

AMENDED FISCAL REPORTS

For Fiscal Years:

July 1, 2012 to June 30, 2013

July 1, 2013 to June 30, 2014

July 1, 2014 to June 30, 2015

July 1, 2015 to June 30, 2016

Northumberland County Children and Youth Agency

August 2018



Commonwealth of Pennsylvania
Department of the Auditor General

Eugene A. DePasquale • Auditor General



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**EUGENE A. DePASQUALE
AUDITOR GENERAL**

The Commissioners of Northumberland County
Northumberland County Administration Center
399 South Fifth Street
Sunbury, PA 17807

Dear Commissioners:

We have fulfilled the requirements pursuant to authority derived from Act 148 of 1976, as amended, (62 P.S. § 704.1(a)(4)) for the submitted CY-370 Expenditure Report, the CY-370A Revenue Report, and the CY-348 Fiscal Summary, hereinafter referred to as the submitted fiscal reports, and the related financial records of the Northumberland County Children and Youth Agency (agency), legally known as Northumberland County Children & 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, 2012 to June 30, 2013, July 1, 2013, to June 30, 2014, July 1, 2014 to June 30, 2015, and July 1, 2015, to June 30, 2016. 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, 2013, June 30, 2014, June 30, 2015, and June 30, 2016.

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 compliance¹ 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 believe that our engagement procedures provided us a reasonable basis to ascertain and certify the actual Commonwealth expenditures incurred on behalf of children within Northumberland 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 fiscal years ended 2013, 2014, 2015, and 2016.

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

- For the **2012-2013 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 State Share, as detailed in our amended fiscal reports, included in Section 1 of this report.
- For the **2013-2014 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 State Share, as detailed in our amended fiscal reports, included in Section 2 of this report.
- For the **2014-2015 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 State Share, as detailed in our amended fiscal reports, included in Section 3 of this report.
- For the **2015-2016 fiscal year**, our engagement resulted in one adjustment being made to the agency's submitted fiscal reports. This adjustment impacted the agency's Final Net State Share by decreasing agency expenditures by \$721. 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 \$457. This adjustment is detailed in our amended fiscal reports for fiscal year 2015-2016, as included in Section 4 of this report.

In addition, we found that the agency did not comply with the finding included in our prior released audit report, as detailed in Section 5 of this report. As a result, we will be including a repeat finding, as listed below.

Finding No. 1 – Noncompliance - Failure to Conduct Annual Time Studies

Furthermore, we conducted additional procedures beyond those necessary to ascertain and certify the total Commonwealth expenditures paid on behalf of children residing within the county. We performed those additional procedures to determine whether the agency implemented internal controls to sufficiently reduce the risk of overbillings or fraudulent billings by contracted In-Home Purchased Service Providers occurring and going undetected. Opportunities to strengthen the agency's internal controls over its invoice review and approval process for these expenditures were identified and are included in the finding listed below.

Finding No. 2 – The Northumberland County Children and Youth Agency Should Develop and Implement Internal Control Policies and Procedures in Order to Reduce the Risk of Paying Overbillings or Fraudulent Billings Submitted by Contracted In-Home Purchased Service Providers

Finally, we included the observation listed below related to DHS' monitoring of County Children and Youth (C&Y) Agencies' compliance with the Child Protective Services Law (CPSL).

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 July 19, 2018.

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 Northumberland County Children and Youth Agency.

Sincerely,



Eugene A. DePasquale
Auditor General

July 31, 2018

Endnote

¹ 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.

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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 Northumberland County Children and Youth Agency provided in-home and placement services to 2,121 children residing within the County during the 2016-2017 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 4th 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, 2012 to JUNE 30, 2013

**NORTHUMBERLAND 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 ¹		\$	5,128,811
Supplemental Act 148			<u>0</u>
Total State Allocation			5,128,811
State Share (CY348) ²	\$		4,735,240
Less: Major Service Category Adjustment			<u>0</u>
Net State Share		\$	4,735,240
Less: Expenditures in Excess of the Approved State Allocation			<u>0</u>
Final Net State Share Payable ³		\$	4,735,240
Actual Act 148 Revenues Received ⁴			<u>4,735,240</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 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.

NORTHUMBERLAND 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	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	367,949	0	63,384	0	0	0	0	0	304,565	304,565	0
02. 90% REIMBURSEMENT	86,541	0	25,612	0	0	0	0	0	60,929	54,836	6,093
03. 80% REIMBURSEMENT	6,841,654	343,216	1,388,530	53,422	94,078	24,008	0	0	4,938,400	3,950,720	987,680
04. 60% REIMBURSEMENT	823,871	70,068	71,270	0	0	0	0	7,403	675,130	405,079	270,051
05. 50% REIMBURSEMENT	40,080	0	0	0	0	0	0	0	40,080	20,040	20,040
06. TOTAL NET CHILD WELFARE EXPEND.	8,160,095	413,284	1,548,796	53,422	94,078	24,008	0	7,403	6,019,104	4,735,240	1,283,864
YDC/YFC PLACEMENT COSTS											
07. 60% DHS PARTICIPATION	2,850	1,493							1,357	814	543
08. NON-REIMBURSABLE EXPENDITURES	1,215	204							1,011		1,011
09. TOTAL EXPENDITURES	8,164,160	414,981	1,548,796	53,422	94,078	24,008	0	7,403	6,021,472	4,736,054	1,285,418
10. TOTAL TITLE IV-D COLLECTIONS	149,073										
11. TITLE IV-D Collections for IV-E Children	44,537										
12. STATE ACT 148 - line 6	4,735,240										
13. STATE ACT 148 ALLOCATION	5,128,811										
14. ADJUSTED STATE SHARE (lower of 12 or 13)	4,735,240										
INVOICE											
AMENDED STATE SHARE (ACT 148)	4,735,240										
ACT 148 AMOUNT RECEIVED	4,735,240										
ADJUSTMENT TO STATE SHARE	0										

NORTHUMBERLAND 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
IN-HOME													
1-A	ADOPTION SERVICE	367,949	0		63,384	0					304,565	304,565	0
1-B	ADOPTION ASSISTANCE	933,370	0	402,106	13,442						517,822	414,258	103,564
1-C	SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	270,259	0	20,547							249,712	199,770	49,942
1-D	COUNSELING - DEPENDENT	171	0								171	137	34
1-E	COUNSELING - DELINQUENT	7,683	0								7,677	6,142	1,535
1-F	DAY CARE	0	0								0	0	0
1-G	DAY TREATMENT - DEPENDENT	21,416	0								21,416	17,133	4,283
1-H	DAY TREATMENT - DELINQUENT	115,597	0								62,175	49,740	12,435
1-I	HOMEMAKER SERVICE	367,927	65,000			53,422		94,078	24,008		184,841	147,873	36,968
1-J	INTAKE & REFERRAL	0	0								0	0	0
1-K	LIFE SKILLS - DEPENDENT	0	0								0	0	0
1-L	LIFE SKILLS - DELINQUENT	0	0								0	0	0
1-M	PROTECTIVE SERVICE - CHILD ABUSE	504,659	0		86,744						417,915	334,332	83,583
1-N	PROTECTIVE SERVICE - GENERAL	1,089,350	0		187,170						902,180	721,744	180,436
1-O	SERVICE PLANNING	921,925	0		158,532						763,393	610,714	152,679
1-P	JUVENILE ACT PROCEEDINGS - DEPENDENT	29,500	0								29,500	14,750	14,750
1-Q	JUVENILE ACT PROCEEDINGS - DELINQUENT	0	0								0	0	0
1-R	SUBTOTAL IN-HOME	4,629,806	65,000	422,653	509,278	53,422	94,078	24,008	0	0	3,461,367	2,821,158	640,209
COMMUNITY BASED PLACEMENT													
2-A	ALTERNATIVE TREATMENT - DEPENDENT	0	0								0	0	0
2-B	ALTERNATIVE TREATMENT - DELINQUENT	123,357	7,209								116,148	92,918	23,230
2-C	COMMUNITY RESIDENTIAL - DEPENDENT	31,628	0	3,985							27,643	22,114	5,529
2-D	COMMUNITY RESIDENTIAL - DELINQUENT	65,167	6,978	(25)							58,214	46,571	11,643
2-E	EMERGENCY SHELTER - DEPENDENT	83,605	0	18,640	6,668						58,297	52,467	5,830
2-F	EMERGENCY SHELTER - DELINQUENT	2,936	0	304							2,632	2,369	263
2-G	FOSTER FAMILY - DEPENDENT	2,342,356	246,381	294,506	221,571						1,579,898	1,263,918	315,980
2-H	FOSTER FAMILY - DELINQUENT	46,789	17,648	(54)							29,195	23,356	5,839
2-I	SUP. INDEPENDENT LIVING - DEPENDENT	0	0								0	0	0
2-J	SUP. INDEPENDENT LIVING - DELINQUENT	0	0								0	0	0
2-K	SUBTOTAL CBP	2,695,838	278,216	317,356	228,239	0	0	0	0	0	1,872,027	1,503,713	368,314
INSTITUTIONAL PLACEMENT													
3-A	JUVENILE DETENTION SERVICE	10,580	0								10,580	5,290	5,290
3-B	RESIDENTIAL SERVICE - DEPENDENT	236,501	42,496	10,149							183,856	110,314	73,542
3-C	RES. SERVICE - DELINQUENT (NON YDC/YFC)	292,894	21,322	11,279							260,293	156,176	104,117
3-D	SECURE RES. SERVICE (EXCEPT YDC)	0	0								0	0	0
3-E	YDC SECURE	2,850	1,493								1,357	814	543
3-F	SUBTOTAL INSTITUTIONAL	542,825	65,311	21,428	0	0	0	0	0	0	456,086	272,594	183,492
4	ADMINISTRATION	294,476	6,250		49,842					7,403	230,981	138,589	92,392
5	TOTAL REVENUES	8,162,945	414,777	761,437	787,359	53,422	94,078	24,008	0	7,403	6,020,461	4,736,054	1,284,407

