# ALLEGHENY COUNTY
# DEPARTMENT OF HUMAN SERVICES
# BUREAU OF CONTRACTS AND COMPLIANCE

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## PROVIDER AUDIT GUIDELINES

**Allegheny County**
**DEPARTMENT OF HUMAN SERVICES**
One Smithfield Street, Suite 500
Pittsburgh, Pennsylvania 15222-2221
**Alex Jutca, Director**

*Effective for all Audits Submitted for Fiscal Years Beginning on or After July 1, 2025*
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# General Information

## Overview

In accordance with your program's contract agreement with Allegheny County Department of Human Services (ACDHS), depending on the level of funding received an audit of the financial transactions related to the contract may be required. Enclosed are audit guideline materials to assist you in meeting those requirements **in addition to any federal and state requirements.**

This manual is designed to assist auditors in performing audits of:

- Office of Community Services (OCS)
- Behavioral Health (D&A and MH)
- Intellectual Disability (MR, including Waiver)
- Children, Youth, and Families (CYF)
- Human Services Development Fund (HSDF)
- Area Agency on Aging (Aging)
- Behavioral Health – Early Intervention

These audits must be performed in accordance with Generally Accepted Government Auditing Standards (GAGAS)/Yellow Book, issued by the Comptroller General of the United States, as well as generally accepted auditing standards. The financial statements are to be prepared in conformity with the accounting practices prescribed by the applicable regulations which may be a comprehensive basis of accounting other than generally accepted accounting principles. The audit reports are used by Allegheny County program managers to meet their responsibilities in overseeing programs and assuring the integrity of the funds. Instances of noncompliance and internal control weaknesses noted in these reports must be acted upon by program managers.

Agencies may satisfy the audit requirements by obtaining an audit in accordance with the Uniform Guidance (codified at 2 CFR Part 200) and Office of Management and Budget (*OMB*) Uniform Guidance for Federal Awards. Either a Program Specific Audit or an organization-wide Single Audit, performed in accordance with federal and state requirements, is acceptable. Audit Objectives

The independent auditor must conduct the audit in accordance with GAGAS as issued by the Comptroller General of the United States, Uniform Guidance for Federal Awards Compliance **The independent auditor must ensure that the provider is in material compliance with all regulations applicable to the provider programs.**

These requirements apply to OCS, BH, ID, CYF, HSDF, BH – EI and Aging.

## Audit Fees

The cost of the audit made in accordance with the provisions of the Uniform Guidance for Federal Awards (*Cost Principles, Audit and Administrative Requirements for Federal Awards*), Yellow Book, state regulations, and audit guidance are allowable charges to federal and state awards. Providers with federal awards totaling less than $1,000,000 are not required to have an audit performed; therefore, audit costs **are not chargeable** to federal, state or county programs. Note: **exceptions** to this rule exist with funding from The Commonwealth of Pennsylvania Department of Human Services (DHS) and the Pennsylvania Department of Health (DDAP). Each has unique audit requirements which include using state funds for determining audit requirements. Please refer to the individual program areas within this manual for additional guidance.

If the audit covers program expenditures funded by sources other than Allegheny County DHS, the audit fee must be prorated. The audit fee must also be appropriately prorated between the different programs within the Allegheny County contract. Please note: Audit costs must be built into the provider's budget to be reimbursable.

## Due Dates

One copy of a complete audit report package, which includes all audit reports/opinions, financial statements, supplementary schedules, Independent Accountant's Report on Applying Agreed-Upon Procedures Report (AUP), Corrective Action Plan (where findings are present), and the Management Letter, if issued, must be received by:

Lisa Impavido, Administrator
Allegheny County Department of Human Services
Bureau of Contracts and Compliance
One Smithfield Street, Suite 500
Pittsburgh, Pennsylvania 15222-2221

Or submitted electronically to:
Lisa Impavido at Lisa.Impavido@AlleghenyCounty.US
Paul Urmann at Paul.Urmann@AlleghenyCounty.US
Joel Rubin at Joel.Rubin@AlleghenyCounty.Us

**All June 30th fiscal yearend** audit report packages are now **due on March 31 of the following year, (9 months) from the end of the agency fiscal year.** However, once an agency receives its final allocation, earlier submission is encouraged.

When the agency's fiscal year differs from Allegheny County DHS's June 30th fiscal year, the audit is due by the last day of the ninth month following the agency's fiscal year end. Furthermore, the agency's audit must provide Allegheny County supplementary schedules presented on the Allegheny County June 30th fiscal year that ended within the agency's fiscal year end.

## Extensions

If the audit report package cannot be submitted by the due date, a written request for an extension must be submitted to the Administrator, Allegheny County DHS Bureau of Contracts and Compliance before the above due date(s).

# II. General Audit Requirements

## A. Federally Mandated Audit Requirements

**OMB Uniform Guidance for Federal Awards**

The provider must comply with all federal and state audit requirements including the *Single Audit Act*, as amended, Office of Management and Budget (OMB) Uniform Guidance for Federal Awards, *Cost Principles, Audit and Administrative Requirements for Federal Awards*, any other applicable laws or regulations, and any amendment to such other applicable laws or regulations which may be enacted or promulgated by federal or state government.

**Local Government or Non-Profit Organizations**

If the provider **expends** total federal awards of $1,000,000 or more (from ALL funding sources) during its fiscal year, either directly from the federal government or indirectly from a recipient of federal funds, the provider is required to have a Single Audit or Program Specific Audit made in accordance with the provisions of OMB Uniform Guidance for Federal Awards.

If the provider **expends** total federal awards of less than $1,00,000 (from ALL funding sources) during its fiscal year, it is exempt from the above audit requirements. However, it is required to maintain auditable records of federal and any state or local funds that supplement such awards, and to provide access to such records by federal, state and local agencies or their designees for a period of at least three years.

**For-Profit Organizations**

Although OMB Uniform Guidance for Federal Awards does not apply to for-profit organizations, a provider agency is not exempt from reporting requirements simply because it is a for-profit agency. Many of the state departments that provide state funding require a GAGAS/Yellow Book audit to be performed. For-profit providers need to review the specific program areas in this manual for guidance. Additionally, the contract with a for-profit subrecipient will describe applicable compliance requirements and responsibilities. Methods to ensure compliance for federal awards made to for-profit subrecipients may include, but are not limited to pre-award audits, monitoring during the contract, and post-award audits.

# 1. Single Audits Under OMB Uniform Guidance for Federal Awards

**General**: The audit shall be conducted in accordance with GAGAS/Yellow Book. The audit shall cover the entire operations of the auditee, or at the option of the auditee, such audit shall include a series of audits that cover departments, agencies, and other organizational units which **expended**, or otherwise administered federal awards during such fiscal year. Each such audit shall encompass the financial statements and Schedule of Expenditures of Federal Awards for each such department, agency and other organizational unit which shall be considered to be a non-federal entity. The financial statements and Schedule of Expenditures of Federal Awards shall be for the same fiscal year.

**Financial Statements:** The auditor shall determine whether the financial statements of the auditee are presented fairly in all material respects in conformity with generally accepted accounting principles. The auditor shall also determine whether the Schedule of Expenditures of Federal Awards is presented fairly in all material respects in relation to the auditee's financial statements taken as a whole.

**Internal Control**: In addition to the requirements of GAGAS/Yellow Book, the auditor shall perform procedures to obtain an understanding of internal control over federal programs sufficient to plan the audit to support a low-assessed, level-of-control risk for major programs.

**Compliance**: In addition to the requirements of GAGAS/Yellow Book, the auditor shall determine whether the auditee has complied with laws, regulations, and the provisions of contracts or grant agreements that may have a direct or material effect on each of its major programs.

**Audit Follow-up**: The auditor shall follow-up on prior-audit findings, perform procedures to assess the reasonableness of the Summary Schedule of Prior Year Audit Findings prepared by the auditee, and report, as a current-year audit finding, when the auditor concludes that the Summary Schedule of Prior Year Audit Findings materially misrepresents the status of any prior-audit

finding. The auditor shall perform audit follow-up procedures regardless of whether a prior-audit finding relates to a major program in the current year.

Required Reports for the Single Audit

- Report of Independent Certified Public Accountants
- Basic Financial Statements and Schedule of Expenditures of Federal Awards
- Report of Independent Certified Public Accountants on Compliance and on Internal Control over Financial Reporting based on an Audit of Financial Statements performed in accordance with Government Auditing Standards (GAGAS)
- Report on Compliance with Requirements Applicable to each major program and Internal Control over Compliance in Accordance with OMB Uniform Guidance for Federal Awards.
- Schedule of Findings and Questioned Costs
- Summary Schedule of Prior Year Audit Findings
- Corrective Action Plan (CAP)
- AUP report and supplemental schedules as detailed in this manual
- Management Letter comments, if issued

Additional detailed guidance is provided in:

- OMB Uniform Guidance for Federal Awards – ,2 CFR Part 200 Cost Principles, Audit and Administrative requirements for Federal Awards
- Single Audit Act Amendments of 1996, Public Law 104-156; S.1579, 104 P.L. 156 110 Stat. 1936, 1996 Enacted S. 1579; 104 Enacted S. 1579

## 2. Program Specific Audits Under OMB Uniform Guidance for Federal Awards

A subrecipient that expends $1,000,000 or more a year in federal awards may elect to have a Program Specific Audit, an audit of one federal program, rather than a Single Audit, if both of the following criteria are met:

- The subrecipient expends federal awards under only one program (CFDA No.) excluding research and development

**and**

- The federal program's laws, regulations, or grant requirements do not require a financial statement audit

Many federal assistance programs will have a Program Specific Audit Guide (the guide) available. The auditor should contact the Office of the Inspector General of the federal agency to determine whether such a guide is available. If a guide exists, it must be followed.

Program Specific Audit Guide available: A Program Specific Audit Guide will provide specific guidance to the auditor with respect to internal control, compliance requirements, suggested audit procedures, and audit reporting requirements. The Office of the Inspector General of the federal agency should be contacted by the auditor to obtain the most current guide. The auditor shall follow GAGAS/Yellow Book and the guide when performing a Program Specific Audit.

In instances where a Federal Program Specific Audit Guide is available, the audit report package for a Program Specific Audit may be different and should be prepared in accordance with the audit guide and OMB Uniform Guidance for Federal Awards.

**Program Specific Audit Guide not available**: The auditee and auditor shall have, basically, the same responsibilities for the federal program as they would have for an audit of a major program in a Single Audit.

The auditor must perform an audit of the financial statement(s) for the federal program in accordance with GAGAS/Yellow Book, must obtain an understanding of the provider's internal control, and perform tests of internal control as would be required for a major program. Also, the auditor must determine whether the auditee has complied with laws, regulations, and the provision of the grant agreements that could have a direct and material effect on the program as would be required for a major program.

**Audit Follow-up**: The auditor shall follow-up on prior-audit findings, perform procedures to assess the reasonableness of the Summary Schedule of Prior Year Audit Findings prepared by the auditee, and report, as a current-year audit finding, when the auditor concludes that the Summary

Schedule of Prior Year Audit Findings materially misrepresents the status of any prior-audit finding. The auditor shall perform audit follow-up procedures regardless of whether a prior-audit finding relates to a major program in the current year.

**Required Reports for the Program Specific Audit**

- Report of Independent Certified Public Accountants
- Basic Financial Statement(s) for the federal program that includes, at a minimum, a Schedule of Expenditures of Federal Awards for the program and notes that describe the significant accounting policies used in preparing the schedule
- Auditor's Report on Compliance and Internal Control over Financial Reporting in accordance with Generally Accepted Government Auditing Standards (GAGAS)
- Schedule of Findings and Questioned costs
- Schedule of Status of Prior Year Findings and Questioned costs
- Corrective Action Plan (CAP)
- AUP report on Allegheny County Supplemental Schedules
- Allegheny County Supplemental Schedules (see Appendix A)
- Management Letter comments, if issued

Additional detailed guidance is provided in:

- OMB Uniform Guidance for Federal Awards –2 CFR Part 200, Cost Principles, Audit and Administrative requirements for Federal Awards
- Single Audit Act Amendments of 1996, Public Law 104-156; S.1579, 104 P.L. 156 110 Stat. 1936; 1996 Enacted S. 1579, 104 Enacted S. 1579

## B. Audit Guidance

Guidance to assist auditors in performing audits in accordance with OMB Uniform Guidance for Federal Awards can be obtained from the following sources:

Office of Management and Budget

The following information is located on OMB's Internet Home Page
http://www.whitehouse.gov/omb/

- *OMB publications including OMB Uniform Guidance for Federal Awards: Cost Principles, Audit and Administrative Requirements for Federal Awards*
-

General Services Administration (GSA)

- *Catalog of Federal Domestic Assistance (CFDA)*

A searchable copy of the CFDA is available through the Internet on the GSA Home Page http://www.sam.gov.

Government Printing Office (GPO)

- *Catalog of Federal Domestic Assistance (CFDA)*
- *Generally Accepted Government Auditing Standards (GAGAS)*
- *OMB Uniform Guidance for Federal Awards*

Inspector General

- *Inspector General Directory*
- *Inspector General Act*

The above information is located on the IGnet Home Page on the Internet http://www.ignet.gov/

## D. Audit Guidance

The individual program service areas in this manual provide guidance on state and local audit requirements.

A. COMMUNITY SERVICES

B. BEHAVIORAL HEALTH - DRUG AND ALCOHOL

C. BEHAVIORAL HEALTH - MENTAL HEALTH

D. INTELLECTUAL DISABILITY - MENTAL RETARDATION

E. WAIVER PROGRAM

F. CHILDREN, YOUTH AND FAMILIES

G. HUMAN SERVICES DEVELOPMENT FUND (HSDF)

H. AREA AGENCY ON AGINGBEHAVIORAL HEALTH EARLY INTERVENTION

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# III. Other Audit Issues

## A. Notes to the Financial Statements

Notes must be prepared to meet disclosure requirements of the appropriate state, federal, and local regulations. The following are required Notes to the Financial Statements (see respective regulations for additional detail).

1. **Summary of Significant Accounting Policies**

   Identify the agency's accounting basis during the reporting period and any deviations from the applicable governmental regulations. Describe which regulations were applied to which programs.

2. **Accounts Receivable**

   Include a breakdown of amounts due from Allegheny County by program office, if not detailed on the Statement of Financial Position/Balance Sheet. Any accounts receivable that were written off during the fiscal year must also be separately identified. In addition, amount due from other agencies or related parties must be identified.

3. **Fixed Assets**

   Providers hold title to fixed assets purchased with funds awarded from Allegheny County in perpetuity unless said provider goes out of business or ceases to contract with Allegheny County. At that time, all assets purchased with state and county funds revert back to the possession of Allegheny County. All asset purchased are now approved by reporting them on the Agency's budget submitted prior to the beginning of a fiscal year. Additionally, disposals are to be *pre-approved* by completing a "Fixed Assets Disposal Request Form" and submitting it to the applicable Program Office..

   Please note that an annual physical inventory is required to be performed at the end of every fiscal year.

4. **Payables**

   Include a breakdown of amounts due to Allegheny County by program office, if not detailed on the Statement of Financial Position/Balance Sheet. In addition, list any amount due from other agencies or related parties.

**5. Capital Accounts**

Present a detailed explanation of any significant changes to the net assets or capital accounts.

6. **Administrative Cost Allocation Plan**

Disclose a summary of the Administrative Cost Allocation Plan and that it has been consistently applied and distributed costs in a fair and equitable manner.

**7. Related Party Transactions**

Related party transactions include, but are not limited to the following:

- Professional / management services agreements
- Rental/lease agreements
- Loan transactions including interest charges and rates
- Sales, purchases, transfers, and/or use of realty and personal property
- Trust activity
- Intercompany billings
- Any other non-arm's length transaction

All related party notes must disclose the following:

- Names of the parties involved
- Each transaction description
- Nature of the relationship
- Dollar amounts of each transaction
- Amounts due to/from related parties at fiscal year end

The auditor is responsible for determining whether these transactions are allowable and in compliance with federal, state, local laws and regulations, and GAAP. Allegheny County requires all related party transactions to be fully disclosed in the notes to the Financial Statements.

**8. Self Insurance**

All self insured funds including but not limited to Unemployment coverage and Workers Compensation must provide a detailed schedule to identify the following amounts:

**Beginning Balance Amount** – *The Prior years ending balance*

**Additions** - *the current year fund increases from amounts charged & reimbursed from Allegheny County*

**Expense Reductions –** *The current year amount actually paid out in expenditures for Allegheny County DHS programs.*

**Accrual Reductions –** *The current year amount accrued for Allegheny County DHS programs.*

**Ending Balance Amount** – *The Beginning Balance plus all current year additions and reductions*

## B. Management Letter

A copy of all Management Letter comments from the auditor of record to the auditee must be **included with** the audit report submitted to Allegheny County DHS. Any verbal issues typically found in a Management Letter must be summarized in writing and included as part of the audit report package. Please provide written confirmation to Allegheny County when a Management Letter has not been issued

## C. Schedule of Findings of Noncompliance and Questioned Costs

For all DHS programs, each audit finding will include:

- The Auditor of Record 's explanation of questioned costs and other audit adjustments
- The Auditor of Record's recommendations for corrective action to be taken by the management of the agency.
- Management must comment on each audit finding and recommendation reported.
- The Audit Report is to also include the Schedule of Status of Prior Year Audit Findings. *Note: If there were no prior-year audit findings, please submit the schedule and report* ***NONE****.*

## D. Corrective Action Plan

The Corrective Action Plan (CAP) is the responsibility of the provider agency not the auditor. A CAP needs to be written for <u>every</u> finding reported in the audit report and must be submitted to Allegheny County DHS with the audit report under separate cover. The CAP should be submitted with Audited Financial Statements and must be submitted within 30 days of receipt of the Audit.

The CAP must contain the following elements:

- Finding Number: As reported in your agency's Fiscal Year Audit Report
- Description of Finding: As recorded in your agency's Fiscal Year Audit Report
- Corrective Action Taken or to be Taken: This should include the specific steps taken or to be taken to correct the situation OR specific reasons why corrective action is not necessary.

- Timetable for Implementation: This should include a timetable for performance of the corrective action steps to be taken.
- Personnel Responsible: This should include the provider personnel responsible for ensuring that corrective action achieves the desired result in a timely and efficient manner.
- The CAP must be signed and dated by the Executive Director.

# E. Testing of Major and Non-Major Programs

**Risk-based approach**

The auditor must use the risk-based approach to determine which federal programs are major programs. This must include consideration of current and prior-audit experience, oversight by federal agencies and pass-through entities, and inherent risk of federal programs (See OMB Uniform Guidance for Federal Awards: Cost Principles, Audit, and Administrative Requirements for Federal Awards).

The steps are as follows:

1. Must identify larger federal programs, Type A programs.
2. Must identify Type A programs which are low risk.
3. Must identify programs which are high risk. Type B programs are all federal programs not labeled Type A.
4. At a minimum, must audit the following as major programs:
    - Type A programs, but may exclude those identified as low risk.
    - Type B programs identified as high risk,
    - Such additional programs necessary to comply with the "Percent of Coverage rule". At a minimum, an auditor must select enough major programs to test at least 40 percent of the total federal awards expended. The one exception is when an auditee meets the criteria for a low risk auditee. In that circumstance, an auditor only needs to audit enough major programs to comprise at least 20 percent of total federal expenditures.

Challenges by federal agencies and pass-through entities shall only be for clearly improper use of the guidance in this part. However, federal agencies and pass-through entities may provide their Auditor of Record guidance about the risk of a particular federal program. The auditor shall consider this guidance in determining major programs in audits not yet completed (see OMB Uniform Guidance for Federal Awards for additional detail).

## F. Illegal Acts

When illegal acts are discovered, the auditor should notify the top officer of the agency being audited. **The agency, in turn, should promptly notify Allegheny County DHS Bureau of Contracts and Compliance.** If the top officer may be involved in any way with the acts, then the auditor is to report to the Agency's Board of Directors and to Allegheny County DHS Bureau of Contracts and Compliance. Allegheny County will then inform the appropriate governmental funding source office(s). Illegal acts may be reported in a separate report from the auditor to the agency.

Note: Materiality is not a consideration for reporting to Allegheny County DHS Bureau of Contracts and Compliance. All incidences must be reported.

## G. Compliance Testing – No Program Specific Guidance Exits

When no authoritative guidance exists for compliance testing of programs the following steps are helpful:

- Determine the laws and regulations that affect the program(s). Use sources such as the Guide to Federal Program Compliance Audits and grant agreements to determine which laws and regulations apply.
- Review compliance requirements for similar programs (in program design) and modify slightly to fit needs.
- Rely on generic audit guides related to types of awards and recipients.
- Areas to be examined should include: services allowed/disallowed, eligibility requirements, matching/earmarking/level-of-effort, reporting, and any other specific areas emphasized in laws and regulations.

## H. Record Retention

Audit workpapers and audit reports shall be retained by the provider's auditor for a minimum of **three years** from the date of issuance of the audit report unless the provider's auditor is notified in writing by the commonwealth, the cognizant, or oversight federal agency to extend the retention period. Audit workpapers shall be made available upon request to authorized representatives of the commonwealth, the cognizant, oversight agency, the federal-funding agency, or the United States GAO.

All books, records, and documents related to this agreement shall be retained by the provider for a period of time which is the **greater of four years from the agreement expiration date** until all questioned costs or activities have been resolved to the satisfaction of the Commonwealth, or as required by applicable federal laws and regulations, whichever is longer. If this agreement is completely or partially terminated, the records related to the work terminated shall be preserved and made available for a period of four years from the date of any resulting financial settlement.

Records which relate to litigation or the settlement of claims arising out of performance or expenditures under this contract to which exception has been taken by the auditors, shall be retained by the contractor or provider and made available to the Commonwealth at the department's option until such litigation, claim, or exceptions have reached final disposition.

## I. Vendor Versus Contractor

When determining whether a vendor or subrecipient relationship exists, it is the relationship that matters. No single factor should be taken alone in making this determination. All of the applicable criteria for each decision should be reviewed.

**Subrecipient** is defined as a legal non-federal entity that expends federal and state awards received from a pass-through entity (a prime recipient or other subrecipient) for the purpose of carrying out a federal program. The subrecipient is accountable to the recipient for the funds provided and **is subject to audit requirements identified in OMB Uniform Guidance for Federal Awards**.

The subrecipient may also be a recipient of other federal awards directly from a federal-awarding agency.

**Distinguishing characteristics**:

- Determining eligibility of applicants for assistance and enrollment of participants
- Performance measured against meeting the objectives of the program
- Responsibility for programmatic decision making and compliance with program requirements
- Use of the funds awarded to carry out a program as compared to providing goods or services for a program of the prime recipient

**Contractor** is defined as an entity responsible for providing generally required goods or services related to the administrative support of the federal award. Payments received for goods or services provided would not be considered federal awards. The vendor is accountable for compliance with the contract and **is not subject to audit under OMB Uniform Guidance for Federal Awards**.

**Distinguishing characteristics**:

- Providing the goods and services within normal business operations
- Providing similar goods and services to many different purchasers
- Operating in a competitive environment
- Providing goods or services that are ancillary to the operation of the federal and state programs
- Is not subject to compliance requirements of federal and state programs (program service areas)

**Note:** Additional Guidance may be found in the individual "Program Service Areas" sections of this document.

# IV. Program Service Areas

## A. Community Services

Allegheny County DHS Office of Community Services is the funding conduit for a variety of programs operated throughout Allegheny County serving a cross section of the community. Funding for these programs is received from nine different Regulatory Agencies as listed below.

**Each Regulatory Agency has its own audit requirements and should be read in detail by the Provider and its Auditor of Record to ensure compliance.**


PA DEPARTMENT OF HUMAN SERVICES 23

PA DEPARTMENT OF AGRICULTURE 32

PA DEPT OF COMMUNITY & ECONOMIC DEVELOPMENT 36

PA DEPARTMENT OF LABOR AND INDUSTRY 37

PA DEPARTMENT OF EDUCATION 39

U.S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT (HUD) 40

U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES (HHS) 41

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# PA DEPARTMENT OF HUMAN SERVICES

The following programs funded through the Commonwealth of Pennsylvania DHS are subject to the requirements of the Commonwealth of Pennsylvania DHS's Single Audit Supplement and all other applicable updates and requirements.

THE LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM (LIHEAP)
CFDA – 93.568 Low-Income Home Energy Assistance
LIHEAP State Plan
Public Law 97-35, Sections 2602, 2604, 2605, 2607 and 2609.

MEDICAL ASSISTANCE TRANSPORTATION PROGRAM (MATP)
CFDA – 93.778 Medical Assistance Program,
PA Code Title 55, Chapter 2070.

HOMELESS ASSISTANCE PROGRAMS (HAP)
CFDA – 93.959 SAPT Block Grant

CFDA – 93.558 TANF

The Homeless Assistance Program (HAP) provides assistance to needy county residents through five (5) program components:

1. Bridge Housing State Funded

2. PennFree Bridge Housing (CFDA – 93.959) – SAPT Block Grant

3. Case Management State Funded

4. Emergency Shelter (CFDA – 93.558) – TANF and State Funded – Requirements may be obtained from DHS Office of Income Maintenance.

5. Rental Assistance (CFDA – 93.558) – TANF and State Funded

## Commonwealth of Pennsylvania Department of Human Services Audit Requirements

Commonwealth of Pennsylvania DHS audit requirements are applicable to Office of Community Services programs. Both for-profit and non-profit providers must meet Commonwealth of Pennsylvania DHS's audit requirements.

If the provider expends **$1,000,000 or more in combined state and federal funds** during the program year specified herein, the provider is required to have an audit.

