

**COUNTY OF YORK  
PENNSYLVANIA**

**SINGLE AUDIT REPORT**

**YEAR ENDED DECEMBER 31, 2013**

COUNTY OF YORK, PENNSYLVANIA  
SINGLE AUDIT REPORT  
YEAR ENDED DECEMBER 31, 2013

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# Zelenkofske Axelrod LLC

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## INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

County Commissioners  
County of York  
York, Pennsylvania

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of COUNTY OF YORK, PENNSYLVANIA, as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise COUNTY OF YORK, PENNSYLVANIA's basic financial statements and have issued our report thereon dated June 20, 2014. Our report includes a reference to other auditors who audited the financial statements of the York County Solid Waste and Refuse Authority, the York County Industrial Development Authority, and the York County Planning Commission, as described in our report on COUNTY OF YORK, PENNSYLVANIA's financial statements. The financial statements of the York County Solid Waste and Refuse Authority, the York County Industrial Authority, and the York County Library System were not audited in accordance with *Government Auditing Standards*. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

### **Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered COUNTY OF YORK, PENNSYLVANIA's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of COUNTY OF YORK, PENNSYLVANIA's internal control. Accordingly, we do not express an opinion on the effectiveness of COUNTY OF YORK, PENNSYLVANIA's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as Findings 2013-001, 2013-005, 2013-007, and 2013-008 to be material weaknesses.

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#### **Harrisburg**

830 Sir Thomas Court, Suite 100  
Harrisburg, PA 17109  
717.561.9200 Fax 717.561.9202

#### **Philadelphia**

2370 York Road, Suite A-5  
Jamison, Pa 18929  
215.918.2277 Fax 215.918.2302

#### **Pittsburgh**

3800 McKnight E. Drive, Suite 3805  
Pittsburgh, PA 15237  
412.367.7102 Fax 412.367.7103

# Zelenkofske Axelrod LLC

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## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether COUNTY OF YORK, PENNSYLVANIA's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as Finding 2013-002.

## **County of York, Pennsylvania's Responses to Findings**

COUNTY OF YORK, PENNSYLVANIA's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. COUNTY OF YORK, PENNSYLVANIA's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Zelenkofske Axelrod LLC*  
ZELENKOFSCHE AXELROD LLC

Harrisburg, Pennsylvania  
June 20, 2014

# Zelenkofske Axelrod LLC

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM, ON  
INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133 AND THE  
PENNSYLVANIA DEPARTMENT OF PUBLIC WELFARE SINGLE AUDIT SUPPLEMENT, AND ON THE  
SCHEDULES OF EXPENDITURES OF FEDERAL AND PENNSYLVANIA DEPARTMENT OF PUBLIC  
WELFARE AWARDS

County Commissioners  
County of York  
York, Pennsylvania

## **Report on Compliance for Each Major Federal and Pennsylvania Department of Public Welfare Program**

We have audited COUNTY OF YORK, PENNSYLVANIA's compliance with the types of compliance requirements described in the OMB Circular A-133 *Compliance Supplement* and the Pennsylvania Department of Public Welfare (DPW) *Single Audit Supplement* that could have a direct and material effect on each of COUNTY OF YORK, PENNSYLVANIA's major federal and DPW programs for the year ended December 31, 2013. COUNTY OF YORK, PENNSYLVANIA's major federal and DPW programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

### **Management's Responsibility**

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal and DPW programs.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on compliance for each of COUNTY OF YORK, PENNSYLVANIA's major federal and DPW programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the Pennsylvania Department of Public Welfare *Single Audit Supplement*. Those standards, OMB Circular A-133, and the Pennsylvania Department of Public Welfare *Single Audit Supplement* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal and DPW program occurred. An audit includes examining, on a test basis, evidence about COUNTY OF YORK, PENNSYLVANIA's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal and DPW program. However, our audit does not provide a legal determination of COUNTY OF YORK, PENNSYLVANIA's compliance.

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#### **Harrisburg**

830 Sir Thomas Court, Suite 100  
Harrisburg, PA 17109  
717.561.9200 Fax 717.561.9202

#### **Philadelphia**

2370 York Road, Suite A-5  
Jamison, Pa 18929  
215.918.2277 Fax 215.918.2302

#### **Pittsburgh**

3800 McKnight E. Drive, Suite 3805  
Pittsburgh, PA 15237  
412.367.7102 Fax 412.367.7103

# Zelenkofske Axelrod LLC

## **Basis for Qualified Opinion on Major Federal and DPW Programs Listed in the Table Below.**

As described in the accompanying schedule of findings and questioned costs, COUNTY OF YORK, PENNSYLVANIA did not comply with requirements regarding the following:

<b>Finding #</b>	<b>CFDA #</b>	<b>Program (or Cluster) Name</b>	<b>Compliance Requirement</b>
2013-003	N/A – PA DPW	Pennsylvania Department of Public Welfare (PA DPW) MH/IDD and Children, Youth, and Families Program	Roster of Personnel
2013-004	93.659 and PA DPW	Adoption Assistance and PA DPW Children, Youth, and Families Program	Eligibility
2013-005	93.659, 93.645, and PA DPW	Adoption Assistance and PA DPW Children, Youth, and Families Program	Reporting
2013-006	PA DPW	Child Support Enforcement and PA DPW Child Support Enforcement	PASCES Data Reliability
2013-007	14.218	CDBG Entitlement Cluster	Earmarking, Program Income, and Reporting
2013-008	14.218 & 14.231	CDBG Entitlement Cluster & Emergency Shelter Grant Program	Reporting
2013-2009	14.239	HOME Investment Partnerships Program	Procurement, Suspension, and Debarment

Compliance with such requirements is necessary, in our opinion, for COUNTY OF YORK, PENNSYLVANIA to comply with the requirements applicable to that program.

## **Qualified Opinion on Major Federal and DPW Programs Listed in the Table Above.**

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion paragraph, COUNTY OF YORK, PENNSYLVANIA, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the major federal and DPW programs listed in the table above for the year ended December 31, 2013.

## **Unmodified Opinion on Each of the Other Major Federal Programs**

In our opinion, COUNTY OF YORK, PENNSYLVANIA complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its other major federal and DPW programs identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs for the year ended December 31, 2013.

# Zelenkofske Axelrod LLC

## **Other Matters**

The County of York's responses to the noncompliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The County of York's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

## **Report on Internal Control Over Compliance**

Management of COUNTY OF YORK, PENNSYLVANIA, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered COUNTY OF YORK, PENNSYLVANIA's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and DPW program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and DPW program and to test and report on internal control over compliance in accordance with OMB Circular A-133 and the Pennsylvania Department of Public Welfare *Single Audit Supplement*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of COUNTY OF YORK, PENNSYLVANIA's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses and a significant deficiency.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or DPW program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or DPW program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as Findings 2013-004, 2013-005, 2013-006, 2013-007, 2013-008, and 2013-009 to be material weaknesses.

*A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal or DPW program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as Finding 2013-003 and 2013-010 to be a significant deficiency.

# Zelenkofske Axelrod LLC

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COUNTY OF YORK, PENNSYLVANIA's responses to the internal control over compliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. COUNTY OF YORK, PENNSYLVANIA's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133 and the Pennsylvania Department of Public Welfare *Single Audit Supplement*. Accordingly, this report is not suitable for any other purpose.

## **Report on Schedules of Expenditures of Federal and Pennsylvania Department of Public Welfare Awards Required by OMB Circular A-133 and the Pennsylvania Department of Public Welfare *Single Audit Supplement***

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of COUNTY OF YORK, PENNSYLVANIA, as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise COUNTY OF YORK, PENNSYLVANIA's primary government financial statements. We issued our report thereon dated June 20, 2014, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County of York's primary government financial statements. The accompanying schedules of expenditures of federal and Pennsylvania Department of Public Welfare awards are presented for purposes of additional analysis as required by OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and the Pennsylvania Department of Public Welfare *Single Audit Supplement* and are not a required part of the primary government financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the primary government financial statements. The information has been subjected to the auditing procedures applied in the audit of the primary government financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the primary government financial statements or to the primary government financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedules of expenditures of federal and Pennsylvania Department of Public Welfare awards are fairly stated in all material respects in relation to the primary government financial statements as a whole.