NORTHUMBERLAND COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2012 TO JUNE 30, 2013
AMENDED CY370
EXPENDITURE REPORT

MAJOR SERVICE CATEGORIES & COST CENTERS	OBJECTS OF EXPENDITURE											
	1	2	3	4	5	6	7	8	9	10	11	12
	WAGES AND SALARIES	EMPLOYEE BENEFITS	SUBSIDIES	OPERATING	PURCHASED SERVICES	FIXED ASSETS	TOTAL EXPENDITURES	Children Served (by county)	Children Served (Purchased)	Non-Reimbursable Non PS/Sub.	Non-Reim. Purchased Serv/ Subsidies	Program Income related to all Non-Reimbursable
IN-HOME												
1-A ADOPTION SERVICE	183,296	103,519		77,923	0	3,211	367,949	31	0	0	0	0
1-B ADOPTION ASSISTANCE	0	0	933,370	0	0	0	933,370	0	160	0	0	0
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	0	0	270,259	0	0	0	270,259	0	40	0	0	0
1-D COUNSELING - DEPENDENT	0	0			171	0	171	0	1	0	0	0
1-E COUNSELING - DELINQUENT	0	0		36	7,647	0	7,683	0	15	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	21,416	0	21,416	0	15	0	0	0
1-H DAY TREATMENT - DELINQUENT	0	0		0	115,597	0	115,597	0	34	0	0	0
1-I HOMEMAKER SERVICE	157,743	90,397		95,180	0	24,607	367,927	224	0	0	0	0
1-J INTAKE & REFERRAL	0	0		0	0	0	0	0	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	288,506	123,342		90,835	0	1,976	504,659	471	0	0	0	0
1-N PROTECTIVE SERVICE - GENERAL	616,862	267,665		196,942	224	7,657	1,089,350	833	3	0	0	0
1-O SERVICE PLANNING	514,620	277,941		124,918	0	4,446	921,925	1,861	0	0	0	0
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT					29,500		29,500	0	478	0	0	0
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT					0		0	0	0	0	0	0
1-R SUBTOTAL IN-HOME	1,761,027	862,864	1,203,629	583,834	174,555	41,897	4,629,806					
	Number of Children receiving only NON-PURCHASED IN-Home Services											
						3,417						946
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	123,357	0	123,357	820	16	0	0	0
2-C COMMUNITY RESIDENTIAL - DEPENDENT	0	0	0	0	31,628	0	31,628	147	6	0	0	0
2-D COMMUNITY RESIDENTIAL - DELINQUENT	0	0	0	170	64,997	0	65,167	396	18	0	0	0
2-E EMERGENCY SHELTER - DEPENDENT	0	0	0	7,314	76,291	0	83,605	2,357	97	0	0	0
2-F EMERGENCY SHELTER - DELINQUENT	0	0	0	323	2,613	0	2,936	82	11	0	0	0
2-G FOSTER FAMILY - DEPENDENT	418,357	225,196	0	308,546	1,385,856	4,446	2,342,401	43,793	203	5	40	0
2-H FOSTER FAMILY - DELINQUENT	0	0	0	5,222	41,567	0	46,789	1,037	10	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	418,357	225,196	0	321,575	1,726,309	4,446	2,695,883	48,632	361	5	40	0
	Number of Children at IMMINENT RISK											
												0
INSTITUTIONAL PLACEMENT												
3-A JUVENILE DETENTION SERVICE	0	0	0	0	10,580	0	10,580	46	12	0	0	0
3-B RESIDENTIAL SERVICE - DEPENDENT	0	0	0	515	237,156	0	237,671	2,384	16	0	1,170	204
3-C RES. SERVICE - DELINQUENT (EXCEPT YDC/YFC)	0	0	0	692	292,202	0	292,894	1,926	12	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	2,850	0	2,850	5	1	0	0	0
3-F SUBTOTAL INSTITUTIONAL	0	0	0	1,207	542,788	0	543,995	4,361	41	0	1,170	204
4 ADMINISTRATION	59,972	28,054	0	205,956	0	494	294,476					0
5 TOTAL EXPENDITURES	2,239,356	1,116,114	1,203,629	1,114,572	2,443,652	46,837	8,164,160			5	1,210	204
	County Indirect Costs = \$ 159,508											

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

COST CENTER ITEMS	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Adoption Service	\$ 367,949	\$ 0	\$ 367,949
Adoption Assistance	933,370	0	933,370
Subsidized Permanent Legal Custodianship	270,259	0	270,259
Counseling	7,854	0	7,854
Day Care	0	0	0
Day Treatment	137,013	0	137,013
Homemaker Service	367,927	0	367,927
Intake and Referral	0	0	0
Life Skills	0	0	0
Protective Service - Child Abuse	504,659	0	504,659
Protective Service - General	1,089,350	0	1,089,350
Service Planning	921,925	0	921,925
Juvenile Act Proceedings	29,500	0	29,500
Alternative Treatment	123,357	0	123,357
Community Residential	96,795	0	96,795
Emergency Shelter	86,541	0	86,541
Foster Family	2,389,190	0	2,389,190
Supervised Independent Living	0	0	0
Juvenile Detention Service	10,580	0	10,580
Residential Service	530,565	0	530,565
Secure Residential Service (Except YDC)	0	0	0
YDC Secure	2,850	0	2,850
Administration	294,476	0	294,476
Combined Total Expense	<u>8,164,160</u>	<u>0</u>	<u>8,164,160</u>
Less Non-reimbursables	<u>1,215</u>	<u>0</u>	<u>1,215</u>
Total Net Expense	<u>\$ 8,162,945</u>	<u>\$ 0</u>	<u>\$ 8,162,945</u>

OBJECTS OF EXPENDITURE	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Wages and Salaries	\$ 2,239,356	\$ 0	\$ 2,239,356
Employee Benefits	1,116,114	0	1,116,114
Subsidies	1,203,629	0	1,203,629
Operating	1,114,572	0	1,114,572
Purchased Services	2,443,652	0	2,443,652
Fixed Assets	46,837	0	46,837
Combined Total Expense	<u>8,164,160</u>	<u>0</u>	<u>8,164,160</u>
Less Non-reimbursables	<u>1,215</u>	<u>0</u>	<u>1,215</u>
Total Net Expense	<u>\$ 8,162,945</u>	<u>\$ 0</u>	<u>\$ 8,162,945</u>

SECTION 2

AMENDED FISCAL REPORTS

FOR THE FISCAL YEAR:

JULY 1, 2013 to JUNE 30, 2014

**NORTHUMBERLAND 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 ¹		\$ 5,392,951
Supplemental Act 148		<u>0</u>
Total State Allocation		5,392,951
State Share (CY348) ²	\$ 5,065,889	
Less: Major Service Category Adjustment	<u>0</u>	
Net State Share		\$ 5,065,889
Less: Expenditures in Excess of the Approved State Allocation		<u>0</u>
Final Net State Share Payable ³		\$ 5,065,889
Actual Act 148 Revenues Received ⁴		<u>5,065,889</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 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.

NORTHUMBERLAND 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	316,265	0	55,888	0	0	0	0	0	260,377	260,377	0
02. 90% REIMBURSEMENT	81,422	0	17,788	0	0	0	0	0	63,634	57,271	6,363
03. 80% REIMBURSEMENT	7,404,937	383,207	1,507,322	53,422	94,078	22,609	0	0	5,344,299	4,275,439	1,068,860
04. 60% REIMBURSEMENT	854,597	28,800	83,629	0	0	0	0	6,289	735,879	441,527	294,352
05. 50% REIMBURSEMENT	63,705	1,156	0	0	0	0	0	0	62,549	31,275	31,274
06. TOTAL NET CHILD WELFARE EXPEND.	8,720,926	413,163	1,664,627	53,422	94,078	22,609	0	6,289	6,466,738	5,065,889	1,400,849

YDC/YFC PLACEMENT COSTS											
07. 60% DHS PARTICIPATION	15,936	831							15,105	9,063	6,042

08. NON-REIMBURSABLE EXPENDITURES	1,461	1,160							301		301
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09. TOTAL EXPENDITURES	8,738,323	415,154	1,664,627	53,422	94,078	22,609	0	6,289	6,482,144	5,074,952	1,407,192
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- 10. TOTAL TITLE IV-D COLLECTIONS 129,582
- 11. TITLE IV-D Collections for IV-E Children 40,875
- 12. STATE ACT 148 - line 6 5,065,889
- 13. STATE ACT 148 ALLOCATION 5,392,951
- 14. ADJUSTED STATE SHARE (lower of 12 or 13) 5,065,889

INVOICE											
AMENDED STATE SHARE (ACT 148)	5,065,889										
ACT 148 AMOUNT RECEIVED	5,065,889										
ADJUSTMENT TO STATE SHARE	0										

