

**City of Philadelphia  
Pennsylvania**

**Schedule of  
Financial Assistance**

**Fiscal Year Ended June 30, 1997**

**Prepared By:**

**Office of the Director of Finance**

**CITY OF PHILADELPHIA  
SCHEDULE OF FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 1997**

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**CITY OF PHILADELPHIA  
SCHEDULE OF FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 1997**

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# CITY OF PHILADELPHIA

## OFFICE OF THE DIRECTOR OF FINANCE

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BEN HAYLLAR  
Director of Finance

Honorable Edward G. Rendell  
Mayor, City of Philadelphia  
Room 215 City Hall  
Philadelphia, PA 19102

October 16, 1998

Dear Mayor Rendell:

The Schedule of Financial Assistance (SFA) of the City of Philadelphia for the fiscal year ended June 30, 1997, comprised of the Schedule of Expenditures of Federal Awards (SEFA) and the Schedule of Pennsylvania Department of Public Welfare (DPW) Financial Assistance, is submitted herewith. We believe the data, as presented, is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the Federal and DPW financial activity of the City as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain the maximum understanding of the City's financial assistance have been included.

### THE FEDERAL SINGLE AUDIT REQUIREMENT

The United States Congress enacted the Single Audit Act Amendments of 1996 (the Act), which the President signed into law on July 5, 1996. The Office of Management and Budget (OMB) issued Circular A-133, in accordance with the Act, to clarify and establish audit requirements for States, Local Governments and Non-Profit Organizations. The City is required by the Act to have an annual audit performed on its entire operations, including a separate reporting on its Federal financial activity, the SEFA.

The City's Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 1997, presents the entire operations of the City. The CAFR was issued under separate cover on December 29, 1997. The SFA is issued in conjunction with the CAFR in order to comply with the reporting provisions of the Act. The report of the independent auditor on the SEFA, dated December 29, 1997, coincides with the CAFR report date, as the financial

presentations in each report are derived from the same financial activity in the City's various funds. Copies of the reporting package (CAFR and SFA) and Data Collection Form must be forwarded to the Federal Audit Clearinghouse (The U.S. Bureau of the Census). In addition, a reporting package must be issued to each grantor agency (federal, state or other government) affected by an audit finding on the Schedule of Findings and Questioned Costs or the Summary Schedule of Prior Year Findings. The report must be forwarded within 30 days of our receipt, but no later than thirteen months year after our fiscal year end of June 30, 1997. In accordance with the Act, the SEFA will be made available for public inspection.

The Federal financial activity of the City of Philadelphia is presented in Section II of the SFA.

#### **COMMONWEALTH OF PENNSYLVANIA SINGLE AUDIT REQUIREMENT**

In September 1997, the DPW reissued the Single Audit Supplement as an aid to local government entities and their independent auditors in the specific auditing and performance of the Single Audit. This supplement provides program specific auditing and reporting requirements which are applied in conjunction with the Single Audit Act's required standards and guidelines for programs funded through the DPW.

DPW's Schedule of Financial Assistance to the City, and associated Supplementary Schedules, are presented in Sections III and VII respectively.

#### **OTHER REPORTING ENTITIES**

For Single Audit purposes, other quasi-governmental organizations included in the CAFR, as required by the Governmental Accounting Standards Board, are treated as subrecipients of the City. Only those Federal funds passed on to these agencies by the City are included in the SEFA. Each quasi-governmental agency is required to perform its own Single Audit, which would include Federal financial assistance received directly by the agency from all sources.

#### **COGNIZANT AGENCY**

The OMB, in accordance with the Act, assigned the U.S. Department of Housing and Urban Development as the City's Cognizant Agency.

#### **INDEPENDENT AUDITOR**

The Philadelphia Home Rule Charter establishes the City Controller, a separately elected official, as the independent auditor of the City of Philadelphia. Our Cognizant Agency has recognized the independence of the City Controller, and the Single Audit was conducted through his appointed Certified Public Accountant in charge of auditing, in accordance with the Home Rule Charter.

## **AUDITOR REPORTS**

The Single Audit Act Amendments of 1996, in conjunction with the American Institute of Certified Public Accountants, requires that the auditor issue three reports in connection with his examination of the SEFA: The Independent Auditor's Report on (1) the Schedule of Expenditures of Federal Awards; (2) Internal Control Structure related to the Financial Statements and Major Programs and (3) Compliance with Laws, Regulations and the Provisions of Contracts or Grant Agreements. Additionally, the DPW's Single Audit Supplement requires that the Auditor issue a report on the application of certain agreed upon procedures. These Federal and State requirements have been met and the reports are included herein.

## **PLAN FOR CORRECTIVE ACTION**

The Act requires that the City submit its Plan for Corrective Action to eliminate such cases of material non-compliance cited in the Independent Auditor's Report on Compliance and Internal Controls. The City's Plan for Corrective Action to eliminate those cases of non-compliance and material weaknesses in the systems of internal control, is included as part of each individual grantee's response.

## **ACKNOWLEDGMENTS**

The preparation of this report has been accomplished with the efficient and dedicated service of the Office of the Director of Finance. We would like to express our appreciation to all the members of the Grants Accounting and Administration Unit, and in the several City Agencies involved in the management of Federal assistance funds, who assisted and contributed to the report's preparation, and enabled the City to successfully complete this Single Audit. We would also like to thank the Mayor, who continues to support our efforts to establish strong, centralized accounting and administrative internal control systems for the effective and efficient management of grant-funded programs City-wide.

Respectfully submitted,

Ben Hayllar  
Director of Finance



# CITY OF PHILADELPHIA

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JONATHAN A. SAIDEL  
City Controller  
ALBERT F. SCAPEROTTO  
Deputy City Controller

## **INDEPENDENT AUDITOR'S REPORT ON SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND PENNSYLVANIA DEPARTMENT OF PUBLIC WELFARE FINANCIAL ASSISTANCE**

Honorable Edward G. Rendell, Mayor  
and Honorable Members of the Council  
of the City of Philadelphia

We have audited the general-purpose financial statements of the City of Philadelphia, Pennsylvania as of and for the year ended June 30, 1997, and have issued our report thereon dated December 29, 1997. Our audit was performed for the purpose of forming an opinion on the general-purpose financial statements taken as a whole. The accompanying Schedules of Expenditures of Federal Awards and Pennsylvania Department of Public Welfare (DPW) Financial Assistance are presented for purposes of additional analysis as required by OMB Circular A-133 and the DPW Single Audit Supplement and are not a required part of the general-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general-purpose financial statements taken as a whole.

December 29, 1997

ALBERT F. SCAPEROTTO, CPA  
Deputy City Controller

JONATHAN A. SAIDEL, CPA  
City Controller

# **Schedule of Expenditures of Federal Awards**

**Pages 1 to 26 Inclusive**

**City of Philadelphia**  
**Schedule of Expenditures of Federal Awards**  
**July 1, 1996 to June 30, 1997**

<b>Grantor Agency/Project Title</b>	<b>City ID Number</b>	<b>CFDA</b>	<b>Contract Number</b>	<b>Federal Awards</b>	<b>Federal Expenditures</b>
<b><u>U.S. Department of Agriculture</u></b>					
<b>Passed-through PA Department of Agriculture Programs:</b>					
Temp. Emergency Food Assistance Pgm	241844	10.568	ME 443228	349,167	38,652
Temp. Emergency Food Assistance Pgm	240016	10.568	Award Letter	113,960	113,960
Temp. Emergency Food Assistance Pgm	240035	10.568	Award Letter	183,312	55,455
Subtotal CFDA 10.568:				646,439	208,066
Emergency Food Assistance Prog	249999	10.569	Donated Food	974,757	974,757
Subtotal CFDA 10.569:				974,757	974,757
<b>Subtotal Passed-through PA Department of Agriculture:</b>				1,621,196	1,182,823
<b>Passed-through PA Department of Education Programs:</b>					
Summer Food Program	162453	10.559	3-00-51-726-0	4,659,121	208
Summer Food Program	160060	10.559	3-00-51-726-0	4,230,790	3,591,225
Summer Food Program	160481	10.559	Award Letter	4,792,082	146,949
Subtotal CFDA 10.559:				13,681,993	3,738,382
<b>Subtotal Passed-through PA Department of Education:</b>				13,681,993	3,738,382
<b>Total U.S. Department of Agriculture:</b>				15,303,189	4,921,205
<b><u>U.S. Department of Commerce</u></b>					
<b>Passed-through Miscellaneous Corporate Funding Programs:</b>					
The Bridge - Collaborative Model	080059	11.552	42-40-95086	140,450	39,717
Subtotal CFDA 11.552:				140,450	39,717
<b>Subtotal Passed-through Miscellaneous Corporate Funding:</b>				140,450	39,717
<b>Total U.S. Department of Commerce:</b>				140,450	39,717
<b><u>U.S. Department of Housing &amp; Urban Development</u></b>					
<b>Direct U.S. Department of Housing &amp; Urban Development Programs:</b>					
CDBG YEAR 12	06057	14.218	B-86-MC-42-0012	52,065,000	615
CDBG YEAR 13	06083	14.218	B-87-MC-42-0012	52,263,000	21,336
CDBG YEAR 14	06084	14.218	B-88-MC-42-0012	49,287,000	426,669
CDBG YEAR 15	06095	14.218	B-89-MC-42-0012	51,252,000	25,260
CDBG YEAR 16	06115	14.218	B-90-MC-42-0012	48,567,000	49,168

**City of Philadelphia**  
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**July 1, 1996 to June 30, 1997**

<b>Grantor Agency/Project Title</b>	<b>City ID Number</b>	<b>CFDA</b>	<b>Contract Number</b>	<b>Federal Awards</b>	<b>Federal Expenditures</b>
CDBG YEAR 17	06124	14.218	B-91-MC-42-0012	54,044,000	568,755
CDBG YEAR 18	06125	14.218	B-92-MC-42-0012	58,013,000	2,645,363
CDBG YEAR 19	06998	14.218	B-93-MC-42-0012	64,173,000	3,613,377
CDBG YEAR 20	06997	14.218	B-94-MC-42-0012	70,788,000	5,299,294
CDBG YEAR 21	06996	14.218	B-95-MC-42-0012	72,928,000	12,133,054
CDBG YEAR 22	06995	14.218	B-96-MC-42-0012	71,056,000	48,463,989
CDBG YEAR 22 -PROGRAM INCOME	06994	14.218	B-96-MC-42-0012	11,020,222	11,020,222
Homeless Innovative Demo #1	240009	14.218	PA00194-1013	1,299,000	462,168
Homeless Innovative Demo #1	068502	14.218	PA00194-1013	6,701,000	1,224,307
Interim Construction Assistance	060105	14.218	B-95-MC-42-0012	10,000,000	4,126,717
Interim Construction Assistance	060228	14.218	B-95-MC-42-0012	3,964,642	3,634,211
Logan/Roxborough	065748	14.218	B-90-SP-42-0001	2,916,000	720
Section 108 - Homeless Housing	069963	14.218	B-91-MC-42-0012A	800,000	481
Section 108 Loans	068601	14.218	B-93-MC-42-0012	8,915,000	2,743,744
Section 108 Loans	060124	14.218	B-95-MC-42-0012	24,000,000	5,033,870
Subtotal CFDA 14.218:				714,051,864	101,493,320
Caldor - Hope Plaza - UDAG	420034	14.221	B-88-AA-42-1206	1,000,000	950,000
Seaport Museum - UDAG	420032	14.221	B-86-AA-42-0193	2,400,000	240,000
University City Parking Garage - UDAG	429118	14.221	B-83-AA-42-0061	5,000,000	94,408
Subtotal CFDA 14.221:				8,400,000	1,284,408
Lehigh Park Community Center	420027	14.225	PA26SPG32	1,000,000	1,000,000
Log/Rox Sink Hsg Reloc	065755	14.225	PA26SPG12	846,675	10,887
Subtotal CFDA 14.225:				1,846,675	1,010,887
McKinney Shelter Grant (H.U.D.)	240225	14.231	S-96-MC-42-0001	1,847,000	1,204,516
McKinney Shelter Program	241893	14.231	S-95-MC-42-0001	2,555,000	541,747
Subtotal CFDA 14.231:				4,402,000	1,746,263
Shelter Plus Care I	242230	14.238	PA26C92-1082	0	319,148
Shelter Plus Care I	060080	14.238	PA26C92-1082	1,206,625	363,387
Shelter Plus Care II	240213	14.238	PA26C93-1087	922,324	346,827
Shelter Plus Care II	060081	14.238	PA26C93-1087	7,170,956	369,422
Shelter Plus Care III	060082	14.238	PA26C94-0025	2,732,708	37,662
Subtotal CFDA 14.238:				12,032,613	1,436,446
HOME Investment Partnership	068148	14.239	M-93-MC-42-0203	3,000,000	3,001,369
HOME Investment Partnership	068536	14.239	M-94-MC-42-0203	11,715,000	2,233,394
HOME Investment Partnership	060122	14.239	M-95-MC-42-0203	12,614,000	4,145,282

**City of Philadelphia**  
**Schedule of Expenditures of Federal Awards**  
**July 1, 1996 to June 30, 1997**

<b>Grantor Agency/Project Title</b>	<b>City ID Number</b>	<b>CFDA</b>	<b>Contract Number</b>	<b>Federal Awards</b>	<b>Federal Expenditures</b>
HOME Investment Partnership	060229	14.239	M-96-MC-42-0203	12,922,000	3,141,298
HOME Ownership Assist/Rental Hsg	061648	14.239	M-92-MC-42-0203	6,235,711	1,458,599
HOME Tenant Rent Assist	061630	14.239	M-92-MC-42-0203	12,195,000	106,021
Subtotal CFDA 14.239:				58,681,711	14,085,963
Housing Opp For People With AIDS	061747	14.241	PA-26-H-92-F012	766,000	354
Housing Opp For People With AIDS	067520	14.241	PA-26-H-93-F013	1,607,000	118,231
Housing Opp For People With AIDS	068569	14.241	PA26H94-F014	2,271,000	145,342
Housing Opp For People With AIDS	060127	14.241	PA26H95-F014	2,966,000	1,183,373
Housing Opp For Persons With AIDS	060242	14.241	PA26H96-F016	2,682,000	568,237
Subtotal CFDA 14.241:				10,292,000	2,015,536
HUD Inspection Grant	144709	14.400	C03C94023800000	527,365	2,239
HUD Inspection Grant	142036	14.400	H03C94023800000	532,500	146,126
HUD Inspection Grant	140341	14.400	H03C94023800000	555,365	377,744
Subtotal CFDA 14.400:				1,615,230	526,109
Lead Based Paint Hazard Reduction	146548	14.900	PALAG0026-94	1,021,595	293,353
Lead Paint Inspection Program	060015	14.900	PALAG0026-94	5,146,408	2,455,957
Subtotal CFDA 14.900:				6,168,003	2,749,309
<b>Subtotal Direct U.S. Department of Housing &amp; Urban Development:</b>				817,490,096	126,348,241
<b>Passed-through PA Department of Economic &amp; Community Development Programs:</b>					
Self Sufficiency EHP	080007	14.231	763-95-0047	148,513	96
Shelter Project - DCED	240075	14.231	96-7211007	369,100	264,862
Shelter Project - DCED -Greene County	240076	14.231	96-721-1007	86,958	86,958
Subtotal CFDA 14.231:				604,571	351,916
<b>Subtotal Passed-through PA Department of Economic &amp; Community Development:</b>				604,571	351,916
<b>Passed-through Phila Housing Authority Programs:</b>					
HOPE VI	080030	14.852	Award Letter	1,400,000	342,614
Subtotal CFDA 14.852:				1,400,000	342,614
<b>Subtotal Passed-through Phila Housing Authority:</b>				1,400,000	342,614
<b>Passed-through Phila Redevelopment Authority Programs:</b>					
Fine Arts Program	420301	14.218	Award Letter	47,000	19,142
Fine Arts Program	420119	14.218	-	0	24,764

**City of Philadelphia**  
**Schedule of Expenditures of Federal Awards**  
**July 1, 1996 to June 30, 1997**

<b>Grantor Agency/Project Title</b>	<b>City ID Number</b>	<b>CFDA</b>	<b>Contract Number</b>	<b>Federal Awards</b>	<b>Federal Expenditures</b>
Subtotal CFDA 14.218:				47,000	43,906
<b>Subtotal Passed-through Phila Redevelopment Authority:</b>				47,000	43,906
<b>Total U.S. Department of Housing &amp; Urban Development:</b>				819,541,667	127,086,677
<b><u>U.S. Department of the Interior</u></b>					
<b>Direct U.S. Department of the Interior Programs:</b>					
Tinicum Wildlife Preserve	360010	15.608	P.L. 95-469	1,790	1,790
Subtotal CFDA 15.608:				1,790	1,790
Peace and Safety Network	160240	15.919	42CTY6540-95-01	50,000	40,631
Subtotal CFDA 15.919:				50,000	40,631
<b>Subtotal Direct U.S. Department of the Interior:</b>				51,790	42,421
<b>Passed-through Miscellaneous Foundation/Trust Funding Programs:</b>					
Urban Env Ed Pgm - Nat Fish/WL Fd	160009	15.608	Award Letter	55,000	45,136
Subtotal CFDA 15.608:				55,000	45,136
<b>Subtotal Passed-through Miscellaneous Foundation/Trust Funding:</b>				55,000	45,136
<b>Total U.S. Department of the Interior:</b>				106,790	87,557
<b><u>U.S. Department of Justice</u></b>					
<b>Direct U.S. Department of Justice Programs:</b>					
Phila Drug Court Planning	840036	16.579	Award Letter	35,375	4,652
Subtotal CFDA 16.579:				35,375	4,652
Community Policing Project	110029	16.580	94-DD-CX-0025	1,000,000	398,500
H.I.D.T.A. Program	110051	16.580	95-326000-R	449,200	239,876
H.I.D.T.A. - Phila Police Task Force	110190	16.580	16PPCP538	190,236	172,306
Weed and Seed Asset Forfeiture	110079	16.580	Reimb Agreement	100,000	60,926
Weed and Seed Demonstration	110213	16.580	95-DD-BX-0047	120,000	16,404
Weed and Seed Program	110019	16.580	95A-122931-T-326000	250,000	147,231
Weed and Seed Program	100126	16.580	96-WS-QX-0031	200,000	150,000
Weed and Seed Program	110081	16.580	96-WS-QX-0031	200,000	22,377
Subtotal CFDA 16.580:				2,509,436	1,207,621

**City of Philadelphia**  
**Schedule of Expenditures of Federal Awards**  
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<b>Grantor Agency/Project Title</b>	<b>City ID Number</b>	<b>CFDA</b>	<b>Contract Number</b>	<b>Federal Awards</b>	<b>Federal Expenditures</b>
Local Law Enforcement Block Grant	160025	16.592	96-LB-VX-3728	200,000	9,751
Local Law Enforcement Block Grant	110009	16.592	96-LB-VX-3728	3,900,666	942,277
Subtotal CFDA 16.592:				4,100,666	952,028
COPS A Head I	110031	16.710	95-CC-WX-0408	11,475,000	3,258,747
COPS A Head II	110032	16.710	95-CC-WX-0408	30,000,000	6,316,149
Subtotal CFDA 16.710:				41,475,000	9,574,896
<b>Subtotal Direct U.S. Department of Justice:</b>				48,120,477	11,739,197
<b>Passed-through PA Administrative Offices Programs:</b>					
Communities that Care	080029	16.540	95-J-04-5325	63,397	3,060
Juvenile Justice Planner/Monitor	220123	16.540	95-J-05-5679	41,697	41,584
Special Offenders Unit	840065	16.540	96-J-04-6128	100,000	7,254
Subtotal CFDA 16.540:				205,094	51,899
Anti-Violence Partnership Vol Pgm	100124	16.579	94-DS-14-5684	7,664	7,664
Assist To Families of Homicide Victims	100007	16.579	96-DS-14-6124	37,500	37,500
AVP - Co-Victim Therapeutic Counseling	100006	16.579	96-DS-14-6121	31,905	31,905
Computer Info Link Project	840061	16.579	95-DS-15B-5919	113,497	92,572
Enhanced Court School	690014	16.579	95-DS-18-5660	9,662	4,762
Enhancement of Suprv. & Monit. Serv.	840039	16.579	94-DS-20-5614	40,315	16,893
Enhancement of Suprv. & Monit. Serv.	840048	16.579	95-DS-20-6092	34,937	17,484
Intermediate Punishment Community Serv	840046	16.579	94-DS-20-5704	70,723	69,722
L.I.N.E. - Expansion/Comm Prosecution	690021	16.579	93/94-DS-16-5638	230,000	191,423
Local Release Notification Compliance Prj	230125	16.579	94-DS-14-5628	54,075	54,075
PENNFREE Special Probation Service	840051	16.579	ME 681551	429,691	424,920
Pre-Trial Services Cond Rel Exp Proj	840032	16.579	95-DS-20-5415	130,526	48,051
Pre-Trial Services Cond Rel Exp Proj	840049	16.579	95-DS-20-6091	53,804	27,167
Public Nuisance Task Force	690005	16.579	94-DS-21-5277	174,122	2,850
Public Nuisance Task Force	690026	16.579	94-DS-21-5689	94,147	94,147
School Based Probation Expansion	840052	16.579	95-DS-11-5882	24,391	24,391
School Based Probation Program III	840058	16.579	94-DS-11-5833	25,000	10,148
Services To Victims - Violent Crimes	690007	16.579	95-DS-14-5661	9,200	3,794
Southeast Asian Project	690003	16.579	95-DS-14-5662	37,714	24,276
Victim Outreach and Support Project	100140	16.579	94-DS-14-5540	8,318	8,318
Subtotal CFDA 16.579:				1,617,191	1,192,063
Stop Violence Against Women	110008	16.588	95-VA-06-5844	18,560	13,765

**City of Philadelphia**  
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<b>Grantor Agency/Project Title</b>	<b>City ID Number</b>	<b>CFDA</b>	<b>Contract Number</b>	<b>Federal Awards</b>	<b>Federal Expenditures</b>
Subtotal CFDA 16.588:				18,560	13,765
<b>Subtotal Passed-through PA Administrative Offices:</b>				1,840,845	1,257,727
<b>Total U.S. Department of Justice:</b>				49,961,322	12,996,924
<b><u>U.S. Department of Labor</u></b>					
<b>Passed-through Private Industry Council Programs:</b>					
Literacy Comm - PIC	050036	17.250	Award Letter	27,300	27,300
Phil-A-Job I - Experienced Based Educ	162529	17.250	T19503	29,400	159
Phil-A-Job II - Work Experience	160065	17.250	Award Letter	124,000	93,370
Phil-A-Job II - Work Experience	160484	17.250	Award Letter	138,000	6,945
Phil-A-Job III - Youth Services Corps	160061	17.250	Award Letter	9,300	5,295
PIC - Summer Youth - WOW	080078	17.250	Award Letter	19,840	1,228
PIC - Work Experience	080010	17.250	Award Letter	22,400	20,327
PIC - Work Experience	080040	17.250	Award Letter	37,543	2,236
PIC - Experience Based Education	080011	17.250	Award Letter	28,210	25,392
PIC - Summer Youth Service Corps	080039	17.250	Award Letter	156,975	9,716
Subtotal CFDA 17.250:				592,968	191,967
<b>Subtotal Passed-through Private Industry Council:</b>				592,968	191,967
<b>Passed-through Phila Corporation for the Aging Programs:</b>					
Comm On Aging - PCA	050042	17.235	Award letter	836,380	831,834
Subtotal CFDA 17.235:				836,380	831,834
<b>Subtotal Passed-through Phila Corporation for the Aging:</b>				836,380	831,834
<b>Passed-through Urban League Programs:</b>					
Mayor's Action Center - Urban League	050048	17.235	NUL/SCSP #109	22,834	22,708
Subtotal CFDA 17.235:				22,834	22,708
<b>Subtotal Passed-through Urban League:</b>				22,834	22,708
<b>Total U.S. Department of Labor:</b>				1,452,182	1,046,509

**City of Philadelphia**  
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<b>Grantor Agency/Project Title</b>	<b>City ID Number</b>	<b>CFDA</b>	<b>Contract Number</b>	<b>Federal Awards</b>	<b>Federal Expenditures</b>
<b><u>U.S. Department of Transportation</u></b>					
<b>Direct U.S. Department of Transportation Programs:</b>					
Cargo City Road Improve	42549	20.106	3-42-0076-35-92	600,000	5,909
Infill Cargo Apron West of Terminal	C42504	20.106	3-42-0076-32-91	4,746,807	24,709
Perimeter Fence Replacement	42541	20.106	3-42-0074-08-95	720,000	513,294
PNE Airfield Lighting & Airport Signs	C42512	20.106	3-42-0074-07-92	1,260,000	12,625
Reconstruction of Apron B-C	C42502	20.106	3-42-0076-27-90	9,236,250	435,151
Repair & Restore Runway	C42507	20.106	3-42-0076-39-93	10,000,000	245,707
Runway 8-26 Construction	C42501	20.106	3-42-0076-44-97	13,696,413	2,692,484
Runway 8-26 Development	C42501	20.106	3-42-0076-41-95	13,170,377	11,254,682
Runway 8-26 Development	C42501	20.106	3-42-0076-43-96	13,439,902	11,194,349
Runway 8-26 Development	C42501	20.106	3-42-0076-40-94	14,092,395	3,777,525
Runway 8-26 Development	C42501	20.106	3-42-0076-42-95	1,721,531	607,683
Security Improvement Terminals B,C,D	C42505	20.106	3-42-0076-33-91	2,910,750	2,668
Sign System; Taxiway Improve; Power	C42509	20.106	3-42-0076-36-92	11,313,472	191,981
Taxiway Improve Program	C42506	20.106	3-42-0076-38-93	1,092,795	110,604
Subtotal CFDA 20.106:				98,000,692	31,069,370
Civic Center/Univ City Rail Station -Fed.	C20001	20.500	PA-03-0148-04	6,715,242	251,620
Frankford El ZReloc/2nd St Elev.-Fed	C20002	20.500	PA-03-0036	19,633,866	25,590
Subtotal CFDA 20.500:				26,349,108	277,211
<b>Subtotal Direct U.S. Department of Transportation:</b>				124,349,800	31,346,581
<b>Passed-through PA Department of Transportation Programs:</b>					
1st & 2nd Hwys	C12127	20.205	65510	22,954	3,662
2nd Street / Cadwallader Street	C12080	20.205	65132 & 33C-STP3-068	485,600	711,297
3rd Highway District 3R #4	C12119	20.205	65447	70,573	361,605
4th Hwy Distr 3R #4	C12151	20.205	33C-STP2-153	400	327
5th Hwy Distr 3R #2	C12152	20.205	33C-STP2-191	200	165
26th & Penrose / Gateway #2	C12131	20.205	33C-X065-007	30,089	10,039
40th Street / AMTRAK	C12112	20.205	65282	476,000	12,918
42nd St / AMTRAK	C12130	20.205	00E-X065-002 & 06533	119,380	21,411
54th St / AMTRAK	C12100	20.205	065450 & 065284A	6,781,100	2,132,687
63rd St / AMTRAK	C12070	20.205	065071B & 065478	3,622,990	666,159
72nd Street / AMTRAK	C12135	20.205	65332	516,000	10,326
Allegheny Ave	C12120	20.205	65474	210,773	344,283
Arterial Interconnect	C12149	20.205	320-X065-043	144,000	8,358

