

AMENDED FISCAL REPORTS

For Fiscal Years:

July 1, 2017 to June 30, 2018

July 1, 2018 to June 30, 2019

Lehigh County Children and Youth Agency

December 2020



Commonwealth of Pennsylvania
Department of the Auditor General

Eugene A. DePasquale • Auditor General



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EUGENE A. DePASQUALE
AUDITOR GENERAL

Independent Auditor's Report

The Honorable Phillips Armstrong
Lehigh County Executive
Lehigh County Government Center, Fourth Floor
17 South Seventh Street
Allentown, PA 18101-2400

Dear Executive Armstrong:

We have fulfilled the requirements pursuant to authority derived from Act 148 of 1976, as amended, (62 P.S. § 704.1(a)(4)) for the submitted CY-370 Expenditure Report, the CY-370A Revenue Report, and the CY-348 Fiscal Summary, hereinafter referred to as the submitted fiscal reports, and the related financial records of the Lehigh County Children and Youth Agency (agency), legally known as Lehigh County Children and Youth Services, for the purpose of ascertaining and certifying the actual Commonwealth expenditures incurred on behalf of children residing within the County for the fiscal years July 1, 2017 to June 30, 2018, and July 1, 2018 to June 30, 2019. 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, 2018, and June 30, 2019.

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

We certify that the enclosed amended fiscal reports fairly present, in all material respects, the total Commonwealth expenditures paid on behalf of children residing within the county for the 2017-2018 and 2018-2019 fiscal years based on the accrual basis of accounting.

Independent Auditor's Report (Continued)

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

- For the **2017-2018 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 decreasing agency expenditures by \$966. Based on the application of the state participation rates, this adjustment impacting the agency's Final Net State Share Payable resulted in an amount due to the state totaling \$772. This adjustment is detailed in our amended fiscal reports for fiscal year 2017-2018, as included in Section 1 of this report.
- For the **2018-2019 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 decreasing revenue by \$5,556. However, this adjustment has no effect on the agency's Final State Share of Expenditures because the agency's expenditures are in excess of the Approved State Allocation by \$2,775 as detailed in our amended fiscal report for fiscal year 2018-2019, as included in Section 2 of this report.

Furthermore, we updated our Child Protective Services Law Observation to include DHS corrective actions taken, and our current position, as listed below and detailed in Section 3 of this report:

Observation – Pennsylvania Department of Human Services is Making Strides in Increasing the Protection of At-Risk Children in the Care of Contracted In-Home Preventative Service Providers; Risk that has been Further Exacerbated by the Current COVID-19 Crisis.

The results of our engagement procedures, as presented in this report, were discussed with County representatives and agency management at an exit conference held on November 25, 2020.

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 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.

Independent Auditor's Report

We appreciate the cooperation, assistance, and courtesy granted our representatives by your officials and the staff of the Lehigh County Children and Youth Agency. If you have any questions, please feel free to contact Tracie Fountain, CPA, Director, Bureau of Children and Youth Services Audits at 717-787-1159.

Sincerely,

A handwritten signature in black ink, appearing to read "Eugene A. DePasquale". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Eugene A. DePasquale
Auditor General

November 30, 2020

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BACKGROUND

The Department of the Auditor General is responsible for reviewing the fiscal reports, known as the submitted CY-370 Expenditure Report, the CY-370A Revenue Report, and the CY-348 Fiscal Summary of the 67 County Children and Youth Agencies to determine proper reporting and utilization of funds according to program regulations and guidelines under the Human Services Code 62 P.S. § 704.1(a)(4). The annual state Act 148 allocations are used by the Counties to administer social services for the children and youth that reside within the Commonwealth of Pennsylvania, whose stated goal is “to ensure, for each child in this Commonwealth, a permanent, legally assured family which protects the child from abuse and neglect.” According to information provided by the Department of Human Services (DHS), Office of Children, Youth and Families (OCYF), the Lehigh County Children and Youth Agency provided in-home and placement services to 7,437 children residing within the County during the 2017-2018 fiscal year. The Children and Youth Social Services Program is County-Administered and State-Supervised by DHS and thus, they are jointly responsible for achieving the Commonwealth’s goal.

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

As part of our engagement, we reviewed the County Children and Youth Agency’s submitted fiscal reports, as referenced above, which are included in the Act 148 Invoice package. Specifically, we reviewed the final, cumulative 4th Quarter fiscal reports submitted to 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 DHS for the respective fiscal years (FYs). Any variances identified between the submitted and actual costs and revenues required adjustments to these fiscal reports, and thus, our Amended CY-370 Expenditure Report, Amended CY-370A Revenue Report, and Amended CY-348 Fiscal Summary, resulting from our engagement procedures and included in this report for each fiscal year included in our engagement period, reflect the County Children and Youth Agency’s actual related costs and revenues for those years. The reports also include the impact of those costs and revenues on the County Children and Youth Agency’s corresponding Net State Shares.