*Zelenkofske Axelrod LLC*  
ZELENKOFKSKE AXELROD LLC

Harrisburg, Pennsylvania  
June 20, 2014

**COUNTY OF YORK, PENNSYLVANIA**  
**Schedule of Expenditures of Federal Awards**  
**Year Ended December 31, 2013**

Grantor Program Title	Federal CFDA No.	Fund	Accrued/ (Deferred) Revenue at 12/31/12	Federal Grant Receipts	Federal Grant Expenditures	Accrued/ (Deferred) Revenue at 12/31/13
<b>U.S. Department of Agriculture</b>						
Pass-through Commonwealth of Pennsylvania Department of Education						
Child Nutrition Cluster:						
School Breakfast Program	10.553	Youth Development Center	\$ 1,569	\$ 13,702	\$ 14,930	\$ 2,797
National School Lunch Program	10.555	Youth Development Center	3,032	26,473	28,652	5,211
Total Child Nutrition Cluster			<u>4,601</u>	<u>40,175</u>	<u>43,582</u>	<u>8,008</u>
Pass-through PA Department of Agriculture:						
Food Distribution Cluster:						
Emergency Food Assistance Program (Administrative Costs)	10.568	Human Services	24,416	32,378	20,186	12,224
Emergency Food Assistance Program (Food Commodities)	10.569	Human Services	-	217,542	217,542	-
Total Food Distribution Cluster			<u>24,416</u>	<u>249,920</u>	<u>237,728</u>	<u>12,224</u>
<b>TOTAL - U.S. Department of Agriculture</b>			<b><u>29,017</u></b>	<b><u>290,095</u></b>	<b><u>281,310</u></b>	<b><u>20,232</u></b>
<b>U.S. Department of Housing &amp; Urban Development (HUD)</b>						
CDBG - Entitlement Grants Cluster:						
Community Development Block Grants/Entitlement Grants	14.218	Planning Commission	105,746	16,932,862	16,962,098	134,982
Neighborhood Stabilization Program	14.218	Planning Commission	26,601	37,436	10,835	-
Total CDBG - Entitlement Grants Cluster			<u>132,347</u>	<u>16,970,298</u>	<u>16,972,933</u>	<u>134,982</u>
Emergency Shelter Grants Program	14.231	Planning Commission	12,920	144,682	152,677	20,915
Supportive Housing Program - Homeless Management Information Systems	14.235	Human Services, Planning Commission	4,844	91,795	92,043	5,092
HOME Investment Partnerships Program	14.239	Planning Commission	4,581	12,293,763	12,680,404	391,222
<b>TOTAL - U.S. Department of Housing &amp; Urban Development</b>			<b><u>154,692</u></b>	<b><u>29,500,538</u></b>	<b><u>29,898,057</u></b>	<b><u>552,211</u></b>
<b>U.S. Department of Justice</b>						
Office of Juvenile Justice Prevention						
Pass-through Pennsylvania Bureau of Justice Assistance						
Drug Court Discretionary Grant Program (2011-DC-BX-0105)	16.585	Court Administration	66,932	-	133,068	200,000
Pass-through Pennsylvania Commission on Crime and Delinquency						
Justice Assistance Grant (JAG) Program Cluster:						
Edward Byrne Memorial JAG Program (2009-JG-04-21775-2)	16.738	Court Administration	41,208	41,208	-	-
Edward Byrne Memorial JAG Program (2009-JG-04-22703)	16.738	Court Administration	45,299	45,299	-	-
Edward Byrne Memorial JAG Program (2010-JG-04-21775-3)	16.738	Court Administration	-	19,953	28,970	9,017
Edward Byrne Memorial JAG Program (2009/2010-JG-04-22703-2)	16.738	Court Administration	-	46,212	94,108	47,896
Edward Byrne Memorial JAG Program (2010-JG-06-23503)	16.738	Juvenile Probation	5,600	22,953	20,838	3,485
Edward Byrne Memorial JAG Program (2009/2010-SC/JT/JG-01/03-22152)	16.738	Human Services	24,508	66,462	41,954	-
Edward Byrne Memorial JAG Program (2011-JG-01-24108)	16.738	District Attorney	-	-	12,905	12,905
Edward Byrne Memorial JAG Program - ARRA (2009-AJ-06-23957)	16.803	District Attorney	1,589	2,517	928	-
Total Justice Assistance Grant (JAG) Program Cluster			<u>118,204</u>	<u>244,604</u>	<u>199,703</u>	<u>73,303</u>
Juvenile Accountability Incentive Block Grants (2011/2012-JB-03-24013)	16.523	Juvenile Probation	-	7,492	10,828	3,336
Juvenile Accountability Incentive Block Grants (2010/11-JB-03-22830)	16.523	Juvenile Probation	4,824	9,481	4,657	-
<b>TOTAL - U.S. Department of Justice</b>			<b><u>189,960</u></b>	<b><u>261,577</u></b>	<b><u>348,256</u></b>	<b><u>276,639</u></b>
<b>U.S. Department of Transportation</b>						
Pass-through PA Dept. of Transportation						
Highway Planning and Construction Cluster:						
Highway Planning and Construction	20.205	Liquid Fuels	303,941	114,104	489,711	679,548
Total Highway Planning and Construction Cluster			<u>303,941</u>	<u>114,104</u>	<u>489,711</u>	<u>679,548</u>
Highway Safety Cluster:						
State and Community Highway Safety	20.600	Traffic Safety	243,051	517,213	432,961	158,799
Alcohol Impaired Driving Countermeasures Incentives Grant	20.601	Adult Probation	9,336	9,336	-	-
Total Highway Safety Cluster			<u>252,387</u>	<u>526,549</u>	<u>432,961</u>	<u>158,799</u>
U.S. Research and Special Programs Administration						
Interagency Hazardous Material Public Sector Training and Planning Grants	20.703	Emergency Management Agency	1,060	5,114	4,054	-
<b>TOTAL - U.S. Department of Transportation</b>			<b><u>557,388</u></b>	<b><u>645,767</u></b>	<b><u>926,726</u></b>	<b><u>838,347</u></b>
<b>U.S. General Services Administration</b>						
Pass-through PA Dept. of General Services						
Help America Vote Act	39.011	Voter Registration	1,499	-	-	1,499
Help America Vote Act	90.401	Voter Registration	125,064	-	-	125,064
<b>TOTAL - U.S. General Services Administration</b>			<b><u>126,563</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>126,563</u></b>
<b>U.S. Department of Energy</b>						
Pass-through PA Dept. of Community & Economic Development:						
Weatherization Assistance for Low-Income Persons	81.042	Planning Commission	163,659	241,726	83,233	5,166
<b>TOTAL - U.S. Department of Energy</b>			<b><u>163,659</u></b>	<b><u>241,726</u></b>	<b><u>83,233</u></b>	<b><u>5,166</u></b>

\* Denotes Program Tested as Major

**COUNTY OF YORK, PENNSYLVANIA**  
**Schedule of Expenditures of Federal Awards (Continued)**  
**Year Ended December 31, 2013**

Grantor Program Title	Federal CFDA No.	Fund	Accrued/ (Deferred) Revenue at 12/31/12	Federal Grant Receipts	Federal Grant Expenditures	Accrued/ (Deferred) Revenue at 12/31/13
<b>U.S. Department of Education</b>						
Pass-through PA Dept. of Public Welfare: Special Education-Grants for Infants and Families	84.181	MH/IDD	-	609,074	613,564	4,490
<b>TOTAL - U.S. Department of Education</b>			<b>-</b>	<b>609,074</b>	<b>613,564</b>	<b>4,490</b>
<b>U.S. Department of Health &amp; Human Services</b>						
Pass-through PA Dept. of Aging: Special Programs for the Aging-Title VII, Ch 3-Programs for Prevention of Elder Abuse, Neglect, and Exploitation	93.041	Aging	-	3,668	3,668	-
Special Programs for the Aging-Title VII, Ch 2-Long Term Care Ombudsman Services for Older Individuals	93.042	Aging	-	12,257	12,257	-
Special Programs for the Aging-Title III, Part D-Disease Prevention and Health Promotion Services	93.043	Aging	-	13,324	13,324	-
Aging Cluster: Special Programs for the Aging-Title III, Part B-Grants for Supportive Services and Senior Centers	93.044	Aging	-	523,472	523,472	-
Special Programs for the Aging-Title III, Part C-Nutrition Services	93.045	Aging	-	374,944	374,944	-
Nutrition Services Incentive Program	93.053	Aging	-	196,184	196,184	-
Total Aging Cluster			<u>-</u>	<u>1,094,600</u>	<u>1,094,600</u>	<u>-</u>
National Family Caregiver Support	93.052	Aging	-	101,375	101,375	-
Medicare Enrollment Assistance Program	93.071	Aging	-	4,734	4,734	-
Medicaid Cluster: Medical Assistance Program - Pre Admission Assessment	93.778	Aging	-	333,663	337,478	3,815
Subtotal Medicaid Cluster			<u>-</u>	<u>333,663</u>	<u>337,478</u>	<u>3,815</u>
Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations	93.779	Aging	-	75,316	75,316	-
Pass-through PA Dept. of Community & Economic Development: Low-Income Home Energy Assistance Program	93.568	Planning Commission	121,647	509,175	658,025	270,497
Total PA DCED			<u>121,647</u>	<u>509,175</u>	<u>658,025</u>	<u>270,497</u>
Pass-through PA Dept. of Health: Block Grants for Prevention and Treatment of Substance Abuse - SAP #4100053278	93.959	Drug & Alcohol	82,991	953,420	930,429 *	60,000
Pass-through PA Dept. of Public Welfare: Public Health and Social Services Emergencies Program	93.003	MH/IDD	(10,305)	-	10,305	-
Projects for Assistance in Transition from Homelessness (PATH)	93.150	MH/IDD	-	46,665	46,665	-
Substance Abuse and Mental Health Services/Projects	93.243	MH/IDD	(144,354)	582,979	289,010	(438,323)
Temporary Assistance for Needy Families Cluster	93.558	Children, Youth, and Families	520,636	1,264,451	1,235,731	491,916
Child Support Enforcement	93.563	Domestic Relations	(708,229)	3,298,947	2,834,582 *	(1,172,594)
Child Welfare Services-State Grants	93.645	Children, Youth, and Families	-	155,788	155,788 *	-
Foster Care-Title IV-E	93.658	Children, Youth, and Families, Juv. Prob.	1,185,726	2,579,137	2,918,528	1,525,117
Foster Care-Title IV-E - ARRA	93.658	Children, Youth, and Families	58,544	-	-	58,544
Adoption Assistance	93.659	Children, Youth, and Families	741,653	1,495,079	1,448,453 *	695,027
Social Services Block Grant	93.667	Children, Youth, and Families, MH/IDD	-	409,484	409,484	-
Chafee Foster Care Independence Program	93.674	Children, Youth, and Families	36,348	108,525	108,005	35,828
Medicaid Cluster: Medical Assistance Program (Medicaid Cluster)	93.778	Various	(91,420)	3,035,712	3,210,343	83,211
National Bioterrorism Hospital Preparedness Program	93.889	MH/IDD	(13,578)	231,500	130,224	(114,854)
Block Grants for Community Mental Health Services	93.958	MH/IDD	-	289,143	289,143 *	-
MA Transformation Transfer Initiative	93.999	MH/IDD	(149,700)	44,200	110,500	(83,400)
Pass-through University of Pittsburgh  Comprehensive Community Mental Health Services for Children with Serious Emotional Disturbances	93.104	Human Services, MH/IDD	9,618	1,332,050	27,651	(1,294,781)
<b>TOTAL - U.S. Department of Health &amp; Human Services</b>			<b>1,639,577</b>	<b>17,975,192</b>	<b>16,455,618</b>	<b>120,003</b>