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<b>Grantor Agency/Project Title</b>	<b>City ID Number</b>	<b>CFDA</b>	<b>Contract Number</b>	<b>Federal Awards</b>	<b>Federal Expenditures</b>
Bells Mill Road	C12133	20.205	0650318	40,000	3,606
Bells Mill Road	C12077	20.205	065167A	862,500	29,964
Bicycle Network	C12145	20.205	282	400,000	64,456
Broad Street Spectrum II	C12150	20.205	33C-X065-044	680,800	499,689
Center City Traffic Signals #2	C12137	20.205	320-X065-019	100,000	450
Chestnut Street Transit	C12148	20.205	33C-STP3-070	360,000	143,117
Convention Center - Advanced	C12111	20.205	065300A/065309/06529	7,048,459	2,689
DVRPC-SRHPP-FY 97	C12154	20.205	60-500-97	64,300	64,298
Federal Highways	120298	20.205	Various	1,048,107	1,048,107
Fiscal 1996 & Prior Federal Grants	C12FED	20.205	Version B-2	12,978,649	(3,350)
Germantown Ave / Wiss Creek	C12116	20.205	65457	236,000	25,922
Gowan St / SEPTA	C12128	20.205	065333A	302,630	55,253
Island Ave Sig / Transit 1st II	C12140	20.205	33C-STP3-069	2,100	1,485
Linden Ave	C12086	20.205	065314 & 065147B	5,511,200	385,478
Logan Circle	C12123	20.205	65480	639,200	524,852
Market St / Front to 5th	C12117	20.205	065330A & 065296	5,201,951	466,614
Market St Signal Pre-Design	C12124	20.205	315-G002-006	143,724	53,350
Martin Mill Road / Conrail & SEPTA	C12113	20.205	65315 & 117-4002-756	80,000	46,711
Morris St / SEPTA	C12129	20.205	65334	311,967	7,444
N. Phila Station	C12122	20.205	65475	112,400	4,209
Ogantz Ave Signals	C12139	20.205	34B-X065-026	20,000	32,111
Oxford Street	C12101	20.205	065274A	514,400	4,300
Pavement Markings	C12155	20.205	33S-X065-049	5,500	5,426
Penns Landing Ferry Dock	C12134	20.205	327-X065-003	348,000	3,677
Sch RvPk Bulkhead / Ave West	C12153	20.205	65488	3,381,600	2,077,658
School House Lane (Ridge-Henry)	C12095	20.205	W36-G105-006	56,250	15,591
Schuylkill River Park	C12125	20.205	33B-STP2-117 & 06549	442,680	117,490
Sidewalk Ramps & Racks	C12142	20.205	65465	883,550	99,125
South Broad Street/Avenue of the Arts	C12118	20.205	65302 & 65327	12,062,966	1,176,336
South St / Schuylkill	C12132	20.205	65469	1,436,783	287,337
Strawberry Mansion Bridge / Schuylkill	C12072	20.205	065078C	598,200	76,281
Traffic Control	C12109	20.205	65276	112,500	18,027
Traffic Control 3	C12144	20.205	65493	120,000	(9,821)
Vine St City Plans	C12099	20.205	65187	135,000	16,520
Washington Ave Signals	C12138	20.205	33C-STP3-071	16,000	28,424
Westbank Greenway	C12146	20.205	320-X065-33	64,000	730
Subtotal CFDA 20.205:				68,801,475	11,656,792
Comprehensive Highway Safety Pgm	140479	20.600	CP 97-06-1	165,176	112,827

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<b>Grantor Agency/Project Title</b>	<b>City ID Number</b>	<b>CFDA</b>	<b>Contract Number</b>	<b>Federal Awards</b>	<b>Federal Expenditures</b>
D.U.I. - Sobriety Checkpoint/Patrol	110048	20.600	J7-95-30-1	480,000	176
Pedestrian Safety Program	142067	20.600	HB-96-03-1	4,000	4,000
Pedestrian Safety Program	140483	20.600	HB 97-03-1	5,000	5,000
Senior Citizen Pedestrian Safety Program	140180	20.600	HD-95-09-1	100,000	55,392
Youth Alcohol Use Prevention Promotion	140102	20.600	YA-96-15-1	17,000	17,000
Youth Alcohol Use Prevention Promotion	140113	20.600	YA-96-15-1	10,000	10,000
Subtotal CFDA 20.600:				781,176	204,395
<b>Subtotal Passed-through PA Department of Transportation:</b>				69,582,651	11,861,187
<b>Passed-through Delaware Valley Regional Planning Commission Programs:</b>					
D.V.R.P.C.	120299	20.205	12160 A-D	40,756	40,755
Subtotal CFDA 20.205:				40,756	40,755
52nd St/West Parkside Trans Study	510007	20.505	83-16	58,621	50,705
Office of Transp - MAP Program	050050	20.505	25-32-97	57,600	55,579
Office of Transp - Transit Pln & Prg	050047	20.505	83-14	62,904	45,996
Short Range Planning XIII	510006	20.505	83-15	66,876	64,093
Subtotal CFDA 20.505:				246,001	216,372
<b>Subtotal Passed-through Delaware Valley Regional Planning Commission:</b>				286,757	257,128
<b>Total U.S. Department of Transportation:</b>				194,219,208	43,464,896
<b><u>U.S. Department of The Treasury</u></b>					
<b>Direct U.S. Department of The Treasury Programs:</b>					
Gang Resistance Ed & Train (GREAT)	110052	21.052	96-689067	340,000	46,975
Gang Resistance Ed & Train (GREAT)	110134	21.052	97-288027	340,000	23,621
Subtotal CFDA 21.052:				680,000	70,595
<b>Subtotal Direct U.S. Department of The Treasury:</b>				680,000	70,595
<b>Total U.S. Department of The Treasury:</b>				680,000	70,595
<b><u>U.S. Equal Employment Opportunity Commission</u></b>					
<b>Direct U.S. Equal Employment Opportunity Commission Programs:</b>					
Deferred Cases - EEOC	540007	30.002	6/5010/0037	103,700	101,108

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Subtotal CFDA 30.002:				103,700	101,108
Subtotal Direct U.S. Equal Employment Opportunity Commission:				103,700	101,108
Total U.S. Equal Employment Opportunity Commission:				103,700	101,108
<b><u>U.S. Library of Congress</u></b>					
<b>Direct U.S. Library of Congress Programs:</b>					
Library for Blind & Hdcp - Donated Books	529999	42.001	Award Letter	757,521	757,521
Subtotal CFDA 42.001:				757,521	757,521
Subtotal Direct U.S. Library of Congress:				757,521	757,521
Total U.S. Library of Congress:				757,521	757,521
<b><u>U.S. Environmental Protection Agency</u></b>					
<b>Direct U.S. Environmental Protection Agency Programs:</b>					
Air Pollution Control Program	140083	66.001	Receipts	157,785	19,042
Air Pollution Control Program	142042	66.001	A 003045-96	1,707,308	1,029,111
Air Pollution Control Program	140348	66.001	A 003045-97-0	1,473,000	797,481
Subtotal CFDA 66.001:				3,338,093	1,845,634
Partnership For Recycling Econ Dev	422931	66.504	CX822178-01-0	366,215	72,852
Subtotal CFDA 66.504:				366,215	72,852
Lead Abatement Demo Project	140085	66.604	X 823661-01	723,543	233,221
Subtotal CFDA 66.604:				723,543	233,221
Brownfield Redevelopment - Phila.	510004	66.802	V993272-01-0	200,000	24,122
Subtotal CFDA 66.802:				200,000	24,122
Subtotal Direct U.S. Environmental Protection Agency:				4,627,851	2,175,829
Total U.S. Environmental Protection Agency:				4,627,851	2,175,829
<b><u>U.S. Department of Energy</u></b>					
<b>Direct U.S. Department of Energy Programs:</b>					
Phila Clean Cities Program	100015	81.080	DE-AP02-95CH-24622	5,000	5,000

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Subtotal CFDA 81.080:				5,000	5,000
<b>Subtotal Direct U.S. Department of Energy:</b>				5,000	5,000
<b>Passed-through City of Chicago Programs:</b>					
Urban Consortium Energy Task Force	100012	81.081	D6961200-557	29,566	20,371
Urban Consortium Energy Task Force	100011	81.081	D6961200-557	18,434	18,434
Urban Consortium ETF-Induction Lighting	100013	81.081	D5961200-457	75,000	1,159
Subtotal CFDA 81.081:				123,000	39,964
<b>Subtotal Passed-through City of Chicago:</b>				123,000	39,964
<b>Total U.S. Department of Energy:</b>				128,000	44,964
<b><u>U.S. Federal Emergency Management Agency</u></b>					
<b>Passed-through PA Emergency Management Commission Programs:</b>					
Office of Emergency Preparedness	100051	83.534	Emergency Manager	52,677	52,677
Office of Emergency Preparedness	100049	83.534	Emergency Manager	52,233	52,233
Subtotal CFDA 83.534:				104,910	104,910
<b>Subtotal Passed-through PA Emergency Management Commission:</b>				104,910	104,910
<b>Total U.S. Federal Emergency Management Agency:</b>				104,910	104,910
<b><u>U.S. Department of Education</u></b>					
<b>Direct U.S. Department of Education Programs:</b>					
Literacy Comm - NIFL	050030	84.257	X257H50045	49,720	7,332
Literacy Comm - NIFL	050041	84.257	X257M60005	57,100	51,702
Subtotal CFDA 84.257:				106,820	59,033
<b>Subtotal Direct U.S. Department of Education:</b>				106,820	59,033
<b>Passed-through PA Department of Health Programs:</b>					
Governor's Discretionary Fund	140471	84.186	ME 95136	124,309	124,309
Subtotal CFDA 84.186:				124,309	124,309
<b>Subtotal Passed-through PA Department of Health:</b>				124,309	124,309

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<b>Grantor Agency/Project Title</b>	<b>City ID Number</b>	<b>CFDA</b>	<b>Contract Number</b>	<b>Federal Awards</b>	<b>Federal Expenditures</b>
<b>Passed-through PA Department of Education Programs:</b>					
Literacy Comm - SD Daytime Program	050063	84.002	41-7181	415,000	398,576
Literacy Comm - Staff Development	050028	84.002	099-6927	80,000	400
Literacy Comm - Staff Development	050038	84.002	99-7014	95,498	91,133
School Lunch Breakfast And Milk	228114	84.002	Receipts	208,143	7,166
School Lunch Breakfast And Milk	220307	84.002	Receipts	225,865	110,024
School Lunch Breakfast And Milk	220122	84.002	Receipts	153,824	66,906
Subtotal CFDA 84.002:				1,178,329	674,206
<b>Subtotal Passed-through PA Department of Education:</b>				1,178,329	674,206
<b>Passed-through PA Department of Public Welfare Programs:</b>					
MH - CASSP (720)	140549	84.027	Award Letter	35,000	35,000
Subtotal CFDA 84.027:				35,000	35,000
MR - Early Intervention (907)	140489	84.181	Award Letter	2,401,854	2,401,854
Subtotal CFDA 84.181:				2,401,854	2,401,854
<b>Subtotal Passed-through PA Department of Public Welfare:</b>				2,436,854	2,436,854
<b>Total U.S. Department of Education:</b>				3,846,312	3,294,402
<b><u>U.S. National Archives &amp; Records Administration</u></b>					
<b>Direct U.S. National Archives &amp; Records Administration Programs:</b>					
Phila Electronic Records Project	310002	89.003	95-031	62,591	8,525
Phila Electronic Records Project 1	310016	89.003	-	0	(3,839)
Phila Electronic Records Project 2	310018	89.003	96-089	17,370	20,175
Phila Electronic Records Project 3	310019	89.003	97-001	117,862	32,495
Subtotal CFDA 89.003:				197,823	57,356
<b>Subtotal Direct U.S. National Archives &amp; Records Administration:</b>				197,823	57,356
<b>Total U.S. National Archives &amp; Records Administration:</b>				197,823	57,356
<b><u>U.S. Department of Health &amp; Human Services</u></b>					
<b>Direct U.S. Department of Health &amp; Human Services Programs:</b>					
Child Mental Health Initiative	142071	93.104	1-HS5-SM51598-02	1,234,496	220,645
Child Mental Health Initiative	140496	93.104	5-HS5-SM51598-03	1,316,907	1,469,542

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Subtotal CFDA 93.104:				2,551,403	1,690,187
Tuberculosis Control Prog & AIDS	146761	93.116	U52/CCU300451-14-2	1,293,574	53,735
Tuberculosis Control Prog & AIDS	142138	93.116	U52/CCU300451-15-2	1,283,672	816,237
Tuberculosis Control Program	140573	93.116	U52/CCU300451-16	1,096,742	354,785
Subtotal CFDA 93.116:				3,673,988	1,224,757
Varicella Surveillance	142137	93.185	U66/CCU311179-02	202,258	85,976
Varicella Surveillance	140563	93.185	U66/CCU311179-03	218,222	136,534
Subtotal CFDA 93.185:				420,480	222,510
Phila Prevention Partnership Project	146027	93.194	H86 SP03222-05	999,802	247,141
Subtotal CFDA 93.194:				999,802	247,141
HIV/AIDS Mental Health Demo. Pgm.	142072	93.216	5-UD5-SM51731-02	449,151	126,626
HIV/AIDS Mental Health Demo. Pgm.	140497	93.216	5-UD5-SM51731-03	350,000	299,224
Subtotal CFDA 93.216:				799,151	425,850
CJ Treatment Network For Women	840038	93.229	Award Letter	1,150,000	317,028
CJ Treatment Network For Women-CSAT	840044	93.229	6 UD8 TI11175-02-1	850,000	252,037
Subtotal CFDA 93.229:				2,000,000	569,066
Childhood Immunization Grt	145227	93.268	H23/CCH311516-01-2	1,386,625	61,263
Childhood Immunization Grt - Action Plan	145228	93.268	H23/CCH311516-01	2,633,881	571,101
Childhood Immunization Grt - Action Plan	142130	93.268	H23/CCH311516-02	455,409	40,632
Immunization Action Plan	142927	93.268	SP 173565	439,249	68,814
Immunization Grant	142129	93.268	H23/CCH311516-02	2,770,320	1,336,738
Immunization Grant	140569	93.268	H23/CCH311516-03	2,782,063	523,900
Subtotal CFDA 93.268:				10,467,547	2,602,448
OCS - Community Food & Nutrition	080037	93.571	90EN016901	50,000	17,220
Subtotal CFDA 93.571:				50,000	17,220
Demonstration Partnership Program	080879	93.573	Award Letter	0	28
Demonstration Partnership Program	082719	93.573	92-1-RD-PA-006	279,155	29,943
Environmental Economic Dev Pgm	080006	93.573	90EP015201	350,000	68,505
Subtotal CFDA 93.573:				629,155	98,476
Court Improvement Program	840060	93.586	G-9601PASCIP	339,271	1,277
Subtotal CFDA 93.586:				339,271	1,277

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Mentor Program	080820	93.608	01-800-A5304900	5,000	4,680
Subtotal CFDA 93.608:				5,000	4,680
FLOW	083253	93.660	90-CL-1124	761,019	17,506
FLOW	082867	93.660	90-CL-1124	875,602	35,119
FLOW	080770	93.660	90CL112403	1,224,894	375,668
Subtotal CFDA 93.660:				2,861,515	428,293
HIV Emergency Relief Supplemental	142011	93.914	BRH890013-06-2	84,725	51,256
HIV Emergency Relief Supplemental	142126	93.914	BRH890013-06-2	4,297,909	3,942,242
HIV Emergency Relief Supplemental	140560	93.914	BRH-890013-07-0	6,278,487	1,448,298
HIV Emergency Relief Supplemental	140316	93.914	BRH-890013-07-0	124,725	8,942
Subtotal CFDA 93.914:				10,785,846	5,450,738
HIV Emergency Relief Formula	142010	93.915	BRX630005-96-2	548,332	420,785
HIV Emergency Relief Formula	142124	93.915	BRX630005-96-2	5,468,925	3,291,058
HIV Emergency Relief Formula	140561	93.915	BRX630005-97-0	6,366,679	1,951,446
HIV Emergency Relief Formula	140318	93.915	BRX630005-97-0	695,437	222,367
Subtotal CFDA 93.915:				13,079,373	5,885,656
Outpatient HIV Early Intervention	146860	93.918	CSH302356-04-1	577,671	30,116
Outpatient HIV Early Intervention	140096	93.918	CSH302356-05-4	513,466	393,765
Outpatient HIV Early Intervention	140317	93.918	CSH302356-06-0	462,137	350,897
Subtotal CFDA 93.918:				1,553,274	774,778
Healthy Start - NBHD Lending Closet	080016	93.926	6 STH-42C014-03-1	75,020	28,851
Healthy Start - NBHD Lending Closet	080049	93.926	6 STH-42C014-05-4	54,404	37,095
Healthy Start Initiative	142025	93.926	6 STH-42C014-05-4	15,663,232	8,632,853
Subtotal CFDA 93.926:				15,792,656	8,698,799
AIDS Prevention Project	142122	93.940	U62/CCU304524-07-1	4,442,541	2,689,822
AIDS Prevention Project	140559	93.940	U62/CCU304524-08-2	4,957,584	2,039,267
Subtotal CFDA 93.940:				9,400,125	4,729,089
AIDS Surveillance & HIV Seropreva	144683	93.944	U62/CCU306217-05-5	1,337,965	386,394
AIDS Surveillance & HIV Seropreva	140556	93.944	U62/CCU306217-06-1	645,844	296,702
Subtotal CFDA 93.944:				1,983,809	683,096
Sexually Transmitted Disease - Infertility	140562	93.977	H25/CCH304327-07	345,760	29
Sexually Transmitted Disease Control	147975	93.977	H25/CCH304327-03	2,584,717	10,298

**City of Philadelphia**  
**Schedule of Expenditures of Federal Awards**  
**July 1, 1996 to June 30, 1997**

<b>Grantor Agency/Project Title</b>	<b>City ID Number</b>	<b>CFDA</b>	<b>Contract Number</b>	<b>Federal Awards</b>	<b>Federal Expenditures</b>
Sexually Transmitted Disease Control	149575	93.977	H25/CCH304327-04-9	1,904,856	173,574
Sexually Transmitted Disease Control	145087	93.977	H25/CCH304327-05	1,931,236	328,969
Sexually Transmitted Disease Control	142131	93.977	H25/CCH304327-06	1,498,374	874,930
Sexually Transmitted Disease Control	140565	93.977	H25/CCH304327-07	1,189,107	378,900
Subtotal CFDA 93.977:				9,454,050	1,766,699
Interpreter Service FMC	142013	93.987	H71/CCH304601-06	43,179	8,179
Interpreter Service FMC	140319	93.987	90RX002201	41,310	23,035
Subtotal CFDA 93.987:				84,489	31,214
<b>Subtotal Direct U.S. Department of Health &amp; Human Services:</b>				86,930,934	35,551,973
<b>Passed-through PA Department of Health Programs:</b>					
Tuberculosis Control	140574	93.116	ME 95063	403,654	297,112
Subtotal CFDA 93.116:				403,654	297,112
Drug Abuse Improve - Target Cities	140475	93.196	Award Letter	2,756,826	2,393,888
Subtotal CFDA 93.196:				2,756,826	2,393,888
Childhood Lead Poisoning Prevent	14XXX1	93.197	Award Letter	0	82
Childhood Lead Poisoning Prevent CDC	140342	93.197	Award Letter	768,554	748,448
Subtotal CFDA 93.197:				768,554	748,530
Mobile Mammography - Early Det	140098	93.283	ME 95-169	87,755	14,777
Subtotal CFDA 93.283:				87,755	14,777
Addicted Women & their Children-State Pool	140477	93.959	ME96159	828,224	828,224
Alcohol Block Grant Treatment	140470	93.959	ME 95136	2,371,132	2,198,800
Alcohol Prevention Block	140473	93.959	ME 95136	664,805	657,112
Drug Block Grant Treatment	140476	93.959	ME 95136	6,860,693	6,551,462
Drug Prevention Block	140467	93.959	ME 95136	1,787,597	1,707,941
Subtotal CFDA 93.959:				12,512,451	11,943,539
Preventive Health Services	140205	93.991	ME 94202	616,265	616,265
Tuberculosis Control	142132	93.991	ME 95063	300,150	102,563
Subtotal CFDA 93.991:				916,415	718,828
Childhood Lead Poisoning Prevent Blk	140340	93.994	Award Letter	517,802	517,785
Children w/ Special Health Care Needs	140218	93.994	ME 95228	105,586	89,926
Maternal & Infant Care Supplemental	140328	93.994	ME 93099	1,470,931	1,470,931

**City of Philadelphia**  
**Schedule of Expenditures of Federal Awards**  
**July 1, 1996 to June 30, 1997**

<b>Grantor Agency/Project Title</b>	<b>City ID Number</b>	<b>CFDA</b>	<b>Contract Number</b>	<b>Federal Awards</b>	<b>Federal Expenditures</b>
Prevent & Primary Health/Children	140327	93.994	ME 93099	1,077,820	1,048,362
Subtotal CFDA 93.994:				3,172,139	3,127,004
<b>Subtotal Passed-through PA Department of Health:</b>				20,617,794	19,243,677
<b>Passed-through PA Department of Education Programs:</b>					
Community Family Centers	220327	93.575	SP271734	250,000	145,452
Community Family Centers	220137	93.575	Award Letter	242,075	264,744
Subtotal CFDA 93.575:				492,075	410,196
<b>Subtotal Passed-through PA Department of Education:</b>				492,075	410,196
<b>Passed-through PA Department of Public Welfare Programs:</b>					
Access Grant	140499	93.125	Award Letter	3,929,732	2,036,163
MH - CSP (714)	140491	93.125	Award Letter	769,824	622,968
Subtotal CFDA 93.125:				4,699,556	2,659,131
MH - Homeless Grant (769)	140486	93.150	Award Letter	123,800	123,800
Subtotal CFDA 93.150:				123,800	123,800
Temporary Assistance to Needy Families	220089	93.558	ME9661600651	12,431,467	12,431,467
Subtotal CFDA 93.558:				12,431,467	12,431,467
Title IV-A - Emergency Assistance	220066	93.560	Award Letter	144,275	137,307
Title IV-A Emergency Assistance - FY 97	220079	93.560	ME9661600651	25,464,643	25,464,643
Welfare Fraud Unit	690033	93.560	ME 681363	800,000	652,422
Subtotal CFDA 93.560:				26,408,918	26,254,372
Child Support Enforcement	840050	93.563	Title IV-D	9,290,346	9,290,346
Child Support Enforcement	690029	93.563	Title IV-D	834,943	834,943
Unallocated IV-D Payments	840008	93.563	ME 4513321800	7,437,177	7,437,177
Subtotal CFDA 93.563:				17,562,466	17,562,466
Refugee Targeted Assistance	100122	93.566	92346199	521,491	446,020
Subtotal CFDA 93.566:				521,491	446,020
Emergency Energy Assistance - FY 97	260017	93.568	ME 513456101	309,800	275,621
Subtotal CFDA 93.568:				309,800	275,621
Empowerment Zone	080035	93.585	G-9501-PA-EZUR	39,582,032	10,952,058

**City of Philadelphia**  
**Schedule of Expenditures of Federal Awards**  
**July 1, 1996 to June 30, 1997**

<b>Grantor Agency/Project Title</b>	<b>City ID Number</b>	<b>CFDA</b>	<b>Contract Number</b>	<b>Federal Awards</b>	<b>Federal Expenditures</b>
Subtotal CFDA 93.585:				39,582,032	10,952,058
Cross System Family Preservation	220128	93.645	Award Letter	53,360	16,177
Family Service Systems Reform (FSSR)	220153	93.645	ME 6300139551	1,050,000	1,039,276
Family to Family Initiative	220086	93.645	ME 6300139551	105,000	77,384
Title IV-B - FY 97	220080	93.645	ME6300139651	3,715,379	3,715,379
Subtotal CFDA 93.645:				4,923,739	4,848,216
Title IV-E Placement Maintenance - FY 97	220081	93.658	ME776511600	94,056,488	94,056,487
Title IVE Placement Maint - Pgrm Income	229999	93.658	Fees	2,582,276	2,582,276
Subtotal CFDA 93.658:				96,638,764	96,638,763
Title IV-E Adoption Assistance - FY 97	220082	93.659	ME6511021600	4,836,514	4,836,514
Subtotal CFDA 93.659:				4,836,514	4,836,514
Child Protective Services	220125	93.667	Award Letter	5,084,239	3,813,180
Emergency Shelter Grant	240116	93.667	Award Letter	1,050,823	1,050,823
Emergency Shelter Grant - Prog Income	240124	93.667	Program Income	26,411	26,411
Family Preservation Funds	140481	93.667	Award Letter	686,562	686,562
HAP-Housing Assistance-Title XX	240015	93.667	Award Letter	1,208,177	1,208,177
HAP-Housing Asst - XX-Prog Income	240123	93.667	Program Income	14,525	14,525
MH - SSBG (734)	140553	93.667	Award Letter	8,214,380	8,214,380
MR - SSBG (933)	140552	93.667	Award Letter	2,611,234	2,611,234
MR - SSBG-EIN (935)	140494	93.667	Award Letter	523,475	523,475
Subtotal CFDA 93.667:				19,419,826	18,148,767
Medically Fragile Infants	220006	93.670	3-G032372	107,890	600
Medically Fragile Infants	220031	93.670	3-G032372	107,951	58,405
Medically Fragile Infants	220114	93.670	3-G032372	104,960	10,000
Subtotal CFDA 93.670:				320,801	69,005
Title IV-E Indep Living - Interest Income	220059	93.674	Interest Income	9,795	9,795
Title IV-E Indep Living/AIP	080027	93.674	Award Letter	187,903	42,124
Title IV-E Indep Living/AIP	080032	93.674	Award Letter	187,903	139,146
Title IV-E Independent Living	220322	93.674	Award Letter	944,129	337,787
Title IV-E Independent Living	220132	93.674	Award Letter	944,129	931,579
Subtotal CFDA 93.674:				2,273,859	1,460,431
MH - Admin Reimbursements	140551	93.778	Award Letter	658,651	658,651
MR - Family Living Initiative (718)	140174	93.778	Award Letter	23,783	7,236

**City of Philadelphia**  
**Schedule of Expenditures of Federal Awards**  
**July 1, 1996 to June 30, 1997**

<b>Grantor Agency/Project Title</b>	<b>City ID Number</b>	<b>CFDA</b>	<b>Contract Number</b>	<b>Federal Awards</b>	<b>Federal Expenditures</b>
MR - TSM Admin Costs (931)	140501	93.778	Award Letter	42,292	42,292
MR - Waiver (931)	140490	93.778	Award Letter	46,804,387	46,028,705
MR - Waiver-Admin (931)	140488	93.778	Award Letter	3,331,543	3,331,543
Title IV-E Medical Assistance - FY 97	220083	93.778	P. L. 96-272 of 1980	456,122	456,122
Subtotal CFDA 93.778:				51,316,778	50,524,549
MH - CMHSBG (903)	140555	93.958	Award Letter	1,456,324	1,456,324
Subtotal CFDA 93.958:				1,456,324	1,456,324
Pennfree Funds	240107	93.959	Award Letter	1,251,800	1,240,734
Pennfree Funds - Program Income	240122	93.959	Program Income	4,883	2,957
Subtotal CFDA 93.959:				1,256,683	1,243,692
<b>Subtotal Passed-through PA Department of Public Welfare:</b>				284,082,816	249,931,195
<b>Passed-through PA Department of Economic &amp; Community Development Programs:</b>					
Community Services Block Grant	080025	93.569	763-95-0003	2,876,110	1,678
Community Services Block Grant	080056	93.569	96-763-1025	0	26,872
CSBG - Administration	080895	93.569	96-763-1025	191,442	499
CSBG - Administration	080057	93.569	96-763-1025	1,366,022	925,308
CSBG - Area Offices	080887	93.569	763-94-0003	0	8,000
CSBG - CSP	080026	93.569	763-95-0003	0	77,290
CSBG - CSP	080058	93.569	96-763-1025	1,782,109	1,624,667
Literacy Comm - MOCS	050035	93.569	96-763-1025	150,000	95,811
Subtotal CFDA 93.569:				6,365,683	2,760,125
<b>Subtotal Passed-through PA Department of Economic &amp; Community Development:</b>				6,365,683	2,760,125
<b>Passed-through Miscellaneous Other Programs:</b>					
Title IV-E Training (Regional Tr Center)	220133	93.658	Award Letter	148,658	108,516
Subtotal CFDA 93.658:				148,658	108,516
<b>Subtotal Passed-through Miscellaneous Other:</b>				148,658	108,516
<b>Passed-through Health Maintenance Organizations Programs:</b>					
Mentally Ill Homeless Services	142115	93.151	Agreement	72,186	21,926
Mentally Ill Homeless Services	140546	93.151	Agreement	72,186	46,208
Subtotal CFDA 93.151:				144,372	68,134