NORTHUMBERLAND COUNTY CHILDREN AND YOUTH AGENCY
 FOR THE PERIOD JULY 1, 2013 TO JUNE 30, 2014
 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	316,265	0		55,888	0		0	0	0	260,377	260,377	0
1-B ADOPTION ASSISTANCE	915,201	0	402,526	7,043			0	0	0	505,632	404,506	101,126
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	270,886	0	34,478				0	0	0	236,408	189,126	47,282
1-D COUNSELING - DEPENDENT	927	0		0	0	0	0	0	0	927	742	185
1-E COUNSELING - DELINQUENT	10,679	0		0	0	0	0	0	0	10,679	8,543	2,136
1-F DAY CARE	0	0		0	0	0	0	0	0	0	0	0
1-G DAY TREATMENT - DEPENDENT	19,632	0		0	0	0	0	0	0	19,632	15,706	3,926
1-H DAY TREATMENT - DELINQUENT	171,197	0		0	53,422	0	0	0	0	117,775	94,220	23,555
1-I HOMEMAKER SERVICE	335,211	40,000		0	0	94,078	22,609	0	0	178,524	142,819	35,705
1-J INTAKE & REFERRAL	0	0		0	0	0	0	0	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	520,533	0		91,925	0	0			0	428,608	342,886	85,722
1-N PROTECTIVE SERVICE - GENERAL	1,216,191	0		214,961	0	0			0	1,001,230	800,984	200,246
1-O SERVICE PLANNING	861,593	0		152,309	0	0	0	0	0	709,284	567,427	141,857
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT	29,500	0		0	0		0	0	0	29,500	14,750	14,750
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT	0	0		0	0		0	0	0	0	0	0
1-R SUBTOTAL IN-HOME	4,667,815	40,000	437,004	522,126	53,422	94,078	22,609	0	0	3,498,576	2,842,086	656,490
COMMUNITY BASED PLACEMENT												
2-A ALTERNATIVE TREATMENT - DEPENDENT	0	0		0		0	0	0	0	0	0	0
2-B ALTERNATIVE TREATMENT - DELINQUENT	2,345	2,130		0		0	0	0	0	215	172	43
2-C COMMUNITY RESIDENTIAL - DEPENDENT	339,840	26,912		34,200		0	0	0	0	278,728	222,982	55,746
2-D COMMUNITY RESIDENTIAL - DELINQUENT	186,261	7,199		14,760		0	0	0	0	164,302	131,442	32,860
2-E EMERGENCY SHELTER - DEPENDENT	77,491	0		12,948	0	0	0	0	0	59,703	53,733	5,970
2-F EMERGENCY SHELTER - DELINQUENT	3,931	0		0	0	0	0	0	0	3,931	3,538	393
2-G FOSTER FAMILY - DEPENDENT	2,508,507	288,597		302,378		0	0	0	0	1,664,240	1,331,392	332,848
2-H FOSTER FAMILY - DELINQUENT	45,934	18,369		33		0	0	0	0	28,115	22,492	5,623
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	3,164,309	343,207	363,703	258,165	0	0	0	0	0	2,199,234	1,765,751	433,483
INSTITUTIONAL PLACEMENT												
3-A JUVENILE DETENTION SERVICE	34,205	1,156								33,049	16,525	16,524
3-B RESIDENTIAL SERVICE - DEPENDENT	183,094	14,471		22,301		0	0	0	0	146,322	87,793	58,529
3-C RES. SERVICE - DELINQUENT (NON YDC/WFC)	241,919	9,284		8,305		0	0	0	0	224,330	134,598	89,732
3-D SECURE RES. SERVICE (EXCEPT YDC)	124,924	100								124,824	74,894	49,930
3-E YDC SECURE	15,936	831								15,105	9,063	6,042
3-F SUBTOTAL INSTITUTIONAL	600,078	25,842	30,606	0	0	0	0	0	0	543,630	322,873	220,757
4 ADMINISTRATION	304,660	4,945		53,023		0	0	0	6,289	240,403	144,242	96,161
5 TOTAL REVENUES	8,736,862	413,994	831,313	833,314	53,422	94,078	22,609	0	6,289	6,481,843	5,074,952	1,406,891

NORTHUMBERLAND 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
IN-HOME												
1-A ADOPTION SERVICE	150,609	84,150		75,006	0	6,500	316,265	32	0	0	0	0
1-B ADOPTION ASSISTANCE	0	0	915,201	0	0	0	915,201	0	163	0	0	0
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	0	0	270,886	0	0	0	270,886	0	39	0	0	0
1-D COUNSELING - DEPENDENT	0	0		927	0	0	927	0	3	0	0	0
1-E COUNSELING - DELINQUENT	0	0		10,679	0	0	10,679	0	12	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	19,632	0	19,632	0	9	0	0	0
1-H DAY TREATMENT - DELINQUENT	0	0		0	171,197	0	171,197	0	35	0	0	0
1-I HOMEMAKER SERVICE	148,294	92,458		91,187	0	3,272	335,211	198	0	0	0	0
1-J INTAKE & REFERRAL	0	0		0	0	0	0	0	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	285,917	137,622		92,102	750	4,142	520,533	521	2	0	0	0
1-N PROTECTIVE SERVICE - GENERAL	684,623	320,078		195,708	278	15,504	1,216,191	713	5	0	0	0
1-O SERVICE PLANNING	458,356	272,221		122,012	0	9,004	861,593	1,586	0	0	0	0
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT					29,500		29,500	0	315	0	0	0
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT					0		0	0	0	0	0	0
1-R SUBTOTAL IN-HOME	1,727,799	906,529	1,186,087	576,015	232,963	38,422	4,667,815					
Number of Children receiving only NON-PURCHASED IN-Home Services 3,043												
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	2,345	0	2,345	17	1	0	0	0
2-C COMMUNITY RESIDENTIAL - DEPENDENT	0	0	0	0	339,840	0	339,840	1,791	11	0	0	0
2-D COMMUNITY RESIDENTIAL - DELINQUENT	0	0	0	401	185,860	0	186,261	847	26	0	0	0
2-E EMERGENCY SHELTER - DEPENDENT	0	0	0	5,845	71,646	0	77,491	2,269	96	0	0	0
2-F EMERGENCY SHELTER - DELINQUENT	0	0	0	137	3,794	0	3,931	132	6	0	0	0
2-G FOSTER FAMILY - DEPENDENT	476,306	270,454	0	297,796	1,455,064	9,115	2,508,735	44,360	202	9	219	86
2-H FOSTER FAMILY - DELINQUENT	0	0	0	5,625	40,309	0	45,934	1,300	7	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	476,306	270,454	0	309,804	2,098,838	9,115	3,164,537	50,716	349	9	219	86
INSTITUTIONAL PLACEMENT												
3-A JUVENILE DETENTION SERVICE	0	0	0	0	34,205	0	34,205	145	16	0	0	0
3-B RESIDENTIAL SERVICE - DEPENDENT	0	0	0	1,467	182,860	0	184,327	1,049	9	0	1,233	1,074
3-C RES. SERVICE - DELINQUENT (EXCEPT YDC/MFC)	0	0	0	348	241,571	0	241,919	1,614	20	0	0	0
3-D SECURE RES. SERVICE (EXCEPT YDC)	0	0	0	0	124,924	0	124,924	437	3	0	0	0
3-E YDC SECURE	0	0	0	0	15,936	0	15,936	32	1	0	0	0
3-F SUBTOTAL INSTITUTIONAL	0	0	0	1,815	599,496	0	601,311	3,277	49	0	1,233	1,074
4 ADMINISTRATION	61,659	29,650	0	212,339	0	1,012	304,660					
5 TOTAL EXPENDITURES	2,265,764	1,206,633	1,186,087	1,099,973	2,931,317	48,549	8,738,323			9	1,452	1,160
County Indirect Costs = \$ 162,622												

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

COST CENTER ITEMS	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Adoption Service	\$ 316,265	\$ 0	\$ 316,265
Adoption Assistance	915,201	0	915,201
Subsidized Permanent Legal Custodianship	270,886	0	270,886
Counseling	11,606	0	11,606
Day Care	0	0	0
Day Treatment	190,829	0	190,829
Homemaker Service	335,211	0	335,211
Intake and Referral	0	0	0
Life Skills	0	0	0
Protective Service - Child Abuse	520,533	0	520,533
Protective Service - General	1,216,191	0	1,216,191
Service Planning	861,593	0	861,593
Juvenile Act Proceedings	29,500	0	29,500
Alternative Treatment	2,345	0	2,345
Community Residential	526,101	0	526,101
Emergency Shelter	81,422	0	81,422
Foster Family	2,554,669	0	2,554,669
Supervised Independent Living	0	0	0
Juvenile Detention Service	34,205	0	34,205
Residential Service	426,246	0	426,246
Secure Residential Service (Except YDC)	124,924	0	124,924
YDC Secure	15,936	0	15,936
Administration	304,660	0	304,660
Combined Total Expense	<u>8,738,323</u>	<u>0</u>	<u>8,738,323</u>
Less Non-reimbursables	<u>1,461</u>	<u>0</u>	<u>1,461</u>
Total Net Expense	<u>\$ 8,736,862</u>	<u>\$ 0</u>	<u>\$ 8,736,862</u>

OBJECTS OF EXPENDITURE	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Wages and Salaries	\$ 2,265,764	\$ 0	\$ 2,265,764
Employee Benefits	1,206,633	0	1,206,633
Subsidies	1,186,087	0	1,186,087
Operating	1,099,973	0	1,099,973
Purchased Services	2,931,317	0	2,931,317
Fixed Assets	48,549	0	48,549
Combined Total Expense	<u>8,738,323</u>	<u>0</u>	<u>8,738,323</u>
Less Non-reimbursables	<u>1,461</u>	<u>0</u>	<u>1,461</u>
Total Net Expense	<u>\$ 8,736,862</u>	<u>\$ 0</u>	<u>\$ 8,736,862</u>

SECTION 3

AMENDED FISCAL REPORTS

FOR THE FISCAL YEAR:

JULY 1, 2014 to JUNE 30, 2015

**NORTHUMBERLAND COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2014 TO JUNE 30, 2015
AMENDED
COMPUTATION OF FINAL NET STATE SHARE**

Approved State Allocation ¹		\$ 5,675,543
Supplemental Act 148		<u>0</u>
Total State Allocation		5,675,543
State Share (CY348) ²	\$ 5,345,215	
Less: Major Service Category Adjustment		<u>0</u>
Net State Share		\$ 5,345,215
Less: Expenditures in Excess of the Approved State Allocation		<u>0</u>
Final Net State Share Payable ³		\$ 5,345,215
Actual Act 148 Revenues Received ⁴		<u>5,345,215</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 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.

