

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

Washington County Children and Youth Agency

October 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 Washington County
Washington 702 Courthouse Square
100 West Beau Street
Washington, PA 15301

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 Washington County Children and Youth Agency (agency), legally known as Washington 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, 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 residing within Washington 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 three adjustments being made to the agency's submitted fiscal reports. These adjustments in total impacted the agency's Final Net State Share by decreasing agency expenditures by \$65,892, and decreasing nonreimbursable expenditures by \$62,193. Based on the application of the state participation rates, the three adjustments impacting the agency's Final Net State Share Payable resulted in an amount due to the state totaling \$12,478. All three adjustments are detailed in our amended fiscal reports for fiscal year 2012-2013, as included in Section 1 of this report.
- **For the 2013-2014 fiscal year**, our engagement resulted in four adjustments being made to the agency's submitted fiscal reports. These adjustments in total impacted the agency's Final Net State Share by decreasing agency expenditures by \$83,322, and decreasing nonreimbursable expenditures by \$105,169. Based on the application of the state participation rates, the four adjustments impacting the agency's Final Net State Share Payable resulted in an amount due to the county totaling \$6,905. All four adjustments are detailed in our amended fiscal reports for fiscal year 2013-2014, as included in Section 2 of this report.
- **For the 2014-2015 fiscal year**, our engagement resulted in four adjustments being made to the agency's submitted fiscal reports. These adjustments in total impacted the agency's Final Net State Share by decreasing agency expenditures by \$111,978, and decreasing nonreimbursable expenditures by \$142. Based on the application of the state participation rates, the four adjustments impacting the agency's Final Net State Share Payable resulted in an amount due to the state totaling \$75,042. All four adjustments are detailed in our amended fiscal reports for fiscal year 2014-2015, as included in Section 3 of this report.
- **For the 2015-2016 fiscal year**, our engagement resulted in five adjustments being made to the agency's submitted fiscal reports. These adjustments in total impacted the agency's Final Net State Share by decreasing agency expenditures by \$382 and increasing nonreimbursable expenditures by \$6,759. Based on the application of the state participation rates, the five adjustments impacting the agency's Final Net State Share Payable resulted in an amount due to the county totaling \$12,261. All five adjustments are 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 complied with three of the four findings included in our prior released audit report, as detailed in Section 5 of this report.

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, and as detailed in Section 6 of this report.

Finding No. 1 – The Washington 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

In addition, we conducted additional procedures beyond those necessary to ascertain and certify the total Commonwealth expenditures paid on behalf of children residing within the county in order to determine whether the agency complied with certain DHS regulations. An instance of noncompliance that we identified is included in Finding No. 2 listed below and as detailed in Section 6 of this report.

Finding No. 2- Noncompliance - The Washington County Children and Youth Agency Failed to Perform Annual Physical Inventories of Fixed Assets.

Furthermore, we updated our Child Protective Services Law Observation to include DHS management's current and planned corrective actions in response to our concerns, as listed below and detailed in Section 7 of this report.

The results of our engagement procedures, as presented in this report, were discussed with agency management at an exit conference held on September 21, 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 Washington County Children and Youth Agency.

Sincerely,



Eugene A. DePasquale
Auditor General

October 3, 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 Washington County Children and Youth Agency provided in-home and placement services to 2,666 children residing within the County during the 2015-2016 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

**WASHINGTON 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		\$	10,680,280
Supplemental Act 148			<u>1,882,678</u>
Total State Allocation			12,562,958
State Share (CY348) ²	\$		12,550,480
Less: Major Service Category Adjustment			<u>0</u>
Net State Share		\$	12,550,480
Less: Expenditures in Excess of the Approved State Allocation			<u>0</u>
Final Net State Share Payable ³		\$	12,550,480
Actual Act 148 Revenues Received ⁴			<u>12,562,958</u>
Net Amount Due County/(State) ⁵		\$	<u><u>(12,478)</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.

WASHINGTON 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	226,347	0	29,138	0	0	0	0	0	197,209	197,209	0
02. 90% REIMBURSEMENT	747,122	0	109,994	0	0	0	0	0	637,128	573,416	63,712
03. 80% REIMBURSEMENT	15,486,452	276,956	2,726,181	526,707	0	0	0	0	11,956,608	9,565,287	2,391,321
04. 60% REIMBURSEMENT	4,059,176	69,195	468,892	0	166,755	49,648	0	10,614	3,294,072	1,976,443	1,317,629
05. 50% REIMBURSEMENT	476,750	0	502	0	0	0	0	0	476,248	238,125	238,123
06. TOTAL NET CHILD WELFARE EXPEND.	20,995,847	346,151	3,334,707	526,707	166,755	49,648	0	10,614	16,561,265	12,550,480	4,010,785
YDC/YFC PLACEMENT COSTS											
07. 60% DHS PARTICIPATION	624,565	0							624,565	374,739	249,826
08. NON-REIMBURSABLE EXPENDITURES	817,735	0							817,735		817,735
09. TOTAL EXPENDITURES	22,438,147	346,151	3,334,707	526,707	166,755	49,648	0	10,614	18,003,565	12,925,219	5,078,346
10. TOTAL TITLE IV-D COLLECTIONS	109,344										
11. TITLE IV-D Collections for IV-E Children	30,205										
12. STATE ACT 148 - line 6	12,550,480										
13. STATE ACT 148 ALLOCATION	12,562,958										
14. ADJUSTED STATE SHARE (lower of 12 or 13)	12,550,480										
INVOICE											
AMENDED STATE SHARE (ACT 148)	12,550,480										
ACT 148 AMOUNT RECEIVED	12,562,958										
ADJUSTMENT TO STATE SHARE	(12,478)										

WASHINGTON 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	226,347	0		29,138	0			0	0	197,209	197,209	0
1-B ADOPTION ASSISTANCE	2,796,647	0	1,137,982	1,789						1,656,876	1,325,501	331,375
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	489,988	0	39,000							450,988	360,790	90,198
1-D COUNSELING - DEPENDENT	885,138	43,448		13,253	188,272	0	0	0	0	640,165	512,132	128,033
1-E COUNSELING - DELINQUENT	111,390	0		0	31,122	0	0	0	0	80,268	64,214	16,054
1-F DAY CARE	0	0		0	0	0	0	0	0	0	0	0
1-G DAY TREATMENT - DEPENDENT	231,642	0		0	90,912	0	0	0	0	140,730	112,584	28,146
1-H DAY TREATMENT - DELINQUENT	498,044	0		0	0	0	0	0	0	498,044	398,435	99,609
1-I HOMEMAKER SERVICE	39,897	5,215		1,316	0	0	0	0	0	33,366	26,693	6,673
1-J INTAKE & REFERRAL	103,987	16,509		13,389	0	0	0	0	0	74,089	59,271	14,818
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	628,224	12,165		80,502	0	0	0	0	0	535,557	428,446	107,111
1-N PROTECTIVE SERVICE - GENERAL	3,218,054	12,166		352,740	216,401	0	0	0	0	2,636,747	2,109,398	527,349
1-O SERVICE PLANNING	52,900	0		6,809	0	0	0	0	0	46,091	36,873	9,218
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT	141,146	0		435	0	0	0	0	0	140,711	70,356	70,355
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT	15,269	0		67	0	0	0	0	0	15,202	7,601	7,601
SUBTOTAL IN-HOME	9,438,673	89,503	1,176,982	499,438	526,707	0	0	0	0	7,146,043	5,709,503	1,436,540

COMMUNITY BASED PLACEMENT	REVENUE SOURCES											
	1	2	3	4	5	6	7	8	9	10	11	12
	TOTAL REIMBURSABLE EXPENDITURES	PROGRAM INCOME	TITLE IV-E MAINTENANCE	TITLE IV-E ADMIN.	TANF	TITLE XX	TITLE IV-B	OTHER FUNDING	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE
2-A ALTERNATIVE TREATMENT - DEPENDENT	0	0		0	0	0	0	0	0	0	0	0
2-B ALTERNATIVE TREATMENT - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
2-C COMMUNITY RESIDENTIAL - DEPENDENT	1,983,393	22,164		13,295						1,668,577	1,334,862	333,715
2-D COMMUNITY RESIDENTIAL - DELINQUENT	1,224,494	0		227,932						996,562	797,250	199,312
2-E EMERGENCY SHELTER - DEPENDENT	516,059	0		40,906	37,540	0	0	0	0	437,613	393,852	43,761
2-F EMERGENCY SHELTER - DELINQUENT	231,063	0		31,548	0	0	0	0	0	199,515	179,564	19,951
2-G FOSTER FAMILY - DEPENDENT	3,216,682	165,262		298,002	260,815	0	0	0	0	2,492,603	1,994,082	498,521
2-H FOSTER FAMILY - DELINQUENT	5,972	27		0	0	0	0	0	0	5,945	4,756	1,189
2-I SUP. INDEPENDENT LIVING - DEPENDENT	0	0		0	0	0	0	0	0	0	0	0
2-J SUP. INDEPENDENT LIVING - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
SUBTOTAL CBP	7,177,663	187,453	877,745	311,650	0	0	0	0	0	5,800,815	4,704,366	1,096,449

INSTITUTIONAL PLACEMENT	REVENUE SOURCES											
	1	2	3	4	5	6	7	8	9	10	11	12
	TOTAL REIMBURSABLE EXPENDITURES	PROGRAM INCOME	TITLE IV-E MAINTENANCE	TITLE IV-E ADMIN.	TANF	TITLE XX	TITLE IV-B	OTHER FUNDING	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE
3-A JUVENILE DETENTION SERVICE	320,335	0								320,335	160,168	160,167
3-B RESIDENTIAL SERVICE - DEPENDENT	413,900	65,136		67,897	3	166,755	49,648	0	0	64,461	38,677	25,784
3-C RES. SERVICE - DELINQUENT (NON YDC/YFC)	1,333,464	4,059		295,985	0	0	0	0	0	1,033,420	620,052	413,368
3-D SECURE RES. SERVICE (EXCEPT YDC)	1,434,002	0								1,434,002	860,401	573,601
3-E YDC SECURE	624,565	0								624,565	374,739	249,826
SUBTOTAL INSTITUTIONAL	4,126,266	69,195	363,882	3	0	166,755	49,648	0	0	3,476,783	2,084,037	1,422,746
4 ADMINISTRATION	877,810	0		105,007	0	0	0	0	10,614	762,189	457,313	304,876
TOTAL REVENUES	21,620,412	346,151	2,418,609	916,098	526,707	166,755	49,648	0	10,614	17,185,830	12,925,219	4,260,611