**City of Philadelphia**  
**Schedule of Expenditures of Federal Awards**  
**July 1, 1996 to June 30, 1997**

<b>Grantor Agency/Project Title</b>	<b>City ID Number</b>	<b>CFDA</b>	<b>Contract Number</b>	<b>Federal Awards</b>	<b>Federal Expenditures</b>
<b>Subtotal Passed-through Health Maintenance Organizations:</b>				144,372	68,134
<b>Passed-through Family Planning Council Programs:</b>					
Circle Of Care	142012	93.153	960302	114,400	627
Circle Of Care - Pediatric AIDS	140315	93.153	970302	118,633	109,559
Subtotal CFDA 93.153:				233,033	110,186
Family Planning Services	142030	93.217	960301	300,277	672
Family Planning Services	140331	93.217	970301	301,227	296,192
Subtotal CFDA 93.217:				601,504	296,864
Family Planning - Med Asst - Fed	140156	93.778	Receipts	23,353	3,080
Family Planning - Med Asst - Fed	140335	93.778	Receipts	18,597	18,094
Subtotal CFDA 93.778:				41,950	21,174
Family Planning - Genetic Screening	140334	93.994	970305	14,565	11,250
Walk-In Pregnancy Testing Demo	140323	93.994	970304	13,000	13,000
Subtotal CFDA 93.994:				27,565	24,250
<b>Subtotal Passed-through Family Planning Council:</b>				904,052	452,474
<b>Passed-through Phila Corporation for the Aging Programs:</b>					
Older Adult Program	160068	93.044	Award Letter	938,115	1,981
Older Adult Program	160486	93.044	119-00-3197	582,736	569,694
West Oak Lane Senior Center	080044	93.044	113-00-3197	80,572	67,530
West Oak Lane Senior Citizens	080013	93.044	113-50-3195	73,515	1,445
Subtotal CFDA 93.044:				1,674,938	640,650
West Oak Lane Senior Center	080043	93.045	113-00-3197	32,259	39,842
Subtotal CFDA 93.045:				32,259	39,842
Comm On Aging - Apprise	050046	93.779	Award Letter	17,105	16,869
Subtotal CFDA 93.779:				17,105	16,869
<b>Subtotal Passed-through Phila Corporation for the Aging:</b>				1,724,302	697,361
<b>Total U.S. Department of Health &amp; Human Services:</b>				401,410,686	309,223,652

**City of Philadelphia**  
**Schedule of Expenditures of Federal Awards**  
**July 1, 1996 to June 30, 1997**

<b>Grantor Agency/Project Title</b>	<b>City ID Number</b>	<b>CFDA</b>	<b>Contract Number</b>	<b>Federal Awards</b>	<b>Federal Expenditures</b>
<b><u>U.S. Corporation for National &amp; Community Service</u></b>					
<b>Direct U.S. Corporation for National &amp; Community Service Programs:</b>					
Helping Hands Program	050031	94.006	94ADNKY024	98,070	12,821
Subtotal CFDA 94.006:				98,070	12,821
Foster Grandparents	080024	94.011	439A013/15	296,441	142,393
Foster Grandparents	080041	94.011	439A013/16	329,731	146,615
Subtotal CFDA 94.011:				626,172	289,008
<b>Subtotal Direct U.S. Corporation for National &amp; Community Service:</b>				724,242	301,829
<b>Passed-through PA Department of Labor &amp; Industry Programs:</b>					
Americorps Community Empowerment Pgm	170290	94.006	SP148179	58,656	27,228
Americorps Community Empowerment Pgm	170291	94.006	SP310301	49,918	32,322
Subtotal CFDA 94.006:				108,574	59,550
<b>Subtotal Passed-through PA Department of Labor &amp; Industry:</b>				108,574	59,550
<b>Passed-through PA Department of Education Programs:</b>					
Literacy Comm - Violence Prevention	050062	94.006	057-7001	79,200	67,208
Subtotal CFDA 94.006:				79,200	67,208
<b>Subtotal Passed-through PA Department of Education:</b>				79,200	67,208
<b>Total U.S. Corporation for National &amp; Community Service:</b>				912,016	428,587
<b><u>U.S. Miscellaneous Federal Assistance</u></b>					
<b>Direct U.S. Miscellaneous Federal Assistance Programs:</b>					
Drug Forfeiture - Federal	700015	99.000	Forfeiture Funds	67,957	3,687
Forfeiture Funds - Federal	113134	99.000	P.L.98-473 SEC 309	300,206	805
Forfeiture Funds - Federal	113969	99.000	P.L.98-473 SEC 309	328,090	196,452
Forfeiture Funds - Federal	110026	99.000	P.L.98-473 SEC 309	77,374	237,098
Forfeiture Funds - Federal	110131	99.000	P.L.98-473 SEC 309	233,029	120,890
Forfeiture Funds - Federal Interest Inc	110125	99.000	P.L.98-473 SEC 309	342,335	282,335
Forfeiture Funds - Federal Interest Inc	110126	99.000	P.L.98-473 SEC 309	70,371	70,371
Homeless Alcoholic Men	140230	99.000	DACA31184204	24,000	24,000
Homeless Alcoholic Men	140466	99.000	DACA31184204	71,000	71,000
HUD - William Way Center	140063	99.000	Award Letter	300,000	128,292

**City of Philadelphia**  
**Schedule of Expenditures of Federal Awards**  
**July 1, 1996 to June 30, 1997**

<b>Grantor Agency/Project Title</b>	<b>City ID Number</b>	<b>CFDA</b>	<b>Contract Number</b>	<b>Federal Awards</b>	<b>Federal Expenditures</b>
Psychiatric Services - Federal Prisoners	230135	99.000	Receipts	8,513	8,512
Reimb - Federal Prisoners	360009	99.000	J-A66-M-005	1,570,914	1,570,914
Subtotal CFDA 99.000:				3,393,788	2,714,356
<b>Subtotal Direct U.S. Miscellaneous Federal Assistance:</b>				3,393,788	2,714,356
<b>Total U.S. Miscellaneous Federal Assistance:</b>				3,393,788	2,714,356
<b>Total Schedule of Expenditures of Federal Awards:</b>				1,496,887,416	508,616,764

**CITY OF PHILADELPHIA  
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 1997**

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**CITY OF PHILADELPHIA**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 1997**

**1. BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards (SEFA) presents the activity of all federal financial assistance programs of the City of Philadelphia (City). The City's reporting entity is defined in Note 1 to the City's general purpose financial statements. All federal financial assistance received directly by the primary government from federal agencies as well as federal financial assistance passed through other governmental agencies is included on this schedule. Federal financial assistance, if any, relating to the City's component units is reported separately by other auditors. Except for the programs listed in note 2 A through C below, federal program expenditures included in the accompanying schedule are presented on the modified accrual basis of accounting. The U.S. Department of Housing and Urban Development has been designated the cognizant agency of the City of Philadelphia's single audit. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

**2. NOTES TO SPECIFIC PROGRAMS**

The following explanatory notes relate to specific grant programs of the City, as indicated by CFDA Number.

- A. Emergency Food Assistance Program (10.569) - The Share Food Program has been designated "Lead Agency" by the City with respect to an agreement between the City and the Pennsylvania Department of Agriculture. The Share Food Program distributed \$974,757 worth of food commodities to eligible "Recipient Agencies," during fiscal 1997.
- B. Books for the Blind and Physically Handicapped (42.001) - Each year the Library for the Blind and Physically Handicapped (Library) receives equipment, books and materials from the Library of Congress. At the end of its useful life this equipment is returned to the Library of Congress. A valuation of \$757,521 was placed on the items received during fiscal 1997. The Library used a formula based on an estimated cost per unit times the number of each item received.
- C. HUD Section 108 Loans (14.246) - The Federal Department of Housing and Urban Development (HUD) has disbursed \$66 million in loans - \$20 million under project number B-94-MC-42-0012-A; \$16 million under project number B-94-MC-42-0012-B and \$30 million under project number B-94-MC-42-0012-C - to the Philadelphia Industrial Development Corporation (PIDC). These funds, which were used to establish a loan pool pursuant to a contract between the City and HUD, are being accounted for and administered by PIDC on behalf of the City. Pool funds are loaned to businesses for economic development purposes. PIDC has indicated that for

**CITY OF PHILADELPHIA**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 1997**

Footnote 2 continued:

the fiscal year ended June 30, 1997 \$5.2 million was loaned from B-94-MC-42-0012-A and \$11.9 million was loaned from B-94-MC-0012-C. As of June 30, 1997, there no loans from B-94-MC-42-0012-B. Loan repayments and investment proceeds from unloaned funds are used to repay HUD. Collateral for repayment of the funds includes future Community Development Block Grant entitlements due to the City from HUD.

- D. HIV Emergency Relief Cluster: As defined in the Office of Management and Budget Circular No. A-133 Compliance Supplement, certain federal programs with different CFDA numbers are considered to be a cluster of programs. These are closely related programs that share common compliance requirements. In the accompanying SEFA, the HIV Emergency Relief Projects Grants, CFDA No. 93.914 and the HIV Emergency Relief Formula Grants, CFDA No. 93.915, are considered to be the HIV Emergency Relief Cluster.

### **3. MAJOR PROGRAMS**

Major programs are identified in the Summary of Auditor's Results section of the Schedule of Findings and Questioned Costs.

### **4. CITY ID NUMBER**

Number used by the Grants Accounting and Administration Unit (GAAU) to track grant activity in the City's accounting system.

### **5. GOVERNMENTAL FUNDING AWARDED BY THE CITY**

The following table identifies funding received from federal and state agencies that the city awarded to its subrecipient organizations:

<u>Source</u>	<u>Program</u>	<u>Funding</u>
10.568	Emergency Food Assistance Program (Administrative Costs)	\$ 519,825
14.218	Community Development Block Grants/Entitlement Grants	96,362,397
14.227	Community Dev. Block Grants/Special Purpose Grants	10,887
14.231	Emergency Shelter Grants Program	1,085,089
14.238	Shelter Plus Care	1,354,669
14.239	HOME Investment Partnerships Program	14,797,622
14.241	Housing Opportunities for Persons with AIDS	2,188,672
14.425	Innovative Homeless Initiative Project	22,750
14.900	Lead-Based Paint Hazard Control	2,052,744
84.027	Special Education – Grants to States	35,000

**CITY OF PHILADELPHIA**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 1997**

Footnote 5 continued:

<u>Source</u>	<u>Program</u>	<u>Funding</u>
84.181	Special Education – Infants & Families with Disabilities	2,341,445
84.186	Safe & Drug-Free Schools - State Grants	70,249
93.104	MH Services for Children with Serious Emotional Disturbances	1,530,262
93.125	Mental Health Planning & Demonstration Projects	1,754,991
93.150	Projects for Assistance in Transition from Homelessness	123,800
93.151	Project Grants for Health Services to the Homeless	70,777
93.196	Drug Abuse Treatment Improvement Projects in Target Cities	2,233,713
93.216	HIV/AIDS MH Services Demonstration Program	380,484
93.242	Mental Health Research Grants	648,001
93.558	Temporary Assistance for Needy Families	12,121,621
93.560	Family Support Payments to States - Assistance Payments	13,411,432
93.575	Child Care & Development Block Grant	260,541
93.585	Empowerment Zones Program	12,920,358
93.645	Child Welfare Services - State Grants	482,910
93.658	Foster Care -Title IV-E	66,712,660
93.667	Social Service Block Grant	12,668,921
93.674	Independent Living	654,301
93.778	Medical Assistance Program	47,011,248
93.914	HIV Emergency Relief Project Grants	157,214
93.915	HIV Emergency Relief Formula Grants	108,513
93.926	Healthy Start Initiative	6,127,626
93.940	HIV Prevention Activities - Health Dept Based	90,166
93.958	Block Grants for Community Mental Health Services	1,456,324
93.959	Block Grants for Prevention & Treatment of Substance Abuse	11,718,925
93.994	Maternal & Child Health Services Block Grant to the States	1,636,846
99.000	Miscellaneous : Other Federal Assistance	1,162,780
STATE	State of Pennsylvania, other than DPW	220,416,573
PADPW	Pennsylvania Department of Public Welfare funded	96,340,333
Total Subrecipient Funding :		<u>\$ 633,042,669</u>

**Schedule of Pennsylvania**

**Department of Public Welfare**

**Financial Assistance**

**Pages 1 to 7 Inclusive**

**City of Philadelphia**  
**Schedule of Pennsylvania Department of Public Welfare Financial Assistance**  
**July 1, 1996 to June 30, 1997**

<b>Grantor Agency/Project Title</b>	<b>City ID Number</b>	<b>Contract Number</b>	<b>Grant Awards</b>	<b>Grant Expenditures</b>
<b>Federal Passed-through PaDPW</b>				
<b><u>U.S. Department of Education</u></b>				
<b>84.027 Special Education - Grants to States</b>				
MH - CASSP (720)	140549	Award Letter	35,000	35,000
Subtotal: Special Education - Grants to States			35,000	35,000
<b>84.181 Special Education-Grants for Infants &amp; Families with Disabilities</b>				
MR - Early Intervention (907)	140489	Award Letter	2,401,854	2,401,854
Subtotal: Special Education-Grants for Infants & Families with Disabilities			2,401,854	2,401,854
<b>Total U.S. Department of Education:</b>			2,436,854	2,436,854
<b><u>U.S. Department of Health &amp; Human Services</u></b>				
<b>93.125 Mental Health Planning &amp; Demonstration Projects</b>				
Access Grant	140499	Award Letter	3,929,732	2,036,163
MH - CSP (714)	140491	Award Letter	769,824	622,968
Subtotal: Mental Health Planning & Demonstration Projects			4,699,556	2,659,131
<b>93.150 Projects for Assistance in Transition from Homelessness (PATH)</b>				
MH - Homeless Grant (769)	140486	Award Letter	123,800	123,800
Subtotal: Projects for Assistance in Transition from Homelessness (PATH)			123,800	123,800
<b>93.558 Temporary Assistance for Needy Families</b>				
Temporary Assistance to Needy Families	220089	ME9661600651	12,431,467	12,431,467
Subtotal: Temporary Assistance for Needy Families			12,431,467	12,431,467
<b>93.560 Family Support Payments to States - Assistance Payments</b>				
Title IV-A - Emergency Assistance	220066	Award Letter	144,275	137,307
Title IV-A Emergency Assistance - FY 97	220079	ME9661600651	25,464,643	25,464,643
Welfare Fraud Unit	690033	ME 681363	800,000	652,422
Subtotal: Family Support Payments to States - Assistance Payments			26,408,918	26,254,372
<b>93.563 Child Support Enforcement</b>				
Child Support Enforcement	690029	Title IV-D	834,943	834,943
Child Support Enforcement	840050	Title IV-D	9,290,346	9,290,346
Unallocated IV-D Payments	840008	ME 4513321800	7,437,177	7,437,177
Subtotal: Child Support Enforcement			17,562,466	17,562,466

**City of Philadelphia**  
**Schedule of Pennsylvania Department of Public Welfare Financial Assistance**  
**July 1, 1996 to June 30, 1997**

<b>Grantor Agency/Project Title</b>	<b>City ID Number</b>	<b>Contract Number</b>	<b>Grant Awards</b>	<b>Grant Expenditures</b>
<b>93.566 Refugee &amp; Entrant Assistance - State Admin. Programs</b>				
Refugee Targeted Assistance	100122	92346199	521,491	446,020
Subtotal: Refugee & Entrant Assistance - State Admin. Programs			521,491	446,020
<b>93.568 Low-Income Home Energy Assistance</b>				
Emergency Energy Assistance - FY 97	260017	ME 513456101	309,800	275,621
Subtotal: Low-Income Home Energy Assistance			309,800	275,621
<b>93.585 Empowerment Zones Program</b>				
Empowerment Zone	080035	G-9501-PA-EZUR	39,582,032	10,952,058
Subtotal: Empowerment Zones Program			39,582,032	10,952,058
<b>93.645 Child Welfare Services - State Grants</b>				
Cross System Family Preservation	220128	Award Letter	53,360	16,177
Family Service Systems Reform (FSSR)	220153	ME 6300139551	1,050,000	1,039,276
Family to Family Initiative	220086	ME 6300139551	105,000	77,384
Title IV-B - FY 97	220080	ME6300139651	3,715,379	3,715,379
Subtotal: Child Welfare Services - State Grants			4,923,739	4,848,216
<b>93.658 Foster Care -Title IV-E</b>				
Title IV-E Placement Maintenance - FY 97	220081	ME776511600	94,056,488	94,056,487
Title IVE Placement Maint - Pgrm Income	229999	Fees	2,582,276	2,582,276
Subtotal: Foster Care -Title IV-E			96,638,764	96,638,763
<b>93.659 Adoption Assistance</b>				
Title IV-E Adoption Assistance - FY 97	220082	ME6511021600	4,836,514	4,836,514
Subtotal: Adoption Assistance			4,836,514	4,836,514
<b>93.667 Social Service Block Grant</b>				
Child Protective Services	220125	Award Letter	5,084,239	3,813,180
Emergency Shelter Grant	240116	Award Letter	1,050,823	1,050,823
Emergency Shelter Grant - Prog Income	240124	Program Income	26,411	26,411
Family Preservation Funds	140481	Award Letter	686,562	686,562
HAP-Housing Assistance-Title XX	240015	Award Letter	1,208,177	1,208,177
HAP-Housing Asst - XX-Prog Income	240123	Program Income	14,525	14,525
MH - SSBG (734)	140553	Award Letter	8,214,380	8,214,380
MR - SSBG (933)	140552	Award Letter	2,611,234	2,611,234
MR - SSBG-EIN (935)	140494	Award Letter	523,475	523,475

**City of Philadelphia**  
**Schedule of Pennsylvania Department of Public Welfare Financial Assistance**  
**July 1, 1996 to June 30, 1997**

<b>Grantor Agency/Project Title</b>	<b>City ID Number</b>	<b>Contract Number</b>	<b>Grant Awards</b>	<b>Grant Expenditures</b>
Subtotal: Social Service Block Grant			19,419,826	18,148,767
<b>93.670 Child Abuse and Neglect Discretionary Activities</b>				
Medically Fragile Infants	220006	3-G032372	107,890	600
Medically Fragile Infants	220114	3-G032372	104,960	10,000
Medically Fragile Infants	220031	3-G032372	107,951	58,405
Subtotal: Child Abuse and Neglect Discretionary Activities			320,801	69,005
<b>93.674 Independent Living</b>				
Title IV-E Indep Living - Interest Income	220059	Interest Income	9,795	9,795
Title IV-E Indep Living/AIP	080027	Award Letter	187,903	42,124
Title IV-E Indep Living/AIP	080032	Award Letter	187,903	139,146
Title IV-E Independent Living	220322	Award Letter	944,129	337,787
Title IV-E Independent Living	220132	Award Letter	944,129	931,579
Subtotal: Independent Living			2,273,859	1,460,431
<b>93.778 Medical Assistance Program</b>				
MH - Admin Reimbursements	140551	Award Letter	658,651	658,651
MR - Family Living Initiative (718)	140174	Award Letter	23,783	7,236
MR - TSM Admin Costs (931)	140501	Award Letter	42,292	42,292
MR - Waiver (931)	140490	Award Letter	46,804,387	46,028,705
MR - Waiver-Admin (931)	140488	Award Letter	3,331,543	3,331,543
Title IV-E Medical Assistance - FY 97	220083	P. L. 96-272 of 1980	456,122	456,122
Subtotal: Medical Assistance Program			51,316,778	50,524,549
<b>93.958 Block Grants for Community Mental Health Services</b>				
MH - CMHSBG (903)	140555	Award Letter	1,456,324	1,456,324
Subtotal: Block Grants for Community Mental Health Services			1,456,324	1,456,324
<b>93.959 Block Grants for Prevention &amp; Treatment of Substance Abuse</b>				
Pennfree Funds	240107	Award Letter	1,251,800	1,240,734
Pennfree Funds - Program Income	240122	Program Income	4,883	2,957
Subtotal: Block Grants for Prevention & Treatment of Substance Abuse			1,256,683	1,243,692
<b>Total U.S. Department of Health &amp; Human Services:</b>			284,082,816	249,931,195
<b>Total Federal Passed-through PaDPW:</b>			286,519,670	252,368,049
<b>Direct PaDPW Assistance</b>				

**City of Philadelphia**  
**Schedule of Pennsylvania Department of Public Welfare Financial Assistance**  
**July 1, 1996 to June 30, 1997**

<b>Grantor Agency/Project Title</b>	<b>City ID Number</b>	<b>Contract Number</b>	<b>Grant Awards</b>	<b>Grant Expenditures</b>
<b><u>Mental Health/Retardation Program</u></b>				
Behavioral Health Services (173)	140017	Award Letter	10,179,675	7,826,827
Family Planning - Med Asst - State	140157	Receipts	19,107	2,520
Family Planning - Med Asst - State	140336	Receipts	15,913	15,502
MH - Behavioral Health Initiative (173)	140500	Award Letter	4,785,682	4,785,682
MH - Program Income	149998	Program Income	66,112,637	66,122,637
MH - Program Maintenance (140)	140495	Award Letter	109,134,363	109,013,736
MH - Specialized Residences (160)	140493	Award Letter	1,232,247	1,232,247
MH/MR Admin & Support Services	140550	Award Letter	3,332,533	320
MR - Admin Waiver (156)	140554	Award Letter	3,331,543	3,331,543
MR - Community Services (156)	140544	Award Letter	29,317,917	29,315,934
MR - Early Intervention (117)	140485	Award Letter	6,280,926	6,280,926
MR - Family Living Initiative (141)	140173	Award Letter	21,217	6,451
MR - Program Income	149999	Program Income	14,090,432	14,090,432
MR - Waiver (156)	140548	Award Letter	54,083,785	53,108,275
Subtotal:			301,937,977	295,133,032
<b>Total Mental Health/Retardation Program:</b>			301,937,977	295,133,032
<b><u>Children and Youth Program</u></b>				
Act 148 Child Welfare Services - FY 97	220084	ME6300139651	126,005,658	118,512,449
C.A.F.S. - Family to Family (Year 1)	220038	ME 96300139451	195,000	3,000
C.A.F.S. - Family to Family (Year 2)	220140	ME 96300139551	185,250	184,224
Child Advocacy Pgm - C.A.F.S.	220319	ME 6300139451	87,212	47,512
Child Advocacy Pgm - C.A.F.S.	220127	ME 6300139651	78,032	33,536
Child Welfare Ed For Leadership	220134	Award Letter	547,983	638,123
Crisis Nursery Program - C.A.F.S.	220321	ME 6300139551	85,000	33,210
Cross System Family Preservation	220126	Award Letter	110,440	110,440
Cross-System Family Preserv Svcs	220055	ME 6300139551	110,440	58,019
Family Preservation Services	220056	ME 6300139451	956,494	107,474
Title IV-A - Emergency Assistance	220067	Award Letter	144,274	144,274
Subtotal:			128,505,783	119,872,262
<b>Total Children and Youth Program:</b>			128,505,783	119,872,262
<b><u>Combined Homeless Assistance Program</u></b>				

**City of Philadelphia**  
**Schedule of Pennsylvania Department of Public Welfare Financial Assistance**  
**July 1, 1996 to June 30, 1997**

<b>Grantor Agency/Project Title</b>	<b>City ID Number</b>	<b>Contract Number</b>	<b>Grant Awards</b>	<b>Grant Expenditures</b>
Bridge Housing Program	240106	Award Letter	1,437,692	1,437,692
Bridge Housing Program - Prog Income	240125	Program Income	70,586	70,586
Case Management Grant	060023	Award Letter- OESS	296,949	296,949
Emergency Shelter Grant	240117	Award Letter	156,830	156,830
Subtotal:			1,962,057	1,962,057
<b>Total Combined Homeless Assistance Program:</b>			1,962,057	1,962,057
<b><u>Human Services Development Fund</u></b>				
Human Services Dev Fund - Int Inc	220085	Interest Receipts	41,835	41,835
Human Services Development Fund	24HSDF	Award Letter	3,414,027	3,414,027
Human Services Development Fund	14HSDF	Award Letter	2,835,733	2,835,733
Human Services Development Fund	160150	Award Letter	296,000	296,000
Human Services Development Fund	22HSDF	Award Letter	2,098,736	2,098,736
Subtotal:			8,686,331	8,686,331
<b>Total Human Services Development Fund:</b>			8,686,331	8,686,331
<b><u>Other PaDPW Assistance</u></b>				
ACT 152	140482	Award Letter	2,680,488	2,680,488
Act 1992 - 24 Reimburse Lawyer's Fees	840081	Act 1992 -24	7,341	7,341
BETAK	142120	Award letter	415,000	100,000
BETAK (Mercy House)	140557	Award Letter	415,000	415,000
PA Conservations Corps	160031	ME 96010	21,769	21,769
Subtotal:			3,539,598	3,224,598
<b>Total Other PaDPW Assistance:</b>			3,539,598	3,224,598
<b>Total Direct PaDPW Assistance:</b>			444,631,746	428,878,280
<b>Total Pennsylvania Department of Public Welfare Financial Assistance:</b>			731,151,417	681,246,329

**CITY OF PHILADELPHIA  
NOTES TO THE SCHEDULE OF PENNSYLVANIA DEPARTMENT OF PUBLIC  
WELFARE FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 1997**

**1. ORDER OF PRESENTATION**

Federal pass through grants and the Federal portion of joint Federal and State funding are presented first, followed by State funding. State funds include DPW funds and the DPW portion of grants with Federal and State funding.

**2. DEPARTMENT OF PUBLIC WELFARE MAJOR PROGRAMS**

The following represent major programs from the Pennsylvania Department of Public Welfare as defined in their **Single Audit Supplement** (Reissued September, 1997):

- Child Support Enforcement Program
- County Mental Health and Mental Retardation Program
- County Children and Youth Program
- Combined Homeless Assistance Program
- Human Services Development Fund



# CITY OF PHILADELPHIA

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JONATHAN A. SAIDEL  
City Controller  
ALBERT F. SCAPEROTTO  
Deputy City Controller

## **REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Honorable Edward G. Rendell, Mayor and  
Honorable Members of the Council of the  
City of Philadelphia

We have audited the general-purpose financial statements of the City of Philadelphia, Pennsylvania as of and for the year ended June 30, 1997, and have issued our report thereon dated December 29, 1997. We did not audit the financial statements of the following organizations. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion on the general purpose financial statements, insofar as it related to the amounts included for those organizations, was based solely on the reports of the other auditors.

### Primary Government

Pension Trust Funds  
Philadelphia Gas Works  
Philadelphia Municipal Authority  
Pennsylvania Intergovernmental Cooperation Authority  
Philadelphia Deferred Compensation Plan

### Component Units

Community College of Philadelphia  
Penn's Landing Corporation  
Philadelphia Housing Development Corporation  
Philadelphia Parking Authority  
Redevelopment Authority of the City of Philadelphia  
Pennsylvania Convention Center Authority  
Philadelphia Housing Authority

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The financial statements of the Philadelphia Deferred Compensation Plan, Penn's Landing Corporation, Pennsylvania Convention Center Authority, Pennsylvania Intergovernmental Cooperation Authority, and the Philadelphia Parking Authority were not audited in accordance with *Government Auditing Standards* and accordingly this report does not extend to those organizations.

The reports of the other auditors on compliance and internal control over financial reporting in accordance with *Government Auditing Standards* for the Pension Trust Funds, Philadelphia Gas Works, Philadelphia Municipal Authority, Community College of Philadelphia, Philadelphia Housing Development Corporation, Redevelopment Authority of Philadelphia, and the Philadelphia Housing Authority were furnished to us, and this report, insofar as it relates to those organizations, is based solely on the reports of the other auditors.

### Compliance

As part of obtaining reasonable assurance about whether the City of Philadelphia, Pennsylvania's general-purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests and the reports of other auditors disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

However, we noted certain immaterial instances of noncompliance which were reported to management of the City of Philadelphia, and School District of Philadelphia in separate letters.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City of Philadelphia, Pennsylvania's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general-purpose financial statements and not to provide assurance on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the City of Philadelphia's ability to record, process, summarize and report financial data consistent with the assertions of management in the general-purpose financial statements. Reportable conditions are described in the accompanying Schedule of Findings and Questioned Costs as comment nos. 1, 2, and 3.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the general-purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of internal control over financial reporting, based on our audit and the reports of other auditors, would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe none of the reportable conditions described above is a material weakness.

We also noted other matters involving internal control over financial reporting, which we have reported to management of the City of Philadelphia and School District of Philadelphia in separate letters.