\* Denotes Program Tested as Major

COUNTY OF YORK, PENNSYLVANIA  
 Schedule of Expenditures of Federal Awards (Continued)  
 Year Ended December 31, 2013

Grantor Program Title	Federal CFDA No.	Fund	Accrued/ (Deferred) Revenue at 12/31/12	Federal Grant Receipts	Federal Grant Expenditures	Accrued/ (Deferred) Revenue at 12/31/13
<b>U.S. Department of Homeland Security</b>						
Pass-through PA Emergency Management Agency Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	Parks	(376,854)	-	193,793	(183,061)
Emergency Management Performance Grants	97.042	Emergency Management Agency	23,276	96,184	96,766	23,858
Pass-through PA Dept. of Public Welfare: Immediate Services Crisis Counseling Program	97.032	MH/IDD	(8,223)	-	6,623	(1,600)
Disaster Assistance Projects Grant	97.088	MH/IDD	(516)	-	516	-
<b>TOTAL - U.S. Department of Homeland Security</b>			<b>(362,317)</b>	<b>96,184</b>	<b>297,698</b>	<b>(160,803)</b>
<b>TOTAL FEDERAL AWARDS</b>			<b>\$ 2,498,539</b>	<b>\$ 49,620,153</b>	<b>\$ 48,904,462</b>	<b>\$ 1,782,848</b>

\* Denotes Program Tested as Major

COUNTY OF YORK, PENNSYLVANIA  
 SCHEDULE OF PENNSYLVANIA DEPARTMENT OF PUBLIC WELFARE EXPENDITURES  
 YEAR ENDED DECEMBER 31, 2013

		<b>Combined Federal and State Expenditures</b>	
Children, Youth, and Families Program	\$	33,396,128	*
Child Support Enforcement Program		2,834,582	*
Homeless Assistance Programs (HAP)		877,138	
Human Services Development Fund (HSDF)		288,589	
Medical Assistance Transportation (MATP)		1,289,360	
Mental Health/Intellectual and Developmental Disabilities Program		24,756,096	*
Total Department of Public Welfare Expenditures	\$	63,441,893	

\* Denotes a major program for Pennsylvania Department of Public Welfare purposes. The amount expended under major DPW programs for the year ended December 31, 2013 totaled \$ 60,986,806 or 96.13% of total Pennsylvania Department of Public Welfare Financial Assistance.

COUNTY OF YORK, PENNSYLVANIA  
 NOTES TO SCHEDULES OF EXPENDITURES OF AWARDS  
 YEAR ENDED DECEMBER 31, 2013

NOTE 1: REPORTING ENTITY

The County of York, Pennsylvania (the "County") as the reporting entity for financial reporting purposes is defined in Note 1 to the County's financial statements. For purposes of preparing the schedules of awards, the County's reporting entity differs from that used for financial purposes, in that awards received and expended, if any, by the following entities are excluded:

- York County Solid Waste and Refuse Authority
- York County Library System
- York County Planning Commission
- York County Industrial Development Authority

Direct awards pertaining to these entities have been excluded from the accompanying schedules principally because the County is not directly involved in maintaining the accounting records or systems of internal accounting and administrative controls for these entities. Where applicable, these entities have arranged for the issuance of separate Single Audit Reports containing their audited financial statements and schedule of expenditures of federal awards and all required audit reports.

Except as indicated above, the accompanying schedules of expenditures present the activity of all federal award programs and the Pennsylvania Department of Public Welfare award programs of the County.

NOTE 2: BASIS OF ACCOUNTING

The accompanying schedules of awards are presented using the modified accrual basis of accounting, which is described in Note 1 to the County's financial statements.

NOTE 3: RISK-BASED AUDIT APPROACH

The 2013 threshold for determining Type A and Type B Programs is \$957,946. The following high-risk Type B Programs were audited as major:

<u>CFDA</u>	<u>Program</u>
14.231	Emergency Shelter Grant Program
93.645	Child Welfare Services – State Grants
93.958	Block Grants for Community Mental Health Services
93.959	Block Grants for Prevention and Treatment of Substance Abuse

COUNTY OF YORK, PENNSYLVANIA  
 NOTES TO SCHEDULES OF EXPENDITURES OF AWARDS (CONTINUED)  
 YEAR ENDED DECEMBER 31, 2013

NOTE 3: RISK-BASED AUDIT APPROACH (CONTINUED)

The following low-risk Type A Programs were not audited as major:

<u>CFDA</u>	<u>Program</u>
93.044/93.045/93.053	Aging Cluster
93.558	Temporary Assistance for Needy Families
93.778	Cluster
93.658	Medicaid Cluster
	Foster Care Title IV-E

The amount expended under programs audited as major federal programs for the year ended December 31, 2013, totaled \$35,464,409 or 72.52% of total federal awards.

NOTE 4: LOANS OUTSTANDING

The County had the following loan balances outstanding at December 31, 2013. These loan balances outstanding are also included as expenditures presented in the Schedule of Expenditures of federal awards.

<u>Program Title</u>	<u>Federal Number</u>	<u>CFDA</u>	<u>Amount Outstanding</u>
Community Development Block Grants/ Entitlement Grants	14.218		\$14,990,295
HOME Investment Partnerships Program	14.239		\$11,566,328

NOTE 5: PENNSYLVANIA DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT  
 FEDERAL FUNDS RECEIVED

The following is a listing of federal funds received by the County from the Pennsylvania Department of Community and Economic Development for the year ended December 31, 2013:

<u>Program</u>	<u>CFDA Number</u>	<u>Grant Period</u>	<u>State Contract Number</u>	<u>Amount</u>
DOE Weatherization	81.042	7/1/12-12/31/13	C000053039	\$241,726
LIHEAP	93.568	10/1/12-12/31/13	C000053039	\$509,175

# Zelenkofske Axelrod LLC

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES  
TO THE FINANCIAL SCHEDULES AND EXHIBITS REQUIRED BY THE  
PENNSYLVANIA DEPARTMENT OF PUBLIC WELFARE

County Commissioners  
County of York  
York, Pennsylvania

We have performed the procedures enumerated below, which were agreed to by the Commonwealth of Pennsylvania, Department of Public Welfare (DPW), and COUNTY OF YORK, PENNSYLVANIA, solely to assist you with respect to the financial schedules and exhibits required by the DPW *Single Audit Supplement* for the fiscal year ended June 30, 2013, fiscal year ended June 30, 2011, and calendar year ended December 31, 2013. The COUNTY OF YORK's management is responsible for the financial schedules and exhibits required by the DPW *Single Audit Supplement*. This engagement to apply agreed-upon procedures was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the DPW and the management of COUNTY OF YORK, PENNSYLVANIA. Consequently, we make no representation regarding the sufficiency of the procedures described below, either for the purpose for which this report has been requested, or for any other purpose.

The procedures and associated findings are as follows:

- a) We have verified by comparison of the amounts and classifications that the supplemental financial schedules listed below, which summarize amounts reported to DPW for fiscal year ended June 30, 2013, fiscal year ended June 30, 2011, and calendar year ended December 31, 2013, have been accurately compiled based on the audited books and records of the COUNTY OF YORK, PENNSYLVANIA. We have also verified by comparison to the example schedules that these schedules are presented, at a minimum, at the level of detail and in the format required by the DPW *Single Audit Supplement* pertaining to this period.

<u>Program Name</u>	<u>Exhibit Number</u>	<u>Referenced Schedule/Exhibit</u>
Title IV-D Child Support Enforcement	A-1(a) A-1(b) A-1(c) A-1(d)	Summary of Expenditures PACSES OCSE 157 Data Reliability Validation Comparison of Reported Incentives to Incentives of Deposit Comparison of Single Audit Title IV-D Account with Reported Title IV-D Account
Children, Youth , and Families	I	Fiscal Summary
Medical Assistance Transportation	III	Schedule of Revenues and Expenditures

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**Harrisburg**

830 Sir Thomas Court, Suite 100  
Harrisburg, PA 17109  
717.561.9200 Fax 717.561.9202

**Philadelphia**

2370 York Road, Suite A-5  
Jamison, Pa 18929  
215.918.2277 Fax 215.918.2302

**Pittsburgh**

3800 McKnight E. Drive, Suite 3805  
Pittsburgh, PA 15237  
412.367.7102 Fax 412.367.7103

# Zelenkofske Axelrod LLC

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<u>Program Name</u>	<u>Exhibit Number</u>	<u>Referenced Schedule/Exhibit</u>
Mental Health/IDD	IV(a)MH NBG	Schedule of Revenues, Expenditures, and Carryover Funds – MH
	IV(b)MH NBG	Report of Income and Expenditures - MH
	IV(c)ID NBG	Schedule of Revenues, Expenditures, and Carryover Funds – ID
	IV(d)ID NBG	Report of Income and Expenditures - ID
Early Intervention Services	V(a)EI	Schedule of Revenues, Expenditures, and Carryover Funds – EI
	V(b)EI	Report of Income and Expenditures - EI
Combined Homeless Assistance	XIX(a) NBG	Schedule of Revenues and Expenditures

- b) We have inquired of management regarding adjustments to reported revenues or expenditures, which were not reflected on the reports submitted to DPW for the period in question.
- c) The processes detailed in paragraphs (a) and (b) above disclosed the following adjustments and/or findings which have been reflected on the corresponding schedules:
- The blood testing expenditures in Exhibit A-1 (a) were overstated in the amount of \$32.
  - In Exhibit A-1 (b), one case file did not agree to information entered into PASCES System (See Finding 2013-006)
  - In Exhibit A-1 (d), Title XIX Incentives were understated and Reimbursements were overstated in the amount of \$792.
  - In Exhibit III, expenditures were understated in the amount of \$33,482. See Finding 2013-010
  - In Exhibit XIX (a) NBG, expenditures were overstated in the amount of \$33.