WASHINGTON 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												
I-A ADOPTION SERVICE	134,233	58,505		33,789	0	0	226,527	0	0	180	0	0
I-B ADOPTION ASSISTANCE	0	2,796,647	0	0	0	0	2,796,647	0	405	0	0	0
I-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	0	0	489,988	0	0	0	489,988	0	71	0	0	0
I-D COUNSELING - DEPENDENT	66,444	29,215		7,480	782,087	0	885,226	0	357	88	0	0
I-E COUNSELING - DELINQUENT	0	0		448	110,942	0	111,390	0	69	0	0	0
I-F DAY CARE	0	0		0	0	0	0	0	0	0	0	0
I-G DAY TREATMENT - DEPENDENT	0	0		0	231,642	0	231,642	0	78	0	0	0
I-H DAY TREATMENT - DELINQUENT	0	0		0	498,044	0	498,044	0	133	0	0	0
I-I HOMEMAKER SERVICE	19,496	7,351		2,775	10,275	0	39,897	0	20	0	0	0
I-J INTAKE & REFERRAL	66,412	29,099		8,564	0	0	104,075	450	0	88	0	0
I-K LIFE SKILLS - DEPENDENT	0	0		0	0	0	0	0	0	0	0	0
I-L LIFE SKILLS - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
I-M PROTECTIVE SERVICE - CHILD ABUSE	398,640	175,275		52,511	2,025	305	628,756	640	2	532	0	0
I-N PROTECTIVE SERVICE - GENERAL	1,692,107	745,414		327,607	467,581	0	3,232,709	3,026	1,246	2,263	12,392	0
I-O SERVICE PLANNING	33,223	14,595		5,126	0	0	52,944	0	44	0	0	0
I-P JUVENILE ACT PROCEEDINGS - DEPENDENT				5,202	394,645		399,847	0	446	0	258,701	0
I-Q JUVENILE ACT PROCEEDINGS - DELINQUENT				14,889	380		15,269	0	1	0	0	0
I-R SUBTOTAL IN-HOME	2,410,555	1,059,454	3,286,635	458,391	2,497,621	305	9,712,961			3,195	271,093	0
Number of Children receiving only NON-PURCHASED IN-HOME Services												
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	66,716	29,147		12,502	2,024,348	0	2,132,713	9,562	74	88	149,232	0
2-D COMMUNITY RESIDENTIAL - DELINQUENT	0	0		2,808	1,221,686	0	1,224,494	6,079	53	0	0	0
2-E EMERGENCY SHELTER - DEPENDENT	132,861	58,502		23,128	318,635	0	533,126	5,204	213	1,161	15,906	0
2-F EMERGENCY SHELTER - DELINQUENT	0	0		487	230,576	0	231,063	1,090	68	0	0	0
2-G FOSTER FAMILY - DEPENDENT	531,001	233,757		206,161	2,545,571	10,518	3,527,008	68,875	362	26,955	283,371	0
2-H FOSTER FAMILY - DELINQUENT	0	0		0	5,972	0	5,972	94	1	0	0	0
2-I SUP. INDEPENDENT LIVING - DEPENDENT	0	0		0	0	0	0	0	0	0	0	0
2-J SUP. INDEPENDENT LIVING - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0
2-K SUBTOTAL CBP	730,578	321,406	0	245,086	6,346,788	10,518	7,654,376	90,904	771	28,204	448,509	0
ADMINISTRATION	199,646	105,371	0	638,766	0	761	944,544			66,734	0	0
TOTAL EXPENDITURES	3,340,779	1,486,231	3,286,635	1,357,147	12,955,771	11,584	22,438,147			98,133	719,602	0
County Indirect Costs = \$ 539,897												

**WASHINGTON 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	\$ 228,580	\$ (2,053)	\$ 226,527
Adoption Assistance	2,796,647	0	2,796,647
Subsidized Permanent Legal Custodianship	489,988	0	489,988
Counseling	997,642	(1,026)	996,616
Day Care	0	0	0
Day Treatment	729,686	0	729,686
Homemaker Service	39,897	0	39,897
Intake and Referral	105,101	(1,026)	104,075
Life Skills	0	0	0
Protective Service - Child Abuse	634,912	(6,156)	628,756
Protective Service - General	3,258,870	(26,161)	3,232,709
Service Planning	53,457	(513)	52,944
Juvenile Act Proceedings	415,116	0	415,116
Alternative Treatment	0	0	0
Community Residential	3,358,233	(1,026)	3,357,207
Emergency Shelter	766,241	(2,052)	764,189
Foster Family	3,541,188	(8,208)	3,532,980
Supervised Independent Living	0	0	0
Juvenile Detention Service	320,335	0	320,335
Residential Service	1,747,364	0	1,747,364
Secure Residential Service (Except YDC)	1,434,002	0	1,434,002
YDC Secure	624,565	0	624,565
Administration	962,215	(17,671)	944,544
Combined Total Expense	<u>22,504,039</u>	<u>(65,892)</u>	<u>22,438,147</u>
Less Non-reimbursables	<u>879,928</u>	<u>(62,193)</u>	<u>817,735</u>
Total Net Expense	<u>\$ 21,624,111</u>	<u>\$ (3,699)</u>	<u>\$ 21,620,412</u>

OBJECTS OF EXPENDITURE	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Wages and Salaries	\$ 3,340,779	\$ 0	\$ 3,340,779
Employee Benefits	1,486,231	0	1,486,231
Subsidies	3,286,635	0	3,286,635
Operating	1,423,039	(65,892)	1,357,147
Purchased Services	12,955,771	0	12,955,771
Fixed Assets	11,584	0	11,584
Combined Total Expense	<u>22,504,039</u>	<u>(65,892)</u>	<u>22,438,147</u>
Less Non-reimbursables	<u>879,928</u>	<u>(62,193)</u>	<u>817,735</u>
Total Net Expense	<u>\$ 21,624,111</u>	<u>\$ (3,699)</u>	<u>\$ 21,620,412</u>

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

REPORT REFERENCE			ADJ. NO.	EXPLANATION OF ADJUSTMENTS	AS REPORTED OR ADJUSTED	INCREASE/ (DECREASE)	ADJUSTED TOTAL
SCHEDULE	LINE	COLUMN					
CY-370	4	4	1	<p style="text-align: center;">CY-370 Adjustments</p> <p>Administration - Operating</p> <p>To decrease Administration-Operating expenditures by a net amount of \$14,596 to reconcile to the County Cost Allocation Plan and properly report Indirect Costs. The Indirect Costs reported in Administration were overstated by \$65,892 for retiree health benefit costs, which are unallowable. Also, the Indirect Costs reported in the Administration were understated by \$51,296 for occupancy costs that were erroneously removed and reclassified as direct occupancy costs, as further detailed in adjustment #2 below. Thus, the summation of the overstatement of \$65,892 and understatement of \$51,296 resulted in a net adjustment of \$14,596.</p> <p>Title 55 PA Code, Chapter 3170.60 OCYF Bulletin 00-95-12</p>	\$ 656,437	\$ (14,596)	\$ 641,841
CY-370	1-A 1-D 1-J 1-M 1-N 1-O 2-C 2-E 2-G 4	4 4 4 4 4 4 4 4 4 4	2	<p>Adoption Service - Operating</p> <p>Counseling - Dependent - Operating</p> <p>Intake & Referral - Operating</p> <p>Protective Service - Child Abuse - Operating</p> <p>Protective Service - General - Operating</p> <p>Service Planning - Operating</p> <p>Community Residential - Dependent - Operating</p> <p>Emergency Shelter - Dependent - Operating</p> <p>Foster Family - Dependent - Operating</p> <p>Administration - Operating</p> <p>Total Adjustment Amount</p> <p>To remove \$51,296 of Indirect Costs that were improperly direct charged as occupancy across the various cost centers. Indirect costs should be expensed in the Administration cost center only and be subject to the 2% cost limitation.</p> <p>Title 55 PA Code, Chapter 3170.60 OCYF Bulletin 00-95-12</p>	\$ 35,842 \$ 8,506 \$ 9,590 \$ 58,667 \$ 353,768 \$ 5,639 \$ 13,528 \$ 25,180 \$ 214,369 \$ 641,841	\$ (2,053) \$ (1,026) \$ (1,026) \$ (6,156) \$ (26,161) \$ (513) \$ (1,026) \$ (2,052) \$ (8,208) \$ (3,075) \$ (51,296)	\$ 33,789 \$ 7,480 \$ 8,564 \$ 52,511 \$ 327,607 \$ 5,126 \$ 12,502 \$ 23,128 \$ 206,161 \$ 638,766
CY-370	4	10	3	<p>Administration - Non-Reimbursable Non PS/Sub.</p> <p>To reduce the Non-Reimbursable Administration expenses, in the amount of \$62,193, to properly report the indirect costs that exceeded the 2% cost limitation.</p> <p>Title 55 PA Code, Chapter 3170.60 OCYF Bulletin 00-95-12</p>	\$ 128,927	\$ (62,193)	\$ 66,734

SECTION 2

AMENDED FISCAL REPORTS

FOR THE FISCAL YEAR:

JULY 1, 2013 to JUNE 30, 2014

**WASHINGTON 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		\$ 11,923,627
Supplemental Act 148		<u>0</u>
Total State Allocation		11,923,627
State Share (CY348) ²	\$ 11,783,784	
Less: Major Service Category Adjustment	<u>0</u>	
Net State Share		\$ 11,783,784
Less: Expenditures in Excess of the Approved State Allocation		<u>0</u>
Final Net State Share Payable ³		\$ 11,783,784
Actual Act 148 Revenues Received ⁴		<u>11,776,879</u>
Net Amount Due County/(State) ⁵		<u>\$ 6,905</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.

WASHINGTON 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	234,267	0	33,776	0	0	0	0	0	200,491	200,491	0
02. 90% REIMBURSEMENT	665,274	115	91,653	0	0	0	0	0	573,506	516,155	57,351
03. 80% REIMBURSEMENT	14,950,199	303,533	2,827,761	526,706	166,755	46,754	0	0	11,078,690	8,862,952	2,215,738
04. 60% REIMBURSEMENT	3,689,031	52,117	353,373	0	0	0	0	9,175	3,274,366	1,964,619	1,309,747
05. 50% REIMBURSEMENT	479,436	0	303	0	0	0	0	0	479,133	239,567	239,566
06. TOTAL NET CHILD WELFARE EXPEND.	20,018,207	355,765	3,306,866	526,706	166,755	46,754	0	9,175	15,606,186	11,783,784	3,822,402

YDC/YFC PLACEMENT COSTS											
07. 60% DHS PARTICIPATION	262,393	0							262,393	157,436	104,957

08. NON-REIMBURSABLE EXPENDITURES	379,742	0							379,742		379,742
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09. TOTAL EXPENDITURES	20,660,342	355,765	3,306,866	526,706	166,755	46,754	0	9,175	16,248,321	11,941,220	4,307,101
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10. TOTAL TITLE IV-D COLLECTIONS 77,244

11. TITLE IV-D Collections for IV-E Children 25,526

12. STATE ACT 148 - line 6 11,783,784

13. STATE ACT 148 ALLOCATION 11,923,627

14. ADJUSTED STATE SHARE (lower of 12 or 13) 11,783,784

INVOICE											
AMENDED STATE SHARE (ACT 148)	11,783,784										
ACT 148 AMOUNT RECEIVED	11,776,879										
ADJUSTMENT TO STATE SHARE	6,905										