This report is intended solely for the information of management of the City of Philadelphia, Pennsylvania, and federal awarding agencies and pass-through entities and, the Pennsylvania Department of Public Welfare. However, this report is a matter of public record and its distribution is not limited.

December 29, 1997

ALBERT F. SCAPEROTTO, CPA  
Deputy City Controller

JONATHAN A. SAIDEL, CPA  
City Controller



# CITY OF PHILADELPHIA

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JONATHAN A. SAIDEL  
City Controller  
ALBERT F. SCAPEROTTO  
Deputy City Controller

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

Honorable Edward G. Rendell, Mayor  
and Honorable Members of the Council  
of the City of Philadelphia

## Compliance

We have audited the compliance of the City of Philadelphia, Pennsylvania with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement and the Pennsylvania Department of Public Welfare (DPW) Single Audit Supplement* that are applicable to each of its major federal and DPW programs for the year ended June 30, 1997. The City of Philadelphia, Pennsylvania's major federal and DPW programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs and the notes to the Schedule of DPW Financial Assistance. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal and DPW programs is the responsibility of the City of Philadelphia, Pennsylvania's management. Our responsibility is to express an opinion on the City of Philadelphia, Pennsylvania's compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and the DPW Single Audit Supplement. Those standards and OMB Circular A-133 and the DPW Single Audit Supplement require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or DPW program occurred. An audit includes examining, on a test basis, evidence about the City of Philadelphia, Pennsylvania's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the City of Philadelphia, Pennsylvania's compliance with those requirements.

As described in Finding nos. 97-7, 97-17 and 97-18 in the accompanying Schedule of Findings and Questioned Costs, the City of Philadelphia, Pennsylvania did not comply with requirements regarding allowable costs that are applicable to its Child Support Enforcement Program Title IV-D; nor with requirements regarding Subrecipient Monitoring and Cash Management applicable to its Empowerment Zones Program. Compliance with such requirements is necessary, in our opinion, for the City of Philadelphia, Pennsylvania to comply with the requirements applicable to those programs.

In our opinion, except for the noncompliance described in the preceding paragraph, the City of Philadelphia, Pennsylvania complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal and DPW programs for the year ended June 30, 1997. The results of our auditing procedures also disclosed other instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and the DPW Single Audit Supplement and which are described in the accompanying Schedule of Findings and Questioned Costs as items 97-3, 97-4, 97-8 through 97-16, 97-20, 97-21 and 97-24 through 97-26.

#### Internal Control Over Compliance

The management of the City of Philadelphia, Pennsylvania is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal and DPW programs. In planning and performing our audit, we considered the City of Philadelphia, Pennsylvania's internal control over compliance with requirements that could have a direct and material effect on a major federal or DPW program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133 and the DPW Single Audit Supplement.

We noted certain matters involving the internal control over compliance and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in our judgement, could adversely affect the City of Philadelphia, Pennsylvania's ability to administer a major federal or DPW program in accordance with the applicable requirements of laws, regulations, contracts, and grants. Reportable conditions are described in the accompanying Schedule of Findings and Questioned Costs as items 97-1 through 97-7, 97-11 through 97-17, and 97-19 through 97-26.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with the applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal or DPW program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, of the reportable conditions described above, we consider items 97-7 and 97-19 to be material weaknesses.

This report is intended for the information of management of the City of Philadelphia, Pennsylvania, federal audit agencies and pass through entities and, the Pennsylvania Department of Public Welfare. However, this report is a matter of public record and its distribution is not limited.

October 16, 1998

ALBERT F. SCAPEROTTO, CPA  
Deputy City Controller

JONATHAN A. SAIDEL, CPA  
City Controller

**Section V**

**Schedule of Findings**

**And**

**Questioned Costs**

Pages 1 to 64 Inclusive

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***Index to Federal and PA. Department of Public Welfare Findings and Questioned Costs – June 30, 1997***
*Financial Statements*

Type of auditors' report issued: Unqualified

Internal control over financial reporting:

Material weakness(es) identified? ☐ yes ☒ no

Reportable condition(s) identified not considered to be material weaknesses?  
☒ yes ☐ none reported

Noncompliance material to financial statements noted? ☐ yes ☒ no

*Federal Awards*

Internal control over major programs:

Material weakness(es) identified? ☒ yes ☐ no

Reportable condition(s) identified not considered to be material weaknesses?  
☒ yes ☐ none reported

Type of auditors' report issued on compliance for major programs: Unqualified except for the Child Support Enforcement Program Title IV-D, CFDA #93.563 and the Empowerment Zones Program, CFDA # 93.585.

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

Identification of major programs

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
14.231	Emergency Shelter Grants Program
14.246	Community Development Block Grants/Economic Development Initiative (Section 108)
20.205	Highway Planning and Construction
93.558	Temporary Assistance for Needy Families
93.560	Family Support Payments to States – Assistance Payments
93.563	Child Support Enforcement (Title IV-D)
93.569	Community Services Block Grant
93.585	Empowerment Zones Program
93.645	Child Welfare Services – State Grants
93.658	Foster Care – Title IV-E
93.659	Adoption Assistance
93.667	Social Services Block Grant
93.778	Medical Assistance Program
93.914, 93.915	HIV Emergency Relief Cluster
93.940	HIV Prevention Activities – Health Department Based
93.959	Block Grants for Prevention and Treatment of Substance Abuse

Dollar threshold used to distinguish between Type A and Type B programs: \$3,000,000

Auditee qualified as low-risk auditee? ☐ yes ☒ no

<u>Comment No.</u>	<u>Comment Heading</u>	<u>Page</u>
1	Communicating Financial Transactions to the ..... Accounting Division	4
2	Treasurer's Bank Reconciliations.....	6
3	Billing for Capital Grants.....	8

***General Purpose Financial Statement Comments – June 30, 1997***

**1. COMMUNICATING FINANCIAL TRANSACTIONS  
TO THE ACCOUNTING DIVISION**

In the past year, the City of Philadelphia entered into a number of financial transactions which were innovative and unusual. Examples include:

- Sale of \$106.3 million in real estate tax liens.
- Lease of branch libraries and airport facilities to the Philadelphia Authority for Industrial Development for improvements made by third parties.
- Guarantee of \$50 million in Department of Housing and Urban Development (HUD) loans for programs administered by the Philadelphia Industrial Development Corporation.

For each of these transactions, the Accounting Division of the Office of the Director of Finance was not made fully aware of all the financial structuring and accounting issues. In fact, the Accounting Division was unaware of the library branch leases and the HUD loan guarantee. As a result, our audit proposed additional footnote disclosures and adjustments to the Comprehensive Annual Financial Report.

In order to provide assurance that all transactions receive proper accounting and disclosure in its annual report, we recommend that the City administration make the Accounting Division aware of all future financing arrangements, transactions, and loan guarantees that could affect the City's financial reporting.

**Response**

Because of the diversity of financial transactions taking place within the City of Philadelphia and its component units, occasionally an accounting event might transpire without the knowledge of the Accounting Division. Such was the case with (1) the leasing of branch libraries to the Philadelphia Authority for Industrial Development for facility improvements and (2) the guarantee of \$50 million by the Office of Housing for HUD Section 108 loans. Neither of these transactions had an effect on any of the City's principal fund financial statements including the General Fund. The \$50 million loan guarantee required a last minute addition to the financial report footnote disclosures, while the library branch leases resulted in no change to the General Fixed Assets, since they will revert back to the City upon completion of the renovations.

As for real estate tax lien sale, the Accounting Division was fully aware of this transaction and in fact was represented at numerous meetings on this subject dating as far back as April 1996. Because there were so many aspects of the sale (legal, tax, accounting, procedural) that involved many interested parties (Revenue Department, City Council, School District, Finance Department, Law Department, service providers, banks, etc.) it was not practical nor necessary for the Accounting Division to participate in every discussion. It should be noted that the Controller's Office attended almost all meetings.

***General Purpose Financial Statement Comments – June 30, 1997***

Since most financial transactions that occur outside of the Accounting Division's knowledge are conducted under the auspices of the Commerce Department, we will reiterate to them our need to be apprised of such transactions. As a further preventative step, starting in fiscal 1998 the Philadelphia Authority for Industrial Development will be incorporated into the City's Comprehensive Annual Financial Report as a component unit thereby assuring that their financial activities will be duly accounted for.

## **2. TREASURER'S BANK RECONCILIATIONS**

The City Treasurer's Office is over one year behind in reconciling its General Disbursements Account. As of January 26, 1998, the last completed bank reconciliation was for November 1996. At fiscal year end, bank-calculated outstanding checks totaled over \$23 million and other reconciling items amounted to another \$4.3 million. This account is used to process most of the City's general disbursements.

We were informed that a new accounting clerk assumed the responsibility of reconciling this account, and that the previous clerk had been nine months behind in preparing reconciliations. This change in personnel and the volume of transactions in the account are the primary reasons for the delay in reconciling.

A generally accepted practice, which has been formally adopted by the City in Standard Accounting Procedure E-4501, calls for monthly reconciliations of bank accounts. The process is intended to discover differences between bank and book records on a timely basis. Failure to prepare timely reconciliations increases the risk that errors or irregularities could go undetected. Additionally, the reconciliation process is made more time consuming when they are not performed on a current basis.

We recommend that the Treasurer place a higher priority on keeping its bank reconciliations current. Given the limited resources available, we recommend that consideration be given to using a computer software program for the process.

### **Response**

Although the Treasurer's Office agrees with the finding that final monthly reconciliation forms are not processed, we would like to point out that a monthly reconciliation is conducted on all bank statements that are received by the Treasurer's Office. Every month when statements are received from the banks, this office performs a summary review to ensure that there are no obvious discrepancies between bank records and City records. Typically a discrepancy results when a check number or amount is transposed. These errors are usually resolved in subsequent bank statements and upon physical receipt of returned checks.

The delay in preparation of the final reconciliation form was as a result of change in staffing and a recent bank merger between two banks that maintain a number of City accounts. These events caused the delay in instituting new banking programs. It is anticipated that this office will have all final reconciliation forms prepared and up-to-date by September 1998. We would also like to point out that the Treasurer's Office receives approximately \$135 million worth of processed checks monthly from various banks that have been drawn from the General Disbursement, Payroll, and Pension accounts, just to name a few. This amounts to approximately \$1.62 billion worth of checks each fiscal year. While we understand the importance of completing a formal reconciliation and that they need to be expedited regardless of the amount, \$23 million represents 1.4 percent of the total processed checks received by the City in the past fiscal year. Notwithstanding, we will continue to strive towards having one hundred percent of all processed checks reconciled on a monthly basis.

***General Purpose Financial Statement Comments – June 30, 1997***

We appreciate the recommendation that the City Treasurer's Office consider using computer software to keep our reconciliations current. We have already contemplated this and will be implementing a number of initiatives, as described below, that will mitigate the untimely reconciliation of bank reports.

Starting July 1998, the City will implement its Automated Clearing House (ACH) payment system. The ACH system will allow the City to pay vendors electronically instead of manually. In addition, the integration of a "Positive Pay" program will enable banks to transmit account transactions daily to the City. This will enable us to in effect reconcile these accounts electronically on a daily basis. Finally, to complement these two systems, the City will institute "Controlled Disbursement and Image" technology that will provide actual images of processed and cancelled checks in as little as twenty-four hours. Therefore, instead of having a wait for more than thirty days to view physical checks on microfiche, we will be able to verify checks within days. Use of this system will permit the City to timely reconcile its bank statements with significantly reduced manpower.

### **3. BILLING FOR CAPITAL GRANTS**

Analysis of Capital Projects Fund receivables from other governments as reported in the preliminary Comprehensive Annual Financial Report disclosed long outstanding as well as overstated balances. Four of the six City departments that receive capital grants averaged more than 16 months of billings in their receivables. In addition, in response to our inquiries three departments indicated that receivables totaling \$765,000 were not considered valid. Because we questioned the validity of these receivables, we recommended an allowance of \$1.9 million be included on the City's financial statements. Finance responded to these audit findings by writing off both the invalid \$765,000 and the questionable \$1.9 million.

There are several causes for the increase in capital receivables. First, departments sometimes do not follow-up on existing receivable balances on a frequent basis. This can result in long-outstanding balances and departments that are not aware of the status of capital grant billings.

Secondly, long outstanding balances can result when departments charge costs under one or more programs and apply the receipts to another program or fund. This situation is common when capital programs are financed from several sources and grant payments are misapplied.

Finally, receivable balances can be misstated when departments bill grantors for ineligible costs. This creates receivables that will never be collected.

In order to properly present capital receivable balances, we recommend that the Director of Finance's Grants Accounting and Administration Unit analyze the composition of year-end amounts to determine possible overstatements. Departments responsible for these grants should then be contacted and requested to verify that amounts in question are collectable. In addition, departments with significant outstanding amounts should establish follow-up procedures to ensure timely collection of grant billings.

#### **Response**

The Finance Department shares the concerns expressed by the Controller's Office relating to the potential misstatement of the Capital Projects Fund governmental receivables, and we are committed to improving the process. As such, a meeting was held on January 16<sup>th</sup> of this year with administrators and accounting personnel from the Streets Department (the city agency with approximately 90 percent of all capital grants). The Streets Department expressed their commitment to making improvements to their billing and receivable processes and explained that they were in the final stages of issuing a request for proposal to install an automated grant tracking and billing system. It is anticipated that once in place, the system will relieve them of the manual burden that currently slows their efforts.<sup>1</sup>

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<sup>1</sup> See Federal Award Finding #97-19

***General Purpose Financial Statement Comments – June 30, 1997***

As additional steps, the Grants Accounting Unit of the Finance Department will review with Streets Department personnel the billing logs that are maintained for capital grants. We will hold follow-up meetings and offer suggestions where we observe undue delays in collections of outstanding receivables. The Grants Accounting Unit will also continue to monitor the expenditure and receipt activity of the Recreation department and Fairmount Park Commission. Again, where we observe undue delays, we will bring it to the attention of the appropriate departmental administrators.

**CITY OF PHILADELPHIA**

***Index to Federal and PA. Department of Public Welfare Findings and Questioned Costs – June 30, 1997***

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97-19	Highway Planning and Construction – CFDA #20.205.....	50	
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97-21	HIV Emergency Relief Project Grant – CFDA #93.914 HIV Emergency Relief Formula Grant – CFDA #93.915.....	54	\$21,842 \$1,712
97-22	Mental Health and Mental Retardation Program – CFDA #'s 93.778 and 93.125, MH/MR Administration and Support Services – PA. Department of Public Welfare.....	56	
97-23	Mental Health and Mental Retardation Program – CFDA #93.778 .....	57	\$218,136
97-24	Children and Youth Program – Act 148 PA. Department of Public Welfare.....	59	\$455,895

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<u>Finding No.</u>	<u>Finding Heading</u>	<u>Page</u>	<u>Questioned Costs</u>
97-25	Children and Youth Program – Act 148		
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*Note: Finding numbers 97-1 through 97-23 relate to programs receiving federal and/or federal plus direct PA. Department of Public Welfare funding. Finding numbers 97-24 through 97-26 relate to programs receiving direct PA. Department of Public Welfare funding only.*

**97-1. DAVIS-BACON ACT**

**Condition**

The Labor Standards Unit of the Mayor's Office for Labor is not ensuring that all contractors are in compliance with the prevailing wage laws that pertain to federally funded construction projects. Two of the nine projects tested by auditors were not monitored for Davis-Bacon compliance by the Labor Standards Unit.

The two projects not monitored are part of the Highway Planning and Construction Program, CFDA #20.205.

**Criteria**

The Davis-Bacon Act requires that laborers and mechanics employed by contractors or subcontractors on federal projects must be paid wages in accordance with standards established for the locality by the Secretary of Labor.

The Philadelphia Labor Standards Unit procedures manual requires at least one on-site inspection at every project on the Ongoing Project List. Inspectors are supposed to conduct employee interviews, ensure that prevailing wage schedules are posted, and ascertain that the contractor is paying the prevailing wage and classifying workers correctly.

**Cause**

The Labor Standards Unit has not established sufficient control procedures to ensure that all federally funded projects are monitored for compliance with the Davis-Bacon Act.

**Effect**

Some contractors and subcontractors may be paying their employees less than the federally established rates with the underpayments going undetected.

**Recommendation**

We recommend that the Labor Standards Unit strengthen control procedures to ensure that all City projects subject to the Davis-Bacon Act are properly monitored for compliance.

**Grantee's Response**

The audit finding states that two projects tested by auditors were not monitored for compliance with the Davis-Bacon Act. During the time frame in question, the Labor Standards Unit, of the Mayor's Office for Labor, never received any notification of these two projects. In addition, the individual responsible for monitoring these contracts was newly assigned to this area of audit.

97-1. DAVIS-BACON ACT (Continued)

As a corrective action, the Labor Standards Unit has actively requested, during capital project meetings, that all notification (award notices and pre-construction notices) be forwarded to this office in a timely manner. In addition, the Unit will review the applicable construction progress reports, so as to ensure that all projects are monitored for compliance.

The Unit's utilization of the aforementioned process will aid in monitoring resolution of this finding.

97-2. GRANT ACCOUNTING

Condition

The Grant Accounting and Administration Unit's (GAAU) procedures to account for the expenditures of grant programs were not sufficient to detect material misstatement of the following three programs' expenditures:

Lead-Based Paint Hazard Control  
In Privately-Owned Housing                      CFDA #14.900

Highway Planning and Construction                      CFDA #20.205

Child Support Enforcement                      CFDA #93.563

Criteria

Office of Management and Budget Circular A-133 requires that internal control over federal programs should provide reasonable assurance that transactions are properly recorded and accounted for to permit the preparation of reliable schedules and reports.

Cause

When preparing the Schedule of Expenditures of Federal Awards (SEFA), the GAAU primarily uses data produced by the City's FAMIS accounting system. This system, although satisfactory for producing legal basis financial data, does not always provide information that fully corresponds to program expenditures reportable to grantor agencies. For certain programs, additional information must be obtained from other departments and agencies before an accurate determination of reportable expenditures can be made.

For the Lead-Based Paint Hazard Control grant, reported expenditures included an advance payment of \$500,000 made by the City's Office of Housing and Community Development (OHCD) to the Philadelphia Housing Development Corporation. At June 30, 1997, only \$248,255 of the advance had been earned and was reportable to the grantor. The remaining balance of \$251,745 was not reportable as a program expenditure at that time.

97-2. GRANT ACCOUNTING (Continued)

For the Child Support Enforcement grant, reported expenditures included amounts based on transfers made to the Administrative Office of Pennsylvania Courts (AOPC). These were not actual expenditures but were transfers of appropriations made to AOPC under a preexisting agreement to procure services, materials and supplies, and equipment for the Domestic Relations Branch (DRC) of the Family Court. The expenditures reported on the SEFA did not reflect the actual AOPC expenditures disclosed on the DRC's *Reconciliation of FAMIS Report to Monthly Billing*.

With regard to reporting grant activity of the Highway Planning and Construction grant in the SEFA, the GAAU utilizes financial data obtained from the City's Streets Department. For this fiscal period, expenditures of \$731,038 were reported for a project without a corresponding grant award amount. Review of the financial data for this grant by the GAAU should have identified any grant expenditures without a corresponding grant award amount.

Effect

For the three grant programs cited, the overstatement of expenditures on the preliminary SEFA represented a material error for each grant program.

While adjustments proposed by the auditors were eventually made to correct the SEFA, the lack of reliable financial information, as originally presented in the preliminary SEFA, hampers the audit process. For example, the overstatement of expenditures in the Lead-Based Paint Hazard Control grant led to the misidentification of this grant as a Type A major program. This and other aspects of the cited condition delay the audit process because substantial additional effort is required to audit the SEFA.

Recommendation

Where grant activity reported in the SEFA is based on amounts recorded in the City's FAMIS accounting system, better communications between the department responsible for a grant and the GAAU is required.

97-2. GRANT ACCOUNTING (Continued)

For the Lead-Based Paint Hazard Control grant, we recommend that the GAAU obtain from OHCD a schedule which identifies program expenditures recorded in FAMIS, that portion of expenditures which represents grant activity for the period and that portion of expenditures which are unearned advances. We further recommend that GAAU's personnel analyze this information, as part of their grant reconciliation process, to determine grant activity reportable on the SEFA.

For the Child Support Enforcement grant, we recommend that the GAAU obtain from Family Court its year-end *Reconciliation of FAMIS Report to Monthly Billing*. The data on this report can be used by the GAAU to adjust the SEFA for the difference between transfers made to AOPC and its actual expenditures.

Since the reporting of grant activity for the Highway Planning and Construction grant is based on financial data prepared by the Streets Department, we recommend that the GAAU scrutinize this data for any unusual or unexpected items – such as program expenditures without corresponding grant awards –before it is reported in the SEFA.

Grantee's Response

The Grants Accounting Administration Unit (GAAU) agrees with the auditor's recommendations for the three instances cited. GAAU will obtain a schedule of program expenditures from OHCD and delete unearned advances to report reimbursable expenditures on the SEFA. For the Child Support Enforcement grant, GAAU will obtain the *Reconciliation of FAMIS Report to Monthly Billing* and adjust for actual reimbursable expenditures. GAAU will perform additional analyses to determine the validity of amounts reported for the Highway Planning and Construction grant. The GAAU would like to state that the 'preliminary' schedule reflects the most accurate information available to date and that adjustments are essential to the financial statement preparation process. In addition, GAAU wants to stress that procedures and internal controls are in place to provide reasonable assurance that amounts reported in the SEFA are accurate.

## ***CITY OF PHILADELPHIA***

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### ***Federal and PA. Department of Public Welfare Findings and Questioned Costs – June 30, 1997***

#### **97-3. SUBRECIPIENT MONITORING**

##### **Condition**

Subrecipient audit reports for \$8.3 million in fiscal 1996 and prior major program expenditures have not been submitted to the City within the time limits required by Federal guidelines. These amounts, as of May 1998, are shown in Table 1 and are considered compliance violations until an audit report is received or the condition is resolved.

We also found that \$1,034,281, in amounts associated with required but not received audit reports for major programs, were excluded from the City's Grant Accounting and Administration Unit (GAAU) database. The GAAU established the database to monitor the City's grantee departments' compliance with certain subrecipient monitoring procedures and to determine if the cumulative results of subrecipient activity require disclosure or adjustment to the City's books and records.

##### **Criteria**

Office of Management and Budget Circular A-133 requires pass-through entities to monitor the activities of its subrecipients to determine that Federal awards are properly used and subrecipients receive an appropriate audit if required. The Circular also indicates that, for fiscal years beginning on or before June 30, 1998, Single Audit Reports are due 13 months following the end of the entity's fiscal year end.

##### **Cause**

In prior years, insufficient procedures were in place to enforce the audit deadline provisions of subrecipient contracts.

The City's GAAU relied on various City departments to provide it with information on subrecipient audit reports that have not been received. This information was not compared to prior submissions to ensure completeness.

##### **Effect**

Unreceived subrecipient audit reports hampers the City's ability to ensure, on a timely basis, that related expenditures were made in accordance with federal laws and regulations.

The City's centralized system of accumulating subrecipient data is ineffective in determining whether grantee departments are receiving all required subrecipient audit reports.

**CITY OF PHILADELPHIA**

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***Federal and PA. Department of Public Welfare Findings and Questioned Costs – June 30, 1997***

**97-3. SUBRECIPIENT MONITORING (Continued)**

**Recommendation**

We recommend that the City continue its efforts to improve enforcement procedures relating to the audit deadline provisions of subrecipient contracts.

In addition, we recommend that the GAAU compare information submitted by grantee departments, relating to unreceived audit reports, to prior submissions in order to ensure completeness of this information.

**Grantee's Response**

In order to monitor unreceived audits across fiscal years, the Grants Accounting and Administration Unit (GAAU) has implemented a new reporting model. Beginning with fiscal year 1998, separate files will track current and prior year subrecipient activity. The prior year file allows GAAU to account for outstanding audits until a report is received, desk reviewed and any finding and/or questioned costs resolved. GAAU requires departments to provide documentation before updating the file.

To receive audits more timely, GAAU issued a memorandum in October 1998 which advised departments to enact policies and procedures to follow up on outstanding audits 120 days after the subrecipient organization's fiscal year ending date. In lieu of an actual audit report, subrecipients should request an extension of the due date or provide the department with proof that an Independent Public Accountant has been engaged to perform the audit.

**CITY OF PHILADELPHIA**

***Federal and PA. Department of Public Welfare Findings and Questioned Costs – June 30, 1997***

**97-3. SUBRECIPIENT MONITORING (Continued)**

**Prior Year Unresolved Costs by Major Program as of May, 1998**

Table 1

Program	Dept.	CFDA#	Prior Year Unresolved Costs
Drug Abuse Improvement in Target Cities	14	93.196	\$270,916
HIV Emergency Relief Projects Grants	14	93.914	\$1,053,772
HIV Emergency Relief Formula Grants	14	93.915	\$344,547
Block Grants for the Prevention and Treatment of Substance Abuse	14	93.959	\$386,022
Children and Youth Program (Title IV-E)	22	93.658	\$2,623,499
Children and Youth Program (Title IV-A)	22	93.560	\$525,200
Children and Youth Program (DPW)	22	00.000	\$3,009,982
Emergency Shelter Grants Program	24	14.231	\$130,798
Totals			\$8,344,736

97-4. SUSPENSION AND DEBARMENT

Condition

The City is not obtaining the required ‘suspended and debarred’ certification for its subrecipient contracts. Subrecipients are not being required to certify that their organizations and principals have not been suspended or debarred from participation in federal and Department of Public Welfare (DPW) funded programs.

Of 35 federally funded subrecipient contracts tested, 24 lacked the required suspended and debarred certification. In addition, all 8 of the DPW subrecipient contracts tested also lacked the required certification.

Contracts lacking the debarred and suspended certification were found for grants with the following CFDA #: 14.231, 84.027, 84.181, 93.104, 93.125, 93.558, 93.560, 93.645, 93.658, 93.667, 93.674, 93.778, 93.914, 93.915, 93.940, 93.959. Also, contracts lacking the certification were found for the DPW Children and Youth Program and for the Combined Homeless Assistance Program.

Criteria

45 CFR 76.510 requires that a suspension and debarment certification be obtained for all federally funded subaward contracts. Participants in federal contracts are required to make the certification as outlined in 45 CFR 76 Appendix B.

In addition, the Common Requirements of the DPW Single Audit Supplement require that the same certification be obtained for DPW funded contracts.

Cause

A system of controls is not in place to ensure that the appropriate certification is obtained from participants in all federal and DPW funded programs. The instances of noncompliance relate to the City’s processing of subrecipient contracts. Neither the contract form nor the process requires obtaining the necessary certification.

Effect

The City is not complying with a rule intended to prevent waste, fraud and abuse in federal and state grant programs. Individuals or organizations who are ineligible or voluntarily excluded could be participating in federal and DPW funded programs without the City’s knowledge.

97-4. SUSPENSION AND DEBARMENT (Continued)

Recommendation

We recommend that the City establish a system which would ensure that the appropriate certification related to suspension and debarment is obtained for all federal and DPW funded subrecipient contracts.

Grantee's Response

The Grants Accounting and Administration Unit (GAAU) issued Standard Accounting Procedure G 5-1: "Subrecipient Monitoring Policy" on November 10, 1997. Section 2.6 of the SAP makes departments aware that language needs to be added to provider contracts to prevent awards and sub-awards to parties who are suspended or debarred from participation in federal, state or city awards. Fiscal year 1999 contracts should contain the necessary language.

**97-5. BLOCK GRANTS FOR PREVENTION AND  
TREATMENT OF SUBSTANCE ABUSE  
CFDA #93.959**

**Condition**

The Coordinating Office for Drug and Alcohol Abuse Programs (CODAAP) of the City's Department of Public Health reported budgeted amounts rather than actual subrecipient fiscal information on the fiscal 1997 fourth quarter expenditure report for this program. Out of six program components tested, budgetary data was used to report the activity for four program components operated by three subrecipient agencies. Funding for this program is passed through the Pennsylvania Department of Health.

**Criteria**

Federal guidelines allow the State, as a pass-through entity, to impose supplemental requirements necessary to monitor the grant activities and to determine that goals are achieved.

