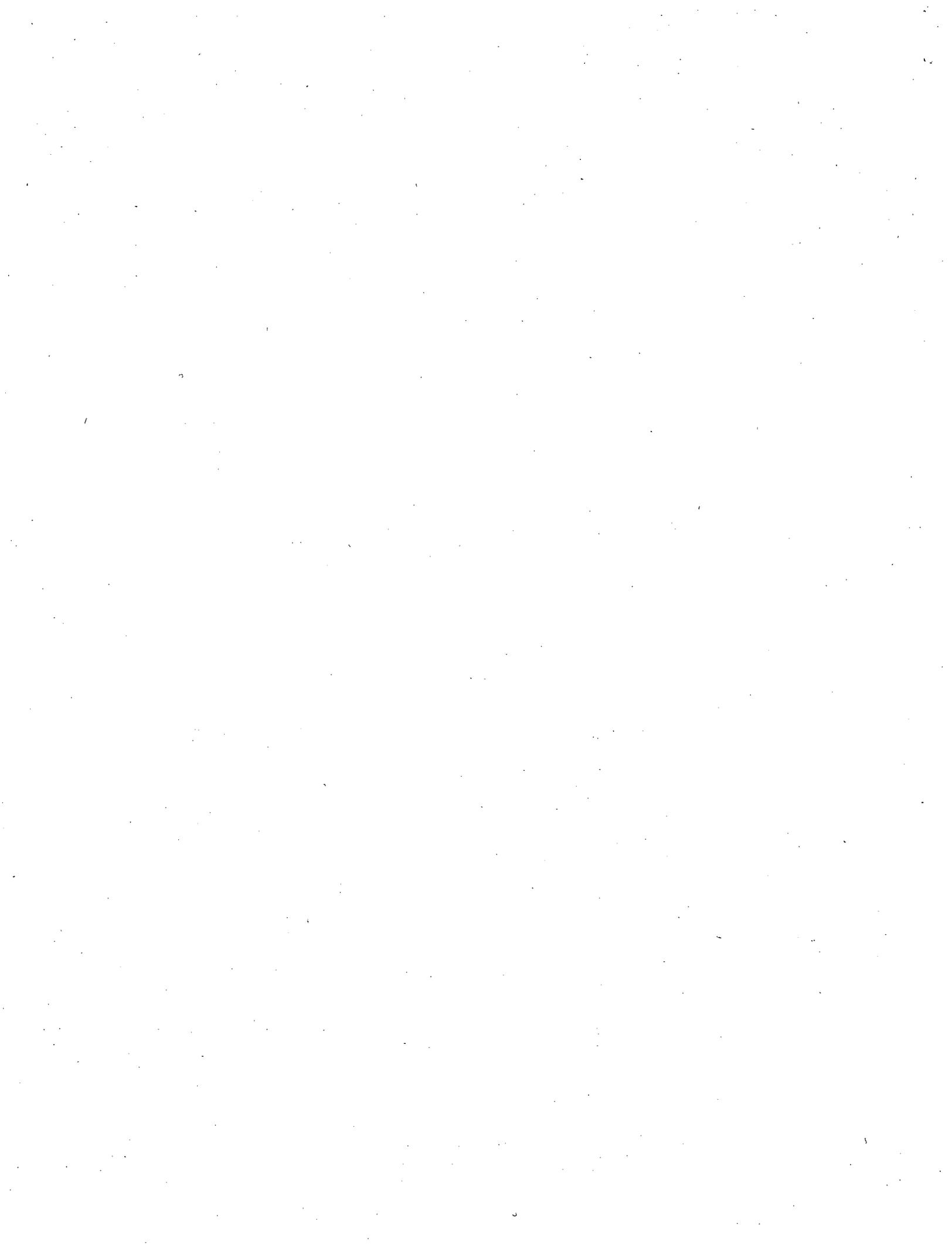


**COUNTY OF YORK
PENNSYLVANIA**

SINGLE AUDIT REPORT

YEAR ENDED DECEMBER 31, 2007



COUNTY OF YORK, PENNSYLVANIA
SINGLE AUDIT REPORT
YEAR ENDED DECEMBER 31, 2007

CONTENTS

	<u>Page</u>
Independent Auditors' Report on the Supplementary Schedules of Expenditures of Federal and Pennsylvania Department of Public Welfare Awards	1
Schedule of Expenditures of Federal Awards	2-4
Schedule of Pennsylvania Department of Public Welfare Expenditures	5
Notes to Schedules of Expenditures of Awards	6-7
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	8-9
Independent Auditors' Report on Compliance With Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance With OMB Circular A-133 and the Pennsylvania Department of Public Welfare Single Audit Supplement	10-12
Independent Auditors' Report on Applying Agreed-Upon Procedures to the Financial Schedules and Exhibits Required by the Pennsylvania Department of Public Welfare	13-14
Pennsylvania Department of Public Welfare Schedules and Exhibits	15-26
Schedule of Findings, Responses, and Questioned Costs	27-30
Summary Schedule of Prior Audit Findings	31

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INDEPENDENT AUDITORS' REPORT ON THE SUPPLEMENTARY SCHEDULES OF EXPENDITURES OF FEDERAL AND PENNSYLVANIA DEPARTMENT OF PUBLIC WELFARE AWARDS

County Commissioners
County of York
York, Pennsylvania

We have audited 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, 2007, which collectively comprise the COUNTY OF YORK, PENNSYLVANIA's basic financial statements, and have issued our report thereon dated June 16, 2008. These financial statements are the responsibility of COUNTY OF YORK, PENNSYLVANIA's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the aggregate discretely presented component units' financial statements for the York County Solid Waste and Refuse Authority, York County Industrial Development Authority and the York County Planning Commission which represent 99.2% and 94.3%, respectively, of the assets and revenues of the aggregate discretely component units. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinions expressed in our report on the financial statements dated June 16, 2008, insofar as it relates to the amounts included for these aggregate discretely presented component units, is based solely upon the reports of the other auditors.