SECTION 1

AMENDED FISCAL REPORTS

FOR THE FISCAL YEAR:

JULY 1, 2017 to JUNE 30, 2018

**LEHIGH COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2017 TO JUNE 30, 2018
AMENDED
COMPUTATION OF FINAL NET STATE SHARE**

Approved State Allocation ¹		\$	17,134,463
Supplemental Act 148			<u>0</u>
Total State Allocation			17,134,463
State Share (CY348) ²	\$		16,970,068
Less: Major Service Category Adjustment			<u>0</u>
Net State Share		\$	16,970,068
Less: Expenditures in Excess of the Approved State Allocation			<u>0</u>
Final Net State Share Payable ³		\$	16,970,068
Actual Act 148 Revenues Received ⁴			<u>16,970,840</u>
Net Amount Due County/(State) ⁵		\$	<u>(772)</u>

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

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

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

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

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

LEHIGH COUNTY CHILDREN AND YOUTH AGENCY
 FOR THE PERIOD JULY 1, 2017 TO JUNE 30, 2018
 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	387,160	0	50,161	0	0	0	0	0	336,999	336,999	0
02. 90% REIMBURSEMENT	715,731	1,384	57,071	0	0	0	0	0	657,276	591,549	65,727
03. 80% REIMBURSEMENT	23,464,463	345,576	3,735,581	1,240,824	229,495	30,175	0	0	17,882,812	14,306,249	3,576,563
04. 60% REIMBURSEMENT	2,704,691	33,817	396,394	0	0	90,524	0	17,248	2,166,708	1,300,025	866,683
05. 50% REIMBURSEMENT	870,609	118	0	0	0	0	0	0	870,491	435,246	435,245
06. TOTAL NET CHILD WELFARE EXPEND.	28,142,654	380,895	4,239,207	1,240,824	229,495	120,699	0	17,248	21,914,286	16,970,068	4,944,218
YDC/YFC PLACEMENT COSTS											
07. 60% DHS PARTICIPATION	3,546,242	23,265							3,522,977	2,113,786	1,409,191
08. NON-REIMBURSABLE EXPENDITURES	256,728	0							256,728		
09. TOTAL EXPENDITURES	31,945,624	404,160	4,239,207	1,240,824	229,495	120,699	0	17,248	25,693,991	19,083,854	6,610,137
10. TOTAL TITLE IV-D COLLECTIONS	292,621										
11. TITLE IV-D Collections for IV-E Children	41,488										
12. STATE ACT 148 - line 6	16,970,068										
13. STATE ACT 148 ALLOCATION	17,134,463										
14. ADJUSTED STATE SHARE (lower of 12 or 13)	16,970,068										
INVOICE											
AMENDED STATE SHARE (ACT 148)	16,970,068										
ACT 148 AMOUNT RECEIVED	16,970,840										
ADJUSTMENT TO STATE SHARE	(772)										

LEHIGH COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2017 TO JUNE 30, 2018
AMENDED CY370A
REVENUE REPORT

MAJOR SERVICE CATEGORIES & COST CENTERS	REVENUE SOURCES											
	1	2	3	4	5	6	7	8	9	10	11	12
	TOTAL REIMBURSABLE EXPENDITURES	PROGRAM INCOME	TITLE IV-E MAINTENANCE	TITLE IV-E ADMIN.	TANF	TITLE XX	TITLE IV-B	Child Welfare Demonstration Project Title IV-E	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE
IN-HOME												
1-A ADOPTION SERVICE	387,160	0	0	50,161	0	0	0	0	0	336,999	0	0
1-B ADOPTION ASSISTANCE	3,238,294	0	1,355,786	14,976	0	0	0	0	0	1,887,532	1,510,026	377,506
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	579,732	0	188,979	0	0	0	0	0	0	390,753	312,602	78,151
1-D COUNSELING - DEPENDENT	1,506,243	0	0	7,808	622,580	0	0	0	0	875,855	700,684	175,171
1-E COUNSELING - DELINQUENT	813,881	17,746	0	254,257	0	0	0	0	0	541,878	433,502	108,376
1-F DAY CARE	439,125	0	0	144,679	0	0	0	0	0	294,446	235,557	58,889
1-G DAY TREATMENT - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
1-H DAY TREATMENT - DELINQUENT	83,108	0	0	0	17,630	0	0	0	0	65,478	52,382	13,096
1-I HOMEMAKER SERVICE	0	0	0	0	0	0	0	0	0	0	0	0
1-J INTAKE & REFERRAL	1,138,366	0	0	147,831	0	0	0	0	0	990,535	792,428	198,107
1-K LIFE SKILLS - DEPENDENT	134,837	0	0	415	31,106	0	0	0	0	103,316	82,653	20,663
1-L LIFE SKILLS - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
1-M PROTECTIVE SERVICE - CHILD ABUSE	3,209,177	0	0	343,203	164,469	0	0	0	0	2,701,505	2,161,204	540,301
1-N PROTECTIVE SERVICE - GENERAL	2,400,223	0	0	312,607	0	0	0	0	0	2,087,616	1,670,093	417,523
1-O SERVICE PLANNING	2,021,809	0	0	219,215	6,103	0	0	0	0	1,796,491	1,437,193	359,298
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT	135,116	0	0	0	0	0	0	0	0	135,116	67,558	67,558
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT	2,520	0	0	0	0	0	0	0	0	2,520	1,260	1,260
1-R SUBTOTAL IN-HOME	16,089,591	17,746	1,524,765	1,096,216	########	0	0	0	0	12,210,040	9,794,141	2,415,899
COMMUNITY BASED PLACEMENT												
2-A ALTERNATIVE TREATMENT - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
2-B ALTERNATIVE TREATMENT - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-C COMMUNITY RESIDENTIAL - DEPENDENT	1,198,509	52,079	177,161	105	0	0	0	0	0	969,164	775,331	193,833
2-D COMMUNITY RESIDENTIAL - DELINQUENT	610,650	3,289	74,396	0	0	0	0	0	0	552,965	426,372	106,593
2-E EMERGENCY SHELTER - DEPENDENT	561,199	1,360	35,746	70	0	0	0	0	0	524,023	471,621	52,402
2-F EMERGENCY SHELTER - DELINQUENT	154,532	24	21,255	0	0	0	0	0	0	133,253	119,928	13,325
2-G FOSTER FAMILY - DEPENDENT	6,042,247	267,994	348,117	564,982	229,495	0	0	0	0	4,601,484	3,681,187	920,297
2-H FOSTER FAMILY - DELINQUENT	48,262	4,468	0	0	0	0	0	0	0	43,794	35,035	8,759
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	8,615,399	329,214	656,675	565,157	0	229,495	30,175	0	0	6,804,683	5,509,474	1,295,209
INSTITUTIONAL PLACEMENT												
3-A JUVENILE DETENTION SERVICE	732,973	118	0	0	0	0	0	0	0	732,855	366,428	366,427
3-B RESIDENTIAL SERVICE - DEPENDENT	649,188	15,169	163,700	137	0	0	90,524	0	0	379,658	227,795	151,863
3-C RES. SERVICE - DELINQUENT (NON YDC/YFC)	641,277	3,190	81,195	0	0	0	0	0	0	556,892	334,135	222,757
3-D SECURE RES. SERVICE (EXCEPT YDC)	249,301	15,458	0	0	0	0	0	0	0	233,843	140,306	93,537
3-E YDC SECURE	3,546,242	23,265	0	0	0	0	0	0	0	3,522,977	2,113,786	1,409,191
3-F SUBTOTAL INSTITUTIONAL	5,818,981	57,200	244,895	137	0	0	90,524	0	0	5,426,225	3,182,450	2,243,775
ADMINISTRATION	1,164,925	0	0	151,362	0	0	0	0	0	996,315	597,789	398,526
TOTAL REVENUES	31,688,896	404,160	2,426,335	1,812,872	########	229,495	120,699	0	0	25,437,263	19,083,854	6,353,409