The grant contract between the City of Philadelphia and the Pennsylvania Department of Health specifies that the City comply with the Single County Authority (SCA) Fiscal Manual. This manual requires reporting fiscal information that has been collected from service providers.

**Cause**

When certain agencies' invoices were not received timely, fiscal personnel at CODAAP estimated the agencies' fourth quarter expenditures on the basis of budgetary allocations made to those agencies. CODAAP did not have procedures in place to ensure that a revised expenditure report was prepared and submitted to the State after actual expenditure amounts for the fourth quarter were received from subrecipient agencies.

**Effect**

Reported expenditures were \$23,055 more than the actual amounts eventually billed by subrecipient agencies. However, because CODAAP had other expenditures that were eligible for reimbursement, the \$23,055 overstatement of reported expenditures is not considered a questioned cost and no repayment is required.

**Recommendation**

Procedures should be developed to obtain subrecipient invoices more timely, and to prepare and submit a revised expenditure report when the actual subrecipient expenditure amounts are less than estimated amounts previously reported.

**97-5. BLOCK GRANTS FOR PREVENTION AND  
TREATMENT OF SUBSTANCE ABUSE  
CFDA #93.959 (Continued)**

**Grantee's Response**

The Department agrees with the finding regarding overstating reported expenditures. However, the City greatly overmatched the grant. A revised expenditure report is not required when excess eligible expenses are available to account for any decreased expenditures.

When preparing the annual expenditure report to the State, every effort is made to obtain subrecipient invoices. If an invoice cannot be obtained from a subrecipient, the Department will accrue the estimated expenditures based on prior invoices and programmatic input.

97-6. CHILD SUPPORT ENFORCEMENT PROGRAM TITLE IV-D  
CFDA #93.563

<u>Condition</u>	Family Court used estimated rather than actual case data in determining the amount of unallowable costs related to non-Child Support activities reported on its Monthly Statement of Expenditures reports. A similar condition was noted in our fiscal 1995 and 1996 reports. Funding for this Program was received through the Pennsylvania Department of Public Welfare (DPW).
<u>Criteria</u>	<p>Federal guidelines allow the State, as a pass-through entity, to impose supplemental requirements necessary to monitor the grant activities and to determine that goals are achieved.</p> <p>Domestic Relations Section Memo 1984-4, and the DPW Single Audit Supplement (Section 1-Child Support Enforcement) requires that the basis for determining unallowable costs related to non-Child Support activities must be documented in the form of a case count, time study or another acceptable method. Estimates will not be accepted.</p>
<u>Cause</u>	Family Court's computer system, Philadelphia Automated Recovery Enforcement Tracking System (PARENTS), was not designed to generate the statistical reports containing the actual case data needed to calculate unallowable costs.
<u>Effect</u>	Using estimated case data could result in an understatement of unallowable costs, an overstatement of allowable costs and possible excess reimbursement from the State. Because the PARENTS system did not generate actual case data, auditors were unable to verify the accuracy of unallowable cost amounts reported on monthly invoices submitted during fiscal 1997.
<u>Recommendation</u>	Family court should make improvements to the PARENTS computer system to enable it to generate the statistical reports necessary for the preparation of unallowable cost calculations.
<u>Grantee's Response</u>	The Domestic Relations Division utilized the best information available in determining the portion of spousal only cases which must be excluded from submission for IV-D reimbursement. The Domestic Relations Division is reviewing the Statewide computer system – Pennsylvania Child Support Enforcement System (PACSES) – to ensure this information is available after its early 1999 implementation.

97-7. CHILD SUPPORT ENFORCEMENT PROGRAM TITLE IV-D  
CFDA #93.563

Condition

Family Court used Title IV-D Program funds to pay for costs for other, unallowable State-mandated activities. This condition was also cited in our reports for fiscal years 1993 through 1996. Funding for this Program is received through the Pennsylvania Department of Public Welfare (DPW).

Criteria

Federal guidelines allow the State, as a pass-through entity, to impose supplemental requirements necessary to monitor the grant activities and to determine that goals are achieved.

The Cooperative Agreement dated December 31, 1990, between the Philadelphia Family Court Domestic Relations Division and the DPW, Bureau of Child Support Enforcement states that the use of reimbursements and incentive monies shall be earmarked solely for the purpose of strengthening the child support enforcement function in the county.

Cause

The City's General Fund contribution to the Program was insufficient to offset unallowable costs paid for with Program funds.

The City is committed to provide a minimum \$3.3 million (freeze figure) for IV-D Program costs. This amount is provided, in part, through a direct General Fund appropriation and, in part, by indirect costs charged to the Program.

Other operations of the IV-D Program and other unallowable State-mandated activities are funded through the Grants Revenue Fund, with cash provided by IV-D Program operations.

At the end of the year, the amount of the General Fund contribution is determined. From this amount is deducted the freeze figure and any unallowable cost charged to the Grants Revenue Fund. A negative balance represents a General Fund liability to the IV-D Program.

97-7. CHILD SUPPORT ENFORCEMENT PROGRAM TITLE IV-D  
CFDA #93.563 (Continued)

<u>Effect</u>	As a result of insufficient General Fund contributions, Program funds totalling \$1,069,034 were used for activities unrelated to the Program. We consider this amount to be a questioned cost.
<u>Recommendation</u>	The City must provide sufficient and timely funding to liquidate the General Fund's liability to the Title IV-D Program.
<u>Grantee's Response</u>	We agree that sufficient funding should be provided to liquidate the General Fund's liability to the IV-D Program.

97-8. CHILD SUPPORT ENFORCEMENT PROGRAM TITLE IV-D  
CFDA #93.563

<u>Condition</u>	Family Court did not establish case records within the required 20 days for 16 out of 20 cases selected for review. The delay in establishing these case files ranged between 23 and 479 days after receipt of the referral or application. This condition was also cited in our reports for fiscal 1995 and 1996. Funding for this Program is received through the Pennsylvania Department of Public Welfare (DPW).
<u>Criteria</u>	45 CFR 303.2(b) requires that, for all cases referred to the IV-D agency or applying for services, the IV-D agency must open a case within no more than 20 calendar days of receipt of referral of a case or filing of an application for services. Opening a case includes establishing a case record, soliciting relevant information and evaluating the need for further location attempts.
<u>Cause</u>	The volume of applications increased while the level of employees in the Intake Unit remained constant, resulting in a backlog of applications and petitions.
<u>Effect</u>	Failure to promptly establish case records delays the processing of cases and prevents support obligations from being established in a timely manner.
<u>Recommendation</u>	Family Court officials must monitor the progress of cases to ensure that case files are established within the required 20 days. Also, Family Court must assign additional personnel to clear up the backlog of applications and petitions.
<u>Grantee's Response</u>	The Domestic Relations Division is studying the intake process to ensure cases are established within the required federal time frames under the new Statewide computer system – Pennsylvania Child Support Enforcement System (PACSES) – scheduled for early 1999 implementation.

97-9. CHILD SUPPORT ENFORCEMENT PROGRAM TITLE IV-D  
CFDA #93.563

Condition

During fiscal year 1997, Family Court did not fully comply with Program requirements governing the disposition of uncashed and undeliverable child support checks. Testing disclosed that when payees fail to respond to notices advising them of uncashed or undeliverable checks, Family court does not perform the necessary follow-up procedures specified in the Pennsylvania Department of Public Welfare's (DPW) Child Support Program Manual. Additionally, long outstanding checks are not being deposited into the City's Unclaimed Monies Fund, which is used to escheat monies to the State. This condition was cited in our report for fiscal years 1993 through 1996. Funding for this Program is received through DPW.

Criteria

Federal guidelines allow the State, as a pass-through entity, to impose supplemental requirements necessary to monitor the grant activities and to determine that goals are achieved.

The Child Support Program Manual Sections 6-34 through 6-37, lists specific procedures for handling uncashed and undeliverable child support checks and escheat of accounts to the State.

Cause

Family Court appears to lack sufficient personnel resources to follow-up on payees who fail to respond to notices regarding uncashed or undeliverable child support checks.

Additionally, Family Court was unable to transfer outstanding checks to the City's Unclaimed Monies Fund because its new computer system, Philadelphia Automated Recovery Enforcement Tracking System (PARENTS), did not generate a listing of unclaimed checks which would show the check information along with the case name and account.

Effect

When payees' checks are undeliverable, the payees' accounts are placed on hold pending the receipt of a new address. As of March 27, 1998 the amount of funds associated with undeliverable checks was \$3,666,499.

97-9. CHILD SUPPORT ENFORCEMENT PROGRAM TITLE IV-D  
CFDA #93.563 (Continued)

Recommendation

Family Court should provide the necessary staff to perform all follow-up procedures required by DPW for uncashed and undeliverable child support checks.

Additionally, Family Court should make improvements to the PARENTS computer system to enable it to perform the necessary follow-up procedures for transferring unclaimed checks to the City's Unclaimed Monies Fund.

Grantee's Response

The Domestic Relations Division continues to work with the State's Bureau of Child Support Enforcement (BCSE) in resolving this issue prior to Philadelphia's conversion to a new Statewide computer system – Pennsylvania Child Support Enforcement System (PACSES) – in early 1999.

The Bureau of Accounts financial staff has implemented procedures to periodically review uncashed items for reissuances.

**97-10. CHILDREN AND YOUTH PROGRAM**

CHILD WELFARE SERVICES - STATE GRANTS PROGRAM - CFDA #93.645  
FOSTER CARE PROGRAM TITLE IV-E - CFDA #93.658  
ADOPTION ASSISTANCE PROGRAM - CFDA #93.659  
TITLE IV-E INDEPENDENT LIVING - CFDA #93.674  
ACT 148 - PA. DEPT. OF PUBLIC WELFARE  
CHILD ABUSE FAMILY SERVICES GRANT - PA. DEPT. OF PUBLIC WELFARE  
FAMILY PRESERVATION SERVICES GRANT - PA. DEPT. OF PUBLIC WELFARE

**Condition**

Auditors reviewed the Department of Human Services' (DHS) Children and Youth Division's monthly Caseload Statistics Reports for a six month period (January through June 1997) and noted instances where the number of cases handled by social workers exceeded the 1 to 30 caseworker-to-client ratio imposed by state regulations. Out of approximately 450 social workers, we noted that for the period tested, an average of 69 social workers per month had caseloads that exceeded the state limitation. This condition has been noted in our reports since fiscal 1993. Funding for these programs is received through the Pennsylvania Department of Public Welfare (DPW).

**Criteria**

Federal guidelines allow the State, as a pass-through entity, to impose supplemental requirements necessary to monitor the grant activities and to determine that goals are achieved.

Pennsylvania Code, Title 55, Chapter 3130.32 regarding staffing requirements states that the caseworker-to-client ratio may be no greater than 1 to 30.

**Cause**

The condition described above is due to either inadequate deployment of existing staff or inadequate staffing levels.

**Effect**

There may be inadequate resources available to effectively carry out case management functions and to investigate child abuse and neglect reports.

**Recommendation**

DHS should conduct a study to determine if the Children and Youth Division's inability to fully meet the caseworker-to-client requirement is the result of inadequate caseworker deployment or inadequate staffing levels. DHS should take the necessary corrective action based on the results of their study.

**97-10. CHILDREN AND YOUTH PROGRAM (Continued)**

CHILD WELFARE SERVICES - STATE GRANTS PROGRAM - CFDA #93.645  
FOSTER CARE PROGRAM TITLE IV-E - CFDA #93.658  
ADOPTION ASSISTANCE PROGRAM - CFDA #93.659  
TITLE IV-E INDEPENDENT LIVING - CFDA #93.674  
ACT 148 - PA. DEPT. OF PUBLIC WELFARE  
CHILD ABUSE FAMILY SERVICES GRANT - PA. DEPT. OF PUBLIC WELFARE  
FAMILY PRESERVATION SERVICES GRANT - PA. DEPT. OF PUBLIC WELFARE

**Grantee's Response**

The Department has taken and continues to take steps to address the issue of caseload staffing requirements. It bears repeating that the Department's ongoing efforts to address the issue of the 30 to 1 staff-to-caseload ratio have been successful in maintaining a full license since October 1993. Additionally, the Department has been working closely with the State to ensure that the State approves of the steps the City is taking to reduce caseload ratios.

The Department has made substantial progress in addressing this issue. The percent of cases in caseloads of more than 30 to 1 decreased from 2.6 percent in June 1997, to 0.65 percent in June 1998, and the percent of caseloads that are over 30 decreased from 15.2 percent in June 1997, to 6.4 percent in June 1998.

One of the steps we have taken to reduce caseloads is to continue hiring social workers. A class of 25 social workers graduated February 27, 1998. On January 20, a class of 24 social workers began OJT, with another class of 21 social workers beginning March 9, of which 17 graduated. On August 21, 28 social workers graduated from an OJT class of 34 social workers that began June 9. A class of 21 social workers began OJT September 8.

By the end of June 1998, the Department had increased the number of social workers to 482 from 435 in June 1997, a 10.8 percent increase. This increase in staffing was essential to our ability to lower caseloads because the number of cases increased from 9,450 in August 1997 to 10,112 in June 1998. In addition, the number of cases accepted for service by Intake and transferred to the Family Service Regions continues to be very high. For example, in June, 240 cases were accepted and transferred, the highest number for any June in the past five years and exceeding the June 1997 total by 37 cases (18%).

97-10. CHILDREN AND YOUTH PROGRAM (Continued)

CHILD WELFARE SERVICES - STATE GRANTS PROGRAM - CFDA #93.645  
FOSTER CARE PROGRAM TITLE IV-E - CFDA #93.658  
ADOPTION ASSISTANCE PROGRAM - CFDA #93.659  
TITLE IV-E INDEPENDENT LIVING - CFDA #93.674  
ACT 148 - PA. DEPT. OF PUBLIC WELFARE  
CHILD ABUSE FAMILY SERVICES GRANT - PA. DEPT. OF PUBLIC WELFARE  
FAMILY PRESERVATION SERVICES GRANT - PA. DEPT. OF PUBLIC WELFARE

The Department will continue its hiring efforts on a regular basis in order to address attrition. The Department has developed and implemented an ongoing tracking system that examines caseload ratios and other staffing issues with the purpose of ensuring appropriate staff deployment.

**97-11. CHILDREN AND YOUTH PROGRAM**

**TEMPORARY ASSISTANCE FOR NEEDY FAMILIES - CFDA #93.558  
FAMILY SUPPORT PAYMENTS TO STATES – ASSISTANCE  
PAYMENTS - CFDA #93.560  
CHILD WELFARE SERVICES – STATE GRANTS – CFDA #93.645  
FOSTER CARE PROGRAM TITLE IV-E - CFDA #93.658**

**Condition**

The Department of Human Services (DHS) did not properly monitor its subrecipients. For six out of eleven subrecipients tested, the agencies' audit reports did not contain a reference that they were audited in compliance with Pennsylvania Department of Public Welfare (DPW) requirements. Funding for this program is passed through DPW.

**Criteria**

Federal guidelines allow the State, as a pass-through entity, to impose supplemental requirements necessary to monitor the grant activities and to determine that goals are achieved.

The DPW Single Audit Supplement imposes on the City the responsibility to ensure that all applicable compliance and internal control requirements, including those in the DPW Single Audit Supplement, have been passed down to subrecipients and that the subrecipients provide an appropriate audit report.

**Cause**

Management at DHS believed that State regulations did not require subrecipient agency audit reports to contain a specific reference that the audits were performed in accordance with DPW requirements.

**Effect**

Since it is relying upon audit reports which do not refer to DPW requirements, DHS has no assurance that its subrecipients are in compliance with those requirements.

**Recommendation**

DHS should institute procedures to ensure that its subrecipients and their auditors are aware of all DPW requirements as they relate to the Single Audit process and that required audit reports make reference to these requirements. A reference that the audit was performed in accordance with the City Subrecipient Audit Guide would satisfy this requirement as this guide includes reference to the DPW requirements.

97-11. CHILDREN AND YOUTH PROGRAM (Continued)

TEMPORARY ASSISTANCE FOR NEEDY FAMILIES - CFDA #93.558  
FAMILY SUPPORT PAYMENTS TO STATES – ASSISTANCE  
PAYMENTS - CFDA #93.560  
CHILD WELFARE SERVICES – STATE GRANTS – CFDA #93.645  
FOSTER CARE PROGRAM TITLE IV-E - CFDA #93.658

Grantee's Response

As it was not explicitly stated in either the Single Audit Supplement dated September 1997 or the Single Audit Bulletin dated February 20, 1998, DHS was unaware of the requirement that agencies' audit report contain a reference to the Pennsylvania Department of Public Welfare (DPW) audit requirements.

DHS has added a step to the review process wherein agencies issuing audit reports which do not reference either the DPW requirements or the City's Subrecipient Audit Guide are notified and required to institute corrective action.

Additional references to DPW requirements contained in the fiscal year 1998 revisions to the City's Audit Guide should also result in improved compliance.

**97-12. COMBINED HOMELESS ASSISTANCE PROGRAMS**

**SOCIAL SERVICES BLOCK GRANT – EMERGENCY SHELTER – CFDA #93.667  
BRIDGE HOUSING – PA. DEPARTMENT OF PUBLIC WELFARE  
HOUSING ASSISTANCE – PA. DEPARTMENT OF PUBLIC WELFARE  
EMERGENCY SHELTER – PA. DEPARTMENT OF PUBLIC WELFARE**

**Condition**

The Office of Emergency Shelter and Services (OESS) did not comply with program requirements for client reporting and record retention. The following reports were not prepared and submitted to the grantor:

- 4<sup>th</sup> quarter “Quarterly Client Report” - Emergency Shelter
- 4<sup>th</sup> quarter “Quarterly Client Report” - Housing Assistance
- Annual “Client and Service Report” - Emergency Shelter
- Annual “Client and Service Report” - Bridge Housing
- Annual “Client and Service Report” - Housing Assistance

In addition, out of 20 case folders tested, four could not be located. This condition has been cited in our compliance reports since fiscal 1993. Funding for these programs included federal funds received through the Pennsylvania Department of Public Welfare (DPW) as well as funds received directly from DPW.

**Criteria**

Federal guidelines allow the State, as a pass-through entity, to impose supplemental requirements necessary to monitor the grant activities and to determine that goals are achieved.

DPW instructions and requirements state that quarterly and annual Client Data Reports must be submitted to DPW. In addition, financial records, supporting documents, statistical records, and all other pertinent records must be retained for a period of four years following the submission of the Final Expenditure and Client Reports to the State.

**Cause**

OESS has not established procedures to ensure that all required reports are prepared and submitted to the grantor and all pertinent documents are retained.

97-12. COMBINED HOMELESS ASSISTANCE PROGRAMS (Continued)

SOCIAL SERVICES BLOCK GRANT – EMERGENCY SHELTER – CFDA #93.667  
BRIDGE HOUSING – PA. DEPARTMENT OF PUBLIC WELFARE  
HOUSING ASSISTANCE – PA. DEPARTMENT OF PUBLIC WELFARE  
EMERGENCY SHELTER – PA. DEPARTMENT OF PUBLIC WELFARE

Effect

Failure to submit required client data to DPW restricts the State's ability to evaluate the program. We were not able to determine the eligibility of clients with missing or incomplete files.

Recommendation

OESS must immediately establish procedures to ensure that all required reports are prepared and submitted to the State and that all client case folders are maintained.

Grantee's Response

OESS implemented a system to ensure that case records are more closely monitored and maintained in a secured area at one of two locations: 1315 Cherry Street (family/single female records) and 1360 Ridge Avenue (single male records).

Fiscal year 1997 was the first year HAP-funded agencies were required to submit annual data. The Housing Assistance reports were submitted quarterly using a previous year form. The data contained on the fourth quarter form contained fiscal year 1997 annual information.

The Annual Bridge Housing report had been prepared and was on file at the time of the auditors' review.

Emergency Shelter Program funds are used to fund up to 120 days of shelter in each shelter of OESS' system. The client service data cannot be determined until after the final expenditure report is completed. This resulted in no quarterly reports. Although client data was previously transmitted to the Office of Social Programs via telephone, a formal report will now be submitted on a quarterly basis.

To prevent future findings, an OESS analyst has been assigned to review all reports required for HAP funded programs to ensure that they are accurate and that all reporting requirements are met.

97-12. COMBINED HOMELESS ASSISTANCE PROGRAMS (Continued)

SOCIAL SERVICES BLOCK GRANT – EMERGENCY SHELTER – CFDA #93.667  
BRIDGE HOUSING – PA. DEPARTMENT OF PUBLIC WELFARE  
HOUSING ASSISTANCE – PA. DEPARTMENT OF PUBLIC WELFARE  
EMERGENCY SHELTER – PA. DEPARTMENT OF PUBLIC WELFARE

Auditor's Comment

In the above response, OESS states that the Annual Bridge Housing report was on file at the time of our audit. Although it was requested, it was never provided to us during our field work. An attempt was made to obtain a copy of the report from DPW; however, DPW indicated that it had not received the report. After completion of field work for the Combined Homeless Assistance Programs, OESS provided an unsigned copy of the report, which has not been subject to audit.

**CITY OF PHILADELPHIA**

***Federal and PA. Department of Public Welfare Findings and Questioned Costs – June 30, 1997***

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**97-13. COMBINED HOMELESS ASSISTANCE PROGRAMS**

**SOCIAL SERVICES BLOCK GRANT - EMERGENCY SHELTER – CFDA #93.667  
BRIDGE HOUSING - PA. DEPARTMENT OF PUBLIC WELFARE**

<u>Condition</u>	The Office of Emergency Shelter and Services (OESS) overstated actual expenditures related to this program because amounts reported included encumbrance balances not needed to fund current obligations. Funding for these Programs included federal funds received through the Pennsylvania Department of Public Welfare (DPW) as well as direct DPW funds.
<u>Criteria</u>	<p>Federal guidelines allow the State, as a pass-through entity, to impose supplemental requirements necessary to monitor the grant activities and to determine that goals are achieved.</p> <p>The DPW Single Audit Supplement states that funds may not be encumbered out of the grant for costs anticipated to be incurred in succeeding years.</p>
<u>Cause</u>	OESS did not have adequate internal control procedures in place to ensure that encumbrances are reviewed and only those amounts needed to fund current obligations are included as part of reported expenditures.
<u>Effect</u>	Expenditures reported included encumbrances totaling \$56,352 which were not used to fund fiscal year 1997 obligations. This \$56,352 is considered a questioned cost. (\$48,605 of the questioned costs relates to CFDA #93.667 and \$7,747 relates to the Bridge Housing Program).
<u>Recommendation</u>	Any excess reimbursement received by OESS as a result of its improper reporting should be returned to DPW. OESS must also revise its internal control procedures over the financial reporting process for the Combined Homeless Assistance Programs to ensure that only actual expenditures are reported to DPW.

97-13. COMBINED HOMELESS ASSISTANCE PROGRAMS (Continued)

SOCIAL SERVICES BLOCK GRANT - EMERGENCY SHELTER – CFDA #93.667  
BRIDGE HOUSING - PA. DEPARTMENT OF PUBLIC WELFARE

Grantee's Response

OESS has not received an excess reimbursement and does not believe that there should be any questioned costs. The actual expenditures related to this program were not overstated. Rather, eligible expenditures related to this program were expended too late to be transferred into the appropriate grant account.

Because many of the per diem shelters receiving Emergency Shelter Grant funds underspent their contracts during the period for which the grant encumbrances were established, OESS had to identify other eligible General Fund expenditures for grant reimbursement. These costs, because they were not identified until after the closing of the fiscal year, were not able to be transferred. Furthermore, some of the requisite accounting work occurred at a time when OESS had a Budget Officer vacancy and no one was available to identify the costs and make the transfers.

A spreadsheet, summarizing all costs, both General Fund and Grants Fund, which were to be charged to the Grant, was presented to the City Controller's Office. OESS used this spreadsheet as the basis to prepare the Final Expenditure Report for this program.

In fiscal year 1998, OESS was able to transfer the appropriate expenditures into the appropriate grant account. Therefore, actual expenditures supported by the grant index code have been reported to DPW in fiscal year 1998.

Auditor's Comment

At the engagement entrance conference, OESS identified to auditors the City's accounting system cost centers where the expenditures relating to the Emergency Shelter Program were charged. After completion of field work and upon notification of the above noted questioned costs, OESS management provided the auditors an alternative listing of expenditures that they claimed could be charged to the Emergency Shelter Program. Then, included with a written response to this comment, OESS provided yet another listing of "eligible" expenditures that was different from the previous two populations provided.

97-13. COMBINED HOMELESS ASSISTANCE PROGRAMS (Continued)

SOCIAL SERVICES BLOCK GRANT - EMERGENCY SHELTER – CFDA #93.667  
BRIDGE HOUSING - PA. DEPARTMENT OF PUBLIC WELFARE

Because the multiple populations represent a continuation of prior years' moving target approach to the identification of eligible costs, only the original population presented to auditors was subjected to audit procedures.

**97-14. COMBINED HOMELESS ASSISTANCE PROGRAMS**

SOCIAL SERVICES BLOCK GRANT – EMERGENCY SHELTER – CFDA #93.667  
BLOCK GRANTS FOR PREVENTION AND TREATMENT OF SUBSTANCE ABUSE  
- PENNFREE BRIDGE HOUSING – CFDA #93.959  
BRIDGE HOUSING - PA. DEPARTMENT OF PUBLIC WELFARE  
CASE MANAGEMENT - PA. DEPARTMENT OF PUBLIC WELFARE  
HOUSING ASSISTANCE - PA. DEPARTMENT OF PUBLIC WELFARE  
EMERGENCY SHELTER - PA. DEPARTMENT OF PUBLIC WELFARE

**Condition**

The Office of Emergency Shelter and Services (OESS) did not properly monitor its subrecipients. Testing disclosed the following:

- Audit reports obtained by OESS did not always contain a reference to Pennsylvania Department of Public Welfare (DPW) requirements,
- OESS did not track and follow-up on findings noted in subrecipient audit reports,
- Yearly monitoring reviews of provider agencies were not always performed. For 15 out of 32 agencies where program monitoring was required, there was no evidence that monitoring was performed.

Funding for these Programs included federal funds received through DPW as well as direct DPW funds.

**Criteria**

Federal guidelines allow the State, as a pass-through entity, to impose supplemental requirements necessary to monitor the grant activities and to determine that goals are achieved.

The DPW Single Audit Supplement imposes on the City the responsibility to ensure that all applicable compliance and internal control requirements, including those in the DPW Single Audit Supplement, have been passed down to subrecipients, that the subrecipients provide an appropriate audit, and that audit reports are received, evaluated and all findings are properly resolved.

97-14. COMBINED HOMELESS ASSISTANCE PROGRAMS (Continued)

SOCIAL SERVICES BLOCK GRANT – EMERGENCY SHELTER – CFDA #93.667  
BLOCK GRANTS FOR PREVENTION AND TREATMENT OF SUBSTANCE ABUSE  
- PENNFREE BRIDGE HOUSING – CFDA #93.959  
BRIDGE HOUSING - PA. DEPARTMENT OF PUBLIC WELFARE  
CASE MANAGEMENT - PA. DEPARTMENT OF PUBLIC WELFARE  
HOUSING ASSISTANCE - PA. DEPARTMENT OF PUBLIC WELFARE  
EMERGENCY SHELTER - PA. DEPARTMENT OF PUBLIC WELFARE

The DPW Single Audit Supplement also requires that the City perform monitoring reviews of each service provider once every 12 months and that the City maintain a written monitoring report for each provider. The receipt of an audit report from the service provider cannot be used in lieu of program monitoring.

Cause

OESS did not have adequate internal control procedures in place to ensure that audits of subrecipients and program monitoring were performed in accordance with DPW requirements. OESS failed to follow their written audit resolution procedures.

Effect

OESS has no assurance that their subrecipients are in compliance with DPW requirements since they are relying on audit reports which do not refer to compliance with those requirements and program monitoring was not consistently performed. Findings reported on OESS subrecipient reports may not be resolved timely.

Recommendation

OESS should institute procedures to ensure that their subrecipients and auditors are aware of all DPW requirements as they relate to the Single Audit process and that required audit reports make reference to these requirements. A reference that the audit was performed in accordance with the City Subrecipient Audit Guide would satisfy this requirement as this guide includes reference to the DPW requirements.