We were not engaged to, and did not conduct an audit, the objective of which would be the expression of an opinion on the financial schedules and exhibits. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the York County Commissioners and the Pennsylvania Department of Public Welfare and is not intended to be and should not be used by anyone other than those specified parties.

*Zelenkofske Axelrod LLC*

ZELENKOFSCHE AXELROD LLC

Harrisburg, Pennsylvania  
June 20, 2014

COUNTY OF YORK, PENNSYLVANIA  
 SUMMARY OF EXPENDITURES - TITLE IV-D CHILD SUPPORT ENFORCEMENT PROGRAM  
 FOR THE YEAR ENDED DECEMBER 31, 2013

	Single Audit Expenditures					Reported Expenditures					Single Audit Over(Under) Reported				
	(A) Total	(B) Unallowable	(C) Net (A-B)	(D) FFP	(E) Amount Paid (C x D)	(A) Total	(B) Unallowable	(C) Net (A-B)	(D) FFP	(E) Amount Paid (C x D)	(A) Total	(B) Unallowable	(C) Net (A-B)	(D) FFP	(E) Amount Paid (C x D)
<b>Calendar Quarter Ended 3/31/12</b>															
Salary/Overhead (Exclude Blood Tests)	\$ 1,087,474	\$ 35,502	\$ 1,051,972	66%	\$ 694,302	\$ 1,087,474	\$ 35,502	\$ 1,051,972	66%	\$ 694,302	\$ -	\$ -	\$ -	66%	\$ -
Fees/Costs	8	-	8	66%	5	8	-	8	66%	5	-	-	-	66%	-
Interest/Program Income	34,871	1,138	33,733	66%	22,264	34,871	1,138	33,733	66%	22,264	-	-	-	66%	-
Blood Testing Fees	3,325	-	3,325	66%	2,195	3,325	-	3,325	66%	2,195	-	-	-	66%	-
Subtotal (1-2-3-4)	1,049,270	34,364	1,014,906	-	669,838	1,049,270	34,364	1,014,906	-	669,838	-	-	-	-	-
Blood Testing	3,232	-	3,232	66%	2,133	3,232	-	3,232	66%	2,133	-	-	-	66%	-
ADP	-	-	-	66%	-	-	-	-	66%	-	-	-	-	66%	-
Net Total (5+6+7)	<u>\$ 1,052,502</u>	<u>\$ 34,364</u>	<u>\$ 1,018,138</u>	-	<u>\$ 671,971</u>	<u>\$ 1,052,502</u>	<u>\$ 34,364</u>	<u>\$ 1,018,138</u>	-	<u>\$ 671,971</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
<b>Calendar Quarter Ended 6/30/12</b>															
Salary/Overhead (Exclude Blood Tests)	\$ 1,134,180	\$ 37,353	\$ 1,096,827	66%	\$ 723,906	\$ 1,134,180	\$ 37,353	\$ 1,096,827	66%	\$ 723,906	\$ -	\$ -	\$ -	66%	\$ -
Fees/Costs	6	-	6	66%	4	6	-	6	66%	4	-	-	-	66%	-
Interest/Program Income	49,757	1,640	48,117	66%	31,757	49,757	1,640	48,117	66%	31,757	-	-	-	66%	-
Blood Testing Fees	4,661	-	4,661	66%	3,076	4,661	-	4,661	66%	3,076	-	-	-	66%	-
Subtotal (1-2-3-4)	1,079,756	35,713	1,044,043	-	689,069	1,079,756	35,713	1,044,043	-	689,069	-	-	-	-	-
Blood Testing	2,464	-	2,464	66%	1,626	2,464	-	2,464	66%	1,626	-	-	-	66%	-
ADP	-	-	-	66%	-	-	-	-	66%	-	-	-	-	66%	-
Net Total (5+6+7)	<u>\$ 1,082,220</u>	<u>\$ 35,713</u>	<u>\$ 1,046,507</u>	-	<u>\$ 690,695</u>	<u>\$ 1,082,220</u>	<u>\$ 35,713</u>	<u>\$ 1,046,507</u>	-	<u>\$ 690,695</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
<b>Calendar Quarter Ended 9/30/12</b>															
Salary/Overhead (Exclude Blood Tests)	\$ 1,184,668	\$ 39,508	\$ 1,145,160	66%	\$ 755,806	\$ 1,184,668	\$ 39,508	\$ 1,145,160	66%	\$ 755,806	\$ -	\$ -	\$ -	66%	\$ -
Fees/Costs	7	-	7	66%	5	7	-	7	66%	5	-	-	-	66%	-
Interest/Program Income	37,700	1,264	36,436	66%	24,048	37,700	1,264	36,436	66%	24,048	-	-	-	66%	-
Blood Testing Fees	4,841	-	4,841	66%	3,195	4,841	-	4,841	66%	3,195	-	-	-	66%	-
Subtotal (1-2-3-4)	1,142,120	38,244	1,103,876	-	728,558	1,142,120	38,244	1,103,876	-	728,558	-	-	-	-	-
Blood Testing	3,808	-	3,808	66%	2,513	3,808	-	3,808	66%	2,513	-	-	-	66%	-
ADP	-	-	-	66%	-	-	-	-	66%	-	-	-	-	66%	-
Net Total (5+6+7)	<u>\$ 1,145,928</u>	<u>\$ 38,244</u>	<u>\$ 1,107,684</u>	-	<u>\$ 731,071</u>	<u>\$ 1,145,928</u>	<u>\$ 38,244</u>	<u>\$ 1,107,684</u>	-	<u>\$ 731,071</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
<b>Calendar Quarter Ended 12/31/12</b>															
Salary/Overhead (Exclude Blood Tests)	\$ 1,196,455	\$ 41,265	\$ 1,155,190	66%	\$ 762,425	\$ 1,196,455	\$ 41,265	\$ 1,155,190	66%	\$ 762,425	\$ -	\$ -	\$ -	66%	\$ -
Fees/Costs	7	-	7	66%	5	7	-	7	66%	5	-	-	-	66%	-
Interest/Program Income	31,967	1,106	30,861	66%	20,368	31,967	1,106	30,861	66%	20,368	-	-	-	66%	-
Blood Testing Fees	4,973	-	4,973	66%	3,282	4,973	-	4,973	66%	3,282	-	-	-	66%	-
Subtotal (1-2-3-4)	1,159,508	40,159	1,119,349	-	738,770	1,159,508	40,159	1,119,349	-	738,770	-	-	-	-	-
Blood Testing	3,104	-	3,104	66%	2,049	3,136	-	3,136	66%	2,070	(32)	-	(32)	66%	(21)
ADP	-	-	-	66%	-	-	-	-	66%	-	-	-	-	66%	-
Net Total (5+6+7)	<u>\$ 1,162,612</u>	<u>\$ 40,159</u>	<u>\$ 1,122,453</u>	-	<u>\$ 740,819</u>	<u>\$ 1,162,644</u>	<u>\$ 40,159</u>	<u>\$ 1,122,485</u>	-	<u>\$ 740,840</u>	<u>\$ (32)</u>	<u>\$ -</u>	<u>\$ (32)</u>	-	<u>\$ (21)</u>

COUNTY OF YORK, PENNSYLVANIA  
 CHILD SUPPORT ENFORCEMENT  
 PACSES OCSE 157 DATA RELIABILITY VALIDATION  
 FOR THE YEAR ENDED DECEMBER 31, 2013

County York County

Year Ended 2013

OCSE 157 Report Line Number	Number of Cases Reviewed	Case Problems Found
Line #1 IV-D cases open at the end of the year.	25	None
Line #2 IV-D cases open at the end of the year with support orders established.	23	None
Line #5 Children in IV-D cases open at the end of the year that were born out of wedlock.	17	None
Line #6 Children in IV-D cases open at the end of the year with paternity established or acknowledged	25	None
Line #21 Cases opened at end of the year in which medical support is ordered.	19	1
Line #23 Cases opened at the end of the year in which health insurance is provided as ordered.	11	None
Line #24 Total amount of current support due for the year for IV-D cases, excluding emancipated children.	18	None
Line #25 Total amount of support disbursed as current support during the year for IV-D cases, excluding emancipated children.	18	None
Line #28 Cases with arrears due during the year (01/01/13-12/31/13)	18	None
Line #29 Cases paying toward arrears during the year (01/01/13-12/31/13)	16	None

COUNTY OF YORK, PENNSYLVANIA  
CHILD SUPPORT ENFORCEMENT  
COMPARISON OF REPORTED INCENTIVES TO INCENTIVES ON DEPOSIT  
FOR THE YEAR ENDED DECEMBER 31, 2013