LEHIGH COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2017 TO JUNE 30, 2018
AMENDED CY370
EXPENDITURE REPORT

MAJOR SERVICE CATEGORIES & COST CENTERS	OBJECTS OF EXPENDITURE											
	1	2	3	4	5	6	7	8	9	10	11	12
	WAGES AND SALARIES	EMPLOYEE BENEFITS	SUBSIDIES	OPERATING	PURCHASED SERVICES	FIXED ASSETS	TOTAL EXPENDITURES	CHILDREN SERVED (BY COUNTY)	CHILDREN SERVED (PURCHASED)	NON-REIMBURSABLE NON-PS.SUB.	NON-REIM. PURCHASED SERV/ SUBSIDIES	PROGRAM INCOME RELATED TO ALL NON-REIMBURSABLE
IN-HOME												
I-A ADOPTION SERVICE	237,889	66,283	0	82,986	0	0	387,160	52	0	0	0	0
I-B ADOPTION ASSISTANCE	0	0	3,238,294	0	0	0	3,238,294	0	459	0	0	0
I-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	0	0	579,732	0	0	0	579,732	0	71	0	0	0
I-D COUNSELING - DEPENDENT	0	0	60,590	1,445,653	0	0	1,506,243	0	568	0	0	0
I-E COUNSELING - DELINQUENT	0	0	0	813,881	0	0	813,881	0	1,189	0	0	0
I-F DAY CARE	0	0	0	439,125	0	0	439,125	0	80	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	1,200	81,908	0	83,108	0	29	0	0	0
I-I HOMEMAKER SERVICE	0	0	0	0	0	0	0	0	0	0	0	0
I-J INTAKE & REFERRAL	678,200	242,794	0	217,372	0	0	1,138,366	16,291	0	0	0	0
I-K LIFE SKILLS - DEPENDENT	0	0	0	3,162	131,675	0	134,837	0	29	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	1,705,922	583,955	0	349,246	570,054	0	3,209,177	2,196	592	0	0	0
I-N PROTECTIVE SERVICE - GENERAL	1,666,275	568,890	0	165,058	0	0	2,400,223	12,997	0	0	0	0
I-O SERVICE PLANNING	1,173,386	418,014	0	159,884	270,525	0	2,021,809	16,017	270	0	0	0
I-P JUVENILE ACT PROCEEDINGS - DEPENDENT	0	0	0	135,116	0	0	135,116	1,054	0	0	0	0
I-Q JUVENILE ACT PROCEEDINGS - DELINQUENT	0	0	0	0	2,520	0	2,520	0	13	0	0	0
I-R SUBTOTAL IN-HOME	5,461,672	1,879,938	3,818,026	1,174,614	3,753,341	0	16,089,591	0	0	0	0	0
Number of Children receiving only NON-PURCHASED IN-Home Services: 48,607												
COMMUNITY BASED PLACEMENT												
2-A ALTERNATIVE TREATMENT - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
2-B ALTERNATIVE TREATMENT - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-C COMMUNITY RESIDENTIAL - DEPENDENT	0	0	0	737	1,197,772	0	1,198,509	6,386	45	0	0	0
2-D COMMUNITY RESIDENTIAL - DELINQUENT	0	0	0	746	609,904	0	610,650	2,812	21	0	0	0
2-E EMERGENCY SHELTER - DEPENDENT	0	0	0	4,407	556,792	0	561,199	5,107	216	0	0	0
2-F EMERGENCY SHELTER - DELINQUENT	0	0	0	0	154,532	0	154,532	574	36	0	0	0
2-G FOSTER FAMILY - DEPENDENT	681,685	231,660	0	654,815	4,474,087	0	6,042,247	70,283	460	0	0	0
2-H FOSTER FAMILY - DELINQUENT	0	0	0	0	48,262	0	48,262	385	4	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	681,685	231,660	0	660,705	7,041,349	0	8,615,399	85,547	782	0	0	0
INSTITUTIONAL PLACEMENT												
3-A JUVENILE DETENTION SERVICE	0	0	0	732,973	0	0	732,973	2,493	112	0	0	0
3-B RESIDENTIAL SERVICE - DEPENDENT	0	0	0	4,160	645,028	0	649,188	1,783	19	0	0	0
3-C RES. SERVICE - DELINQUENT (EXCEPT YDC/YFC)	0	0	0	365	640,912	0	641,277	3,368	40	0	0	0
3-D SECURE RES. SERVICE (EXCEPT YDC)	0	0	0	249,301	0	0	249,301	867	6	0	0	0
3-E YDC SECURE	0	0	0	0	3,546,242	0	3,546,242	6,146	50	0	0	0
3-F SUBTOTAL INSTITUTIONAL	0	0	0	4,525	5,814,456	0	5,818,981	14,657	227	0	0	0
4 ADMINISTRATION	460,434	196,982	0	764,237	0	0	1,421,653	0	0	256,728	0	0
TOTAL EXPENDITURES	6,603,791	2,308,580	3,818,026	2,604,081	16,611,146	0	31,945,624	0	0	256,728	0	0
County Indirect Costs = \$ 474,150												

