
Secure Residential Service (Except YDC)	30,444	0	30,444
YDC Secure	0	0	0
Administration	449,559	0	449,559
Combined Total Expense	<u>6,122,278</u>	<u>0</u>	<u>6,122,278</u>
Less Non-reimbursables	<u>57,760</u>	<u>46,548</u>	<u>104,308</u>
Total Net Expense	<u>\$ 6,064,518</u>	<u>\$ (46,548)</u>	<u>\$ 6,017,970</u>

<b>OBJECTS OF EXPENDITURE</b>	<b>AS REPORTED PER CY370</b>	<b>INCREASE (DECREASE)</b>	<b>AS AMENDED PER CY370</b>
Wages and Salaries	\$ 750,502	\$ 0	\$ 750,502
Employee Benefits	394,889	0	394,889
Subsidies	860,994	0	860,994
Operating	442,237	0	442,237
Purchased Services	3,673,656	0	3,673,656
Fixed Assets	0	0	0
Combined Total Expense	<u>6,122,278</u>	<u>0</u>	<u>6,122,278</u>
Less Non-reimbursables	<u>57,760</u>	<u>46,548</u>	<u>104,308</u>
Total Net Expense	<u>\$ 6,064,518</u>	<u>\$ (46,548)</u>	<u>\$ 6,017,970</u>

**LAWRENCE COUNTY CHILDREN AND YOUTH AGENCY  
FOR THE PERIOD JULY 1, 2012 TO JUNE 30, 2013  
ADJUSTMENT SCHEDULE**

REPORT REFERENCE			ADJ. NO.	EXPLANATION OF ADJUSTMENT	AS REPORTED OR ADJUSTED	INCREASE/ (DECREASE)	ADJUSTED TOTAL
SCHEDULE	LINE	COLUMN					
CY-370	4	10	1	Administration - Non-Reimbursable Non PS/Sub.  To increase Non-Reimbursable Expenditures within the Administration Cost Center by \$46,548 to reflect the indirect costs that exceeded the 2 percent cost limitation.  Title 55 PA Code, Chapter 3170.60 OCYF Bulletin 00-95-12	\$ 57,760	\$ 46,548	\$ 104,308

# SECTION 4

## AMENDED FISCAL REPORTS

**FOR THE FISCAL YEAR:**

**JULY 1, 2013 to JUNE 30, 2014**

**LAWRENCE COUNTY CHILDREN AND YOUTH AGENCY  
FOR THE PERIOD JULY 1, 2013 TO JUNE 30, 2014  
AMENDED  
COMPUTATION OF FINAL NET STATE SHARE**

Approved State Allocation <sup>1</sup>	\$	3,694,936
Supplemental Act 148		<u>0</u>
Total State Allocation		3,694,936
State Share (CY348) <sup>2</sup>	\$	3,574,004
Less: Major Service Category Adjustment		<u>0</u>
Net State Share	\$	3,574,004
Less: Expenditures in Excess of the Approved State Allocation		<u>0</u>
Final Net State Share Payable <sup>3</sup>	\$	3,574,004
Actual Act 148 Revenues Received <sup>4</sup>		<u>3,603,578</u>
Net Amount Due County/(State) <sup>5</sup>	\$	<u>(29,574)</u>

---

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

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

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

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

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

---

LAWRENCE COUNTY CHILDREN AND YOUTH AGENCY  
 FOR THE PERIOD JULY 1, 2013 TO JUNE 30, 2014  
 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	21,053	0	3,646	0	0	0	0	0	17,407	17,407	0
02. 90% REIMBURSEMENT	196,254	0	43,336	0	0	0	0	0	152,918	137,626	15,292
03. 80% REIMBURSEMENT	5,541,252	73,514	1,288,690	182,954	94,905	0	0	0	3,901,189	3,120,952	780,237
04. 60% REIMBURSEMENT	607,286	5,091	81,222	0	0	21,689	0	2,585	496,699	298,019	198,680
05. 50% REIMBURSEMENT	0	0	0	0	0	0	0	0	0	0	0
06. TOTAL NET CHILD WELFARE EXPEND.	6,365,845	78,605	1,416,894	182,954	94,905	21,689	0	2,585	4,568,213	3,574,004	994,209
YDC/YFC PLACEMENT COSTS											
07. 60% DHS PARTICIPATION	147,408	0							147,408	88,445	58,963
08. NON-REIMBURSABLE EXPENDITURES	137,022	0							137,022		137,022
09. TOTAL EXPENDITURES	6,650,275	78,605	1,416,894	182,954	94,905	21,689	0	2,585	4,852,643	3,662,449	1,190,194
10. TOTAL TITLE IV-D COLLECTIONS	58,531										
11. TITLE IV-D Collections for IV-E Children	26,337										
12. STATE ACT 148 - line 6	3,574,004										
13. STATE ACT 148 ALLOCATION	3,694,936										
14. ADJUSTED STATE SHARE (lower of 12 or 13)	3,574,004										
INVOICE											
AMENDED STATE SHARE (ACT 148)	3,574,004										
ACT 148 AMOUNT RECEIVED	3,603,578										
ADJUSTMENT TO STATE SHARE	(29,574)										