The following audits are acceptable:

1) **GAGAS/Yellow Book A** Program Specific Audit of those funds made in accordance with Generally Accepted Government Auditing Standards/Yellow Book as published by the Comptroller General of the United States. The audit report must include Allegheny County Supplemental Schedules and an AUP for the supplemental schedules (see example AUP report provided in this section).

Required Reports for a GAGAS/Yellow Book Audit Package

- Basic Financial Statements
  - Statement of Financial Position
  - Statement of Activities
  - Statement of Cash Flows
  - Statement of Functional Expenses
  - Notes to the Financial Statements
- Auditor's Opinion on Basic Financial Statements
- Auditor's Report on Compliance and Internal Control over Financial Reporting in accordance with Generally Accepted Government Auditing Standards (GAGAS)
- Schedule of Findings and Questioned costs
- Schedule of Status of Prior Year Findings and Questioned costs
- Corrective Action Plan (CAP)
- AUP report on Allegheny County Supplemental Schedules
- Allegheny County Supplemental Schedules (see Appendix A)
- Management Letter comments, if issued

2) **OMB Uniform Guidance for Federal Awards: Cost Principles, Audits, and Administrative Requirements for Federal Awards.** A Single Audit or Program Specific Audit conducted in accordance with the federal-audit requirements found in OMB Uniform Guidance for Federal Awards will be accepted by the department provided that both:

a. A full copy of the audit report is submitted.

**and**

b. The prescribed Agreed-Upon Procedures and Allegheny County Supplemental Schedules are included in the audit package submitted.

**Note**: The incremental cost for preparation of the AUP cannot be charged to federal-funding streams.

Required Reports for a Federal OMB Uniform Guidance for Federal Awards Single Audit Package

- Basic Financial Statements
  - Statement of Financial Position
  - Statement of Activities
  - Statement of Cash Flows
  - Statement of Functional Expenses
  - Notes to the Financial Statements
- Auditor's Opinion on Basic Financial Statements
- Schedule of Federal Awards and Notes
- Auditor's Report on Schedule of Federal Awards
- Auditor's Report on Compliance and Internal Control over Financial Reporting in accordance with General Accepted Government Auditing Standards (GAGAS)
- Auditor's Report on Compliance with Requirements Applicable to Each Major Program and Internal Control over Compliance in accordance with OMB Uniform Guidance for Federal Awards
- Schedule of Findings and Questioned costs

- Schedule Status of Prior Year Findings and Questioned costs
- Corrective Action Plan (CAP)
- AUP report on Allegheny County Supplemental Schedules
- Allegheny County Supplemental Schedules (see Appendix A)
- Management Letter comments, if issued

## Allegheny County Supplemental Schedules

The supplemental financial schedules and the corresponding Agreed-Upon Procedures are required for all DHS contracts totaling $1,000,000 or more of Federal Funds or Federal and State combined funds and, are in addition to either the GAGAS/Yellow Book Audit or the Federal OMB Uniform Guidance for Federal Awards Audit. These schedules are to be submitted on a July 1 through June 30 fiscal year regardless of the provider's accounting period. They are required for *each individual program regardless of its level of funding.* The auditor and provider are responsible for submitting all applicable supplementary schedules contained in the following universal schedule list.

List of Universal Allegheny County Supplemental Schedules (See Appendix A)

- Schedule of Funding Sources
- Statement of Functional Expenditures, Revenues, Contract Amounts, and Changes in Fund Balance -- Summary All Programs
- Statement of Administrative Costs
- Schedule of Functional Expenditures by program/cost center
- Schedule of Units of Service

When these schedules are submitted with an audit package they are considered an integral part of the Audit. The issuance of this report in no way absolves the auditor of his/her responsibility to disclose financial and/or compliance irregularities. Standards including the Provider Audit Guidelines, AICPA, OMB, etc. pertaining to adequate disclosure still apply to this report.

# Example Agreed-Upon Procedures Report

To (Auditee)

We have performed the procedures enumerated below which are agreed to by Allegheny County DHS, the Commonwealth of Pennsylvania, the Commonwealth of Pennsylvania DHS, and (Auditee) solely to assist you with respect to the supplemental schedules and exhibits required in this agreement. This engagement to apply Agreed-Upon Procedures was performed in accordance with standards established by the AICPA. The sufficiency of the procedures is solely the responsibility of Allegheny County DHS and the Commonwealth of Pennsylvania DHS. 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, the amounts and classifications that the supplemental financial schedules and/or exhibits listed below which summarize amounts reported to the Commonwealth of Pennsylvania DHS for fiscal year ended June 30, ____, have been accurately compiled and reflect the audited books and records of (Auditee). 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 Allegheny County DHS and the Commonwealth of Pennsylvania DHS Single Audit Supplement pertaining to this period.

| Program Name | Referenced Schedule/Exhibit |
|---|---|
| Allegheny County – All Programs | Schedule of Functional Expenditures |
| | Schedule of Administrative Costs |
| OCS | Schedule of Funding Sources |
| | Schedule of Functional Expenditures by cost center |
| | Schedule of Units of Service |

*(List each individual schedule for ALL programs in which the auditee participated.)*

b. We have inquired, of management, regarding adjustments to reported revenues or expenditures, which were not reflected on the reports, submitted to Allegheny County DHS and Commonwealth of Pennsylvania DHS for the period in question.

c. The processes detailed in paragraphs (a) and (b) above disclose the following adjustments and/or findings which have/have not been reflected on the corresponding schedules:

*(List each adjustment and/or finding separately, indicating whether it has/has not been reflected on the schedule.)*

We were not engaged to, and did not perform, an audit, the objective of which would be the expression of an opinion on the specified elements, accounts, or items. 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 use of Allegheny County DHS and the Commonwealth of Pennsylvania DHS, 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.

(Date)

(Signature)

---

**Schedule of Findings of Noncompliance and Questioned Costs**

The Schedule should include the following three components as dictated by Federal OMB Uniform Guidance for Federal Awards.

1. A summary of the auditor's results which include:
    1. the auditor's opinion on the financial statements
    2. material reportable conditions in internal control
    3. material noncompliance
    4. material reportable conditions in internal control over major programs
    5. the auditor's opinion on compliance for major programs
    6. disclosure of any audit findings
    7. identification of major programs
    8. the dollar threshold used to distinguish between Type A and Type B programs
    9. determination as to whether the auditee qualifies as low-risk
2. Findings relating to the financial statements which are required to be reported in accordance with GAGAS.
3. Findings and questioned costs for Federal awards which shall include audit findings.

In addition to the above Allegheny County is specifically interested in the following compliance issues:

- Method of procurement, record-keeping, and control over fixed assets purchased with County allocated funds
- Method of procurement, record-keeping, and/or control of property (buildings and land) purchased with County allocated funds
- Discrepancies between actual units of service supplied, units of service submitted for reimbursement, and units credited by the County
- Indirect Cost Allocation Plan (refer to user Manuals)
- Health Insurance Portability and Accountability Act (HIPAA)

If deemed material the above examples should be identified as a finding; otherwise **each immaterial noncompliance should appear in the Agency's Management Letter.**

## Corrective Action Plan (CAP)

The provider must prepare a CAP to address all findings of noncompliance or internal control weaknesses disclosed in the audit report. For each finding noted the CAP should include a brief description identifying the finding, whether the provider agrees with the finding, the specific steps to be taken to correct the deficiency or specific reasons why corrective action is not necessary, a time table for completion of the corrective action steps, and a description of monitoring to be performed to ensure that the steps are taken.

## Less Than $1,000,000 of Combined Funding

If in connection with this agreement the provider expends **less than $1.000,000 in combined state and federal funds** during the program year specified herein, the provider is required to maintain auditable records of those funds, cooperate in any risk assessments, and provide access to such records by federal, state, and county agencies or their designees.

## Audit Workpapers

Audit workpapers and audit reports are to be retained by the provider's auditor for a minimum of three years from the date of issuance of the audit report unless the provider's auditor is notified in writing by the commonwealth, the cognizant, or oversight federal agency to extend the retention period. Audit workpapers shall be made available upon request to authorized representatives of the commonwealth, the cognizant, or oversight agency, the federal funding agency, or the United States GAO.

Commonwealth of Pennsylvania Department of Human Services General Audit Provisions

The provider is responsible for obtaining the necessary audit and securing the services of a certified public accountant or other independent governmental auditor. Federal regulations preclude public accountants licensed in the Commonwealth of Pennsylvania from performing audits of federal awards.

The commonwealth reserves the right for federal and state agencies or their authorized representatives to perform additional audits of a financial or performance nature, if deemed necessary, by commonwealth or federal agencies. Any such additional audit work will rely on work already performed by the provider's auditor and the costs for any additional work performed by the federal or state agencies will be borne by those agencies at no additional cost to the provider.

# PA DEPARTMENT OF AGRICULTURE

Any of the following programs that receive federal funds are subject to the federal audit requirements that start on page 3 of this audit guide.

STATE FOOD PURCHASE PROGRAM (SFPP)
State Funded

THE EMERGENCY FOOD ASSISTANCE PROGRAM (TEFAP)
CFDA – 10.568, 10.569

SENIOR FARMERS MARKET NUTRITION PROGRAM
CFDA – 10.572

# PA DEPARTMENT OF AGRICULTURE

Where a Single Audit is conducted in accordance with the federal audit requirements such an audit will be accepted by the department provided that (1) a full copy of the audit report is submitted, and (2) the prescribed AUP and supplemental schedule(s) are included in the audit package submitted. The incremental cost for preparation of the AUP cannot be charged to federal funding streams.

List of Universal Supplementary Schedules by Fund Type (Appendix A)

- Schedule of Funding Sources

III. Schedule of Functional Expenditures, Revenues, Contract Amounts, and Changes in Fund Balance – Summary of All Programs

IV. Schedule of Administrative Cost

V. Schedule of Functional Expenditures by cost center

VI. Schedule of Units of Service

# Example Agreed-Upon Procedures Report

To (Auditee)

We have performed the procedures enumerated below which are agreed to by Allegheny County DHS, the Commonwealth of Pennsylvania, the Commonwealth of Pennsylvania Department of Agriculture, and (Auditee) solely to assist you with respect to the supplemental schedules and exhibits required in this agreement. This engagement to apply Agreed-Upon Procedures was performed in accordance with standards established by the AICPA. The sufficiency of the procedures is solely the responsibility of Allegheny County DHS and the Commonwealth of Pennsylvania Department of Agriculture. 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, the amounts and classifications that the supplemental financial schedules and/or exhibits listed below which summarize amounts reported to the Pennsylvania Department of Agriculture for fiscal year ended June 30, ____, have been accurately compiled and reflect the audited books and records of (Auditee). 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 Allegheny County DHS pertaining to this period.

| Program Name | Referenced Schedule/Exhibit |
|---|---|
| Allegheny County – All Programs | Schedule of Functional Expenditures |
| | Schedule of Administrative Costs |
| Department of Agriculture | Schedule of Funding Sources |
| | Schedule of Functional Expenditures by cost center |
| | Schedule of Units of Service |

*(List each individual schedule for ALL programs in which the auditee participated.)*

b. We have inquired, of management, regarding adjustments to reported revenues or expenditures, which were not reflected on the reports, submitted to Allegheny County DHS and Pennsylvania Department of Agriculture for the period in question.

c. The processes detailed in paragraphs (a) and (b) above disclose the following adjustments and/or findings which have/have not been reflected on the corresponding schedules:

*(List each adjustment and/or finding separately, indicating whether it has/has not been reflected on the schedule.)*

We were not engaged to, and did not perform, an audit, the objective of which would be the expression of an opinion on the specified elements, accounts, or items. 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 use of Allegheny County DHS and the Pennsylvania Department of Agriculture 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.

(Date)

(Signature)

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# PA Community & Economic Development

Any of the following programs that receive federal funds are subject to the federal audit requirements that start on page 3 of this audit guide.

COMMUNITY SERVICES BLOCK GRANT (CSBG)
CFDA – 93.569

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)
CFDA – 14.218

# PA Department of Labor and Industry

Any of the following programs that receive federal funds are subject to the federal audit requirements that start on page 3 of this audit guide.

WORKFORCE INVESTMENT ACT OF 1998 (WIA) (100% Federally funded)

Title I, Adults - CFDA 17.258

Title I, Dislocated Workers - CFDA 17.260

Title I, Youth - CFDA 17.259

Title I, Rapid Response - CFDA 17.260

EMPLOYMENT, ADVANCEMENT AND RETENTION NETWORK (EARN)
CFDA – 93.558
State Funds

TEMPORARY ASSISTANCE TO NEEDY FAMILIES (TANF), YOUTH - CFDA – 93.558
AMERICORPS
CFDA – 94.006

# PA Department of Education

CHILD AND ADULT CARE FEEDING PROGRAM (CACFP)

State Funded

SUMMER FOOD SERVICE PROGRAM (SFSP)

State Funded

SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM

CFDA – 10.56

# U.S. Department of Housing and Urban Development

HUD CONTINUUM OF CARE FOR THE HOMELESS

CFDA – 14.235

# U.S. Department of Health and Human Services (HHS)

HEAD START

CFDA – 93.600

# IV. Program Service Areas

## B. Behavioral Health – Drug and Alcohol


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# TYPES OF AUDITS

**The following chart outlines the types of audits that are required for Providers of Pennsylvania Department of Health DDAP-funded D&A services. The requirements apply to non-profit and for-profit organizations.**

**DETERMINATION OF APPLICABLE AUDIT REQUIREMENTS**

| Provider | Expends $1,000,000 or more of total Federal funds | Expends less than $1,000,000 of total Federal funds from all sources AND $5000,000 or more of state funds | Expends $500,000 or more of state funds | Expends less than $1,000,000 in Federal funds and less than $500,000 in state funds |
|---|---|---|---|---|
| Non-Governmental Non-Profit Organization | Federally Mandated OMB Single Audit based on Provider's fiscal year | Department Mandated Yellow Book Audit based on 12 month period of the agreement | Department Mandated Yellow Book Audit based on 12 month period of the agreement | No audit required |
| For-Profit Entity | No audit Required | Department Mandated Yellow Book Audit based on 12 month period of the agreement | Department Mandated Yellow Book Audit based on 12 month period of the agreement | No audit required |

# NO AUDIT IS REQUIRED IF EITHER OF THE FOLLOWING APPLY:

1. The provider expends less than $1,000,000 of state funds received under this agreement during the state fiscal year (i.e., July 1 through June 30) (for Department mandated audits) AND it expends total Federal awards of less than $1,000,000 received from ALL sources (i.e., any and all other Federal awards expended during the provider's fiscal year, received either directly from the Federal government or indirectly from a recipient of Federal funds) during its fiscal year.

2. The agreement is funded by either state or Federal funds, and all agreement monies expended during either the provider's fiscal year (for Federally mandated audits) or during the state fiscal year (i.e. July 1, through June 30) (for Department mandated audits) are received on a strictly fee for service basis.

However, even if the provider is not required to have an audit performed, the provider is required to maintain auditable records of Federal awards and any state funds which supplement such awards, and to provide access to such records by Federal and state agencies of their designees.

# Required Reports for a GAGAS/Yellow Book Audit Package

- Basic Financial Statements
  - Statement of Financial Position
  - Statement of Activities
  - Statement of Cash Flows
  - Statement of Functional Expenses
  - Notes to the Financial Statements
- Report of Independent Auditors on Financial Statements
- Report of Independent Auditors on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Generally Accepted Government Auditing Standards (GAGAS)
- Schedule of Findings and Questioned costs
- Summary Schedule of Prior Year Findings and Questioned costs
- Corrective Action Plan (CAP)
- AUP report on Allegheny County Supplemental Schedules
- Allegheny County Supplemental Schedules (See Appendix A)
- Management Letter comments, if issued

**Federal OMB Uniform Guidance for Federal Awards Audit** –

A Single Audit or Program Specific Audit conducted in accordance with the federal audit requirements found in OMB Uniform Guidance for Federal Awards will be accepted by the department provided that:

a. A full copy of the audit report is submitted.
b. The prescribed AUP and Allegheny County Supplemental Schedules are included in the audit package submitted.
c. If the provider expends **$1,000,000 or more of federal funds** during the program year specified herein, the provider is required to have an audit.

**Note**: The incremental cost for preparation of the AUP cannot be charged to federal-funding streams.

**Required Reports for a Federal OMB Uniform Guidance**

- Basic Financial Statements
  - Statement of Financial Position
  - Statement of Activities
  - Statement of Cash Flows
  - Statement of Functional Expenses
  - Notes to the Financial Statements
- Report of Independent Auditors on Financial Statements
- Schedule of Expenditures of Federal Awards and Notes
- Auditor's Report on Schedule of Federal Awards
- Report of Independent Auditors on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Generally Accepted Government Auditing Standards (GAGAS)
- Report of Independent Auditors on Compliance with Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance with OMB Uniform Guidance for Federal Awards
- Schedule of Findings and Questioned Costs
- Summary Schedule of Prior Year Findings and Questioned costs
- Corrective Action Plan (CAP)
- AUP report on Allegheny County Supplemental Schedules
- Allegheny County Supplemental Schedules (See Appendix A)
- Management Letter comments, if issued

**Allegheny County Supplemental Schedules**

The supplemental financial schedules and the corresponding Agreed-Upon Procedures are required for all DHS contracts having D&A funding totaling $1,000,000 or more and are in addition to either the GAGAS/Yellow Book Audit or the Federal OMB Uniform Guidance for

Federal Awards Audit. These schedules are to be submitted on a July 1 through June 30 fiscal year regardless of the provider's accounting period. They are required for *each individual program regardless of its level of funding.* The auditor and provider are responsible for submitting all applicable supplementary schedules contained in the following universal schedule list.

List of Universal Allegheny County Supplemental Schedules (See Appendix A)

- Schedule of Funding Sources
- Statement of Functional Expenditures, Revenues, Contract Amounts, and Changes in Fund Balance -- Summary All Programs

List of Universal Allegheny County Supplemental Schedules – (continued)

- Statement of Administrative Costs
- Schedule of Functional Expenditures by Cost Center
- Schedule of Units of Service

When these schedules are submitted with an audit package they are considered an integral part of the Audit. The issuance of this report in no way absolves the auditor of his/her responsibility to disclose financial and/or compliance irregularities. Standards including the Provider Audit Guidelines, AICPA, OMB, etc. pertaining to adequate disclosure still apply to this report.

# Example Agreed-Upon Procedures Report

To (Auditee)

We have performed the procedures enumerated below which are agreed to by Allegheny County DHS, the Pennsylvania Department of Health - DDAP, and (Auditee) solely to assist you with respect to the supplemental schedules and exhibits required in this agreement. This engagement to apply Agreed-Upon Procedures was performed in accordance with standards established by the AICPA. The sufficiency of the procedures is solely the responsibility of Allegheny County DHS and the Pennsylvania Department of Health - DDAP. 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, the amounts and classifications that the supplemental financial schedules and/or exhibits listed below which summarize amounts reported to the Pennsylvania Department of Health- DDAP for fiscal year ended June 30, ____, have been accurately compiled and reflect the audited books and records of (Auditee). 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 Allegheny County DHS and the Pennsylvania Department of Health- DDAP pertaining to this period.

| Program Name | Referenced Schedule/Exhibit |
|---|---|
| Allegheny County – All Programs | Schedule of Functional Expenditures |
| | Schedule of Administrative Costs |
| DDAP | Schedule of Funding Sources |
| | Schedule of Functional Expenditures by cost center |
| | Schedule of Units of Service |

*List each individual schedule for ALL programs in which the auditee participated.)*

b. We have inquired, of management, regarding adjustments to reported revenues or expenditures, which were not reflected on the reports, submitted to Allegheny County DHS and Pennsylvania Department of Health- DDAP for the period in question.
c. The processes detailed in paragraphs (a) and (b) above disclose the following adjustments and/or findings which have/have not been reflected on the corresponding schedules:

*(List each adjustment and/or finding separately, indicating whether it has/has not been reflected on the schedule.)*

We were not engaged to, and did not perform, an audit, the objective of which would be the expression of an opinion on the specified elements, accounts, or items. 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 use of Allegheny County DHS and the Pennsylvania Department of Health- DDAP, 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.

(Date)

(Signature)

---

The Schedule should include the following three components as dictated by Federal OMB Uniform Guidance for Federal Awards.

1. A summary of the auditor's results which include:
    a. the auditor's opinion on the financial statements
    b. material reportable conditions in internal control
    c. material noncompliance
    d. material reportable conditions in internal control over major programs
    e. the auditor's opinion on compliance for major programs
    f. disclosure of any audit findings
    g. identification of major programs
    h. the dollar threshold used to distinguish between Type A and Type B programs
    i. determination as to whether the auditee qualifies as low-risk
2. Findings relating to the financial statements which are required to be reported in accordance with GAGAS.
3. Findings and questioned costs for Federal awards which shall include audit findings.

In addition to the above Allegheny County is specifically interested in the following compliance issues:

- Method of procurement, record-keeping, and control over fixed assets purchased with County allocated funds
- Method of procurement, record-keeping, and/or control of property (buildings and land) purchased with County allocated funds
- Discrepancies between actual units of service supplied, units of service submitted for reimbursement, and units credited by the County
- Client liability determinations
- Indirect Cost Allocation Plan (refer to user Manuals)
- Personnel Action Plan (PAP) (refer to user Manuals)
- Health Insurance Portability and Accountability Act

- If deemed material the above examples should be identified as a finding; otherwise each immaterial noncompliance should appear in the Agency's Management Letter to be submitted with the Audit Report package.

## Corrective Action Plan (CAP)

The provider must prepare a CAP to address all findings of noncompliance or internal control weaknesses disclosed in the audit report. For each finding noted the CAP should include a brief description identifying the finding, whether the provider agrees with the finding, the specific steps to be taken to correct the deficiency or specific reasons why corrective action is not necessary, a time table for completion of the corrective action steps, and a description of monitoring to be performed to ensure that the steps are taken.

## Audit Workpapers

Audit workpapers and audit reports are to be retained by the provider's auditor for a minimum of three years from the date of issuance of the audit report unless the provider's auditor is notified in writing by the commonwealth, the cognizant, or oversight federal agency to extend the retention period. Audit workpapers shall be made available upon request to authorized representatives of the commonwealth, the cognizant, or oversight agency, the federal funding agency, or the United States GAO.

## Department of Drug and Alcohol Programs General Audit Provisions

The provider is responsible for obtaining the necessary audit and securing the services of a certified public accountant or other independent governmental auditor. Federal regulations preclude public accountants licensed in the Commonwealth of Pennsylvania from performing audits of federal awards.

The commonwealth reserves the right for federal and state agencies or their authorized representatives to perform additional audits of a financial or performance nature, if deemed necessary, by commonwealth or federal agencies. Any such additional audit work will rely on

work already performed by the provider's auditor and the costs for any additional work performed by the federal or state agencies will be borne by those agencies at no additional cost to the provider.

# IV. Program Service Areas

## C. Behavioral Health – Mental Health


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# Commonwealth of Pennsylvania Department of Human Services Audit Requirements

Commonwealth of Pennsylvania DHS audit requirements are applicable to Behavioral Health – Mental Health programs. Both for-profit and non-profit providers must meet Commonwealth of Pennsylvania DHS's audit requirements.

**The audit requirements are as follows:**

1) No annual audit is required for contracted providers who receive under $1,000,000 in state and federal funds from the Department in that fiscal year, with the understanding that providers are still required to maintain auditable records and make them available upon request.
2) An audit performed in accordance with Generally Accepted Government Auditing Standards (Yellow Book) or a Single Audit performed in accordance with OMB Uniform Guidance for Federal Awards, as applicable, is required for providers who receive $1,000,000 or more in state and federal funds from the Department in that fiscal year.

**The following audits are acceptable:**

1) **GAGAS/Yellow Book A** Program Specific Audit of those funds made in accordance with Generally Accepted Government Auditing Standards/Yellow Book as published by the Comptroller General of the United States. The audit report must include Allegheny County Supplemental Schedules and an AUP for the supplemental schedules (see example AUP report provided in this section).

**Required Reports for a GAGAS/Yellow Book Audit Package**

- Basic Financial Statements
  - Statement of Financial Position
  - Statement of Activities
  - Statement of Cash Flows
  - Statement of Functional Expenses
  - Notes to the Financial Statements

- Report of Independent Auditors on Financial Statements
- Report of Impendent Auditors on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Generally Accepted Government Auditing Standards (GAGAS)
- Schedule of Findings and Questioned costs
- Summary Schedule of Prior Year Findings and Questioned costs
- Corrective Action Plan (CAP)
- AUP report on Allegheny County Supplemental Schedules
- Allegheny County Supplemental Schedules (see Appendix A)
- Management Letter comments, if issued

2) **Federal OMB Uniform Guidance for Federal Awards Audit** A Single Audit or Program Specific Audit conducted in accordance with the federal-audit requirements found in OMB Uniform Guidance for Federal Awards will be accepted by the department provided that both:

   a. A full copy of the audit report is submitted.

   **and**

   b. The prescribed Agreed-Upon Procedures and Allegheny County Supplemental Schedules are included in the audit package submitted.