**LEHIGH COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2017 TO JUNE 30, 2018
AMENDED
SUMMARY OF EXPENSE AND EXPENSE ADJUSTMENTS**

COST CENTER ITEMS	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Adoption Service	\$ 387,160	\$ 0	\$ 387,160
Adoption Assistance	3,238,294	0	3,238,294
Subsidized Permanent Legal Custodianship	579,732	0	579,732
Counseling	2,320,124	0	2,320,124
Day Care	439,125	0	439,125
Day Treatment	83,108	0	83,108
Homemaker Service	0	0	0
Intake and Referral	1,138,366	0	1,138,366
Life Skills	131,344	3,493	134,837
Protective Service - Child Abuse	3,213,636	(4,459)	3,209,177
Protective Service - General	2,400,223	0	2,400,223
Service Planning	2,021,809	0	2,021,809
Juvenile Act Proceedings	137,636	0	137,636
Alternative Treatment	0	0	0
Community Residential	1,809,159	0	1,809,159
Emergency Shelter	715,731	0	715,731
Foster Family	6,090,509	0	6,090,509
Supervised Independent Living	0	0	0
Juvenile Detention Service	732,973	0	732,973
Residential Service	1,290,465	0	1,290,465
Secure Residential Service (Except YDC)	249,301	0	249,301
YDC Secure	3,546,242	0	3,546,242
Administration	<u>1,421,653</u>	<u>0</u>	<u>1,421,653</u>
Combined Total Expense	31,946,590	(966)	31,945,624
Less Non-reimbursables	<u>256,728</u>	<u>0</u>	<u>256,728</u>
Total Net Expense	\$ <u>31,689,862</u>	\$ <u>(966)</u>	\$ <u>31,688,896</u>

OBJECTS OF EXPENDITURE	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Wages and Salaries	\$ 6,603,791	\$ 0	\$ 6,603,791
Employee Benefits	2,308,580	0	2,308,580
Subsidies	3,818,026	0	3,818,026
Operating	2,599,466	4,615	2,604,081
Purchased Services	16,616,727	(5,581)	16,611,146
Fixed Assets	0	0	0
Combined Total Expense	31,946,590	(966)	31,945,624
Less Non-reimbursables	<u>256,728</u>	<u>0</u>	<u>256,728</u>
Total Net Expense	\$ <u>31,689,862</u>	\$ <u>(966)</u>	\$ <u>31,688,896</u>

**LEHIGH COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2017 TO JUNE 30, 2018
ADJUSTMENT SCHEDULE**

REPORT REFERENCE			ADJ. NO.	EXPLANATION OF ADJUSTMENTS	AS REPORTED OR ADJUSTED	INCREASE/ (DECREASE)	ADJUSTED TOTAL
SCHEDULE	LINE	COLUMN					
CY-370				CY370 Adjustment			
	1-M	4	1	Protective Services Child Abuse - Operating	\$ 344,631	\$ 4,615	\$ 349,246
	1-K	5		Life Skills (Dep.) - Purchased Services	\$ 128,182	\$ 3,493	\$ 131,675
	1-M	5		Protective Services Child Abuse - Purchased Services	\$ 579,128	\$ (9,074)	\$ 570,054
				Total Adjustment Amount		\$ (966)	
				To decrease expenditures by \$966 to include costs not reported on the agency's Act 148 Invoice submitted to Commonwealth DHS and reconcile to the agency's final expenditure ledger.			
				Title 55 PA Code, Chapter 3170.95(a)(b)			

SECTION 2

AMENDED FISCAL REPORTS

FOR THE FISCAL YEAR:

JULY 1, 2018 to JUNE 30, 2019

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

Approved State Allocation ¹	\$	17,203,169
Supplemental Act 148		<u>1,498,262</u>
Total State Allocation		18,701,431
State Share (CY348) ²	\$	18,704,206
Less: Major Service Category Adjustment		<u>0</u>
Net State Share	\$	18,704,206
Less: Expenditures in Excess of the Approved State Allocation		<u>2,775</u>
Final Net State Share Payable ³	\$	18,701,431
Actual Act 148 Revenues Received ⁴		<u>18,701,431</u>
Net Amount Due County/(State) ⁵	\$	<u><u>0</u></u>

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

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

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

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

⁵ No amount is due to the County or State because the Children and Youth Agency's expenditures exceeded the Total State Act 148 Allocation by \$2,775, as detailed on this page. While our adjustments resulted in a net decrease of \$5,556 in revenue for the agency for said fiscal year, as detailed on page 15 of this report, the agency cannot receive state reimbursement in excess of the Total State Act 148 Allocation. Thus, there is no impact on the the Final Net State Share.