County: YorkYear Ended: 12/31/2013

Month	MSE Incentive Paid Cost Worksheet Ending Incentive Balance	Audited Title IV-D Account Incentive Balance	Variance	Type of Account Structure
January 1	\$ 1,339,629	\$ 1,339,629	-	
March 31	\$ 1,649,037	\$ 1,649,037	-	( X ) Separate Bank Account
June 30	\$ 1,784,182	\$ 1,784,182	-	( ) Restricted Fund - General Ledger
September 30	\$ 1,918,648	\$ 1,918,648	-	( ) Other: _____
December 31	\$ 2,051,758	\$ 2,051,758	-	

COUNTY OF YORK, PENNSYLVANIA  
CHILD SUPPORT ENFORCEMENT  
COMPARISON OF SINGLE AUDIT TITLE IV-D ACCOUNT WITH REPORTED TITLE IV-D ACCOUNT  
FOR THE YEAR ENDED DECEMBER 31, 2013

County <u>York County</u>	Year Ended <u>12/31/2013</u>		
	Single Audit TITLE IV-D Account	Reported TITLE IV-D Account	Single Audit Over/(Under) Reported
<b>Balance at January 1</b>	\$ 3,625,750	\$ 3,625,750	\$ -
<b>Receipts:</b>			
Reimbursements	2,586,026	2,586,818	(792)
Incentives	712,129	712,129	-
Title XIX Incentives	792	-	792
Interest	6,689	6,689	-
Program Income	-	-	-
Genetic Testing Costs	18,105	18,105	-
Maintenance of Effort (MOE)	741,675	741,675	-
Other: MOD, Copy Fee	143,891	143,891	-
<b>Total Receipts</b>	\$ 4,209,307	\$ 4,209,307	\$ -
<b>Intra-fund Transfers - In</b>	960,000	960,000	-
<b>Funds Available</b>	\$ 8,795,057	\$ 8,795,057	\$ -
<b>Disbursements:</b>			
Transfers to General Fund	1,686,418	1,686,418	-
Vendor Payments	209,781	209,781	-
Bank Charges	-	-	-
Other: Salaries	2,446,448	2,446,448	-
<b>Total Disbursements</b>	\$ 4,342,647	\$ 4,342,647	\$ -
<b>Intra-fund Transfers - Out</b>	960,000	960,000	-
<b>Balance at December 31</b>	\$ 3,492,410	\$ 3,492,410	\$ -

The Title IV-D account consists of 3 accounts.

The Title IV-D account is comprised of: 2 checking, 1 savings, 0 CD, and 0 other accounts.

COUNTY OF YORK, PENNSYLVANIA  
CHILDREN, YOUTH, AND FAMILIES PROGRAM  
FISCAL SUMMARY  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

(CAPTURING ALL EXPENDITURES PAID THROUGH JUNE 30, 2013)

	A Grand Total	B Program Income	C Federal Title IV-E	D Federal TANF	F Federal Title XX	G Federal Title IV-B	H Medical Assistance	I Net Total	J State Act 148	K Local Share
NET CHILD WELFARE EXPEND.										
01. 100% Reimbursement	\$ 483,152	\$ -	\$ 57,913	\$ -	\$ -	\$ -	\$ -	\$ 425,239	\$ 425,239	\$ -
02. 90% Reimbursement	2,183,573	12,412	223,515	-	-	-	-	1,947,646	1,752,884	194,762
03. 80% Reimbursement	23,471,311	381,349	3,500,114	1,229,336	229,930	160,466	-	17,970,116	14,376,096	3,594,020
04. 60% Reimbursement	3,650,729	173,136	208,834	-	-	-	9,353	3,259,406	1,955,645	1,303,761
05. 50% Reimbursement	<u>1,344,629</u>	<u>10,125</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,334,504</u>	<u>667,252</u>	<u>667,252</u>
06. Total Net Child Welfare Expenditures	<u>31,133,394</u>	<u>577,022</u>	<u>3,990,376</u>	<u>1,229,336</u>	<u>229,930</u>	<u>160,466</u>	<u>9,353</u>	<u>24,936,911</u>	<u>19,177,116</u>	<u>5,759,795</u>
YDC/YFC PLACEMENT COSTS										
07. 60% DPW Participation	<u>6,818,596</u>	<u>84,921</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,733,675</u>	<u>4,040,206</u>	<u>2,693,469</u>
08. Non Allowable Expenditures	<u>250,807</u>	<u>5,159</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>245,648</u>	<u>-</u>	<u>245,648</u>
09. Total Expenditures	<u>\$ 38,202,797</u>	<u>\$ 667,102</u>	<u>\$ 3,990,376</u>	<u>\$ 1,229,336</u>	<u>\$ 229,930</u>	<u>\$ 160,466</u>	<u>\$ 9,353</u>	<u>\$ 31,916,234</u>	<u>\$ 23,217,322</u>	<u>\$ 8,698,912</u>
10. IL Grant Funds Reported			<u>\$ -</u>							
11. Total HSDF Used for Child Welfare	<u>\$ -</u>				<u>\$ 382,708</u>					<u>\$ 38,920</u>
12. Total Title IV-D Collections					<u>\$ 382,708</u>					<u>\$ 38,920</u>
13. Total Title IV-D/Title IV-E Collections										<u>\$ 38,920</u>
14. State Act 148 - Line 6	<u>\$ 19,177,116</u>				<u>\$ 25,373,005</u>					<u>\$ 19,177,116</u>
15. State Act 148 Allocation					<u>\$ 25,373,005</u>					<u>\$ 19,177,116</u>
16. Adjusted State Share (lower of 14 or 15)										<u>\$ 19,177,116</u>

## EXHIBIT III

COUNTY OF YORK, PENNSYLVANIA  
 SCHEDULE OF REVENUES AND EXPENDITURES  
 MEDICAL ASSISTANCE TRANSPORTATION PROGRAM  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	<u>Reported</u>	<u>Actual</u>
<u>Service Data:</u>		
Expenditures		
Group I Clients	\$ 1,169,389	\$ 1,202,871
Group II Clients	<u>48,765</u>	<u>48,765</u>
Total Expenditures	<u>\$ 1,218,154</u>	<u>\$ 1,251,636</u>
 <u>Allocation Data:</u>		
Revenues		
Department of Public Welfare	\$ 1,214,571	\$ 1,214,571
Interest Income	<u>3,583</u>	<u>3,583</u>
Total Revenues	<u>1,218,154</u>	<u>1,218,154</u>
Funds Expended		
Operating Costs	1,034,357	1,067,864
Administrative Costs	<u>183,797</u>	<u>183,772</u>
Total Funds Expended	<u>1,218,154</u>	<u>1,251,636</u>
Excess of Expenditures over Revenues	<u>\$ -</u>	<u>\$ (33,482)</u>

COUNTY OF YORK, PENNSYLVANIA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CARRYOVER FUNDS - MENTAL HEALTH SERVICES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Sources of DPW Funds	Appropriation	DPW Funds Available			Cost Eligible for DPW Participation (4)	Balance of Funds (5)	Grant Fund Adjustments (6)	Total Fund Balance (7)
		Carryover Funds (1)	Allotment (2)	Total Allocation (3)				
A. MH Services	10248	\$ 70,495	\$ 15,449,653	\$ 15,520,148	\$ 14,015,153	\$ 1,504,995	\$ 13,022	\$ 1,518,017
B. OTHER STATE FUNDS								
1. Specialized Residences for the mentally Ill	10258	-	-	-	-	-	-	-
2. Behavioral Health Services Initiative	10262	-	227,659	227,659	227,659	-	-	-
Subtotal Other State		-	227,659	227,659	227,659	-	-	-
C. SSBG	70135	-	68,432	68,432	68,432	-	-	-
D. CMHDBG	70167	-	289,143	289,143	289,143	-	-	-
E. OTHER FEDERAL FUNDS								
1. PATH Homeless	70154	-	46,456	46,456	46,456	-	-	-
2. Capitalization of POMS	70522	-	-	-	-	-	-	-
3. Mental Health Systems Transformation Grant	70589	-	-	-	-	-	-	-
4. Youth Suicide Prevention	70651	115,668	407,379	523,047	494,006	29,041	-	29,041
5. Jail Diversion & Trauma Recovery	70747	47,891	135,000	182,891	107,117	75,774	-	75,774
6. Terrorism Related Disaster Relief	80168	10,305	-	10,305	10,305	-	-	-
7. Hospital Prep Prog-Crisis Counsel	80222	-	-	-	-	-	-	-
8. Bio-Term Hosp Preparedness Program	80343	3,478	-	3,478	3,478	-	-	-
9. CDC Bioterrorism - Pandemic Flu	80343	-	225,700	225,700	174,941	50,759	-	50,759
10. Intermediate Services Crisis Counseling Program Grant	82822	163,641	(153,818)	9,823	8,223	1,600	-	1,600
11. Disaster Case Management	82827	516	476,180	476,696	476,696	-	-	-
12. Peer Spec Delivery of Empl, Svcs Grant	70127	-	92,700	92,700	92,700	-	-	-
13. Wellness & Older Adult Peer Support Service Grant	70127	-	198,900	198,900	83,400	115,500	-	115,500
Subtotal Other Federal Funds		341,499	1,428,497	1,769,996	1,497,322	272,674	-	272,674
F. TOTAL		\$ 411,994	\$ 17,463,384	\$ 17,875,378	\$ 16,097,709	\$ 1,777,669	\$ 13,022	\$ 1,790,691

COUNTY OF YORK, PENNSYLVANIA  
 REPORT OF INCOME AND EXPENDITURES - MENTAL HEALTH PROGRAM  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2013