**Note**: The incremental cost for preparation of the AUP cannot be charged to federal-funding streams.

**Required Reports for a Federal OMB Uniform Guidance for Federal Awards Single Audit Package**

- Basic Financial Statements
  - Statement of Financial Position
  - Statement of Activities
  - Statement of Cash Flows
  - Statement of Functional Expenses
  - Notes to the Financial Statements

- Report of Independent Auditors on Basic Financial Statements
- Schedule of Expenditures of Federal Awards and Notes
- Auditor's Report on Schedule of Federal Awards
- Report of Independent Auditors on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with General Accepted Government Auditing Standards (GAGAS)
- Report of Independent Auditors on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance with OMB Uniform Guidance for Federal Awards
- Schedule of Findings and Questioned Costs
- Summary Schedule of Prior Year Findings and Questioned costs
- Corrective Action Plan (CAP)
- AUP report on Allegheny County Supplemental Schedules
- Allegheny County Supplemental Schedules (see Appendix A)
- Management Letter comments, if issued

**Allegheny County Supplemental Schedules**

The supplemental financial schedules and the corresponding Agreed-Upon Procedures are required for all DHS contracts receiving DHS Funds totaling $1,000,000 or more of combined Federal and State Funding and are in addition to either the GAGAS/Yellow Book Audit or the Federal OMB Uniform Guidance for Federal Awards Single Audit. These schedules are to be submitted on a July 1 through June 30 fiscal year regardless of the provider's accounting period. They are required for *each individual program regardless of its level of funding.* The auditor and provider are responsible for submitting all applicable supplementary schedules contained in the following universal schedule list.

## List of Universal Allegheny County Supplemental Schedules (See Appendix A)

- Schedule of Funding Sources

- Statement of Functional Expenditures, Revenues, Contract Amounts, and Changes in Fund Balance -- Summary All Programs
- Statement of Administrative Costs
- Schedule of Functional Expenditures by Cost Center
- Schedule of Units of Service

When these schedules are submitted with an audit package they are considered an integral part of the Single Audit. The issuance of this report in no way absolves the auditor of his/her responsibility to disclose financial and/or compliance irregularities. Standards including the Provider Audit Guidelines, AICPA, OMB, etc. pertaining to adequate disclosure still apply to this report.

# Example Agreed-Upon Procedures Report

To (Auditee)

We have performed the procedures enumerated below which are agreed to by Allegheny County DHS, the Commonwealth of Pennsylvania, the Commonwealth of Pennsylvania DHS, and (Auditee) solely to assist you with respect to the supplemental schedules and exhibits required in this agreement. This engagement to apply Agreed-Upon Procedures was performed in accordance with standards established by the AICPA. The sufficiency of the procedures is solely the responsibility of Allegheny County DHS and the Commonwealth of Pennsylvania DHS. 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, the amounts and classifications that the supplemental financial schedules and/or exhibits listed below which summarize amounts reported to the Commonwealth of Pennsylvania DHS for fiscal year ended June 30, ____, have been accurately compiled and reflect the audited books and records of (Auditee). 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 Allegheny County DHS and the Commonwealth of Pennsylvania DHS Single Audit Supplement pertaining to this period.

| Program Name | Referenced Schedule/Exhibit |
|---|---|
| Allegheny County – All Programs | Schedule of Functional Expenditures |
| | Schedule of Administrative Costs |
| Mental Health | Schedule of Funding Sources |
| | Schedule of Functional Expenditures by Cost Center |
| | Schedule of Units of Service |

*(List each individual schedule for ALL programs in which the auditee participated.)*

b. We have inquired, of management, regarding adjustments to reported revenues or expenditures, which were not reflected on the reports, submitted to Allegheny County DHS and Commonwealth of Pennsylvania DHS for the period in question.
c. The processes detailed in paragraphs (a) and (b) above disclose the following adjustments and/or findings which have/have not been reflected on the corresponding schedules:

*(List each adjustment and/or finding separately, indicating whether it has/has not been reflected on the schedule.)*

We were not engaged to, and did not perform, an audit, the objective of which would be the expression of an opinion on the specified elements, accounts, or items. 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 use of Allegheny County DHS and the Commonwealth of Pennsylvania DHS, 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.

(Date)

(Signature)

## Schedule of Findings of Noncompliance and Questioned Costs

The Schedule should include the following three components as dictated by Federal OMB Uniform Guidance for Federal Awards.

1. A summary of the auditor's results which include:
    a. The auditor's opinion on the financial statements
    b. Material reportable conditions in internal control
    c. Material noncompliance
    d. Material reportable conditions in internal control over major programs
    e. The auditor's opinion on compliance for major programs
    f. Disclosure of any audit findings
    g. Identification of major programs
    h. The dollar threshold used to distinguish between Type A and Type B programs
    i. Determination as to whether the auditee qualifies as low-risk
2. Findings relating to the financial statements that are required to be reported in accordance with GAGAS.
3. Findings and questioned costs for Federal awards that shall include audit findings.

In addition to the above Allegheny County is specifically interested in the following compliance issues:

- Method of procurement, record-keeping, and control over fixed assets purchased with County allocated funds (4300 regulations)
- Method of procurement, record-keeping, and/or control of property (buildings and land) purchased with County allocated funds (4300 regulations)
- Discrepancies between actual units of service supplied, units of service submitted for reimbursement, and units honored by the County
- Client liability determinations (4305 regulations)
- Indirect Cost Allocation Plan
- Personnel Action Plan (PAP) (refer to PAP Manual)
- Health Insurance Portability and Accountability Act (HIPAA)

If deemed material the above examples should be identified as a finding; otherwise each immaterial noncompliance should appear in the Agency's Management Letter to be submitted with the Audit Report package.

## Corrective Action Plan (CAP)

The provider must prepare a CAP to address all findings of noncompliance or internal control weaknesses disclosed in the audit report. For each finding noted the CAP should include a brief description identifying the finding, whether the provider agrees with the finding, the specific steps to be taken to correct the deficiency or specific reasons why corrective action is not necessary, a time table for completion of the corrective action steps, and a description of monitoring to be performed to ensure that the steps are taken.

## Less Than $1,000,000 of Combined Funding

If in connection with this agreement the provider expends **less than $1,000,000 in combined state and federal funds** during the program year specified herein, the provider is required to maintain auditable records of those funds, cooperate in any risk assessments, and provide access to such records by federal, state, and county agencies or their designees.

## Audit Workpapers

Audit workpapers and audit reports are to be retained by the provider's auditor for a minimum of three years from the date of issuance of the audit report unless the provider's auditor is notified in writing by the commonwealth, the cognizant, or oversight federal agency to extend the retention period. Audit workpapers shall be made available upon request to authorized representatives of the commonwealth, the cognizant, or oversight agency, the federal funding agency, or the United States GAO.

## Commonwealth of Pennsylvania Department of Human Services General Audit Provisions

The provider is responsible for obtaining the necessary audit and securing the services of a certified public accountant or other independent governmental auditor. Federal regulations preclude public accountants licensed in the Commonwealth of Pennsylvania from performing audits of federal awards.

The commonwealth reserves the right for federal and state agencies or their authorized representatives to perform additional audits of a financial or performance nature, if deemed necessary, by commonwealth or federal agencies. Any such additional audit work will rely on work already performed by the provider's auditor and the costs for any additional work performed by the federal or state agencies will be borne by those agencies at no additional cost to the provider.

# IV. Program Service Areas

## C. Intellectual Disability – Mental Retardation


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# Commonwealth of Pennsylvania Department of Human Services Audit Requirements

Commonwealth of Pennsylvania DHS audit requirements are applicable to ID programs. Both for-profit and non-profit providers must meet Commonwealth of Pennsylvania DHS's audit requirements.

## The audit requirements are as follows:

1) No annual audit is required for contracted providers who receive under $1,0000,000 in state and federal funds from the Department in that fiscal year, with the understanding that Providers are still required to maintain auditable records and make them available upon request.
2) An audit performed in accordance with Generally Accepted Government Auditing Standards (Yellow Book) or a Single Audit performed in accordance with OMB Uniform Guidance for Federal Awards, as applicable, is required for providers who receive $1,000,000 or more in state and federal funds from the Department in that fiscal year.

## The following audits are acceptable:

1) **GAGAS/Yellow Book A** Program Specific Audit of those funds made in accordance with Generally Accepted Government Auditing Standards/Yellow Book as published by the Comptroller General of the United States. The audit report must include Allegheny County Supplemental Schedules and an AUP for the supplemental schedules (see example AUP report provided in this section).

**Required Reports for a GAGAS/Yellow Book Audit Package**

- Basic Financial Statements
  - Statement of Financial Position
  - Statement of Activities
  - Statement of Cash Flows
  - Statement of Functional Expenses
  - Notes to the Financial Statements

- Report of Independent Auditors on Financial Statements
- Report of Independent Auditors on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Generally Accepted Government Auditing Standards (GAGAS)
- Schedule of Findings and Questioned costs
- Summary Schedule of Prior Year Findings and Questioned costs
- Corrective Action Plan (CAP)
- AUP report on Allegheny County Supplemental Schedules
- Allegheny County Supplemental Schedules (See Appendix A)
- Management Letter comments, if issued
-

2) **Federal OMB Uniform Guidance for Federal Awards Audit** A Single Audit or Program Specific Audit conducted in accordance with the federal-audit requirements found in OMB Uniform Guidance for Federal Awards will be accepted by the department provided that both:

a. A full copy of the audit report is submitted.

**and**

b. The prescribed Agreed-Upon Procedures and Allegheny County Supplemental Schedules are included in the audit package submitted.

**Note**: The incremental cost for preparation of the AUP cannot be charged to federal-funding streams.

Required Reports for a Federal OMB Uniform Guidance for Federal Awards Single Audit Package

- Basic Financial Statements
  - Statement of Financial Position
  - Statement of Activities

  - Statement of Cash Flows
  - Statement of Functional Expenses
  - Notes to the Financial Statements
- Report of Independent Auditors on Financial Statements
- Schedule of Expenditures of Federal Awards and Notes
- Auditor's Report on Schedule of Federal Awards
- Report of Independent Auditors on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Generally Accepted Government Auditing Standards (GAGAS)
- Report of Independent Auditors on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance with OMB Uniform Guidance for Federal Awards
- Schedule of Findings and Questioned costs
- Summary Schedule of Prior Year Findings and Questioned Costs
- Corrective Action Plan (CAP)
- AUP report on Allegheny County Supplemental Schedules
- Allegheny County Supplemental Schedules (See Appendix A)
- Management Letter comments, if issue

## Allegheny County Supplemental Schedules

The supplemental financial schedules and the corresponding Agreed-Upon Procedures are required for all DHS contracts totaling $750,000 or more of Federal Funds or Federal and State Funds combined and are in addition to either the GAGAS/Yellow Book Audit or the Federal OMB Uniform Guidance for Federal Awards Single Audit. These schedules are to be submitted on a July 1 through June 30 fiscal year regardless of the provider's accounting period. They are required for *each individual program regardless of its level of funding.* The auditor and provider are

responsible for submitting all applicable supplementary schedules contained in the following universal schedule list.

List of Universal Allegheny County Supplemental Schedules (See Appendix A)

- Schedule of Funding Sources
- Statement of Functional Expenditures, Revenues, Contract Amounts, and Changes in Fund Balance -- Summary All Programs
- Statement of Administrative Costs
- Schedule of Functional Expenditures by Cost Center
- Schedule of Units of Service

When these schedules are submitted with an audit package they are considered an integral part of the Single Audit. The issuance of this report in no way absolves the auditor of his/her responsibility to disclose financial and/or compliance irregularities. Standards including the Provider Audit Guidelines, AICPA, OMB, etc., pertaining to adequate disclosure still apply to this report.

# Example Agreed-Upon Procedures Report

To (Auditee)

We have performed the procedures enumerated below which are agreed to by Allegheny County DHS, the Commonwealth of Pennsylvania, the Commonwealth of Pennsylvania DHS, and (Auditee) solely to assist you with respect to the supplemental schedules and exhibits required in this agreement. This engagement to apply Agreed-Upon Procedures was performed in accordance with standards established by the AICPA. The sufficiency of the procedures is solely the responsibility of Allegheny County DHS and the Commonwealth of Pennsylvania DHS. 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:

j. We have verified, by comparison, the amounts and classifications that the supplemental financial schedules and/or exhibits listed below which summarize amounts reported to the Commonwealth of Pennsylvania DHS for fiscal year ended June 30, ____, have been accurately compiled and reflect the audited books and records of (Auditee). 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 Allegheny County DHS and the Commonwealth of Pennsylvania DHS Single Audit Supplement pertaining to this period.

| Program Name | Referenced Schedule/Exhibit |
|---|---|
| Allegheny County – All Programs | Schedule of Functional Expenditures |
| | Schedule of Administrative Costs |
| Mental Retardation | Schedule of Funding Sources |
| | Schedule of Functional Expenditures by Cost Center |
| | Schedule of Units of Service |

*(List each individual schedule for ALL programs in which the auditee participated.)*

k. We have inquired, of management, regarding adjustments to reported revenues or expenditures, which were not reflected on the reports, submitted to Allegheny County DHS and Commonwealth of Pennsylvania DHS for the period in question.

l. The processes detailed in paragraphs (a) and (b) above disclose the following adjustments and/or findings which have/have not been reflected on the corresponding schedules:

*(List each adjustment and/or finding separately, indicating whether it has/has not been reflected on the schedule.)*

We were not engaged to, and did not perform, an audit, the objective of which would be the expression of an opinion on the specified elements, accounts, or items. 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 use of Allegheny County DHS and the Commonwealth of Pennsylvania DHS, 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.

(Date)

(Signature)

## Schedule of Findings of Noncompliance and Questioned Costs

The Schedule should include the following three components as dictated by Federal OMB Uniform Guidance for Federal Awards.

1. A summary of the auditor's results that include:
    a. The auditor's opinion on the financial statements
    b. Material reportable conditions in internal control
    c. Material noncompliance
    d. Material reportable conditions in internal control over major programs
    e. The auditor's opinion on compliance for major programs
    f. Disclosure of any audit findings
    g. Identification of major programs
    h. The dollar threshold used to distinguish between Type A and Type B programs
    i. Determination as to whether the auditee qualifies as low-risk
2. Findings relating to the financial statements that are required to be reported in accordance with GAGAS.
3. Findings and questioned costs for Federal awards that shall include audit findings.

In addition to the above Allegheny County is specifically interested in the following compliance issues:

- Method of procurement, record-keeping, and control over fixed assets purchased with County allocated funds (6200 regulations)
- Method of procurement, record-keeping, and/or control of property (buildings and land) purchased with County allocated funds (6200 regulations)
- Administration and Management of Client Funds (6000.521 regulations)
- Discrepancies between actual units of service supplied, units of service submitted for reimbursement, and units honored by the County
- Room and board regulations (6200 regulations)
- Client liability determinations (4305 regulations)
- Indirect Cost Allocation Plan
- Personnel Action Plan (PAP) (refer to PAP Manual)
- Health Insurance Portability and Accountability Act (HIPAA)

If deemed material the above examples should be identified as a finding; otherwise each immaterial noncompliance should appear in the Agency's Management Letter to be submitted with the Audit Report package.

## Corrective Action Plan (CAP)

The provider must prepare a CAP to address all findings of noncompliance or internal control weaknesses disclosed in the audit report. For each finding noted the CAP should include a brief description identifying the finding, whether the provider agrees with the finding, the specific steps to be taken to correct the deficiency or specific reasons why corrective action is not necessary, a time table for completion of the corrective action steps, and a description of monitoring to be performed to ensure that the steps are taken.

## Less Than $1,00750,000 of Combined Funding

If in connection with this agreement the provider expends **less than $1,000,000 in combined state and federal funds** during the program year specified herein, the provider is required to maintain auditable records of those funds, cooperate in any risk assessments, and provide access to such records by federal, state, and county agencies or their designees.

## Audit Workpapers

Audit workpapers and audit reports are to be retained by the provider's auditor for a minimum of three years from the date of issuance of the audit report unless the provider's auditor is notified in writing by the commonwealth, the cognizant, or oversight federal agency to extend the retention period. Audit workpapers shall be made available upon request to authorized representatives of the commonwealth, the cognizant, or oversight agency, the federal funding agency, or the United States GAO.

Commonwealth of Pennsylvania Department of Human Services General Audit Provisions

The provider is responsible for obtaining the necessary audit and securing the services of a certified public accountant or other independent governmental auditor. Federal regulations preclude public accountants licensed in the Commonwealth of Pennsylvania from performing audits of federal awards.

The commonwealth reserves the right for federal and state agencies or their authorized representatives to perform additional audits of a financial or performance nature, if deemed necessary, by commonwealth or federal agencies. Any such additional audit work will rely on work already performed by the provider's auditor and the costs for any additional work performed by the federal or state agencies will be borne by those agencies at no additional cost to the provider.

# IV. Program Service Areas

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# Commonwealth of Pennsylvania Department of Human Services Audit Requirements

Commonwealth of Pennsylvania DHS audit requirements are applicable to CYF programs. Both for-profit and non-profit providers must meet Commonwealth of Pennsylvania DHS's audit requirements.

If the provider expends **$1,000,000 or more in combined state and federal funds** during the program year specified herein, the provider is required to have an audit.

The following audits are acceptable:

1) **GAGAS/Yellow Book A** Program Specific Audit of those funds made in accordance with Generally Accepted Government Auditing Standards/Yellow Book as published by the Comptroller General of the United States. The audit report must include Allegheny County Supplemental Schedules and an AUP for the supplemental schedules (See example AUP report provided in this section).

Required Reports for a GAGAS/Yellow Book Audit Package

- Basic Financial Statements
  - Statement of Financial Position
  - Statement of Activities
  - Statement of Cash Flows
  - Statement of Functional Expenses
  - Notes to the Financial Statements
- Auditor's Opinion on Basic Financial Statements
- Auditor's Report on Compliance and Internal Control over Financial Reporting in accordance with Generally Accepted Government Auditing Standards (GAGAS)
- Schedule of Findings and Questioned Costs
- Schedule of Status of Prior Year Findings and Questioned Costs
- Corrective Action Plan (CAP)
- AUP report on Allegheny County Supplemental Schedules

- Allegheny County Supplemental Schedules (See Appendix A)
- Management Letter, if issued

2) **Federal OMB Uniform Guidance for Federal Awards Single Audit** A Single Audit or Program Specific Audit conducted in accordance with the federal-audit requirements found in OMB Uniform Guidance for Federal Awards will be accepted by the department provided that both:

a. A full copy of the audit report is submitted.

**and**

b. The prescribed Agreed-Upon Procedures and Allegheny County Supplemental Schedules are included in the audit package submitted.

**Note**: The incremental cost for preparation of the AUP cannot be charged to federal-funding streams.

Required Reports for a Federal OMB Uniform Guidance for Federal Awards Single Audit Package

- Basic Financial Statements
  - Statement of Financial Position
  - Statement of Activities
  - Statement of Cash Flows
  - Statement of Functional Expenses
  - Notes to the Financial Statements
- Auditor's Opinion on Basic Financial Statements
- Schedule of Federal Awards and Notes
- Auditor's Report on Schedule of Federal Awards
- Auditor's Report on Compliance and Internal Control over Financial Reporting in accordance with General Accepted Government Auditing Standards (GAGAS)
- Auditor's Report on Compliance with Requirements Applicable to Each Major Program and Internal Control over Compliance in accordance with OMB Uniform Guidance for Federal Awards

- Schedule of Findings and Questioned Costs
- Schedule Status of Prior Year Findings and Questioned Costs
- Corrective Action Plan (CAP)
- AUP report on Allegheny County Supplemental Schedules
- Allegheny County Supplemental Schedules (See Appendix A)
- Management Letter, if issued

## Allegheny County Supplemental Schedules

The supplemental financial schedules and the corresponding Agreed-Upon Procedures are required for all DHS contracts totaling $750,000 or more of Federal Funds or Federal and State Funds combined and are in addition to either the GAGAS/Yellow Book Audit or the Federal OMB Uniform Guidance for Federal Awards Audit. These schedules are to be submitted on a July 1 through June 30 fiscal year regardless of the provider's accounting period. They are required for *each individual program regardless of its level of funding.* The auditor and provider are responsible for submitting all applicable supplementary schedules contained in the following universal schedule list.

List of Universal Allegheny County Supplemental Schedules (See Appendix A)

- Schedule of Funding Sources
- Statement of Functional Expenditures, Revenues, Contract Amounts, and Changes in Fund Balance -- by Program
- Schedule of Functional Expenditures by Program
- Statement of Administrative Costs
- Schedule of Units of Service
- Schedule of Utilization

When these schedules are submitted with an audit package they are considered an integral part of the Single Audit. The issuance of this report in no way absolves the auditor of his/her responsibility to disclose financial and/or compliance irregularities. Standards including the

Provider Audit Guidelines, AICPA, OMB, etc. pertaining to adequate disclosure still apply to this report. Appendix A - Example Supplemental Schedules

# Example Agreed-Upon Procedures Report

To (Auditee)

We have performed the procedures enumerated below which are agreed to by Allegheny County DHS, the Commonwealth of Pennsylvania, the Commonwealth of Pennsylvania DHS, and (Auditee) solely to assist you with respect to the supplemental schedules and exhibits required in this agreement. This engagement to apply Agreed-Upon Procedures was performed in accordance with standards established by the AICPA. The sufficiency of the procedures is solely the responsibility of Allegheny County DHS and the Commonwealth of Pennsylvania DHS. 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:

c. We have verified, by comparison, the amounts and classifications that the supplemental financial schedules and/or exhibits listed below which summarize amounts reported to the Commonwealth of Pennsylvania DHS for fiscal year ended June 30, ____, have been accurately compiled and reflect the audited books and records of (Auditee). 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 Allegheny County DHS and the Commonwealth of Pennsylvania DHS Single Audit Supplement pertaining to this period.

| Program Name | Referenced Schedule/Exhibit |
|---|---|
| Allegheny County – All Programs | Schedule of Functional Expenditures |
| | Schedule of Administrative Costs |
| Mental Retardation | Schedule of Funding Sources |
| | Schedule of Functional Expenditures by Cost Center |
| | Schedule of Units of Service |

*(List each individual schedule for ALL programs in which the auditee participated.)*

d. We have inquired, of management, regarding adjustments to reported revenues or expenditures, which were not reflected on the reports, submitted to Allegheny County DHS and Commonwealth of Pennsylvania DHS for the period in question.
e. The processes detailed in paragraphs (a) and (b) above disclose the following adjustments and/or findings which have/have not been reflected on the corresponding schedules:

*(List each adjustment and/or finding separately, indicating whether it has/has not been reflected on the schedule.)*

We were not engaged to, and did not perform, an audit, the objective of which would be the expression of an opinion on the specified elements, accounts, or items. 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 use of Allegheny County DHS and the Commonwealth of Pennsylvania DHS, 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.

(Date)

(Signature)

## Schedule of Findings of Noncompliance and Questioned Costs

The Schedule should include the following three components as dictated by Federal OMB Uniform Guidance for Federal Awards.

1. A summary of the auditor's results that include:
    a. The auditor's opinion on the financial statements
    b. Material reportable conditions in internal control
    c. Material noncompliance
    d. Material reportable conditions in internal control over major programs
    e. The auditor's opinion on compliance for major programs
    f. Disclosure of any audit findings
    g. Identification of major programs
    h. The dollar threshold used to distinguish between Type A and Type B programs
    i. Determination as to whether the auditee qualifies as low-risk
2. Findings relating to the financial statements that are required to be reported in accordance with GAGAS.
3. Findings and questioned costs for Federal awards that shall include audit findings.

In addition to the above Allegheny County is specifically interested in the following compliance issues:

- Method of procurement, record-keeping, and control over fixed assets purchased with County allocated funds (see 3170 regulations)
- Method of procurement, record-keeping, and/or control of property (buildings and land) purchased with County allocated funds (see 3170 regulations)
- Discrepancies between actual units of service supplied, units of service submitted for reimbursement, and units honored by the County
- Indirect Cost Allocation Plan
- Health Insurance Portability and Accountability Act (HIPAA)

If deemed material the above examples should be identified as a finding; otherwise each immaterial noncompliance should appear in the Agency's Management Letter.

## Corrective Action Plan (CAP)

The provider must prepare a CAP to address all findings of noncompliance or internal control weaknesses disclosed in the audit report. For each finding noted the CAP should include a brief description identifying the finding, whether the provider agrees with the finding, the specific steps to be taken to correct the deficiency or specific reasons why corrective action is not necessary, a time table for completion of the corrective action steps, and a description of monitoring to be performed to ensure that the steps are taken.

In addition, the provider must submit in writing a progress report update Allegheny County Bureau of Budget and Contract Compliance in writing of the progress of the CAP.

## Less Than $1,000,000 of Combined Funding

If in connection with this agreement the provider expends **less than $1,000,000 in combined state and federal funds** during the program year specified herein, the provider is required to maintain auditable records of those funds, cooperate in any risk assessments, and provide access to such records by federal, state, and county agencies or their designees.

## Audit Workpaper

Audit workpapers and audit reports are to be retained by the provider's auditor for a minimum of three years from the date of issuance of the audit report unless the provider's auditor is notified in writing by the commonwealth, the cognizant, or oversight federal agency to extend the retention period. Audit workpapers shall be made available upon request to authorized representatives of the Commonwealth, the cognizant, or oversight agency, the federal funding agency, or the United States GAO.

## Commonwealth of Pennsylvania Department of Human Services General Audit Provisions

The provider is responsible for obtaining the necessary audit and securing the services of a certified public accountant or other independent governmental auditor. Federal regulations preclude public

accountants licensed in the Commonwealth of Pennsylvania from performing audits of federal awards.

The Commonwealth reserves the right for federal and state agencies or their authorized representatives to perform additional audits of a financial or performance nature, if deemed necessary, by commonwealth or federal agencies. Any such additional audit work will rely on work already performed by the provider's auditor and the costs for any additional work performed by the federal or state agencies will be borne by those agencies at no additional cost to the provider.

# IV. Program Service Areas

## F, Human Services Development Fund (HSDF)


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Federal Audit Requirements 82

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# Commonwealth of Pennsylvania Department of Human Services

## State and Local Audit Requirements

HSDF funds must be audited with the applicable county program. For example, HSDF funds allocated to the Allegheny County CYF program should be audited along with the other CYF regulations and requirements as well as the HSDF instructions and requirements which define the allowable and unallowable cost centers.