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

	A	B	C	D	E	F	G	H	I	J	K
	GRAND TOTAL	PROGRAM INCOME	TITLE IV-E	TANF	TITLE XX	TITLE IV-B	Child Welfare Demonstration Project Title IV-E	MEDICAL ASSISTANCE	NET TOTAL	STATE ACT 148	LOCAL SHARE
NET CHILD WELFARE EXPENDITURES											
01. 100% REIMBURSEMENT	696,797	0	83,661	0	0	0	0	0	613,136	613,136	0
02. 90% REIMBURSEMENT	540,993	555	55,823	0	0	0	0	0	484,615	436,153	48,462
03. 80% REIMBURSEMENT	25,432,698	394,187	4,283,053	1,240,824	229,495	0	0	0	19,285,139	15,428,112	3,857,027
04. 60% REIMBURSEMENT	3,652,380	33,840	500,763	0	229,495	120,699	0	7,417	2,760,166	1,793,797	1,195,864
05. 50% REIMBURSEMENT	866,349	335	0	0	0	0	0	0	866,014	433,008	433,006
06. TOTAL NET CHILD WELFARE EXPEND.	31,189,217	428,917	4,923,300	1,240,824	458,990	120,699	0	7,417	24,009,070	18,704,206	5,534,359
YDC/YFC PLACEMENT COSTS											
07. 60% DHS PARTICIPATION	3,497,679	4,200							3,493,479	2,096,087	1,397,392
08. NON-REIMBURSABLE EXPENDITURES	279,266	0							279,266		279,266
09. TOTAL EXPENDITURES	34,966,162	433,117	4,923,300	1,240,824	458,990	120,699	0	7,417	27,781,815	20,800,293	7,211,017
10. TOTAL TITLE IV-D COLLECTIONS	313,253										
11. TITLE IV-D Collections for IV-E Children	54,012										
12. STATE ACT 148 - line 6	18,704,206										
13. STATE ACT 148 ALLOCATION	18,701,431										
14. ADJUSTED STATE SHARE (lower of 12 or 13)	18,701,431										
INVOICE											
AMENDED STATE SHARE (ACT 148)	18,704,206										
ACT 148 AMOUNT RECEIVED	18,701,431										
ADJUSTMENT TO STATE SHARE	2,775										

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

MAJOR SERVICE CATEGORIES & COST CENTERS		REVENUE SOURCES											
		1	2	3	4	5	6	7	8	9	10	11	12
		TOTAL REIMBURSABLE EXPENDITURES	PROGRAM INCOME	TITLE IV-E MAINTENANCE	TITLE IV-E ADMIN.	TANF	TITLE XX	TITLE IV-B	Child Welfare Demonstration Project Title IV-E	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE
IN-HOME													
1-A	ADOPTION SERVICE	696,797	0	83,661	0	0	0	0	0	0	613,136	0	0
1-B	ADOPTION ASSISTANCE	3,082,165	0	1,334,361	13,205	0	0	0	0	0	1,734,599	1,387,679	346,920
1-C	SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	668,027	0	206,523	0	0	0	0	0	0	461,504	369,203	92,301
1-D	COUNSELING - DEPENDENT	1,590,855	2,851	7,231	390,658	0	0	0	0	0	1,190,115	952,092	238,023
1-E	COUNSELING - DELINQUENT	800,010	13,548	0	246,060	0	0	0	0	0	540,402	432,322	108,080
1-F	DAY CARE	879,931	0	0	284,978	0	0	0	0	0	594,953	475,962	118,991
1-G	DAY TREATMENT - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
1-H	DAY TREATMENT - DELINQUENT	57,550	0	0	0	30,383	0	0	0	0	27,167	21,734	5,433
1-I	HOMEMAKER SERVICE	0	0	0	0	0	0	0	0	0	0	0	0
1-J	INTAKE & REFERRAL	1,461,071	0	175,762	0	0	0	0	0	0	1,285,309	1,028,247	257,062
1-K	LIFE SKILLS - DEPENDENT	130,331	0	200	28,060	0	0	0	0	0	102,071	81,657	20,414
1-L	LIFE SKILLS - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
1-M	PROTECTIVE SERVICE - CHILD ABUSE	3,428,925	0	334,546	252,192	0	0	0	0	0	2,842,187	2,273,750	568,437
1-N	PROTECTIVE SERVICE - GENERAL	2,532,458	0	304,363	0	0	0	0	0	0	2,228,095	1,782,476	445,619
1-O	SERVICE PLANNING	1,482,904	0	148,643	8,493	0	0	0	0	0	1,325,768	1,060,614	265,154
1-P	JUVENILE ACT PROCEEDINGS - DEPENDENT	236,301	0	0	0	0	0	0	0	0	236,301	118,151	118,150
1-Q	JUVENILE ACT PROCEEDINGS - DELINQUENT	18,485	0	0	0	0	0	0	0	0	18,485	9,243	9,242
1-R	SUBTOTAL IN-HOME	17,065,810	16,399	1,540,884	1,067,611	1,240,824	0	0	0	0	13,200,092	10,606,266	2,593,826
COMMUNITY BASED PLACEMENT													
2-A	ALTERNATIVE TREATMENT - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
2-B	ALTERNATIVE TREATMENT - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-C	COMMUNITY RESIDENTIAL - DEPENDENT	773,643	57,434	148,344	24	0	0	0	0	0	567,841	454,273	113,568
2-D	COMMUNITY RESIDENTIAL - DELINQUENT	733,305	0	53,815	0	0	0	0	0	0	679,490	543,592	135,898
2-E	EMERGENCY SHELTER - DEPENDENT	466,627	0	49,107	143	0	0	0	0	0	417,377	375,639	41,738
2-F	EMERGENCY SHELTER - DELINQUENT	74,366	555	6,573	0	0	0	0	0	0	67,238	60,514	6,724
2-G	FOSTER FAMILY - DEPENDENT	7,415,483	320,354	646,486	880,267	229,495	0	0	0	0	5,338,881	4,271,105	1,067,776
2-H	FOSTER FAMILY - DELINQUENT	367	0	0	0	0	0	0	0	0	367	294	73
2-I	SUP. INDEPENDENT LIVING - DEPENDENT	395,673	0	29,194	89	0	0	0	0	0	366,390	293,112	73,278
2-J	SUP. INDEPENDENT LIVING - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-K	SUBTOTAL CBP	9,859,464	378,343	933,519	880,523	0	229,495	0	0	0	7,437,584	5,998,529	1,439,055
INSTITUTIONAL PLACEMENT													
3-A	JUVENILE DETENTION SERVICE	611,563	335	226,719	159	0	120,699	0	0	0	611,228	305,614	305,614
3-B	RESIDENTIAL SERVICE - DEPENDENT	1,313,925	25,365	121,925	0	0	0	0	0	0	940,983	564,590	376,393
3-C	RES. SERVICE - DELINQUENT (NON YDC/YFC)	809,977	1,646	0	0	0	0	0	0	0	686,406	411,844	274,562
3-D	SECURE RES. SERVICE (EXCEPT YDC)	263,487	6,829	0	0	0	0	0	0	0	256,658	153,995	102,663
3-E	YDC SECURE	3,497,679	4,200	348,644	159	0	120,699	0	0	0	3,493,479	2,096,087	1,397,392
3-F	SUBTOTAL INSTITUTIONAL	6,496,631	38,375	597,288	317	0	241,398	0	0	0	5,988,754	3,532,130	2,456,624
4	ADMINISTRATION	1,264,991	0	0	151,960	0	0	0	0	7,417	1,105,614	663,368	442,246
5	TOTAL REVENUES	34,686,896	433,117	2,823,047	2,100,253	1,240,824	229,495	120,699	0	7,417	27,732,044	20,800,293	6,931,751