**NORTHUMBERLAND COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2014 TO JUNE 30, 2015
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	303,061	55,070	0	0	0	0	0	247,991	247,991	0
02. 90% REIMBURSEMENT	92,353	29,662	0	0	0	0	0	62,691	56,422	6,269
03. 80% REIMBURSEMENT	7,699,509	1,705,173	53,422	94,078	22,609	0	0	5,489,472	4,391,577	1,097,895
04. 60% REIMBURSEMENT	1,143,981	81,256	0	0	0	0	5,651	1,034,878	620,926	413,952
05. 50% REIMBURSEMENT	57,632	1,034	0	0	0	0	0	56,598	28,299	28,299
06. TOTAL NET CHILD WELFARE EXPEND.	9,296,536	1,871,161	53,422	94,078	22,609	0	5,651	6,891,630	5,345,215	1,546,415

YDC/YFC PLACEMENT COSTS										
07. 60% DHS PARTICIPATION	0							0	0	0
08. NON-REIMBURSABLE EXPENDITURES	56							56		56

09. TOTAL EXPENDITURES	9,296,592	1,871,161	53,422	94,078	22,609	0	5,651	6,891,686	5,345,215	1,546,471
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10. TOTAL TITLE IV-D COLLECTIONS 132,231

11. TITLE IV-D Collections for IV-E Children 38,970

12. STATE ACT 148 - line 6 5,345,215

13. STATE ACT 148 ALLOCATION 5,675,543

14. ADJUSTED STATE SHARE (lower of 12 or 13) 5,345,215

INVOICE	
AMENDED STATE SHARE (ACT 148)	5,345,215
ACT 148 AMOUNT RECEIVED	5,345,215
ADJUSTMENT TO STATE SHARE	0

NORTHUMBERLAND COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2014 TO JUNE 30, 2015
AMENDED CY370A
REVENUE REPORT

MAJOR SERVICE CATEGORIES & COST CENTERS	REVENUE SOURCES											
	1	2	3	4	5	6	7	8	9	10	11	12
IN-HOME	TOTAL REIMBURSABLE EXPENDITURES	PROGRAM INCOME	TITLE IV-E MAINTENANCE	TITLE IV-E ADMIN.	TANF	TITLE XX	TITLE IV-B	Child Welfare Demonstration Project Title IV-E	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE
1-A ADOPTION SERVICE	305,061	0		55,070	0		0	0	0	247,991	247,991	0
1-B ADOPTION ASSISTANCE	1,082,787	0	470,194	18,010			0	0	0	594,583	475,666	118,917
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	314,503	0	55,154	0			0	0	0	259,349	207,479	51,870
1-D COUNSELING - DEPENDENT	8,779	0		0	0		0	0	0	8,779	7,023	1,756
1-E COUNSELING - DELINQUENT	5,640	0		0	0		0	0	0	5,640	4,512	1,128
1-F DAY CARE	0	0		0	0		0	0	0	0	0	0
1-G DAY TREATMENT - DEPENDENT	0	0		0	0		0	0	0	0	0	0
1-H DAY TREATMENT - DELINQUENT	82,692	0		0	53,422		0	0	0	29,270	23,416	5,854
1-I HOMEMAKER SERVICE	353,310	40,225		0	0	94,078	22,609	0	0	196,398	157,118	39,280
1-J INTAKE & REFERRAL	0	0		0	0		0	0	0	0	0	0
1-K LIFE SKILLS - DEPENDENT	0	0		0	0		0	0	0	0	0	0
1-L LIFE SKILLS - DELINQUENT	0	0		0	0		0	0	0	0	0	0
1-M PROTECTIVE SERVICE - CHILD ABUSE	435,997	0		79,131	0			0	0	356,866	285,493	71,373
1-N PROTECTIVE SERVICE - GENERAL	1,189,615	0		215,810	0			0	0	973,805	779,044	194,761
1-O SERVICE PLANNING	966,418	0		175,655	0		0	0	0	790,763	632,610	158,153
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT	29,500	0		0	0		0	0	0	29,500	14,750	14,750
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT	480	0		0	0		0	0	0	480	240	240
1-R SUBTOTAL IN-HOME	4,772,782	40,225	525,348	543,676	53,422	94,078	22,609	0	0	3,493,424	2,835,942	658,082
COMMUNITY BASED PLACEMENT	TOTAL REIMBURSABLE EXPENDITURES	PROGRAM INCOME	TITLE IV-E MAINTENANCE	TITLE IV-E ADMIN.	TANF	TITLE XX	TITLE IV-B	Child Welfare Demonstration Project Title IV-E	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE
2-A ALTERNATIVE TREATMENT - DEPENDENT	0	0	0	0			0	0	0	0	0	0
2-B ALTERNATIVE TREATMENT - DELINQUENT	0	0	0	0			0	0	0	0	0	0
2-C COMMUNITY RESIDENTIAL - DEPENDENT	307,515	7,544	30,655	0			0	0	0	269,316	215,453	53,863
2-D COMMUNITY RESIDENTIAL - DELINQUENT	80,617	4,171	0	0			0	0	0	76,446	61,157	15,289
2-E EMERGENCY SHELTER - DEPENDENT	87,489	0	20,200	9,005	0		0	0	0	58,284	52,456	5,828
2-F EMERGENCY SHELTER - DELINQUENT	4,864	0	457	0	0		0	0	0	4,407	3,966	441
2-G FOSTER FAMILY - DEPENDENT	2,821,974	268,227	309,281	344,499			0	0	0	1,899,967	1,519,974	379,993
2-H FOSTER FAMILY - DELINQUENT	49,662	14,588	6,721	63			0	0	0	28,290	22,632	5,658
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	3,352,121	294,530	367,314	353,567	0	0	0	0	0	2,336,710	1,875,638	461,072
INSTITUTIONAL PLACEMENT	TOTAL REIMBURSABLE EXPENDITURES	PROGRAM INCOME	TITLE IV-E MAINTENANCE	TITLE IV-E ADMIN.	TANF	TITLE XX	TITLE IV-B	Child Welfare Demonstration Project Title IV-E	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE
3-A JUVENILE DETENTION SERVICE	27,652	1,034								26,618	13,309	13,309
3-B RESIDENTIAL SERVICE - DEPENDENT	372,554	14,685	23,725	0			0	0	0	334,144	200,486	133,658
3-C RES. SERVICE - DELINQUENT (NON YDC/YFC)	275,229	6,461	4,921	0			0	0	0	263,847	158,308	105,539
3-D SECURE RES. SERVICE (EXCEPT YDC)	205,699	889								204,810	122,886	81,924
3-E YDC SECURE	0	0								0	0	0
3-F SUBTOTAL INSTITUTIONAL	881,134	23,069	28,646	0	0	0	0	0	0	829,419	494,989	334,430
4 ADMINISTRATION	290,499	161		52,610			0	0	0	232,077	139,246	92,831
5 TOTAL REVENUES	9,296,536	357,985	921,308	949,853	53,422	94,078	22,609	0	0	6,891,630	5,345,215	1,546,415

NORTHUMBERLAND COUNTY CHILDREN AND YOUTH AGENCY
 FOR THE PERIOD JULY 1, 2014 TO JUNE 30, 2015
 AMENDED CY370
 EXPENDITURE REPORT