The Human Services Development Fund receives 100% of its funding from the Commonwealth of Pennsylvania DHS. Service providers receiving HSDF funding are subject to the audit provisions and requirements as follows:

State Audit Requirements

1. Commonwealth of Pennsylvania DHS's $1,000,000 Thresshold
2. The Instructions and Requirements for the Human Services Development Fund
3. The Allegheny County DHS Provider Audit Guidelines

Federal Audit Requirements

Since, *HSDF is 100% state funded*, the provisions of the Single Audit Act does not apply

# IV. Program Service Areas

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## Non-Profit Entities

A non-profit entity that receives federal funds of $1,000,000 or more from the county Area Agency on Aging (AAA) will be subject to OMB Uniform Guidance for Federal Awards and the federal audit requirements that start on page 3 of this audit guide.

## Vendors

Fixed-Price or Fee-for-Service contracts are generally based on pre-established fees or published fee schedules. Since, such contracts indicate payment for services is based on a fixed price regardless of actual costs incurred, Agencies with only this type of contract are considered vendors as opposed to subrecipients. Vendor Entities are not required to have an OMB Uniform Guidance for Federal Awards Audit of their Financial Statements or their Schedule of Federal Awards. However, other monitoring procedures maybe applied to verify contractual performance.

## Subrecipients

Agencies that carry out Federal programs and receive federal funds under Cost Reimbursement or a combination of both Fixed-Price and Cost Reimbursement type contracts are subrecipients. Subrecipients are subject to the audit requirements of OMB Uniform Guidance for Federal Awards for their Cost Reimbursement contracts. Their audit must also include appropriate tests of the Fixed-Price contracts to verify contractual performance.

The maximum reimbursement restriction within a grant contract does not change the nature of the contract from a Cost Reimbursement type agreement to a Fixed-Price agreement even if the subrecipient's actual costs for a contract period exceed the maximum reimbursement amount in the contract and those excess costs are not reimbursed. The contract is still a Cost Reimbursement type contract and the subrecipient is still required to meet the financial statement audit requirements of OMB Uniform Guidance for Federal Awards.

## For-Profit Entities

A for-profit entity that receives federal funds from the county Area Agency on Aging (AAA) is not subject to OMB Uniform Guidance for Federal Awards.

A for-profit organization is required to have an audit if it expends a total of $1,000,000 or more in federal funds under one or more Department of Health and Human Services (DHHS) federal awards. CFR 200, incorporates the thresholds and deadlines of the Office of Management and Budget (OMB) Uniform Guidance for Federal Awards: Cost Principles, Audit and Administrative Requirements for Federal Awards, but provides for-profit organizations with two options regarding the type of audit that will satisfy the audit requirements.

1. An audit made in accordance with generally accepted Government Auditing Standards (The Yellow Book), revised; or
2. An audit that meets the requirements contained in OMB Uniform Guidance for Federal Awards.

A for-profit organization is required to have an audit, in accordance with the above audit requirements, if it expends a total of $1,000,000 or more of federal awards directly or indirectly during its fiscal year.

If a for-profit organization expends total federal awards of less than $750,000 during its fiscal year, it is exempt from these audit requirements, but is required to maintain auditable records of federal or state funds that supplement such awards. Records must be available for review by appropriate officials.

A for-profit organization is responsible for obtaining the necessary audit and securing the services of a certified public accountant or other independent governmental auditor. Federal regulations preclude public accountants licensed in the Commonwealth of Pennsylvania from performing audits of federal awards.

# Federal OMB Uniform Guidance for Federal Awards Audit

A Single Audit or Program Specific Audit conducted in accordance with the federal-audit requirements found in OMB Uniform Guidance for Federal Awards will be accepted by the department provided that both:

1) A full copy of the audit report is submitted.

**and**

2) The prescribed Agreed-Upon Procedures and Allegheny County Supplemental Schedules are included in the audit package submitted.

Required Reports for a Federal OMB Uniform Guidance for Federal Awards Audit Package

- Basic Financial Statements
  - Statement of Financial Position
  - Statement of Activities
  - Statement of Cash Flows
  - Statement of Functional Expenses
  - Notes to the Financial Statements
- Auditor's Opinion on Basic Financial Statements
- Schedule of Federal Awards and Notes
- Auditor's Report on Schedule of Federal Awards
- Auditor's Report on Compliance and Internal Control over Financial Reporting in accordance with General Accepted Government Auditing Standards (GAGAS)
- Auditor's Report on Compliance with Requirements Applicable to Each Major Program and Internal Control over Compliance in accordance with OMB Uniform Guidance for Federal Awards
- Schedule of Findings and Questioned Costs
- Schedule Status of Prior Year Findings and Questioned Costs
- Corrective Action Plan (CAP)
- AUP report on Allegheny County Supplemental Schedules

- Allegheny County Supplemental Schedules (see Appendix A)
- Management Letter, if issued

## Schedule of Findings of Noncompliance and Questioned Costs

The Schedule should include the following three components as dictated by Federal OMB Uniform Guidance for Federal Awards.

1. A summary of the auditor's results that include:
    a. The auditor's opinion on the financial statements
    b. Material reportable conditions in internal control
    c. Material noncompliance
    d. Material reportable conditions in internal control over major programs
    e. The auditor's opinion on compliance for major programs
    f. Disclosure of any audit findings
    g. Identification of major programs
    h. The dollar threshold used to distinguish between Type A and Type B programs
    i. Determination as to whether the auditee qualifies as low-risk
2. Findings relating to the financial statements that are required to be reported in accordance with GAGAS.
3. Findings and questioned costs for Federal awards that shall include audit findings.

In addition to the above Allegheny County is specifically interested in the following compliance issues:

- Method of procurement, record-keeping, and control over fixed assets purchased with County allocated funds
- Method of procurement, record-keeping, and/or control of property (buildings and land) purchased with County allocated funds
- Discrepancies between actual units of service supplied, units of service submitted for reimbursement, and units credited by the County
- Indirect Cost Allocation Plan

- Health Insurance Portability and Accountability Act (HIPAA)

If deemed material the above examples should be identified as a finding; otherwise each immaterial noncompliance should appear in the Agency's Management Letter.

## Period Subject to Audit and Audit Frequency

An audit made in accordance with OMB Uniform Guidance for Federal Awards shall encompass the fiscal period of the subrecipient and shall be performed on an annual basis. For non-profit organizations subject to the provisions of OMB Uniform Guidance for Federal Awards the fiscal period used to determine audit requirements would be the fiscal year of the AAA.

## Distribution

**One Copy of the OMB Uniform Guidance for Federal Awards Single Audit should be submitted to:**

Lisa Impavido, Administrator
Allegheny County Department of Human Services
Bureau of Contracts and Compliance
One Smithfield Street, Suite 500
Pittsburgh, Pennsylvania 15222-2221

Or submitted electronically to:
Lisa Impavido at Lisa.Impavido@AlleghenyCounty.US
Paul Urmann at Paul.Urmann@AlleghenyCounty.US
Joel Rubin at Joel.Rubin@AlleghenyCounty.US

## Corrective Action Plan (CAP)

The provider must prepare a CAP to address all findings of noncompliance or internal control weaknesses disclosed in the audit report. For each finding noted the CAP should include a brief description identifying the finding, whether the provider agrees with the finding, the specific steps to be taken to correct the deficiency or specific reasons why corrective action is not necessary, a

time table for completion of the corrective action steps, and a description of monitoring to be performed to ensure that the steps are taken.

## Audit Workpapers

Audit workpapers and audit reports are to be retained by the provider's auditor for a minimum of three years from the date of issuance of the audit report unless the provider's auditor is notified in writing by the Commonwealth, the cognizant, or oversight federal agency to extend the retention period. Audit workpapers shall be made available upon request to authorized representatives of the Commonwealth, the cognizant, or oversight agency, the federal funding agency, or the United States GAO.

## Additional Audits

The commonwealth reserves the right for federal and state agencies or their authorized representatives to perform additional audits of a financial or performance nature if deemed necessary by the commonwealth or federal agencies. Any such additional audit work will rely on work already performed by the provider's auditor and the costs for any additional work performed by the commonwealth or federal agencies will be borne by those agencies at no additional expense to the provider. However, office of aging reserves the right for federal and state agencies or their authorized representatives to perform additional audits of a financial/compliance, economy/efficiency, or program results nature if deemed necessary.

The costs of audits made in accordance with the provisions of the respective circulars are allowable charges to federal assistance programs. Where more than one funding agency is identified, the cost of the audit shall be equitably prorated and incorporated in annual budgets/unit cost composites.

## Subrecipient Noncompliance With Audit Requirements

The Pennsylvania Department of Aging has implemented a progressive series of remedial actions to be taken when a subrecipient exhibits a continued inability or unwillingness to comply with

performance, reporting and resolution requirements for audits of commonwealth-funded programs.

The progressive series of remedial actions will reflect the unique requirements of each program taking into account such factors as:

- The type of financial assistance (i.e., grant, contract, cooperative agreement, loan, etc.)
- The nature of financial assistance (i.e., subsidy, cost reimbursement, fixed fee, etc.)
- The frequency of the financial assistance (i.e., one-time grant, a multi-year award, ongoing funding, etc.)
- The nature and severity of the noncompliance (i.e., corrective action not implemented on minor finding(s), corrective action not implemented on major finding(s), additional information needed to clarify findings or financial information not provided, CAP not provided, audit report not submitted, etc.)
- Prior experience with the subrecipient regarding its ability to effectively and efficiently administer a program in accordance with applicable laws and regulations
- The results of other program reviews or other forms of independent oversight of the subrecipient
- The reasons and justification for the subrecipient's inability or unwillingness to provide necessary information or take required action

# IV. Program Service Areas

## H, Behavioral Health – Early Intervention (EI)

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# Commonwealth of Pennsylvania Department of Human Services Audit Requirements

Commonwealth of Pennsylvania DHS audit requirements are applicable to EI programs. Both for-profit and non-profit providers must meet Commonwealth of Pennsylvania DHS's audit requirements

The audit requirements are as follows:

1) No annual audit is required for contracted providers who receive under $1,000,000 in state and federal funds from the Department in that fiscal year, with the understanding that Providers are still required to maintain auditable records and make them available upon request.

2) An audit performed in accordance with Generally Accepted Government Auditing Standards (Yellow Book) or a Single Audit performed in accordance with OMB Uniform Guidance for Federal Awards, as applicable, is required for providers who receive $1,000,000 or more in state and federal funds from the Department in that fiscal year

## The following audits are acceptable:

1) **GAGAS/Yellow Book A** Program Specific Audit of those funds made in accordance with Generally Accepted Government Auditing Standards/Yellow Book as published by the Comptroller General of the United States. The audit report must include Allegheny County Supplemental Schedules and an AUP for the supplemental schedules (see example AUP report provided in this section).

Required Reports for a GAGAS/Yellow Book Audit Package

- Basic Financial Statements
  - Statement of Financial Position
  - Statement of Activities
  - Statement of Cash Flows

- Statement of Functional Expenses
- Notes to the Financial Statements

- Report of Independent Auditors on Financial Statements
- Report of Independent Auditors on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Generally Accepted Government Auditing Standards (GAGAS)
- Schedule of Findings and Questioned costs
- Summary Schedule of Prior Year Findings and Questioned costs
- Corrective Action Plan (CAP)
- AUP report on Allegheny County Supplemental Schedules
- Allegheny County Supplemental Schedules (See Appendix A)
- Management Letter comments, if issued.

2)

**Federal OMB Uniform Guidance for Federal Awards Single Audit** A Single Audit or Program Specific Audit conducted in accordance with the federal-audit requirements found in OMB Uniform Guidance for Federal Awards will be accepted by the department provided that both:

c. A full copy of the audit report is submitted.

**and**

d. The prescribed Agreed-Upon Procedures and Allegheny County Supplemental Schedules are included in the audit package submitted.

**Note**: The incremental cost for preparation of the AUP cannot be charged to federal-funding streams.

## Required Reports for a Federal OMB Uniform Guidance for Federal Awards Single Audit Package

Basic Financial Statements

- Statement of Financial Position

- Statement of Activities
- Statement of Cash Flows
- Statement of Functional Expenses
- Notes to the Financial Statements

- Report of Independent Auditors on Financial Statements
- Schedule of Expenditures of Federal Awards and Notes
- Auditor's Report on Schedule of Federal Awards
- Report of Independent Auditors on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Generally Accepted Government Auditing Standards (GAGAS)
- Report of Independent Auditors on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance with OMB Uniform Guidance for Federal Awards
- Schedule of Findings and Questioned costs
- Summary Schedule of Prior Year Findings and Questioned Costs
- Corrective Action Plan (CAP)
- AUP report on Allegheny County Supplemental Schedules
- Allegheny County Supplemental Schedules (See Appendix A)
- Management Letter comments, if issued

## Allegheny County Supplemental Schedules

The supplemental financial schedules and the corresponding Agreed-Upon Procedures are required for all DHS contracts totaling $750,000 or more of Federal Funds or Federal and State Funds combined and are in addition to either the GAGAS/Yellow Book Audit or the Federal OMB Uniform Guidance for Federal Awards Audit. These schedules are to be submitted on a July 1 through June 30 fiscal year regardless of the provider's accounting period. They are required for *each individual program regardless of its level of funding.* The auditor and provider are responsible

for submitting all applicable supplementary schedules contained in the following universal schedule list.

**List of Universal Allegheny County Supplemental Schedules (See Appendix A)**

- Schedule of Funding Sources
- Statement of Functional Expenditures, Revenues, Contract Amounts, and Changes in Fund Balance -- Summary All Programs
- Statement of Administrative Costs
- Schedule of Functional Expenditures by Cost Center
- Schedule of Units of Service

When these schedules are submitted with an audit package they are considered an integral part of the Single Audit. The issuance of this report in no way absolves the auditor of his/her responsibility to disclose financial and/or compliance irregularities. Standards including the Provider Audit Guidelines, AICPA, OMB, etc., pertaining to adequate disclosure still apply to this report

# Example Agreed-Upon Procedures Report

To (Auditee)

We have performed the procedures enumerated below which are agreed to by Allegheny County DHS, the Commonwealth of Pennsylvania, the Commonwealth of Pennsylvania DHS, and (Auditee) solely to assist you with respect to the supplemental schedules and exhibits required in this agreement. This engagement to apply Agreed-Upon Procedures was performed in accordance with standards established by the AICPA. The sufficiency of the procedures is solely the responsibility of Allegheny County DHS and the Commonwealth of Pennsylvania DHS. 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:

e. We have verified, by comparison, the amounts and classifications that the supplemental financial schedules and/or exhibits listed below which summarize amounts reported to the Commonwealth of Pennsylvania DHS for fiscal year ended June 30, ____, have been accurately compiled and reflect the audited books and records of (Auditee). 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 Allegheny County DHS and the Commonwealth of Pennsylvania DHS Single Audit Supplement pertaining to this period.

| Program Name | Referenced Schedule/Exhibit |
|---|---|
| Allegheny County – All Programs | Schedule of Functional Expenditures |
| | Schedule of Administrative Costs |
| Mental Retardation | Schedule of Funding Sources |
| | Schedule of Functional Expenditures by Cost Center |
| | Schedule of Units of Service |

*(List each individual schedule for ALL programs in which the auditee participated.)*

f. We have inquired, of management, regarding adjustments to reported revenues or expenditures, which were not reflected on the reports, submitted to Allegheny County DHS and Commonwealth of Pennsylvania DHS for the period in question.
g. The processes detailed in paragraphs (a) and (b) above disclose the following adjustments and/or findings which have/have not been reflected on the corresponding schedules:

*(List each adjustment and/or finding separately, indicating whether it has/has not been reflected on the schedule.)*

We were not engaged to, and did not perform, an audit, the objective of which would be the expression of an opinion on the specified elements, accounts, or items. 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 use of Allegheny County DHS and the Commonwealth of Pennsylvania DHS, 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.

(Date)

(Signature)

# Schedule of Findings of Noncompliance and Questioned Costs

The Schedule should include the following three components as dictated by Federal OMB Uniform Guidance for Federal Awards.

1. A summary of the auditor's results that include:
    a. The auditor's opinion on the financial statements
    b. Material reportable conditions in internal control
    c. Material noncompliance
    d. Material reportable conditions in internal control over major programs
    e. The auditor's opinion on compliance for major programs
    f. Disclosure of any audit findings
    g. Identification of major programs
    h. The dollar threshold used to distinguish between Type A and Type B programs
    i. Determination as to whether the auditee qualifies as low-risk
2. Findings relating to the financial statements that are required to be reported in accordance with GAGAS.
3. Findings and questioned costs for Federal awards that shall include audit findings.

In addition to the above Allegheny County is specifically interested in the following compliance issues:

- Method of procurement, record-keeping, and control over fixed assets purchased with County allocated funds (4300 regulations)
- Method of procurement, record-keeping, and/or control of property (buildings and land) purchased with County allocated funds (4300 regulations)
- Administration and Management of Client Funds (6000.521 regulations)
- Discrepancies between actual units of service supplied, units of service submitted for reimbursement, and units honored by the County
- Room and board regulations (6200 regulations)
- Client liability determinations (4305 regulations)
- Indirect Cost Allocation Plan (refer to user Manuals)
- Personnel Action Plan (PAP) (refer to user Manuals)

- Health Insurance Portability and Accountability Act (HIPAA)

If deemed material the above examples should be identified as a finding; otherwise each immaterial noncompliance should appear in the Agency's Management Letter to be submitted with the Audit Report package.

## Corrective Action Plan (CAP)

The provider must prepare a CAP to address all findings of noncompliance or internal control weaknesses disclosed in the audit report. For each finding noted the CAP should include a brief description identifying the finding, whether the provider agrees with the finding, the specific steps to be taken to correct the deficiency or specific reasons why corrective action is not necessary, a time table for completion of the corrective action steps, and a description of monitoring to be performed to ensure that the steps are taken.

## Less Than $1,000,000 of Combined Funding

If in connection with this agreement the provider expends **less than $750,000 in combined state and federal funds** during the program year specified herein, the provider is required to maintain auditable records of those funds, cooperate in any risk assessments, and provide access to such records by federal, state, and county agencies or their designees.

## Audit Workpapers

Audit workpapers and audit reports are to be retained by the provider's auditor for a minimum of three years from the date of issuance of the audit report unless the provider's auditor is notified in writing by the commonwealth, the cognizant, or oversight federal agency to extend the retention period. Audit workpapers shall be made available upon request to authorized representatives of the Commonwealth, the cognizant, or oversight agency, the federal funding agency, or the United States GAO.

Commonwealth of Pennsylvania Department of Human Services General Audit Provisions

The provider is responsible for obtaining the necessary audit and securing the services of a certified public accountant or other independent governmental auditor. Federal regulations preclude public

accountants licensed in the Commonwealth of Pennsylvania from performing audits of federal awards.

The commonwealth reserves the right for federal and state agencies or their authorized representatives to perform additional audits of a financial or performance nature, if deemed necessary, by commonwealth or federal agencies. Any such additional audit work will rely on work already performed by the provider's auditor and the costs for any additional work performed by the federal or state agencies will be borne by those agencies at no additional cost to the provider.

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**XYZ, Inc.**
**Schedule of Functional Expenditures, Revenues, Contract Amounts**
**Relating to Grants from Allegheny County DHS Programs**
**For The Year Ended June 30, 20XX**

All Programs Summary

| | Mental Health | Mental Retardation | Early Intervention | Drug & Alcohol | Homeless | Hunger | CYF | OCS | AGING | TOTAL |
|---|---|---|---|---|---|---|---|---|---|---|
| **Expenditures** | | | | | | | | | | |
| Personnel Expenses | $ 19,100 | $ 682,300 | $ 39,300 | $ 511,000 | $ 293,000 | $ 728,400 | $ 1,226,600 | $ 9,194,100 | $ 1,045,795 | $ 13,939,595 |
| Administrative Costs | 38,800 | 86,100 | 3,500 | 53,400 | 124,600 | 92,300 | 197,800 | 350,150 | 79,100 | 1,025,750 |
| Operating Expenses | 50,900 | 132,300 | 5,500 | 178,400 | 121,984 | 234,800 | 928,400 | 2,894,750 | 142,370 | 4,689,404 |
| Purchased Treatment | 1,400 | 3,300 | 2,000 | - | - | 74,700 | 79,000 | 2,231,000 | 89,362 | 2,480,762 |
| Fixed Assets | 2,400 | 24,600 | 1,700 | 7,200 | 9,600 | 62,900 | 7,100 | 73,400 | 31,500 | 220,400 |
| Total Expenditures | 312,600 | 928,600 | 52,000 | 750,000 | 549,184 | 1,193,100 | 2,438,900 | 14,743,400 | 1,388,127 | 22,355,911 |
| Ineligible Expenses | - | (3,500) | - | - | - | (2,300) | - | | - | (5,800) |
| Gross Eligible Expenses | 312,600 | 925,100 | 52,000 | 750,000 | 549,184 | 1,190,800 | 2,438,900 | 14,743,400 | 1,388,127 | 22,350,111 |
| **Revenue and Income** | | | | | | | | | | |
| Program Service Fees | 500 | - | - | 26,200 | - | - | - | 70,000 | 120,000 | 216,700 |
| Private Insurance | 9,400 | - | - | 40,200 | - | - | - | - | - | 49,600 |
| Other Third Party Fees | 21,500 | - | - | 1,500 | - | - | - | - | - | 23,000 |
| Medical Assistance | 38,600 | 121,350 | - | 104,500 | - | - | - | - | - | 264,450 |
| Room and Board | 8,700 | - | - | - | - | 113,300 | - | - | - | 122,000 |
| Interest Income | 1,500 | 6,200 | - | 500 | 3,900 | 7,700 | 300 | 7,000 | 7,330 | 34,430 |
| Other (specify) | 6,000 | 9,800 | - | 24,200 | 29,100 | 14,700 | - | 1,027,100 | 185,000 | 1,295,900 |
| Total Revenue and Income | 86,200 | 137,350 | - | 197,100 | 33,000 | 135,700 | 300 | 1,104,100 | 312,330 | 2,006,080 |
| Net Eligible Expenditures | 226,400 | 787,750 | 52,000 | 552,900 | 516,184 | 1,055,100 | 2,438,600 | 13,639,300 | 1,075,797 | 20,344,031 |
| Retained Revenue | 1,700 | 1,600 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | 3,300 |
| Total Reimbursable Expenditures | 228,100 | 789,350 | 52,000 | 552,900 | 516,184 | 1,055,100 | 2,438,600 | 13,639,300 | 1,075,797 | 20,347,331 |
| Allegheny County Contract Amount | 233,000 | 789,375 | 52,000 | 678,900 | 498,084 | 1,087,000 | 2,442,600 | 13,602,700 | 981,775 | 20,365,434 |
| **Surplus (Deficit) of Contract Amount Over Total Reimbursable Expenditures** | **$ 4,900** | **$ 25** | **$ -** | **$ 126,000** | **$ (18,100)** | **$ 31,900** | **$ 4,000** | **$ (36,600)** | **$ (94,022)** | **$ 18,103** |

XYZ, Inc.
Schedule of Administrative Cost - Allegheny County DHS
For the Year Ended June 30, 20XX

| Personnel Services | Amount |
|---|---|
| Wages & Salaries | $ 436,787 |
| Employee Benefits | 186,378 |
| Other Personnel Services | - |
| Advisory & Incorporated Board | 7,500 |
| Total Personnel Services | 630,665 |
| | |
| Operating Expenses | |
| Occupancy | 246,015 |
| Communications | 15,100 |
| Administrative Supplies | 98,270 |
| Administrative Staff Travel | 23,200 |
| Interest Expense | 6,700 |
| Hotel/Support Overhead Cost | - |
| Other Operating Expenses | 29,300 |
| Total Operating Expenses | 418,585 |
| | |
| Equipment and Fixed Assets | |
| Building and Land | 20,200 |
| Equipment/Furn/Motor Vehicles | 18,700 |
| Renovation/Repairs | 3,700 |
| Depreciation | 2,900 |
| Total Equipment and Fixed Assets | 45,500 |
| | |
| Less: Ineligible Costs | |
| Wages and Salaries | (23,000) |
| Benefits | (5,200) |
| Fixed Assets | (24,300) |
| Depreciation | - |
| Other Ineligible Costs (specify) | - |
| Total Ineligible Costs | (52,500) |
| | |
| Gross Administrative Costs | 1,042,250 |
| | |
| Less: Revenues | |
| Interest Earned | (16,500) |
| Other Revenue/Income (specify) | - |
| Total Revenue | (16,500) |
| | |
| Net Eligible Administrative Costs | 1,025,750 |

## XYZ Agency, Inc.

## Schedule of Administrative Cost - Allegheny County DHS

## For the Year Ended June 30, 20XX

Distribution of Costs

| | Total Allocation | % of Allocation | PY % of Allocation | % Variance |
|---|---|---|---|---|
| Behavioral Health - Mental Health | $38,800 | 3.80% | *Agency* | |
| Mental Retardation | 86,100 | 8.40% | *to* | |
| Early Intervention | 3,500 | 0.30% | *Complete* | |
| Behavioral Health - Drug and Alcohol | 53,400 | 5.20% | | |
| Homeless | 124,600 | 12.10% | | |
| Hunger | 92,300 | 9.00% | | |
| CYF | 197,800 | 19.30% | | |
| OCS | 350,150 | 34.10% | | |
| Aging | 79,100 | 7.70% | | |
| **Total Administrative Costs for all Programs** | **$1,025,750** | **100.00%** | **100.00%** | |