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

MAJOR SERVICE CATEGORIES & COST CENTERS	OBJECTS OF EXPENDITURE										Program Income related to all Non-Reimbursable	
	1	2	3	4	5	6	7	8	9	10		11
	WAGES AND SALARIES	EMPLOYEE BENEFITS	SUBSIDIES	OPERATING	PURCHASED SERVICES	FIXED ASSETS	TOTAL EXPENDITURES	Children Served (by county)	Children Served (Purchased)	Non-Reimbursable Non PS/ Sub.	Non-Reim. Purchased Serv/ Subsidies	Program Income Reimbursable
IN-HOME												
I-A ADOPTION SERVICE	401,328	173,499		121,970	0	0	696,797	9	0	0	0	0
I-B ADOPTION ASSISTANCE	0	0	3,082,165	0	0	0	3,082,165	0	439	0	0	0
I-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	0	0	668,027	0	0	0	668,027	0	77	0	0	0
I-D COUNSELING - DEPENDENT	0	0	59,883	1,530,972	0	0	1,590,855	0	247	0	0	0
I-E COUNSELING - DELINQUENT	0	0	1,786	798,224	0	0	800,010	539	780	0	0	0
I-F DAY CARE	0	0	0	879,931	0	0	879,931	0	96	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	460	57,090	0	57,550	0	18	0	0	0
I-I HOMEMAKER SERVICE	871,890	358,448	0	230,733	0	0	1,461,071	15,648	0	0	0	0
I-J INTAKE & REFERRAL	0	0	0	1,657	128,674	0	130,331	0	42	0	0	0
I-K LIFE SKILLS - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
I-L LIFE SKILLS - DELINQUENT	1,758,472	691,358	0	335,840	643,255	0	3,428,925	2,025	183	0	0	0
I-M PROTECTIVE SERVICE - CHILD ABUSE	1,717,933	662,071	0	152,454	0	0	2,532,458	12,638	0	0	0	0
I-N PROTECTIVE SERVICE - GENERAL	789,718	262,233	0	242,715	187,913	325	1,482,904	13,494	111	0	0	0
I-O SERVICE PLANNING	0	0	0	236,301	0	0	236,301	48	0	0	0	0
I-P JUVENILE ACT PROCEEDINGS - DEPENDENT	0	0	0	16,097	2,388	0	18,485	29	7	0	0	0
I-Q JUVENILE ACT PROCEEDINGS - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
I-R SUBTOTAL IN-HOME	5,539,341	2,147,609	3,750,192	1,399,896	4,228,447	325	17,065,810					
	Number of Children receiving only NON-PURCHASED IN-Home Services 43,877											
COMMUNITY BASED PLACEMENT												
2-A ALTERNATIVE TREATMENT - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
2-B ALTERNATIVE TREATMENT - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-C COMMUNITY RESIDENTIAL - DEPENDENT	0	0	0	376	773,267	0	773,643	3,127	13	0	0	0
2-D COMMUNITY RESIDENTIAL - DELINQUENT	0	0	0	524	732,781	0	733,305	3,300	21	0	0	0
2-E EMERGENCY SHELTER - DEPENDENT	0	0	0	3,736	462,891	0	466,627	5,532	86	0	0	0
2-F EMERGENCY SHELTER - DELINQUENT	0	0	0	0	74,366	0	74,366	279	20	0	0	0
2-G FOSTER FAMILY - DEPENDENT	447,066	146,527	0	631,444	6,190,446	0	7,415,483	80,327	282	0	0	0
2-H FOSTER FAMILY - DELINQUENT	0	0	0	236,301	367	0	236,668	3	1	0	0	0
2-I SUP. INDEPENDENT LIVING - DEPENDENT	0	0	0	1,191	394,482	0	395,673	2,168	9	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	447,066	146,527	0	637,271	8,628,600	0	9,859,464	94,736	432	0	0	0
INSTITUTIONAL PLACEMENT												
3-A JUVENILE DETENTION SERVICE	0	0	0	20,446	591,117	0	611,563	1,990	98	0	0	0
3-B RESIDENTIAL SERVICE - DEPENDENT	0	0	0	7,083	1,306,842	0	1,313,925	5,647	23	0	0	0
3-C RES. SERVICE - DELINQUENT (EXCEPT YDC/YFC)	0	0	0	1,096	808,881	0	809,977	3,871	39	0	0	0
3-D SECURE RES. SERVICE (EXCEPT YDC)	0	0	0	930	262,557	0	263,487	992	7	0	0	0
3-E YDC SECURE	0	0	0	0	3,497,679	0	3,497,679	6,371	50	0	0	0
3-F SUBTOTAL INSTITUTIONAL	0	0	0	29,555	6,467,076	0	6,496,631	18,871	217	0	0	0
4 ADMINISTRATION	487,373	262,558	0	794,326	0	0	1,544,257			279,266	0	0
5 TOTAL EXPENDITURES	6,473,780	2,556,694	3,750,192	2,861,048	19,324,123	325	34,966,162			279,266	0	0
	County Indirect Costs = \$ 478,673											