LAWRENCE COUNTY CHILDREN AND YOUTH AGENCY  
 FOR THE PERIOD JULY 1, 2013 TO JUNE 30, 2014  
 AMENDED CY 370A  
 REVENUE REPORT

MAJOR SERVICE CATEGORIES & COST CENTERS	REVENUE SOURCES											
	1	2	3	4	5	6	7	8	9	10	11	12
IN-HOME	TOTAL REIMBURSABLE EXPENDITURES	PROGRAM INCOME	TITLE IV-E MAINTENANCE	TITLE IV-E ADMIN.	TANF	TITLE XX	TITLE IV-B	Child Welfare Demonstration Project Title IV-E	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE
I-A ADOPTION SERVICE	21,053	0		3,646	0			0	0	17,407	0	0
I-B ADOPTION ASSISTANCE	771,247	0	314,007	1,151				0	0	456,089	364,871	91,218
I-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	135,514	0	0	0				0	0	135,514	108,411	27,103
I-D COUNSELING - DEPENDENT	43,983	0		4,609	3,564	0		0	0	35,810	28,648	7,162
I-E COUNSELING - DELINQUENT	242,083	0			0	11,863		0	0	230,220	184,176	46,044
I-F DAY CARE	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
I-H DAY TREATMENT - DELINQUENT	0	0		0	0	0		0	0	0	0	0
I-I HOMEMAKER SERVICE	63,261	0		0	23,859	0		0	0	39,402	31,522	7,880
I-J INTAKE & REFERRAL	268,085	0		46,385	0	0		0	0	221,500	177,200	44,300
I-K LIFE SKILLS - DEPENDENT	0	0		0	0	0		0	0	0	0	0
I-L LIFE SKILLS - DELINQUENT	0	0		0	0	0		0	0	0	0	0
I-M PROTECTIVE SERVICE - CHILD ABUSE	308,828	0		32,334	4,458	0		0	0	272,036	217,629	54,407
I-N PROTECTIVE SERVICE - GENERAL	578,062	375		24,298	151,073	83,042		0	0	319,274	255,419	63,855
I-O SERVICE PLANNING	97,012	0		16,590	0	0		0	0	80,422	64,338	16,084
I-P JUVENILE ACT PROCEEDINGS - DEPENDENT	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
I-R SUBTOTAL IN-HOME	2,529,128	375	314,007	129,213	182,954	94,905	0	0	0	1,807,674	1,449,621	358,053

COMMUNITY BASED PLACEMENT	REVENUE SOURCES											
	1	2	3	4	5	6	7	8	9	10	11	12
TOTAL REIMBURSABLE EXPENDITURES	PROGRAM INCOME	TITLE IV-E MAINTENANCE	TITLE IV-E ADMIN.	TANF	TITLE XX	TITLE IV-B	Child Welfare Demonstration Project Title IV-E	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE	
2-A ALTERNATIVE TREATMENT - DEPENDENT	0	0		0	0	0		0	0	0	0	0
2-B ALTERNATIVE TREATMENT - DELINQUENT	0	0		0	0	0		0	0	0	0	0
2-C COMMUNITY RESIDENTIAL - DEPENDENT	1,145,940	14,542	293,656	21,936				0	815,806	652,645	163,161	
2-D COMMUNITY RESIDENTIAL - DELINQUENT	123,776	12,505						0	111,271	89,017	22,254	
2-E EMERGENCY SHELTER - DEPENDENT	158,558	0	33,575	9,761	0	0		0	115,222	103,700	11,522	
2-F EMERGENCY SHELTER - DELINQUENT	37,696	0		0	0	0		0	37,696	35,926	3,770	
2-G FOSTER FAMILY - DEPENDENT	1,763,461	46,092	301,611	231,913				0	1,183,845	947,076	236,769	
2-H FOSTER FAMILY - DELINQUENT	0	0		0	0	0		0	0	0	0	0
2-I SUP. INDEPENDENT LIVING - DEPENDENT	0	0		0	0	0		0	0	0	0	0
2-J SUP. INDEPENDENT LIVING - DELINQUENT	0	0		0	0	0		0	0	0	0	0
2-K SUBTOTAL CBP	3,229,431	73,139	628,842	263,610	0	0	0	0	2,263,840	1,826,364	437,476	

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	0	0						0	0	0	0	0
3-B RESIDENTIAL SERVICE - DEPENDENT	26,108	4,107	449	3,797				0	17,755	10,653	7,102	
3-C RES. SERVICE - DELINQUENT (NON YDC/YFC)	175,955	984		37		21,689		0	152,245	91,947	61,298	
3-D SECURE RES. SERVICE (EXCEPT YDC)	0	0						0	0	0	0	0
3-E YDC SECURE	147,408	0						0	147,408	88,445	58,963	
3-F SUBTOTAL INSTITUTIONAL	349,471	5,091	449	3,834	0	21,689	0	0	318,408	191,045	127,563	