**XYZ, Inc.**
**Schedule of Funding Source Relating to Grants**
**From Allegheny County DHS Programs**
**For the Year Ended June 30, 20XX**

| **Funding Sources** | | | **Amount** |
|---|---|---|---|
| Federal funds: | | | |
| MATP | CFDA# | 93.778 | $ 89,400 |
| CSBG | CFDA# | 93.569 | 149,200 |
| WIA-ADULT | CFDA# | 17.258 | 153,700 |
| WIA-YOUTH | CFDA# | 17.259 | 160,000 |
| EARN | CFDA# | 93.558 | 160,700 |
| TANF | CFDA# | 93.558 | 138,400 |
| AMERICORPS | CFDA# | 94.006 | 178,300 |
| HUD | CFDA# | 14.235 | 854,000 |
| HEAD START | CFDA# | 93.600 | 9,521,500 |
| | | | |
| State funds: | | | |
| MATP | | | 466,900 |
| Human Services Devlp Fund (HSDF) | App. # 106 | | 1,240,400 |
| Head Start | | | 218,400 |
| | | | |
| Other: | | | |
| County Match | | | |
| COUNTY: AFFORDABLE HOUSING | | | 271,800 |
| | | | |
| Allegheny County Contract Amount | | | $ 13,602,700 |

**XYZ, Inc.**

Schedule of Functional Expenditures, Revenues, Contract Amounts

**Relating to Grants from Allegheny County DHS Programs**

**For The Year Ended June 30, 20XX**

**OCS Programs**

| | DHS | | | DCED | Labor and Industry | | | | | HUD | HHS | Alleg Cty | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | MATP | MATP FFS * | HSDF | CSBG | WIA-ADULT | WIA-YOUTH | EARN | TANF | AMERICORPS | HUD SUPPORTIVE HOUSING | HEAD START | Affordable Housing | **TOTAL** |
| **Expenditures** | | | | | | | | | | | | | |
| Personnel Expenses | $130,000 | $320,000 | $1,143,800 | $121,000 | $78,700 | $87,500 | $84,600 | $70,000 | $69,500 | $ - | $6,884,000 | $205,000 | 9,194,100 |
| Administrative Costs | - | - | - | - | 14900 | 15800 | 16300 | 13800 | 17900 | 30550 | 240900 | - | 350,150 |
| Operating Expenses | 24,300 | - | 162,400 | 23,000 | 57,100 | 53,800 | 56,800 | 51,600 | 85,600 | 1,223,450 | 1,090,100 | 66,600 | 2,894,750 |
| Fixed Assets | - | - | 4,700 | 5,200 | 3,000 | 2,900 | 3,000 | 3,000 | 5,300 | - | - | 46,300 | 73,400 |
| Total Expenditures | 154,300 | 403,500 | 1,340,900 | 149,200 | 153,700 | 160,000 | 160,700 | 138,400 | 178,300 | 1,254,000 | 10,330,500 | 319,900 | 14,743,400 |
| Ineligible Expenditures | | | - | | | | | | | | | - | - |
| Gross Eligible Expenditures | 154,300 | 403,500 | 1,340,900 | 149,200 | 153,700 | 160,000 | 160,700 | 138,400 | 178,300 | 1,254,000 | 10,330,500 | 319,900 | 14,743,400 |
| **Revenue and Income** | | | | | | | | | | | | | |
| Program Service Fees | 0 | 0 | 70,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 70,000 |
| Private Insurance | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - |
| Other Third Party Fees | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - |
| Medical Assistance | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - |
| Room and Board | 0 | 0 | - | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - |
| Interest Income | 1,500 | 0 | 500 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 5000 | 7,000 |
| Other (specify) | 0 | 0 | 34,000 | 0 | 0 | 0 | 0 | 0 | 0 | 400000 | 590600 | 2500 | 1,027,100 |
| Total Revenue and Income | 1,500 | - | 104,500 | - | - | - | - | - | - | 400000 | 590600 | 7500 | 1,104,100 |
| | | | | | | | | | | | | | - |
| Net Eligible Expenditures | 152,800 | 403,500 | 1,236,400 | 149,200 | 153,700 | 160,000 | 160,700 | 138,400 | 178,300 | 854,000 | 9,739,900 | 312,400 | 13,639,300 |
| | | | | | | | | | | | | | - |
| Allegheny County Contract Amount | 152,800 | 403,500 | 1,240,400 | 149,200 | 153,700 | 160,000 | 160,700 | 138,400 | 178,300 | 854,000 | 9,739,900 | 271,800 | 13,602,700 |
| | | | | | | | | | | | | | - |
| **Surplus (Deficit) of Contract Amount Over Total Reimbursable Expenditures** | **$ -** | **$ -** | **$4,000** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **-40600** | **-36,600** |

* Fee for Service

**XYZ, INC.**
**DETAIL OF UNIT COSTS TOTALS**
**RELATING TO GRANTS FROM ALLEGHENY COUNTY DHS PROGRAMS**
**FOR THE YEAR ENDING JUNE 30, 20XX**

MATP PROGRAM
**OCS CONTRACT #XXXXX**

| | TOTAL NUMBER OF CLIENTS SERVED FOR THE YEAR | TOTAL NUMBER OF UNDUPLICATED CLIENTS SERVED FOR THE YEAR | TOTAL NUMBER OF ONE WAY TRIPS FOR THE YEAR | UNIT RATE | NET EXPENDITURES (Trips X Rate) | CONTRACT BUDGET | VARIANCE |
|---|---|---|---|---|---|---|---|
| GROUP I - Total Medical Trips for Clients with Eligible MA Codes. (Federally Funded) | 15,600 | 8,700 | 16,250 | $10 | 162,500 | 185,000 | 22,500 |
| GROUP II - Total Medical Trips for Clients with Eligible MA Codes | 21,200 | 11,385 | 24,100 | $10 | 241,000 | 275,500 | 34,500 |
| **TOTAL** | **36,800** | **20,085** | **40,350** | **$10** | **403,500** | **460,500** | **57,000** |

| | |
|---|---|
| **Allegheny County Payments** | **403,500** |
| **Due (To)/From Allegheny County** | **0** |

**NOTE: Amounts from this schedule do not appear on the Schedule of Functional Expenditures, Revenues, Contract Amounts Relating to Grants from Allegheny County DHS Programs. This schedule is to be completed for Fee for Service Expenditures ONLY.**

**XYZ, INC.**
**SCHEDULE OF EXPENDITURES AND INCOME**
**RELATING TO GRANTS FROM ALLEGHENY COUNTY DHS PROGRAMS**
**FOR THE PERIOD ENDING JUNE 30, 20XX**

MATP PROGRAMS
**OCS CONTRACT #XXXXX**

| CATEGORIES | CONTRACT BUDGET | TOTAL COST | VARIANCE |
|---|---|---|---|
| **Expenditures** | | | |
| SALARIES | 125,000 | 110,000 | 15,000 |
| FRINGE BENEFITS | 35,000 | 20,000 | 15,000 |
| TRAVEL - LOCAL | - | - | - |
| TRAVEL - OUT-OF-TOWN | - | - | - |
| RENT | 16,250 | 14,400 | 1,850 |
| UTILITIES | 4,550 | 3,600 | 950 |
| EQUIPMENT - PURCHASED | 2,100 | - | 2,100 |
| EQUIPMENT - RENT/LEASED | - | - | - |
| MATERIALS & SUPPLIES | 5,745 | 5,000 | 745 |
| OTHER | 1,475 | 1,300 | 175 |
| **Revenue** | | | - |
| INTEREST EARNED | -1,000 | -1,500 | 500 |
| TOTALS | **189,120** | **152,800** | **36,320** |
| **Allegheny County Payments** | | **152,800** | |
| **Due (To)/From Allegheny County** | | **0** | |

**XYZ, INC.**
**SCHEDULE OF FUNCTIONAL REVENUE AND EXPENDITURES**
**RELATING TO GRANTS FROM ALLEGHENY COUNTY DHS PROGRAM**
**FOR THE YEAR ENDING JUNE 30, 20XX**

HSDF PROGRAM
**OCS CONTRACT #XXXXX**

| CATEGORIES | CONTRACT BUDGET | TOTAL COST | VARIANCE |
|---|---|---|---|
| **Expenditures** | | | |
| SALARIES | 1,075,300 | 880,600 | 194,700 |
| FRINGE BENEFITS | 365,000 | 263,200 | 101,800 |
| CONTRACTED SERVICES | 35,000 | 30,000 | 5,000 |
| TRAVEL - LOCAL | 3,200 | 2,500 | 700 |
| RENT | 32,000 | 26,700 | 5,300 |
| UTILITIES | 20,900 | 18,900 | 2,000 |
| EQUIPMENT/PURCHASES | 5,000 | 4,700 | 300 |
| EQUIPMENT/RENT OR LEASE | 3,000 | 2,500 | 500 |
| MATERIALS & SUPPLIES | 83,300 | 80,800 | 2,500 |
| OTHER COSTS | 32,500 | 31,000 | 1,500 |
| **Total Expenditures** | 1,655,200 | 1,340,900 | 314,300 |
| | | | |
| **Revenue** | | | |
| PROGRAM SERVICE FEES | 85,000 | 70,000 | 15,000 |
| ROOM AND BOARD | - | - | - |
| INTEREST INCOME | 1,000 | 500 | 500 |
| OTHER (SPECIFY) | 41,000 | 34,000 | 7,000 |
| **Total Revenue** | 127,000 | 104,500 | 22,500 |
| **Net Expenditures** | **1,655,200** | **1,236,400** | **418,800** |

| | |
|---|---|
| **Allegheny County Payments** | **1,240,400** |
| **Due (To)/From Allegheny County** | **(4,000)** |

**SCHEDULE OF FUNCTIONAL EXPENDITURES**
**RELATING TO GRANTS FROM ALLEGHENY COUNTY DHS PROGRAMS**
**FOR THE YEAR ENDING JUNE 30, 20XX**

CSBG PROGRAM
**OCS CONTRACT #XXXXX**

| CATEGORIES | CONTRACT BUDGET | TOTAL COST | VARIANCE |
|---|---|---|---|
| **Administration** | | | |
| Personnel | | | |
| Salaries and Wages | - | - | - |
| Fringe Benefits | - | - | - |
| Total Personnel | - | - | - |
| Operating Expenses | | | |
| Travel | - | - | - |
| Rent/Lease/Usage Allowance | - | - | - |
| Utilities | - | - | - |
| Materials/Supplies | - | - | - |
| Insurance | - | - | - |
| Other Miscellaneous | - | - | - |
| Indirect Costs | | | - |
| Total Administration Operating | - | - | - |
| **Total Administration** | - | - | - |
| **Program Expenses** | | | |
| Personnel | | | |
| Salaries and Wages | 93,900 | 93,077 | 823 |
| Fringe Benefits | 28,170 | 27,923 | 247 |
| Total Personnel | 122,070 | 121,000 | 1,070 |
| Operating Expenses | | | |
| Travel | 1,400 | 1,250 | 150 |
| Rent/Lease/Usage Allowance | 5,000 | 4,900 | 100 |
| Utilities | 1,500 | 1,450 | 50 |
| Materials/Supplies | 8,230 | 8,200 | 30 |
| Insurance | - | - | - |
| Other Miscellaneous | 7,650 | 7,200 | 450 |
| Indirect Costs | - | - | - |
| Work Experience/Internship | - | - | - |
| Wages/Salaries | - | - | - |
| Fringe Benefits | - | - | - |
| Participant Tuition | - | - | - |
| Individual Training Accounts | - | - | - |
| On the Job Training | - | - | - |
| Other Participant | - | - | - |
| Total Operating | 23,780 | 23,000 | 780 |
| Fixed Assets | | | |
| Equipment | 5,250 | 5,200 | 50 |
| Computer Hardware | - | - | - |
| Computer Software | - | - | - |
| Other (Specify) | - | - | - |
| Total Fixed Assets | 5,250 | 5,200 | 50 |
| **Total All Categories** | 151,100 | 149,200 | 1,900 |
| **Allegheny County Payments** | | **149,200** | |
| **Due (To)/From Allegheny County** | | **0** | |

**XYZ, INC.**

**SCHEDULE OF FUNCTIONAL EXPENDITURES**

**RELATING TO GRANTS FROM ALLEGHENY COUNTY DHS PROGRAMS**

**FOR THE YEAR ENDING JUNE 30, 20XX**

WORKFORCE INVESTMENT ACT- ADULT PROGRAM

**OCS CONTRACT #XXXXX**

| CATEGORIES | CONTRACT BUDGET | TOTAL COST | VARIANCE |
|---|---|---|---|
| **Administration** | | | |
| Personnel | | | |
| Salaries and Wages | 11,100 | 9,300 | 1,800 |
| Fringe Benefits | 1,100 | 2,800 | -1,700 |
| Total Personnel | 12,200 | 12,100 | 100 |
| Operating Expenses | | | |
| Travel | 150 | 200 | -50 |
| Rent/Lease/Usage Allowance | 1,300 | 1,200 | 100 |
| Utilities | 450 | 400 | 50 |
| Materials/Supplies | 1,000 | 900 | 100 |
| Insurance | - | - | - |
| Other Miscellaneous | 100 | 100 | - |
| Indirect Costs | | | - |
| Total Administration Operating | 3,000 | 2,800 | 200 |
| **Total Administration** | 15,200 | 14,900 | 300 |
| | | | |
| **Program Expenses** | | | |
| Personnel | | | |
| Salaries and Wages | 80,000 | 69,700 | 10,300 |
| Fringe Benefits | 9,450 | 9,000 | 450 |
| Total Personnel | 89,450 | 78,700 | 10,750 |
| Operating Expenses | | | |
| Travel | 400 | 400 | - |
| Rent/Lease/Usage Allowance | 5,000 | 4,900 | 100 |
| Utilities | 1,500 | 1,450 | 50 |
| Materials/Supplies | 3,750 | 3,500 | 250 |
| Insurance | - | - | - |
| Other Miscellaneous | 2,600 | 2,500 | 100 |
| Indirect Costs | - | - | - |
| Work Experience/Internship | | | |
| Wages/Salaries | 10,000 | 9,900 | 100 |
| Fringe Benefits | 3,000 | 3,050 | -50 |
| Participant Tuition | 35,000 | 14,950 | 20,050 |
| Individual Training Accounts | 26,000 | 16,450 | 9,550 |
| On the Job Training | | | - |
| Other Participant | | | - |
| Total Operating | 87,250 | 57,100 | 30,150 |
| | | | |
| Fixed Assets | | | |
| Equipment | 3,100 | 3,000 | 100 |
| Computer Hardware | | | - |
| Computer Software | | | - |
| Other (Specify) | | | - |
| Total Fixed Assets | 3,100 | 3,000 | 100 |
| | | | |
| **Total All Categories** | 195,000 | 153,700 | 41,300 |
| | | | |
| **Allegheny County Payments** | | **153,700** | |
| **Due (To)/From Allegheny County** | | **0** | |

**XYZ, INC.**
**SCHEDULE OF FUNCTIONAL EXPENDITURES**
**RELATING TO GRANTS FROM ALLEGHENY COUNTY DHS PROGRAMS**
**FOR THE YEAR ENDING JUNE 30, 20XX**

EMPLOYMENT, ADVANCEMENT AND RETENTION NETWORK (EARN)
**OCS CONTRACT #XXXXX**

| CATEGORIES | CONTRACT BUDGET | TOTAL COST | VARIANCE |
|---|---|---|---|
| **Administration** | | | |
| Personnel | | | |
| Salaries and Wages | 11,000 | 10,200 | 800 |
| Fringe Benefits | 3,200 | 3,100 | 100 |
| Total Personnel | 14,200 | 13,300 | 900 |
| | | | |
| Operating Expenses | | | |
| Travel | 150 | 100 | 50 |
| Rent/Lease/Usage Allowance | 1,350 | 1,200 | 150 |
| Utilities | 300 | 500 | -200 |
| Materials/Supplies | 1,000 | 1,000 | - |
| Insurance | - | - | - |
| Other Miscellaneous | 100 | 200 | -100 |
| Indirect Costs | | | - |
| Total Administration Operating | 2,900 | 3,000 | -100 |
| **Total Administration** | 17,100 | 16,300 | 800 |
| | | | |
| **Program Expenses** | | | |
| Personnel | | | |
| Salaries and Wages | 66,000 | 65,000 | 1,000 |
| Fringe Benefits | 23,000 | 19,600 | 3,400 |
| Total Personnel | 89,000 | 84,600 | 4,400 |
| | | | |
| Operating Expenses | | | |
| Travel | 400 | 500 | -100 |
| Rent/Lease/Usage Allowance | 5,000 | 5,100 | -100 |
| Utilities | 1,500 | 1,400 | 100 |
| Materials/Supplies | 4,000 | 3,500 | 500 |
| Insurance | - | - | - |
| Other Miscellaneous | 2,400 | 2,200 | 200 |
| Indirect Costs | - | - | - |
| Work Experience/Internship | | | |
| Wages/Salaries | 12,000 | 11,200 | 800 |
| Fringe Benefits | 6,200 | 3,000 | 3,200 |
| Participant Tuition | 15,000 | 14,000 | 1,000 |
| Individual Training Accounts | 16,000 | 15,900 | 100 |
| On the Job Training | | | - |
| Other Participant | | | - |
| Total Operating | 62,500 | 56,800 | 5,700 |
| | | | |
| Fixed Assets | | | |
| Equipment | 3,100 | 3,000 | 100 |
| Computer Hardware | | | - |
| Computer Software | | | - |
| Other (Specify) | | | - |
| Total Fixed Assets | 3,100 | 3,000 | 100 |
| **Total All Categories** | 171,700 | 160,700 | 11,000 |
| | | | |
| **Allegheny County Payments** | | **160,700** | |

**XYZ, INC.**

**SCHEDULE OF FUNCTIONAL EXPENDITURES**

**RELATING TO GRANTS FROM ALLEGHENY COUNTY DHS PROGRAMS**

**FOR THE YEAR ENDING JUNE 30, 20XX**

WORKFORCE INVESTMENT ACT-YOUTH PROGRAM

**OCS CONTRACT #XXXXX**

| CATEGORIES | CONTRACT BUDGET | TOTAL COST | VARIANCE |
|---|---|---|---|
| **Administration** | | | |
| Personnel | | | |
| Salaries and Wages | 11,100 | 10,100 | 1,000 |
| Fringe Benefits | 3,300 | 3,000 | 300 |
| Total Personnel | 14,400 | 13,100 | 1,300 |
| | | | |
| Operating Expenses | | | |
| Travel | 150 | 100 | 50 |
| Rent/Lease/Usage Allowance | 1,350 | 1,200 | 150 |
| Utilities | 450 | 400 | 50 |
| Materials/Supplies | 1,000 | 900 | 100 |
| Insurance | - | - | - |
| Other Miscellaneous | 100 | 100 | - |
| Indirect Costs | | | - |
| Total Administration Operating | 3,050 | 2,700 | 350 |
| **Total Administration** | 17,450 | 15,800 | 1,650 |
| | | | |
| **Program Expenses** | | | |
| Personnel | | | |
| Salaries and Wages | 81,000 | 78,500 | 2,500 |
| Fringe Benefits | 10,000 | 9,000 | 1,000 |
| Total Personnel | 91,000 | 87,500 | 3,500 |
| | | | |
| Operating Expenses | | | |
| Travel | 400 | 400 | - |
| Rent/Lease/Usage Allowance | 5,000 | 4,900 | 100 |
| Utilities | 1,500 | 1,400 | 100 |
| Materials/Supplies | 3,700 | 3,500 | 200 |
| Insurance | - | - | - |
| Other Miscellaneous | 2,600 | 2,200 | 400 |
| Indirect Costs | - | - | - |
| Work Experience/Internship | | | |
| Wages/Salaries | 14,000 | 11,000 | 3,000 |
| Fringe Benefits | 4,200 | 3,300 | 900 |
| Participant Tuition | 12,000 | 12,500 | -500 |
| Individual Training Accounts | 15,000 | 14,600 | 400 |
| On the Job Training | | | - |
| Other Participant | | | - |
| Total Operating | 58,400 | 53,800 | 4,600 |
| Fixed Assets | | | |
| Equipment | 3,100 | 2,900 | 200 |
| Computer Hardware | | | - |
| Computer Software | | | - |
| Other (Specify) | | | - |
| Total Fixed Assets | 3,100 | 2,900 | 200 |
| **Total All Categories** | 169,950 | 160,000 | 9,950 |
| | | | |
| **Allegheny County Payments** | | **160,000** | |
| **Due (To)/From Allegheny County** | | **0** | |

**XYZ, INC.**

**SCHEDULE OF FUNCTIONAL EXPENDITURES**

**RELATING TO GRANTS FROM ALLEGHENY COUNTY DHS PROGRAMS**

**FOR THE YEAR ENDING JUNE 30, 20XX**

TEMPORARY ASSISTANCE TO NEEDY FAMILIES (TANF)

**OCS CONTRACT #XXXXX**

| CATEGORIES | CONTRACT BUDGET | TOTAL COST | VARIANCE |
|---|---|---|---|
| **Administration** | | | |
| Personnel | | | |
| Salaries and Wages | 9,850 | 8,600 | 1,250 |
| Fringe Benefits | 2,300 | 2,400 | -100 |
| Total Personnel | 12,150 | 11,000 | 1,150 |
| | | | |
| **Operating Expenses** | | | |
| Travel | 150 | 200 | -50 |
| Rent/Lease/Usage Allowance | 1,350 | 1,200 | 150 |
| Utilities | 410 | 400 | 10 |
| Materials/Supplies | 1,000 | 900 | 100 |
| Insurance | - | - | - |
| Other Miscellaneous | 200 | 100 | 100 |
| Indirect Costs | | | - |
| Total Administration Operating | 3,110 | 2,800 | 310 |
| **Total Administration** | 15,260 | 13,800 | 1,460 |
| | | | |
| **Program Expenses** | | | |
| Personnel | | | |
| Salaries and Wages | 54,000 | 53,800 | 200 |
| Fringe Benefits | 16,200 | 16,200 | - |
| Total Personnel | 70,200 | 70,000 | 200 |
| | | | |
| Operating Expenses | | | |
| Travel | 400 | 500 | -100 |
| Rent/Lease/Usage Allowance | 2,500 | 2,500 | - |
| Utilities | 1,500 | 1,400 | 100 |
| Materials/Supplies | 3,750 | 3,400 | 350 |
| Insurance | - | - | - |
| Other Miscellaneous | 2,600 | 2,200 | 400 |
| Indirect Costs | - | - | - |
| Work Experience/Internship | | | |
| Wages/Salaries | 14,000 | 9,800 | 4,200 |
| Fringe Benefits | 4,200 | 2,900 | 1,300 |
| Participant Tuition | 17,900 | 13,000 | 4,900 |
| Individual Training Accounts | 16,295 | 15,900 | 395 |
| On the Job Training | | | - |
| Other Participant | | | - |
| Total Operating | 63,145 | 51,600 | 11,545 |
| Fixed Assets | | | |
| Equipment | 3,100 | 3,000 | 100 |
| Computer Hardware | | | - |
| Computer Software | | | - |
| Other (Specify) | | | - |
| Total Fixed Assets | 3,100 | 3,000 | 100 |
| | | | |
| **Total All Categories** | 151,705 | 138,400 | 13,305 |

| | |
|---|---|
| **Allegheny County Payments** | **138,400** |
| **Due (To)/From Allegheny County** | **0** |

**XYZ, INC.**
**SCHEDULE OF FUNCTIONAL EXPENDITURES**
**RELATING TO GRANTS FROM ALLEGHENY COUNTY DHS PROGRAMS**
**FOR THE YEAR ENDING JUNE 30, 20XX**

AMERICORPS PROGRAM
**OCS CONTRACT #XXXXX**

| CATEGORIES | CONTRACT BUDGET | TOTAL COST | VARIANCE |
|---|---|---|---|
| **Administration** | | | |
| Personnel | | | |
| Salaries and Wages | 9,850 | 8,600 | 1,250 |
| Fringe Benefits | 2,775 | 2,400 | 375 |
| Total Personnel | 12,625 | 11,000 | 1,625 |
| Operating Expenses | | | |
| Travel | 150 | 300 | -150 |
| Rent/Lease/Usage Allowance | 1,350 | 1,200 | 150 |
| Utilities | 410 | 400 | 10 |
| Materials/Supplies | 2,390 | 2,100 | 290 |
| Insurance | - | - | - |
| Other Miscellaneous | 3450 | 2900 | 550 |
| Indirect Costs | | | - |
| Total Administration Operating | 7,750 | 6,900 | 850 |
| **Total Administration** | 20,375 | 17,900 | 2,475 |
| | | | |
| **Program Expenses** | | | |
| Personnel | | | |
| Salaries and Wages | 53,000 | 53,700 | -700 |
| Fringe Benefits | 16,200 | 15,800 | 400 |
| Total Personnel | 69,200 | 69,500 | -300 |
| | | | |
| Operating Expenses | | | |
| Travel | 400 | 600 | -200 |
| Rent/Lease/Usage Allowance | 2,500 | 2,500 | - |
| Utilities | 1,500 | 1,400 | 100 |
| Materials/Supplies | 6,360 | 2,900 | 3,460 |
| Insurance | - | - | - |
| Other Miscellaneous | 5,150 | 2,200 | 2,950 |
| Indirect Costs | - | - | - |
| Work Experience/Internship | | | |
| Wages/Salaries | 62,550 | 59,000 | 3,550 |
| Fringe Benefits | 18,765 | 17,000 | 1,765 |
| Participant Tuition | - | - | - |
| Individual Training Accounts | - | - | - |
| On the Job Training | | | - |
| Other Participant | | | - |
| Total Operating | 97,225 | 85,600 | 11,625 |
| Fixed Assets | | | |
| Equipment | 3,100 | 5,300 | -2,200 |
| Computer Hardware | | | - |
| Computer Software | | | - |
| Other (Specify) | | | - |
| Total Fixed Assets | 3,100 | 5,300 | -2,200 |
| | | | |
| **Total All Categories** | 189,900 | 178,300 | 11,600 |

| | |
|---|---|
| **Allegheny County Payments** | **178,300** |
| **Due (To)/From Allegheny County** | **0** |