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

COST CENTER ITEMS	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Adoption Service	\$ 696,797	\$ 0	\$ 696,797
Adoption Assistance	3,082,165	0	3,082,165
Subsidized Permanent Legal Custodianship	668,027	0	668,027
Counseling	2,390,865	0	2,390,865
Day Care	879,931	0	879,931
Day Treatment	57,550	0	57,550
Homemaker Service	0	0	0
Intake and Referral	1,461,071	0	1,461,071
Life Skills	130,331	0	130,331
Protective Service - Child Abuse	3,428,925	0	3,428,925
Protective Service - General	2,532,458	0	2,532,458
Service Planning	1,482,904	0	1,482,904
Juvenile Act Proceedings	254,786	0	254,786
Alternative Treatment	0	0	0
Community Residential	1,506,948	0	1,506,948
Emergency Shelter	540,993	0	540,993
Foster Family	7,415,850	0	7,415,850
Supervised Independent Living	395,673	0	395,673
Juvenile Detention Service	611,563	0	611,563
Residential Service	2,123,902	0	2,123,902
Secure Residential Service (Except YDC)	263,487	0	263,487
YDC Secure	3,497,679	0	3,497,679
Administration	1,544,257	0	1,544,257
Combined Total Expense	<u>34,966,162</u>	<u>0</u>	<u>34,966,162</u>
Less Non-reimbursables	<u>279,266</u>	<u>0</u>	<u>279,266</u>
Total Net Expense	<u>\$ 34,686,896</u>	<u>\$ 0</u>	<u>\$ 34,686,896</u>

OBJECTS OF EXPENDITURE	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Wages and Salaries	\$ 6,473,780	\$ 0	\$ 6,473,780
Employee Benefits	2,556,694	0	2,556,694
Subsidies	3,750,192	0	3,750,192
Operating	2,861,048	0	2,861,048
Purchased Services	19,324,123	0	19,324,123
Fixed Assets	325	0	325
Combined Total Expense	<u>34,966,162</u>	<u>0</u>	<u>34,966,162</u>
Less Non-reimbursables	<u>279,266</u>	<u>0</u>	<u>279,266</u>
Total Net Expense	<u>\$ 34,686,896</u>	<u>\$ 0</u>	<u>\$ 34,686,896</u>

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

REPORT REFERENCE			ADJ. NO.	EXPLANATION OF ADJUSTMENTS	AS REPORTED OR ADJUSTED	INCREASE/ (DECREASE)	ADJUSTED TOTAL
SCHEDULE	LINE	COLUMN					
CY-370A				CY-370A Adjustment			
	3-C	2	1	Residential Service (Del.) - Program Income	\$ 3,280	\$ (1,634)	\$ 1,646
	3-D	2		Secure Residential Service - Program Income	\$ 9,818	\$ (2,989)	\$ 6,829
	3-E	2		YDC Secure - Program Income	\$ 5,133	\$ (933)	\$ 4,200
				Total Adjustment Amount		<u>\$ (5,556)</u>	
				To decrease program income by \$5,556 to properly report the total amount of program income received and reconcile to the agency's final revenue ledger.			
				Title 55 PA Code, Chapter 3170.95(a)(b)			

SECTION 3

CURRENT ENGAGEMENT OBSERVATION

LEHIGH COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT OBSERVATION

Observation – Pennsylvania Department of Human Services is Making Strides in Increasing the Protection of At-Risk Children in the Care of Contracted In-Home Preventative Service Providers; Risk that has been Further Exacerbated by the Current COVID-19 Crisis.

The vast majority of Pennsylvania’s County Children and Youth (C&Y) Agencies contract with non-government In-Home Preventative Service Providers (Contracted Providers) to deliver services to children outside of an institutional or community-based setting, and those services are referred to as In-Home Purchased Services.¹ The Child Protective Services Law (CPSL) requires the conduct of Criminal Background Checks and Child Abuse History Clearances (Certifications) for all Contracted Providers’ (and their respective subcontractors’) employees and direct volunteers.²

Since 2016, we have communicated concerns to the Pennsylvania Department of Human Services (DHS) that these Contracted Providers were not being monitored for compliance with the CPSL certification mandates, specifically as it relates to obtaining assurance as to the sufficiency of each C&Y Agency’s procedures for reviewing the Certifications of Contracted Providers’ employees and volunteers and their respective subcontractors, whose duties require them to come into direct contact with children and taking appropriate corrective action when disqualifying incidents are identified. Furthermore, these Contracted Providers are not subject to licensure nor annual inspections under the Human Services Code (Code).³ Our concerns have been, and continue to be, communicated through the inclusion of a standardized observation in our C&Y Program engagement reports and through correspondence with DHS.