4 ADMINISTRATION	405,223	0		76,939		0	0	0	2,585	325,699	195,419	130,280
5 TOTAL REVENUES	6,513,253	78,605	943,298	473,596	182,954	94,905	21,689	0	2,585	4,715,621	3,662,449	1,053,172

LAWRENCE COUNTY CHILDREN AND YOUTH AGENCY  
 FOR THE PERIOD JULY 1, 2013 TO JUNE 30, 2014  
 AMENDED CY370  
 EXPENDITURE REPORT

MAJOR SERVICE CATEGORIES & COST CENTERS	OBJECTS OF EXPENDITURE											
	1	2	3	4	5	6	7	8	9	10	11	12
	WAGES AND SALARIES	EMPLOYEE BENEFITS	SUBSIDIES	OPERATING	PURCHASED SERVICES	FIXED ASSETS	TOTAL EXPENDITURES	Children Served (by county)	Children Served (Purchased)	Non-Reimbursable Non PS/Sub.	Non-Reim. Purchased Serv/ Subsidies	Program Income related to all Non-Reimbursable
<b>IN-HOME</b>	10,705	5,309		4,730	0	309	21,053	10	0	0	0	0
I-A ADOPTION SERVICE	0	0	771,247	0	0	0	771,247	0	220	0	0	0
I-B ADOPTION ASSISTANCE	0	0	135,514	0	0	0	135,514	0	33	0	0	0
I-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	15,889	7,880		2,298	17,458	458	43,983	8	9	0	0	0
I-D COUNSELING - DELINQUENT	0	0		0	242,083	0	242,083	0	245	0	0	0
I-E COUNSELING - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
I-F DAY CARE	0	0		0	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 HOMEMAKER SERVICE	0	0		0	63,261	0	63,261	0	24	0	0	0
I-J INTAKE & REFERRAL	160,584	79,642		23,226	0	4,633	268,085	833	0	0	0	0
I-K LIFE SKILLS - DEPENDENT	0	0		0	0	0	0	0	0	0	0	0
I-L LIFE SKILLS - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
I-M LIFE SKILLS - DELINQUENT	99,919	49,555		33,745	122,726	2,883	308,828	257	45	0	0	0
I-N PROTECTIVE SERVICE - CHILD ABUSE	75,618	37,504		24,525	438,233	2,182	578,062	589	57	0	0	0
I-O PROTECTIVE SERVICE - GENERAL	56,926	28,233		8,682	1,528	1,643	97,012	174	2	0	0	0
I-P SERVICE PLANNING	0	0		0	0	0	0	0	0	0	0	0
I-Q JUVENILE ACT PROCEEDINGS - DEPENDENT	0	0		0	0	0	0	0	0	0	0	0
I-R JUVENILE ACT PROCEEDINGS - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
<b>SUBTOTAL IN-HOME</b>	419,641	208,123	906,761	97,206	885,289	12,108	2,529,128					
Number of Children receiving only NON-PURCHASED IN-Home Services 635												
<b>COMMUNITY BASED PLACEMENT</b>	75,618	37,504	0	11,330	1,019,306	2,182	1,145,940	7,630	52	0	0	0
2-A ALTERNATIVE TREATMENT - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
2-B ALTERNATIVE TREATMENT - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-C COMMUNITY RESIDENTIAL - DEPENDENT	75,618	37,504	0	11,330	1,019,306	2,182	1,145,940	7,630	52	0	0	0
2-D COMMUNITY RESIDENTIAL - DELINQUENT	0	0	0	0	123,776	0	123,776	922	5	0	0	0
2-E EMERGENCY SHELTER - DEPENDENT	33,646	16,687	0	4,867	102,387	971	158,558	855	40	0	0	0
2-F EMERGENCY SHELTER - DELINQUENT	0	0	0	0	37,696	0	37,696	290	42	0	0	0
2-G FOSTER FAMILY - DEPENDENT	185,309	91,903	0	40,144	1,437,758	8,347	1,763,461	41,060	243	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
<b>SUBTOTAL CBR</b>	294,573	146,094	0	56,341	2,720,923	11,500	3,229,431	50,757	382	0	0	0
<b>INSTITUTIONAL PLACEMENT</b>	13,085	6,489	0	2,039	4,117	378	26,108	3	0	0	0	0
3-A JUVENILE DETENTION SERVICE	0	0	0	0	0	0	0	0	0	0	0	0
3-B RESIDENTIAL SERVICE - DEPENDENT	13,085	6,489	0	2,039	4,117	378	26,108	3	0	0	0	0
3-C RES. SERVICE - DELINQUENT (EXCEPT YDC/YFC)	0	0	0	433	175,522	0	175,955	9	0	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	147,408	0	147,408	1	0	0	0	0
<b>SUBTOTAL INSTITUTIONAL</b>	13,085	6,489	0	2,472	327,047	378	349,471	13	0	0	0	0
<b>ADMINISTRATION</b>	122,350	60,679	0	338,729	0	20,487	542,245			137,022	0	0
<b>TOTAL EXPENDITURES</b>	849,649	421,385	906,761	494,748	3,933,259	44,473	6,650,275			137,022	0	0
County Indirect Costs = \$ 277,975												