I.	TOTAL ALLOCATION	\$ 17,875,378
II.	TOTAL EXPENDITURES	\$ 19,715,446
III.	COSTS OVER ALLOCATION	
	A. County Funded - Eligible	-
	B. County Funded - Ineligible	-
	C. Other Eligible	-
	D. Other Ineligible	-
	Subtotal Costs over Allocation	-
IV.	REVENUES	
	A. Program Service Fees	8,757
	B. Private Insurance	8,286
	C. Medical Assistance	3,144,509
	D. Medical Assistance - Administration Claims	8,222
	E. Room and Board	63,270
	F. Earned Interest	4,215
	G. Other	-
	Subtotal Revenues	3,237,259
V.	DPW REIMBURSEMENT	
	A. Base Allocation 90%	3,402,274
	B. Base Allocation 100%	461,049
	C. DPW Categorical Funding 90%	22,032
	D. DPW Categorical Funding 100%	11,854,779
	E. SSBG 90%	-
	F. SSBG 100%	68,432
	G. CMHSBG Non-Categorical Funding 90%	-
	H. CMHSBG Non-Categorical Funding 100%	289,143
	I. CMHSBG Categorical Funding	-
	Subtotal DPW Reimbursement	16,097,709
VI.	COUNTY MATCH	
	10% County Match	380,478
	Subtotal County Match	380,478
VII.	TOTAL DPW REIMBURSEMENT AND COUNTY MATCH	16,478,187
VIII.	TOTAL CARRYOVER	\$ 1,777,669

COUNTY OF YORK, PENNSYLVANIA  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CARRYOVER FUNDS - INTELLECTUAL DISABILITIES SERVICES  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Sources of DPW Funds	APP	DPW Funds Available			Cost Eligible for DPW Participation (4)	Balance of Funds (5)	Grant Fund Adjustments (6A)	Total Fund Balance (7)
		Carryover (1)	Allotment (2)	Total Allocation (3)				
A. ID Services								
1 Community (NR/Res)	10255	\$ 2,621	\$ 3,381,932	\$ 3,384,553	\$ 3,242,173	\$ 142,380	\$ -	\$ 142,380
2 SSBG	70177	-	111,122	111,122	111,122	-	-	-
Subtotal ID Services		<u>2,621</u>	<u>3,493,054</u>	<u>3,495,675</u>	<u>3,353,295</u>	<u>142,380</u>	<u>-</u>	<u>142,380</u>
B. Waiver								
1. Waiver Administration	10255/70175	-	387,124	387,124	387,124	-	-	-
Subtotal Waiver		<u>-</u>	<u>387,124</u>	<u>387,124</u>	<u>387,124</u>	<u>-</u>	<u>-</u>	<u>-</u>
C. Other								
Subtotal Other		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
E. Total		<u>\$ 2,621</u>	<u>\$ 3,880,178</u>	<u>\$ 3,882,799</u>	<u>\$ 3,740,419</u>	<u>\$ 142,380</u>	<u>\$ -</u>	<u>\$ 142,380</u>

COUNTY OF YORK, PENNSYLVANIA  
 REPORT OF INCOME AND EXPENDITURES - INTELLECTUAL DISABILITIES PROGRAM  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2013

I.	TOTAL ALLOCATION	\$ 3,882,799
		<u>3,882,799</u>
II.	TOTAL EXPENDITURES	\$ 4,067,023
		<u>4,067,023</u>
III.	COSTS OVER ALLOCATION	
	A. County Funded Eligible	-
	B. County Funded Ineligible	-
	C. Other Eligible	-
	D. Other Ineligible	-
	Subtotal Costs over Allocation	<u>-</u>
IV.	Revenues	
	A. Program Service Fees	-
	B. Private Insurance	-
	C. Medical Assistance	-
	D. Medical Assistance - Administration	-
	E. Room and Board	6,108
	F. Earned Interest	3,765
	G. Other	37,357
	Subtotal Revenues	<u>47,230</u>
V.	DPW Reimbursement	
	A. Base Allocation 90%	1,974,489
	B. Base Allocation 100%	541,248
	C. DPW Cat. Funding 90%	506,603
	D. DPW Cat. Funding 100%	606,957
	E. SSBG 90%	33,268
	F. SSBG 100%	77,854
	Subtotal Reimbursement	<u>3,740,419</u>
VI.	COUNTY MATCH	
	10% County Match	279,373
	Subtotal County Match	<u>279,373</u>
VII.	TOTAL DPW REIMBURSEMENT AND COUNTY MATCH	<u>4,019,792</u>
VIII.	TOTAL CARRYOVER	<u>\$ 142,380</u>

COUNTY OF YORK, PENNSYLVANIA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CARRYOVER FUNDS - EARLY INTERVENTION SERVICES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Sources of DPW Funds	Appropriation	DPW Funds Available			Cost Eligible for DPW Participation (4)	Balance of Funds (5)	Grant Fund Adjustments (6)	Total Fund Balance (7)
		Carryover (1)	Allotment (2)	Total Allocation (3)				
A. Early Intervention								
1. Early Intervention Services	10235	\$ 9,386	\$ 2,457,267	\$ 2,466,653	\$ 2,322,769	\$ 143,884	\$ 584	\$ 144,468
2. Early Intervention Training	10235	-	9,862	9,862	9,862	-	-	-
3. EI Administration	10235	-	137,059	137,059	137,059	-	-	-
4. Infants & Toddlers w/Disabilities (Part C)	70170	-	598,631	598,631	598,631	-	-	-
5. IT&f Waiver Administration	10235/70184	-	37,904	37,904	37,904	-	-	-
6. Total Early Intervention		<u>\$ 9,386</u>	<u>\$ 3,240,723</u>	<u>\$ 3,250,109</u>	<u>\$ 3,106,225</u>	<u>\$ 143,884</u>	<u>\$ 584</u>	<u>\$ 144,468</u>

COUNTY OF YORK, PENNSYLVANIA  
 REPORT OF INCOME AND EXPENDITURES - EARLY INTERVENTION PROGRAM  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Admin Office	Early Intervention	Supports Coordination	Total
I. TOTAL ALLOCATION				<u>\$ 3,250,109</u>
II. TOTAL EXPENDITURES	<u>\$ 191,263</u>	<u>\$ 2,195,803</u>	<u>\$ 2,066,115</u>	<u>\$ 4,453,181</u>
III. COSTS OVER ALLOCATION				
A. County Funded Eligible	\$ -	\$ -	\$ -	\$ -
B. County Funded Ineligible	-	-	-	-
C. Other Eligible	-	-	-	-
D. Other Ineligible	-	-	-	-
Subtotal Costs Over Allocation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
IV. REVENUES				
A. Program Service Fees	-	-	-	-
B. Private Insurance Fees	-	-	-	-
C. Medical Assistance - MA EI	-	-	954,893	954,893
D. Earned Interest	626	-	-	626
E. Other	446	50,068	-	50,514
Subtotal Revenue	<u>1,072</u>	<u>50,068</u>	<u>954,893</u>	<u>1,006,033</u>
V. DPW Reimbursement				
A. DPW Categorical Funding 90%	137,059	1,931,162	1,000,100	3,068,321
B. DPW Categorical Funding 100%	37,904	-	-	37,904
Subtotal DPW Reimbursement	<u>174,963</u>	<u>1,931,162</u>	<u>1,000,100</u>	<u>3,106,225</u>
VI. COUNTY MATCH				
10% County Match	15,228	214,573	111,122	340,923
Subtotal County Match	<u>15,228</u>	<u>214,573</u>	<u>111,122</u>	<u>340,923</u>
VII. TOTAL DPW REIMBURSEMENT AND COUNTY MATCH	<u>190,191</u>	<u>2,145,735</u>	<u>1,111,222</u>	<u>3,447,148</u>
VIII. TOTAL CARRYOVER				<u>\$ 143,884</u>

COUNTY OF YORK, PENNSYLVANIA  
SCHEDULE OF REVENUES AND EXPENDITURES  
COMBINED HOMELESS ASSISTANCE PROGRAM  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

	Administration	Bridge Housing	Case Management	Rental Assistance	Emergency Shelter	Other Housing Supports	Total
I. TOTAL ALLOCATION							877,388
II. TOTAL EXPENDITURES							
A. Personnel	19,370	-	-	-	-	-	19,370
B. Operating	20,670	-	-	-	-	-	20,670
C. Purchased Services	-	313,751	137,316	312,074	169,329	-	932,470
Subtotal of Total Expenditures	40,040	313,751	137,316	312,074	169,329	-	972,510
III. REVENUES							
A. Client Fees	-	24,644	-	-	-	-	24,644
B. Other	511	-	-	-	70,000	-	70,511
Subtotal of Revenues	511	24,644	-	-	70,000	-	95,155
IV. DPW REIMBURSEMENT							
A. State HAP Funding	39,562	289,107	137,316	312,074	99,329	-	877,388
B. SSBG	-	-	-	-	-	-	-
C. SABG	-	-	-	-	-	-	-
Subtotal of DPW Reimbursement	39,562	289,107	137,316	312,074	99,329	-	877,388
V. Unspent Allocation							33

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

COUNTY OF YORK, PENNSYLVANIA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2013

Section I - Summary of Auditors' Results

*Financial Statements*

Type of auditors' report issued: Unqualified

Internal control over financial reporting:

Material weakness(es) identified?  yes  no

Significant deficiency(ies) identified that are not considered to be material weaknesses?  
 yes  none reported

Noncompliance material to financial statements noted?  yes  no

*Federal Awards*

Internal control over major programs:

Material weakness(es) identified?  yes  no

Significant deficiency(ies) identified that are not considered to be material weaknesses?  
 yes  none reported

Type of auditors' report issued on compliance for major programs: Qualified

Any audit findings disclosed that are required to be reported in accordance with Section .510(a) of Circular A-133  yes  no

Identification of major programs

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
14.218	Community Development Block Grant – Entitlement Grants Cluster
14.231	Emergency Shelter Grants Program
14.239	HOME Investment Partnerships Program
93.563	Child Support Enforcement
93.645	Child Welfare Services – State Grants
93.659	Adoption Assistance
93.958	Block Grants for Community Mental Health Services
93.959	Block Grants for Prevention and Treatment of Substance Abuse

Name of DPW Program

Children, Youth, and Families Program  
Child Support Enforcement Program  
Mental Health/Intellectual and Developmental Disabilities Program

Dollar threshold used to distinguish between Type A and Type B programs: \$957,946

Auditee qualified as low-risk auditee?  yes  no

COUNTY OF YORK, PENNSYLVANIA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2013

Section II - Financial Statement Findings

Finding 2013-001

Accounting Records

Criteria: The accounts of the County should include all significant transactions in the period of benefit.