In February 2018, DHS senior management staff affirmed that DHS is responsible for communicating contract monitoring expectations to the C&Y Agencies and for implementing a method to ensure that the certification monitoring is being performed adequately. DHS staff also stated that DHS had communicated these expectations to the C&Y Agencies on numerous occasions since 2016.

¹ Institutional and community-based settings are those in which the child is outside of the home for the entire time (e.g., Juvenile Detention, Residential Services, Secure Residential, Youth Development Camps, Youth Forestry Camps, Foster Care, Emergency Shelter, Group Homes, etc.). In-Home supportive services are provided while the child is in their own home or supportive services provided to the child or child’s family while the child is in substitute care.

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

³ Based on a recent communication with DHS in early September 2020, the agency candidly indicated that it lacks sufficient budgetary resources, leading to inadequate staffing to provide for the licensure and inspection of these Contracted Providers, which includes a large population of not only these providers, but also their subcontractors. Further, the implication of these budgetary constraints is that it would not be reasonable to pursue or support related legislation to make these Contracted Providers and their subcontractors subject to licensure and inspection. Please see the Special Note in Endnote 1.

LEHIGH COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT OBSERVATION

Our 2018 Position Statement Letter

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

DHS Corrective Actions Taken

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

C&Y Agencies are required to:

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

Single Auditors are required to:

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

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corrective action plans, and the adequacy and accuracy of the monitoring documentation.

Our Current Position

We are glad that the DHS' 2019 revision to its Supplement requires (1) C&Y Agencies to document their monitoring of Contracted Providers' compliance with the CPSL; (2) the Single Auditors to evaluate the adequacy of this documentation; and (3) the documentation be provided to DHS for its review. However, the Supplement is entirely silent with regards to actions DHS will take if Single Auditors find a C&Y Agency failed to identify disqualifying incidents and/or failed to take appropriate corrective actions when disqualifying convictions that would prohibit employees and volunteers from having direct contact with children receiving services were identified.

We believe that the requirements that DHS included in its Supplement are great first steps in obtaining assurance of the C&Y Agencies' compliance with the CPSL certification requirements **if the requirements are actually being followed consistently and routinely by each county C&Y Agency**. Therefore, as the oversight agency, we believe that it is imperative that DHS implement its own monitoring process to obtain assurance that each C&Y Agency is following the CPSL certification requirements by ensuring that appropriate corrective actions are taken if it is found by the Single Auditors that C&Y Agencies are not adequately protecting the safety of these already at-risk children. This specifically relates to obtaining assurance as to the sufficiency of each C&Y Agency's procedures for reviewing the Certifications of the Contracted Providers' employees and volunteers (whose duties require them to come into direct contact with children) and their respective subcontractors and taking appropriate corrective action when disqualifying incidents are identified.¹ Furthermore, we continue to believe that these children remain particularly vulnerable since the in-home services are sometimes provided outside the presence and view of others, which has been further aggravated by the current COVID-19 crisis.⁴

Conclusion

As previously stated, as the oversight agency, DHS must implement its own monitoring process that will provide DHS management with the assurance that every C&Y Agency and their

⁴ Various articles point to children in the Commonwealth experiencing more abuse. See May 11, 2020, <https://www.ydr.com/story/news/2020/05/11/coronavirus-pa-hospitals-seeing-more-severe-child-abuse-injuries/3103045001/>; June 20, 2020, <https://www.buckscountycouriertimes.com/news/20200620/state-more-child-abuse-calls-coming-in-than-at-start-of-pandemic-but-still-being-underreported>; and July 17, 2020, <https://www.goerie.com/news/20200717/child-abuse-in-pandemic-as-hospitals-see-more-severe-injuries-the-worst-is-yet-to-come> (accessed July 29, 2020).

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respective Contracted Providers and their subcontractors are actually adhering to the CPSL certification requirements. This specifically relates to obtaining assurance as to the sufficiency of each C&Y Agency's procedures for reviewing the Certifications of their Contracted Providers' employees and volunteers and their subcontractors (whose duties require them to come into direct contact with children) and taking appropriate corrective action when disqualifying incidents are identified. On August 31, 2020, DHS informed us that they began receiving the supplemental schedules (monitoring documentation) for Single Audits conducted for the fiscal years ended June 30, 2019. DHS further stated that, beginning in October, 2020, they plan to review these supplement schedules and each county's Corrective Action Plan (CAP) for CPSL adherence as a part of its on-site reviews of counties.

Finally, we note that in addition to following up with DHS on these issues, our Department will also reach out to the newly appointed Child Advocate Nicole Yancy and the new Council on Reform, as well as the Pennsylvania Senate and House of Representatives committee chairs focused on the protection of children and youth to ensure they are aware of our concerns.

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

Our Department understands and appreciates these budgetary difficulties and that it may not be practical, but it is definitely reasonable to have licensure and inspections under the Code for this very large population of these C&Y Agencies' Contracted Providers and their subcontractors. However, it is important to note that these children under the care of the Contracted Providers remain particularly vulnerable since the in-home services are sometimes provided outside the presence and view of others, which has been further aggravated by the current COVID-19 crisis.

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