OESS should develop and implement procedures to ensure that yearly monitoring reviews of service provider agencies are performed when required. At a minimum, these procedures should include scheduling program monitoring reviews for each agency, keeping a log of the dates monitoring reviews were performed and a reference to the completed written monitoring report for each agency

97-14. COMBINED HOMELESS ASSISTANCE PROGRAMS (Continued)

SOCIAL SERVICES BLOCK GRANT – EMERGENCY SHELTER – CFDA #93.667  
BLOCK GRANTS FOR PREVENTION AND TREATMENT OF SUBSTANCE ABUSE  
- PENNFREE BRIDGE HOUSING – CFDA #93.959  
BRIDGE HOUSING - PA. DEPARTMENT OF PUBLIC WELFARE  
CASE MANAGEMENT - PA. DEPARTMENT OF PUBLIC WELFARE  
HOUSING ASSISTANCE - PA. DEPARTMENT OF PUBLIC WELFARE  
EMERGENCY SHELTER - PA. DEPARTMENT OF PUBLIC WELFARE

OESS should follow their own Audit Policies and Procedures for Audit Findings and Resolution, which require the Contracts Auditor to track audit findings and contact the subrecipient to ensure that the findings are addressed and corrected.

Grantee's Response

Some audit reports did not contain a reference to Pennsylvania Department of Public Welfare (DPW) requirements because the City of Philadelphia's Subrecipient Audit Guide sample report format omitted reference to DPW for the fiscal year ended June 30, 1997. The reference was restored for the fiscal year ended June 30, 1998. All DPW requirements are also attached to the subrecipient agency's contract, and DPW requirements are referenced in the OESS section of the Subrecipient Audit Guide.

OESS submits that program monitoring of each service provider is performed at least once every 12 months because OESS requires internal monitoring information for purposes of granting contracts and performing quality assurance, although written reports have not been in a format conducive to program monitoring. OESS will develop and implement requirements for more informative program monitoring reports during fiscal year 1999. A mechanism has been developed to identify all Emergency Shelter Transitional Housing and Supportive Services funded programs and ensure that internal monitoring is completed. Further, the monitoring reports have been formalized to include language specific to the funding source.

OESS will follow their own Audit Policies and Procedures for Audit Findings and Resolution. We submit that there were only four omissions since fiscal year 1995. These omissions did not involve materially significant amounts and were subsequently resolved. It should also be noted that these findings occurred prior to OESS' implementation of a tracking schedule, which has limited the number of subsequent omissions.

97-15. COMMUNITY SERVICES BLOCK GRANT  
CFDA #93.569

<u>Condition</u>	The Mayor's Office of Community Services (MOCS) failed to submit two of the four Quarterly Fiscal Status Reports required during fiscal 1997. The report for the first quarter of 1997 was never submitted; the report for the fourth quarter was submitted nine months past the due date and only after the situation was brought to management's attention by auditors. In addition, the fourth quarter report omitted \$95,811 of eligible expenditures incurred by the Mayor's Commission on Literacy but included ineligible expenditures of \$2,023. Finding for this program is passed through the Pennsylvania Department of Community and Economic Development.
<u>Criteria</u>	<p>Federal guidelines allow the State, as a pass-through entity, to impose supplemental requirements necessary to monitor the grant activities and to determine that goals are achieved.</p> <p>Under its contract with the Commonwealth of Pennsylvania Department of Community and Economic Development, MOCS is required to furnish such progress reports in such form and quantity as the Department may from time to time require.</p>
<u>Cause</u>	MOCS has not established internal control procedures to ensure that required reports are submitted to grantor agencies and that information on reports is complete and accurate.
<u>Effect</u>	The City has not complied with State reporting requirements related to this grant. Unless corrections are made to the final status report, expenditure amounts will be inaccurate, and drawdown requests will not reflect the actual cash expended on the program.
<u>Recommendation</u>	We recommend that MOCS institute internal control procedures to ensure that grant reports are prepared accurately and submitted to the State in a timely fashion.
<u>Grantee's Response</u>	MOCS will amend its final Fiscal Status Report (the program ended September 30, 1997) to accurately reflect actual reimbursable costs. To help ensure that future grant reports are prepared accurately and submitted in a timely fashion, MOCS has created a Fiscal Status Report Checklist of all critical action steps in the process. The Executive Director or the Fiscal Director must now sign off on each step as a method for confirming the completion of the report.

**97-16. EMERGENCY SHELTER GRANTS PROGRAM**  
**CFDA #14.231**

<u>Condition</u>	The Office of Emergency Shelter and Services' (OESS) system of internal control fails to meet the standards for financial management systems required for this grant. Testing disclosed that weaknesses in their internal control system allowed OESS to make reimbursement requests using expenditures that had already been reimbursed on earlier drawdowns. A similar condition was also cited in our report for fiscal 1996. Funding for this Program is received from the U.S. Department of Housing and Urban Development (HUD).
<u>Criteria</u>	24 CFR 576.63 states that the grantee will be reimbursed for the amount of its actual cash disbursements.
<u>Cause</u>	OESS' financial management system does not prevent expenditures from being used as the basis for more than one drawdown request.
<u>Effect</u>	Drawdowns made in fiscal 1997 included \$351,547 of expenditures that had already been reimbursed on earlier drawdown requests. Since OESS had other expenditures that were eligible for reimbursement, this amount is not considered a questioned cost. This condition does, however, represent a procedural deficiency that could allow for improper processing of other reimbursement requests by OESS.
<u>Recommendation</u>	We recommend that OESS revise its procedures to ensure that reimbursement requests are based on actual disbursements and that expenditure documents are used only once as a basis for these reimbursements.
<u>Grantee's Response</u>	OESS has established index codes for each grant account. According to an approved expenditure plan for each grant, encumbrance documents are set up and expenditures are made against the documents. This should ensure that reimbursement requests are based on actual expenditure documents to the limit of the grant award. In addition, a new staff person was added to the Fiscal Unit at the end of fiscal year 1997; this person has full-time grant management responsibility.

**97-17. EMPOWERMENT ZONES PROGRAM – CFDA #93.585**

**Condition**

The Mayor's Office of Community Services (MOCS) was unable to provide adequate supporting documentation for a \$300,000 payment made to a subrecipient. MOCS also failed to obtain an audit report for that same subrecipient. The \$300,000 is considered a questioned cost. Funding for this program was received through the Pennsylvania Department of Public Welfare.

**Criteria**

Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, requires that non-federal entities that expend \$300,000 or more in a year in federal awards shall have a single audit performed in accordance with the procedures outlined in the Circular.

Office of Management and Budget Circular A-133 Compliance Supplement requires that costs be documented in order to be considered allowable.

**Cause**

In order to execute Empowerment Zone programs quickly, a subrecipient was paid \$300,000 in program funds even though no formal contract existed between MOCS and the subrecipient. This was accomplished by MOCS directing the \$300,000 payment to an intermediary organization with whom MOCS has an existing Memorandum of Understanding. That organization, in turn, passed the \$300,000 along to the subrecipient. Neither MOCS nor the intermediary organization required the subrecipient to obtain a single audit or to provide documentation as to the use of the grant funds.

**Effect**

MOCS cannot demonstrate that the subrecipient used the federal funds for bonafide expenditures and complied with federal laws and regulations of the Empowerment Zone grant.

**Recommendation**

MOCS must require the subrecipient to submit an audit performed in accordance with Circular A-133. Additionally, MOCS staff must obtain documentation from the subrecipient which details expenditures made with grant funds.

**97-17. EMPOWERMENT ZONES PROGRAM – CFDA #93.585 (Continued)**

**Grantee's Response**

In the future, MOCS will require the subrecipient to submit a single audit in accordance with Circular A-133. Also, no payments will be made to subrecipients unless there is a contract or Memorandum of Understanding (MOU) in place. Furthermore, a subrecipient will not receive payments until the requirements of the contract or MOU have been met.

Supporting documentation for the \$300,000 payment in question has been submitted to the Controller's office.

On October 7, 1998, MOCS sent a letter to the organization in question requesting a copy of their single audit. Once the audit is received, it will be forwarded to the Controller's Office.

**Auditor's Comment**

Material submitted with the grantee's response did not document the service provided by the subrecipient. Therefore, we continue to be unable to determine the allowability of the cost in question.

***CITY OF PHILADELPHIA***

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***Federal and PA. Department of Public Welfare Findings and Questioned Costs – June 30, 1997***

97-18. EMPOWERMENT ZONES ROGRAM – CFDA #93.585

<u>Condition</u>	The Mayor's Office of Community Services (MOCS) used Empowerment Zone funds to reimburse a subrecipient lending institution \$458,500 for unallowed 'reserve' costs. These unallowed reserve amounts, which are considered questioned costs, consisted of \$437,500 for estimated future loan losses, \$1,000 for an equipment reserve based one estimated depreciation, and \$20,000 for an operating account reserve. Funding for this program was received through the Pennsylvania Department of Public Welfare.
<u>Criteria</u>	The Code of Federal Regulations, 31 CFR Chapter II 205.7(b) & (d), requires that 1) MOCS minimize the time elapsing between the transfer of funds from the United States Treasury and the payout of funds for program purposes and 2) MOCS limit the amount of funds requested to meet the actual, immediate cash needs of the program.
<u>Cause</u>	Management of MOCS and the lending institution mistakenly believed that federal regulations permitted the drawdown of federal funds to establish reserves.
<u>Effect</u>	The Empowerment Zone lending institution is holding \$458,500 in federal funds which is not permitted under Federal Regulations.
<u>Recommendation</u>	MOCS must discontinue the practice of requesting reimbursement to fund reserves established by subrecipients and require that all existing reserve funds be returned. MOCS must reduce expenditures reported on future invoices by the amount of the reserves previously drawn down.
<u>Grantee's Response</u>	MOCS spoke with a senior auditor for the U.S. Department of Health and Human Services (DHHS), Office of Inspector General, Office of Audit Services. The Code of Federal Regulations, 31 CFR Chapter II 205.7(b) & (d) does not state that 'reserve' costs are unallowable.

97-18. EMPOWERMENT ZONES ROGRAM – CFDA #93.585 (Continued)

Reserves are an industry standard for lending institutions. A letter dated October 7, 1998 was submitted to the Director of the Office of Community Services to clarify this as an allowable expenditure. MOCS has not received a response to date. MOCS will forward the response to the Controller's Office as soon as it becomes available.

In the future, the Mayor's Office of Community Services will scrutinize invoices more closely to make sure costs such as depreciation are not reimbursed.

**97-19. HIGHWAY PLANNING AND CONSTRUCTION**  
**CFDA #20.205**

**Condition**

Funding for Highway Planning and Construction Program is received through the Pennsylvania Department of Transportation. The following conditions were noted while testing the data included in the Schedule of Expenditures of Federal Awards (SEFA) relating to this program:

- All 11 grant award amounts selected for testing were found to be inaccurate.
- \$1,048,107 in labor costs related to 35 different projects were improperly reported under a line item titled ‘Federal Highways – Various’. That line item is utilized to account for labor costs, which the Streets Department has failed to distribute to specific projects.
- Expenditures of \$731,038 were reported for a project which the Streets Department could not document as being federally funded.
- Accounts payable of \$339,550 were posted to the wrong project causing federal expenditures to be overstated for one project and understated for another.
- \$11,733 in federal expenditures for the Schuylkill River Bulkhead project were inadvertently omitted because of a spreadsheet posting error.

**Criteria**

49 CFR 18.20 (b) (1) requires that the financial management systems of grantees must provide for accurate, current, and complete disclosure of the financial results of financially assisted activities.

**Cause**

The multiple – spreadsheet based grant accounting system used by the Streets Department requires numerous manual postings for the large volume of grant transactions. This system is time consuming and prone to errors. In addition, there are not sufficient controls in place to detect posting errors.

**97-19. HIGHWAY PLANNING AND CONSTRUCTION**

**CFDA #20.205 (Continued)**

<u>Effect</u>	The Streets Department's system of grant accounting and internal controls related to the Highway Planning and Construction Program are not adequate to ensure the accurate presentation of program activity in the SEFA.
<u>Recommendation</u>	The Streets Department must exercise greater care in posting grant activity to its accounting records and worksheets. Also, internal control procedures, such as independent cross checks, must be implemented to ensure the accuracy of postings to the accounting records, and the summarization process used to present data for inclusion in the SEFA. Finally, the Streets Department should review its accounting and reporting process to determine if a more automated, efficient and reliable system could be developed.
<u>Grantee's Response</u>	The Streets Department agrees with the five conditions listed in this finding. The Department has already corrected four of the conditions and is working to resolve the fifth. To help reduce the chances of a similar finding in the future, the Department is in the process of reengineering the Grants Section of its Administrative Division. In the fall of 1997, the Department filled several vacancies in the Grants Section and began the process of installing a new accounting computer system. The new system, which is currently being populated with project data, is expected to be fully operational in December 1998. The completed system will complement other improvements made by the Department to streamline work processes, tighten internal control procedures, and enhance the accuracy of the Department's reports. The Department would be happy to demonstrate this new system for the Controller's Office once it becomes operational.

97-20. HIV EMERGENCY RELIEF PROJECT GRANT – CFDA #93.914  
HIV EMERGENCY RELIEF FORMULA GRANT – CFDA #93.915  
HIV PREVENTION ACTIVITIES – CFDA #93.940

Condition

For certain awards, the AIDS Activity Coordinating Office (AACO) of the City's Department of Public Health liquidated obligations more than 90 days after the end of the grant award periods. The specific awards and the liquidation amounts were as follows:

<u>CFDA Number</u>	<u>Grant Award Identification Number</u>	<u>Amount</u>
93.914	BRH 890013-06-2	\$695,333
93.915	BRX 630005-96-2	\$642,653
93.940	U62/CCU304524-07-1	\$944,269

Funding for these programs is received from the U.S. Department of Health and Human Services.

Criteria

45 CFR Part 92.23, titled *Period of availability of funds*, at subpart (b), titled *Liquidation of obligations*, states that a grantee must liquidate all obligations incurred under the award not later than 90 days after the end of the funding period. Furthermore, it states that the federal agency may extend this deadline at the request of the grantee.

Cause

The untimely liquidations were primarily due to delays in the receipt of invoices from subrecipients. AACO did not have adequate procedures in place to ensure that:

- (1) Invoices from subrecipients were received and processed timely, and
- (2) Requests for the extension of grant award periods were submitted to the appropriate federal agencies.

Effect

Federal funds were not liquidated during the authorized period of availability.

97-20. HIV EMERGENCY RELIEF PROJECT GRANT – CFDA #93.914 (Continued)  
HIV EMERGENCY RELIEF FORMULA GRANT – CFDA #93.915  
HIV PREVENTION ACTIVITIES – CFDA #93.940

Recommendation

AACO should institute procedures to ensure that:

- (1) Subrecipient organizations are provided, in writing, with a deadline for submitting invoices for services funded through these grants. These deadlines must consider the time necessary for processing payments within 90 days of the end of the grant award period.
- (2) Extensions of grant award periods are obtained from the grantor agencies when delays in the liquidation of obligations are expected.

Grantee's Response

The Department agrees with this finding. During fiscal year 1998, procedures have been implemented that are designed to get subrecipients to submit their final invoices promptly.

Additionally, the Department will request an extension of report deadlines when delays in the liquidation of obligations are expected.

**CITY OF PHILADELPHIA**

***Federal and PA. Department of Public Welfare Findings and Questioned Costs – June 30, 1997***

**97-21. HIV EMERGENCY RELIEF PROJECT GRANT – CFDA #93.914  
HIV EMERGENCY RELIEF FORMULA GRANT – CFDA #93.915**

**Condition**

During fiscal 1997, City's Department of Public Health drewdown grant funds in advance of being earned. The amounts, by grant award, were as follows:

<b><u>CFDA Number</u></b>	<b><u>Grant Award Identification Number</u></b>	<b><u>Amount</u></b>
93.914	BRH 890013-06-2	\$1,002,823
93.915	BRX 630005-96-2	\$ 160,189

For the HIV Emergency Relief Project Grant, CFDA No. 93.914, the excess drawdown represented 23% of the award balance. Funding for these programs is received from the U.S. Department of Health and Human Services .

**Criteria**

Office of Management and Budget Circular A-133 Compliance Supplement indicates:

- When entities are funded on a reimbursement basis, program costs must be paid for by entity funds before reimbursement is requested from the Federal Government.
- Interest earned on advances by local government grantees is required to be submitted promptly to the Federal agency.

**Cause**

In order to determine monthly drawdown amounts, Health Department fiscal personnel track program expenditures on drawdown worksheets. Inadequate controls over this process allowed posting errors on the drawdown worksheets to go undetected and, in turn, to generate excessive drawdowns.

**Effect**

The excessive drawdowns were gradually eliminated by reducing future drawdown requests. Interest earned on amounts overdrawn totaled \$23,554. This \$23,554 is considered a questioned cost. (\$21,842 of the questioned costs relates to CFDA #93.914 and \$1,712 relates to CFDA #93.915.)

**Recommendation**

The \$23,554 of interest earned on overdrawn amounts should be repaid the grantor.

***Federal and PA. Department of Public Welfare Findings and Questioned Costs – June 30, 1997***

**97-21. HIV EMERGENCY RELIEF PROJECT GRANT – CFDA #93.914 (Continued)  
HIV EMERGENCY RELIEF FORMULA GRANT – CFDA #93.915**

Procedures for the preparation of the drawdown worksheets should be revised to include an independent cross check of data entered to reduce the risk of undetected posting errors and erroneous drawdowns.

**Grantee's Response**

The Department agrees with this finding and agrees to pay back interest earned on the overdrawn amounts of \$23,554 as calculated by the Controller's Office. The Department will return these dollars to the grantor agency. Controls have been implemented to prevent overdraws in the future. Specifically, the drawdown worksheet has been changed to ensure that any error of this type will be detected before the actual drawdown occurs.

**97-22. MENTAL HEALTH AND MENTAL RETARDATION PROGRAM**

**MEDICAL ASSISTANCE PROGRAM TITLE XIX – CFDA #93.778  
MEDICAL HEALTH PLANNING AND DEMONSTRATION PROJECTS**

**CFDA - #93.125**

**MH/MR ADMINISTRATION AND SUPPORT SERVICES - PA. DEPARTMENT OF  
PUBLIC WELFARE**

<u>Condition</u>	Costs related to the Health Department's Contract Audit Unit were reported twice as 1997 eligible expenditures; once as direct payroll expenditures and again as indirect costs. Funding for this Program is received through the Pennsylvania Department of Public Welfare.
<u>Criteria</u>	Office of Management and Budget Circular A-87 and The Department of Public Welfare (DPW) Single Audit Supplement indicate that a cost may not be included as both a direct cost and a component of indirect costs.
<u>Cause</u>	Procedures for preparing the Annual Income and Expenditure Report (AER) did not include a comparison of indirect cost components to ensure they did not duplicate costs billed directly.
<u>Effect</u>	Fiscal 1997 eligible expenditures, as reported on the AER, were overstated by \$173,329. However, this amount does not exceed excess eligible costs. Therefore, this condition did not result in questioned costs and no repayment is due to the grantor.
<u>Recommendation</u>	The Health Department should ensure that AER preparation procedures include a comparison of indirect cost components to ensure that they do not duplicate costs billed directly.
<u>Grantee's Response</u>	The Department agrees with this finding. A procedure was implemented and the problem was corrected for fiscal year 1998. A comparison of indirect cost components will be performed to ensure proper billings to the State.

**97-23. MENTAL HEALTH AND MENTAL RETARDATION PROGRAM**

**MEDICAL ASSISTANCE PROGRAM TITLE XIX –CFDA #93.778**

<u>Condition</u>	The Office of Mental Health and Mental Retardation (OMH/MR) misstated administrative costs for the Medicaid funded Mental Health Programs on its fourth quarter Administrative Cost Report. Funding for this Program is received through the Pennsylvania Department of Public Welfare (DPW).
<u>Criteria</u>	<p>Federal guidelines allow the State, as a pass-through entity, to impose supplemental requirements necessary to monitor the grant activities and to determine that goals are achieved.</p> <p>Mental Health Bulletin OMH-96-04 (Total County Administrative Costs) requires that the Administrative Cost Report reflect the total amount of county administrative costs expended during the quarter for which the county is reporting.</p>
<u>Cause</u>	The Administrative Costs reflected on the Cost Distribution Summary report were incorrectly posted to the Fiscal 1997 fourth quarter Administrative Cost Report. Administrative costs reported for the first three quarters, were not deducted before arriving at the fourth quarter amount of administrative costs.
<u>Effect</u>	The Fiscal 1997 fourth quarter federal reimbursement, which has already been received for the Medicaid funded Mental Health Programs, was overstated by \$218,136. This amount is therefore considered a questioned cost.
<u>Recommendation</u>	OMH/MR should refund the \$218,136 over billing to the State. OMH/MR should exercise greater care in preparing administrative cost reports, and ensure that reports reflect only costs for the period billed.

97-23. MENTAL HEALTH AND MENTAL RETARDATION PROGRAM (Continued)

MEDICAL ASSISTANCE PROGRAM TITLE XIX –CFDA #93.778

Grantee's Response

The Department agrees with this finding. The overbilling to the State will be reduced from future administrative billings pursuant to the State's instructions. OMH/MR will strengthen the procedures to ensure that the Administrative Cost Reports reflect only costs for the period billed.

**97-24. CHILDREN AND YOUTH PROGRAM**

**ACT 148 - PENNSYLVANIA DEPARTMENT OF PUBLIC WELFARE**

<u>Condition</u>	On its final fiscal 1997 County Children and Youth Social Service Programs Fiscal Summary, the Department of Human Services (DHS) reported fringe benefits expenditures which were based on a rate in excess of that allowed by the grantor. Funding for this program is received through the Pennsylvania Department of Public Welfare (DPW).
<u>Criteria</u>	Children, Youth and Families Bulletin number 3170-95-01, titled “Maximum Rates of State Participation for County Children and Youth Agencies,” stipulates that the maximum fringe benefit rate in which DPW will financially participate is 34.87%. Any fringe benefits costs computed at a higher rate should be reported as non-allowable expenditures.
<u>Cause</u>	DHS did not have adequate internal control procedures in place to identify and properly account for allowable fringe benefit expenditures. DHS management used what it believed was the most current Children, Youth and Families Bulletin to determine the maximum fringe benefit rate in which DPW will financially participate.
<u>Effect</u>	The use of the incorrect fringe benefit rate resulted in over reporting allowable expenditures and underreporting the non-allowable expenditures by \$595,727. Since DHS is reimbursed a percentage of expenditures reported to DPW, we calculate that DHS received excess reimbursements of \$455,895. This \$455,895 is considered a questioned cost.
<u>Recommendation</u>	The excess reimbursement received by DHS as a result of its improper calculation of allowable fringe benefit expenditures should be returned to the State. DHS must also revise its internal control procedures over the financial reporting process for the Children and Youth Program to ensure that only eligible fringe benefit expenditures are submitted to DPW for reimbursement.

97-24. CHILDREN AND YOUTH PROGRAM (Continued)

ACT 148 - PENNSYLVANIA DEPARTMENT OF PUBLIC WELFARE

Grantee's Response

DHS applied a rate of 36.31% taken from Pennsylvania Office of Children, Youth and Families Bulletin No. 3140.97.02 on the fiscal year ended June 30, 1997 Act 148 Invoice. It was the most current bulletin available relative to the maximum allowable fringe benefit rate.

The Office of Children, Youth and Families (OCYF) is responsible for the timely distribution of all bulletins to the 67 county children and youth agencies.

OCYF Bulletin No. 3170.95.01 (referenced in the Criteria paragraph) was received by DHS on August 20, 1998 even though it had an issue date of September 1, 1995.

DHS will file a revised Act 148 Invoice which will use the 34.87% maximum fringe benefit rate as stipulated in OCYF Bulletin No. 3170.95.01. DPW will make a deduction from a future Act 148 payment to the City as a result of this fringe benefit adjustment.

97-25. CHILDREN AND YOUTH PROGRAM

ACT 148 - PENNSYLVANIA DEPARTMENT OF PUBLIC WELFARE

<u>Condition</u>	The Department of Human Services (DHS) prepared its final fiscal 1997 County Children and Youth Social Service Programs Fiscal Summary using total obligations that consisted of expenditures and encumbered funds. At the time of audit, DHS had not adjusted its report to the State for any unspent encumbered funds. Funding for this program is received through the Pennsylvania Department of Public Welfare (DPW).
<u>Criteria</u>	Pennsylvania Code, Title 55, Chapter 3140, sections 3140.42 through 3140.45 provide for DPW to reimburse the State's share of program expenses on the basis of actual expenditures. In addition, the Fiscal Reporting Forms and Instructions for the County Children and Youth Social Service Programs, issued by DPW, specify the reporting of actual expenditures.
<u>Cause</u>	Management at DHS believed that State regulations allowed for the reporting of total obligations and for the adjustment of unspent encumbered funds on later reports submitted to the State.
<u>Effect</u>	The final fiscal 1997 County Children and Youth Social Service Programs Fiscal Summary included encumbrances of \$5.6 million, of which \$1 million remained unspent at June 1, 1998. Since DHS is reimbursed a percentage of the expenditures reported to DPW, we calculate that DHS' reporting method will result in an excess reimbursement of \$748,848. This \$748,848 is considered a questioned cost.
<u>Recommendation</u>	Any excess reimbursement received by DHS as a result of its reporting method should be returned to the State. DHS must also revise its procedures over the financial reporting process for the Children and Youth Program to ensure that unspent encumbered funds are identified and adjusted on amounts reported to DPW.
<u>Grantee's Response</u>	DHS reports costs anticipated to be incurred as stipulated in Title 55 PA Code Chapter 3170.92, Subsection B which allows for the reporting of costs "To have been incurred and anticipated to be incurred for funds supported by the Department and for which reimbursement is claimed".

97-25. CHILDREN AND YOUTH PROGRAM (Continued)

ACT 148 - PENNSYLVANIA DEPARTMENT OF PUBLIC WELFARE

DHS has incorporated Act 148 revised instructions into the fiscal report time line to include the analysis of costs anticipated to be incurred. As it is allowed by DPW, Act 148 revisions will be submitted by May 15 after the close of the fiscal year. If needed for complete accuracy, final revisions will be submitted by May 15 of the following year.

**97-26. HUMAN SERVICES DEVELOPMENT FUND  
PENNSYLVANIA DEPARTMENT OF PUBLIC WELFARE**

<u>Condition</u>	<p>The Department of Human Services (DHS) and Office of Emergency Shelter and Services (OESS) did not properly monitor their subrecipients. Audit reports obtained by DHS and OESS did not always contain a reference to Pennsylvania Department of Public Welfare (DPW) requirements. In addition, OESS does not track and follow-up on findings noted in subrecipient audit reports. Funding for this program is passed through DPW.</p>
<u>Criteria</u>	<p>The DPW Single Audit Supplement imposes on the City the responsibility to ensure that all applicable compliance and internal control requirements, including those in the DPW Single Audit Supplement, have been passed down to subrecipients, that the subrecipients provide an appropriate audit, and that audit reports are received, evaluated and all findings are properly resolved.</p>
<u>Cause</u>	<p>Management at DHS and OESS believed that State regulations did not require subrecipient agency audit reports to contain a specific reference that the audits were performed in accordance with DPW requirements.</p> <p>OESS failed to follow their written audit resolution procedures.</p>
<u>Effect</u>	<p>DHS and OESS have no assurance that their subrecipients are in compliance with DPW requirements since they are relying on audit reports which do not refer to compliance with those requirements. Findings reported on OESS subrecipient reports may not be resolved timely.</p>
<u>Recommendation</u>	<p>DHS and OESS should institute procedures to ensure that their subrecipients and auditors are aware of all DPW requirements as they relate to the Single Audit process and that required audit reports make reference to these requirements. A reference that the audit was performed in accordance with the City Subrecipient Audit Guide would satisfy this requirement as this guide includes reference to the DPW requirements.</p> <p>OESS should follow their own Audit Policies and Procedures for Audit Findings and Resolution, which require the Contracts Auditor to track audit findings and contact the subrecipient to ensure that the findings are addressed and corrected.</p>

**97-26. HUMAN SERVICES DEVELOPMENT FUND  
PENNSYLVANIA DEPARTMENT OF PUBLIC WELFARE (Continued)**

**Grantee's Response**

**Department of Human Services**

As it was not explicitly stated in either the Single Audit Supplement dated September 1997 or the Single Audit Bulletin dated February 20, 1998, DHS was unaware of the requirement that agencies' audit reports contain a reference to the Pennsylvania Department of Public Welfare (DPW) audit requirements.