We conducted our audit in accordance with 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 York County Solid Waste and Refuse Authority, the York County Industrial Development Authority, the York County Planning Commission, and the York County Library System were not audited in accordance with *Government Auditing Standards*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the COUNTY OF YORK, PENNSYLVANIA, basic 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 U.S. Office of Management and Budget 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 basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, based on our audit and the reports of other auditors, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Zelenkofske Axelrod LLC

ZELENKOFKSKE AXELROD LLC

Harrisburg, Pennsylvania
June 16, 2008

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COUNTY OF YORK
Schedule of Expenditures of Federal Awards
Year-Ended December 31, 2007

Grantor Program Title	Federal CFDA No.	Fund	Accrued/(Deferred) Revenue at 12/31/2006	Federal Grant Receipts 2007	Federal Grant Expenditures	Accrued/(Deferred) Revenue at 12/31/2007
U.S. Department of Agriculture						
Food and Nutrition Service						
Pass-through Commonwealth of Pennsylvania Department of Education						
Child Nutrition Cluster:						
School Breakfast Program	10.553	Youth Development Center	\$ 1,259	\$ 15,799	\$ 15,448	\$ 908
National School Lunch Program	10.555	Youth Development Center	1,953	24,947	24,429	1,435
Total Child Nutrition Cluster			3,212	40,746	39,877	2,343
Pass-through PA Dept. of Agriculture:						
Emergency Food Assistance Cluster:						
Emergency Food Assistance Program (Food Commodities)	10.569	Human Services	8,241	27,198	24,603	5,646
Total Emergency Food Assistance Cluster			8,241	27,198	24,603	5,646
TOTAL - U.S. Department of Agriculture			11,463	67,944	64,480	7,989
U.S. Department of Housing & Urban Development (HUD)						
CDBG - Entitlement & (HUD Administered) Small Cities Cluster:						
Community Development Block Grants/Entitlement Grants						
Total CDBG - Entitlement & (HUD Administered) Small Cities Cluster	14.218	Planning	-	15,281,375	15,281,375	-
Emergency Shelter Grants Program	14.231	Planning	-	104,666	104,666	-
Homeless Management Information Systems	14.235	Human Services	22,610	54,812	48,009	15,807
HOME Investment Partnerships Program	14.239	Planning	-	12,246,332	12,246,332	-
Pass-Through PA Department of Community and Economic Development:						
Emergency Shelter Grants Program						
	14.231	Planning	-	104,076	104,076	-
TOTAL - U.S. Department of Housing & Urban Development			22,610	27,791,261	27,784,458	15,807
U.S. Department of Interior						
National Park Service						
Pass-Through Pennsylvania Conservation and Natural Resources Department						
Outdoor Recreation - Acquisition, Development and Planning						
	15.916	Parks	156,520	150,000	224,295	230,815
TOTAL - U.S. Department of Interior			156,520	150,000	224,295	230,815
U.S. Department of Justice						
Pass-Through Pennsylvania Commission on Crime and Delinquency						
Juvenile Accountability Incentive Block Grants						
	16.523	Juvenile Probation	6,018	25,987	26,822	6,853
National Institute of Justice Research, Evaluation and Development Project Grants	16.560	District Attorney	6,000	34,957	28,957	-
Byrne Formula Grant Program	16.579	Various	102,258	334,630	302,142	69,770
Violence Against Women Formula Grants	16.588	District Attorney	29,363	92,308	92,804	29,859
Residential Substance Abuse Treatment for State Prisoners	16.593	Court Administration	-	64,062	57,816	(6,246)
Community Prosecution and Project Safe Neighborhoods	16.609	District Attorney	-	3,000	3,440	440
Edward Byrne Memorial Justice Assistance Grant Program	16.738	Court Administration & Adult Probation	-	46,016	53,060	7,044
TOTAL - U.S. Department of Justice			143,639	600,960	565,041	107,720

COUNTY OF YORK
Schedule of Expenditures of Federal Awards (Continued)
Year Ended December 31, 2007

Grantor Program Title	Federal CFDA No.	Fund	Accrued/(Deferred) Revenue at 12/31/2006	Federal Grant Receipts 2007	Federal Grant Expenditures	Accrued/(Deferred) Revenue at 12/31/2007
U.S. Department of Transportation						
Pass-Through PA Dept. of Transportation: Highway Planning and Construction Cluster: Highway Planning and Construction	20.205	Liquid Fuels & Planning Commission	343,144	400,646	592,287	534,785
Total Highway Planning and Construction Cluster			343,144	400,646	592,287	534,785
Recreational Trails Program	20.219	Parks			43,099	43,099
Federal Transit-Metropolitan Planning Grants	20.505	Planning Commission	8,287	43,114	45,562	10,735
Highway Safety Cluster: State and Community Highway Safety	20.600	Traffic Safety	67,202	291,719	325,183	100,666
Total Highway Safety Cluster			67,202	291,719	325,183	100,666
TOTAL - U.S. Department of Transportation			418,633	735,479	1,006,131	689,285
U.S. General Services Administration						
Pass-Through PA Dept. of General Services: Donation of Federal Surplus Personal Property	39.003	General		3,164	3,164	
Help America Vote Act	39.011	Voter Registration	54,789	54,789		
Help America Vote Act	90.401	Voter Registration	126,986	1,922		125,064
TOTAL - U.S. General Services Administration			181,775	59,875	3,164	125,064
Institute of Museum and Library Services						
Pass-Through PA Dept. of Education: State Library Program	45.310	Library System	(7,564)	18,612	27,212	1,036
TOTAL - Institute of Museum and Library Services			(7,564)	18,612	27,212	1,036
U.S. Department of Environmental Protection						
Pass-Through PA Dept. of Environmental Protection: Chesapeake Bay Program	66.466	Conservation	3,761	9,426	5,847	182
TOTAL - U.S. Department of Environmental Protection			3,761	9,426	5,847	182
U.S. Department of Energy						
Pass-Through PA Dept. of Community & Economic Development: Weatherization Assistance for Low-income Persons	81.042	Planning Commission		213,525	213,525	
TOTAL - U.S. Department of Energy				213,525	213,525	
U.S. Department of Education						
Pass-Through PA Dept. of Public Welfare: Special Education-Grants for Infants and Families with Disabilities	84.181	MH/AMR		655,862	655,862	
Through PA Dept. of Health: Safe and Drug-Free Schools and Communities-State Grants	84.186	Drug & Alcohol	3,420	41,041	41,041	3,420
TOTAL - U.S. Department of Education			3,420	696,903	696,903	3,420
U.S. Department of Health & Human Services						
Pass-Through PA Dept. of Aging: Special Programs for the Aging-Title VII, Ch 2-Long Term Care Ombudsman Services for Older Individuals	93.042	Aging		1,000	1,000	
Special Programs for the Aging-Title III, Part D- Disease Prevention and Health Promotion Services	93.043	Aging		19,971	19,971	
				20,971	20,971	

COUNTY OF YORK
Schedule of Expenditures of Federal Awards (Continued)
Year Ended December 31, 2007