MAJOR SERVICE CATEGORIES & COST CENTERS	OBJECTS OF EXPENDITURE											
	1	2	3	4	5	6	7	8	9	10	11	12
IN-HOME	WAGES AND SALARIES	EMPLOYEE BENEFITS	SUBSIDIES	OPERATING	PURCHASED SERVICES	FIXED ASSETS	TOTAL EXPENDITURES	Children Served (by county)	Children Served (Purchased)	Non-Reimbursable Non PS/Sub.	Non-Reim. Purchased Serv/ Subsidies	Program Income related to all Non-Reimbursable
1-A ADOPTION SERVICE	149,056	71,088		76,452	0	6,465	303,061	94	0	0	0	0
1-B ADOPTION ASSISTANCE	0	0	1,082,787	0	0	0	1,082,787	0	186	0	0	0
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	0	0	314,503	0	0	0	314,503	0	49	0	0	0
1-D COUNSELING - DEPENDENT	0	0			8,779	0	8,779	0	9	0	0	0
1-E COUNSELING - DELINQUENT	0	0			5,640	0	5,640	0	7	0	0	0
1-F DAY CARE	0	0			0	0	0	0	0	0	0	0
1-G DAY TREATMENT - DEPENDENT	0	0			0	0	0	0	0	0	0	0
1-H DAY TREATMENT - DELINQUENT	0	0			82,692	0	82,692	0	36	0	0	0
1-I HOMEMAKER SERVICE	157,033	97,080		94,224	0	4,973	353,310	168	0	0	0	0
1-J INTAKE & REFERRAL	0	0			0	0	0	0	0	0	0	0
1-K LIFE SKILLS - DEPENDENT	0	0			0	0	0	0	0	0	0	0
1-L LIFE SKILLS - DELINQUENT	0	0			0	0	0	0	0	0	0	0
1-M PROTECTIVE SERVICE - CHILD ABUSE	236,181	106,067		89,771	0	3,978	435,997	693	0	0	0	0
1-N PROTECTIVE SERVICE - GENERAL	671,326	306,256		195,365	1,251	15,417	1,189,615	1,066	15	0	0	0
1-O SERVICE PLANNING	549,145	282,920		125,401	0	8,952	966,418	1,821	0	0	0	0
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT					29,500		29,500	0	273	0	0	0
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT					480		480	0	1	0	0	0
1-R SUBTOTAL IN-HOME	1,762,741	863,411	1,397,290	581,213	128,342	39,785	4,772,782			0	0	0
Number of Children receiving only NON-PURCHASED IN-Home Services 3,828												
COMMUNITY BASED PLACEMENT	WAGES AND SALARIES	EMPLOYEE BENEFITS	SUBSIDIES	OPERATING	PURCHASED SERVICES	FIXED ASSETS	TOTAL EXPENDITURES	DAYS OF CARE	Children Served (Purchased)	Non-Reimbursable Non PS/Sub.	Non-Reim. Purchased Serv/ Subsidies	Program Income related to all Non-Reimbursable
2-A ALTERNATIVE TREATMENT - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
2-B ALTERNATIVE TREATMENT - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-C COMMUNITY RESIDENTIAL - DEPENDENT	0	0	0	112	307,459	0	307,571	1,808	19	0	56	0
2-D COMMUNITY RESIDENTIAL - DELINQUENT	0	0	0	548	80,069	0	80,617	359	26	0	0	0
2-E EMERGENCY SHELTER - DEPENDENT	0	0	0	5,439	82,050	0	87,489	1,884	90	0	0	0
2-F EMERGENCY SHELTER - DELINQUENT	0	0	0	75	4,789	0	4,864	104	9	0	0	0
2-G FOSTER FAMILY - DEPENDENT	573,365	278,876	0	314,131	1,646,650	8,952	2,821,974	37,337	218	0	0	0
2-H FOSTER FAMILY - DELINQUENT	0	0	0	4,922	44,740	0	49,662	1,341	10	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	573,365	278,876	0	325,227	2,165,757	8,952	3,352,177	42,833	372	0	56	0
INSTITUTIONAL PLACEMENT	WAGES AND SALARIES	EMPLOYEE BENEFITS	SUBSIDIES	OPERATING	PURCHASED SERVICES	FIXED ASSETS	TOTAL EXPENDITURES	DAYS OF CARE	Children Served (Purchased)	Non-Reimbursable Non PS/Sub.	Non-Reim. Purchased Serv/ Subsidies	Non-Reim. Program Income
3-A JUVENILE DETENTION SERVICE	0	0	0	0	27,652	0	27,652	110	14	0	0	0
3-B RESIDENTIAL SERVICE - DEPENDENT	0	0	0	2,449	370,105	0	372,554	1,577	10	0	0	0
3-C RES. SERVICE - DELINQUENT (EXCEPT YDC/YFC)	0	0	0	637	274,592	0	275,229	1,650	21	0	0	0
3-D SECURE RES. SERVICE (EXCEPT YDC)	0	0	0	0	205,699	0	205,699	699	3	0	0	0
3-E YDC SECURE	0	0	0	0	0	0	0	0	0	0	0	0
3-F SUBTOTAL INSTITUTIONAL	0	0	0	3,086	878,048	0	881,134	4,036	48	0	0	0
4 ADMINISTRATION	63,746	17,354	0	208,404	0	995	290,499			0	0	0
5 TOTAL EXPENDITURES	2,399,852	1,159,641	1,397,290	1,117,930	3,172,147	49,732	9,296,592			0	56	0
County Indirect Costs = \$ 170,648												

**NORTHUMBERLAND COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2014 TO JUNE 30, 2015**

AMENDED

SUMMARY OF EXPENSE AND EXPENSE ADJUSTMENTS

COST CENTER ITEMS	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Adoption Service	\$ 303,061	\$ 0	\$ 303,061
Adoption Assistance	1,082,787	0	1,082,787
Subsidized Permanent Legal Custodianship	314,503	0	314,503
Counseling	14,419	0	14,419
Day Care	0	0	0
Day Treatment	82,692	0	82,692
Homemaker Service	353,310	0	353,310
Intake and Referral	0	0	0
Life Skills	0	0	0
Protective Service - Child Abuse	435,997	0	435,997
Protective Service - General	1,189,615	0	1,189,615
Service Planning	966,418	0	966,418
Juvenile Act Proceedings	29,980	0	29,980
Alternative Treatment	0	0	0
Community Residential	388,188	0	388,188
Emergency Shelter	92,353	0	92,353
Foster Family	2,871,636	0	2,871,636
Supervised Independent Living	0	0	0
Juvenile Detention Service	27,652	0	27,652
Residential Service	647,783	0	647,783
Secure Residential Service (Except YDC)	205,699	0	205,699
YDC Secure	0	0	0
Administration	290,499	0	290,499
Combined Total Expense	<u>9,296,592</u>	<u>0</u>	<u>9,296,592</u>
Less Non-reimbursables	<u>56</u>	<u>0</u>	<u>56</u>
Total Net Expense	<u>\$ 9,296,536</u>	<u>\$ 0</u>	<u>\$ 9,296,536</u>

OBJECTS OF EXPENDITURE	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Wages and Salaries	\$ 2,399,852	\$ 0	\$ 2,399,852
Employee Benefits	1,159,641	0	1,159,641
Subsidies	1,397,290	0	1,397,290
Operating	1,117,930	0	1,117,930
Purchased Services	3,172,147	0	3,172,147
Fixed Assets	49,732	0	49,732
Combined Total Expense	<u>9,296,592</u>	<u>0</u>	<u>9,296,592</u>
Less Non-reimbursables	<u>56</u>	<u>0</u>	<u>56</u>
Total Net Expense	<u>\$ 9,296,536</u>	<u>\$ 0</u>	<u>\$ 9,296,536</u>

SECTION 4

AMENDED FISCAL REPORTS

FOR THE FISCAL YEAR:

JULY 1, 2015 to JUNE 30, 2016

**NORTHUMBERLAND COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2015 TO JUNE 30, 2016
AMENDED
COMPUTATION OF FINAL NET STATE SHARE**

Approved State Allocation ¹		\$	5,810,208
Supplemental Act 148			<u>0</u>
Total State Allocation			5,810,208
State Share (CY348) ²	\$		5,368,401
Less: Major Service Category Adjustment			<u>0</u>
Net State Share		\$	5,368,401
Less: Expenditures in Excess of the Approved State Allocation			<u>0</u>
Final Net State Share Payable ³		\$	5,368,401
Actual Act 148 Revenues Received ⁴			<u>5,368,858</u>
Net Amount Due County/(State) ⁵		\$	<u><u>(457)</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 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.

NORTHUMBERLAND COUNTY CHILDREN AND YOUTH AGENCY
 FOR THE PERIOD JULY 1, 2015 TO JUNE 30, 2016
 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	333,007	0	62,210	0	0	0	0	0	270,797	270,797	0
02. 90% REIMBURSEMENT	98,393	0	12,207	0	0	0	0	0	86,186	77,568	8,618
03. 80% REIMBURSEMENT	7,919,951	402,365	1,849,087	53,422	94,078	22,609	0	0	5,498,390	4,398,713	1,099,677
04. 60% REIMBURSEMENT	1,115,279	39,098	100,869	0	0	0	0	5,311	970,001	582,000	388,001
05. 50% REIMBURSEMENT	79,255	610	0	0	0	0	0	0	78,645	39,323	39,322
06. TOTAL NET CHILD WELFARE EXPEND.	9,545,885	442,073	2,024,373	53,422	94,078	22,609	0	5,311	6,904,019	5,368,401	1,535,618

YDC/YFC PLACEMENT COSTS											
07. 60% DHS PARTICIPATION	77,602	1,130							76,472	45,883	30,589

08. NON-REIMBURSABLE EXPENDITURES	1,080	0							1,080		1,080
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09. TOTAL EXPENDITURES	9,624,567	443,203	2,024,373	53,422	94,078	22,609	0	5,311	6,981,571	5,414,284	1,567,287
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10. TOTAL TITLE IV-D COLLECTIONS 131,133

11. TITLE IV-D Collections for IV-E Children 57,330

12. STATE ACT 148 - line 6 5,368,401

13. STATE ACT 148 ALLOCATION 5,810,208

14. ADJUSTED STATE SHARE (lower of 12 or 13) 5,368,401

INVOICE											
AMENDED STATE SHARE (ACT 148)	5,368,401										
ACT 148 AMOUNT RECEIVED	5,368,858										
ADJUSTMENT TO STATE SHARE	(457)										