**XYZ, INC.**
**SCHEDULE OF FUNCTIONAL EXPENDITURES**
**RELATING TO GRANTS FROM ALLEGHENY COUNTY DHS PROGRAMS**
**FOR THE YEAR ENDING JUNE 30, 20XX**

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD)
**SUPPORTIVE HOUSING PROGRAM**
**OCS CONTRACT #XXXXX**

| CATEGORIES | CONTRACT BUDGET | TOTAL COST | VARIANCE |
|---|---|---|---|
| ACQUISITION | - | | |
| REHABILITATION | - | | |
| NEW CONSTRUCTION | 470,500 | 395,800 | 74,700 |
| OPERATING | 255,000 | 252,550 | 2,450 |
| SUPPORTIVE SERVICES | 600,000 | 575,100 | 24,900 |
| REAL PROPERTY LEASING | - | - | - |
| AGENCY ADMINISTRATION | 34,000 | 30,550 | 3,450 |
| **SUBTOTAL** | 1,359,500 | **1,254,000** | **105,500** |
| Less: AGENCY MATCH | -234,850 | -400,000 | |
| | | - | |
| **TOTALS** | **1,124,650** | **854,000** | |
| **Allegheny County Payments** | | **854,000** | |
| **Due (To)/From Allegheny County** | | **0** | |

**XYZ, INC.**
**SCHEDULE OF INCOME AND EXPENDITURES**
**RELATING TO GRANTS FROM ALLEGHENY COUNTY DHS PROGRAMS**
**FOR THE PERIOD ENDING JUNE 30, 20XX**

HEAD START PROGRAM
**OCS CONTRACT #XXXXX**

| CATEGORIES | CONTRACT BUDGET | TOTAL COST | VARIANCE |
|---|---|---|---|
| **Expenditures** | | | |
| PERSONNEL FEDERAL | 5,323,000 | 5,295,000 | 28,000 |
| FRINGE BENEFITS FEDERAL | 1,597,000 | 1,589,000 | 8,000 |
| EQUIPMENT FEDERAL | - | - | - |
| SUPPLIES FEDERAL | 205,300 | 181,400 | 23,900 |
| CONTRACTUAL FEDERAL | 2,120,000 | 2,115,500 | 4,500 |
| OTHER COSTS FEDERAL | 692,000 | 690,300 | 1,700 |
| INDIRECT COSTS FEDERAL | 241,000 | 240,900 | 100 |
| Total Federal Expenditures | 10,178,300 | 10,112,100 | 66,200 |
| **Revenues** | | | |
| U.S.D.A.SUBSIDY | -505,800 | -500,800 | -5,000 |
| CHILDCARE SUBSIDY | -91,800 | -89,800 | -2,000 |
| Total Revenues | -597,600 | -590,600 | -7,000 |
| **FEDERAL TOTALS** | **9,580,700** | **9,521,500** | **59,200** |
| **NON-FEDERAL** | | **218,400** | |
| **TOTALS** | | **9,739,900** | |
| **Allegheny County Payments** | | **9,739,900** | |
| **Due (To)/From Allegheny County** | | **0** | |

**XYZ, INC.**
**SCHEDULE OF INCOME AND EXPENDITURES**
**RELATING TO GRANTS FROM ALLEGHENY COUNTY**
**FOR THE PERIOD ENDING JUNE 30, 20XX**

AFFORDABLE HOUSING PROGRAM
**OCS CONTRACT #XXXXX**

| CATEGORIES | CONTRACT BUDGET | TOTAL COST | VARIANCE |
|---|---|---|---|
| **Expenditures** | | | |
| Personnel | | | |
| Wages and Salaries | 187,500 | 185,000 | 2,500 |
| Benefits | 19,000 | 18,000 | 1,000 |
| Training/Conferences | 2,100 | 2,000 | 100 |
| Total Personnel | 208,600 | 205,000 | 3,600 |
| Operating | | | |
| Rent | 9,700 | 9,600 | 100 |
| Communications | 1,100 | 1,200 | -100 |
| Insurance | 5,000 | 4,800 | 200 |
| Legal Services/Audits | 1,100 | 1,000 | 100 |
| Supplies | 1,300 | 1,500 | -200 |
| Staff Travel | 1,800 | 1,700 | 100 |
| Overhead | 1,000 | - | 1,000 |
| Systems Consultants | 26,100 | 26,000 | 100 |
| Occupancy Costs | 800 | 500 | 300 |
| Total Operating | 47,900 | 46,300 | 1,600 |
| Fixed Assets | | | |
| Real Property | 26,200 | 25,000 | 1,200 |
| Equipment | 13,000 | 12,500 | 500 |
| Furnishings/Appliances | 2,300 | 2,200 | 100 |
| Repairs | 3,000 | 3,600 | -600 |
| Renovations | 3,300 | 3,000 | 300 |
| Total Fixed Assets | 47,800 | 46,300 | 1,500 |
| Client Expenses: | | | |
| Rental Assistance | 5,500 | 5,400 | 100 |
| Security Deposits | 1,600 | 1,600 | - |
| Utilities | 3,700 | 3,600 | 100 |
| Food | 8,300 | 8,200 | 100 |
| Transportation | 1,500 | 1,500 | - |
| Purchased Services | 2,200 | 2,000 | 200 |
| Total Client | 22,800 | 22,300 | 500 |
| **Total Expenditures** | **327,100** | **319,900** | **7,200** |
| **Revenue** | | | |
| Interest Earned | 6,000 | 5,000 | 1,000 |
| Client Contributions | 2,000 | - | 2,000 |
| Other: (Specify) | 3,000 | 2,500 | 500 |
| **Total Revenue** | **11,000** | **7,500** | **3,500** |
| **Net Reimbursable Expenditures** | **316,100** | **312,400** | **3,700** |
| **Allegheny County Payments** | | **271,800** | |
| **Due (To)/From Allegheny County** | | **40,600** | |

**From Allegheny County DHS Programs**
**For the Year Ended June 30, 20XX**

Hunger / PA Department of Agriculture
**Contract # XXXXX**

| **Funding Sources** | | **Amount** |
|---|---|---|
| Federal funds: | | |
| The Emergency Food Assistance Program (TEFAP) | CFDA# 10.569 | $ 862,000 |
| State funds: | | |
| Department of Agriculture | Appr. # 106 | 225,000 |
| Other: | | |
| Allegheny County Contract Amount | | $ 1,087,000 |

**XYZ, Inc.**
**Schedule of Functional Expenditures, Revenues, Contract Amounts**
**Relating to Grants from Allegheny County DHS Programs**
**For The Year Ended June 30, 20XX**

Hunger Programs / PA Department of Agriculture
**Contract # XXXXX**

| | TEFAP | SFPP | TOTAL |
|---|---|---|---|
| **Expenditures** | | | |
| Personnel Expenses | 593,400 | 135,000 | 728,400 |
| Administrative Costs | 72,900 | 19,400 | 92,300 |
| Operating Expenses | 174,800 | 60,000 | 234,800 |
| Purchased Treatment | 43,300 | 31,400 | 74,700 |
| Fixed Assets | 36,500 | 26,400 | 62,900 |
| Total Expenditures | 920,900 | 272,200 | 1,193,100 |
| Ineligible Expenditures | | -2,300 | (2,300) |
| Gross Eligible Expenditures | 920,900 | 269,900 | 1,190,800 |
| **Revenue and Income** | | | |
| Program Service Fees | - | - | - |
| Private Insurance | - | - | - |
| Other Third Party Fees | - | - | - |
| Medical Assistance | | | |
| Room and Board | 65,700 | 47,600 | 113,300 |
| Interest Income | 4,500 | 3,200 | 7,700 |
| Other (specify) | 8,500 | 6,200 | 14,700 |
| Total Revenue and Income | 78,700 | 57,000 | 135,700 |
| Net Eligible Expenditures | 842,200 | 212,900 | 1,055,100 |
| Retained Revenue | N/A | N/A | N/A |
| Total Reimbursable Expenditures | 842,200 | 212,900 | 1,055,100 |
| Allegheny County Contract Amount | 862,000 | 225,000 | 1,087,000 |
| **Surplus (Deficit) of Contract Amount Over Total Reimbursable Expenditures** | **19,800** | **12,100** | **31,900** |

**XYZ, Inc.**
**Schedule of Funding Sources Relating to Grants**
**From Allegheny County DHS Programs**
**For the Year Ended June 30, 20XX**

Homeless / DHS
**Contract # XXXXX**

| **Funding Sources** | | **Amount** |
|---|---|---|
| Federal funds: | | |
| Block Grants for Prevention and Treatment of Substance Abuse | CFDA# 93.959 | $ 84,500 |
| State funds: Homeless Assistance Programs | Appr. # 160 | $ 413,584 |
| Other: | | |
| Allegheny County Contract Amount | | $ 498,084 |

**XYZ, Inc.**

**Schedule of Functional Expenditures, Revenues, Contract Amounts**

**Relating to Grants from Allegheny County DHS Programs**

**For The Year Ended June 30, 20XX**

Homeless Programs / DHS

**Contract # XXXXX**

| | Case Management | Housing Assistance | PennFree Bridge Housing | Bridge Housing | Emergency Shelter | TOTAL |
|---|---|---|---|---|---|---|
| **Expenditures** | | | | | | |
| Personnel Expenses | $82,200 | $16,000 | $68,600 | $126,200 | $ - | $293,000 |
| Administrative Costs | 7,900 | 8,200 | - | 108,500 | - | $124,600 |
| Operating Expenses | 5,400 | 2,400 | 19,400 | 26,200 | 68,584 | $121,984 |
| Purchased Treatment | - | - | - | - | - | - |
| Fixed Assets | 2,600 | 1,000 | - | 6,000 | - | $9,600 |
| Total Expenditures | 98,100 | 27,600 | 88,000 | 266,900 | 68,584 | 549,184 |
| Ineligible Expenditures | - | - | - | - | | - |
| Gross Eligible Expenditures | 98,100 | 27,600 | 88,000 | 266,900 | 68,584 | 549,184 |
| **Revenue and Income** | | | | | | |
| Program Service Fees | - | - | - | - | - | - |
| Private Insurance | - | - | - | - | - | - |
| Other Third Party Fees | - | - | - | - | - | - |
| Medical Assistance | - | - | - | - | - | - |
| Room and Board | - | - | - | - | - | - |
| Interest Income | 900 | 300 | 700 | 1,500 | 500 | 3,900 |
| Other (specify) | 6,600 | 1,200 | 700 | 20,200 | 400 | 29,100 |
| Total Revenue and Income | 7,500 | 1,500 | 1,400 | 21,700 | 900 | 33,000 |
| Net Eligible Expenditures | 90,600 | 26,100 | 86,600 | 245,200 | 67,684 | 516,184 |
| Retained Revenue | N/A | N/A | N/A | N/A | N/A | N/A |
| Total Reimbursable Expenditures | 90,600 | 26,100 | 86,600 | 245,200 | 67,684 | 516,184 |
| Allegheny County Contract Amount | 79,000 | 28,800 | 84,500 | 240,600 | 65,184 | 498,084 |
| **Surplus (Deficit) of Contract Amount Over Total Reimbursable Expenditures** | **($11,600)** | **$2,700** | **($2,100)** | **($4,600)** | **($2,500)** | **($18,100)** |

**XYZ, Inc.**
**Combined Homeless Assistance Detailed Expenditure Report**
**For The Year Ended June 30, 20XX**

Homeless Programs / DHS
**Contract # XXXXX**

| | Case Management | Housing Assistance | PennFree Bridge Housing | Bridge Housing | Emergency Shelter | TOTAL |
|---|---|---|---|---|---|---|
| **Expenditures** | | | | | | |
| Personnel | | | | | | |
| Wages and Salaries | $77,700 | $14,100 | $65,300 | $84,840 | $ - | $241,940 |
| Benefits | 4,200 | 1,900 | 3,300 | 36,360 | - | 45,760 |
| Training/Conferences | 300 | - | - | 5,000 | - | 5,300 |
| Total Personnel | 82,200 | 16,000 | 68,600 | 126,200 | - | 293,000 |
| Administrative | 7,900 | 8,200 | - | 108,500 | - | 124,600 |
| Operating | | | | | | |
| Rent | 3,000 | - | 1,600 | 12,000 | - | 16,600 |
| Communications | - | 200 | - | 1,350 | - | 1,550 |
| Insurance | 1,500 | 250 | 1,500 | 2,050 | - | 5,300 |
| Legal Services/Audits | 500 | 400 | 500 | 3,500 | - | 4,900 |
| Supplies | 400 | 30 | 210 | 2,180 | 29,484 | 32,304 |
| Staff Travel | - | - | - | 1,320 | - | 1,320 |
| System Consultants | - | - | - | 3,500 | - | 3,500 |
| Occupancy Costs | - | - | - | - | - | - |
| Total Operating | 5,400 | 880 | 3,810 | 25,900 | 29,484 | 65,474 |
| Fixed Assets | | | | | | |
| Real Property | 2,600 | 1,000 | - | - | - | 3,600 |
| Equipment | - | - | - | 6,000 | - | 6,000 |
| Furnishings/Appliances | - | - | - | - | - | - |
| Repairs | - | - | - | - | - | - |
| Renovations | - | - | - | - | - | - |
| Total Fixed Assets | 2,600 | 1,000 | - | 6,000 | - | 9,600 |
| Client Expenses | | | | | | |
| Food | - | - | 2,190 | - | - | 2,190 |
| Rental Assistance | - | - | 13,000 | - | 3,800 | 16,800 |
| Security Deposits | - | 1,520 | - | - | - | 1,520 |
| Utilities | - | - | - | - | - | - |
| Mass Shelter (nights) | - | - | - | - | 35,300 | 35,300 |
| Purchased Services | - | - | - | - | - | - |
| Transportation | - | - | - | - | - | - |
| Motel/Hotel/Boarding Home | - | - | 400 | 300 | - | 700 |
| Total Client Expenses | - | 1,520 | 15,590 | 300 | 39,100 | 56,510 |
| **Total Expenditures** | 98,100 | 27,600 | 88,000 | 266,900 | 68,584 | 549,184 |

**XYZ, Inc.**
**Schedule of Funding Sources Relating to Grants**
**From Allegheny County DHS Programs**
**For the Year Ended June 30, 20XX**

Behavioral Health - Drug and Alcohol / DDAP
**Contract # XXXXX**

| **Funding Sources** | | **Amount** |
|---|---|---|
| Federal funds: | | |
| Block Grants for Prevention and Treatment of Substance Abuse | CFDA# 93.959 | 170,000 |
| State funds: | | |
| DOH - DA OPS | Appr. # 10-653 | 265,000 |
| DOH - BHSI | Appr. # 10262 | 226,900 |
| Other: | | |
| County Match | | 17,000 |
| Allegheny County Contract Amount | | 678,900 |

**For The Year Ended June 30, 20XX**

Behavioral Health - Drug and Alcohol Programs

**Contract # XXXXX**

| | Education Information | Inpatient Non-Hospital Detox | Inpatient Non-Hospital Res Treat & Rehab | Outpatient Drug Free | Partial | TOTAL |
|---|---|---|---|---|---|---|
| **Expenditures** | | | | | | |
| Personnel Expenses | $13,300 | $63,800 | $385,000 | $22,400 | $26,500 | $511,000 |
| Administrative Costs | 4,500 | 7,000 | 38,000 | 1,900 | 2,000 | 53,400 |
| Operating Expenses | 4,500 | 21,500 | 135,000 | 8,000 | 9,400 | 178,400 |
| Purchased Treatment | - | | - | - | - | - |
| Fixed Assets | - | | 7,200 | - | - | 7,200 |
| Total Expenditures | 22,300 | 92,300 | 565,200 | 32,300 | 37,900 | 750,000 |
| Ineligible Expenditures | | | | | | - |
| Gross Eligible Expenditures | 22,300 | 92,300 | 565,200 | 32,300 | 37,900 | 750,000 |
| **Revenue and Income** | | | | | | |
| Program Service Fees | 700 | 3,300 | 19,600 | 1,200 | 1,400 | 26,200 |
| Private Insurance | - | - | 37,600 | - | 2,600 | 40,200 |
| Other Third Party Fees | - | 1,500 | - | - | - | 1,500 |
| Medical Assistance | - | - | 97,800 | - | 6,700 | 104,500 |
| Room and Board | - | - | - | - | - | - |
| Interest Income | - | - | 500 | - | - | 500 |
| Other (specify) | 2,400 | - | 15,000 | 5,800 | 1,000 | 24,200 |
| Total Revenue and Income | 3,100 | 4,800 | 170,500 | 7,000 | 11,700 | 197,100 |
| Net Eligible Expenditures | 19,200 | 87,500 | 394,700 | 25,300 | 26,200 | 552,900 |
| Retained Revenue | N/A | N/A | N/A | N/A | N/A | N/A |
| Total Reimbursable Expenditures | 19,200 | 87,500 | 394,700 | 25,300 | 26,200 | 552,900 |
| Allegheny County Contract Amount | 19,200 | 115,000 | 480,200 | 31,300 | 33,200 | 678,900 |
| **Surplus (Deficit) of Contract Amount Over Total Reimbursable Expenditures** | **$ -** | **$27,500** | **$85,500** | **$6,000** | **$7,000** | **$126,000** |

**XYZ, Inc.**
**Allegheny County DHS**
**Schedule of Units Of Service for the Year Ending June 30, 20XX**

Behavior Health - Drug and Alcohol
**Contract #XXXXX**

| Cost Center | CCBHO Service Code | Budgeted Units of Svc. | Actual Units of Svc. (1) | Contract Billing Rate (2) | Gross Fee For Service Reimbursement | Other Revenue (3) | Net Fee For Service Reimbursement |
|---|---|---|---|---|---|---|---|
| **Inpatient Non-Hosp Detox - 82A** | | | | | | | |
| Base | H0013 | 650 | 600 | $68.40 | $41,040 | | |
| BHSI | H0013 | 650 | 700 | 68.40 | 47,880 | | |
| Act 152 | H0013 | 375 | 400 | 68.40 | 27,360 | | |
| *82A Total* | | | 1,700 | | 116,280 | 4,800 | $111,480 |
| **Inpatient Non-Hosp Res. Treat & Rehab - 82B** | | | | | | | |
| Base | H2036 | 2100 | 2,000 | 105.00 | 210,000 | | |
| BHSI | H2036 | 2900 | 3,000 | 105.00 | 315,000 | | |
| Act 152 | H2036 | 1500 | 1,500 | 105.00 | 157,500 | | |
| *82B Total* | | | 6,500 | | 682,500 | 170,500 | $512,000 |
| **Outpatient - Drug Free - 86A1** | | | | | | | |
| Assessment/Intake - Base | 90806 FD | 150 | 160 | 83.00 | 13,280 | | |
| Assessment/Intake - BHSI | 90806 FD | 150 | 150 | 83.00 | 12,450 | | |
| Urinalysis - Base | H0001 UB | 1200 | 1,125 | 3.00 | 3,375 | | |
| Urinalysis - BHSI | H0001 UB | 400 | 375 | 3.00 | 1,125 | | |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Individual Counseling - Family Collateral - Base | 90804 | 50 | 50 | 30.00 | 1,500 | | |
| Individual Counseling - Family Collateral - BHSI | 90804 | 50 | 40 | 30.00 | 1,200 | | |
| Case Management - Base | T1017 | 75 | 75 | 12.00 | 900 | | |
| Case Management - BHSI | T1017 | 175 | 150 | 12.00 | 1,800 | | |
| *86A1 Total* | | | 2,125 | | 35,630 | 7,000 | $28,630 |
| **Partial - 85** | | | | | | | |
| Assessment/Intake - Base | 90806 FD | 80 | 75 | 83.00 | 6,225 | | |
| Assessment/Intake - BHSI | 90806 FD | 80 | 75 | 83.00 | 6,225 | | |
| Urinalysis - Base | H0001 SC | 1500 | 1,400 | 10.00 | 14,000 | | |
| Urinalysis - BHSI | H0001 SC | 950 | 1,000 | 10.00 | 10,000 | | |
| Individual Counseling - Family Collateral - Base | 90804 | 150 | 125 | 30.00 | 3,750 | | |
| Individual Counseling - Family Collateral - BHSI | 90804 | 130 | 100 | 30.00 | 3,000 | | |
| Case Management - Base | T1017 | 150 | 175 | 12.00 | 2,100 | | |
| Case Management - BHSI | T1017 | 200 | 200 | 12.00 | 2,400 | | |
| *85 Total* | | | 3,150 | | $47,700 | 11,700 | $36,000 |

**Comments:**

1. Units must be reconciled to ALDA.
2. Contract/Billing rate must agree to the applicable Work Statement by cost center and service.
3. Other Revenue must agree with the Total Revenue and Income figure displayed on the "Schedule of Functional Expenditures..."
4. CCBHO activity must not be included on this schedule.

**XYZ, Inc.**
**Schedule of Funding Sources Relating to Grants**
**From Allegheny County DHS Programs**
**For the Year Ended June 30, 20XX**

Behavioral Health - Mental Health / DHS
**Contract # XXXXX**

| **Funding Sources** | | **Amount** |
|---|---|---|
| Federal funds: | | |
| CMHBG | CFDA# 93.958 | $ 45,000 |
| SSBG | CFDA# 93.667 | 50,000 |
| State funds: | | |
| CHIPP | Appr. # 10248 | 35,000 |
| State Maintenance | Appr. # 10248 | 80,000 |
| Other: | | |
| County Match | | 23,000 |
| Allegheny County Contract Amount | | $ 233,000 |

**XYZ, Inc.**
**Schedule of Functional Expenditures, Revenues, Contract Amounts**
**Relating to Grants from Allegheny County DHS Programs**
**For The Year Ended June 30, 20XX**
Behavioral Health - Mental Health Programs
**Contract # XXXXX**

| | Outpatient (FFS) | Intensive Case Management (FFS) | Facility-Based Voc. Services (PF) | Resource Coordination (FFS) | Family Support Svcs. (PF) | TOTAL |
|---|---|---|---|---|---|---|
| **Expenditures** | | | | | | |
| Personnel Expenses | $54,800 | $57,100 | $60,700 | $6,200 | $40,300 | $219,100 |
| Administrative Costs | 7,600 | 10,100 | 10,100 | 1,500 | 9,500 | 38,800 |
| Operating Expenses | 10,200 | 13,200 | 14,100 | 1,100 | 12,300 | 50,900 |
| Purchased Treatment | - | 1,400 | - | - | - | 1,400 |
| Fixed Assets | 900 | 1,500 | - | - | - | 2,400 |
| Total Expenditures | 73,500 | 83,300 | 84,900 | 8,800 | 62,100 | 312,600 |
| Ineligible Expenditures | | | | | | - |
| Gross Eligible Expenditures | 73,500 | 83,300 | 84,900 | 8,800 | 62,100 | 312,600 |
| **Revenue and Income** | | | | | | |
| Program Service Fees | - | - | - | 500 | - | 500 |
| Private Insurance | - | 2,700 | 3,900 | - | 2,800 | 9,400 |
| Other Third Party Fees | - | - | - | - | 21,500 | 21,500 |
| Medical Assistance | - | 5,100 | 29,300 | - | 4,200 | 38,600 |
| Room and Board | 3,200 | 1,200 | 4,300 | - | - | 8,700 |
| Interest Income | - | - | 200 | 100 | 1,200 | 1,500 |
| Other (specify) | 2,400 | 1,200 | 2,200 | 200 | - | 6,000 |
| Total Revenue and Income | 5,600 | 10,200 | 39,900 | 800 | 29,700 | 86,200 |
| Net Eligible Expenditures | 67,900 | 73,100 | 45,000 | 8,000 | 32,400 | 226,400 |
| Retained Revenue | 1,000 | - | 700 | - | - | 1,700 |
| Total Reimbursable Expenditures | 68,900 | 73,100 | 45,700 | 8,000 | 32,400 | 228,100 |
| Allegheny County Contract Amount | 75,000 | 70,000 | 50,000 | 8,000 | 30,000 | 233,000 |
| **Surplus (Deficit) of Contract Amount Over Total Reimbursable Expenditures** | **$6,100** | **($3,100)** | **$4,300** | **$ -** | **($2,400)** | **$4,900** |

**XYZ, Inc.**
**Allegheny County DHS**
**Schedule of Units of Service**
**For The Year Ending June 30, 20XX**

Behavioral Health - Mental Health
**Contract # XXXXX**

| Cost Center | Budgeted Units of Service | Actual Units of Service (1) | Contract/ Billing Rate (2) | Gross Fee for Service Reimbursement | Other Revenue (3) | Net Fee for Service Reimbursement |
|---|---|---|---|---|---|---|
| **Outpatient** | | | | | | |
| Individual Therapy | 325 | 300 | 55.00 | $16,500 | $ - | $16,500 |
| Group Therapy | 1000 | 950 | 16.00 | 15,200 | - | 15,200 |
| Family Therapy | 375 | 400 | 55.00 | 22,000 | - | 22,000 |
| Psychiatric Evaluation | 75 | 65 | 110.00 | 7,150 | - | 7,150 |
| Clinical Evaluation | 125 | 110 | 73.00 | 8,030 | - | 8,030 |
| Medication Check | 400 | 400 | 24.00 | 9,600 | - | 9,600 |
| *Outpatient Total* | 2300 | 2,225 | | 78,480 | 5,600 | $72,880 |
| **Intensive Case Management** | | | | | | |
| FFP | 800 | 761 | 12.50 | 9,513 | 5,100 | 4,413 |
| Non-FFP | 5700 | 5,602 | 12.50 | 70,025 | 5,100 | 64,925 |
| *ICM Total* | 6500 | 6,363 | | 79,538 | 10,200 | $69,338 |
| **Resource Coordination** | | | | | | |
| FFP | | - | 12.00 | - | - | - |
| Non-FFP | 700 | 700 | 12.00 | 8,400 | 800 | 7,600 |
| *RC Total* | 700 | 700 | | $8,400 | 800 | $7,600 |