**LAWRENCE COUNTY CHILDREN AND YOUTH AGENCY  
FOR THE PERIOD JULY 1, 2013 TO JUNE 30, 2014  
AMENDED  
SUMMARY OF EXPENSE AND EXPENSE ADJUSTMENTS**

<b>COST CENTER ITEMS</b>	<b>AS REPORTED PER CY370</b>	<b>INCREASE (DECREASE)</b>	<b>AS AMENDED PER CY370</b>
Adoption Service	\$ 21,053	\$ 0	\$ 21,053
Adoption Assistance	771,247	0	771,247
Subsidized Permanent Legal Custodianship	135,514	0	135,514
Counseling	286,066	0	286,066
Day Care	0	0	0
Day Treatment	0	0	0
Homemaker Service	63,261	0	63,261
Intake and Referral	268,085	0	268,085
Life Skills	0	0	0
Protective Service - Child Abuse	308,828	0	308,828
Protective Service - General	578,062	0	578,062
Service Planning	97,012	0	97,012
Juvenile Act Proceedings	0	0	0
Alternative Treatment	0	0	0
Community Residential	1,269,716	0	1,269,716
Emergency Shelter	196,254	0	196,254
Foster Family	1,763,461	0	1,763,461
Supervised Independent Living	0	0	0
Juvenile Detention Service	0	0	0
Residential Service	202,063	0	202,063
Secure Residential Service (Except YDC)	0	0	0
YDC Secure	147,408	0	147,408
Administration	<u>544,235</u>	<u>(1,990)</u>	<u>542,245</u>
Combined Total Expense	6,652,265	(1,990)	6,650,275
Less Non-reimbursables	<u>89,723</u>	<u>47,299</u>	<u>137,022</u>
Total Net Expense	<u>\$ 6,562,542</u>	<u>\$ (49,289)</u>	<u>\$ 6,513,253</u>

<b>OBJECTS OF EXPENDITURE</b>	<b>AS REPORTED PER CY370</b>	<b>INCREASE (DECREASE)</b>	<b>AS AMENDED PER CY370</b>
Wages and Salaries	\$ 849,649	\$ 0	\$ 849,649
Employee Benefits	421,385	0	421,385
Subsidies	906,761	0	906,761
Operating	496,738	(1,990)	494,748
Purchased Services	3,933,259	0	3,933,259
Fixed Assets	<u>44,473</u>	<u>0</u>	<u>44,473</u>
Combined Total Expense	6,652,265	(1,990)	6,650,275
Less Non-reimbursables	<u>89,723</u>	<u>47,299</u>	<u>137,022</u>
Total Net Expense	<u>\$ 6,562,542</u>	<u>\$ (49,289)</u>	<u>\$ 6,513,253</u>

**LAWRENCE COUNTY CHILDREN AND YOUTH AGENCY  
FOR THE PERIOD JULY 1, 2013 TO JUNE 30, 2014  
ADJUSTMENT SCHEDULE**

REPORT REFERENCE			ADJ. NO.	EXPLANATION OF ADJUSTMENTS	AS REPORTED OR ADJUSTED	INCREASE/ (DECREASE)	ADJUSTED TOTAL
SCHEDULE	LINE	COLUMN					
CY370	4	4	1	Administration-Operating  To decrease Operating Expenditures by \$910 to reconcile to the Agency's general ledger.  Title 55 PA Code, Chapter 3170.95(a)(b)	\$ 340,719	\$ (910)	\$ 339,809
CY-370	4	4	2	Administration-Operating  To decrease Operating Expenditures by \$1,080 to reconcile to the County Cost Allocation Plan and properly report indirect costs.  Title 55 PA Code, Chapter 3170.60 OCYF Bulletin 00-95-12	\$ 339,809	\$ (1,080)	\$ 338,729
CY-370	4	10	3	Administration - Non-Reimbursable Non PS/Sub.  To increase Non-Reimbursable Expenditures within the Administration Cost Center by \$47,299 to reflect the indirect costs that exceeded the 2 percent cost limitation.  Title 55 PA Code, Chapter 3170.60 OCYF Bulletin 00-95-12	\$ 89,723	\$ 47,299	\$ 137,022

## SECTION 5

# STATUS OF PRIOR ENGAGEMENT FINDINGS AND RECOMMENDATIONS

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

**Finding No. 1 - Failure to Conduct Annual Time Studies**

In our prior audit report, we cited the Lawrence County Children and Youth Agency (agency) for failing to conduct annual time studies. During our current engagement, for the 2010-2011, 2011-2012, 2012-2013, and 2013-2014 fiscal years, we found that, beginning in June 2017 of fiscal year 2016-2017, the agency performed an annual time study and will continue to conduct them annually. Since the agency substantiated that they began conducting an annual time study during the 2016-2017 fiscal year and that, due to the timing of our prior engagement, we had not notified the agency of its failure to conduct annual time studies until December 2015, after the close of the fiscal years included in our current engagement scope period, we concluded that the issuance of a repeat finding is not warranted. However, we will follow up on this issue during our next audit of the agency.