Condition: During the audit, certain audit adjustments were required to record additional allowance for doubtful accounts/expense, accounts receivable/unearned revenue, and a payment to redeem bond/issuance of refunding bonds after the County's year-end close of the accounting records.

Cause: Transactions were not recorded in the period of benefit.

Effect: The financial records did not reflect the correct financial activity of a period which could result in a material misstatement of the financial statements.

Questioned Costs: None.

Recommendation: The County should ensure that internal control procedures over financial reporting are sufficient to identify and record all material adjustments.

Management's  
Response:

The County is in the process of reviewing the internal control procedures over financial reporting in the areas where adjustments were noted and will revise them as necessary to ensure that the internal control procedures over financial reporting are sufficient to identify and record all material adjustments.

COUNTY OF YORK, PENNSYLVANIA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2013

Section II - Financial Statement Findings (Continued)

Finding 2013-002      Payment of Annual Required Contribution to Pension Plan

Criteria:                      Under PA County Pension Law Act of 1971, P.L. 398, No. 96 Section 11, the County is required to appropriate funds to make a required annual contribution to the retirement plan.

Condition:                    The December 31, 2013 actuarial valuation required the County to contribute \$11,578,433 during 2013 to the County's Retirement Plan. The County contributed only \$10,000,000 of the required contribution to the retirement plan during 2013. Also during 2012, 2011, 2010 and 2009, the County did not fully fund their annual required contributions to the County's Retirement Plan. At December 31, 2013, the cumulative unfunded pension liability is \$7,993,939.

Cause:                         The County elected not to contribute \$1,578,433 of their 2013 annual required contribution to the retirement plan and the County elected not to fully fund their 2012, 2011, 2010 and 2009 annual required contributions to the retirement plan.

Effect:                        The County is not in compliance with the PA County Pension Law Act of 1971, P.L. 398, No. 96 Section 11.

Questioned Costs:        None.

Recommendation:        The County should make their annual required contribution to the pension plan.

Management's  
Response:                    The decision to pay short on the ARC in 2013 was made in order to balance the County's 2013 budget and avoid significant cuts in the County workforce. Payment of the full recommended ARC would have resulted in a larger tax increase, which the Board of Commissioners was unwilling to approve at that time.

COUNTY OF YORK, PENNSYLVANIA  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2013

Section III - Federal and Pennsylvania Department of Public Welfare Awards' Findings and Questioned Costs

<u>Finding 2013-003</u>	<u>Roster of Personnel</u>
	<p>Pennsylvania Department of Public Welfare MH/ID Program          Pennsylvania Department of Public Welfare Children, Youth, and Families Program</p>
Criteria:	<p>Under mandate of the Pennsylvania Department of Welfare, the Children, Youth, and Families and the MH/ID Program are to follow specific personnel related regulations and submit a Roster of Personnel (PW 1171) to the Pennsylvania Department of Welfare. The Pennsylvania Department of Welfare informs the County of the nature and amount of any disallowances.</p>
Condition:	<p>During the year under audit, the Rosters of Personnel for the Children, Youth, and Families and MH/IDD Program were not certified by Pennsylvania Department of Public Welfare.</p>
Cause:	<p>The Pennsylvania Department of Public Welfare is unable to conclude its review of the submitted PW 1171. The County has cooperated with the Department in providing the requested information, and the Children, Youth, and Families and MH/IDD Programs continue to wait on the receipt of the certification of the PW 1171 report.</p>
Effect:	<p>The Programs are not in compliance with Pennsylvania Department of Welfare, Children, Youth, and Families and MH/ID guidelines.</p>
Questioned Costs:	<p>The amount of questioned costs, if any, is undeterminable.</p>
Recommendation:	<p>The Program Coordinator/Director needs to ensure that the Roster of Personnel is free from disallowances.</p>
Management's Response:	<p>For the year ending June 30, 2013 this report (PW 1171) was submitted by the Children, Youth, and Families and MH/IDD Programs prior to the regulatory deadline. However, due to DPW staff shortages and more intensive reviews being conducted by the Department of Public Welfare, audit staff of DPW were unable to complete their review in a timely manner. While the review is currently in progress, the Children, Youth, and Families &amp; MH/IDD Programs do not control this process nor do we know when the Department of Public Welfare will issue its report.</p> <p>The Children, Youth, and Families and the MH/IDD Program have responded in a timely manner to all questions posed regarding the reports that were submitted to the Department of Public Welfare for the year ended June 30, 2013. We continue to wait for the final report.</p>

COUNTY OF YORK, PENNSYLVANIA  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2013

Section III - Federal and Pennsylvania Department of Public Welfare Awards' Findings and Questioned Costs

<u>Finding 2013-004</u>	<u>Eligibility</u>
	CFDA #93.659 Adoption Assistance Pennsylvania Department of Public Welfare Children & Youth Program
Criteria:	OMB A-133 (42 USC 673(a)(4)(B)) and the Pennsylvania Department of Public Welfare (PA Code Title 55 3140.204(b)(3)(e)) require that the IV-E agency, after the child is deemed Title IV-E Adoption Assistance eligible, ensure the child still meets the eligibility requirements of the program. The child is no longer eligible if the parent is no longer legally responsible for the support of the child, or if the IV-E agency determines the child is no longer receiving any support from the parents.
Condition:	As a result of our testing of the eligibility requirements, we noted 50 instances out of 60 items selected for testing where the County did not have documentation that the child was still residing with the adoptive parent or the documentation was not submitted and reviewed in a timely fashion.
Cause:	For the 50 instances noted, the Program either didn't send a letter to the adoptive parents during 2013 (19 instances), sent a letter to the adoptive parents but did not follow up with the parents to ensure the letter was returned (10 instances), or received the letter back but did not have Children & Youth personnel sign off on the form (21 instances).
Effect:	The County is not in compliance with OMB A-133 and the Pennsylvania Department of Public Welfare eligibility requirements. In addition, the internal control over this requirement is not operating effectively.
Questioned Costs:	\$247,392
Recommendation:	The County should implement procedures to ensure, annually, a letter is sent and returned from the adoptive parents for each child enrolled in the program. The letter should have evidence of review by appropriate program personnel.
Management's Response:	<p>The County will be implementing procedures to create and send adoption letters on a monthly basis (by the month the adoption was finalized) as opposed to past practices which only required that annual letters be sent on a quarterly basis. Additional procedures will also be applied that require a permanency clerical staff person to monitor the return of the signed adoption letters in a more timely manner.</p> <p>The CYF Permanency Supervisor will review, sign and track all letters as they return to the agency. The CYF Permanency Manager will then review the letters to ensure signatures are current and follow up on any requested items not yet returned to County.</p> <p>This will aide in the compliance with the requirements of OMB Circular A-133 and the Department of Public Welfare and will ensure more effective internal control.</p>

COUNTY OF YORK, PENNSYLVANIA  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2013

Section III - Federal and Pennsylvania Department of Public Welfare Awards' Findings and Questioned Costs

<u>Finding 2013-005</u>	<u>Reporting</u>
	CFDA #93.659 Adoption Assistance CFDA #93.645 Child Welfare Services – State Grants Pennsylvania Department of Public Welfare Children & Youth Program
Criteria:	Pursuant to OMB A-133, and Pennsylvania Department of Public Welfare Single Audit Supplement, the County is required to ensure all reports filed with granting agencies accurately reflect the program's revenues and expenditures recorded on the County's General Ledger.
Condition:	As a result of our testing of reporting requirements, we noted the expenditure reports for the County's Children and Youth Department did not agree to the revenues and expenditures recorded on the County's General ledger. The expenditures on the County's general ledger were \$177,300 less than the expenditures reported to the grantor. In addition, the program reported \$8,412 less in expenditures that was recorded on their program's general ledger.
Cause:	The program did not complete reconciliations between reported amounts, the program's ledgers, and the County's general ledger.
Effect:	The County is not in compliance with OMB A-133 and the Pennsylvania Department of Public Welfare reporting requirements. In addition, the internal control over this requirement is not operating effectively.
Questioned Costs:	\$177,300.
Recommendation:	The County should implement procedures to ensure all filed reports are reconciled to the program's and County's general ledgers prior to submission.
Management's Response:	The County will implement reconciliation procedures to ensure all reports filed with granting agencies accurately reflect the program's revenues and expenditures on the County's general ledger.

