



COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF PUBLIC WELFARE  
**BUREAU OF FINANCIAL OPERATIONS**  
3RD FLOOR, BERTOLINO BUILDING  
HARRISBURG, PA 17105-2675

TINA L LONG  
ACTING DIRECTOR

JAN 20 2011

TELEPHONE  
(717) 705-2288  
FAX  
(717) 772-2501

Mr. Keith Hayes, Director  
Chester County Office of Children & Youth  
601 Westtown Road, Suite 310  
West Chester, Pennsylvania 19380-0990

Dear Mr. Hayes:

I am enclosing the final report of the Chester County Children and Youth Services Special Grants that was recently completed by this office. This report does not contain any findings or recommendations. As such, Chester County management opted to allow the report to be issued as final. Additionally, Chester County management deemed a response unnecessary.

I would like to extend my appreciation for all the courtesy extended to my staff during the course of fieldwork. I understand that your staff was especially helpful to Timothy Rausch in expediting the audit process.

The final report will be forwarded to the Department's Office of Children, Youth and Families (OCYF) to begin the Department's resolution process concerning the report contents.

If you have any questions concerning this matter, please contact Alexander Matolyak, Audit Resolution Section, at (717) 783-7786.

Sincerely,

A handwritten signature in black ink that reads "Tina L Long".

Tina L. Long  
Acting Director

Enclosures

c: Mr. Richard Gold  
Mr. Thomas Diehl  
Ms. Rasheemah Shamsid-Deen Hampton

Some information has been redacted from this audit report. The redaction is indicated by magic marker highlight. If you want to request an unredacted copy of this audit report, you should submit a written Right to Know Law (RTKL) request to DPW's RTKL Office. The request should identify the audit report and ask for an unredacted copy. The RTKL Office will consider your request and respond in accordance with the RTKL (65 P.S. §§ 67.101 et seq.). The DPW RTKL Office can be contacted by email at: [ra-dpwtkl@pa.gov](mailto:ra-dpwtkl@pa.gov).



COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF PUBLIC WELFARE  
**BUREAU OF FINANCIAL OPERATIONS**  
3RD FLOOR, BERTOLINO BUILDING  
HARRISBURG, PA 17105-2675

TINA L LONG  
ACTING DIRECTOR

**JAN 20 2011**

TELEPHONE  
(717) 705-2288  
FAX  
(717) 772-2501

Mr. Richard Gold  
Deputy Secretary for Children, Youth and Families  
Health & Welfare Building, Room 131  
Harrisburg, Pennsylvania 17120

Dear Mr. Gold:

In response to a request from the Office of Children, Youth and Families (OCYF), the Bureau of Financial Operations (BFO) conducted an audit of Chester County's Children and Youth Services Special Grants for the fiscal year ended June 30, 2010.

This report is in final form. The data used to prepare this report was discussed with Chester County Children and Youth Services management at a closing conference held January 10, 2011.

### **Executive Summary**

The BFO was requested to audit Special Grants given to Chester County Children and Youth Services to ensure that costs reported under these grants were appropriate to the specific grant and that the grant costs were not also charged to the Act 148 invoice. Based on our audit, BFO found no material deficiencies in Chester County's administration and reporting of the Special Grant funds.

### **Background**

The OCYF awards Special Grants to County Children and Youth agencies to reduce specific areas of the Needs Based Budget (NBB). The two categories of Special Grants requested to be examined are: Evidence Base (EB) and Pa Promising Practices (PaPP).

The EB grants include the following: Multi-Systemic Therapy (MST), Functional Family Therapy (FFT), Family Group Decision Making (FGDM), Family Development Credentialing (FDC) and Family Finding Services (FF). These EB grants are funded 95% by the state and 5% by the counties.

## **Chester County Special Grants For The Fiscal Year Ended June 30, 2010**

The PaPP grants encourage outcome based services. Counties may choose one dependent and one delinquent program for special grant funding consideration. The PaPP grants are funded 90% by the state and 10% by the counties. Housing initiative grants are funded 80% by the state and 20% by the counties.

Chester County was awarded grants for the programs listed above as detailed later in this report. Additional programs that are eligible for Special Grant funding are State Reintegration Programs, Older Adolescent Initiative/Independent Living Initiative and Multidimensional Treatment Foster Care. Chester County was not awarded grants for these programs.