Grantor Program Title	Federal CFDA No.	Fund	Accrued/(Deferred) Revenue at 12/31/2006	Federal Grant Receipts 2007	Federal Grant Expenditures	Accrued/(Deferred) Revenue at 12/31/2007
Aging Cluster:						
Special Programs for the Aging-Title III, Part B-Grants for Supportive Services and Senior Centers	93.044	Aging	-	523,471	523,471	-
Special Programs for the Aging-Title III, Part C-Nutrition Services	93.045	Aging	-	379,944	379,944	-
Nutrition Services Incentive Program	93.053	Aging	-	121,271	121,271	-
Total Aging Cluster			-	1,024,686	1,024,686	-
National Family Caregiver Support	93.052	Aging	-	151,770	151,770	-
			-	151,770	151,770	-
Medicaid Cluster:						
Medical Assistance Program - Waiver	93.778	Aging	106,332	197,735	188,044	96,641
Medical Assistance Program - Pre Admission Assessment	93.778	Aging	-	238,769	238,769	-
Total Medicaid Cluster			106,332	436,504	426,813	96,641
Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations	93.779	Aging	-	45,164	45,164	-
Pass-Through PA Dept. of Community & Economic Development:						
Low-Income Home Energy Assistance Program	93.568	Planning Commission	-	406,104	406,104	-
Total PA DCED			-	406,104	406,104	-
Pass-Through PA Dept. of Health:						
Block Grants for Prevention and Treatment of Substance Abuse	93.959	Drug & Alcohol	73,562	882,737	882,737	73,562
Pass-Through PA Dept. of Public Welfare:						
Projects for Assistance in Transition from Homelessness (PATH)	93.150	MH/MR	-	72,306	72,306	-
Center for Disease Control and Prevention - Investigation and Technical Assistance	93.283	MH/MR	(4,255)	3,000	7,255	-
Temporary Assistance for Needy Families	93.558	Children & Youth, MH/MR	571,011	1,332,288	1,202,861	441,584
Child Support Enforcement	93.563	Domestic Relations	1,073,955	3,497,073	3,320,629	897,511
Child Welfare Services-State Grants	93.645	Children & Youth	-	160,466	160,466	-
Foster Care-Title IV-E	93.658	Children & Youth, Juvenile Probation	1,362,914	5,857,822	5,884,398	1,389,490
Adoption Assistance	93.659	Children & Youth	305,479	1,229,301	1,257,418	333,596
Social Services Block Grant	93.667	Children & Youth, MH/MR	-	465,911	465,911	-
Chafee Foster Care Independence Program	93.674	Children & Youth	55,999	166,604	148,814	38,209
Medical Assistance Program (Medicaid Cluster)	93.778	Various	3,685	19,939,333	19,947,455	11,807
National Bioterrorism Hospital Preparedness Program	93.889	MH/MR	(11,830)	-	2,776	(9,054)
Block Grants for Community Mental Health Services	93.958	MH/MR	-	299,582	299,582	-
TOTAL - U.S. Department of Health & Human Services			3,636,852	35,991,622	35,728,116	3,273,346
U.S. Department of Homeland Security						
Pass-Through PA Emergency Management Agency:						
Homeland Security Cluster:						
State Domestic Preparedness Equipment Support Program	97.004	Emergency Management Agency	-	20,000	36,000	16,000
Homeland Security Grant Program	97.067	Emergency Management Agency	-	228,519	228,519	-
Total Homeland Security Cluster			-	248,519	264,519	16,000
Emergency Management Performance Grants	97.042	Emergency Management Agency	23,862	52,534	53,180	24,508
TOTAL - U.S. Department of Homeland Security			23,862	301,053	317,699	40,508
TOTAL FEDERAL AWARDS			\$ 4,494,961	\$ 66,636,660	\$ 66,636,871	\$ 4,495,172

- Denotes Program Tested as Major

County of York, Pennsylvania
 Schedule of Department of Public Welfare Expenditures
 Year ended December 31, 2007

	Combined Federal and State Expenditures
County - Children and Youth Program	34,292,935
Child Support Enforcement Program	3,320,629
Homeless Assistance Programs (HAP)	1,278,043
Human Services Development Fund (HSDF)	856,482 *
Medical Assistance Transportation (MATP)	1,322,098
Mental Health/Mental Retardation Programs	56,464,203 *
Total Department of Public Welfare Expenditures	97,534,390

* Denotes a major program for Pennsylvania Department of Public Welfare purposes. The amount expended under major DPW programs for the year ended December 31, 2007 totaled \$ 57,320,685 or 58.77 % of total Pennsylvania Department of Public Welfare Financial Assistance.

COUNTY OF YORK, PENNSYLVANIA
 NOTES TO SCHEDULES OF EXPENDITURES OF AWARDS
 YEAR ENDED DECEMBER 31, 2007

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 2007 threshold for determining Type A and Type B Programs is \$1,284,882. The following high-risk Type B Programs were audited as major:

<u>CFDA</u>	<u>Program</u>
14.231	Emergency Shelter Grant
93.044;93.045; 93.053	Aging Cluster
93.645	Child Welfare Services-State Grants
93.667	Social Services Block Grant
93.959	Block Grant for Prevention and Treatment of Substance Abuse
DPW	Human Service Development Fund

COUNTY OF YORK, PENNSYLVANIA
 NOTES TO SCHEDULES OF EXPENDITURES OF AWARDS (CONTINUED)
 YEAR ENDED DECEMBER 31, 2007

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>
14.239	Home Program
93.563	Child Support Enforcement Program
93.658	Foster Care Title IV-E Program
DPW	Children and Youth Program
DPW	Child Support Enforcement Program
DPW	Medical Assistance Transportation Program

The amount expended under programs audited as major federal programs for the year ended December 31, 2007, totaled \$38,398,185 or 57.62% of total federal awards.

NOTE 4: LOANS OUTSTANDING

The County had the following loan balances outstanding at December 31, 2007. These loan balances outstanding are also included as expenditures presented in the Schedule of Expenditures of federal awards.

<u>Program Title</u>	<u>Federal CFDA Number</u>	<u>Amount Outstanding</u>
Community Development Block Grants/Entitlement Grants	14.218	\$12,538,603
Home Investment Partnership Programs	14.239	\$11,078,128

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, 2007:

<u>Program</u>	<u>CFDA Number</u>	<u>Grant Period</u>	<u>State Contract Number</u>	<u>Amount</u>
Emergency Shelter Grant	14.231	5/23/06-5/22/08	26-215-0018	\$ 104,076
DOE Weatherization	81.042	10/1/06-9/30/07	26-222-0025	\$ 112,854
DOE Weatherization	81.042	10/1/07-9/30/08	27-222-0016	\$ 100,671
LIHEAP	93.568	10/1/06-9/30/07	26-222-0025	\$ 147,754
LIHEAP	93.568	10/1/07-9/30/08	26-222-0025	\$ 147,754
LIHEAP	93.568	7/1/06-6/30/07	27-222-0016	\$ 110,596