NORTHUMBERLAND COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2015 TO JUNE 30, 2016
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	333,007	0		62,210	0		0	0	0	270,797	270,797	0
1-B	ADOPTION ASSISTANCE	1,156,502	0	511,633	11,727				0	0	633,142	506,514	126,628
1-C	SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	361,410	0	81,091					0	0	280,319	224,255	56,064
1-D	COUNSELING - DEPENDENT	6,439	0			0		0	0	0	6,439	5,151	1,288
1-E	COUNSELING - DELINQUENT	640	0			0		0	0	0	640	512	128
1-F	DAY CARE	0	0			0		0	0	0	0	0	0
1-G	DAY TREATMENT - DEPENDENT	2,160	0			0		0	0	0	2,160	1,728	432
1-H	DAY TREATMENT - DELINQUENT	95,429	0			53,422			0	0	42,007	33,606	8,401
1-I	HOMEMAKER SERVICE	342,593	40,000		80	0	94,078	22,609	0	0	185,826	148,661	37,165
1-J	INTAKE & REFERRAL	0	0			0		0	0	0	0	0	0
1-K	LIFE SKILLS - DEPENDENT	0	0			0		0	0	0	0	0	0
1-L	LIFE SKILLS - DELINQUENT	0	0			0		0	0	0	0	0	0
1-M	PROTECTIVE SERVICE - CHILD ABUSE	471,658	0		86,203	0			0	0	385,455	308,364	77,091
1-N	PROTECTIVE SERVICE - GENERAL	1,152,633	0		215,866	0			0	0	936,767	749,414	187,353
1-O	SERVICE PLANNING	964,932	0		181,121	0		0	0	0	783,811	627,049	156,762
1-P	JUVENILE ACT PROCEEDINGS - DEPENDENT	32,178	0			0			0	0	32,178	16,089	16,089
1-Q	JUVENILE ACT PROCEEDINGS - DELINQUENT	0	0			0		0	0	0	0	0	0
1-R	SUBTOTAL IN-HOME	4,919,581	40,000	592,724	557,207	53,422	94,078	22,609	0	0	3,559,541	2,892,140	667,401
COMMUNITY BASED PLACEMENT													
2-A	ALTERNATIVE TREATMENT - DEPENDENT	0	0						0	0	0	0	0
2-B	ALTERNATIVE TREATMENT - DELINQUENT	0	0						0	0	0	0	0
2-C	COMMUNITY RESIDENTIAL - DEPENDENT	472,575	39,549	79,205					0	0	353,821	283,057	70,764
2-D	COMMUNITY RESIDENTIAL - DELINQUENT	71,034	1,516						0	0	69,518	55,614	13,904
2-E	EMERGENCY SHELTER - DEPENDENT	98,218	0	12,205	2	0			0	0	86,011	77,410	8,601
2-F	EMERGENCY SHELTER - DELINQUENT	175	0			0			0	0	175	158	17
2-G	FOSTER FAMILY - DEPENDENT	2,788,637	306,771	337,421	343,621				0	0	1,800,824	1,440,659	360,165
2-H	FOSTER FAMILY - DELINQUENT	33,309	14,529	985	134				0	0	17,661	14,129	3,532
2-I	SUP. INDEPENDENT LIVING - DEPENDENT	0	0						0	0	0	0	0
2-J	SUP. INDEPENDENT LIVING - DELINQUENT	0	0						0	0	0	0	0
2-K	SUBTOTAL CBP	3,463,948	362,365	429,816	343,757	0	0	0	0	0	2,328,010	1,871,027	456,983
INSTITUTIONAL PLACEMENT													
3-A	JUVENILE DETENTION SERVICE	47,077	610								46,467	23,234	23,233
3-B	RESIDENTIAL SERVICE - DEPENDENT	485,552	30,503	47,441					0	0	407,608	244,565	163,043
3-C	RES. SERVICE - DELINQUENT (NON YDC/YFC)	262,835	8,281						0	0	254,554	152,732	101,822
3-D	SECURE RES. SERVICE (EXCEPT YDC)	83,798	314								83,484	50,090	33,394
3-E	YDC SECURE	77,602	1,130								76,472	45,883	30,589
3-F	SUBTOTAL INSTITUTIONAL	956,864	40,838	47,441	0	0	0	0	0	0	868,585	516,504	352,081
4	ADMINISTRATION	283,094	0		53,428				0	0	224,355	134,613	89,742
5	TOTAL REVENUES	9,623,487	443,203	1,069,981	954,392	53,422	94,078	22,609	0	5,311	6,980,491	5,414,284	1,566,207

NORTHUMBERLAND COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2015 TO JUNE 30, 2016
AMENDED CY370
EXPENDITURE REPORT

MAJOR SERVICE CATEGORIES & COST CENTERS	OBJECTS OF EXPENDITURE											
	1	2	3	4	5	6	7	8	9	10	11	12
	WAGES AND SALARIES	EMPLOYEE BENEFITS	SUBSIDIES	OPERATING	PURCHASED SERVICES	FIXED ASSETS	TOTAL EXPENDITURES	Children Served (by county)	Children Served (Purchased)	Non-Reimbursable Non PS/Sub.	Non-Reim. Purchased Serv/ Subsidies	Program Income related to all Non-Reimbursable
IN-HOME												
1-A ADOPTION SERVICE	172,632	82,564		71,797	0	6,014	333,007	108	0	0	0	0
1-B ADOPTION ASSISTANCE	0	0	1,156,502	0	0	0	1,156,502	0	195	0	0	0
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	0	0	361,410	0	0	0	361,410	0	53	0	0	0
1-D COUNSELING - DEPENDENT	0	0	0	0	6,439	0	6,439	0	6	0	0	0
1-E COUNSELING - DELINQUENT	0	0	0	0	640	0	640	0	1	0	0	0
1-F DAY CARE	0	0	0	0	0	0	0	0	0	0	0	0
1-G DAY TREATMENT - DEPENDENT	0	0	0	0	2,160	0	2,160	0	1	0	0	0
1-H DAY TREATMENT - DELINQUENT	0	0	0	0	95,429	0	95,429	0	28	0	0	0
1-I HOMEMAKER SERVICE	155,344	95,088		87,535	0	4,626	342,593	159	0	0	0	0
1-J INTAKE & REFERRAL	0	0	0	0	0	0	0	0	0	0	0	0
1-K LIFE SKILLS - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
1-L LIFE SKILLS - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
1-M PROTECTIVE SERVICE - CHILD ABUSE	254,030	111,080		90,447	12,400	3,701	471,658	831	115	0	0	0
1-N PROTECTIVE SERVICE - GENERAL	670,937	289,564		177,252	538	14,342	1,152,633	923	6	0	0	0
1-O SERVICE PLANNING	560,372	279,746		116,486	0	8,328	964,932	2,546	0	0	0	0
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT				0	32,178		32,178	0	369	0	0	0
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT				0	0		0	0	0	0	0	0
1-R SUBTOTAL IN-HOME	1,813,315	858,042	1,517,912	543,517	149,784	37,011	4,919,581					
Number of Children receiving only NON-PURCHASED IN-Home Services 4,446												
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	417	472,158	0	472,575	2,615	20	0	0	0
2-D COMMUNITY RESIDENTIAL - DELINQUENT	0	0	0	149	70,885	0	71,034	319	7	0	0	0
2-E EMERGENCY SHELTER - DEPENDENT	0	0	0	8,268	89,950	0	98,218	2,831	112	0	0	0
2-F EMERGENCY SHELTER - DELINQUENT	0	0	0	0	175	0	175	5	3	0	0	0
2-G FOSTER FAMILY - DEPENDENT	580,783	286,157	0	312,264	1,602,185	8,328	2,789,717	46,764	226	0	1,080	0
2-H FOSTER FAMILY - DELINQUENT	0	0	0	4,163	29,146	0	33,309	1,018	5	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	580,783	286,157	0	325,261	2,264,499	8,328	3,465,028	53,552	373	0	1,080	0
INSTITUTIONAL PLACEMENT												
3-A JUVENILE DETENTION SERVICE	0	0	0	0	47,077	0	47,077	185	23	0	0	0
3-B RESIDENTIAL SERVICE - DEPENDENT	0	0	0	2,240	483,312	0	485,552	2,105	17	0	0	0
3-C RES. SERVICE - DELINQUENT (EXCEPT YDC/YFC)	0	0	0	353	262,482	0	262,835	1,525	12	0	0	0
3-D SECURE RES. SERVICE (EXCEPT YDC)	0	0	0	0	83,798	0	83,798	267	3	0	0	0
3-E YDC SECURE	0	0	0	0	77,602	0	77,602	161	1	0	0	0
3-F SUBTOTAL INSTITUTIONAL	0	0	0	2,593	954,271	0	956,864	4,243	56	0	0	0
ADMINISTRATION	64,190	22,727	0	195,252	0	925	283,094					
TOTAL EXPENDITURES	2,458,288	1,166,926	1,517,912	1,066,623	3,368,554	46,264	9,624,567				1,080	0
County Indirect Costs = \$ 156,736												