**Comments:**
1. DHS will prepare the final Audit reconciliation for the fiscal year-end based upon the units submitted and accepted by eCAPS through 12/31/xx.
2. Contract/Billing rate is to agree to the applicable Work Statement by cost center and service.
3. Other revenue must agree with the figures reported on the "Schedule of Functional Expenditures…"

**XYZ, Inc.**
**Schedule of Functional Expenditures, Revenues, Contract Amounts**
**Relating to Grants from Allegheny County DHS Programs**
**For The Year Ended June 30, 20XX**

Mental Retardation Programs
**Contract # XXXXX**

| | Mental Retardation TOTAL |
|---|---|
| **Expenditures** | |
| Personnel Expenses | $682,300 |
| Administrative Costs | 86,100 |
| Operating Expenses | 132,300 |
| Purchased Treatment | 3,300 |
| Fixed Assets | 24,600 |
| Total Expenditures | 928,600 |
| Ineligible Expenditures | -3,500 |
| Gross Eligible Expenditures | 925,100 |
| | |
| **Revenue and Income** | |
| Program Service Fees | - |
| Private Insurance | - |
| Other Third Party Fees | - |
| Medical Assistance | 121,350 |
| Room and Board | - |
| Interest Income | 6,200 |
| Other (specify) | 9,800 |
| Total Revenue and Income | 137,350 |
| | |
| Net Eligible Expenditures | 787,750 |
| Retained Revenue | 1,600 |
| Total Reimbursable Expenditures | 789,350 |
| | |
| Allegheny County Contract Amount | 789,375 |
| | |
| **Surplus (Deficit) of Contract Amount Over Total Reimbursable Expenditures** | **$25** |

**XYZ, Inc.**
**Schedule of Funding Sources Relating to Grants**
**From Allegheny County DHS Programs**
**For the Year Ended June 30, 20XX**

Mental Retardation / DHS
**Contract # XXXXX**

| **Funding Sources** | | **Amount** |
|---|---|---|
| Federal funds: | | |
| SSBG | CFDA# 93.667 | 548,000 |
| State funds: | | |
| Base Maintenance | Appr. # 10255 | 199,500 |
| Other: | | |
| County Match | | 41,875 |
| Allegheny County Contract Amount | | 789,375 |

**XYZ, Inc.**
**Schedule of Functional Expenditures, Revenues, Contract Amounts**
**Relating to Grants from Allegheny County DHS Programs**
**For The Year Ended June 30, 20XX**
Mental Retardation Programs
**Contract # XXXXX**

| | Supports Coordination | Family Support Services | Employment Services | Residential Services | TOTAL |
|---|---|---|---|---|---|
| **Expenditures** | | | | | |
| Personnel Expenses | $392,000 | $121,900 | $81,100 | $87,300 | $682,300 |
| Administrative Costs | 36,600 | 29,100 | 9,800 | 10,600 | 86,100 |
| Operating Expenses | 62,000 | 13,500 | 27,300 | 29,500 | 132,300 |
| Purchased Treatment | - | - | 1,600 | 1,700 | 3,300 |
| Fixed Assets | 10,000 | 6,300 | 4,000 | 4,300 | 24,600 |
| Total Expenditures | 500,600 | 170,800 | 123,800 | 133,400 | 928,600 |
| Ineligible Expenditures | -2,600 | - | -400 | -500 | -3,500 |
| Gross Eligible Expenditures | 498,000 | 170,800 | 123,400 | 132,900 | 925,100 |
| **Revenue and Income** | | | | | |
| Program Service Fees | - | - | - | - | - |
| Private Insurance | - | - | - | - | - |
| Other Third Party Fees | | | | | |
| Medical Assistance | 97,350 | - | - | 24,000 | 121,350 |
| Room and Board | - | - | - | - | - |
| Interest Income | 1,000 | - | 1,800 | 3,400 | 6,200 |
| Other (specify) | - | - | 9,800 | - | 9,800 |
| Total Revenue and Income | 98,350 | - | 11,600 | 27,400 | 137,350 |
| Net Eligible Expenditures | 399,650 | 170,800 | 111,800 | 105,500 | 787,750 |
| Retained Revenue | - | - | | 1,600 | 1,600 |
| Total Reimbursable Expenditures | 399,650 | 170,800 | 111,800 | 107,100 | 789,350 |
| Allegheny County Contract Amount | 400,000 | 168,875 | 112,500 | 108,000 | 789,375 |
| **Surplus (Deficit) of Contract Amount Over Total Reimbursable Expenditures** | **$350** | **($1,925)** | **$700** | **$900** | **$25** |

**XYZ, Inc.**
**Allegheny County DHS**
**Schedule of Units of Service**
**For The Year Ending June 30, 20XX**

Behavioral Health – Mental Retardation
**Contract # XXXXX**

| Cost Centers / Categories | Budgeted Units of Service | Actual Units of Service | Gross Eligible Expenditures | Other Revenue | Net Eligible Expenditures |
|---|---|---|---|---|---|
| Supports Coordination | 56,700 | 57,000 | 498,000 | 98,350 | 399,650 |
| Family Support Services | 6,800 | 7,000 | 170,800 | 0 | 170,800 |
| Employment Services | 4,400 | 4,300 | 123,400 | 11,600 | 111,800 |
| Residential Services | 2,200 | 2,100 | 132,900 | 27,400 | 105,500 |
| GROSS ELIGIBLE EXPENDITURES | | | $925,100 | $137,350 | $787,750 |

# XYZ, Inc.
# Schedule of Funding Source Relating to Grants From Allegheny County DHS Programs For the Year Ended June 30, 20XX

CYF

Contract # XXXXX

| **Funding Sources** | | **Total Amount** |
|---|---|---|
| Federal funds: | | |
| TANF | CFDA# 93.558 | $ 181,300 |
| IV-E | CFDA# 99.658 | 1,900,000 |
| State funds: | | |
| Act 148 | | 337,100 |
| Other: | | |
| County Match | | 24,200 |
| Allegheny County Contract Amount | | $ 2,442,600 |

**Comments:**

1. The above funding sources are not all inclusive and should include Juvenile Court funded services, if applicable.

2. Total must agree or be reconciled with the Allegheny County DHS CYF - Funding Source Confirmation.

**XYZ, Inc.**
**Schedule of Functional Expenditures, Revenues, Contract Amounts**
**Relating to Grants from Allegheny County DHS Programs**
**For The Year Ended June 30, 20XX**

CYF Programs
Contract # XXXXX

| | Foster Homes | Emergency Shelter | Family Preservation | Family Support | Group Homes | TOTAL |
|---|---|---|---|---|---|---|
| **Expenditures** | | | | | | |
| Personnel Expenses | $1,118,000 | $50,800 | $17,800 | $29,200 | $10,800 | $1,226,600 |
| Administrative Costs | 174,000 | 9,900 | 4,000 | 7,900 | 2,000 | 197,800 |
| Operating Expenses | 906,100 | 9,600 | 5,000 | 4,400 | 3,300 | 928,400 |
| Purchased Treatment | 23,000 | 56,000 | - | - | - | 79,000 |
| Fixed Assets | 3,500 | 1,400 | 1,000 | 900 | 300 | 7,100 |
| Total Expenditures | 2,224,600 | 127,700 | 27,800 | 42,400 | 16,400 | 2,438,900 |
| Ineligible Expenditures | | | | | | - |
| Gross Eligible Expenditures | 2,224,600 | 127,700 | 27,800 | 42,400 | 16,400 | 2,438,900 |
| **Revenue and Income** | | | | | | |
| Program Service Fees | | | | | | - |
| Private Insurance | | | | | | - |
| Medical Assistance | | | | | | |
| Interest Income | - | - | - | 300 | - | 300 |
| Other (specify) | | | | | | - |
| Total Revenue and Income | - | - | - | 300 | - | 300 |
| Net Eligible Expenditures | 2,224,600 | 127,700 | 27,800 | 42,100 | 16,400 | 2,438,600 |
| Retained Revenue | N/A | N/A | N/A | N/A | N/A | N/A |
| Total Reimbursable Expenditures | 2,224,600 | 127,700 | 27,800 | 42,100 | 16,400 | 2,438,600 |
| Allegheny County Contract Amount | 2,225,000 | 132,000 | 28,000 | 42,100 | 15,500 | 2,442,600 |
| **Surplus (Deficit) of Contract Amount Over Total Reimbursable Expenditures** | **$400** | **$4,300** | **$200** | **$ -** | **($900)** | **$4,000** |

**XYZ, Inc.**
**Schedule of Detailed Functional Expenditures**
**Relating to Allegheny County CYF Programs**
**For The Year Ended June 30, 20XX**
CYF
Contract # XXXXX

| | Foster Homes | Emergency Shelter | Family Preservation | Family Support | Group Homes | TOTAL |
|---|---|---|---|---|---|---|
| **Personnel Expenses** | | | | | | |
| Wages & Salaries | $900,000 | $43,200 | $15,100 | $23,700 | $8,900 | $990,900 |
| Employee Benefits | 180,000 | 6,700 | 2,200 | 3,900 | 1,300 | 194,100 |
| Staff Development | 36,000 | 800 | 500 | 1,500 | 600 | 39,400 |
| Recruitment | 2,000 | 100 | - | 100 | - | 2,200 |
| Total Personnel | 1,118,000 | 50,800 | 17,800 | 29,200 | 10,800 | 1,226,600 |
| **Administrative Costs** | 174,000 | 9,900 | 4,000 | 7,900 | 2,000 | 197,800 |
| **Operating Expenses** | | | | | | |
| Rent | 22,000 | 4,100 | 1,500 | 2,100 | 1,100 | 30,800 |
| Repairs | 2,600 | 300 | 100 | 200 | 300 | 3,500 |
| Utilities | 1,100 | 400 | 200 | 100 | 100 | 1,900 |
| Supplies | 1,600 | 200 | 100 | 100 | 100 | 2,100 |
| Communications | 3,000 | 500 | 300 | 200 | 100 | 4,100 |
| Travel | 4,600 | 600 | 200 | - | - | 5,400 |
| Equipment Rental | 1,800 | 400 | 500 | 200 | 200 | 3,100 |
| Equipment Repair | 2,100 | 300 | 200 | 100 | 100 | 2,800 |
| Equipment Misc | 1,200 | 400 | 300 | 200 | 200 | 2,300 |
| Vehicle | 5,100 | 900 | 700 | 600 | 500 | 7,800 |
| Library | 900 | 700 | 500 | 300 | 300 | 2,700 |
| Insurance & Bonding | 4,400 | 400 | 300 | 200 | 200 | 5,500 |
| Foster Parent Payments | 850,000 | - | - | - | - | 850,000 |
| Membership Fees | 800 | 100 | 100 | 100 | 100 | 1,200 |
| Other (Specify) | 4,900 | 300 | - | - | - | 5,200 |
| Total Operating Expenses | 906,100 | 9,600 | 5,000 | 4,400 | 3,300 | 928,400 |
| **Purchased Treatment/Services** | 23,000 | 56,000 | - | - | - | 79,000 |
| **Fixed Assets** | 3,500 | 1,400 | 1,000 | 900 | 300 | 7,100 |
| TOTAL EXPENDITURES | $2,224,600 | $127,700 | $27,800 | $42,400 | $16,400 | $2,438,900 |

**XYZ, Inc.**
**Allegheny County DHS**
**Schedule of Units of Service**
**For The Year Ending June 30, 20XX**
CYF
Contract # XXXXX

| | Contract Rate Reimbursement | | | | | | Actual Rate Analysis | |
|---|---|---|---|---|---|---|---|---|
| Cost Center | Budgeted Units of Service | Actual Units of Service | Contract Billing Rate | Unit Reimbursement | Add: Concrete Goods | Total Reimbursable Amount (1) | Gross Eligible Expenditures (2) | Actual Gross Rate (3) |
| Foster Homes | | | | | | | | |
| Level 1 | 23,250 | 23,200 | $40.00 | $928,000 | N/A | $928,000 | $930,000 | $40.09 |
| Level 2 | 12,000 | 12,100 | $45.00 | 544,500 | N/A | 544,500 | 543,000 | $44.88 |
| Level 3 | 8,500 | 8,450 | $50.00 | 422,500 | N/A | 422,500 | 421,500 | $49.88 |
| Level 4 | 5,500 | 5,500 | $60.00 | 330,000 | N/A | 330,000 | 330,100 | $60.02 |
| Total | 49,250 | 49,250 | | $2,225,000 | | $2,225,000 | $2,224,600 | |
| Emergency Shelter | 1,150 | 1,100 | $120.00 | $132,000 | N/A | $132,000 | $127,700 | $116.09 |
| Family Preservation | 600 | 520 | $50.00 | $26,000 | $2,000 | $28,000 | $27,800 | $53.46 |
| Family Support | 600 | 550 | N/A | $42,100 (4) | N/A | $42,100 | $42,400 | $77.09 |
| Group Homes | | | | | | | | |
| Level 1 | 25 | 20 | $140.00 | $2,800 | N/A | $2,800 | $3,000 | $150.00 |
| Level 2 | 75 | 74 | $150.00 | 11,100 | N/A | 11,100 | 11,700 | $158.11 |
| Level 3 | 12 | 10 | $160.00 | 1,600 | N/A | 1,600 | 1,700 | $170.00 |
| Total | 112 | 104 | | $15,500 | | $15,500 | $16,400 | |
| **Grand Totals** | | | | $2,440,600 | $2,000 | $2,442,600 | $2,438,900 | |

**Comments:**

The above cost centers are not all inclusive and should include and identify Juvenile Court related services, if applicable.

Note 1- Allegheny County payments may be limited to final contract amount.

Note 2 - Gross Eligible Expenditures must agree with the amounts reported on the "Schedule of Functional Expenditures, Revenues, Contract Amounts Relating to Grants from Allegheny County DHS Programs" by cost center.

Note 3 - Gross Eligible Expenditures/Actual Units (Informational factor for financial management and future rate negotiations.)

Note 4 - Program funded cost center - Dollar amount from Schedule of Functional Expenditures, Revenues, Contract Amounts Relating to Grants from Allegheny County DHS Programs

**XYZ, Inc.**
**Allegheny County DHS**
**CYF - Schedule of Utilization of Residential/Institutional Services**
**For The Year Ending June 30, 20XX**

CYF
Contract # XXXXX

| Cost Centers | License/ Approved # of Beds | Annual Capacity (#Beds x 365) | Actual Days Provided (1) | Utilization Rate |
|---|---|---|---|---|
| Foster Homes | N/A | | - | |
| Emergency Shelter | 4 | $1,460 | 1,100 | 75% |
| Group Homes | 2 | $730 | 104 | 14% |

**Comments:**

The above cost centers are not all inclusive and should include and identify Juvenile Court funded services, if applicable.

Note 1: If the facility provides both Allegheny County and non-Allegheny County child days, use total facility child days provided.

**XYZ, Inc.**
**Statement of Functional Revenue and Expenditures By Program Services**
Allegheny County Aging Program

**Year Ended June 30, 20X2**
**With Comparative Totals for 20X1**

| PROGRAM SERVICES | CENTER SERVICES | HDM | CARE MGMT. | PAS | ADULT DAY CARE | TOTAL | LOCAL NON RESTRICT | 20X2 TOTAL Operating FUNDS | 20X1 TOTAL Operating FUNDS |
|---|---|---|---|---|---|---|---|---|---|
| **Revenue:** | | | | | | | | | |
| Donations: | | | | | | | | | |
| Individuals | $10,000 | $5,000 | $ - | $ - | $ - | $15,000 | $ - | $15,000 | $12,500 |
| Foundations | - | - | - | - | - | - | 50,000 | 50,000 | 48,500 |
| Corporations | - | - | - | - | 5,000 | 5,000 | 30,000 | 35,000 | 35,000 |
| Sub-Total | 10,000 | 5,000 | 0 | 0 | 5,000 | 20,000 | 80,000 | 100,000 | 96,000 |
| Allegheny Aging/Block Grant | 250,000 | 35,000 | 359,000 | 269,775 | 68,000 | 981,775 | - | 981,775 | 967,250 |
| Allegheny Co./DHS/HSDF | - | - | | - | - | - | - | | 5,000 |
| United Way | 50,000 | - | - | - | - | 50,000 | - | 50,000 | 45,000 |
| Program Income/Aging | 68,000 | 41,000 | 4,000 | - | 7,000 | 120,000 | - | 120,000 | 115,000 |
| Fees/Aging/Block | - | - | - | - | - | - | - | - | 7,000 |
| Interest | 3,550 | 1,830 | 1,150 | 350 | 300 | 7,180 | 500 | 7,330 | 7,500 |
| Fund Raising | - | - | - | - | - | - | 35,000 | 35,000 | 40,000 |
| Sub-Total | 371,550 | 77,830 | 364,150 | 270,125 | 75,300 | 1,158,955 | 35,500 | 1,194,105 | 1,186,750 |
| Total Operating Funds | 381,550 | 82,830 | 364,150 | 270,125 | 80,300 | 1,178,955 | 115,500 | 1,294,105 | 1,282,750 |
| **Expenses:** | | | | | | | | | |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Personnel | 325,395 | 48,900 | 314,210 | 244,260 | 64,650 | 997,415 | 48,380 | 1,045,795 | 1,034,270 |
| Administrative Costs | 23,700 | 12,000 | 20,000 | 14,000 | 9,400 | 79,100 | - | 79,100 | 78,500 |
| Operating Expenses | 27,930 | 18,350 | 27,365 | 21,205 | 6,300 | 101,150 | 41,220 | 142,370 | 134,810 |
| Contracted Services | 15,175 | 11,450 | 20,425 | 11,112 | 5,300 | 63,462 | 25,900 | 89,362 | 86,670 |
| Fixed Assets | 10,000 | 1,655 | 14,175 | - | 945 | 26,775 | 4,725 | 31,500 | 20,458 |
| | - | - | - | - | - | - | - | - | - |
| | - | - | - | - | - | - | - | - | - |
| **Total Expenses** | 402,200 | 92,355 | 396,175 | 290,577 | 86,595 | 1,267,902 | 120,225 | 1,388,127 | 1,354,708 |
| Income Over (Under) | | | | | | | | | |
| Expenses Operating | ($20,650) | ($9,525) | ($32,025) | ($20,452) | ($6,295) | ($88,947) | ($4,725) | ($94,022) | ($71,958) |

**XYZ, Inc.**
**Statement of Functional Expenses**
Aging Program Relating to Grants Administered by
**Allegheny County**
**Year Ended June 30 20X2**
**With Comparative Totals for 20X1**

| PROGRAM SERVICES | CENTER SERVICES | HDM | CARE MGMT. | PAS | ADULT DAY CARE | TOTAL | LOCAL NON RESRICT. | 20X1 TOTAL ALL FUNDS | 20X2 TOTAL ALL FUNDS | Percent Variance *** |
|---|---|---|---|---|---|---|---|---|---|---|
| **Personnel:** | | | | | | | | | | |
| Salaries | $275,000 | $41,500 | $266,600 | $207,000 | $54,900 | $845,000 | $41,000 | $886,000 | $876,500 | 1% |
| Fringe Benefits | 50,395 | 7,400 | 47,610 | 37,260 | 9,750 | 152,415 | 7,380 | 159,795 | 157,770 | 1% |
| **Subtotal** | 325,395 | 48,900 | 314,210 | 244,260 | 64,650 | 997,415 | 48,380 | 1,045,795 | 1,034,270 | |
| **Communications:** | | | | | | | | | | |
| Telephone | 8,000 | 3,500 | 5,670 | 1,250 | 675 | 19,095 | 2,225 | 21,320 | 20,750 | 3% |
| Postage | 1,750 | 750 | 1,850 | 250 | 525 | 5,125 | 1,225 | 6,350 | 6,150 | 3% |
| Printing | 1,025 | 450 | 1,500 | | 125 | 3,100 | 850 | 3,950 | 3,200 | 19% |
| Advertising | 750 | 250 | 200 | 350 | 500 | 2,050 | 1,500 | 3,550 | 2,850 | 20% |
| **Subtotal** | 11,525 | 4,950 | 9,220 | 1,850 | 1,825 | 29,370 | 5,800 | 35,170 | 32,950 | |
| **Occupancy:** | | | | | | - | | | | |
| Utilities | 9,500 | 2,400 | 8,500 | 7,500 | 2,400 | 30,300 | 3,500 | 33,800 | 31,200 | 8% |
| Insurance | 1,500 | 500 | 1,250 | 750 | 550 | 4,550 | 750 | 5,300 | 4,700 | 11% |
| Maintenance/Repairs | 1,750 | 550 | 650 | 350 | 150 | 3,450 | 5,000 | 8,450 | 8,840 | -5% |
| **Subtotal** | 12,750 | 3,450 | 10,400 | 8,600 | 3,100 | 38,300 | 9,250 | 47,550 | 44,740 | |
| **Contracted Services:** | | | | | | - | | | | |
| Professional Service | 10,500 | 6,100 | 17,250 | 9,062 | 775 | 43,687 | 15,775 | 59,462 | 55,000 | 8% |
| Auditing | 1,500 | 500 | 1,250 | 1,100 | 500 | 4,850 | 750 | 5,600 | 5,200 | 7% |
| Supplies & Minor | 500 | 100 | 350 | 250 | 150 | 1,350 | 1,375 | 2,725 | 2,525 | 7% |
| Office Supplies | 1,750 | 750 | 1,225 | 550 | 350 | 4,625 | 2,500 | 7,125 | 6,025 | 15% |
| Food & Supplies | - | 3,500 | - | - | 3,250 | 6,750 | 750 | 7,500 | 7,120 | 5% |
| Minor Equipment | 550 | 350 | 350 | 150 | 125 | 1,525 | 1,250 | 2,775 | 3,275 | -18% |
| Equipment Repairs | 375 | 150 | - | - | 150 | 675 | 3,500 | 4,175 | 7,525 | -80% |
| **Subtotal** | 15,175 | 11,450 | 20,425 | 11,112 | 5,300 | 63,462 | 25,900 | 89,362 | 86,670 | |
| **Transportation:** | | | | | | | | | | |
| Local | 1,150 | 8,675 | 4,750 | 8,250 | 250 | 23,075 | 1,500 | 24,575 | 21,665 | 12% |

| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Out-of-County | 150 | 100 | 850 | 650 | - | 1,750 | 2,500 | 4,250 | 4,100 | 4% |
| **Subtotal** | 1,300 | 8,775 | 5,600 | 8,900 | 250 | 24,825 | 4,000 | 28,825 | 25,765 | |
| **Other Operating:** | | | | | | | | | | |
| Administrative Costs | 23,700 | 12,000 | 20,000 | 14,000 | 9,400 | 79,100 | - | 79,100 | 78,500 | 1% |
| Memberships | 125 | 50 | 125 | 100 | 50 | 450 | 175 | 625 | 750 | -20% |
| Subscription | 225 | 150 | 220 | 225 | 125 | 945 | 220 | 1,165 | 1,125 | 3% |
| Training | 750 | 375 | 650 | 660 | 325 | 2,760 | 3,500 | 6,260 | 5,500 | 12% |
| Miscellaneous | 805 | 400 | 750 | 670 | 250 | 2,875 | 8,275 | 11,150 | 9,825 | 12% |
| Fundraising | 450 | 200 | 400 | 200 | 375 | 1,625 | 10,000 | 11,625 | 14,155 | -22% |
| **Subtotal** | 26,055 | 13,175 | 22,145 | 15,855 | 10,525 | 87,755 | 22,170 | 109,925 | 109,855 | |
| **Total Expenses-Operat. Funds** | 392,200 | 90,700 | 382,000 | 290,577 | 85,650 | 1,241,127 | 115,500 | 1,356,627 | 1,334,250 | 2% |
| Depreciations | 6,800 | 1,155 | 9,675 | - | 645 | 18,275 | 3,225 | 21,500 | 20,458 | 5% |
| Renovations | 3,200 | 500 | 4,500 | - | 300 | 8,500 | 1,500 | 10,000 | - | 100% |
| **Total Expenses** | $402,200 | $92,355 | $396,175 | $290,577 | $86,595 | $1,267,902 | $120,225 | $1,388,127 | $1,354,708 | 2% |

**XYZ, Inc.**

Final Reconciliation

**Allegheny County**

**For the Year Ended June 30 20XX**

**Aging**

**Contract # XXXXX**

| Cost Centers | AMOUNT PAID | TOTAL NET* EXPEND. 6/30/20XX | BALANCE REMAINING | EARNED INTEREST 6/30/20XX |
|---|---|---|---|---|
| Center Services | $250,000 | $270,650 | (20,650) | $750 |
| Home Delivered Meals | 35,000 | 44,525 | (9,525) | 150 |
| Care Management | 359,000 | 391,025 | (32,025) | 900 |
| PAS | 269,775 | 290,227 | (20,452) | |
| Adult Day Care | 68,000 | 74,295 | (6,295) | |
| **Total Expenditures** | $981,775 | $1,070,722 | (88,947) | $1,800 |

* Gross Eligible Expenditures less Total Revenues and Income from Schedule of Functional Revenue and Expenditures by Program Services