Currently, OCYF does not conduct any monitoring related to the Special Grant funds. These grant awards are a part of the NBB process and are required to be used to reduce specific areas of NBB expense.

### **Objective/Scope/Methodology**

The audit objective developed in concurrence with OCYF was:

- To determine the appropriateness of the charges made to the Special Grant funds and to determine that costs which should have been charged to the Act 148 invoice were not shifted to Special Grant funding.

In pursuing this objective, the BFO interviewed OCYF staff, Chester County's management staff and the management staff of certain of Chester County's subcontractors who provided the services directly to clients. The BFO also reviewed accounting and financial records, selected invoices, payroll data and other pertinent data necessary to complete our objective, including those of selected subcontractors. The BFO did not audit the Act 148, County Children & Youth Social Services Program Expenditure Report. However, audit procedures were applied to obtain reasonable assurances that the special grant costs were not included in the expenses stated on the Chester County's fiscal year ended June 30, 2010 Act 148 invoice. Similarly, program outcomes reported by Chester County's management have been included in this report but were not verified as a part of the audit.

We conducted this performance audit in accordance with generally accepted government audit standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objective.

Government auditing standards require that the auditors obtain an understanding of the management controls that are relevant to the audit objective stated above. The applicable controls were examined to the extent necessary to provide reasonable assurance of the effectiveness of those controls. Based on our understanding of the controls, no material deficiencies came to our attention.

**Chester County Special Grants  
For The Fiscal Year Ended June 30, 2010**

**Results of Fieldwork**

Chester County was awarded eight Special Grants for the fiscal year ended June 30, 2010. Services provided under these grants were subcontracted out to five providers and were performed by Chester County staff. Expenses charged to these grants were traced back to provider invoices and audit tests were performed to verify that the expenses were not included on the County's Act 148 invoice for the fiscal year ended June 30, 2010. Based on our review of Chester County's Special Grants, no material deficiencies were identified. Additionally, we reviewed the outcomes resulting from these Special Grant expenditures as discussed further below.

Chester County administered the following grants:

**Multi-Systemic Therapy (MST)**

The MST grant provides services to youths who display chronic delinquent behavior or serious emotional problems. These services were subcontracted to [REDACTED] Inc. who began offering the service in July 2008 based on a per diem rate of \$56.57. As a part of its field work, BFO visited the business offices of [REDACTED] Inc. to review selected clients' case files on a test basis.

The total amount budgeted for this grant was \$241,565 and the actual amount expended and invoiced was \$205,462, including the county's matching share of \$10,273 or 5%. As such, Chester County drew down 85% of its MST Budget.

A total of 26 families and children were serviced during the fiscal year. All but one has been discharged. Of the 25 children discharged, 14 had their objectives successfully achieved, six had their objectives partially achieved and five had not achieved their objectives.

**Functional Family Therapy (FFT)**

FFT services are available to youth ages 12 to 18 with both behavioral and mental health issues and their families. FFT is designed to reduce recidivism and/or the onset of offending, reduces treatment costs as compared with Residential Treatment Facilities and develops protective factors for younger siblings in the home. These services were subcontracted out to [REDACTED] beginning in the fiscal year ended June 30, 2009 based on a per diem rate of \$17.88.

The total amount budgeted for this grant was \$71,677 and the actual amount expended and invoiced to the county was \$27,185, including the county's matching share of \$1,359 or 5%. As such, this drew down only 38% of the budget. During the fiscal year, [REDACTED] stopped its intake of new clients until the per diem rate could be reset. This resulted in the under budget spending described above.

**Chester County Special Grants  
For The Fiscal Year Ended June 30, 2010**

A total of 54 youths were referred during the fiscal year ended June 30, 2010. There were only six open cases on June 30, 2010. Of the 48 cases closed, 28 youths successfully completed the program, eight youths were placed outside the home and 12 youths were removed by the placing agency, refused services or moved out of the county.

Family Group Decision Making (FGDM)

FGDM is available to any family with children eligible for services with either OCYF or Juvenile Probation Office using youth and family teams where the family is receiving services from multiple agencies and there is a need for good cross system collaboration and planning. Chester County subcontracted with [REDACTED] Inc. [REDACTED] to provide these services. As a part of its field work, BFO visited the business offices of [REDACTED] to review the invoices submitted to Chester County and the underlying payroll records.