**NORTHUMBERLAND COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2015 TO JUNE 30, 2016
AMENDED**

SUMMARY OF EXPENSE AND EXPENSE ADJUSTMENTS

COST CENTER ITEMS	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Adoption Service	\$ 333,007	\$ 0	\$ 333,007
Adoption Assistance	1,156,502	0	1,156,502
Subsidized Permanent Legal Custodianship	361,410	0	361,410
Counseling	7,079	0	7,079
Day Care	0	0	0
Day Treatment	97,589	0	97,589
Homemaker Service	342,593	0	342,593
Intake and Referral	0	0	0
Life Skills	0	0	0
Protective Service - Child Abuse	471,658	0	471,658
Protective Service - General	1,152,633	0	1,152,633
Service Planning	964,932	0	964,932
Juvenile Act Proceedings	32,178	0	32,178
Alternative Treatment	0	0	0
Community Residential	543,732	(123)	543,609
Emergency Shelter	98,393	0	98,393
Foster Family	2,823,026	0	2,823,026
Supervised Independent Living	0	0	0
Juvenile Detention Service	47,077	0	47,077
Residential Service	748,985	(598)	748,387
Secure Residential Service (Except YDC)	83,798	0	83,798
YDC Secure	77,602	0	77,602
Administration	283,094	0	283,094
Combined Total Expense	9,625,288	(721)	9,624,567
Less Non-reimbursables	1,080	0	1,080
Total Net Expense	\$ 9,624,208	\$ (721)	\$ 9,623,487

OBJECTS OF EXPENDITURE	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Wages and Salaries	\$ 2,458,288	\$ 0	\$ 2,458,288
Employee Benefits	1,166,926	0	1,166,926
Subsidies	1,517,912	0	1,517,912
Operating	1,066,623	0	1,066,623
Purchased Services	3,369,275	(721)	3,368,554
Fixed Assets	46,264	0	46,264
Combined Total Expense	9,625,288	(721)	9,624,567
Less Non-reimbursables	1,080	0	1,080
Total Net Expense	\$ 9,624,208	\$ (721)	\$ 9,623,487

**NORTHUMBERLAND COUNTY CHILDREN AND YOUTH AGENCY
FOR THE PERIOD JULY 1, 2015 TO JUNE 30, 2016
ADJUSTMENT SCHEDULE**

REPORT REFERENCE			ADJ. NO.	EXPLANATION OF ADJUSTMENTS	AS REPORTED OR ADJUSTED	INCREASE/ (DECREASE)	ADJUSTED TOTAL
SCHEDULE	LINE	COLUMN					
CY-370	2-C	5	1	Community Residential (Dep.) - Purchased Service	\$ 472,281	\$ (123)	\$ 472,158
		5		Residential Service (Dep.) - Purchased Services	\$ 483,910	\$ (598)	\$ 483,312
		Total Adjustment Amount			\$ (721)		
		To decrease Purchased Service expenditures by \$721 to reconcile to the agency's final expenditure ledger. These expenditures were not included on the CY-370 Expenditure Report submitted to Commonwealth DHS.					
				Title 55 PA Code, Chapter 3170.95(a)(b)			

SECTION 5

STATUS OF PRIOR ENGAGEMENT FINDING AND RECOMMENDATION

NORTHUMBERLAND COUNTY CHILDREN AND YOUTH AGENCY
STATUS OF PRIOR ENGAGEMENT FINDING AND RECOMMENDATION

Finding – Noncompliance - Failure to Conduct Annual Time Studies (Not Resolved)

In our prior engagement report, we cited the Northumberland County Children and Youth Agency (agency) for a failure to conduct annual time studies, which are to be used to allocate general operating expenses reported on the agency’s submitted CY-370 Expenditure Report. During the conduct of our prior engagement, we found the agency used a time study conducted in 2005 to allocate general operating expenses for the 2005-2006 through the 2013-2014 fiscal years. Therefore, for our current engagement scope period covering the 2012-2013 through the 2015-2016 fiscal years, we concluded that a repeat finding should be issued in our current engagement report for the 2012-2013 and 2013-2014 fiscal years related to the agency’s continued failure to conduct required annual time studies. Furthermore, during the conduct of our current engagement, while we found the agency properly conducted a time study for the 2014-2015 fiscal year, the agency, again, failed to conduct a time study for the 2015-16 fiscal year. These issues are detailed in a repeat finding included in the Current Engagement Findings and Recommendations section (Section 6) of this report.

SECTION 6

CURRENT ENGAGEMENT FINDINGS AND RECOMMENDATIONS

NORTHUMBERLAND COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT FINDING AND RECOMMENDATIONS

Finding No. 1 – Noncompliance – Continued Failure to Conduct Annual Time Studies

Condition: As detailed in our Status of Prior Engagement Findings and Recommendations section (Section 5) of this report, during the conduct of our prior engagement, we found the Northumberland County Children and Youth Agency (agency) inappropriately used a time study conducted in 2005 to allocate its operating expenses for the 2012-2013 and 2013-14 fiscal years. During the conduct of our current engagement, while we found the agency properly conducted a time study in May through June 2014 for the purpose of allocating general operating expenses for the 2014-2015 fiscal year, the agency failed to conduct an annual time study for allocating its 2015-16 fiscal year operating expenses. We found that the agency inappropriately used the time study conducted in May through June 2014 to allocate general operating expenses for the 2015-2016 fiscal year. Furthermore, we found the agency failed to develop and implement written policies and procedures to ensure that time studies are properly and consistently conducted on an annual basis.

Criteria: *Title 55 Pa. Code, § 3170.91 (c) related to fiscal management – financial reporting requirements of the County Agency, state, in part:*

The Department has the ability to prescribe the format, instructions, and time at which the county agency shall submit to the Department annual plans, annual estimates of expenditures and revisions, as well as expenditure and income reports.

Federal Office of Management and Budget (OMB) A-122, attachment B, #8 Compensation for personal services, (m) support of salaries and wages; guidance on Personnel Activity Reports

- (1) Charges to awards for salaries and wages, whether treated as direct costs or indirect costs, will be based on documented payrolls approved by a responsible official(s) of the organization. The distribution of salaries and wages to awards must be supported by personnel activity reports, as prescribed in subparagraph (2), except when a substitute system has been approved in writing by the cognizant agency.

Department of Human Services, Office of Children, Youth and Families (DHS OCYF) guidance

In correspondence dated July 18, 2014, DHS OCYF Acting Bureau Director of the Bureau of Budget and Fiscal Support clarified DHS' position related to how often time studies should be conducted, stating "OCYF recommends performing time studies annually for a minimum of two weeks."

Cause: While the agency was aware of DHS' position that time studies should be conducted annually, and the need for agencies to implement corresponding written policies and

NORTHUMBERLAND COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT FINDING AND RECOMMENDATIONS

procedures, as a result of cites issued in our prior three engagement reports, for the 2012-2013 and 2013-2014 fiscal years, the agency inappropriately used a time study conducted in 2005 to allocate general operating expenses. Furthermore, regarding the agency's allocation of general operating expenses for the 2015-2016 fiscal year, agency management informed us they chose to use the same time study they used to allocate general operating expenses for the 2014-2015 fiscal year because they concluded that the conduct of another time study was not necessary since formal organizational structures and work requirements had not changed from the 2014-2015 fiscal year in comparison to the 2015-2016 fiscal year. However, based on the DHS-OCYF guidance referenced in our Criteria section above, we disagree with the agency's conclusion.

Effect: The allocation of costs based on previously used time studies may result in the inappropriate allocation of the agency's general operating expenses among the various cost centers on the CY-370 Expenditure Reports submitted to the Department of Human Services for the 2012-2013, 2013-2014 and 2015-2016 fiscal years and, thus, the receipt of inappropriate amounts of Act 148 state reimbursements due to varying state reimbursement rates among the costs centers. Furthermore, the agency's failure to implement written policies and procedures establishing how and when time studies should be conducted may lead to inconsistencies in how the agency's general operating expenses are allocated on a year-to-year basis.

Recommendation: We again recommend that the Northumberland County Children and Youth Agency ensure that time studies are consistently conducted annually for a minimum of two weeks. We further recommend that the agency develop and implement written policies and procedures to ensure that time studies are conducted annually for a minimum of two weeks and details the process that should be used to conduct these time studies.

Agency Management Response: A two-week time study was conducted with the Northumberland County C & Y staff from February 26 to March 9, 2018. The results were compiled and will be used for the 2018-2019 fiscal year. Time studies will be done yearly going forward.

Auditor's Conclusion: We commend the agency on its corrective action plan with respect to the conduct of annual time studies, and during our next engagement we will determine whether annual time studies are being conducted as required and whether appropriate written policies and procedures have been developed and implemented.

NORTHUMBERLAND COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT FINDING AND RECOMMENDATIONS

Finding No. 2 – The Northumberland County Children and Youth Agency Should Develop and Implement Internal Control Policies and Procedures in Order to Reduce the Risk of Paying Overbillings or Fraudulent Billings by Contracted In-Home Purchased Service Providers

Condition: During the 2012-2013, 2013-2014, 2014-2015, and 2015-2016 fiscal years, the Northumberland County Children and Youth Agency (agency) paid contracted In-Home Purchased Service providers¹ (providers) a total of \$564,966² for services rendered directly to at-risk children and their families. While agency management stated that the agency performed control procedures to reduce the risk of paying overbillings or fraudulent billings included on invoices submitted by these providers, we determined these procedures were not strong enough to provide reasonable assurance that contracted In-Home Purchased Services were actually provided, and if provided, provided for the number of units invoiced for each listed individual and in adherence to the requirements of the respective provider’s executed contract terms. In addition, agency management has not formally adopted written internal control policies and procedures, or documented and maintained evidence of the performance of control procedures related to reducing the risk of paying overbillings or fraudulent billings submitted by these providers.