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Page 8

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

County Commissioners
County of York
York, Pennsylvania

We have audited 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, 2007, which collectively comprise the COUNTY OF YORK, PENNSYLVANIA's basic financial statements, and have issued our report thereon dated June 16, 2008. We did not audit the aggregate discretely presented component units' financial statements for the York County Solid Waste and Refuse Authority, the York County Industrial Development Authority and the York County Planning Commission which represent 99.2% and 94.3%, respectively, of the assets and revenues of the aggregate discretely presented component units. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinions expressed in our report on the financial statements dated June 16, 2008, insofar as it relates to the amounts included for these aggregate discretely presented component units, is based solely upon the reports of the other auditors. We conducted our audit in accordance with 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 York County Solid Waste and Refuse Authority, the York County Industrial Development Authority, the York County Planning Commission, and the York County Library System were not audited in accordance with *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered COUNTY OF YORK, PENNSYLVANIA's internal control over financial reporting as a basis for designing our auditing procedures 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 over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the COUNTY OF YORK, PENNSYLVANIA's internal control over financial reporting.

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

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Zelenkofske Axelrod LLC

Page 9

County Commissioners
County of York

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the COUNTY OF YORK, PENNSYLVANIA's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of COUNTY OF YORK, PENNSYLVANIA's financial statements that is more than inconsequential will not be prevented or detected by the COUNTY OF YORK, PENNSYLVANIA's internal control. We consider the deficiency described in the accompanying schedule of findings, responses, and questioned costs as Finding 07-1 to be a significant deficiency in internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the COUNTY OF YORK, PENNSYLVANIA's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and accordingly, would not disclose all significant deficiencies that are also considered to be a material weakness. However, we believe the significant deficiency described above to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the COUNTY OF YORK, PENNSYLVANIA's financial statements are free of 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of COUNTY OF YORK, PENNSYLVANIA, in a separate letter dated June 16, 2008.

The COUNTY OF YORK, PENNSYLVANIA's response to the findings identified in our audit is described in the accompanying schedule of findings, responses, and questioned costs. We did not audit the COUNTY OF YORK, PENNSYLVANIA's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, County Commissioners, others within the entity, federal awarding agencies and pass-through entities, and the Pennsylvania Department of Public Welfare and is not intended to be and should not be used by anyone other than these specified parties.

Zelenkofske Axelrod LLC

ZELENKOFSCHE AXELROD LLC

Harrisburg, Pennsylvania
June 16, 2007

Zelenkofske Axelrod LLC

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
WITH REQUIREMENTS APPLICABLE TO EACH MAJOR
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH OMB CIRCULAR A-133 AND THE PENNSYLVANIA
DEPARTMENT OF PUBLIC WELFARE SINGLE AUDIT SUPPLEMENT

County Commissioners
County of York
York, Pennsylvania

Compliance

We have audited the compliance of COUNTY OF YORK, PENNSYLVANIA with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* and the Pennsylvania Department of Public Welfare (DPW) *Single Audit Supplement* that are applicable to each of its major federal and DPW programs for the year ended December 31, 2007. COUNTY OF YORK, PENNSYLVANIA's major federal and Pennsylvania Department of Public Welfare programs are identified in the summary of auditors' results section of the accompanying Schedule of Findings, Responses, and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal and Pennsylvania Department of Public Welfare programs is the responsibility of COUNTY OF YORK, PENNSYLVANIA's management. Our responsibility is to express an opinion on COUNTY OF YORK, PENNSYLVANIA's compliance based on our audit.

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 or Pennsylvania Department of Public Welfare 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. Our audit does not provide a legal determination of COUNTY OF YORK, PENNSYLVANIA's compliance with those requirements.

As described in Finding 07-2 in the accompanying Schedule of Findings, Responses, and Questioned Costs, COUNTY OF YORK, PENNSYLVANIA did not comply with the requirement regarding Procurement, Suspension, and Debarment that is applicable to its Federal major program listed in the respective finding. Compliance with such requirement is necessary, in our opinion, for COUNTY OF YORK, PENNSYLVANIA to comply with the requirements applicable to that program.

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Page 11

County Commissioners
County of York

In our opinion, except for the noncompliance described in the preceding paragraph, COUNTY OF YORK, PENNSYLVANIA, complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal and Pennsylvania Department of Public Welfare programs for the year ended December 31, 2007.

Internal Control Over Compliance

The management of COUNTY OF YORK, PENNSYLVANIA, is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal and Pennsylvania Department of Public Welfare programs. In planning and performing our audit, we considered COUNTY OF YORK, PENNSYLVANIA's internal control over compliance with requirements that could have a direct and material effect on a major federal or Pennsylvania Department of Public Welfare program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, 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 would not necessarily identify all deficiencies in COUNTY OF YORK, PENNSYLVANIA's internal control that might be significant deficiencies or material weaknesses as defined below. However, as discussed below, we identified a certain deficiency in internal control over compliance that we consider to be a significant deficiency and a material weakness.

A control deficiency in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal or Pennsylvania Department of Public Welfare program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal or Pennsylvania Department of Public Welfare program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal or Pennsylvania Department of Public Welfare program that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings, responses, and questioned costs as Findings 07-2 to be a significant deficiency.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal or Pennsylvania Department of Public Welfare program will not be prevented or detected by the entity's internal control. Of the significant deficiency in internal control over compliance described in the accompanying schedule of findings, responses, and questioned costs, we consider Finding 07-2 to be a material weakness.

Zelenkofske Axelrod LLC

Page 12

County Commissioners
County of York

The COUNTY OF YORK, PENNSYLVANIA's response to the finding identified in our audit is described in the accompanying schedule of findings, responses, and questioned costs. We did not audit the COUNTY OF YORK, PENNSYLVANIA's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, County Commissioners, others within the entity, federal awarding agencies and pass-through entities and the Pennsylvania Department of Public Welfare, and is not intended to be and should not be used by anyone other than these specified parties.

Zelenkofske Axelrod LLC

ZELENKOFKSKE AXELROD LLC

Harrisburg, Pennsylvania
June 16, 2008

Zelenkofske Axelrod LLC

INDEPENDENT AUDITORS' 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 the 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, 2007 and calendar year ended December 31, 2007. This agreed-upon procedures engagement 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 DPW. 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, 2007, and calendar year ended December 31, 2007, for Exhibit A-1, have been accurately compiled and reflect 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 fiscal period.