DHS has added a step to the review process wherein agencies issuing audit reports which do not reference either the DPW requirements or the City's Subrecipient Audit Guide are notified and required to institute corrective action.

Additional references to DPW requirements contained in the fiscal year 1998 revisions to the City's Audit Guide should also result in improved compliance.

**Office of Emergency Shelter and Services**

OESS will continue to ensure that all subrecipients and auditors are aware of all DPW requirements by making subrecipients include references that audits are performed in accordance with the City Subrecipient Audit Guide.

OESS will follow their own Audit Policies and Procedures for Audit Findings and Resolution. We submit that there were only four omissions since fiscal year 1995. These omissions did not involve materially significant amounts, and were subsequently resolved. It should also be noted that these findings occurred prior to OESS's implementation of a tracking schedule, which has limited the number of subsequent omissions.

**CITY OF PHILADELPHIA  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FISCAL YEAR ENDED JUNE 30, 1997**

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**1996 - 01: Grants Accounting      Status: **Unresolved**      Questioned Costs: \$ 0**

Resolution Agency: US Department of Housing & Urban Development

Condition:

GAAU was not able to produce an accurate preliminary Schedule of Financial Assistance (SFA).

1997 Update:

GAAU will continue to meet with departments that have major federal funding to discuss sub-accounting systems and grant reporting processes. In addition, departments will continue to be required to reconcile billings to the City's financial records.

Contact Person: Ben Hayllar    Phone: (215) 686-6140

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**1996 - 02: Labor Standards      Status: **Unresolved**      Questioned Costs: \$ 0**

Resolution Agency: US Department of Housing & Urban Development

Condition:

The Labor Standards Unit is not adequately documenting its monitoring of contractor compliance with prevailing wage laws that pertain to federally funded construction projects.

1997 Update:

For "substantially complete" certified payroll reports, the Unit will continue its in-house verification process and maintain documentation. For "substantially incomplete" payroll reports, the Unit will contact the prime contractor and complete an LS/1 form. The applicable contractors would then make adjustments and resubmit payroll reports through the prime contractor.

Contact Person: Gerald Murphy    Phone: (215) 686-2132

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**1996 - 03: CDBG      Status: **Unresolved**      Questioned Costs: \$ 0**

Resolution Agency: US Department of Housing & Urban Development

Condition:

OHCD inaccurately reported certain financial information on the Grantee Performance Report (GPR).

1997 Update:

OHCD has implemented procedures to reconcile the Grantee Performance Report (GPR) to the City's fiscal records.

Contact Person: John Kromer    Phone: (215) 686-9750

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**CITY OF PHILADELPHIA**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
**FISCAL YEAR ENDED JUNE 30, 1997**

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**1996 - 04:** Highway Planning & Construction    Status: **Resolved**    Questioned Costs: \$ **0**

Resolution Agency: PA Department of Transportation

Condition:

The Streets Department did not submit timely requests for reimbursement of program expenditures.

1997 Update:

Finding no longer valid. This condition is not required to be reported under Section .510 of OMB Circular A-133.

Contact Person: Lawrence Moy    Phone: (215) 686-5460

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**1996 - 05:** Healthy Start Initiative    Status: **Resolved**    Questioned Costs: \$ **619**

Resolution Agency: US Department of Health & Human Services

Condition:

MOCS reported budgeted rather than actual costs for the Neighborhood Lending Closet portion of the Healthy Start grant. Questioned costs of \$619 repaid.

1997 Update:

Finding resolved by U.S. Health and Human Resources in a letter dated March 4, 1998. City repaid questioned costs of \$619.

Contact Person: Gail Greene    Phone: (215) 683-0413

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**1996 - 06:** HIV Grants    Status: **Resolved**    Questioned Costs: \$ **124**

Resolution Agency: US Department of Health & Human Services

Condition:

The AIDS Activity Coordinating Office charged unallowable expenditures to a grantor agency. Questioned costs of \$124 repaid.

1997 Update:

Finding resolved by U.S. Health and Human Resources in a letter dated March 4, 1998. City repaid questioned costs of \$124.

Contact Person: Estelle Richman    Phone: (215) 685-5670

**CITY OF PHILADELPHIA**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
**FISCAL YEAR ENDED JUNE 30, 1997**

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**1996 - 07: HIV Grants    Status: **Resolved**    Questioned Costs: \$ 0**

Resolution Agency: US Department of Health & Human Services

Condition:

In contracts made with subrecipients during fiscal 1996, the AIDS Activity Coordinating Office did not include certification requirements regarding lobbying.

1997 Update:

Political activity eliminated as a compliance requirement under the revised guidelines.

Contact Person: Estelle Richman    Phone: (215) 685-5670

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**1996 - 08: HIV Grants    Status: **Unresolved**    Questioned Costs: **\$91,684****

Resolution Agency: US Department of Health & Human Services

Condition:

AACO charged the full salary and fringe benefits of 5 out of 8 employees reviewed to the Project, Formula or Prevention grants even though these employees spent only a portion or no time working on program related activities.

1997 Update:

The Health Department submitted a time study to the cognizant agency for review and approval, as required by OMB Circular A-87, Attachment B, 11, (h) (4, 5 and 6). USHHS' March 4, 1998 letter resolved \$52,996 of questioned costs leaving a balance of \$38,688. The Health Department disagrees with the amount of questioned costs (\$38,688). The Health Department will repay \$30,420 of questioned costs when the grantor identifies the repayment procedure.

Contact Person: Estelle Richman    Phone: (215) 685-5670

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**1996 - 09: HIV Prevention Activities    Status: **Unresolved**    Questioned Costs: **\$63,270****

Resolution Agency: US Department of Health & Human Services

Condition:

Health billed the same expenditures to both the Substance Abuse Prevention and Treatment Block Grant and to the HIV Prevention Activity grant.

1997 Update:

The Health Department has enhanced communications between CODAAP Fiscal and Financial Services in order to clearly delineate responsibilities prior to the commencement of a grant. The Health Department will return questioned costs to the grantor as soon as the grantor identifies the reimbursement procedure.

Contact Person: Estelle Richman    Phone: (215) 685-5670

**CITY OF PHILADELPHIA  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FISCAL YEAR ENDED JUNE 30, 1997**

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**1996 - 10:** Subrecipient Monitoring    Status: **Resolved**    Questioned Costs: \$ 0

Resolution Agency: US Department of Housing and Urban Development

Condition:

Audit reports relating to \$15.8 million of major program subrecipient expenditures were not received within the time frame required by federal regulations. One department, OEES, did not have procedures in place to follow-up on deficiencies identified in audit reports

1997 Update:

The GAAU will monitor departmental efforts to obtain outstanding audit reports in a timely manner. Analysis of the \$15.8 million relating to unreceived audits reveals the following: reports totaling \$503,606 have been received since June 30, 1996; \$15.1million were for fiscal years 1992 and 1993 which preceedes the introduction of enhanced control procedures to receive audit reports timely; \$14.2 million of the \$15.1 million (94%) relate to subrecipients who have ceased operations or no longer have contracts with the City; in accordance with section .315 (b) 4 of OMB Circular A-133 no further action is required on \$15.1 million of unreceived audits. The remaining \$271,847 (2%) would not be considered reportable under section .510 of OMB Circular A-133. OEES has created a schedule to track audit issues in fiscal year 1998.

Contact Person: Ben Hayllar    Phone: (215) 686-6140

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**1996 - 11:** Emergency Shelter    Status: **Unresolved**    Questioned Costs: **\$36,324**

Resolution Agency: US Department of Housing & Urban Development

Condition:

OEES' system of internal control fails to meet the standards for financial management systems required for this grant.

1997 Update:

OEES has implemented its corrective action plan and deducted \$3,324 from the final S96 Drawdown Request (OEES maintains it has \$33,000 of eligible administrative costs to offset some questioned costs).

Contact Person: Sally Fisher    Phone: (215) 686-7180

**CITY OF PHILADELPHIA**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
**FISCAL YEAR ENDED JUNE 30, 1997**

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**1996 - 12:** Emergency Shelter      Status: **Resolved**      Questioned Costs: \$ 0

Resolution Agency: US Department of Housing & Urban Development

Condition:

OEES did not submit required reports by their due dates.

1997 Update:

Finding no longer valid. This condition is not required to be reported under Section .510 of OMB Circular A-133.

Contact Person: Sally Fisher    Phone: (215) 686-7180

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**1996 - 13:** Child Support Enforcement      Status: **Unresolved**      Questioned Costs: \$ 0

Resolution Agency: PA Department of Public Welfare

Condition:

In FY'96, Family Court did not fully comply with program requirements governing the disposition of uncashed and undeliverable child support checks.

1997 Update:

The Domestic Relations Division is actively working with the State's Bureau of Child Support Enforcement in preparing a cross match computer tape to identify child support check amounts that are eligible for AFDC offset.

Contact Person: Joseph DiPrimio    Phone: (215) 686-2547

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**1996 - 14:** Child Support Enforcement      Status: **Unresolved**      Questioned Costs: **\$1,184,355**

Resolution Agency: PA Department of Public Welfare

Condition:

Family court used Title IV-D Program funds to pay for costs for other, unallowable State-mandated activities.

1997 Update:

The Domestic Relations Division continues to track and account for all costs paid by the IV-D fund for other state-mandated activities. In fiscal year 1998, seven (7) employees who were assigned to non-child support activities were transferred from the IV-D fund to the general fund.

Contact Person: Joseph DiPrimio    Phone: (215) 686-2547

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**CITY OF PHILADELPHIA  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FISCAL YEAR ENDED JUNE 30, 1997**

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**1996 - 15:** Child Support Enforcement    Status: **Unresolved**    Questioned Costs: \$ 0

Resolution Agency: PA Department of Public Welfare

Condition:

Family court did not establish case records within the required 20 days for 9 out of 20 cases selected for review.

1997 Update:

A study was completed on the Intake process and a new unit, the 643 Lab, was created in March, 1996. This unit is staffed by seven employees and establishes Aid For Dependent Children (AFDC) cases.

Contact Person: Joseph DiPrimio    Phone: (215) 686-2547

---

**1996 - 16:** Child Support Enforcement    Status: **Unresolved**    Questioned Costs: \$ 0

Resolution Agency: PA Department of Public Welfare

Condition:

Family Court used estimated rather than actual case data in determining the amount of unallowable costs related to non-Child Support activities reported on its monthly statement of expenditures reports.

1997 Update:

The Domestic Relations continues to review its computer programs to complete this modification.

Contact Person: Joseph DiPrimio    Phone: (215) 686-2547

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**1996 - 17:** Child Support Enforcement    Status: **Resolved**    Questioned Costs: \$ 0

Resolution Agency: PA Department of Public Welfare

Condition:

Family Court did not submit quarterly reports in a timely manner.

1997 Update:

Finding no longer valid. This condition is not required to be reported under Section .510 of OMB Circular A-133.

Contact Person: Joseph DiPrimio    Phone: (215) 686-2547

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**CITY OF PHILADELPHIA  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FISCAL YEAR ENDED JUNE 30, 1997**

---

**1996 - 18:** Children and Youth    Status: **Unresolved**    Questioned Costs: \$ 0

Resolution Agency: PA Department of Public Welfare

Condition:

Auditors noted instances where the number of cases handled by social workers exceeded the 1 to 30 caseworker-to-client ratio imposed by state regulations.

1997 Update:

DHS has taken and continues to take steps to address the caseload staffing requirements. The department has indentified three steps to address attrition and increased demand for services: a revised hiring plan (based on anticipated changes in staffing patterns), front-loading approach to hiring staff, and working with the City's Personnel Department to have eligible lists available at all times.

Contact Person: Joan Reeves    Phone: (215) 683-6000

---

**1996 - 19:** Children and Youth    Status: **Resolved**    Questioned Costs: \$ 0

Resolution Agency: PA Department of Public Welfare

Condition:

DHS did not submit expenditure reports for these programs to the State on time.

1997 Update:

Finding no longer valid. This condition is not required to be reported under Section .510 of OMB Circular A-133.

Contact Person: Joan Reeves    Phone: (215) 683-6000

---

**1996 - 20:** Children and Youth    Status: **Resolved**    Questioned Costs: \$ 0

Resolution Agency: PA Department of Public Welfare

Condition:

DHS did not prepare the required Eligibility Determination Form or the Case Review Form on a timely basis for some children receiving placement maintenance.

1997 Update:

Comment resolved, level of noncompliance is not reportable under current OMB Circular A-133 guidelines.

Contact Person: Joan Reeves    Phone: (215) 683-6000

**CITY OF PHILADELPHIA  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FISCAL YEAR ENDED JUNE 30, 1997**

---

**1996 - 21:** Combined Homeless Assistance    Status: **Unresolved**    Questioned Costs: \$ 0

Resolution Agency: PA Department of Public Welfare

Condition:

OESS did not separately account for expenditures charged to the Emergency Shelter Grant.

1997 Update:

OESS has implemented audit recommendations or its corrective action plan and is awaiting audit assessment in FY'97 for resolution.

Contact Person: Sally Fisher    Phone: (215) 686-7180

---

**1996 - 22:** Combined Homeless Assistance    Status: **Resolved**    Questioned Costs: \$ 0

Resolution Agency: PA Department of Public Welfare

Condition:

OESS did not properly calculate interest earned on funding advances.

1997 Update:

Comment resolved, level of noncompliance is not reportable under current OMB Circular A-133 guidelines.

Contact Person: Sally Fisher    Phone: (215) 686-7180

---

**1996 - 23:** Combined Homeless Assistance    Status: **Unresolved**    Questioned Costs: \$ 0

Resolution Agency: PA Department of Public Welfare

Condition:

OESS did not comply with program requirements for record retention.

1997 Update:

OESS is in the process of implementing audit recommendations or its corrective action plan and is awaiting audit assessment in FY'97 for resolution.

Contact Person: Sally Fisher    Phone: (215) 686-7180

**CITY OF PHILADELPHIA**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
**FISCAL YEAR ENDED JUNE 30, 1997**

---

**1996 - 24:** Combined Homeless Assistance    Status: **Resolved**    Questioned Costs: \$ 0

Resolution Agency: PA Department of Public Welfare

Condition:

OESS submitted late reports for the Combined Homeless Assistance, Pennfree Bridge Housing and the Emergency Shelter programs.

1997 Update:

Finding no longer valid. This condition is not required to be reported under Section .510 of OMB Circular A-133.

Contact Person: Sally Fisher    Phone: (215) 686-7180

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**1996 - 25:** Combined Homeless Assistance    Status: **Unresolved**    Questioned Costs: **\$56,713**

Resolution Agency: PA Department of Public Welfare

Condition:

OESS submitted an inaccurate financial report for the Pennfree Bridge Housing Program to the State.

1997 Update:

In an August 15, 1997 letter to PaDPW, OESS explains there were eligible expenditures charged to the general fund that would more than offset the questioned costs. OESS asked grantor to accept their response or propose necessary corrective action. To date, the state has not replied.

Contact Person: Sally Fisher    Phone: (215) 686-7180

---

**1996 - 26:** Maternal & Child Health Block Grant    Status: **Unresolved**    Questioned Costs: \$ 0

Resolution Agency: PA Department of Health

Condition:

Maternal and Child Health did not have procedures in place to ensure that its annual programmatic report was accurately prepared and timely submitted.

1997 Update:

The Health Department implemented new procedures to ensure an accurate and timely annual programmatic report.

Contact Person: Estelle Richman    Phone: (215) 685-5670

**CITY OF PHILADELPHIA**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
**FISCAL YEAR ENDED JUNE 30, 1997**

---

**1996 - 27:** Maternal & Child Health Block Grant    Status: **Resolved**    Questioned Costs: **\$22,470**

Resolution Agency: PA Department of Health

Condition:

The Health Department reported unallowable expenditures to the grantor for the Maternal and Child Health Block Grant.

1997 Update:

The Health Department agrees with the finding and has returned the questioned costs to the grantor.

Contact Person: Estelle Richman    Phone: (215) 685-5670

---

**1996 - 28:** MH/MR    Status: **Unresolved**    Questioned Costs: **\$12,046**

Resolution Agency: PA Department of Public Welfare

Condition:

MH/MR misstated administrative costs for the Intensive Case Management program on its fourth quarter Administrative Cost Report.

1997 Update:

The Health Department agrees with the finding and repayment will be made at the direction of the Pennsylvania Department of Public Welfare.

Contact Person: Estelle Richman    Phone: (215) 685-5670

---

**1996 - 29:** MH/MR    Status: **Resolved**    Questioned Costs: **\$ 0**

Resolution Agency: PA Department of Public Welfare

Condition:

The Office of MH/MR inaccurately prepared the Annual Income and Expenditure Report for the MH/MR program

1997 Update:

The Health Department is exercising greater care in the preparation of its annual expenditure report.

Contact Person: Estelle Richman    Phone: (215) 685-5670

**CITY OF PHILADELPHIA**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
**FISCAL YEAR ENDED JUNE 30, 1997**

---

**1996 - 30:** MH/MR    Status: **Resolved**    Questioned Costs: \$ 0

Resolution Agency: PA Department of Public Welfare

Condition:

The Office of MH/MR charged ineligible payroll costs to the MH/MR program.

1997 Update:

Finding no longer valid. This condition is not required to be reported under Section .510 of OMB Circular A-133.

Contact Person: Estelle Richman    Phone: (215) 685-5670

---

**1996 - 31:** MH/MR    Status: **Unresolved**    Questioned Costs: \$ 0

Resolution Agency: PA Department of Public Welfare

Condition:

The Office of MH/MR purchased a desktop computer which is located at the home of an OMH/MR employee.

1997 Update:

The computer in question is still at the fiscal administrator's home but only used for official City business.

Contact Person: Estelle Richman    Phone: (215) 685-5670

---

**1996 - 32:** Children and Youth    Status: **Resolved**    Questioned Costs: \$ 0

Resolution Agency: PA Department of Public Welfare

Condition:

DHS used estimated amounts in their first three quarterly reports of expenditures for the State Act 148 program.

1997 Update:

Comment resolved. In its fourth quarter report, DHS reconciles the difference between estimated amounts, reported during the first three quarters of the year, to the actual costs for the year. The level of non-compliance cited in the condition is no longer reportable under Section .510 of OMB Circular A-133.

Contact Person: Joan Reeves    Phone: (215) 683-6000

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**CITY OF PHILADELPHIA**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
**FISCAL YEAR ENDED JUNE 30, 1997**

---

**1996 - 33:** Act 49 Supplement    Status: **Unresolved**    Questioned Costs: **\$82,009**

Resolution Agency: PA Department of Public Welfare

Condition:

OESS received a supplemental allocation of Act 49 funds in fiscal 1995. Unexpended funds have not been returned to the grantor.

1997 Update:

An August 15, 1997 letter to PaDPW states that OESS did not spend funds because of implementation delays, trouble identifying the target population and overestimating demand for shelter services. OESS asked grantor to reduce current drawdowns by the amount underspent in the prior year. To date, no response received from the state.

Contact Person: Sally Fisher    Phone: (215) 686-7180

---

**1996 - 34:** Human Services Development Fund    Status: **Unresolved**    Questioned Costs: **\$109,317**

Resolution Agency: PA Department of Public Welfare

Condition:

DHS did not submit accurate expenditure reports for the HSDF program to the State.

1997 Update:

DHS will engage an independent accounting firm to perform agreed upon procedures to verify the amount and allowability of some non-DHS expenditures to offset the questioned costs.

Contact Person: Joan Reeves    Phone: (215) 683-6000

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**1995 - 03:** Grants Accounting    Status: **Resolved**    Questioned Costs: **\$ 0**

Resolution Agency: US Department of Housing & Urban Development

Condition:

The City's Grant Accounting and Administration Unit (GAAU) did not produce an accurate preliminary Schedule of Financial Assistance.

1997 Update:

Finding dropped. Similar condition noted in a more current year (see 1996-01) and there are no questioned costs.

Contact Person: Ben Hayllar    Phone: (215) 686-6140

**CITY OF PHILADELPHIA**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
**FISCAL YEAR ENDED JUNE 30, 1997**

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**1995 - 04:** Subrecipient Monitoring    Status: **Resolved**    Questioned Costs: \$ 0

Resolution Agency: US Department of Housing & Urban Development

Condition:

Various City departments did not obtain subrecipient audit reports within the time frame required by federal regulations. Unresolved costs resulting from the City's failure to obtain these audit reports for major programs totalled \$15.3 million as of May, 1996.

1997 Update:

Finding dropped. Similar condition noted in a more current year (see 1996-10) and there are no questioned costs.

Contact Person: Ben Hayllar    Phone: (215) 686-6140

---

**1995 - 06:** Labor Standards    Status: **Resolved**    Questioned Costs: \$ 0

Resolution Agency: US Department of Housing & Urban Development

Condition:

The Labor Standards Unit of the Mayor's Office for Labor is not effectively monitoring contractor compliance with prevailing wage laws that pertain to federally funded construction projects.

1997 Update:

Finding dropped. Similar condition noted in a more current year (see 1996-02) and there are no questioned costs.

Contact Person: Gerald Murphy    Phone: (215) 686-2132

---

**1995 - 09:** Highway Planning & Construction    Status: **Resolved**    Questioned Costs: \$ 0

Resolution Agency: PA Department of Transportation

Condition:

The Streets Department did not accurately report grant activity on its worksheet used to prepare the preliminary SFA, submit timely requests for reimbursement of program expenditures nor follow-up on unpaid reimbursement requests.

1997 Update:

Finding no longer valid. This condition is not required to be reported under Section .510 of OMB Circular A-133.

Contact Person: Lawrence Moy    Phone: (215) 686-5460

**CITY OF PHILADELPHIA**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
**FISCAL YEAR ENDED JUNE 30, 1997**

---

**1995 - 10:** Child Support Enforcement    Status: **Resolved**    Questioned Costs: \$ 0

Resolution Agency: PA Department of Public Welfare

Condition:

10b) Family Court used estimated rather than actual case data as a basis for their unallowable cost calculations.

1997 Update:

Finding dropped. Similar condition noted in a more current year (see 1996-16) and there are no questioned costs.

Contact Person: Joseph DiPrimio    Phone: (215) 686-2547

---

**1995 - 11:** Child Support Enforcement    Status: **Resolved**    Questioned Costs: \$ 0

Resolution Agency: PA Department of Public Welfare

Condition:

Family Court did not submit quarterly and annual reports in a timely manner and had not submitted actual data for some of the reports. Additionally, one of the reports contained errors.

1997 Update:

Finding no longer valid. This condition is not required to be reported under Section .510 of OMB Circular A-133.

Contact Person: Joseph DiPrimio    Phone: (215) 686-2547

---

**1995 - 12:** Children and Youth    Status: **Resolved**    Questioned Costs: \$ 0

Resolution Agency: PA Department of Public Welfare

Condition:

The Department of Human Services (DHS) did not submit expenditure reports for these programs to the State on time nor did it obtain a waiver or request an extension for late filing of these reports.

1997 Update:

Finding no longer valid. This condition is not required to be reported under Section .510 of OMB Circular A-133.

Contact Person: Joan Reeves    Phone: (215) 683-6000

**CITY OF PHILADELPHIA**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
**FISCAL YEAR ENDED JUNE 30, 1997**

---

**1995 - 13:** Children and Youth    Status: **Resolved**    Questioned Costs: \$ **0**

Resolution Agency: PA Department of Public Welfare

Condition:

DHS prepared and submitted reports to the State using estimated rather than actual amounts. DHS had not obtained the State's permission to use estimated amounts.

1997 Update:

Finding dropped. Similar condition noted in a more current year (see 1996-32) and there are no questioned costs.

Contact Person: Joan Reeves    Phone: (215) 683-6000

---

**1995 - 15:** Foster Care - Title IV-E    Status: **Unresolved**    Questioned Costs: **\$56,481**

Resolution Agency: PA Department of Public Welfare

Condition:

DHS submitted invoices to the State requesting reimbursement for ineligible legal representation costs.

1997 Update:

Situation cited was corrected but questioned costs remain. DHS will deduct the \$56,481 of questioned costs from its fourth quarter fiscal year 1998 invoice.

Contact Person: Joan Reeves    Phone: (215) 683-6000

---

**1995 - 17:** Combined Homeless Assistance    Status: **Unresolved**    Questioned Costs: **\$3,740**

Resolution Agency: PA Department of Public Welfare

Condition:

The Office of Emergency Shelter and Services (OESS) did not properly perform the calculations necessary to determine if interest was earned on funding advances.

1997 Update:

Situation cited was cleared and questioned costs will be adjusted in the settlement process, per March 30, 1998 letter from PaDPW.

Contact Person: Sally Fisher    Phone: (215) 686-7180

**CITY OF PHILADELPHIA  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FISCAL YEAR ENDED JUNE 30, 1997**

---

**1995 - 18:** Combined Homeless Assistance    Status: **Resolved**    Questioned Costs: \$ **0**

Resolution Agency: PA Department of Public Welfare

Condition:

OESS did not comply with program requirements for record retention. OESS was unable to provide copies of various documents and case files.

1997 Update:

Finding resolved in a Pa. Department of Public Welfare letter dated March 30, 1998.

Contact Person: Sally Fisher    Phone: (215) 686-7180

---

**1995 - 19:** Combined Homeless Assistance    Status: **Unresolved**    Questioned Costs: **\$25,563**

Resolution Agency: PA Department of Public Welfare

Condition:

OESS submitted an inaccurate financial report for the PENNFREE Bridge Housing Program to the State.

1997 Update:

Situation cited was cleared and questioned costs will be adjusted in the settlement process, per March 30, 1998 letter from PaDPW.

Contact Person: Sally Fisher    Phone: (215) 686-7180

---

**1995 - 20:** Combined Homeless Assistance    Status: **Unresolved**    Questioned Costs: **\$13,120**

Resolution Agency: PA Department of Public Welfare

Condition:

OESS charged unallowable costs to the program.

1997 Update:

Situation cited was cleared and questioned costs will be adjusted in the settlement process, per March 30, 1998 letter from PaDPW.

Contact Person: Sally Fisher    Phone: (215) 686-7180

**CITY OF PHILADELPHIA**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
**FISCAL YEAR ENDED JUNE 30, 1997**

---

**1995 - 21:** Combined Homeless Assistance    Status: **Resolved**    Questioned Costs: \$ **0**

Resolution Agency: PA Department of Public Welfare

Condition:

OESS did not submit required reports to the State on time.

1997 Update:

Finding resolved in a Pa. Department of Public Welfare letter dated March 30, 1998.

Contact Person: Sally Fisher    Phone: (215) 686-7180

---

**1995 - 23:** HIV Grants    Status: **Unresolved**    Questioned Costs: \$ **156**

Resolution Agency: US Department of Health & Human Services

Condition:

The Health Department charged unallowable costs to its HIV Emergency Relief Project Grant, HIV Emergency Relief Formula Grant and HIV Prevention Activities Grant.

1997 Update:

Situation cited was corrected. Questioned costs will be repaid when the grantor identifies the repayment procedure.

Contact Person: Estelle Richman    Phone: (215) 685-5670

---

**1995 - 24:** HIV Grants    Status: **Resolved**    Questioned Costs: \$ **0**

Resolution Agency: US Department of Health & Human Services

Condition:

The Health Department did not include certifications regarding lobbying in its contracts with subrecipients during fiscal 1995.

1997 Update:

Political activity eliminated as a compliance requirement under the revised guidelines.

Contact Person: Estelle Richman    Phone: (215) 685-5670

**CITY OF PHILADELPHIA**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
**FISCAL YEAR ENDED JUNE 30, 1997**

---

**1995 - 25:** HIV Emergency Relief Formula Grant    Status: **Resolved**    Questioned Costs: \$ 0

Resolution Agency: US Department of Health & Human Services

Condition:

The AIDS Activity Coordinating Office (AACO) charged ineligible payroll costs to the HIV Emergency Relief Formula Grant.

1997 Update:

Finding dropped. Similar condition noted in a more current year (see 1996-08) and there are no questioned costs.

Contact Person: Estelle Richman    Phone: (215) 685-5670

---

**1995 - 28:** Substance Abuse    Status: **Unresolved**    Questioned Costs: **\$4,000**

Resolution Agency: PA Department of Health

Condition:

The Coordinating Office of Drug and Alcohol Abuse Programs (CODAAP) included monies advanced to a subrecipient in the expenditures it reported for fiscal 1995.