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 3140-13-01, applicable for fiscal year ended 6/30/2013; Bulletin 3140-13-05, applicable for fiscal year ended*

¹ Agency management stated that 13 providers were utilized during the 2012-2013, 2013-2014, 2014-2015, and 2015-2016 fiscal years. Due to the amount of time it would have taken, based on how agency records are maintained, we did not verify the accuracy of this number, which is included for contextual purposes only. However, we did perform procedures to obtain reasonable assurance that the agency paid In-Home Purchased Service Providers a total of \$685,644 during the noted engagement scope period.

² When evaluating the agency’s internal control procedures over its invoice review and approval process, we excluded Juvenile Act Proceedings costs and/or Adoption Assistance costs totaling \$120,678 from the \$685,644 total the agency paid to contracted In-Home Purchased Service providers during our engagement scope period because, due to the nature of these costs, they are not subject to the same risks as costs invoiced by In-Home Purchased Service Providers rendering services directly to at-risk children and their families.

NORTHUMBERLAND COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT FINDING AND RECOMMENDATIONS

6/30/2014; Bulletin 3140-14-02, applicable for fiscal year ended 6/30/15; and Bulletin 3140-15-02 applicable for fiscal year ended 6/30/16: 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.”
- *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 thought the invoice review and approval procedures performed during the engagement fiscal years were sufficient. These procedures included comparing invoices to placement forms completed by agency caseworkers and also comparing the invoices to an Excel data base which consists of names of the children, where the children are placed, days and rates charged per month and the totals, certificate numbers, and unit identifications. If the invoice information matched the placement forms and data base, the invoice would be approved for payment. However, we determined that the performance of these procedures

NORTHUMBERLAND COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT FINDING AND RECOMMENDATIONS

alone does not provide reasonable assurance that the contracted In-Home Purchased Services were actually provided to each individual listed on submitted invoices, and if provided, were provided for the number of units invoiced and in adherence to the requirements of the respective provider's executed contract terms.

Effect: The agency's lack of control procedures to obtain reasonable assurance that contracted In-Home Purchased Services were actually provided, and if provided, provided for the number of units invoiced for each listed individual, along with its lack of written, formally adopted internal control policies and procedures over its invoice review and approval process designed to obtain this reasonable assurance, increases agency management's risk of:

- Failure to detect fraudulent or erroneous billings (invoices).by these In-Home providers billings (invoices).
- Failure to prevent or detect improper payments for such invoices.
- Inappropriately billing the Commonwealth DHS for such improper payments.
- Receipt of Act 148 funds to which the agency may not be entitled.

Recommendation: We recommend that agency management strengthen its invoice review and approval control procedures by implementing procedures designed to reduce its risk of paying overbillings and fraudulent billings submitted by In-Home Purchased Service providers and formally adopt and issue corresponding written policies and procedures. We recommend that agency management ensure that such policies and procedures are adequate to obtain reasonable assurance that the services related to the fees invoiced by contracted In-Home Purchased Service providers were actually provided, and provided in adherence to executed contract terms. 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 internal control procedures, including fiscal-related In-Home monitoring procedures, that must be performed to reduce the agency's risk of paying overbillings or fraudulent billings by In-Home Purchased Service providers. The implemented fiscal-related monitoring procedures must be sufficient to assess the validity of the number of units invoiced by Fee-for-Service providers.
- 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, including assessing the validity of the number of units invoiced by Fee-for-Service providers, and that related services were actually provided according to executed contract terms.

NORTHUMBERLAND COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT FINDING AND RECOMMENDATIONS

- Requiring In-Home Purchased Services providers, as deemed necessary by agency management, to submit substantiation evidencing that services related to invoiced In-Home Purchased Services costs were actually provided.³
- Ensuring that agency staff responsible for reviewing and approving these submitted invoices for payment are made aware of the results of monitoring reviews of these respective providers and, for any such providers for which significant documentation deficiencies have been identified, the impact on the agency's invoice review and approval process for these providers.

We further recommend that the agency maintain sufficient evidence documenting 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 and to reduce the risk of overbillings and fraudulent billings by contracted In-Home Purchased Services providers going undetected.

Agency Management Response: Effective July 25, 2018, the following procedures will be conducted for monitoring the contracts of all Northumberland County Children and Youth in-home services. The purpose of this monitoring is to assure quality of care of services, quality of care as authorized, assurance of delivery of services, and accuracy of costs as contracted. Monitoring for commonly used providers should occur in each fiscal year:

Preparation

1. Schedule monitoring
2. Send a blank copy of the Monitoring Tool to provider.
3. Choose the month/months to review.
4. Prepare list of case files for review to send to provider.
5. Prepare draft copy of monitoring tool with selected files.
6. Obtain a copy of invoice from fiscal department.
7. Send list of case files to providers at least 2 days prior to scheduled site visit.

Monitoring

1. Supervisor will have a brief discussion with provider.
2. Case review will include the following:
 - a. Service delivery as described in the program description

³ For any Program-Funded providers, fiscal-related monitoring should include substantiation of the provider's operating costs invoiced to the agency.

NORTHUMBERLAND COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT FINDING AND RECOMMENDATIONS

- b. Frequency of direct contacts, reports
- c. Documentation of delivery of services
- d. Billing compliance with service requirements.
- e. Conclusion-brief discussion with provider of concerns or findings.

Report

1. Draft report of on-site monitoring will be prepared.
2. Report will be sent to provider who will be given 15 days to respond to any questions or findings.
3. Provider will provide a plan of correction, provide comments and answer any questions from the monitoring within the 15 days.
4. Follow up by Northumberland County Children and Youth if needed.
5. Reviews/Reports for monitoring commonly used in-home providers should occur at least yearly. The tools, monitoring results, and communications will be kept in the CYS contract file.

Auditor's Conclusion: We commend Northumberland County Children and Youth Services management on acknowledging the deficiencies that existed in the agency's invoice review and approval process for In-Home Purchased Services providers during the fiscal years included in our engagement scope period, and their efforts to develop and implement formal, written fiscal-related monitoring policy and procedures for these contracted In-Home Purchased Services providers. During our next audit of the agency, we will review and determine whether the agency implemented monitoring policy and procedures are adequate to reduce the agency's risk of overbillings and fraudulent billings submitted by contracted In-Home Purchased Services providers going undetected.

SECTION 7

CURRENT ENGAGEMENT OBSERVATION

NORTHUMBERLAND 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 Law⁴ (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).⁵ 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,⁶ 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 Northumberland County Children and Youth Agency provided in-home and placement services to 2,121 children residing within the County during the 2016-2017 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,

⁴ 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>

⁵ 23 Pa.C.S. §§ 6344 and 6344.2.

⁶ This is detailed in the Commonwealth of Pennsylvania Single Audit Reports (most recently for the fiscal year ended June 30, 2017, via Finding 2017-012).

NORTHUMBERLAND 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 management of C&Y agencies during the course of recently conducted audit engagements, we have found that the agency management staffs of some 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 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 some 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.⁷ 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.

⁷ 23 Pa.C.S. § 6344.4.

NORTHUMBERLAND COUNTY CHILDREN AND YOUTH AGENCY
CURRENT ENGAGEMENT OBSERVATION

It is also important to note that DHS senior management staff provided a response to our concerns detailed above in a February 2018 letter , affirming their assertion that, because DHS has no contractual relationship with these providers in these circumstances, the ability and responsibility to monitor private providers' (which includes contracted in-home preventative service providers and their sub-recipients) to ensure adherence to the requirements of the CPSL falls to the C&Y agencies contracting with these providers, as does the responsibility to take appropriate action when they do not comply.

DHS senior management staff's response further stated that DHS recognizes that they are responsible for communicating contract monitoring expectations to the C&Y agencies and for implementing a method to ensure that contract monitoring is being performed adequately. DHS' OCYF has communicated DHS' expectation that C&Y agencies must monitor these private providers' compliance with the requirements of the CPSL and has reiterated this expectation during quarterly Pennsylvania Children and Youth Administrators (PCYA) meetings held between June 2016 and October 2017 and in general guidance regarding contract monitoring efforts included in OCYF Bulletins issued for the 2017-18 and 2018-19 fiscal years. DHS' response also stated that OCYF will issue additional guidance in its Needs-Based Plan and Budget instructions for this year to emphasize adherence to the CPSL requirements for these providers as part of the C&Y agencies' monitoring expectations.

Finally, DHS' response stated that DHS will address the adequacy of C&Y agencies' monitoring through the July 2019 version of the DHS Single Audit Supplement (SAS). DHS will develop and require through the SAS a schedule that captures the details of each C&Y agency's monitoring efforts, including a listing of these private providers, whether they were monitored, and whether there were any CPSL violations identified. The schedule will be submitted with the respective county's annual single audit report and will be subject to an Agreed Upon Procedures (AUP) engagement. DHS will also provide technical assistance to any C&Y agency that needs improvement.

Auditor's Conclusion: We commend DHS management for acknowledging the seriousness of the risks to children's safety resulting from the significant control deficiencies we identified. We will continue to monitor the adequacy of measures taken by DHS to monitor and address C&Y agencies' compliance with the requirements of the CPSL.

NORTHUMBERLAND COUNTY CHILDREN AND YOUTH AGENCY
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