**Finding No. 2 - Failure to Perform a Reconciliation of Agency Records to County Records**

In our prior audit report, we cited the agency for failing to perform a reconciliation of agency records to the county records. During our review of the 2013-2014 fiscal year, the agency provided us with documentation evidencing the performance of a reconciliation of agency records to the county records. Since the agency substantiated that they do in fact reconcile to the county records, and provided the documentation, we concluded that the issuance of a repeat finding is not warranted. However, we will follow up on this issue during our next audit of the agency.

**Finding No. 3 - Agency Erroneously Received an Overpayment of Act 148 Funding from the Department of Human Service (DHS)**

In our prior audit report, we cited the agency for erroneously receiving an overpayment of Act 148 funding from the Department of Human Service (DHS). During our current engagement of the 2010-2011, 2011-2012, 2012-2013, and 2013-2014 fiscal years, we verified the agency compared the payment amount received and the accompanying payment computation sheet to their own records to ensure the proper amount was received. We concluded that the issuance of a repeat finding is not warranted. This was an isolated incident and was a result of an error made by Commonwealth DHS. In October of 2017, the agency received a cost settlement letter, which included the adjustment for the ACT 148 overpayment.

## SECTION 6

# CURRENT ENGAGEMENT FINDINGS AND RECOMMENDATIONS

LAWRENCE COUNTY CHILDREN AND YOUTH AGENCY  
CURRENT ENGAGEMENT FINDINGS AND RECOMMENDATIONS

**Finding No. 1 – The Lawrence County Children and Youth Agency Paid Contractors for In-Home Purchased Services but Failed to Obtain Reasonable Assurance That These Services Were Actually Provided**

Condition: During the 2010-2011, 2011-2012, 2012-2013, and 2013-2014 fiscal years, the Lawrence County Children and Youth Agency (agency) paid 22 In-Home Purchased Service providers (providers) a total of \$3,099,699. We evaluated the agency's internal control procedures by judgmentally selecting 7 providers that were utilized during the aforementioned fiscal years and, from those providers, judgmentally selecting 11 invoices totaling \$100,587. While the agency provided the approved invoices corresponding to the \$100,587 expended, we found that the agency failed to obtain reasonable assurance that these providers, responsible for providing In-Home services directly to at-risk children and their families, actually performed the services for which the agency was invoiced, and subsequently paid, and that if provided, were provided in adherence to executed contract terms between the agency and the respective provider.

The cited providers consisted of 3 Fee-for-Service providers and 4 Program-Funded providers. Approved contracts for Fee-for-Service providers include an agreed upon fee-for-service rate per unit (days/hours/session/evaluation/assessment), and costs invoiced by these types of providers are to be calculated by multiplying the respective contracted service rate by number of units each respective Fee-for-Service provider lists on its submitted invoices. While the monthly invoices submitted by the 3 Fee-For-Service providers included the names of individuals who reportedly received the invoiced services, the agency failed to provide evidence of the validity of the number of units invoiced for each listed individual. Furthermore, agency management failed to provide contracts with 2 of these providers for the 2013-2014 fiscal year; services fees invoiced by these 2 providers totaled \$32,317. This issue is addressed in detail in Finding No. 2 of this report.

Regarding Program-Funded providers, these providers contract with agencies for a maximum amount to be paid for each contracted fiscal year, and each month these providers invoice agencies a standard prorated monthly amount for operating costs. For the 4 cited Program-Funded providers, while agency management provided our auditors with these providers' submitted invoices, including invoices from 2 of these providers that detailed the names of individuals who reportedly received the invoiced services, none of these providers submitted any documentation, nor did the agency require any documentation, substantiating the standard prorated amount for operating costs detailed on these providers' submitted invoices or that the In-Home services related to the invoiced costs were actually provided.

Furthermore, regarding the remaining In-Home Purchased Services providers for whom we performed no testing procedures, agency management informed us that they did not require

LAWRENCE COUNTY CHILDREN AND YOUTH AGENCY  
CURRENT ENGAGEMENT FINDINGS AND RECOMMENDATIONS

these providers to submit any documentation other than submitted invoices during the aforementioned fiscal years.

Criteria: 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).

In addition, 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.”