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

MAJOR SERVICE CATEGORIES & COST CENTERS	REVENUE SOURCES												
	1	2	3	4	5	6	7	8	9	10	11	12	
	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	234,267	0		33,776	0			0	0	200,491	200,491	0	
1-B ADOPTION ASSISTANCE	3,018,262	0	1,181,701	6,161				0	0	1,830,400	1,464,320	366,080	
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	473,494	0	51,956					0	0	421,538	337,230	84,308	
1-D COUNSELING - DEPENDENT	785,528	46,876		15,317	231,909			0	0	491,426	393,141	98,285	
1-E COUNSELING - DELINQUENT	33,372	0		2	16,015			0	0	17,355	13,884	3,471	
1-F DAY CARE	0	0						0	0	0	0	0	
1-G DAY TREATMENT - DEPENDENT	93,535	0			49,573			0	0	43,962	35,170	8,792	
1-H DAY TREATMENT - DELINQUENT	488,845	0						0	0	488,845	391,076	97,769	
1-I HOMEMAKER SERVICE	1,787	1,787						0	0	0	0	0	
1-J INTAKE & REFERRAL	108,177	16,508		15,609				0	0	76,060	60,848	15,212	
1-K LIFE SKILLS - DEPENDENT	0	0						0	0	0	0	0	
1-L LIFE SKILLS - DELINQUENT	0	0						0	0	0	0	0	
1-M PROTECTIVE SERVICE - CHILD ABUSE	686,815	0		93,117				0	0	593,698	474,958	118,740	
1-N PROTECTIVE SERVICE - GENERAL	3,282,570	24,331		408,436	229,209			0	0	2,620,594	2,096,475	524,119	
1-O SERVICE PLANNING	52,918	0			7,638			0	0	45,280	36,224	9,056	
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT	124,975	0		303				0	0	124,672	62,336	62,336	
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT	14,031	0						0	0	14,031	7,016	7,015	
SUBTOTAL IN-HOME	9,398,576	89,502	1,233,657	580,359	526,706	0	0	0	0	6,968,352	5,573,169	1,395,183	
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	
2-B ALTERNATIVE TREATMENT - DELINQUENT	0	0		0				0	0	0	0	0	
2-C COMMUNITY RESIDENTIAL - DEPENDENT	929,987	20,601	155,073	15,396				0	0	738,917	591,134	147,783	
2-D COMMUNITY RESIDENTIAL - DELINQUENT	1,402,750	2,931	116,215					0	0	1,283,604	1,026,883	256,721	
2-E EMERGENCY SHELTER - DEPENDENT	449,751	115	31,081	36,988				0	0	381,567	343,410	38,157	
2-F EMERGENCY SHELTER - DELINQUENT	215,523	0	23,584					0	0	191,939	172,745	19,194	
2-G FOSTER FAMILY - DEPENDENT	3,592,159	190,499	450,624	310,516		166,755	46,754	0	0	2,427,011	1,941,609	485,402	
2-H FOSTER FAMILY - DELINQUENT	0	0	0	0				0	0	0	0	0	
2-I SUP. INDEPENDENT LIVING - DEPENDENT	0	0	0	0				0	0	0	0	0	
2-J SUP. INDEPENDENT LIVING - DELINQUENT	0	0	0	0				0	0	0	0	0	
2-K SUBTOTAL CBP	6,590,170	214,146	776,577	362,900	0	166,755	46,754	0	0	5,023,038	4,075,781	947,257	
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	340,430	0						0	0	340,430	170,215	170,215	
3-B RESIDENTIAL SERVICE - DEPENDENT	338,267	28,361	63,356	0				0	0	246,550	147,930	98,620	
3-C RES. SERVICE - DELINQUENT (NON YDC/YFC)	1,212,763	23,756	173,098	20				0	0	1,015,889	609,533	406,356	
3-D SECURE RES. SERVICE (EXCEPT YDC)	1,272,109	0						0	0	1,272,109	763,265	508,844	
3-E YDC SECURE	262,393	0						0	0	262,393	157,436	104,957	
3-F SUBTOTAL INSTITUTIONAL	3,425,962	52,117	236,454	20	0	0	0	0	0	3,137,371	1,848,379	1,288,992	
4 ADMINISTRATION	865,892	0		116,899				0	0	9,175	739,818	443,891	295,927
TOTAL REVENUES	20,280,600	355,765	2,246,688	1,060,178	526,706	166,755	46,754	0	9,175	15,868,579	11,941,220	3,927,359	

WASHINGTON 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 WAGES AND SALARIES	2 EMPLOYEE BENEFITS	3 SUBSIDIES	4 OPERATING	5 PURCHASED SERVICES	6 FIXED ASSETS	7 TOTAL EXPENDITURES	8 Children Served (by county)	9 Children Served (Purchased)	10 Non- Reimbursable Non PS/Sub.	11 Non-Rem. Purchased Serv/ Subsidies	12 Program Income related to all Non- Reimbursable
IN-HOME												
1-A ADOPTION SERVICE	134,711	61,375		36,492	0	1,691	234,269	0	0	2	0	0
1-B ADOPTION ASSISTANCE	0	0	3,018,262	0	0	0	3,018,262	0	454	0	0	0
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	0	0	473,494	0	0	0	473,494	0	69	0	0	0
1-D COUNSELING - DEPENDENT	66,540	30,445	8,274	679,423	846	0	785,528	0	291	0	0	0
1-E COUNSELING - DELINQUENT	0	0	11	33,361	0	0	33,372	0	23	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	93,535	0	0	93,535	0	38	0	0	0
1-H DAY TREATMENT - DELINQUENT	0	0	0	488,845	0	0	488,845	0	146	0	0	0
1-I HOMEMAKER SERVICE	0	0	0	1,787	0	0	1,787	0	13	0	0	0
1-J INTAKE & REFERRAL	67,192	30,496	9,643	0	846	0	108,177	661	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	399,231	182,669	58,175	41,667	5,073	0	686,815	584	129	0	0	0
1-N PROTECTIVE SERVICE - GENERAL	1,694,168	776,694	348,876	441,329	21,560	0	3,282,627	3,062	1,405	57	0	0
1-O SERVICE PLANNING	33,269	15,220	4,006	0	423	0	52,918	0	0	0	0	0
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT			5,065	334,712			339,777	0	355	0	214,802	0
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT			14,031	0			14,031	0	0	0	0	0
SUBTOTAL IN-HOME	2,395,111	1,096,899	3,491,756	484,573	2,114,659	30,439	9,613,437			59	214,802	0
Number of Children receiving only NON-PURCHASED IN-Home Services												
COMMUNITY BASED PLACEMENT						2,795						
2-A ALTERNATIVE TREATMENT - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
2-B ALTERNATIVE TREATMENT - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-C COMMUNITY RESIDENTIAL - DEPENDENT	66,798	30,470	11,577	899,808	846	0	1,009,499	4,335	38	0	79,512	0
2-D COMMUNITY RESIDENTIAL - DELINQUENT	0	0	2,644	1,400,106	0	0	1,402,750	7,342	59	0	0	0
2-E EMERGENCY SHELTER - DEPENDENT	133,404	61,538	18,745	234,373	1,691	0	449,751	4,280	169	0	0	0
2-F EMERGENCY SHELTER - DELINQUENT	0	0	761	214,762	0	0	215,523	998	62	0	0	0
2-G FOSTER FAMILY - DEPENDENT	531,396	243,674	193,182	2,629,202	6,764	0	3,604,218	69,386	370	9	12,050	0
2-H FOSTER FAMILY - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-I SUP. INDEPENDENT LIVING - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
2-J SUP. INDEPENDENT LIVING - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
SUBTOTAL CBP	731,598	335,682	226,909	5,378,251	9,301	0	6,681,741	86,341	698	9	91,562	0
INSTITUTIONAL PLACEMENT												
3-A JUVENILE DETENTION SERVICE	0	0	0	3,230	337,200	0	340,430	2,499	143	0	0	0
3-B RESIDENTIAL SERVICE - DEPENDENT	0	0	904	337,363	0	0	338,267	1,730	13	0	0	0
3-C RES. SERVICE - DELINQUENT (EXCEPT YDC/YFC)	0	0	1,308	1,211,455	0	0	1,212,763	6,308	60	0	0	0
3-D SECURE RES. SERVICE (EXCEPT YDC)	0	0	1,296	1,270,813	0	0	1,272,109	4,445	28	0	0	0
3-E YDC SECURE	0	0	0	262,393	0	0	262,393	527	2	0	0	0
SUBTOTAL INSTITUTIONAL	0	0	6,738	3,419,224	0	0	3,425,962	15,509	246	0	0	0
ADMINISTRATION	200,274	129,596	0	603,616	0	5,716	939,202			73,310	0	0
TOTAL EXPENDITURES	3,326,983	1,562,177	3,491,756	1,321,836	10,912,134	45,456	20,660,342			73,378	306,364	0
County Indirect Costs = \$ 540036												

**WASHINGTON 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	\$ 236,191	\$ (1,922)	\$ 234,269
Adoption Assistance	3,018,262	0	3,018,262
Subsidized Permanent Legal Custodianship	457,654	15,840	473,494
Counseling	818,661	239	818,900
Day Care	0	0	0
Day Treatment	582,380	0	582,380
Homemaker Service	1,787	0	1,787
Intake and Referral	109,138	(961)	108,177
Life Skills	0	0	0
Protective Service - Child Abuse	692,581	(5,766)	686,815
Protective Service - General	3,307,135	(24,508)	3,282,627
Service Planning	53,399	(481)	52,918
Juvenile Act Proceedings	353,808	0	353,808
Alternative Treatment	0	0	0
Community Residential	2,413,210	(961)	2,412,249
Emergency Shelter	667,196	(1,922)	665,274
Foster Family	3,611,907	(7,689)	3,604,218
Supervised Independent Living	0	0	0
Juvenile Detention Service	340,430	0	340,430
Residential Service	1,551,030	0	1,551,030
Secure Residential Service (Except YDC)	1,272,109	0	1,272,109
YDC Secure	262,393	0	262,393
Administration	994,393	(55,191)	939,202
Combined Total Expense	<u>20,743,664</u>	<u>(83,322)</u>	<u>20,660,342</u>
Less Non-reimbursables	<u>484,911</u>	<u>(105,169)</u>	<u>379,742</u>
Total Net Expense	<u>\$ 20,258,753</u>	<u>\$ 21,847</u>	<u>\$ 20,280,600</u>

OBJECTS OF EXPENDITURE	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Wages and Salaries	\$ 3,326,983	\$ 0	\$ 3,326,983
Employee Benefits	1,562,177	0	1,562,177
Subsidies	3,475,916	15,840	3,491,756
Operating	1,422,198	(100,362)	1,321,836
Purchased Services	10,910,934	1,200	10,912,134
Fixed Assets	45,456	0	45,456
Combined Total Expense	<u>20,743,664</u>	<u>(83,322)</u>	<u>20,660,342</u>
Less Non-reimbursables	<u>484,911</u>	<u>(105,169)</u>	<u>379,742</u>
Total Net Expense	<u>\$ 20,258,753</u>	<u>\$ 21,847</u>	<u>\$ 20,280,600</u>