<u>Program Name</u>	<u>Exhibit Number</u>	<u>Referenced Schedule/Exhibit</u>
Title IV-D Child Support Enforcement	A-1	Summary of Expenditures
County Children and Youth	I	Schedule of Revenues and Expenditures
Medical Assistance Transportation	III	Schedule of Revenues and Expenditures

<u>Harrisburg</u>	<u>Lehigh Valley</u>	<u>Philadelphia</u>
830 Sir Thomas Court, Suite 100 Harrisburg, PA 17109 717.561.9200 Fax 717.561.9202	1101 West Hamilton Street Allentown, PA 18101-1043 610.871.5077 Fax 717.561.9202	2370 York Road, Suite A-5 Jamison, PA 18929 215.918.2277 Fax 215.918.2302

Zelenkofske Axelrod LLC

Page 14

County Commissioners
County of York

<u>Program Name</u>	<u>Exhibit Number</u>	<u>Referenced Schedule/Exhibit</u>
Mental Health/Mental Retardation (MH/MR)	IV(a)MH	Schedule of Revenues, Expenditures, and Carryover Funds – MH
	IV(b)MH	Report of Income and Expenditures - MH
	IV(c)MR	Schedule of Revenues, Expenditures, and Carryover Funds – MR
	IV(d)MR	Report of Income and Expenditures - MR
Early Intervention Services	V(a)EI	Schedule of Revenues, Expenditures, and Carryover Funds – EI
	V(b)EI	Report of Income and Expenditures - EI
Mental Retardation Targeted Services Management	V(e)	Cost Settlement Report
Human Services Development Fund	X	Schedule of Revenues and Expenditures
Combined Homeless Assistance Program	XIX	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 process detailed in paragraphs (a) and (b) above disclosed no adjustment and/or findings.

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 Department of Public Welfare and is not intended to be and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.

Zelenkofske Axelrod LLC

ZELENKOFKSKE AXELROD LLC

Harrisburg, Pennsylvania
June 16, 2008

COUNTY OF YORK
SUMMARY OF EXPENDITURES - TITLE IV-D CHILD SUPPORT ENFORCEMENT PROGRAM
FOR THE YEAR ENDED DECEMBER 31, 2007

	Single Audit Expenditures				Reported Expenditures				Single Audit Over(Under) Reported						
	(A) Total	(B) Unallowable	(C) Net(A-B)	(D) EEP	(E) Amount Paid (C.X.D)	(A) Total	(B) Unallowable	(C) Net(A-B)	(D) EEP	(E) Amount Paid (C.X.D)	(A) Total	(B) Unallowable	(C) Net(A-B)	(D) EEP	(E) Amount Paid (C.X.D)
Calendar Quarter Ended 3/31/07															
Salary/Overhead (Exclude Blood Tests)	\$ 1,060,736	\$ 26,181	\$ 1,034,555	66%	\$ 682,806	\$ 1,060,736	\$ 26,181	\$ 1,034,555	66%	\$ 682,806	\$ -	\$ -	\$ -	66%	\$ -
Interest/Program Income	51,872	1,333	52,539	66%	34,676	51,872	1,333	52,539	66%	34,676	-	-	-	66%	-
Blood Testing Fees	8,461	8,461	-	66%	5,584	8,461	8,461	-	66%	5,584	-	-	-	66%	-
Subtotal (1-2-3-4)	998,395	24,848	973,547	-	642,541	998,395	24,848	973,547	-	642,541	-	-	-	66%	-
Blood Testing	9,240	-	9,240	66%	6,098	9,240	-	9,240	66%	6,098	-	-	-	66%	-
Net Total (5-6+7)	\$ 1,007,635	\$ 24,848	\$ 982,787	-	\$ 648,639	\$ 1,007,635	\$ 24,848	\$ 982,787	-	\$ 648,639	\$ -	\$ -	\$ -	66%	\$ -
Calendar Quarter Ended 6/30/07															
Salary/Overhead (Exclude Blood Tests)	\$ 1,202,359	\$ 30,729	\$ 1,171,630	66%	\$ 773,276	\$ 1,202,359	\$ 30,729	\$ 1,171,630	66%	\$ 773,276	\$ -	\$ -	\$ -	66%	\$ -
Interest/Program Income	76,695	1,966	74,729	66%	49,321	76,695	1,966	74,729	66%	49,321	-	-	-	66%	-
Blood Testing Fees	9,095	9,095	-	66%	6,003	9,095	9,095	-	66%	6,003	-	-	-	66%	-
Subtotal (1-2-3-4)	1,116,561	28,763	1,087,798	-	717,947	1,116,561	28,763	1,087,798	-	717,947	-	-	-	66%	-
Blood Testing	9,090	-	9,090	66%	5,999	9,090	-	9,090	66%	5,999	-	-	-	66%	-
ADP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Total (5-6+7)	\$ 1,125,651	\$ 28,763	\$ 1,096,888	-	\$ 723,946	\$ 1,125,651	\$ 28,763	\$ 1,096,888	-	\$ 723,946	\$ -	\$ -	\$ -	66%	\$ -
Calendar Quarter Ended 9/30/07															
Salary/Overhead (Exclude Blood Tests)	\$ 997,262	\$ 25,583	\$ 971,679	66%	\$ 641,308	\$ 997,262	\$ 25,583	\$ 971,679	66%	\$ 641,308	\$ -	\$ -	\$ -	66%	\$ -
Interest/Program Income	91,179	2,339	88,840	66%	58,634	91,179	2,339	88,840	66%	58,634	-	-	-	66%	-
Blood Testing Fees	9,382	9,382	-	66%	6,192	9,382	9,382	-	66%	6,192	-	-	-	66%	-
Subtotal (1-2-3-4)	896,694	23,244	873,450	-	576,477	896,694	23,244	873,450	-	576,477	-	-	-	66%	-
Blood Testing	8,040	-	8,040	66%	5,306	8,040	-	8,040	66%	5,306	-	-	-	66%	-
ADP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Total (5-6+7)	\$ 904,734	\$ 23,244	\$ 881,490	-	\$ 581,783	\$ 904,734	\$ 23,244	\$ 881,490	-	\$ 581,783	\$ -	\$ -	\$ -	66%	\$ -
Calendar Quarter Ended 12/31/07															
Salary/Overhead (Exclude Blood Tests)	\$ 1,282,569	\$ 34,343	\$ 1,248,226	66%	\$ 833,829	\$ 1,282,569	\$ 34,343	\$ 1,248,226	66%	\$ 833,829	\$ -	\$ -	\$ -	66%	\$ -
Interest/Program Income	61,361	1,648	59,713	66%	39,411	61,361	1,648	59,713	66%	39,411	-	-	-	66%	-
Blood Testing Fees	7,731	7,731	-	66%	5,102	7,731	7,731	-	66%	5,102	-	-	-	66%	-
Subtotal (1-2-3-4)	1,313,470	32,695	1,180,775	-	779,311	1,313,470	32,695	1,180,775	-	779,311	-	-	-	66%	-
Blood Testing	9,060	-	9,060	66%	5,980	9,060	-	9,060	66%	5,980	-	-	-	66%	-
ADP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Total (5-6+7)	\$ 1,222,530	\$ 32,695	\$ 1,189,835	-	\$ 785,291	\$ 1,222,530	\$ 32,695	\$ 1,189,835	-	\$ 785,291	\$ -	\$ -	\$ -	66%	\$ -