LAWRENCE COUNTY CHILDREN AND YOUTH AGENCY  
CURRENT ENGAGEMENT FINDINGS AND RECOMMENDATIONS

- *Section 3170.92(b). Accountability for Expenditures for Clients. Records Maintenance.* “County agencies shall maintain sufficient and appropriate records and data to justify payment for expenses by the Department. The local authorities or contractors shall maintain books, records, documents and other evidence and accounting procedures and practices, sufficient to reflect properly all direct and indirect costs of whatever nature claimed to have been incurred and anticipated to be incurred for funds supported by the Department and for which reimbursement is claimed...”

Cause: Agency management informed us that, during the fiscal years included in our engagement scope period, the agency did not have fiscal-related procedures in place that would provide reasonable assurance that invoiced, and paid for, In-Home services were actually provided, and if provided, provided in adherence to the respective provider’s executed contract terms.

Effect: The agency’s failure to obtain reasonable assurance that contracted In-Home Purchased Services were actually provided and provided in adherence to the requirements of the respective provider’s executed contract terms (and therefore in adherence to DHS regulations) increases 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.

As a result of these risks, for the aforementioned fiscal years, we cannot attest that the contracted services related to the invoiced In-Home Purchased Services fees were actually provided, and if provided, were provided in adherence to executed contracted terms and DHS regulations.

Recommendation: We recommend that agency management implement routine, fiscal-related monitoring policy and procedures that provide reasonable assurance that contracted services related to invoiced In-Home Purchased Services fees were actually provided, and provided in adherence to executed contracted terms and DHS regulations. Specifically, this written fiscal-related monitoring policy, and corresponding procedures, should include, but not be limited to, the following:

- Development and implementation of formal policies and procedures detailing the specific fiscal-related In-Home monitoring procedures that must be performed, and documentation that must be maintained, to evidence monitoring results and how



LAWRENCE COUNTY CHILDREN AND YOUTH AGENCY  
CURRENT ENGAGEMENT FINDINGS AND RECOMMENDATIONS

identified In-Home Purchased Services provider deficiencies will impact the agency's payment process for these submitted invoices.

- Performance of on-site monitoring visits of In-Home Purchased Services providers, as deemed necessary by agency management, to determine whether appropriate supporting documentation exists substantiating invoiced costs and that related services were actually provided according to executed contract terms.
- Requiring In-Home Purchased Services providers, as deemed necessary by agency management, to submit substantiation evidencing that services related invoiced In-Home Purchased Services costs were actually provided.<sup>1</sup>
- Ensuring that agency staff responsible for reviewing and approving submitted In-Home Purchased Services providers' invoices for payment are made aware of the results of 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.

We further recommend that the agency maintain sufficient evidence substantiating the results of all fiscal-related monitoring procedures performed to determine whether the services for which In-Home Purchased Services providers were paid were actually provided, and provided in adherence to DHS regulations and executed contract terms.

Agency Response: Regarding the in-home services, Lawrence County had in our budget for 16-17 a contract monitor. A contract monitor's responsibility would include onsite visits to the providers of in-home services and placement services. That position would be responsible to verify a sampling of services, to be sure that the services were rendered and correspond with the invoicing. The responsibility would also extend to monitoring all contracts. While the agency was approved initially for the position it was later cut from the budget by the State as non-essential due to budget restraints. Until the position can be addressed again in the Needs Based Budget, the fiscal department will use a spreadsheet to track all of the contracts and will begin on-site reviews. This should address the two cites that Lawrence County received.

Auditor's Conclusion: We commend the Lawrence County Children and Youth Agency on their efforts to hire a Contract Monitor, but we also recommend they develop formal written In-Home Purchased Services monitoring policy and procedures. During our next audit of the agency, we will review the newly implemented spreadsheet to track contracts and results of on-site monitoring along with any corresponding implemented formal policy and the results of

---

<sup>1</sup> For any program funded providers, monitoring should include verification of the provider's operating costs invoiced to the agency.

LAWRENCE COUNTY CHILDREN AND YOUTH AGENCY  
CURRENT ENGAGEMENT FINDINGS AND RECOMMENDATIONS

conducted related procedures to determine whether appropriate evidence exists substantiating that related invoiced, and paid for, In-Home services were actually provided, and if provided, were provided in adherence to DHS regulations and executed key contract terms.

LAWRENCE COUNTY CHILDREN AND YOUTH AGENCY  
CURRENT ENGAGEMENT FINDINGS AND RECOMMENDATIONS

**Finding No. 2 – Lawrence County Children and Youth Agency Failed to Execute Written Contracts with Two In-Home Service Providers**

Condition: We judgmentally selected and requested contracts covering the 2013-2014 fiscal year for 7 of the 22 In-Home Purchased Service providers noted in Finding No. 1, but the Lawrence County Children and Youth Agency (agency) was unable to provide contracts for 2 of those 7 providers. Therefore, we could not determine whether the agency complied with the Commonwealth Department of Human Services' (DHS) regulations listed in the Criteria section below.