**XYZ, Inc.**

**Cost Center Service Code Distributions**

**Allegheny County**

**For the Year Ended June 30, 20XX**

Aging

**Contract # XXXXX**

| Expense Categories | Primetime | Care Mgmt. | Info. Referr. | Outreach | Prot. Svc. | Volunteer | Cong. Meal | Home delivery | PAS | Adult Day Care | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **COST CENTER** | **250** | **300** | **320** | **330** | **350** | **380** | **400** | **520** | **570** | **610** | **TOTAL** |
| Center Services (5) | $95,000 | | $45,000 | $23,700 | | $30,000 | $90,000 | | | | $283,700 |
| Home Delivered Meals (1) | | | | | | | | 48,655 | | | 48,655 |
| Care Management (8) | | 339,000 | | | 54,175 | | | | | | 393,175 |
| PAS (1) | | | | | | | | | 283,577 | | 283,577 |
| Adult Day Care (1) | | | | | | | | | | 78,095 | 78,095 |
| **Total Expenditures** | $95,000 | $339,000 | $45,000 | $23,700 | $54,175 | $30,000 | $90,000 | $48,655 | $283,577 | $78,095 | $1,087,202 |

**( ) number of services**

**XYZ, Inc.**

Interest Roll Forward

**Allegheny County**

**For the Year Ended June 30, 20X2**

**Aging**

**Contract # XXXXX**

| PROGRAM INCOME/ABG | END BALANCE 6/30/20X1 | EARNED INTEREST 7/1/X0-6/30/X1 | BEGINNING BALANCE 7/1/20X1 | COLLECTED 7/1/X1-6/30/X2 | DISBURSED 7/1/X1-6/30/X2 | EARNED INTEREST 7/1/X1-6/30/X2 | ENDING BALANCE 6/30/20X2 |
|---|---|---|---|---|---|---|---|
| Center Services | $14,400 | $900 | $15,300 | $17,000 | $15,000 | $1,400 | $18,700 |
| Home Delivered Meals | 37,500 | 1,500 | 39,000 | 41,000 | 39,000 | 1,930 | 42,930 |
| Care Management | 2850 | 200 | 3,050 | 4,000 | 3,000 | 450 | 4,500 |
| PAS | 43,200 | 1,800 | 45,000 | 51,000 | 45,000 | 3,050 | 54,050 |
| Adult Day Care | 4,750 | 250 | 5,000 | 7,000 | 5,000 | 500 | 7,500 |
| Fees: | | | 0 | | | | |
| PAS (N/A for FY 01/02) | 6,700 | 300 | 7,000 | 0 | 7,000 | 0 | 0 |
| **Total** | $109,400 | $4,950 | $114,350 | $120,000 | $114,000 | $7,330 | **$127,680** |

**XYZ, Inc.**
**Schedule of Funding Sources Relating to Grants**
**From Allegheny County DHS Programs**
**For the Year Ended June 30, 20XX**

Early Intervention / DHS
**Contract # XXXXX**

| **Funding Sources** | | **Amount** | |
|---|---|---|---|
| Federal funds: | | | |
| EI Infant & Toddlers | CFDA# 84.181 | $ | 10,400 |
| State funds: | | | |
| EI Base | Appr. # 10235 | | 36,400 |
| Other: | | | |
| County Match | | | 5,200 |
| Allegheny County Contract Amount | | $ | 52,000 |

**XYZ, Inc.**
**Schedule of Functional Expenditures, Revenues, Contract Amounts**
**Relating to Grants from Allegheny County DHS Programs**
**For The Year Ended June 30, 20XX**

Early Intervention Programs
**Contract # XXXXX**

| | Early Intervention |
|---|---|
| **Expenditures** | |
| Personnel Expenses | $39,300 |
| Administrative Costs | 3,500 |
| Operating Expenses | 5,500 |
| Purchased Treatment | 2,000 |
| Fixed Assets | 1,700 |
| Total Expenditures | 52,000 |
| Ineligible Expenditures | |
| Gross Eligible Expenditures | 52,000 |
| | |
| **Revenue and Income** | |
| Program Service Fees | - |
| Private Insurance | - |
| Other Third Party Fees | - |
| Medical Assistance | - |
| Room and Board | - |
| Interest Income | - |
| Other (specify) | - |
| Total Revenue and Income | - |
| | |
| Net Eligible Expenditures | 52,000 |
| Retained Revenue | - |
| Total Reimbursable Expenditures | 52,000 |
| | |
| Allegheny County Contract Amount | 52,000 |
| | |
| **Surplus (Deficit) of Contract Amount Over Total Reimbursable Expenditures** | **$ -** |

**XYZ, Inc.**

**Allegheny County DHS**

**Schedule of Units of Service**

**For The Year Ending June 30,20XX**

Early Intervention

**Contract # XXXXX**

| Cost Centers / Categories | Actual Units of Service | Contract Billing Rate | Gross Eligible Expenditures (1) | Other Revenue (1) | Net Eligible Expenditures |
|---|---|---|---|---|---|
| Audiology--Home & Community | 880 | $25.00 | 22,000 | 0 | 22,000 |
| Nutrition--Home & Community | 1,500 | $20.00 | 30,000 | 0 | 30,000 |
| GROSS ELIGIBLE EXPENDITURES | | | $52,000 | $0 | $52,000 |

**Comments:**

1. Gross eligible expenditures and other revenue must agree with the figures reported on the "Schedule of Functional Expenditures…"

# Appendix B

## Sources of Reference

The following is a list of references, which provide additional guidance:

- OMB Uniform Guidance for Federal Awards, "Cost Principles, Audit and Administrative requirements for Federal Awards,"
- U.S. General Accounting Office (GAO) *Generally Accepted Government Auditing Standards* (Yellow Book)
- Single Audit Act Amendments of 1996
- AICPA Pronouncements:
- SOP 98-3, "Audits of States, Local Governments, and Not-for-Profit Organizations Receiving Federal Awards"
- SAS No. 29 (AU 551), "Reporting on Information Accompanying the Basic Financial Statements in Auditor-Submitted Documents"
- SAS No. 54 (AU 317), "Illegal Acts by Clients"
- SAS No.115 (AU 325), "Communicating Internal Control Related Matters Identified in an Audit"
- SAS No. 70, "Examinations of EBT Service Organizations" (type 2 report)
- SAS No. 99 (AU 316), "Consideration of Fraud in a Financial Statement Audit"
    - AICPA Audit and Accounting Guide, Audits of Certain Nonprofit Organizations (ACNO)
    - Commonwealth of Pennsylvania DHS Single Audit Supplement and the 4300 Fiscal Regulation
    - Pennsylvania Department of Health, Department of Drug and Alcohol Fiscal Regulations and Audit Guidelines
    - Pennsylvania Department of Human Services Administrative Bulletin 2015-03,Introduction to DHS Audit Policy, December 26, 2014
    - PCIE Guidance
    - Pennsylvania Department of Aging Audit Guidelines

- U.S. Department of HUD Audit Guidelines
- Commonwealth of Pennsylvania DHS, Office of Homeless Assistance Program Instructions and Requirements
- PennSERVE Office's AmeriCorps Provisions and Program Director's Handbook
- Pennsylvania Department of Labor and Industry's Workforce Investment Act Technical Assistance Guide
- Commonwealth of Pennsylvania DHS's Human Services Development Fund Instructions and Requirements

# Appendix C

## Allegheny County DHS Bureau of Contracts and Compliance Section – Contact Listing

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For technical assistance relating to this manual

**Compliance Section Contact**

| | |
|---|---|
| Compliance Administrator | 412-350-3431 |
| Bureau of Contracts and Compliance | |
| | |
| Compliance Manager | 412-350-4918 |
| Bureau of Contracts and Compliance | |
| | |
| Compliance Supervisor | 412-350-5782 |
| Bureau of Contracts and Compliance | |
| | |
| Compliance Supervisor | 412-350-3689 |
| Bureau of Contracts and Compliance | |

# *Appendix D*

***Sample Request for Proposal to Hire an Audit Firm***

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II. SCOPE OF WORK 166

III. PROPOSAL DOCUMENT INSTRUCTION 169

IV. SPECIAL PROVISIONS 171

V. ILLUSTRATIVE AUDIT ENGAGEMENT LETTER 173

## ALLEGHENY COUNTY AUDIT GUIDANCE

1. The Allegheny County DHS Provider Audit Guidelines is a required contractual reference.
2. Annually, all Allegheny County providers and their respective Auditors of Record are to review the updated audit guidelines and all other relevant materials.

## I. GENERAL INSTRUCTIONS

### A. Notice of Invitation

The executive director invites your firm to submit a proposal to conduct the annual audit of the [name of the separate programs] for the period of July 1, 20XX through June 30, 20XX. The audit is to be conducted in the form of a financial and compliance audit in accordance with generally accepted auditing standards as prescribed by the AICPA, GAGAS as prescribed by the United States GAO latest revision, the requirements of the Commonwealth of Pennsylvania and Allegheny County DHS. Section B of this request for proposal explains the scope of work that your firm is asked to bid upon.

### B. Proposal Submission

You should submit a detailed proposal on or before Friday, ____ (date) ____, 200(X). The proposal should be mailed or delivered to: (agency executive director's name and address).

The proposal cover letter should designate an official, with telephone number, who can answer questions concerning the submitted proposal. The proposal cover letter, the technical sections, and the fee section of the audit proposal must be signed by an officer empowered to bind the company submitting the proposal.

### C. Proposal Format

Three copies of the proposal must be submitted using the format outlined in Section C proposal document instructions. The method used to calculate the fee proposal **must**

be provided as outlined and must be submitted under a separate cover, one copy, and in a **sealed** envelope.

**D. Pre-Proposal Meeting**

A formal pre-proposal meeting is planned for ___ (day) ____, ____ (date) ____, at (time) ____, in the conference room of (agency's name).

**E. Contract Terms**

Please submit your proposal on a fixed fee basis in a sealed envelope.

**F. Schedule of Key Dates**

- ___ (day), ___ (date) Submit proposal. (The agency should give the audit firm at least two weeks from the pre-proposal meeting to submit the proposal).
- ___ (day), ____ (date) Selection of a firm. (The selection of the firm should be done within one to two weeks following the receipt of proposals).
- ____ (day), ____ (date) Commencement of Preliminary Audit work prior to year-end closing. (This preliminary work should begin prior to the agency's year-end closing).
- ____ (day), _____ (date) Commencement of Audit for (fiscal year). (This usually starts by mid-July following the year-end closing).
- ____ (day), _____ (date) Submit to the executive director, a draft copy of audit report for (fiscal year). (The draft report should be received by the executive director **at least** two weeks prior to submission to Allegheny County DHS. This will also give the agency time to prepare a CAP for every finding in the audit report. The CAP is required to be submitted with the audit report).____ (day), ____ (date) Submit final approved audit report to Allegheny County DHS. (The deadline for submission of all audit reports is January **15**).

## II. SCOPE OF WORK

Audit Program

The audit guidelines and single audit supplement, latest revision, provided by the Commonwealth of Pennsylvania DHS in Exhibit II outline the recommended audit approach and applicable legislation. The audit guidelines and format provided by Allegheny County DHS in Exhibit III outlines the required report and financial statements to be submitted at the conclusion of the audit. This agency expects that the scope of the work will be such as to produce acceptable results in compliance with all the above requirements.

The audit will be a financial and compliance audit performed in accordance with:

- Generally accepted auditing standards as issued by the AICPA.
- Standards for Audit of Governmental Organizations, Programs, Activities, and Functions as issued by the Comptroller General of the United States most recent revision.
- The Single Audit Act Amendments of 1996 and the provision of OMB Uniform Guidance for Federal Awards: Cost Principles, Audit and Administrative Requirements for Federal Awards, and as issued by the Commonwealth of Pennsylvania DHS Single Audit Supplement most recent version.

### A. Agency Participation

The agency will provide workspace for the selected firm and will also provide a member of the agency for clerical-type duties.

### B. Results

The firm, upon completion of the audit, will be expected to submit to the executive director the following information:

- A report on financial statements to include at a minimum: Statement of Activities, Statement of Changes in Fund Balance, Statement of Cash Flows, Notes to the Financial Statements and Statement of Functional Expenses.
- Reports on compliance as required by the AICPA and federal government including a Schedule of Findings and Questioned Costs, Report on Compliance with Specific Requirements Major and Non-Major Programs, Report on Compliance with Contracts, Laws, Grants, Regulations, Schedule of Findings and Questioned Costs.
- Reports of internal accounting and administrative control as required by the AICPA and federal government.
- A Management Letter, where issued, discussing weaknesses noted during the course of the audit and recommendations for improvement.
- AUP and supplementary schedules as required by Allegheny County DHS.
- Any further information considered to be necessary in evaluating the agency and in compliance with the Provider Audit Guidelines.

**C. Audit Report**

A final copy of the **full audit report** will be sent to the executive director of the agency. Upon his/her written approval, a copy of the audit report will be sent to:

Ms. Lisa Impavido, Administrator
Allegheny County Department of Human Services
Bureau of Contracts and Compliance
One Smithfield Street, Suite 500
Pittsburgh, Pennsylvania 15222

**D. Designation of Project Officer**

The (Name of Agency) representative designated as the project officer for this contract is (Agency Fiscal Director's Name). The responsibility of the project officer is to assure that the auditors are provided with the necessary access to records and personnel. This individual is assigned the right to review and respond to all-work products.

## E. References

The following is a list of references with which personnel responsible for the engagement must be familiar:

- AICPA Industry Audit Guidance
- Commonwealth of Pennsylvania DHS Single Audit Supplement and the 4300 Fiscal Regulations
- Pennsylvania Department of Agriculture Hunger Program Resolutions
- Pennsylvania Department of Health, Department of Drug and Alcohol Programs (DDAP) Fiscal Regulations and Audit Guidelines
- *U.S. Government Accountability Office (GAO) Generally Accepted Government Auditing Standards (*Yellow Book)
- PCIE Guidance
- Single Audit Act Amendments of 1996
- OMB Uniform Guidance for Federal Awards: Cost Principles, Audit, and Administrative Requirements for Federal Awards, as amended, December 2014.
- OMB Uniform Guidance for Federal Awards Compliance Supplement, June 2016
- Pennsylvania Department of Aging Audit Guidelines
- U.S. Department of HUD Audit Guidelines
- Commonwealth of Pennsylvania DHS, Office of Income Maintenance, Homeless Assistance Program Instructions and Requirements
- PennSERVE Office's AmeriCorps Provisions and Program Director's Handbook
- Pennsylvania Department of Labor and Industry's Workforce Investment Act Technical Assistance Guide
- Commonwealth of Pennsylvania DHS's Human Services Development Fund Instructions and Requirements

## III. PROPOSAL DOCUMENT INSTRUCTION

### A. Cover Letter:

The cover letter must include:

•The name, address, and phone number of the bidder's contact person.

•The name and address of the firm.

•The period of time for which the offer will be honored which should be at least 90 days from the date of the proposal.

•The signature of the person authorized to commit the company.

### B. Body of Proposal

The body of the proposal must provide the following information:

- Evidence of technical knowledge and experience in the accounting principles and financial reporting practices involved.
- Evidence that the audit personnel assigned meet the Generally Accepted Government Auditing Standards, 1999 revision, and continuing education.
- Prior experience of the local firm office or key auditor and staff.
- A statement that demonstrates an understanding of the work that will have to be performed under the contract.
- A copy of the most recent external quality control and peer review with corresponding letter of comments conducted of the firm.
- An estimate of the time required to perform each audit step set forth in the "audit program" section of the Provider Audit Guidelines. To facilitate uniform evaluation of RFP submissions, the following format will be preferred: A schedule of progress meetings, consultation meetings and draft report reviews.
- Personal resumes of partner, manager or key auditor and in-charge accountant(s).
- Any additional audit work in excess of required audit work contemplated, including additional hours should be clearly explained in the proposal.
- Please limit the proposals including cover letter to fifteen (15) pages.

### C. Fee Schedule

Costs should be detailed according to:

- Professional services, and
- Expenses such as travel, clerical support, reproduction, etc.

Costs for professional services must be shown according to hourly rate per classification and estimated number of hours per classification to be spent for completion of the work.

This fee schedule should be submitted as a brief letter, and in a **separate, sealed** envelope to be opened after the proposals have been evaluated. Please submit one copy of the fee schedule.

## IV. SPECIAL PROVISIONS

### A. Prerogative

The executive director reserves the following prerogatives:

- To reject the proposal.
- To change phase due dates after agreement with the accounting firm.
- To accept or reject any of the accounting firm's employees assigned to this project, and to require their replacement at any time.
- To terminate the contract following 10-days' written notice to the accounting firm.

### B. Contract Period

The purchase of a professional services contract shall cover three-fiscal periods that will commence with the period ended (date) and continue through completion of the third-audit period ending (date). A separate audit report and management letter will be issued for each fiscal period.

### C. Assignability

The contractor cannot transfer any interest or provide for the assignment of the purchase of Professional Services Contract with (Name of Agency), either in whole or in part, without the expressed permission and written consent of the executive director.

**D. Payment**

Payment for services rendered will be processed at the end of each month upon receipt of an itemized statement from the contractor. The itemized statement shall describe hours spent by each professional and out-of-pocket cost as described in Section C. A progress report shall be included and shall give a brief description of audit work completed and remaining, as well as give an indication of the percentage of audit work completed. Progress payments will not exceed the percentage of completion and will not be processed unless a progress report has been received. Not more than 70 percent of the fee will be paid prior to receipt of a draft copy of the report and management letter.

**E. Ownership**

All proposals and reports become the property of (Name of Agency), upon submission, for use as deemed appropriate. Workpapers must be available for reference by (Name of Agency), for a period of six years from submission of the report. A copy of all adjusting entries made during the course of the audit should be given to the project officer.

**F. Confidentiality**

The proposal will be kept in strict confidence by (Name of Agency). The contractor may not issue news releases or other public notification regarding this project without prior approval from the executive director.

**G. Special Meetings**

Prior to the actual commencement of the audit, a pre-audit conference with the executive director and project officer must be held. A progress meeting will be held at the mid-engagement point to discuss pertinent matters applicable to the engagement. An **exit conference** will be held at the end of the audit to discuss findings and recommendations resulting from the audit work performed. A typed draft copy of the report will be provided to the executive director and project officer at least two days prior to this time. In addition, **special meetings** will be scheduled when matters of

importance are discovered that require determination of a course of action. Scheduling of these meetings will be the responsibility of the accounting firm.

**H. Expansion in Scope**

Should an issue arise that requires the scope of the audit to be expanded, the auditor should immediately inform the executive director of the nature of an issue, and the estimated additional costs. An agreement to modify the contract shall be made prior to continuing the audit.

## V. SAMPLE REQUEST FOR PROPOSAL – ENGAGEMENT LETTER

Addressee}

This letter sets forth our understanding of the terms and objectives of our engagement, the nature and scope of the services we will provide and the related fee arrangements.

We will audit the organization's financial statements as of and for the year ended [date], in accordance with generally accepted auditing standards, the standards for financial audits contained in *Government Auditing Standards*, issued by the comptroller general of the United States and with the provisions of Office of Management and Budget Uniform Guidance for Federal Awards, dated December 2014. The objective of an audit carried out in accordance with such standards and regulations is (1) the expression of our opinion concerning whether the financial statements present fairly, in all material respects, the financial position, results of operations and cash flows of the organization in conformity with generally accepted accounting principles, (2) a report on our determination that the internal control structure provides reasonable assurance of compliance with federal and other laws and regulations, and (3) the expression of an opinion on whether the organization complied with specific terms and conditions of its major federal award programs.

As part of our audit, we will consider the organization's internal control structure and assess control risk, as required by generally accepted auditing standards, for the purpose of establishing a basis for determining the nature, timing, and extent of auditing procedures necessary for expressing our opinion concerning the financial statements, and not to provide assurance on the internal control structure. The management of [name of organization] is responsible for establishing and maintaining an internal control structure. To fulfill this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs for internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not

be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

We will prepare a separate written report on our understanding of the organization's statement audit. Our report will include (1) the scope of our work in obtaining an understanding of the internal control structure and in assessing the control risk (2) the organization's significant internal controls or control structure, including the controls established to ensure compliance with laws and regulations that have a material impact on the financial statements and (3) the reportable conditions, including the identification of material weaknesses identified as a result of our work in understanding and assessing the control risk. As required by OMB Uniform Guidance for Federal Awards, we will also prepare a written report on our understanding, assessment, and testing of the internal control structure as it relates to major federal award programs.

Our audit will include procedures designed to provide reasonable assurance of detecting errors and irregularities that are material to the financial statements. As you are aware, however, there are inherent limitations in the auditing process. For example, audits are based on the concept of selective testing of the data being examined and are, therefore, subject to the limitations that such matters, if they exist, may not be detected.

Also, because of the characteristics of irregularities, including attempts at concealment through collusion and forgery, a properly designed and executed audit may not detect a material irregularity.

Similarly, in performing our audit, we will be aware of the possibility that illegal acts may have occurred. However, it should be recognized that our audit provides no assurance that illegal acts generally will be detected and only reasonable assurance that illegal acts having a direct and material effect on the determination of financial statement amounts will be detected.

Compliance with laws, regulations, contracts, and grants applicable to [name of organization] is the responsibility of [name of organizations]'s management. As part of obtaining reasonable

assurance about whether the financial statements are free of material misstatement, we will perform tests of [name of organization]'s compliance with certain provisions of laws, regulations, contracts, and grants. However, our objective is not to provide an opinion on overall compliance with such provisions.

As required by *Government Auditing Standards*, we will prepare a separate written report on our tests of compliance with applicable laws and regulations. This report will contain a statement of positive assurance on those items that were tested for compliance, negative assurance on those items not tested, and a description of all material instances of noncompliance.

Likewise, compliance with provisions of laws, regulations, contracts, and grants that govern federal programs is the responsibility of management. As required by OMB Uniform Guidance for Federal Awards, we will determine and report on whether the organization complied in all material respects with the laws and regulations that apply to its major federal award programs. With regard to transactions selected from non-major programs, our report on compliance will obtain a statement of positive and negative assurance, as discussed above.

At the conclusion of the engagement, [name of organization]'s management will provide to us a representation letter that, among other things (1) will confirm management's responsibility for the preparation of the financial records and related data, compliance with provisions of laws, regulations, contracts, and grants that govern federal programs, the completeness and availability of all minutes of board of directors (and committee) meetings and the absence of irregularities involving management or those employees who have significant roles in the control structure.

We understand that our reports on the internal control structure as part of the financial audit and on compliance with laws and regulations are intended for the information of the audit committee, management, and others within [name of organization] and [specify legislative or regulatory body].

Our fees for the audit will be [describe fee arrangement]. We anticipate completing the engagement by [describe timetable], unless unexpected factors are encountered. This timetable

has been discussed with and agreed to by your [internal audit and] accounting department[s], which will provide assistance to us in the audit. Should circumstances prevent [name of organization] from providing this assistance, our timetable and fee are likely to be affected. [On fixed fee agreements, the auditor may include wording indicating that he or she may have to revise the fee estimate and timetable for unexpected factors of which he or she becomes aware after the engagement has begun.]

We shall be pleased to discuss this letter with you.

[Signature]

[Date]

*NOTE:*

*1. Other matters may be included. This sample letter should be modified as necessary.*

# *Appendix E*

***Choosing an Auditor***

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III. AUDIT PROPOSAL HOURS ANALYSIS 182

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V. RFP RESULTS 191

## I. EVALUATION OF PROPOSALS

**The proposals will be evaluated based on the following criteria:**

### A. Mandatory Criteria

- Any firm that does not submit the bid in a separate, sealed envelope should be eliminated from the evaluation process.
- All firms should meet certain minimum standards. These minimum standards can be determined by the laws governing the entity, its general internal policies and its policies regarding the specific audit engagement. Firms submitting the proposal should meet each of the following criteria:
    1. Should meet the appropriate state licensing requirements.
    2. Should meet the applicable independence standard.
    3. Should have a record of responsible work.
    4. Should provide a copy of the most recent external Quality Control Review Report.

Report and comply with applicable requirements for peer review and continuing professional education. The Quality Control Review Report is required every three years. If an accounting firm is newly formed, and does not have a Quality Control and Peer Review Report, and corresponding letter of comments then do the following **in addition to** obtaining references and resumes of key staff:

- Obtain a Schedule of CPE courses taken by each staff person with Single Audit courses highlighted.
- Contact the Department of State (Pennsylvania) Bureau of Professional and Occupational Affairs to obtain licensure status of the individuals.

### B. Technical Criteria

Those proposals that have met the criteria in Section A above will be evaluated on the following criteria:

- Understanding the Audit Requirements

  The response contained in the proposal should demonstrate clearly that the bidder has an understanding of the audit's objective(s), the organization's needs and the final products to be delivered.

- Soundness of Technical Approach:
    1. The proposal should outline the expected schedule of work (date of completion of fieldwork, issue of final report date, etc.)
    2. The proposal should outline the expected schedule of work (date of completion of fieldwork, issue of final report date, etc.)
    3. The proposal should indicate that the firm will use:
        a) A systematic approach in examining systems and internal controls, and
        b) Effective procedures, including consideration of risk and materiality factors to determine the extent of audit testing and review necessary.

**C. Qualifications and Technical Experience of the Audit Firm**

- The audit firm's or key auditor's experience in performing the audit engagement of a similar type and size entity.
- The audit firm or key auditor should provide a list of references which will support experience including resumes and continuing professional education.

The proposal should specify the name of the key person, and the audit team's education and experience in the type of work that the audit entails.

- The continuing professional education of the key person and staff should be explained in detail. Notification of any change in the key person should be in writing to the entity.
- If the proposal is for a multi-year contract, the proposal should provide an approach for planning and conducting work efforts of the subsequent year(s).

**D. Audit Cost**

Once the technical evaluation and review are completed, the prices offered by the bidders shall be reviewed and elect the proposal that is most advantageous to the entity.

**E. Rating the Proposals**

A point scale rating can be used to rank the proposals .