EXHIBIT III

COUNTY OF YORK, PENNSYLVANIA
 SCHEDULE OF REVENUES AND EXPENDITURES
 MEDICAL ASSISTANCE TRANSPORTATION PROGRAM
 FOR THE FISCAL YEAR ENDED JUNE 30, 2007

	<u>Reported</u>	<u>Actual</u>
<u>Service Data:</u>		
Expenditures		
Group I Clients	\$ 1,211,079	\$ 1,211,079
Group II Clients	<u>60,601</u>	<u>60,601</u>
Total Expenditures	<u>\$ 1,271,680</u>	<u>\$ 1,271,680</u>
 <u>Allocation Data:</u>		
Revenues		
Department of Public Welfare	\$ 1,250,512	\$ 1,250,512
Interest Income	<u>21,168</u>	<u>21,168</u>
Total Revenues	<u>1,271,680</u>	<u>1,271,680</u>
Funds Expended		
Operating Costs	1,126,133	1,126,133
Administrative Costs	<u>145,547</u>	<u>145,547</u>
Total Funds Expended	<u>1,271,680</u>	<u>1,271,680</u>
Excess of Revenues Over Expenditures	<u>\$ -</u>	<u>\$ -</u>

COUNTY OF YORK, PENNSYLVANIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CARRYOVER FUNDS - MENTAL HEALTH SERVICES
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

Sources of DPW Funds	DPW Funds Available						Total Fund Balance (7)
	Carryover Funds (1)	Allotment (2)	Total Allocation (3)	Cost Eligible for DPW Participation (4)	Balance of Funds (5)	Grant Fund Adjustments (6A)	
A. MH Services	\$ 3,344,303	\$ 12,911,570	\$ 16,255,873	\$ 15,572,276	\$ 683,597	\$ 84,298	\$ 767,895
B. OTHER STATE FUNDS							
2. BH Services Initiative	-	245,073	245,073	245,073	-	-	-
3. BH Services Initiative (GT)	-	47,759	47,759	47,759	-	-	-
4. New Directions	-	91,875	91,875	91,875	-	-	-
5. Total Other State	-	384,707	384,707	384,707	-	-	-
C. SSBG	-	97,756	97,756	97,756	-	-	-
D. CMHSSBG	-	394,819	394,819	394,819	-	-	-
E. OTHER FEDERAL FUNDS							
1. Max. Part. Project	-	52,619	52,619	52,619	-	-	-
2. PATH Homeless	-	72,306	72,306	72,306	-	-	-
7. Terrorism Related Disaster Relief	15,837	-	15,837	-	15,837	-	15,837
8. Bioterrorism Hosp. Prep.	16,085	3,000	19,085	10,031	9,054	-	9,054
6 Total Other Federal	31,922	127,925	159,847	134,956	24,891	-	24,891
F. TOTAL	\$ 3,376,225	\$ 13,916,777	\$ 17,293,002	\$ 16,584,514	\$ 708,488	\$ 84,298	\$ 792,786

COUNTY OF YORK, PENNSYLVANIA
 REPORT OF INCOME AND EXPENDITURES - MENTAL HEALTH PROGRAM
 FOR THE FISCAL YEAR ENDED JUNE 30, 2007

I.	TOTAL ALLOCATION	\$ 17,293,002
II.	TOTAL EXPENDITURES	\$ 20,298,501
III.	COSTS OVER ALLOCATION	
	A. County Funded - Eligible	\$ -
	B. County Funded - Ineligible	-
	C. Other Eligible	-
	D. Other Ineligible	-
	E. Total Costs Over Allocation	-
IV.	REVENUES	
	A. Program Service Fees	6,543
	B. Private Insurance Fees	-
	C. Medical Assistance	2,753,461
	D. Medical Assistance - MA 325	-
	E. Medical Assistance - Administration Claims	13,232
	F. Room and Board	314,087
	G. Earned Interest	219,712
	H. Other	31,107
	I. Total Revenues	3,338,142
V.	DPW REIMBURSEMENT	
	A. Base Allocation 90%	3,382,602
	B. Base Allocation 100%	397,388
	C. DPW Categorical Funding 90%	-
	D. DPW Categorical Funding 100%	12,311,949
	E. SSBG	
	90% Adult	-
	90% Child	-
	100% Adult	97,756
	100% Child	-
	F. CMHSBG	
	90%	-
	100%	394,819
VI.	10% COUNTY MATCH	375,845
VII.	TOTAL DPW REIMBURSEMENT AND COUNTY MATCH	16,960,359
VIII.	TOTAL CARRYOVER	\$ 708,488

COUNTY OF YORK, PENNSYLVANIA
 SCHEDULE OF REVENUES, EXPENDITURES, AND CARRYOVER FUNDS - MENTAL RETARDATION SERVICES
 FOR THE FISCAL YEAR ENDED JUNE 30, 2007

Sources of DPW Funds	DPW Funds Available					Balance of Funds (5)	Grant Fund Adjustments (6A)	CSR State Grant Fund Adjustments (6B)	CSR-Promise Adjustments (6C)	Total Fund Balance (7)
	Carryover (1)	Allotment (2)	Total Allocation (3)	Cost Eligible for DPW Participation (4)	Grant Fund Adjustments (6A)					
A. MR Services										
1. Community (NR/Res)	\$ 266,484	\$ 5,142,140	\$ 5,408,624	\$ 4,924,493	\$ 484,131	\$ -	\$ -	\$ -	\$ -	\$ 484,131
2. SSBG	-	120,295	120,295	120,295	-	-	-	-	-	-
3. Subtotal MR Services	<u>266,484</u>	<u>5,262,435</u>	<u>5,528,919</u>	<u>5,044,788</u>	<u>484,131</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>484,131</u>
B. Waiver										
1. Consolidated Waiver Services	304,258	25,640,648	25,944,906	24,632,158	1,312,748	-	-	-	-	1,312,748
2. Waiver Administration	-	259,038	259,038	259,038	-	-	-	-	-	-
3. P/FDS Waiver Services	153,576	1,628,889	1,782,465	1,385,957	396,508	-	-	-	-	396,508
5. Subtotal Waiver	<u>457,834</u>	<u>27,528,575</u>	<u>27,986,409</u>	<u>26,277,153</u>	<u>1,709,256</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,709,256</u>
C. Other										
1. Elwyn	-	-	-	-	-	-	-	-	-	-
2. Pennhurst Dispersal	-	46,530	46,530	46,530	-	-	-	-	-	-
3. Pennhurst Waiver Services	-	-	-	-	-	-	-	-	-	-
5. Subtotal Other	<u>-</u>	<u>46,530</u>	<u>46,530</u>	<u>46,530</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
E. Total	<u>\$ 724,318</u>	<u>\$ 32,837,540</u>	<u>\$ 33,561,858</u>	<u>\$ 31,368,471</u>	<u>\$ 2,193,387</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,193,387</u>