Criteria: Title 55, Pa. Code § 3170.23(b) and § 3170.93(b) related to purchase of service and contract requirements, state, in part:

- *Section 3170.23(b).Purchase of Service.* A written agreement complying with Section 3170.93 (relating to contracts) shall be signed by the county and those providers to which clients are regularly referred or with which the public agency, the juvenile court, and juvenile probation office have a continuing relationship. This requirement shall apply to both unit of service and program-funded agencies.
- *Section 3170.93(b).Contracts.* In addition to restating the language of Section 3170.23, this section states the contract shall represent a legally binding agreement between the county and the provider, and shall be renewed annually.

Title 55, Pa. Code § 3170.92(b) related to records maintenance, states, in part:

- Section 3170.92(b). Records maintenance. County agency shall maintain sufficient and appropriate records and data to justify payment for expenses by the Department

Cause: Agency management stated that for the two missing contracts the agency followed the terms of the prior executed contracts; however, no extensions of contracts were provided to the auditors.

Effect: The agency's failure to maintain executed contracts with the two respective In-Home Purchased Service providers for the 2013-2014 fiscal year resulted in the agency not having justification for the payment of related expenses. Furthermore, the rendering of services in the absence of legally binding contracts could have resulted in misunderstandings between the agency and service providers as to the types of services requested and the approved rates to be charged for each respective service. However, based on DHS' position that adjustments should not be made for identified non-compliance issues of this nature, we did not issue adjustments to disallow the corresponding service costs.

LAWRENCE COUNTY CHILDREN AND YOUTH AGENCY  
CURRENT ENGAGEMENT FINDINGS AND RECOMMENDATIONS

Recommendation: We recommend that when an In-Home Purchased Service provider is regularly used, the agency establish policies and procedures to ensure, before invoiced service fees are paid, the agency obtains the In-Home Services provider's respective contract and confirms that the contract was fully executed and is maintained in accordance with DHS' requirements. In addition, agency management should ensure that all DHS contracting requirements, along with the agency's established policies and procedures, are communicated to and understood by all agency staff, thus, preventing future assumptions regarding the existence of properly executed contracts with In-Home providers.

Agency Response: Please see Agency Response to Finding No. 1. Finding No. 2 is addressed in that response.

Auditor's Conclusion: During our next audit of the agency, we will perform procedures to determine whether agency management ensured that executed contracts were maintained in compliance with DHS regulations for all regularly used In-Home Purchased Service providers selected for review.

# SECTION 7

## CURRENT ENGAGEMENT OBSERVATION

LAWRENCE COUNTY CHILDREN AND YOUTH AGENCY  
CURRENT ENGAGEMENT OBSERVATION

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

The Child Protective Services Law<sup>2</sup> (CPSL) requires the conduct of criminal background checks and child abuse history clearances (certifications) for all employees and direct volunteers of county children and youth (C&Y) agencies as well as the volunteers/employees of these agencies’ contractors (providers) and subcontractors (sub-recipients).<sup>3</sup> To ensure adherence to these requirements, the Commonwealth DHS (DHS) has assigned monitoring responsibilities to internal offices and bureaus based on the types of services provided.

As a part of its annual licensing inspection process of county C&Y agencies, the Commonwealth DHS’ Office of Children, Youth and Families (OCYF) performs reviews of agency employees and agency foster parents’ adherence to the requirements of the CPSL. The OCYF also performs CPSL adherence reviews of employees of contracted foster family agencies through its annual licensing inspection of these providers. However, because the OCYF is behind in its completion of these annual inspections and does not have adequate procedures in place to determine whether C&Y agencies are monitoring their respective providers’ and sub-recipients’ adherence to the CPSL,<sup>4</sup> the safety of children receiving services from these agencies and their contractors and subcontractors may be at **risk**. According to information provided by the DHS OCYF, the Lawrence County Children and Youth Agency provided in-home and placement services to 213 children residing within the County during the 2014-2015 fiscal year.

Furthermore, beginning July 1, 2012, the DHS Bureau of Human Services’ Licensing (bureau) took over the responsibility for the performance of the annual licensing inspections of Child Day Treatment Centers and Child Residential Facilities which encompasses the performance of CPSL adherence reviews of the employees of these providers. Prior to July 1, 2012, the DHS OCYF had been responsible for performing these CPSL adherence reviews during its annual licensing inspections of these providers. Through a review of DHS’ website, we found letters,

---

<sup>2</sup> Please note that the CPSL was extensively amended in 2013, 2014, and 2015 with 24 pieces of legislation “[being] enacted, changing how Pennsylvania responds to child abuse. These changes will significantly impact the reporting, investigation, assessment, prosecution and judicial handling of child abuse and neglect cases. The new laws will expand and further define mandatory reporters and the reporting process, increase penalties for those mandated to report suspected child abuse who fail to do so, and provide protections from employment discrimination for filing a good faith report of child abuse.” See <http://keepkidssafe.pa.gov/laws/index.htm> last accessed on September 2, 2016. Please note that although this particular DHS’ keepkidssafe.pa.gov link only refers to 23, instead of 24, pieces of legislation, we were able to confirm that the link should actually refer to 24 pieces of legislation, just as in the following DHS’ link: <http://keepkidssafe.pa.gov/index.htm>

<sup>3</sup> 23 Pa.C.S. §§ 6344 and 6344.2.