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

REPORT REFERENCE			ADJ. NO.	EXPLANATION OF ADJUSTMENTS	AS REPORTED OR ADJUSTED	INCREASE/ (DECREASE)	ADJUSTED TOTAL
SCHEDULE	LINE	COLUMN					
CY-370	1-C	3	1	<p style="text-align: center;">CY-370 Adjustments</p> Subsidized Permanent Legal Custodianship - Subsidies Counseling - Dependent-Purchased Services	\$ 457,654	\$ 15,840	\$ 473,494
	1-D	5			To increase Subsidies by \$15,840 and Purchased Services by \$1,200 to reconcile to the agency's final ledger. Title 55 PA Code, Chapter 3170.95(a)(b)	\$ 678,223	\$ 1,200
						\$ 17,040	
CY-370	4	4	2	Administration-Operating To decrease Administration-Operating expenditures by a net amount of \$52,308 to reconcile to the County Cost Allocation Plan and properly report Indirect Costs. The Indirect Costs reported in Administration were overstated by \$100,362 for retiree health benefit costs, which are unallowable. Also, the Indirect Costs reported in Administration were understated by \$48,054 for occupancy costs that were erroneously removed and reclassified as direct occupancy costs, as further detailed in adjustment #3 below. Thus, the summation of the overstatement of \$100,362 and understatement of \$48,054 resulted in a net adjustment of \$52,308. Title 55 PA Code, Chapter 3170.60 OCYF Bulletin 00-95-12	\$ 658,807	\$ (52,308)	\$ 606,499
CY-370	1-A	4	3	Adoption Service - Operating	\$ 38,414	\$ (1,922)	\$ 36,492
	1-D	4		Counseling - Dependent - Operating	\$ 9,235	\$ (961)	\$ 8,274
	1-J	4		Intake & Referral - Operating	\$ 10,604	\$ (961)	\$ 9,643
	1-M	4		Protective Service - Child Abuse - Operating	\$ 63,941	\$ (5,766)	\$ 58,175
	1-N	4		Protective Service - General - Operating	\$ 373,384	\$ (24,508)	\$ 348,876
	1-O	4		Service Planning - Operating	\$ 4,487	\$ (481)	\$ 4,006
	2-C	4		Community Residential - Dependent - Operating	\$ 12,538	\$ (961)	\$ 11,577
	2-E	4		Emergency Shelter - Dependent - Operating	\$ 20,667	\$ (1,922)	\$ 18,745
	2-G	4		Foster Family - Dependent - Operating	\$ 200,871	\$ (7,689)	\$ 193,182
		4		Administration - Operating	\$ 606,499	\$ (2,883)	\$ 603,616
					Total Adjustment Amount		\$ (48,054)
			To remove \$48,054 of Indirect Costs that were improperly direct charged as occupancy across the various cost centers. Indirect costs should be expensed in the Administration cost center only and be subject to the 2% cost limitation. Title 55 PA Code, Chapter 3170.60 OCYF Bulletin 00-95-12				
CY-370	4	10	4	Administration - Non-Reimbursable Non PS/Sub. To reduce the Non-Reimbursable Administration expenses, in the amount of \$105,169, to properly report the indirect costs that exceeded the 2% cost limitation. Title 55 PA Code, Chapter 3170.60 OCYF Bulletin 00-95-12	\$ 178,479	\$ (105,169)	\$ 73,310

SECTION 3

AMENDED FISCAL REPORTS

FOR THE FISCAL YEAR:

JULY 1, 2014 to JUNE 30, 2015

**WASHINGTON 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		\$	14,287,678
Supplemental Act 148			<u>0</u>
Total State Allocation			14,287,678
State Share (CY348) ²	\$		11,785,695
Less: Major Service Category Adjustment			<u>0</u>
Net State Share		\$	11,785,695
Less: Expenditures in Excess of the Approved State Allocation			<u>0</u>
Final Net State Share Payable ³		\$	11,785,695
Actual Act 148 Revenues Received ⁴			<u>11,860,737</u>
Net Amount Due County/(State) ⁵		\$	<u>(75,042)</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.

WASHINGTON 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	463,090	0	79,213	0	0	0	0	0	383,877	383,877	0
02. 90% REIMBURSEMENT	609,019	0	54,784	0	0	0	0	0	554,235	498,812	55,423
03. 80% REIMBURSEMENT	15,479,198	302,455	3,294,625	526,707	166,755	46,754	0	0	11,141,902	8,913,522	2,228,380
04. 60% REIMBURSEMENT	3,263,775	17,549	319,977	0	0	0	0	9,017	2,917,232	1,750,339	1,166,893
05. 50% REIMBURSEMENT	479,395	0	1,108	0	0	0	0	0	478,287	239,145	239,142
06. TOTAL NET CHILD WELFARE EXPEND.	20,294,477	320,004	3,749,707	526,707	166,755	46,754	0	9,017	15,475,533	11,785,695	3,689,838

YDC/YFC PLACEMENT COSTS											
07. 60% DHS PARTICIPATION	216,132	0							216,132	129,679	86,453

08. NON-REIMBURSABLE EXPENDITURES	227,414	0							227,414		227,414
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09. TOTAL EXPENDITURES	20,738,023	320,004	3,749,707	526,707	166,755	46,754	0	9,017	15,919,079	11,915,374	4,003,705
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10. TOTAL TITLE IV-D COLLECTIONS 53,075

11. TITLE IV-D Collections for IV-E Children 20,847

12. STATE ACT 148 - line 6 11,785,695

13. STATE ACT 148 ALLOCATION 14,287,678

14. ADJUSTED STATE SHARE (lower of 12 or 13) 11,785,695

INVOICE											
AMENDED STATE SHARE (ACT 148)	11,785,695										
ACT 148 AMOUNT RECEIVED	11,860,737										
ADJUSTMENT TO STATE SHARE	(75,042)										

WASHINGTON 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	463,090	0	79,213	0	0	0	0	0	0	383,877	383,877	0
1-B ADOPTION ASSISTANCE	3,327,141	0	1,260,008	3,513	0	0	0	0	0	2,063,620	1,650,896	412,724
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	512,254	11,540	57,405	0	0	0	0	0	0	443,309	354,647	88,662
1-D COUNSELING - DEPENDENT	496,953	23,080	262,594	9,280	262,594	0	0	0	0	201,999	161,599	40,400
1-E COUNSELING - DELINQUENT	7,610	0	0	13	3,881	0	0	0	0	3,716	2,973	743
1-F DAY CARE	0	0	0	0	0	0	0	0	0	0	0	0
1-G DAY TREATMENT - DEPENDENT	125,336	0	0	0	88,857	0	0	0	0	36,479	29,183	7,296
1-H DAY TREATMENT - DELINQUENT	699,261	6,448	0	0	0	0	0	0	0	692,813	554,250	138,563
1-I HOMEMAKER SERVICE	0	0	0	0	0	0	0	0	0	0	0	0
1-J INTAKE & REFERRAL	53,917	13,164	9,223	0	0	0	0	0	0	31,550	25,224	6,306
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	504,209	0	76,451	0	0	0	0	0	0	427,758	342,206	85,552
1-N PROTECTIVE SERVICE - GENERAL	3,811,440	12,895	569,033	171,375	0	0	0	0	0	3,058,137	2,446,510	611,627
1-O SERVICE PLANNING	114,657	18,970	0	0	0	0	0	0	0	95,687	76,550	19,137
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT	144,407	0	436	0	0	0	0	0	0	143,971	71,986	71,985
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT	8,407	0	672	0	0	0	0	0	0	7,735	3,868	3,867
1-R SUBTOTAL IN-HOME	10,268,682	67,127	1,317,413	766,804	526,707	0	0	0	0	7,590,631	6,103,769	1,486,862
COMMUNITY BASED PLACEMENT	TOTAL REIMBURSABLE EXPENDITURES	PROGRAM INCOME	TITLE IV-E MAINTENANCE	TITLE IV-E ADMIN.	TANF	TITLE XX	TITLE IV-B	Child Welfare Demonstration Project Title IV-E	MEDICAL ASSISTANCE	NET REIMBURSABLE EXPENDITURES	STATE ACT 148	LOCAL SHARE
2-A ALTERNATIVE TREATMENT - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
2-B ALTERNATIVE TREATMENT - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-C COMMUNITY RESIDENTIAL - DEPENDENT	829,031	39,753	151,730	19,401	0	0	0	0	0	618,147	494,518	123,629
2-D COMMUNITY RESIDENTIAL - DELINQUENT	1,170,238	3,453	75,335	0	0	0	0	0	0	1,091,450	873,160	218,290
2-E EMERGENCY SHELTER - DEPENDENT	459,296	0	13,160	36,055	0	0	0	0	0	410,081	369,073	41,008
2-F EMERGENCY SHELTER - DELINQUENT	149,723	0	5,569	0	0	0	0	0	0	144,154	129,739	14,415
2-G FOSTER FAMILY - DEPENDENT	3,827,151	192,122	621,419	422,844	0	166,755	46,754	0	0	2,377,257	1,901,806	475,451
2-H FOSTER FAMILY - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-I SUP. INDEPENDENT LIVING - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
2-J SUP. INDEPENDENT LIVING - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-K SUBTOTAL CBP	6,435,459	235,328	867,213	478,300	0	166,755	46,754	0	0	4,641,089	3,768,296	872,793
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	326,581	0	0	0	0	0	0	0	0	326,581	163,291	163,290
3-B RESIDENTIAL SERVICE - DEPENDENT	258,282	3,944	57,723	3	0	0	0	0	0	196,612	117,967	78,645
3-C RES. SERVICE - DELINQUENT (NON YDC/YFC)	843,131	13,605	49,832	0	0	0	0	0	0	779,694	467,816	311,878
3-D SECURE RES. SERVICE (EXCEPT YDC)	988,986	0	0	0	0	0	0	0	0	988,986	593,392	395,594
3-E YDC SECURE	216,132	0	0	0	0	0	0	0	0	216,132	129,679	86,453
3-F SUBTOTAL INSTITUTIONAL	2,633,112	17,549	107,555	3	0	0	0	0	0	2,508,005	1,472,145	1,035,860
4 ADMINISTRATION	1,173,376	0	0	212,419	0	0	0	0	0	951,940	571,164	380,776
5 TOTAL REVENUES	20,510,609	320,004	2,292,181	1,457,526	526,707	166,755	46,754	0	9,017	15,691,665	11,915,374	3,776,291