COUNTY OF YORK, PENNSYLVANIA  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2013

Section III - Federal and Pennsylvania Department of Public Welfare Awards' Findings and Questioned Costs

<u>Finding 2013-006</u>	<u>PACSES Data Reliability</u>
	Pennsylvania Department of Public Welfare Child Support Enforcement Program
Criteria:	The Pennsylvania Department of Public Welfare requires that the Child Support Enforcement Program ("Program") post complete and accurate information to the PACSES System (DPW Audit Supplement Section 1).
Condition:	As a result of our testing of PACSES Data Reliability requirements, we noted 1 instance for Line #21 where the data in the case file did not agree to the data posted to PACSES.
Cause:	The program did not accurately post case file data to PACSES.
Effect:	The County is not in compliance with the federal and Pennsylvania Department of Public Welfare PACSES Data Reliability requirements. In addition, the internal control over this requirement is not designed effectively.
Questioned Costs:	The amount of questioned costs, if any, is undeterminable.
Recommendation:	The County should develop procedures to ensure that the all required data is posted from the case file to PACSES.
Management's Response:	The Program has reviewed the policies and procedures with staff to ensure they possess an understanding of the requirement to properly update the PACSES System with appropriate data related to medical coverage. Management is in the process of developing written procedures regarding medical coverage data and will make this available to all Domestic Relations Section staff.

COUNTY OF YORK, PENNSYLVANIA  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2013

Section III - Federal and Pennsylvania Department of Public Welfare Awards' Findings and Questioned Costs

Finding 2013-007      Earmarking, Program Income, and Reporting

CFDA #14.218 Community Development Block Grant Entitlement Grants

Criteria:                    As described in 24 CFR section 570.200(g), "no more than 20 percent of the sum of any grant, plus program income, shall be expended for planning and program administrative costs." It further states, "Recipients of entitlement grants under subpart D of this part shall conform with this requirement by limiting the amount of CDBG funds obligated for planning plus administration during each program year to an amount no greater than 20 percent of the sum of its entitlement grant made for that program year (if any) plus the program income received by the recipient and its subrecipients (if any) during that program year."

Pursuant to Office of Management and Budget Circular A-133, the County is required to ensure all reports filed with granting agencies accurately reflect the program's revenues and expenditures recorded on the County's General Ledger. In addition, the program is required to report program income as defined in 24 CFR section 570.500.

Condition:                As a result of our reporting testing, we noted that the program did not include all of the activity within the CDBG Revolving Loan Fund. Due to this omission, planning and administrative costs charged to the grant exceeded 20 percent of the entitlement grant plus program income received during the program year in the amount of \$135,547.

Cause:                    The program did not report revenues and expenditures of \$303,211, within the CDBG Revolving Loan Fund. As a result of not reporting all CDBG Revolving Loan Fund activity, program planning and administrative costs continued to be funded by CDBG funds after the 20 percent cap had been reached.

Effect:                    The County is not in compliance with earmarking, program income, and reporting requirements. In addition, the internal control over these requirements is not designed effectively.

Questioned Costs:      \$135,547

Recommendation:      The program should ensure that all CDBG activity, including the CDBG Revolving Loan Fund, is reported through the Integrated Disbursement and Information System.

Management's Response:                    Standard Operating Procedures (SOPs) for CDBG Program Income receipting will be modified for Program Year 2014 in accordance to new HUD guidance outlined in the IDIS for CDBG Entitlement Communities manual as it relates to Program Income and Revolving Loan Funds. New functions in the Integrated Disbursement and Information System (IDIS) will allow the County to accurately receipt Revolving Loan Funds (RLF) separately from regular program income and include RLF revenue and expenditures in CDBG cap calculations.

COUNTY OF YORK, PENNSYLVANIA  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2013

Section III - Federal and Pennsylvania Department of Public Welfare Awards' Findings and Questioned Costs

<u>Finding 2013-008</u>	<u>Reporting</u>
	CFDA #14.218 Community Development Block Grant Entitlement Grants ("CDBG") CFDA #14.231 Emergency Shelter Grants Program ("ESG")
Criteria:	Recipients of first-tier subawards are required to "report each action that obligates \$25,000 or more in Federal funds that does not include Recovery funds" as described in 2 CFR section 170, Appendix A, Part 1.a.1. <i>Applicability pursuant to the Federal Funding Accountability and Transparency Act of 2006 ("Transparency Act")</i> , unless the entity meets certain exceptions. The Act also requires that subawards be reported through the Federal Subaward Reporting System (FSRS) by the end of the month following the month in which the subaward was obligated or amended.
Condition:	As a result of our testing of reporting requirements for the CDBG program, we noted 4 instances out of 4 subawards selected for testing where the Program did not timely report awards to subrecipients. As a result of our testing of reporting requirements for the ESG program, we noted 2 instances out of 2 subawards selected for testing where the Program did not timely report awards to subrecipients, including 1 instance where the subaward was not reported at all.
Cause:	The Program did not submit subaward data by the required deadline, and one subaward was not submitted.
Effect:	The County is not in compliance with Transparency Act reporting requirements. In addition, the internal control over this requirement is not operating effectively.
Questioned Costs:	None.
Recommendation:	The Program should implement procedures to ensure that awards over \$25,000 to the program's subrecipients are reported in accordance with Transparency Act reporting requirements within the prescribed timeline for submission.
Management's Response:	The County has revised the internal controls that govern reporting in the Federal Sub-Award Reporting System (FSRS) to ensure the timely submission of subawards in the amount greater than or equal to \$25,000.00. All eligible first-tier subawards will now be reported in FSRS by the end of the month following the month in which the subaward was obligated or amended by County resolution.

COUNTY OF YORK, PENNSYLVANIA  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2013

Section III - Federal and Pennsylvania Department of Public Welfare Awards' Findings and Questioned Costs

<u>Finding 2013-009</u>	<u>Procurement, Suspension, and Debarment</u>
	CFDA #14.239 HOME Investment Partnerships Program
Criteria:	OMB Circular A-133 requires that the County maintain internal control over Procurement, Suspension, and Debarment requirements to ensure it does not contract with providers of service that are suspended or debarred.
Condition:	As a result of our testing of the Program's one provider, we noted that the provider's contract did not contain a suspension/debarment clause nor was the County able to provide documentation to confirm that the provider was not suspended or debarred. However, we viewed the Excluded Parties List online noting that the provider was not on the list of suspended/debarred contractors
Cause:	The County did not have proper controls in place to ensure that the provider of service was not suspended or debarred prior to contracting with the provider.
Effect:	The County did not have the controls in place to ensure it complied with OMB A-133 internal control requirements over Procurement, Suspension and Debarment. .
Questioned Costs:	None.
Recommendation:	The County should implement procedures to ensure that providers are not suspended or debarred.
Management's Response:	<p>The County now includes the following debarment and suspension language for HOME Commitment letters and HOME Agreements with providers/contractors to ensure that all providers receiving HOME funds certify that they are not suspended or debarred:</p> <p>"Disbarment and Suspension: The general contractor, and all subcontractors, shall certify that they are not currently under suspension or debarment, proposed for suspension or debarment, declared ineligible or voluntarily excluded from participating in the project by the Commonwealth of Pennsylvania, and other state or the federal government."</p> <p>In addition, the County checks the suspended/debarment list to ensure providers of services receiving federal funds certify that they are not suspended or debarred. As noted in the 'Effect' of the finding, auditors "viewed the Excluded Parties List online noting that the provider was not on the list of suspended or debarred contractors."</p>

COUNTY OF YORK, PENNSYLVANIA  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2013

Section IV- Pennsylvania Department of Public Welfare Awards' Agreed Upon Procedures Findings and Questioned Costs

<u>Finding 2013-010</u>	<u>Reporting</u>
	Pennsylvania Department of Medical Assistance Transportation Program
Criteria:	The Pennsylvania Department of Public Welfare ("DPW") requires the program to prepare reports that contain accurate revenues and expenditures.
Condition:	While comparing revenues and expenditures to the program's accounting records, we noted the expenditures reported on the fiscal year 12-13 report were less than the expenditures on the county's general ledger in the amount of \$33,482.
Cause:	The Program did not reconcile the program's general ledger to the county's general ledger.
Effect:	The Program is not in compliance with DPW's reporting requirements.
Questioned Costs:	None.
Recommendation:	We recommend that the Program should reconcile reported expenditures to the county general ledger prior to submitting the report.
Management's Response:	The County will implement reconciliation procedures to ensure all reports filed with granting agencies accurately reflect the program's revenues and expenditures on the County's general ledger.

COUNTY OF YORK, PENNSYLVANIA  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED DECEMBER 31, 2013

The summary which follows indicates the current year status of findings identified in the prior year Single Audit Report.

<u>County Program</u>	<u>Prior Year Finding</u>	<u>Brief Description of Finding</u>	<u>Current Year Status</u>
Various	12-1	Accounting Records	See Current Year Finding 2013-001
Various	12-2	Payment of Annual Required Contribution to Pension Plan	See Current Year Finding 2013-002
Children, Youth, and Families Program and MH/IDD Program	12-3	Roster of Personnel	See Current Year Finding 2013-003
Children, Youth, and Families Adoption Assistance Program	12-4	Eligibility	See Current Year Finding 2013-004
Community Development Block Grant Entitlement Grants	12-5	Earmarking	See Current Year Finding 2013-005
Community Development Block Grant Entitlement Grants	12-6	Reporting	See Current Year Finding 2013-009
HOME Investment Partnerships Program	12-7	Procurement, Suspension, and Debarment	See Current Year Finding 2013-010
Weatherization Assistance for Low-Income Persons	12-8	Eligibility	Resolved
Weatherization Assistance for Low-Income Persons	12-9	Reporting	Resolved
Weatherization Assistance for Low-Income Persons	12-10	Earmarking	Resolved
Child Support Enforcement	12-11	Reporting	Resolved