<sup>4</sup> This is detailed in the Commonwealth of Pennsylvania Single Audit Reports (most recently for the fiscal year ended June 30, 2016, via Finding 2016-017).

LAWRENCE COUNTY CHILDREN AND YOUTH AGENCY  
CURRENT ENGAGEMENT OBSERVATION

posted by DHS, to the management staff of Child Day Treatment Centers and Child Residential Facilities detailing the results of the licensing inspections performed by the bureau; identified regulatory violations, including CPSL adherence violations, were specified in the accompanying License Inspection Summaries. However, we are unable to attest to the timeliness of the completion of these annual inspections. Furthermore, we are also unable to attest to whether the CPSL adherence of any potential sub-recipients used by these providers are being monitored.

Finally, for contracted in-home preventative service providers, we were informed by DHS OCYF that these providers are not required to be licensed by the Commonwealth and, thus, are not subject to the annual inspections performed by the DHS. However, it is DHS' position that while not all in-home service providers would meet the criteria requiring the conduct of criminal background checks and child abuse history clearances (certifications) for employees/volunteers, when they do, C&Y agencies are responsible for including provisions in their executed contracts with these providers and monitoring their providers' adherence to CPSL requirements.

However, in correspondence with agency management during the course of recently conducted audit engagements, we have found that the agency management staffs of these C&Y agencies are of the opinion that there is no need for C&Y agencies to monitor CPSL adherence of the employees/volunteers of these providers because they are now including the requirements for this monitoring in their executed contracts with these providers. Our interpretation of the CPSL is that the C&Y agencies cannot fulfill their duties under the CPSL to protect the children receiving in-home preventative services from child abuse by merely "monitoring" their executed provider contracts rather than actually monitoring their providers' adherence to the CPSL background check requirements. While it is evident that neither the DHS nor the C&Y agencies are monitoring the CPSL adherence of their employees and volunteers of contracted in-home preventative service providers, this Department will continue to raise concerns about their interpretation of the CPSL and that this faulty interpretation may be putting the safety of these children at **great risk**.

It is important to note that background checks and child abuse clearances have historically been valid for one year after being obtained. However, recent amendments to the CPSL extend this time frame from one year to five years.<sup>5</sup> Therefore, there is a need for DHS and C&Y agencies across the commonwealth to have a *greatly heightened* awareness about their employees' providers' and sub-recipients' arrest and conviction records, as well as child abuse adjudications to ensure that no new, disqualifying incidents have occurred from the date of the background clearances since certain disqualifying offenses could go undetected for years.

---

<sup>5</sup> 23 Pa.C.S. § 6344.4.

LAWRENCE COUNTY CHILDREN AND YOUTH AGENCY  
REPORT DISTRIBUTION LIST

This report was originally distributed to the following:

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

**The Honorable Teresa D. Miller**  
Acting Secretary  
Department of Human Services

**Ms. Cathy Utz**  
Deputy Secretary  
Office of Children, Youth and Families  
Department of Human Services

**Ms. Gloria Gilligan**  
Bureau Director  
Bureau of Budget and Fiscal Support  
Office of Children, Youth and Families  
Department of Human Services

**Ms. Stephanie Weigle**  
Division Director  
Division of Administration  
Bureau of Budget and Fiscal Support  
Office of Children, Youth and Families  
Department of Human Services

**Mr. Jim Flanagan**  
Section Chief  
Financial Reporting and Payments Section  
Division of Financial Policy and Operations  
Bureau of Financial Operations  
Department of Human Services

**Mr. David Bryan, CPA, CGMA**  
Manager  
Audit Resolution Section  
Bureau of Financial Operations  
Department of Human Services

**The Commissioners of Lawrence County**

**Mr. William Betz**  
Director  
Lawrence County Children & Youth Agency

**Ms. Wendy Chesmer**  
Fiscal Officer  
Lawrence County Children & Youth Agency

**Mr. David Gettings**  
Controller  
Lawrence County

**Mr. Michael Burns, CPA**  
Director  
Bureau of Accounting & Financial Management  
Office of Comptroller Operations  
Office of the Budget

**Mr. R. Dennis Welker**  
Special Audit Services  
Bureau of Audits  
Office of the Budget

**Ms. Melanie Retherford**  
Human Services Program Specialist Supervisor  
Bureau of Budget and Fiscal Support  
Office of Children, Youth and Families  
Department of Human Services

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

This report is a matter of public record and is available online at [www.PaAuditor.gov](http://www.PaAuditor.gov). Media questions about the report can be directed to the Pennsylvania Department of the Auditor General, Office of Communications, 229 Finance Building, Harrisburg, PA 17120; via email to: [news@PaAuditor.gov](mailto:news@PaAuditor.gov).