WASHINGTON 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
I-A ADOPTION SERVICE	282,746	120,305		60,167	34	0	463,252	0	1	162	0	0
I-B ADOPTION ASSISTANCE	0	3,327,141		0	0	0	3,327,141	0	490	0	0	0
I-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	0	512,254		0	0	0	512,254	0	52	0	0	0
I-D COUNSELING - DEPENDENT	35,887	15,031		6,365	439,690	0	496,973	0	541	20	0	0
I-E COUNSELING - DELINQUENT	0	0		79	7,531	0	7,610	0	7	0	0	0
I-F DAY CARE	0	0		0	0	0	0	0	0	0	0	0
I-G DAY TREATMENT - DEPENDENT	0	0		0	125,336	0	125,336	0	46	0	0	0
I-H DAY TREATMENT - DELINQUENT	0	0		0	699,261	0	699,261	0	156	0	0	0
I-I HOMEMAKER SERVICE	32,133	14,084		7,715	5	0	53,937	947	1	20	0	0
I-J INTAKE & REFERRAL	0	0		0	0	0	0	0	0	0	0	0
I-K LIFE SKILLS - DEPENDENT	0	0		0	0	0	0	0	0	0	0	0
I-L LIFE SKILLS - DELINQUENT	276,711	118,080		58,746	50,834	0	504,371	811	155	162	0	0
I-M PROTECTIVE SERVICE - CHILD ABUSE	2,032,183	824,630		486,911	468,850	0	3,812,574	3,499	1,576	1,134	0	0
I-N PROTECTIVE SERVICE - GENERAL	70,045	29,876		14,768	9	0	114,698	0	1	41	0	0
I-O SERVICE PLANNING	0	0		2,962	366,774	0	369,736	0	372	0	225,329	0
I-P JUVENILE ACT PROCEEDINGS - DEPENDENT	0	0		0	0	0	0	0	0	0	0	0
I-Q JUVENILE ACT PROCEEDINGS - DELINQUENT	2,729,705	1,122,006	3,839,395	646,120	2,138,324	0	10,495,550	0	0	0	225,329	0
I-R SUBTOTAL IN-HOME						1,556				1,539		
Number of Children receiving only NON-PURCHASED IN-Home Services												
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	71,210	30,203	0	15,412	712,437	0	829,262	3,955	43	41	190	0
2-D COMMUNITY RESIDENTIAL - DELINQUENT	0	0	0	2,321	1,167,917	0	1,170,238	6,103	39	0	0	0
2-E EMERGENCY SHELTER - DEPENDENT	105,552	44,757	0	21,292	287,767	0	459,368	4,563	174	61	11	0
2-F EMERGENCY SHELTER - DELINQUENT	0	0	0	298	149,425	0	149,723	754	45	0	0	0
2-G FOSTER FAMILY - DEPENDENT	431,924	178,112	0	188,149	3,029,209	0	3,827,394	148,718	357	243	0	0
2-H FOSTER FAMILY - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-I SUP. INDEPENDENT LIVING - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
2-J SUP. INDEPENDENT LIVING - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-K SUBTOTAL CBP	608,686	253,072	0	227,472	5,346,755	0	6,435,985	164,093	658	345	201	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	866	325,715	0	326,581	1,549	108	0	0	0
3-B RESIDENTIAL SERVICE - DEPENDENT	0	0	0	1,082	257,200	0	258,282	1,334	8	0	0	0
3-C RES. SERVICE - DELINQUENT (EXCEPT YDC/YFC)	0	0	0	300	842,831	0	843,131	4,445	44	0	0	0
3-D SECURE RES. SERVICE (EXCEPT YDC)	0	0	0	148	988,838	0	988,986	3,478	17	0	0	0
3-E YDC SECURE	0	0	0	0	216,132	0	216,132	431	3	0	0	0
3-F SUBTOTAL INSTITUTIONAL	0	0	0	2,396	2,630,716	0	2,633,112	11,237	180	0	0	0
4 ADMINISTRATION	261,791	160,158	0	680,241	5	71,181	1,173,376			0	0	0
5 TOTAL EXPENDITURES	3,600,182	1,535,236	3,839,395	1,556,229	10,135,800	71,181	20,738,023			1,884	225,530	0
Country Indirect Costs = \$ 552,414												

**WASHINGTON 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	\$ 467,010	\$ (3,758)	\$ 463,252
Adoption Assistance	3,327,141	0	3,327,141
Subsidized Permanent Legal Custodianship	512,254	0	512,254
Counseling	505,053	(470)	504,583
Day Care	0	0	0
Day Treatment	824,597	0	824,597
Homemaker Service	0	0	0
Intake and Referral	54,407	(470)	53,937
Life Skills	0	0	0
Protective Service - Child Abuse	508,129	(3,758)	504,371
Protective Service - General	3,838,877	(26,303)	3,812,574
Service Planning	111,818	2,880	114,698
Juvenile Act Proceedings	378,143	0	378,143
Alternative Treatment	0	0	0
Community Residential	2,000,439	(939)	1,999,500
Emergency Shelter	610,500	(1,409)	609,091
Foster Family	3,828,411	(1,017)	3,827,394
Supervised Independent Living	0	0	0
Juvenile Detention Service	326,581	0	326,581
Residential Service	1,101,413	0	1,101,413
Secure Residential Service (Except YDC)	988,986	0	988,986
YDC Secure	216,132	0	216,132
Administration	1,250,110	(76,734)	1,173,376
Combined Total Expense	<u>20,850,001</u>	<u>(111,978)</u>	<u>20,738,023</u>
Less Non-reimbursables	<u>227,556</u>	<u>(142)</u>	<u>227,414</u>
Total Net Expense	<u>\$ 20,622,445</u>	<u>\$ (111,836)</u>	<u>\$ 20,510,609</u>

OBJECTS OF EXPENDITURE	AS REPORTED PER CY370	INCREASE (DECREASE)	AS AMENDED PER CY370
Wages and Salaries	\$ 3,600,182	\$ 0	\$ 3,600,182
Employee Benefits	1,535,236	0	1,535,236
Subsidies	3,839,395	0	3,839,395
Operating	1,668,207	(111,978)	1,556,229
Purchased Services	10,135,800	0	10,135,800
Fixed Assets	71,181	0	71,181
Combined Total Expense	<u>20,850,001</u>	<u>(111,978)</u>	<u>20,738,023</u>
Less Non-reimbursables	<u>227,556</u>	<u>(142)</u>	<u>227,414</u>
Total Net Expense	<u>\$ 20,622,445</u>	<u>\$ (111,836)</u>	<u>\$ 20,510,609</u>

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

REPORT REFERENCE			ADJ. NO.	EXPLANATION OF ADJUSTMENTS	AS REPORTED OR ADJUSTED	INCREASE/ (DECREASE)	ADJUSTED TOTAL	
SCHEDULE	LINE	COLUMN						
CY-370	1-O	4	1	CY-370 Adjustments				
	2-G	4		Service Planning - Operating	\$ 11,888	\$ 3,819	\$ 15,707	
				Foster Family - Dependent - Operating	\$ 189,166	\$ 4,619	\$ 193,785	
				Total Adjustment		\$ 8,438		
				To increase Operating by \$8,438 to reconcile to the agency's final ledger.				
				Title 55 PA Code, Chapter 3170.95(a)(b)				
CY-370	4	4	2	Administration - Operating	\$ 756,975	\$ (73,446)	\$ 683,529	
				To decrease Administration - Operating expenditures by a net amount of \$73,446 to reconcile to the County Cost Allocation Plan and properly report Indirect Costs. The Indirect Costs reported in Administration were overstated by \$120,416 for retiree health benefit costs which are unallowable. Also, the Indirect Costs reported in the Administration were understated by \$46,970 for occupancy costs that were erroneously removed and reclassified as direct occupancy costs, as further detailed in adjustment #3 below. Thus, the summation of the overstatement of \$120,416 and understatement of \$46,970 resulted in a net adjustment of \$73,446.				
				Title 55 PA Code, Chapter 3170.60 OCYF Bulletin 00-95-12				
CY-370	1-A	4	3	Adoption Service - Operating	\$ 63,925	\$ (3,758)	\$ 60,167	
	1-D	4		Counseling - Dependent - Operating	\$ 6,835	\$ (470)	\$ 6,365	
	1-J	4		Intake & Referral - Operating	\$ 8,185	\$ (470)	\$ 7,715	
	1-M	4		Protective Service - Child Abuse - Operating	\$ 62,504	\$ (3,758)	\$ 58,746	
	1-N	4		Protective Service - General - Operating	\$ 513,214	\$ (26,303)	\$ 486,911	
	1-O	4		Service Planning - Operating	\$ 15,707	\$ (939)	\$ 14,768	
	2-C	4		Community Residential - Dependent - Operating	\$ 16,351	\$ (939)	\$ 15,412	
	2-E	4		Emergency Shelter - Dependent - Operating	\$ 22,701	\$ (1,409)	\$ 21,292	
	2-G	4		Foster Family - Dependent - Operating	\$ 193,785	\$ (5,636)	\$ 188,149	
	4	4		Administration - Operating	\$ 683,529	\$ (3,288)	\$ 680,241	
					Total Adjustment Amount		\$ (46,970)	
					To remove \$46,970 of Indirect Costs that were improperly direct charged as occupancy across the various cost centers. Indirect costs should be expensed in the Administration cost center only and be subject to the 2% cost limitation.			
					Title 55 PA Code, Chapter 3170.60 OCYF Bulletin 00-95-12			
CY-370	4	10	4	Administration - Non-Reimbursable Non PS/Sub.	\$ 142	\$ (142)	\$ -	
				To decrease the Non-Reimbursable Administration expenses, in the amount of \$142, to properly report the indirect costs that exceeded the 2% cost limitation.				
				Title 55 PA Code, Chapter 3170.60 OCYF Bulletin 00-95-12				

SECTION 4

AMENDED FISCAL REPORTS

FOR THE FISCAL YEAR:

JULY 1, 2015 to JUNE 30, 2016

**WASHINGTON 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		\$	13,732,454
Supplemental Act 148			<u>0</u>
Total State Allocation			13,732,454
State Share (CY348) ²	\$		12,836,439
Less: Major Service Category Adjustment			<u>0</u>
Net State Share		\$	12,836,439
Less: Expenditures in Excess of the Approved State Allocation			<u>0</u>
Final Net State Share Payable ³		\$	12,836,439
Actual Act 148 Revenues Received ⁴			<u>12,824,178</u>
Net Amount Due County/(State) ⁵		\$	<u><u>12,261</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.

WASHINGTON COUNTY CHILDREN AND YOUTH AGENCY
 FOR THE PERIOD JULY 1, 2015 TO JUNE 30, 2016
 AMENDED CY 348
 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	469,451	0	79,137	0	0	0	0	0	390,314	390,314	0
02. 90% REIMBURSEMENT	592,951	0	28,666	0	0	0	0	0	564,285	507,856	56,429
03. 80% REIMBURSEMENT	17,287,731	261,179	4,022,805	526,706	83,378	23,376	0	0	12,370,287	9,896,230	2,474,057
04. 60% REIMBURSEMENT	3,287,747	63,729	188,121	0	83,377	23,378	0	8,159	2,920,983	1,752,590	1,168,393
05. 50% REIMBURSEMENT	579,248	0	352	0	0	0	0	0	578,896	289,449	289,447
06. TOTAL NET CHILD WELFARE EXPEND.	22,217,128	324,908	4,319,081	526,706	166,755	46,754	0	8,159	16,824,765	12,836,439	3,988,326

YDC/YFC PLACEMENT COSTS											
07. 60% DHS PARTICIPATION	466,694	0							466,694	280,016	186,678
08. NON-REIMBURSABLE EXPENDITURES	43,293	0							43,293		43,293

09. TOTAL EXPENDITURES	22,727,115	324,908	4,319,081	526,706	166,755	46,754	0	8,159	17,334,752	13,116,455	4,218,297
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10. TOTAL TITLE IV-D COLLECTIONS 79,360

11. TITLE IV-D Collections for IV-E Children 17,801

12. STATE ACT 148 - line 6 12,836,439

13. STATE ACT 148 ALLOCATION 13,732,454

14. ADJUSTED STATE SHARE (lower of 12 or 13) 12,836,439

INVOICE											
AMENDED STATE SHARE (ACT 148)	12,836,439										
ACT 148 AMOUNT RECEIVED	12,824,178										
ADJUSTMENT TO STATE SHARE	12,261										