EXHIBIT IV(d)MR

COUNTY OF YORK, PENNSYLVANIA
 REPORT OF INCOME AND EXPENDITURES - MENTAL RETARDATION PROGRAM
 FOR THE FISCAL YEAR ENDED JUNE 30, 2007

I.	TOTAL ALLOCATION	<u>\$ 33,561,858</u>
II.	TOTAL EXPENDITURES	<u>\$ 32,926,894</u>
III.	COSTS OVER ALLOCATION	
	A. County Funded Eligible	\$ -
	B. County Funded Ineligible	-
	C. Other Eligible	-
	D. Other Ineligible	-
	E. Total Costs Over Allocation	<u>-</u>
IV.	REVENUES	
	A. Program Service Fees	-
	B. Private Insurance Fees	-
	C. Medical Assistance	-
	D. Medical Assistance - General	736,858
	E. Medical Assistance - Administration	-
	F. Room and Board	-
	G. Earned Interest	415,909
	H. Other	210,953
	I. Total Revenues	<u>1,363,720</u>
V.	DPW Reimbursement	
	A. Base Allocation 90%	1,542,180
	B. Base Allocation 100%	2,445,856
	C. DPW Cat. Funding 90%	179,687
	D. DPW Cat. Funding 100%	27,080,453
	E. SSBG	
	90% Adult	30,464
	90% Child	-
	100% Adult	89,831
	100% Child	-
VI.	10 % COUNTY MATCH	<u>194,703</u>
VII.	TOTAL DPW REIMBURSEMENT AND COUNTY MATCH	<u>31,563,174</u>
VIII.	TOTAL CARRYOVER	<u>\$ 2,193,387</u>

COUNTY OF YORK, PENNSYLVANIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CARRYOVER FUNDS - EARLY INTERVENTION SERVICES
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

Sources of DPW Funds	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. State Early Intervention	\$ 266,706	\$ 3,247,248	\$ 3,513,954	\$ 2,705,608	\$ 808,346	\$ -	\$ 808,346	
2. State Early Intervention- Training	-	9,589	9,589	9,589	-	-	-	
3. EI Administration	-	93,405	93,405	93,405	-	-	-	
4. Infants & Toddlers w/Disabilities Part C	-	655,862	655,862	655,862	-	-	-	
5. SSBG-EI	-	71,705	71,705	71,705	-	-	-	
6. ITF Waiver Services	21,234	625,320	646,554	559,598	86,956	-	86,956	
7. ITF Waiver Administration	-	27,218	27,218	27,218	-	-	-	
9. Total Early Intervention	\$ 287,940	\$ 4,730,347	\$ 5,018,287	\$ 4,122,985	\$ 895,302	\$ -	\$ 895,302	

EXHIBIT V(b)EI

COUNTY OF YORK, PENNSYLVANIA
 REPORT OF INCOME AND EXPENDITURES - EARLY INTERVENTION PROGRAM
 FOR THE FISCAL YEAR ENDED JUNE 30, 2007

I.	TOTAL ALLOCATION	\$ 5,018,287
II.	TOTAL EXPENDITURES	\$ 5,593,054
III.	COSTS OVER ALLOCATION	
	A. County Funded Eligible	\$ -
	B. County Funded Ineligible	-
	C. Other Eligible	-
	D. Other Ineligible	-
	E. Total Costs Over Allocation	-
IV.	REVENUES	
	A. Program Service Fees	-
	B. Private Insurance Fees	-
	C. Medical Assistance - MA EI	1,005,689
	D. Medical Assistance - Admin.	-
	E. Earned Interest	71,173
	F. Other	300
	G. Total Revenues	1,077,162
V.	DPW Reimbursement	
	A. Base Allocation 90%	-
	B. Base Allocation 100%	-
	C. DPW Cat. Funding 90%	3,464,464
	D. DPW Cat. Funding 100%	586,816
	E. SSBG	
	90% Child	71,705
VI.	10 % COUNTY MATCH	392,907
VII.	TOTAL DPW REIMBURSEMENT AND COUNTY MATCH	4,515,892
VIII.	TOTAL CARRYOVER	\$ 895,302

COUNTY OF YORK, PENNSYLVANIA
 COST SETTLEMENT REPORT (CSR)
 MENTAL RETARDATION - TARGETED SERVICES MANAGEMENT
 FOR THE FISCAL YEAR ENDED JUNE 30, 2007

		<u>Actual Units</u>		
1.	Service Delivery Analysis			
a.	MA (FFP) Eligible Units	<u>72,106</u>		
b.	Non-MA (Non-FFP) Units	<u>-</u>		
c.	Combined Units	<u>72,106</u>		
2.	Expenditures			
a.	Total Program Expenditures		<u>\$ 1,350,546</u>	
b.	Less: Retained Revenue Allowance		<u>-</u>	
c.	Less: Other Expenses		<u>-</u>	
d.	Expenditures Eligible for DPW State/Fed. Participation			<u>1,350,546</u>
3.	Revenues			
(1)	Promise Federal Revenue	<u>736,858</u>		
(2)	Match Funds for 3(1)	<u>613,688</u>		
(3)	Revenue Supporting Non-FFP Units	<u>-</u>		
a.	Net Program Revenues (1+2+3)			<u>1,350,546</u>
b.	Revenues Supporting Expenditures from 2b & 2c		<u>-</u>	
c.	From (2b & 2c)		<u>1,350,546</u>	
4.	Expenditures Minus Revenues (2d - 3a)		Underpayment/(Overpayment)	<u>\$ -</u>
5.	Service Delivery	Actual Units	Actual Rate	Reconciled Revenues
a.	MA (FFP) Eligible Units	<u>72,106</u>	x \$18.7300	= \$ 1,350,546
b.	Non-MA (Non-FFP) Units	<u>-</u>	x (2d/5c Units)	= \$ -
c.	Combined Units	<u>72,106</u>	x (round to 4 dec.)	= \$ 1,350,546
6.	Reconciliation			
a.	FFP	<u>\$ 1,350,546</u>	- <u>\$ 1,350,546</u>	= <u>\$ -</u>
		(5a)	3(1) + 3(2)	
b.	Non-FFP	<u>\$ -</u>	- <u>\$ -</u>	= <u>\$ -</u>
		(5b)	3(3)	
7.	State/Federal Split Difference:			
a.	FFP	<u>\$ -</u>	x .5439	= <u>\$ -</u>
		6(a)		Federal Underpayment (Overpayment)
b.	FFP	<u>\$ -</u>	x .4561	= <u>\$ -</u>
		6(a)		State Underpayment (Overpayment)
c.	Non-FFP	<u>\$ -</u>	x 1.00	= <u>\$ -</u>
		6(b)		State Underpayment (Overpayment)