The total amount budgeted for this grant was \$341,310 and the actual amount expended and invoiced to the county was \$224,755, including the county's matching share of \$11,329 or 5%. As such, this drew down 66% of the budget.

A total of 17 cases were closed during 2009 and eight were closed during the first six months of 2010. As of June 30, 2010, nine cases were still open.

Family Development Credentialing (FDC)

This program seeks to train personnel of a wide range of community based service agencies to better and more comprehensively serve the targeted population. [REDACTED] conducted the classes for the trainees, administered the test and issued the credentials.

The total amount budgeted for this grant was \$70,300 and the actual amount expended and invoiced to the county was \$27,242, including the county's matching share of \$1,362 or 5%. As such this drew down 39% of the budget.

A total of 20 people began class during September 2009. The last class was in April 2010 and of the five persons completing the course, four passed the exam and received credentialing. Of the 15 persons who did not complete the course, six were laid off by their employers due to the state not passing its budget timely, one dropped out due to health concerns and the others could not meet the additional outside time requirements to complete the work. As a result, this budget was under spent.

Family Finding (FF)

This program attempts to identify, locate and involve family members in a child's day-to-day life. Staff training and team meetings preceded engagement with the families and children.

**Chester County Special Grants  
For The Fiscal Year Ended June 30, 2010**

The total amount budgeted for this grant was \$10,324 and the actual amount expended and invoiced to the county was \$3,762, including the county's matching share of \$188 or 5%. As such, this drew down 36% of the budget. This program was under spent because the initial year's goals included staff training and coordination.

A total of twelve children and their families were referred. Two refused to participate, six have had "Blended Perspective Meetings" and three have had FGDM meetings. The remaining referral was made at year's end. As many as 200 new relatives were identified and introduced to the ten families who participated in the program.

PaPP Delinquent (PaPP Del)

The primary goal is to identify children at risk of out-of-home placement, involve them and their families in a positive parenting program and to treat and counsel so as to avoid or lessen child placements and maltreatment.

The total amount budgeted for this grant was \$26,589 and the actual amount expended and invoiced to the county was \$1,961, including the county's matching share of \$196 or 10%. As such, this drew down only 7% of the budget. The only expenses were for meals during "Girls Circle" meetings, a \$10 per week stipend to participants and the acquisition of audio visual equipment.

A total of 17 children enrolled during the fiscal year ended June 30, 2010, seven completed the program. Two sessions were held during the year, one began in September 2009 and the other began in February 2010.

PaPP Dependant (PaPP Dep)

The primary goal of this program is permanency through reuniting or adoption. Positive Parent Program scheme is being introduced to staff members via training only in this, the initial year for this program. No clients have been enrolled yet.

The total amount budgeted for this grant was \$100,687 and the actual amount expended and invoiced to the county was \$52,368 including the county's matching share of \$5,237 or 10%. As such this drew down 52% of the budget.

Housing Initiative

The primary goal of this program is to facilitate improved housing conditions such that a child's risk of placement is decreased, or to return a child from out-of-home placement or to assist youths transitioning to independent living. Chester County subcontracted with [REDACTED] to provide these services. As a part of its field work, BFO visited the business offices of [REDACTED] to review the invoices submitted to Chester County, the underlying payroll records and selected clients' case files on a test basis.

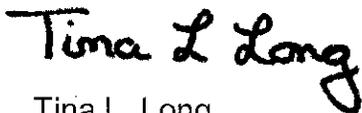
**Chester County Special Grants  
For The Fiscal Year Ended June 30, 2010**

The total amount budgeted for this grant was \$160,000 and the actual amount expended and invoiced to the county was \$200,000, including the county's matching share of \$40,000 or 20%.

A total of 80 families were provided with housing related services during the fiscal year. Twenty-seven families with 71 children were referred to the [REDACTED] program administered by [REDACTED] Inc. who provided shelter services. Fifty-two families were provided funds to immediately address housing related needs such as assistance with utility payments. No children were placed while the families were involved with this program.

This report does not include any findings or recommendations; as such, no OCYF program office follow-up is necessary. Furthermore, Chester County management did not deem it necessary to include a response. If you have any questions concerning this audit or if we can be of any further assistance, please contact Alex Matolyak, Audit Resolution Section at (717) 783-7786.

Sincerely,



Tina L. Long  
Acting Director

c: Mr. Thomas Diehl  
Ms. Rasheemah Shamsid-Deen Hampton  
Mr. Keith Hayes