WASHINGTON COUNTY CHILDREN AND YOUTH AGENCY
 FOR THE PERIOD JULY 1, 2015 TO JUNE 30, 2016
 AMENDED CY 370A
 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	469,451	0		79,137	0		0	0	0	390,314	390,314	0	
1-B ADOPTION ASSISTANCE	3,626,284	0	1,385,130	6,238			0	0	0	2,234,916	1,787,933	446,983	
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	559,902	0	99,895				0	0	0	460,007	368,006	92,001	
1-D COUNSELING - DEPENDENT	966,986	0		9,620	314,363	0	0	0	0	643,003	514,402	128,601	
1-E COUNSELING - DELINQUENT	56,637	0		0	0	0	0	0	0	56,637	45,310	11,327	
1-F DAY CARE	0	0		0	0	0	0	0	0	0	0	0	
1-G DAY TREATMENT - DEPENDENT	145,247	0		0	79,521	0	0	0	0	65,726	52,581	13,145	
1-H DAY TREATMENT - DELINQUENT	613,347	0		0	7,518	0	0	0	0	605,829	484,663	121,166	
1-I HOMEMAKER SERVICE	0	0		0	0	0	0	0	0	0	0	0	
1-J INTAKE & REFERRAL	57,650	0		9,714	0	0	0	0	0	47,936	38,349	9,587	
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	574,485	0		76,562	6,199	0			0	491,724	393,379	98,345	
1-N PROTECTIVE SERVICE - GENERAL	3,838,876	0		546,897	119,105	0			0	3,172,874	2,538,299	634,575	
1-O SERVICE PLANNING	111,986	0		18,856	0	0	0	0	0	93,130	74,504	18,626	
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT	221,381	0		0	0	0	0	0	0	221,381	110,691	110,690	
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT	3,141	0		352	0	0	0	0	0	2,789	1,395	1,394	
SUBTOTAL IN-HOME	11,245,373	0	1,485,025	747,376	526,706	0	0	0	0	8,486,266	6,796,826	1,686,440	
COMMUNITY BASED PLACEMENT													
2-A ALTERNATIVE TREATMENT - DEPENDENT	0	0		0	0	0	0	0	0	0	0	0	
2-B ALTERNATIVE TREATMENT - DELINQUENT	0	0		0	0	0	0	0	0	0	0	0	
2-C COMMUNITY RESIDENTIAL - DEPENDENT	1,162,742	29,890	0	19,021	0	0	0	0	0	1,113,831	891,065	222,766	
2-D COMMUNITY RESIDENTIAL - DELINQUENT	1,301,535	2,315	0	0	0	0	0	0	0	1,299,020	1,039,216	259,804	
2-E EMERGENCY SHELTER - DEPENDENT	435,173	0	0	28,666	0	0	0	0	0	406,507	365,856	40,651	
2-F EMERGENCY SHELTER - DELINQUENT	157,778	0	0	0	0	0	0	0	0	157,778	142,000	15,778	
2-G FOSTER FAMILY - DEPENDENT	4,272,254	228,974	1,256,954	593,918	0	83,378	23,376	0	0	2,085,654	1,668,523	417,131	
2-H FOSTER FAMILY - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0	
2-I SUP. INDEPENDENT LIVING - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0	
2-J SUP. INDEPENDENT LIVING - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0	
2-K SUBTOTAL CBP	7,329,282	261,179	1,256,954	641,605	0	83,378	23,376	0	0	5,062,790	4,106,660	956,130	
INSTITUTIONAL PLACEMENT													
3-A JUVENILE DETENTION SERVICE	354,726	0		0	0	0	0	0	0	354,726	177,363	177,363	
3-B RESIDENTIAL SERVICE - DEPENDENT	361,705	15,766	0	38	83,377	0	23,378	0	0	239,146	143,488	95,658	
3-C RES. SERVICE - DELINQUENT (NON YDC/YFC)	1,375,910	47,963	0	0	0	0	0	0	0	1,327,947	796,768	531,179	
3-D SECURE RES. SERVICE (EXCEPT YDC)	536,891	0	0	0	0	0	0	0	0	536,891	322,135	214,756	
3-E YDC-SECURE	466,694	0		0	0	0	0	0	0	466,694	280,016	186,678	
3-F SUBTOTAL INSTITUTIONAL	3,095,926	63,729	0	38	83,377	0	23,378	0	0	2,925,404	1,719,770	1,205,634	
4 ADMINISTRATION	1,013,241	0		188,083		0	0	0	0	816,999	490,199	326,800	
5 TOTAL REVENUES	22,683,822	324,908	2,741,979	1,577,102	526,706	166,755	46,754	0	8,159	17,291,459	13,116,455	4,175,004	

WASHINGTON 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	273,636	131,224		61,849	2,952	0	469,661	1	3	210	0	0
1-A ADOPTION SERVICE	0	0	3,626,284	0	0	0	3,626,284	0	533	0	0	0
1-B ADOPTION ASSISTANCE	0	0	559,902	0	0	0	559,902	0	90	0	0	0
1-C SUBSIDIZED PERMANENT LEGAL CUSTODIANSHIP	35,654	16,042		5,095	910,251	0	967,042	1	620	56	0	0
1-D COUNSELING - DEPENDENT	0	0		0	56,637	0	56,637	0	17	0	0	0
1-E DAY CARE	0	0		0	0	0	0	0	0	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		2	145,245	0	145,247	0	53	0	0	0
1-H DAY TREATMENT - DELINQUENT	0	0		0	613,347	0	613,347	0	112	0	0	0
1-I HOMEMAKER SERVICE	0	0		0	0	0	0	0	0	0	0	0
1-J INTAKE & REFERRAL	35,611	16,372		5,324	369	0	57,676	1,242	3	26	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	279,146	131,062		41,577	122,910	0	574,695	1,021	158	210	0	0
1-N PROTECTIVE SERVICE - GENERAL	1,933,994	918,431		422,038	565,884	0	3,840,347	3,253	1,480	1,471	0	0
1-O SERVICE PLANNING	68,943	32,807		9,550	739	0	112,039	1	3	53	0	0
1-P JUVENILE ACT PROCEEDINGS - DEPENDENT				2,975	218,406		221,381	0	260	0	0	0
1-Q JUVENILE ACT PROCEEDINGS - DELINQUENT				2,566	575		3,141	0	1	0	0	0
1-R SUBTOTAL IN-HOME	2,626,984	1,245,938	4,186,186	550,976	2,637,315	0	11,247,399			2,026	0	0
	Number of Children receiving only NON-PURCHASED IN-Home Services 2,656											
COMMUNITY BASED PLACEMENT	0	0	0	0	0	0	0	0	0	0	0	0
2-A ALTERNATIVE TREATMENT - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
2-B ALTERNATIVE TREATMENT - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-C COMMUNITY RESIDENTIAL - DEPENDENT	69,109	32,788		17,644	1,043,254	0	1,162,795	5,405	55	53	0	0
2-D COMMUNITY RESIDENTIAL - DELINQUENT	0	0	0	3,295	1,298,040	0	1,301,335	6,112	47	0	0	0
2-E EMERGENCY SHELTER - DEPENDENT	104,227	49,161		17,396	264,468	0	435,252	5,017	194	79	0	0
2-F EMERGENCY SHELTER - DELINQUENT	0	0	0	0	157,778	0	157,778	720	52	0	0	0
2-G FOSTER FAMILY - DEPENDENT	418,022	196,634		177,409	3,480,504	0	4,272,569	73,549	389	315	0	0
2-H FOSTER FAMILY - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-I SUP. INDEPENDENT LIVING - DEPENDENT	0	0	0	0	0	0	0	0	0	0	0	0
2-J SUP. INDEPENDENT LIVING - DELINQUENT	0	0	0	0	0	0	0	0	0	0	0	0
2-K SUBTOTAL CBP	591,358	278,583	0	215,744	6,244,044	0	7,329,729	90,803	737	447	0	0
INSTITUTIONAL PLACEMENT	0	0	0	0	0	0	0	0	0	0	0	0
3-A JUVENILE DETENTION SERVICE	0	0	0	1,325	353,401	0	354,726	0	0	0	0	0
3-B RESIDENTIAL SERVICE - DEPENDENT	0	0	0	1,600	360,105	0	361,705	0	0	0	0	0
3-C RES. SERVICE - DELINQUENT (EXCEPT YDC/YFC)	0	0	0	772	1,375,138	0	1,375,910	0	0	0	0	0
3-D SECURE RES. SERVICE (EXCEPT YDC)	0	0	0	235	536,656	0	536,891	0	0	0	0	0
3-E YDC SECURE	0	0	0	0	466,694	0	466,694	0	0	0	0	0
3-F SUBTOTAL INSTITUTIONAL	0	0	0	3,932	3,091,994	0	3,095,926	0	0	0	0	0
ADMINISTRATION	249,340	111,805	0	688,342	2,583	1,991	1,054,061			40,820	0	0
TOTAL EXPENDITURES	3,467,682	1,636,326	4,186,186	1,458,994	11,975,936	1,991	22,727,115			43,293	0	0
	County Indirect Costs = \$ 577,397											

**WASHINGTON 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 CY-370	INCREASE (DECREASE)	AS AMENDED PER CY-370
Adoption Service	\$ 462,682	\$ 6,979	\$ 469,661
Adoption Assistance	3,626,284	0	3,626,284
Subsidized Permanent Legal Custodianship	559,902	0	559,902
Counseling	1,022,806	873	1,023,679
Day Care	0	0	0
Day Treatment	758,594	0	758,594
Homemaker Service	0	0	0
Intake and Referral	56,803	873	57,676
Life Skills	0	0	0
Protective Service - Child Abuse	567,716	6,979	574,695
Protective Service - General	3,791,492	48,855	3,840,347
Service Planning	110,294	1,745	112,039
Juvenile Act Proceedings	224,522	0	224,522
Alternative Treatment	0	0	0
Community Residential	2,462,385	1,745	2,464,130
Emergency Shelter	590,413	2,617	593,030
Foster Family	4,268,793	3,776	4,272,569
Supervised Independent Living	0	0	0
Juvenile Detention Service	354,726	0	354,726
Residential Service	1,737,615	0	1,737,615
Secure Residential Service (Except YDC)	536,891	0	536,891
YDC Secure	466,694	0	466,694
Administration	<u>1,128,885</u>	<u>(74,824)</u>	<u>1,054,061</u>
Combined Total Expense	<u>22,727,497</u>	<u>(382)</u>	<u>22,727,115</u>
Less Non-reimbursables	<u>36,534</u>	<u>6,759</u>	<u>43,293</u>
Total Net Expense	<u>\$ 22,690,963</u>	<u>\$ (7,141)</u>	<u>\$ 22,683,822</u>

OBJECTS OF EXPENDITURE	AS REPORTED PER CY-370	INCREASE (DECREASE)	AS AMENDED PER CY-370
Wages and Salaries	\$ 3,467,682	\$ 0	\$ 3,467,682
Employee Benefits	1,495,048	141,278	1,636,326
Subsidies	4,186,186	0	4,186,186
Operating	1,593,962	(134,968)	1,458,994
Purchased Services	11,982,628	(6,692)	11,975,936
Fixed Assets	<u>1,991</u>	<u>0</u>	<u>1,991</u>
Combined Total Expense	<u>22,727,497</u>	<u>(382)</u>	<u>22,727,115</u>
Less Non-reimbursables	<u>36,534</u>	<u>6,759</u>	<u>43,293</u>
Total Net Expense	<u>\$ 22,690,963</u>	<u>\$ (7,141)</u>	<u>\$ 22,683,822</u>