COUNTY OF YORK, PENNSYLVANIA
 SCHEDULE OF REVENUES AND EXPENDITURES
 HUMAN SERVICES DEVELOPMENT FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2007

	<u>Reported</u>	<u>Actual</u>
<u>Revenues</u>		
Pennsylvania Department of Public Welfare	\$ 897,063	\$ 897,063
Interest Income	<u>7,574</u>	<u>7,574</u>
Total Revenues	<u>\$ 904,637</u>	<u>\$ 904,637</u>
<u>Expenditures</u>		
Categorical		
Adult Services	\$ 183,839	\$ 183,839
Aging Services	23,500	23,500
Drug & Alcohol Services	101,862	101,862
Homeless Assistance Services	66,680	66,680
Mental Retardation Services	<u>107,145</u>	<u>107,145</u>
Subtotal	<u>483,026</u>	<u>483,026</u>
Specialized Services	40,486	40,486
Generic	76,655	76,655
Service Coordination	214,764	214,764
County Administration	<u>89,706</u>	<u>89,706</u>
Total Expenditures	<u>\$ 904,637</u>	<u>\$ 904,637</u>
Deficiency of Revenues Under Expenditures	<u>\$ -</u>	<u>\$ -</u>

EXHIBIT XIX

COUNTY OF YORK, PENNSYLVANIA
 SCHEDULE OF REVENUES AND EXPENDITURES
 COMBINED HOMELESS ASSISTANCE PROGRAM
 FOR THE FISCAL YEAR ENDED JUNE 30, 2007

Sources of Funding

DPW Allocation (Must Equal Total County HAP Allocation)	A	\$ 1,180,069
Client Contributions	B	37,825
Other	C	18,037
Interest Earned	D	<u>20,286</u>
		Total HAP Funding (A + B + C + D = E)
	E	<u>\$ 1,256,217</u>

Expenses

	<u>Bridge Housing</u>	<u>Case Management</u>	<u>Rental Assistance</u>	<u>Emergency Shelter</u>	<u>Total Available Funds</u>
On Behalf of Clients	\$ 50,127	\$ -	\$ 416,900	\$ 24,361	F \$ 491,388
Personnel	214,051	133,292	130,746	-	G 478,089
Operating	76,618	25,140	23,419	-	H 125,177
Fixed Assets/Equipment	<u>36,434</u>	<u>5,114</u>	<u>-</u>	<u>-</u>	I <u>41,548</u>
Subtotal	<u>\$ 377,230</u>	<u>\$ 163,546</u>	<u>\$ 571,065</u>	<u>\$ 24,361</u>	J 1,136,202
					County Administration (Max 10% Total HAP Funding) K <u>120,015</u>
					Total HAP Expenses (J + K = L) L <u>1,256,217</u>
					Total Unexpended Funds (E - L) <u>\$ -</u>

SCHEDULE OF FINDINGS, RESPONSES, AND QUESTIONED COSTS

COUNTY OF YORK, PENNSYLVANIA
SCHEDULE OF FINDINGS, RESPONSES, AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2007

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
14.231	Emergency Shelter Grant
93.044;93.045; 93.053	Aging Cluster
93.645	Child Welfare Services-State Grants
93.667	Social Services Block Grant
93.778	Medical Assistance Program
93.959	Block Grant for Prevention and Treatment of Substance Abuse

Name of DPW Programs

Human Services Development Fund
Mental Health/Mental Retardation Program

Dollar threshold used to distinguish between Type A and Type B programs: \$1,284,882

Auditee qualified as low-risk auditee? yes no

COUNTY OF YORK, PENNSYLVANIA
SCHEDULE OF FINDINGS, RESPONSES, AND QUESTIONED COSTS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2007

Section II - Financial Statement Findings

Finding 07-1

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 payables/expenditures and receivables/revenues 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 would result in a material misstatement of the financial statements.

Questioned Costs: None noted.

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, RESPONSES, AND QUESTIONED COSTS (CONTINUED)
 FOR THE YEAR ENDED DECEMBER 31, 2007

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

<u>Finding 07-2</u>	<u>Procurement, Suspension, & Disbarment</u> CFDA 14.231 Emergency Shelter Grants Program
Criteria:	OMB Circular A-133 requires that the County not contract with providers of service that are suspended or debarred.
Condition:	As a result of our testing, we noted that 1 out of the 6 provider contracts selected for testing 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.
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 is not in compliance with OMB A-133 Procurement, Suspension and Debarment requirements.
Questioned Costs:	The amount of questioned costs, if any, is undeterminable.
Recommendation:	The County should include a clause in their contracts with providers to ensure that all providers receiving over \$25,000 in federal funds certify that they are not suspended or debarred.
Management's Response:	<p>The County applies to the Pennsylvania Department of Community Development (DCED) on behalf of non-profit organizations for federal Emergency Shelter Grant funds. The terms and conditions of the Grant Agreement between the County and DCED are delegated to the non-profit organization through a Cooperation Agreement. Section IV, Paragraph A of the Agreement reads as follows:</p> <p style="padding-left: 40px;">Subrecipient and the County agree to abide by present and future applicable Commonwealth of Pennsylvania and Federal rules and regulations concerning the Emergency Shelter Grant program....</p> <p>The County shall amend its current language in its Grant Agreements and Cooperation Agreements for ESG funding. The language shall read as follows:</p> <p style="padding-left: 40px;">"The subrecipient certifies for itself and its subcontractors, that as of the date of its execution of this agreement, that neither the subrecipient, nor its subcontractors, nor suppliers are under suspension or debarment by the Federal Government and if the subrecipient cannot so certify, then it agrees to submit a written explanation of why such certification cannot be made. This agreement shall be automatically voided, without a declaration from the County if the subrecipient is currently or becomes suspended or debarred by the federal government."</p>

YORK COUNTY
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2007

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>
None	06-1	Bank Reconciliation	Resolved
None	06-2	Accounting Records	See Current Year Finding 07-1
Mental Health/Mental Retardation Program	06-3	Drug-Free Work Place Act	Resolved
Aging Program	06-4	Subrecipient Monitoring	Resolved