**WASHINGTON 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 Adjustments							
CY-370	2-G	5	1	Foster Family - Dependent-Purchased Services To decrease Purchased Services by \$6,692 to reconcile to the agency's final ledger due to a repayment from a Social Agency. Title 55 PA Code, Chapter 3170.95(a)(b)	\$ 3,487,196	\$ (6,692)	\$ 3,480,504
CY-370	1-A 1-D 1-J 1-M 1-N 1-O 2-C 2-E 2-G 4	2 2 2 2 2 2 2 2 2 2	2	Adoption Service - Employee Benefits Counseling - Dependent - Employee Benefits Intake and Referral - Employee Benefits Protective Service - Child Abuse - Employee Benefits Protective Service - General - Employee Benefits Service Planning - Employee Benefits Community Residential - Dependent - Employee Benefits Emergency Shelter - Dependent- Employee Benefits Foster Care - Dependent - Employee Benefits Administration-Employee Benefits Total Adjustment Amount To increase Employee Benefits by \$141,278 to reconcile to the agency's final ledger. Title 55 PA Code, Chapter 3170.95(a)(b)	\$ 119,922 \$ 14,629 \$ 14,959 \$ 119,760 \$ 839,315 \$ 29,981 \$ 29,962 \$ 44,923 \$ 179,681 \$ 101,916 \$ \$	\$ 11,302 \$ 1,413 \$ 1,413 \$ 11,302 \$ 79,116 \$ 2,826 \$ 2,826 \$ 4,238 \$ 16,953 \$ 9,889 \$ \$	\$ 131,224 \$ 16,042 \$ 16,372 \$ 131,062 \$ 918,431 \$ 32,807 \$ 32,788 \$ 49,161 \$ 196,634 \$ 111,805 \$ \$
CY-370	4	4	3	Administration - Operating To decrease Administration - Operating expenditures by a net amount of \$80,930 to reconcile to the County Cost Allocation Plan and properly report Indirect Costs. The Indirect Costs reported in Administration were overstated by \$134,968 for retiree health benefit costs, which are unallowable. Also, the Indirect Costs reported in the Administration were understated by \$54,038 for occupancy costs that were erroneously removed and reclassified as direct occupancy costs, as further detailed in adjustment #4 below. Thus, the summation of the overstatement of \$134,968 and understatement of \$54,038 resulted in a net adjustment of \$80,930. Title 55 PA Code, Chapter 3170.60 OCYF Bulletin 00-95-12	\$ 773,055	\$ (80,930)	\$ 692,125
CY-370	1-A 1-D 1-J 1-M 1-N 1-O 2-C 2-E 2-G 4	4 4 4 4 4 4 4 4 4 4	4	Adoption Service - Operating Counseling - Dependent - Operating Intake & Referral - Operating Protective Service - Child Abuse - Operating Protective Service - General - Operating Service Planning - Operating Community Residential - Dependent -Operating Emergency Shelter - Dependent - Operating Foster Family - Dependent - Operating Administration - Operating Total Adjustment Amount To remove \$54,038 of Indirect Costs that were improperly direct charged as occupancy across the various cost centers. Indirect costs should be expensed in the Administration cost center only and be subject to the 2% cost limitation. Title 55 PA Code, Chapter 3170.60 OCYF Bulletin 00-95-12	\$ 66,172 \$ 5,635 \$ 5,864 \$ 45,900 \$ 452,299 \$ 10,631 \$ 18,725 \$ 19,017 \$ 183,894 \$ 692,125 \$ \$	\$ (4,323) \$ (540) \$ (540) \$ (4,323) \$ (30,261) \$ (1,081) \$ (1,081) \$ (1,621) \$ (6,485) \$ (3,783) \$ \$	\$ 61,849 \$ 5,095 \$ 5,324 \$ 41,577 \$ 422,038 \$ 9,550 \$ 17,644 \$ 17,396 \$ 177,409 \$ 688,342 \$ \$
CY-370	4	10	5	Administration - Non-Reimbursable Non PS/Sub. To increase the Non-Reimbursable Administration expenses, in the amount of \$6,759, to properly report the indirect costs that exceeded the 2% cost limitation. Title 55 PA Code, Chapter 3170.60 OCYF Bulletin 00-95-12	\$ 34,061	\$ 6,759	\$ 40,820

SECTION 5

STATUS OF PRIOR ENGAGEMENT FINDINGS AND RECOMMENDATIONS

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

Prior Engagement Finding No. 1 – Noncompliance – Failure to Perform Annual Physical Inventories of Fixed Assets and to Provide an Updated Listing of All Agency Fixed Assets (Partially Resolved)

In our prior engagement report, we cited the agency for again failing to perform annual physical inventories of fixed assets and for not providing a fixed asset listing for items purchased during the 2011 calendar year through the end of our prior engagement (June 30, 2012). While we had found during the conduct of our prior engagement that the agency had failed to establish formal written policies and procedures requiring the maintenance of the agency's fixed asset listing and the performance and documentation of annual physical inventories of fixed assets, at the exit conference held December 2016 for our prior engagement, agency management provided documentation evidencing the agency's development of written policies and procedures requiring the performance of annual physical inventories of fixed assets.

During the conduct of our current engagement, we determined the Washington County Children and Youth Agency, again, failed to perform annual physical inventories of fixed assets for the 2012-2013, 2013-2014, and 2014-2015 fiscal years. Therefore, we concluded that the inclusion of a repeat finding in our current engagement report was warranted. Refer to Finding No. 2 in the Current Engagement Finding and Recommendations section (Section 6) of this report.

Prior Engagement Finding No. 2 – Washington County Children and Youth Agency Failed to Perform a Reconciliation of Agency Records to County Records

In our prior engagement report, we cited the agency for failure to perform a reconciliation of the agency's expenditures and revenues presented in the final Act 148 fiscal reports, submitted to the Department of Human Services (DHS), with the related expenditures and revenues recorded in the county's general ledger. However, due to the timing of the conduct of our prior engagement, agency management was not notified of this noncompliance issue until our December 2016 exit conference, well after the end of our current engagement scope period.

At this exit conference, the agency provided our auditors with written policy and procedures detailing the agency's process for reconciling agency records to County records. Furthermore, during the conduct of our current engagement, the agency provided evidence that it immediately began performing such reconciliations. Therefore, we concluded that the issuance of a repeat finding in this area was not warranted. However, because these reconciliations pertain to periods subsequent to our current engagement scope period, we did not evaluate the written policy nor review the completed reconciliations. We will review this documentation during the conduct of our next audit of the agency.

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Prior Engagement Finding No. 3 – Washington County Children and Youth Agency Failed to Execute Purchase of Service Agreements with a Legal Services Provider (Resolved)

In our prior engagement report, we cited the agency for failing to execute purchased service agreements with a supplier of legal services during the 2010-2011 and 2011-2012 fiscal years. Due to the timing of our prior engagement, the agency was not notified of this noncompliance issue until December 2016, well after the end of our current engagement scope period. Furthermore, during the conduct of our current engagement, the agency provided evidence it had executed contracts for the 2015-2016 fiscal year with the two legal providers to whom clients are regularly referred or with whom the agency has a continuing relationship. Therefore, we concluded that the issuance of a repeat finding in this area was not warranted. We will follow up on this issue during the conduct of our next audit of the agency.

Prior Engagement Finding No. 4 – Failure to Conduct Annual Time Studies (Resolved)

In our prior engagement report, we cited the agency for failure to provide evidence of the conduct of annual time studies. Annual time studies are used to properly allocate operating expenses. Due to the timing of our prior engagement, the agency was not notified of its noncompliance in this area until December 2016, well after the end of our current engagement scope period. Furthermore, during the conduct of our current engagement, the agency's new Fiscal Officer provided evidence of the agency's conduct of a time study in December 2016, which was used to allocate operating costs for the 2015-2016 fiscal year. Therefore, we concluded that the issuance of a repeat finding in this area was not warranted. We will follow up on this issue during the conduct of our next audit of the agency.

SECTION 6

CURRENT ENGAGEMENT FINDINGS AND RECOMMENDATIONS

WASHINGTON COUNTY CHILDREN AND YOUTH AGENCY
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Finding No. 1– The Washington County Children and Youth Agency Should Implement and Document 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

Condition: During the 2012-2013, 2013-2014, 2014-2015, and 2015-2016 fiscal years, the Washington County Children and Youth Agency (agency) paid In-Home Purchased Service providers¹ (providers) a total of \$8,088,241² for services rendered directly to at-risk children and their families.

We evaluated the agency’s internal control procedures over its invoice review and approval process related to reducing the risk of paying overbillings or fraudulent billings included on invoices submitted by these providers for services rendered directly to at-risk children and their families and not detecting those overpayments. We judgmentally selected 5 providers contracted to provide In-Home Services **directly** to at-risk children and their families that were utilized during the 2015-16 fiscal year, judgmentally selected 10 invoices totaling \$347,532 paid to those providers, and obtained the approved invoices corresponding to the \$347,532 expended.

The cited providers were contracted as Fee-for-Service providers. Approved contracts for Fee-for-Service providers include an agreed upon fee-for-service rate per unit (days/hours/session/evaluation/assessment) invoiced, and costs invoiced by these types of providers are calculated by multiplying the contracted service rate by the number of units each respective Fee-for-Service provider lists on its submitted invoices. While the monthly invoices submitted by these 5 Fee-for-Service providers included the names of individuals these providers attested received the invoiced services, the agency failed to provide evidence

¹ Agency management stated that 40 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 \$9,406,719 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 \$1,318,478 from the \$9,406,719 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.

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substantiating each listed individual's actual attendance/participation for the number of units invoiced.

Regarding the remaining providers for whom we performed no testing procedures, the agency did not require these providers to submit any documentation other than submitted invoices during the aforementioned fiscal years.

Criteria: The following section of 55 Pa. Code Chapter 3140, Planning and Financial Reimbursement Requirements for County Children and Youth Social Service Programs:

Section 3140.21. Reimbursement for Services. General. “(a) Under section 704.1 of the Human Services Code (62 P.S. § 704.1), the Department reimburses expenses incurred by the county for children and youth social services, including services to alleged and adjudicated dependent and delinquent children according to an approved county plan and budget estimate up to the amount of State funds allocated to the county under section 709.3 of the Human Services Code (62 P.S. § 709.3).”

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

The following sections of 55 Pa. Code § 3170, Allowable Costs and Procedures for County Children and Youth:

- *Section 3170.2. Definitions.* Program funded agency – An agency whose total eligible expenditures are funded in a manner which is predetermined by the appropriate county authorities.
- *Section 3170.23(a). Purchase of Service.* Purchase of service funding may be by unit of service funding or by program funding.
- *Section 3170.85. Responsibility of the County.* “...the county executive officers shall be responsible for the effective execution of each purchase of service agreement...”
- *Section 3170.91. County Responsibility.* “The county is responsible for the general fiscal management of the county agency. This includes maintaining fiscal records of

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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 stated that, during the fiscal years included in our current engagement scope period, they did not have policies and procedures in place to substantiate that services related to charges listed on In-Home Purchased Service providers’ invoices were actually provided. Agency management further stated that, subsequent to our current engagement scope period, the agency implemented policy and procedures requiring the inclusion of client contact sign-in sheets with submitted invoices, along with the conduct of on-site fiscal-related monitoring of In-Home providers.

Effect: The agency’s lack of implemented internal control policies and procedures designed to reduce the risk of paying overbillings and/or fraudulent billings submitted by contracted In-Home Purchased Service providers increases agency management’s risks of:

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

Recommendation: We recommend that agency management implement fiscal-related monitoring policy, and corresponding procedures, designed to reduce its risk of paying overbillings and fraudulent billings submitted by In-Home Purchased Service providers. We further 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:

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- 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 onsite fiscal-related 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.
- 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 submitted In-Home Purchased Services providers' invoices for payment are made aware of the results of fiscal-related monitoring reviews of these providers and, for any such providers for which significant documentation deficiencies have been identified, the impact on the agency's review and approval process for these providers.

We further recommend that the agency maintain sufficient evidence substantiating the results of all fiscal-related on-site 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 Representative Response This finding was reported and corrected prospectively from the last audit that covered 2008-2012. That audit only finished less than a year ago and the above years were already completed so there was no way we could have corrected the finding. With that being said, we have corrected this prospectively. We require all In-Home purchased service providers have their clients sign when they receive a service.

Auditor's Conclusion: We commend Washington County Children and Youth on their efforts to strengthen the agency's invoice payment process for In-Home Purchased Services

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

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providers and their efforts to develop and implement formal, written fiscal-related monitoring policy and procedures for their contracted In-Home Purchased Services providers. During our next audit of the agency, we will review the agency's policy and procedures to determine whether the agency implemented internal controls to reduce the risk of paying overbillings and fraudulent billings by contracted In-Home Purchased Services providers and not detecting those overpayments.

Finding No. 2 – Noncompliance – Failure to Perform Annual Physical Inventories of Fixed Assets and to Provide an Updated Listing of All Agency Fixed Assets

Condition: As detailed in our Status of Prior Engagement Finding and Recommendation section (Section 5) of this report, during our current engagement, we found that the agency again failed to perform annual physical inventories of fixed assets for the 2012-2013, 2013-2014, and 2014-2015 fiscal years. The agency did provide a fixed asset listing for each fiscal year in our engagement scope period and provided our auditors with written policy and procedures for performing physical inventories in December 2016. However, the agency did not provide evidence the policy and procedures were formally communicated to relevant agency employees.

In addition, the agency provided evidence it performed a physical inventory of fixed assets for the 2015-2016 fiscal year.

Criteria: Title 55 Pa. Code, § 3170.77 (f) (1 and 4), related to ownership of fixed assets, states:

Ownership Responsibilities. In accordance with sound business practice, the holder of fixed assets shall:

(1) Maintain an inventory listing of fixed assets.

(4) Perform an annual physical inventory at the end of the funding period/fiscal year by sighting and verifying the inventory listing. Discrepancies shall be documented and kept on file with the invoices, inventory reports, and other papers which are subject to audit.

Cause: Even though the agency was made aware of DHS' requirements to perform an annual physical inventory of fixed assets and to establish a corresponding written policy during the conduct of our two prior engagements, the agency failed to take corrective action to ensure these procedures were completed and documented during the 2012-2013, 2013-2014, and 2014-2015 fiscal years.

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Effect: Agency assets might not have been properly acquired, secured or disposed of in accordance with funding regulations, which could lead to loss/misuse of assets and inappropriate reimbursement of state/federal funds. If an agency does not have policy and procedures in place or does not clearly communicate to relevant employees that the policies have been implemented, then inconsistent results could occur.

Recommendation: We recommend that the Washington County Children and Youth Agency perform and document the annual physical inventories of fixed assets and maintain evidence of fixed asset listings, in accordance to DHS regulations. Furthermore, we recommend the agency formally implement its policies and procedures by clearly communicating their effective dates to employees.

Agency Response: This finding was reported and corrected prospectively from the last audit that covered 2008-2012. That audit only finished in December 2016 and the above years were already completed so there was no way we could have corrected this finding. With that being said, we have corrected them prospectively. The Fiscal Officer has provided the fixed assets beginning in 2015-2016. Annual physical inventories of fixed assets will be done yearly going forward.

Auditor's Conclusion: We originally cited the agency for failing to comply with DHS regulations requiring the performance of annual physical inventories in our audit of the 2007-2008 fiscal year, released in 2010, and repeated the finding in our report covering the period from July 1, 2008 – June 30, 2012 that was released in December 2016. Thus, this finding will stand as presented.

SECTION 7

CURRENT ENGAGEMENT OBSERVATION

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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.

Foster Care

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 Cty1 County Children and Youth Agency provided in-home and placement services to 2,666 children residing within the County during the 2015-2016 fiscal year.

⁴ Please note that the CPSL was extensively amended during the period of 2013-2015 with 24 pieces of child protection legislation, as well as one additional piece of legislation enacted in 2016. The Commonwealth’s Keep Kids Safe website states that the amendments enacted are “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 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>, accessed August 21, 2018.

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).

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Day Treatment Centers and Child Residential Facilities

Beginning July 1, 2012, the DHS Bureau of Human Services' Licensing (bureau) took over 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 the DHS website, we found letters, 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 and identifying regulatory violations, including CPSL adherence violations, as specified in the accompanying License Inspection Summaries. However, we are unable to attest to: 1) the timeliness of the completion and approval of these annual inspections and 2) whether the CPSL adherence of any potential sub-recipients used by these providers are being monitored.⁷

Contracted In-Home Preventative Service Providers

For contracted *In-Home Preventative Service providers*,⁸ 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. DHS' position was that while not all in-home service providers would meet the criteria requiring the conduct of *certifications* for employees/volunteers, when they do, C&Y agencies were responsible for including provisions in their executed contracts with these providers.

In correspondence with management of C&Y agencies during some of our recently conducted audit engagements, we have found that some C&Y agencies' management staffs are still of the opinion that there is no need to directly monitor CPSL adherence of the providers' employees/volunteers because they are now including the requirements for this type of monitoring in their executed contracts with these providers. However, our interpretation of the CPSL remains 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 including the requirements for "direct monitoring"⁹ in their provider executed contracts. Instead, all C&Y

⁷ 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).

⁸ Please note that based on recent correspondence with DHS, these providers are referred to as "private providers delivering prevention and reunification services." We refer to them as *contracted In-Home Preventative Service providers* throughout our observation for ease of understanding.

⁹ In our Department's opinion "direct monitoring" consists of C&Y agencies routinely performing procedures (no less frequently than quarterly) to obtain reasonable assurance that their *contracted In-Home Preventative Service providers* and their sub-recipients are properly vetting a representative sample of the background checks and child abuse history clearances of their employees and volunteers to identify, and properly address, any identified disqualifying convictions.

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agencies should have a process in place that allows them to actively monitor their providers and sub-recipients by routinely reviewing their employees' and volunteers' *certifications* for disqualifying convictions.

Therefore, we concluded that DHS had not taken every action to obtain reasonable assurance that C&Y agencies were taking enough action to ensure the safety and welfare of the vulnerable, at risk children receiving in-home preventative services. Further, because DHS has not implemented a process to ensure that C&Y agencies are consistently monitoring the CPSL adherence of the contracted In-Home Preventative Service providers' employees and volunteers, this Department will continue to raise concerns about the risks posed to the safety of these vulnerable children.¹⁰

DHS Senior Management Follow-Up Response

DHS senior management provided an official response to our concerns detailed in this Observation in a February 28, 2018 letter that affirmed their assertion that, because DHS has no contractual relationship with *contracted In-Home Preventative Service providers*, the ability and responsibility to monitor private providers¹¹ to ensure that their *certifications* adhere to the CPSL falls to the C&Y agencies, as does the responsibility to take appropriate action when they do not comply.

DHS senior management staff 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. DHS has also reiterated this expectation during quarterly Pennsylvania Children and Youth Administrators (PCYA) meetings held between June 2016 and October 2017, as well as in general guidance regarding contract monitoring efforts included in OCYF Bulletins issued for the 2017-18 and 2018-19 fiscal years. Further, DHS 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.

¹⁰ The *2017 Annual Child Protective Services Report* notes that the DHS' Office of Children, Youth and Families (OCYF) and its regional offices (in Philadelphia, Scranton, Harrisburg, and Pittsburgh) have responsibilities that include, among others: "Monitoring, licensing, and providing technical assistance to CCYA and private children and youth agencies and facilities." [Emphasis added.], p. 7; http://www.dhs.pa.gov/cs/groups/webcontent/documents/document/c_275378.pdf, accessed August 3, 2018.

¹¹ This includes *contracted In-Home Preventative Service providers* and their sub-recipients.

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Finally, DHS informed us that they will address the adequacy of C&Y agencies' monitoring through the July 2019 version of the DHS Single Audit Supplement (SAS) and will develop and require through the SAS a schedule that captures the details of each C&Y agency's monitoring efforts. This will include a listing of these private providers, whether they were monitored and if any CPSL violations were 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.

We believe that DHS obtaining C&Y agencies' reporting of the CPSL status of these providers as a part of their Single Audit Supplement and the other above discussed DHS' methods taken to address the issues we raised in our March 18, 2018 Position Statement letter to DHS would be a significant improvement. However, until DHS implements a process to ensure that all 67 C&Y agencies are routinely directly monitoring the CPSL adherence to the *certifications* of their contracted in-home preventative service providers' employees and volunteers, this Department, as indicated in our March 18, 2018 Position Statement letter, will continue to raise our concerns. Our Department again wishes to re-emphasize that any failure to perform such monitoring puts the safety of these vulnerable children at great risk.

Greater Scrutiny of Arrest and Conviction Records

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.¹² Therefore, there is a need for DHS and C&Y agencies across the commonwealth to have a *greatly heightened* awareness about the arrest and conviction records, as well as child abuse adjudications, of the employees/volunteers of C&Y agencies' *contracted In-Home Preventative Service providers* and their sub-recipients. This is 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.

Auditor General Senior Management's Follow-up Conclusion Statement

We commend DHS management for acknowledging the seriousness of the risks to children's safety resulting from the significant control deficiencies we identified related to CPSL adherence as discussed in our March 18, 2018 Position Statement letter. Further, we recognize the challenges that DHS faces in monitoring the 67 C&Y agencies' direct monitoring of the numerous *contracted In-Home Preventative Service providers* and their sub-recipients. We believe that requiring C&Y agencies to submit a schedule that captures the details of the agency's monitoring efforts as described above will be a major improvement. However, we also recognize that risks to these vulnerable children continue to exist. One such risk results

¹² 23 Pa.C.S. § 6344.4.

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from the potential delay of 9 to 21 months (or possibly longer) between the date of possible non-compliance by a *contracted In-Home Preventative Service provider* and/or inadequate monitoring by a county C&Y agency and DHS becoming aware of those issues.¹³

Furthermore, as previously stated, we have communicated to DHS that we believe that DHS should do more to assure that employees/volunteers of *contracted In-Home Preventative Service providers* are properly vetted through reviews of background checks and child abuse history clearances and to ensure that employees/volunteers do not have any convictions or adjudications that are disqualifying under the CPSL. Further, because of more recent amendments to the CPSL that changed the validity timeframe for background checks and child abuse history clearances from one to five years (i.e., 60 months) after being obtained, we believe that a greatly heightened awareness of these providers and sub-recipients' arrest and conviction records and child abuse adjudications is warranted.

Directly monitoring whether employees/volunteers of *contracted In-Home Preventative Service providers* are properly vetted through a background check process is a crucial step towards protecting these at risk children. Therefore, 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 as it relates to their contracted in-home preventative service providers and their sub-recipients. Again, our Department re-emphasizes that any failure to perform such monitoring puts the safety of these vulnerable children at great risk.

Finally, we requested that DHS reach out to, and work with, the chairs of the legislative committees of the Pennsylvania Senate and House of Representatives who help to protect the wellbeing of Pennsylvania children and youth to amend the Human Services Code to include provisions requiring the licensure and annual inspections of *contracted In-Home Preventative Service providers and their subcontractors (sub-recipients)*.

¹³ The potential 9-21 month delay is based on the Single Audit being due nine months after the end of the fiscal year plus up to 12 months for possible non-compliance occurring at the beginning of the fiscal year. The period of delay would be higher when the Single Audit is not received within nine months from the end of the fiscal year.

WASHINGTON COUNTY CHILDREN AND YOUTH AGENCY
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