1997 Update:

Situation cited was corrected but questioned costs remain.

Contact Person: Estelle Richman    Phone: (215) 685-5670

---

**1995 - 29:** Maternal & Child Health Block Grant    Status: **Unresolved**    Questioned Costs: **\$70,587**

Resolution Agency: PA Department of Health

Condition:

The Health Department reported unallowable expenditures to the grantor for the Maternal and Child Health Block Grant.

1997 Update:

The Health Department agrees with the finding and will return the questioned costs to the grantor as soon as the grantor identifies the repayment procedure.

Contact Person: Estelle Richman    Phone: (215) 685-5670

**CITY OF PHILADELPHIA**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
**FISCAL YEAR ENDED JUNE 30, 1997**

---

**1995 - 32:** Child Support Enforcement    Status: **Resolved**    Questioned Costs: \$ 0

Resolution Agency: PA Department of Public Welfare

Condition:

Family Court was not in compliance with procedures for processing uncashed and undeliverable child support checks.

1997 Update:

Finding dropped. Similar condition noted in a more current year (see 1996-13) and there are no questioned costs.

Contact Person: Joseph DiPrimio    Phone: (215) 686-2547

---

**1995 - 33:** Child Support Enforcement    Status: **Unresolved**    Questioned Costs: **\$813,519**

Resolution Agency: PA Department of Public Welfare

Condition:

Family Court used Title IV-D Program funds to pay for costs of other unallowable state-mandated activities.

1997 Update:

The Domestic Relations Division continues to track and account for all costs paid by the IV-D fund for other state-mandated activities. In fiscal year 1998, seven (7) employees who were assigned to non-child support activities were transferred from the IV-D fund to the general fund.

Contact Person: Joseph DiPrimio    Phone: (215) 686-2547

---

**1995 - 34:** Child Support Enforcement    Status: **Resolved**    Questioned Costs: \$ 0

Resolution Agency: PA Department of Public Welfare

Condition:

Family Court did not establish cases in a timely manner.

1997 Update:

Finding dropped. Similar condition noted in a more current year (see 1996-15) and there are no questioned costs.

Contact Person: Joseph DiPrimio    Phone: (215) 686-2547

**CITY OF PHILADELPHIA  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FISCAL YEAR ENDED JUNE 30, 1997**

---

**1995 - 36:** Children and Youth    Status: **Resolved**    Questioned Costs: \$ 0

Resolution Agency: PA Department of Public Welfare

Condition:

DHS did not comply with the State's staffing requirements in assigning cases to social workers.

1997 Update:

Finding dropped. Similar condition noted in a more current year (see 1996-18) and there are no questioned costs.

Contact Person: Joan Reeves    Phone: (215) 683-6000

---

**1995 - 38:** Foster Care - Title IV-E    Status: **Resolved**    Questioned Costs: \$ 0

Resolution Agency: PA Department of Public Welfare

Condition:

DHS did not prepare the required Eligibility Determination Form (CY61) or the Case Review Form on a timely basis for some children receiving placement maintenance.

1997 Update:

Comment resolved, level of noncompliance is not reportable under current OMB Circular A-133 guidelines.

Contact Person: Joan Reeves    Phone: (215) 683-6000

---

**1995 - 40:** Children and Youth    Status: **Unresolved**    Questioned Costs: **\$13,356**

Resolution Agency: PA Department of Public Welfare

Condition:

DHS was unable to furnish supporting documentation for program costs charged to the Program by the City's Clerk of Quarter Sessions.

1997 Update:

Situation cited was corrected but questioned costs remain.

Contact Person: Joan Reeves    Phone: (215) 683-6000

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**CITY OF PHILADELPHIA  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FISCAL YEAR ENDED JUNE 30, 1997**

---

**1995 - 42:** Combined Homeless Assistance    Status: **Unresolved**    Questioned Costs: **\$1,298**

Resolution Agency: PA Department of Public Welfare

Condition:

OESS' system for maintaining client case files is inadequate. Questioned costs resulted because documentary evidence was unavailable to support client eligibiltiy

1997 Update:

Situation cited was cleared and questioned costs will be adjusted in the settlement process, per March 30, 1998 letter from PaDPW.

Contact Person: Sally Fisher    Phone: (215) 686-7180

---

**1995 - 43:** Combined Homeless Assistance    Status: **Unresolved**    Questioned Costs: **\$4,775**

Resolution Agency: PA Department of Public Welfare

Condition:

OESS charged unallowable costs to the Emergency Shelter Program.

1997 Update:

Situation cited was cleared and questioned costs will be adjusted in the settlement process, per March 30, 1998 letter from PaDPW.

Contact Person: Sally Fisher    Phone: (215) 686-7180

---

**1995 - 44:** Combined Homeless Assistance    Status: **Unresolved**    Questioned Costs: **\$2,013**

Resolution Agency: PA Department of Public Welfare

Condition:

OESS overbilled the State due to overpayments to vendors for shelter nights provided.

1997 Update:

Situation cited was cleared and questioned costs will be adjusted in the settlement process, per March 30, 1998 letter from PaDPW.

Contact Person: Sally Fisher    Phone: (215) 686-7180

---

**CITY OF PHILADELPHIA  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FISCAL YEAR ENDED JUNE 30, 1997**

---

**1995 - 45:** Combined Homeless Assistance    Status: **Unresolved**    Questioned Costs: **\$19,756**

Resolution Agency: PA Department of Public Welfare

Condition:

OESS charged ineligible costs to the Emergency Shelter Program.

1997 Update:

Situation cited was cleared and questioned costs will be adjusted in the settlement process, per March 30, 1998 letter from PaDPW.

Contact Person: Sally Fisher    Phone: (215) 686-7180

---

**1995 - 46:** Combined Homeless Assistance    Status: **Unresolved**    Questioned Costs: **\$727,343**

Resolution Agency: PA Department of Public Welfare

Condition:

OESS was unable to produce adequate documentation to substantiate expenditures charged to the program.

1997 Update:

Situation cited was cleared and questioned costs will be adjusted in the settlement process. Questioned costs reduced to \$47,177 per a July 23, 1998 letter from PaDPW.

Contact Person: Sally Fisher    Phone: (215) 686-7180

---

**1995 - 47:** Human Services Development Fund    Status: **Resolved**    Questioned Costs: **\$ 0**

Resolution Agency: PA Department of Public Welfare

Condition:

DHS did not submit accurate expenditure reports for this program to the State on time.

1997 Update:

Finding dropped. Similar condition noted in a more current year (see 1996-34) and there are no questioned costs.

Contact Person: Joan Reeves    Phone: (215) 683-6000

**CITY OF PHILADELPHIA**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
**FISCAL YEAR ENDED JUNE 30, 1997**

---

**1994 - 07:** Highway Planning & Construction    Status: **Resolved**    Questioned Costs: \$ 0

Resolution Agency: PA Department of Transportation

Condition:

The Streets Department did not: submit reimbursement reports for the eligible, reimbursable costs of this program in a timely manner; or systematically follow-up on the status of receivables associated with these reimbursement requests.

1997 Update:

Finding does not warrant further action in accordance with provisions of section .315 (b) (4) of OMB Circular A-133.

Contact Person: Lawrence Moy    Phone: (215) 686-5460

---

**1994 - 08:** Children and Youth    Status: **Resolved**    Questioned Costs: \$ 0

Resolution Agency: PA Department of Public Welfare

Condition:

The Department of Human Services did not submit expenditure reports for these programs to the State on time nor did it obtain a waiver or request an extension for late filing of these reports.

1997 Update:

Finding no longer valid. This condition is not required to be reported under Section .510 of OMB Circular A-133.

Contact Person: Joan Reeves    Phone: (215) 683-6000

---

**1994 - 09:** Children and Youth    Status: **Resolved**    Questioned Costs: **\$57,165**

Resolution Agency: PA Department of Public Welfare

Condition:

DHS prepared and submitted reports to the state using estimated rather than actual expenditures. DHS had not obtained the state's permission to use estimated amounts.

1997 Update:

Finding does not warrant further action, in accordance with provisions of section .315 (b) (4) of OMB Circular A-133.

Contact Person: Joan Reeves    Phone: (215) 683-6000

**CITY OF PHILADELPHIA**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
**FISCAL YEAR ENDED JUNE 30, 1997**

---

**1994 - 11:** Foster Care - Title IV-E    Status: **Unresolved**    Questioned Costs: **\$66,894**

Resolution Agency: PA Department of Public Welfare

Condition:

DHS was reimbursed twice by the state for legal representation costs. DHS submitted an invoice to the state which was inaccurate and contained ineligible legal representation costs.

1997 Update:

DHS deducted the administrative cost from the Title IV-E Summary for April-June, 1995 to compensate for the overpayment. DHS is waiting for the state to formally clear the finding.

Contact Person: Joan Reeves    Phone: (215) 683-6000

---

**1994 - 12:** SSBG - Emergency Shelter    Status: **Resolved**    Questioned Costs: **\$ 0**

Resolution Agency: PA Department of Public Welfare

Condition:

OESS did not perform the calculations necessary to determine if interest was earned on funding advances.

1997 Update:

Finding resolved in a Pa. Department of Public Welfare letter dated March 30, 1998.

Contact Person: Sally Fisher    Phone: (215) 686-7180

---

**1994 - 13:** SSBG - Emergency Shelter    Status: **Resolved**    Questioned Costs: **\$ 0**

Resolution Agency: PA Department of Public Welfare

Condition:

OESS did not submit required reports to the state on time.

1997 Update:

Finding resolved in a Pa. Department of Public Welfare letter dated March 30, 1998.

Contact Person: Sally Fisher    Phone: (215) 686-7180

**CITY OF PHILADELPHIA  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FISCAL YEAR ENDED JUNE 30, 1997**

---

**1994 - 14:** Emerg Shelter & Substance Block    Status: **Resolved**    Questioned Costs: \$ **0**

Resolution Agency: PA Department of Public Welfare

Condition:

OESS did not comply with program requirements for record retention.

1997 Update:

Finding resolved in a Pa. Department of Public Welfare letter dated March 30, 1998.

Contact Person: Sally Fisher    Phone: (215) 686-7180

---

**1994 - 15:** Emerg Shelter & Substance Block    Status: **Resolved**    Questioned Costs: \$ **0**

Resolution Agency: PA Department of Public Welfare

Condition:

OESS submitted to the state an inaccurate financial report for the Pennfree Bridge Housing Program and an inaccurate and incomplete financial report for the Emergency Shelter program.

1997 Update:

Finding dropped. Similar condition noted in a more current year (see 1996-25) and there are no questioned costs.

Contact Person: Sally Fisher    Phone: (215) 686-7180

---

**1994 - 18:** Human Services Development Fund    Status: **Unresolved**    Questioned Costs: **\$294,568**

Resolution Agency: PA Department of Public Welfare

Condition:

DHS did not submit accurate expenditure reports to the state on time.

1997 Update:

The state has indicated they will accept other eligible costs in place of the unallowable expenditures if they are audited by an independent public accountant. DHS will engage an accounting firm to perform agreed upon procedures to verify that OSHA fringe benefits are eligible costs under the grant.

Contact Person: Joan Reeves    Phone: (215) 683-6000

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**CITY OF PHILADELPHIA  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FISCAL YEAR ENDED JUNE 30, 1997**

---

**1994 - 24:** Airport Improvement      Status: **Resolved**      Questioned Costs: \$ 0

Resolution Agency: US Department of Transportation

Condition:

A report issued by the U.S. Department of Transportation's Office of the Inspector General to the Federal Aviation Administration for fiscal 1992 and 1993 found that the City's airports were not maximizing their income.

1997 Update:

Finding does not warrant further action in accordance with provisions of section .315 (b) (4) of OMB Circular A-133.

Contact Person: Stephen Mullin    Phone: (215) 683-2001

---

**1994 - 25:** Wastewater Grants      Status: **Unresolved**      Questioned Costs: \$ 0

Resolution Agency: US Environmental Protection Agency

Condition:

The Water Department was not in compliance with all applicable grant requirements pertaining to the Southwest Water Pollution Control Plant. An audit report issued on behalf of the U.S. Environmental Protection Agency identified over \$35.1 million in ineligible, unnecessary and unsupported costs.

1997 Update:

The Water Department has been working extensively with the EPA to resolve this finding. A Final Determination Letter (FDL) from the EPA is expected shortly.

Contact Person: Kumar Kishinchand    Phone: (215) 685-6103

---

**1994 - 26:** Emergency Assistance - Title IV-A      Status: **Unresolved**      Questioned Costs: **\$9,167,510**

Resolution Agency: PA Department of Public Welfare

Condition:

DHS did not attempt to obtain audits of program costs incurred by subrecipients.

1997 Update:

The state accepted DHS' plan for corrective action which was to require subrecipients to submit revised Schedules of Financial Assistance to reflect the Title IV-A funding. DHS is awaiting the State to formally clear this finding.

Contact Person: Joan Reeves    Phone: (215) 683-6000

---

**CITY OF PHILADELPHIA**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
**FISCAL YEAR ENDED JUNE 30, 1997**

---

**1994 - 27:** Children and Youth    Status: **Resolved**    Questioned Costs: \$ 0

Resolution Agency: PA Department of Public Welfare

Condition:

DHS did not comply with the state's staffing requirements in assigning cases to social workers.

1997 Update:

Finding dropped. Similar condition noted in a more current year (see 1996-18) and there are no questioned costs.

Contact Person: Joan Reeves    Phone: (215) 683-6000

---

**1994 - 31:** Child Support Enforcement    Status: **Resolved**    Questioned Costs: **\$2,500,000**

Resolution Agency: PA Department of Public Welfare

Condition:

Family Court used Title IV-D program funds to pay for costs of other unallowable state-mandated activities.

1997 Update:

Finding does not warrant further action, in accordance with provisions of section .315 (b) (4) of OMB Circular A-133.

Contact Person: Joseph DiPrimio    Phone: (215) 686-2547

---

**1994 - 35:** Foster Care - Title IV-E    Status: **Resolved**    Questioned Costs: \$ 0

Resolution Agency: PA Department of Public Welfare

Condition:

DHS did not prepare the required Eligibility Determination Form (CY61) or the Case Review Form on a timely basis for some children receiving placement maintenance.

1997 Update:

Comment resolved, level of noncompliance is not reportable under current OMB Circular A-133 guidelines.

Contact Person: Joan Reeves    Phone: (215) 683-6000

**CITY OF PHILADELPHIA  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FISCAL YEAR ENDED JUNE 30, 1997**

---

**1994 - 37:** SSBG - Emergency Shelter    Status: **Unresolved**    Questioned Costs: **\$ 882**

Resolution Agency: PA Department of Public Welfare

Condition:

OEES overbilled the state for services provided.

1997 Update:

Situation cited was cleared and questioned costs will be adjusted in the settlement process, per March 30, 1998 letter from PaDPW.

Contact Person: Sally Fisher    Phone: (215) 686-7180

---

**1994 - 38:** SSBG - Emergency Shelter    Status: **Unresolved**    Questioned Costs: **\$ 31**

Resolution Agency: PA Department of Public Welfare

Condition:

OEES overbilled the state for services provided.

1997 Update:

Situation cited was cleared and questioned costs will be adjusted in the settlement process, per March 30, 1998 letter from PaDPW.

Contact Person: Sally Fisher    Phone: (215) 686-7180

---

**1994 - 39:** SSBG - Emergency Shelter    Status: **Unresolved**    Questioned Costs: **\$ 913**

Resolution Agency: PA Department of Public Welfare

Condition:

OEES' system for maintaining case files is inadequate.

1997 Update:

Situation cited was cleared and questioned costs will be adjusted in the settlement process, per March 30, 1998 letter from PaDPW.

Contact Person: Sally Fisher    Phone: (215) 686-7180

**CITY OF PHILADELPHIA**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
**FISCAL YEAR ENDED JUNE 30, 1997**

---

**1994 - 40:** SSBG - Emergency Shelter    Status: **Resolved**    Questioned Costs: **\$522,584**

Resolution Agency: PA Department of Public Welfare

Condition:

OESS charged unallowable costs to the program.

1997 Update:

Situation cited was cleared and questioned costs were waived by PaDPW per a July 23, 1998 letter.

Contact Person: Sally Fisher    Phone: (215) 686-7180

---

**1994 - 41:** SSBG - Emergency Shelter    Status: **Unresolved**    Questioned Costs: **\$119,675**

Resolution Agency: PA Department of Public Welfare

Condition:

OESS does not retain adequate documentation to substantiate expenditures charged to the program.

1997 Update:

Situation cited was cleared and questioned costs will be adjusted in the settlement process, per March 30, 1998 letter from PaDPW.

Contact Person: Sally Fisher    Phone: (215) 686-7180

---

**1994 - 43:** PENNFREE - Bridge Housing    Status: **Unresolved**    Questioned Costs: **\$4,971**

Resolution Agency: PA Department of Public Welfare

Condition:

OESS charged unallowable costs to the program.

1997 Update:

Situation cited was cleared and questioned costs will be adjusted in the settlement process, per March 30, 1998 letter from PaDPW.

Contact Person: Sally Fisher    Phone: (215) 686-7180

**CITY OF PHILADELPHIA  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FISCAL YEAR ENDED JUNE 30, 1997**

---

**1994 - 44:** Substance Abuse    Status: **Resolved**    Questioned Costs: **\$39,692**

Resolution Agency: PA Department of Health

Condition:

CODAAP reimbursed subrecipients for ineligible expenditures.

1997 Update:

Finding does not warrant further action, in accordance with provisions of section .315 (b) (4) of OMB Circular A-133.

Contact Person: Estelle Richman    Phone: (215) 685-5670

---

**1994 - 45:** Human Services Development Fund    Status: **Unresolved**    Questioned Costs: **\$211,384**

Resolution Agency: PA Department of Public Welfare

Condition:

DHS and OESS charged unallowable expenditures to the grant.

1997 Update:

The state has indicated they will accept other eligible costs in place of the unallowable expenditures if they are audited by an independent public accountant. DHS will engage an accounting firm to perform agreed upon procedures to verify that OSHA fringe benefits are eligible costs under the grant.

Contact Person: Joan Reeves    Phone: (215) 683-6000

---

**1993 - 07:** Highway Planning & Construction    Status: **Resolved**    Questioned Costs: **\$ 0**

Resolution Agency: PA Department of Transportation

Condition:

The Streets Department did not: submit reimbursement reports for the eligible, reimbursable costs of this program in a timely manner; systematically follow-up on the status of receivables associated with these reimbursement requests.

1997 Update:

Finding does not warrant further action, in accordance with provisions of section .315 (b) (4) of OMB Circular A-133.

Contact Person: Lawrence Moy    Phone: (215) 686-5460

---

**CITY OF PHILADELPHIA  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FISCAL YEAR ENDED JUNE 30, 1997**

---

**1993 - 14:** SSBG - Emergency Shelter    Status: **Unresolved**    Questioned Costs: **\$2,467**

Resolution Agency: PA Department of Public Welfare

Condition:

OESS did not include interest earned on funding advances in its expenditure report to the state.

1997 Update:

Situation cited was cleared and questioned costs will be adjusted in the settlement process, per March 30, 1998 letter from PaDPW.

Contact Person: Sally Fisher    Phone: (215) 686-7180

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**1993 - 15:** SSBG - Emergency Shelter    Status: **Resolved**    Questioned Costs: **\$ 0**

Resolution Agency: PA Department of Public Welfare

Condition:

OESS did not submit reports timely or retain copies of submitted reports.

1997 Update:

Finding resolved in a Pa. Department of Public Welfare letter dated March 30, 1998.

Contact Person: Sally Fisher    Phone: (215) 686-7180

---

**1993 - 16:** SSBG - Emergency Shelter    Status: **Resolved**    Questioned Costs: **\$ 0**

Resolution Agency: PA Department of Public Welfare

Condition:

OESS did not comply with program requirements for record retention.

1997 Update:

Finding resolved in a Pa. Department of Public Welfare letter dated March 30, 1998.

Contact Person: Sally Fisher    Phone: (215) 686-7180

---

**CITY OF PHILADELPHIA  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FISCAL YEAR ENDED JUNE 30, 1997**

---

**1993 - 18:** Substance Abuse    Status: **Unresolved**    Questioned Costs: \$ 0

Resolution Agency: PA Department of Public Welfare

Condition:

OESS submitted inaccurate financial reports for the Pennfree Bridge Housing Program to the state.

1997 Update:

Situation cited was cleared and any questioned costs will be adjusted in the settlement process, per March 30, 1998 letter from PaDPW.

Contact Person: Sally Fisher    Phone: (215) 686-7180

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**1993 - 19:** Substance Abuse    Status: **Unresolved**    Questioned Costs: **\$13,603**

Resolution Agency: PA Department of Public Welfare

Condition:

OESS does not adequately reivew documenttion submitted by service providers to support costs charged to the program.

1997 Update:

Situation cited was cleared and questioned costs will be adjusted in the settlement process, per March 30, 1998 letter from PaDPW.

Contact Person: Sally Fisher    Phone: (215) 686-7180

---

**1993 - 20:** MCH Block & Childhood Lead    Status: **Unresolved**    Questioned Costs: **\$5,085**

Resolution Agency: PA Department of Public Welfare

Condition:

The Health Department's financial management system for these programs is inadequate to produce accurate and timely quarterly expenditure reports.

1997 Update:

Situation cited was cleared and questioned costs will be adjusted in the settlement process, per March 30, 1998 letter from PaDPW.

Contact Person: Estelle Richman    Phone: (215) 685-5670

---

**CITY OF PHILADELPHIA  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FISCAL YEAR ENDED JUNE 30, 1997**

---

**1993 - 21:** Human Services Development Fund    Status: **Resolved**    Questioned Costs: **\$40,530**

Resolution Agency: PA Department of Public Welfare

Condition:

DHS did not submit accurate expenditure reports for this program to the state on time.

1997 Update:

Finding does not warrant further action, in accordance with provisions of section .315 (b) (4) of OMB Circular A-133.

Contact Person: Joan Reeves    Phone: (215) 683-6000

---

**1993 - 40:** SSBG - Emergency Shelter    Status: **Unresolved**    Questioned Costs: **\$34,324**

Resolution Agency: PA Department of Public Welfare

Condition:

OESS charged ineligible costs to the program by allowing clients to exceed 60 days of continuous service.

1997 Update:

Situation cited was cleared and questioned costs will be adjusted in the settlement process, per March 30, 1998 letter from PaDPW.

Contact Person: Sally Fisher    Phone: (215) 686-7180

---

**1993 - 41:** SSBG - Emergency Shelter    Status: **Unresolved**    Questioned Costs: **\$14,605**

Resolution Agency: PA Department of Public Welfare

Condition:

OESS did not retain program records for costs charged to the program during fiscal 1993.

1997 Update:

Situation cited was cleared and questioned costs will be adjusted in the settlement process, per March 30, 1998 letter from PaDPW.

Contact Person: Sally Fisher    Phone: (215) 686-7180

**CITY OF PHILADELPHIA**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
**FISCAL YEAR ENDED JUNE 30, 1997**

---

**1993 - 43:** SSBG - Emergency Shelter    Status: **Unresolved**    Questioned Costs: **\$584,284**

Resolution Agency: PA Department of Public Welfare

Condition:

OESS did not retain adequate documentation to substantiate the allowability of amounts included in budget based contracts.

1997 Update:

Situation cited was cleared and questioned costs will be adjusted in the settlement process, per March 30, 1998 letter from PaDPW.

Contact Person: Sally Fisher    Phone: (215) 686-7180

---

**1993 - 45:** Substance Abuse    Status: **Unresolved**    Questioned Costs: **\$1,377**

Resolution Agency: PA Department of Public Welfare

Condition:

OESS charged unallowable costs to the program.

1997 Update:

Situation cited was cleared and questioned costs will be adjusted in the settlement process, per March 30, 1998 letter from PaDPW.

Contact Person: Sally Fisher    Phone: (215) 686-7180

---

**1993 - 47:** Human Services Development Fund    Status: **Unresolved**    Questioned Costs: **\$39,179**

Resolution Agency: PA Department of Public Welfare

Condition:

DHS spent fiscal 1993 HSDF funds for expenditures incurred during fiscal 1994.

1997 Update:

DHS will look at other eligible costs to replace the unallowable expenditures.

Contact Person: Joan Reeves    Phone: (215) 683-6000

---

**CITY OF PHILADELPHIA**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
**FISCAL YEAR ENDED JUNE 30, 1997**

---

**1992 - 08:** Highway Planning & Construction    Status: **Resolved**    Questioned Costs: \$ 0

Resolution Agency: PA Department of Transportation

Condition:

GAAU did not submit reimbursement reports for the City's payroll cost portion of this program in a timely manner.

1997 Update:

Finding does not warrant further action in accordance with provisions of section .315 (b) (4) of OMB Circular A-133.

Contact Person: Lawrence Moy    Phone: (215) 686-5460

---

**1992 - 10:** SSBG - Emergency Shelter    Status: **Resolved**    Questioned Costs: \$ 0

Resolution Agency: PA Department of Public Welfare

Condition:

OESS did not: submit reports timely, retain copies of submitted reports, and in certain instances, did not prepare reports.

1997 Update:

Finding resolved in a Pa. Department of Public Welfare letter dated March 30, 1998.

Contact Person: Sally Fisher    Phone: (215) 686-7180

---

**1992 - 14:** SSBG - Emergency Shelter    Status: **Resolved**    Questioned Costs: \$ 0

Resolution Agency: PA Department of Public Welfare

Condition:

OESS did not include interest earned on funding advances in its expenditure report to the state.

1997 Update:

Finding resolved in a Pa. Department of Public Welfare letter dated March 30, 1998.

Contact Person: Sally Fisher    Phone: (215) 686-7180

**CITY OF PHILADELPHIA  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FISCAL YEAR ENDED JUNE 30, 1997**

---

**1992 - 16:** A/D/A MH    Status: **Resolved**    Questioned Costs: **\$12,476**

Resolution Agency: PA Department of Health

Condition:

CODAAP prepared and submitted its final quarterly expenditure report to the state using estimated rather than actual expenditures.

1997 Update:

Finding does not warrant further action, in accordance with provisions of section .315 (b) (4) of OMB Circular A-133.

Contact Person: Estelle Richman    Phone: (215) 685-5670

---

**1992 - 17:** A/D/A MH, Bridge Housing    Status: **Resolved**    Questioned Costs: **\$ 0**

Resolution Agency: PA Department of Public Welfare

Condition:

OESS submitted inaccurate financial reports for the Pennfree Bridge Housing Program to the state.

1997 Update:

Finding dropped. Similar condition noted in a more current year (see 1996-25) and there are no questioned costs.

Contact Person: Sally Fisher    Phone: (215) 686-7180

---

**1992 - 27:** SSBG - Emergency Shelter    Status: **Unresolved**    Questioned Costs: **\$ 756**

Resolution Agency: PA Department of Public Welfare

Condition:

OESS submitted inaccurate invoices to the state for services which were not provided.

1997 Update:

Situation cited was cleared and questioned costs will be adjusted in the settlement process, per March 30, 1998 letter from PaDPW.

Contact Person: Sally Fisher    Phone: (215) 686-7180

---

**CITY OF PHILADELPHIA**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
**FISCAL YEAR ENDED JUNE 30, 1997**

---

**1992 - 28:** SSBG - Emergency Shelter    Status: **Unresolved**    Questioned Costs: **\$163,292**

Resolution Agency: PA Department of Public Welfare

Condition:

OESS charged ineligible costs to the state.

1997 Update:

Situation cited was cleared and questioned costs will be adjusted in the settlement process, per March 30, 1998 letter from PaDPW.

Contact Person: Sally Fisher    Phone: (215) 686-7180

---

**1992 - 31:** SSBG - Emergency Shelter    Status: **Unresolved**    Questioned Costs: **\$2,804**

Resolution Agency: PA Department of Public Welfare

Condition:

OESS did not retain program records for costs charged to the program during fiscal 1992.

1997 Update:

Situation cited was cleared and questioned costs will be adjusted in the settlement process, per March 30, 1998 letter from PaDPW.

Contact Person: Sally Fisher    Phone: (215) 686-7180

---

**1991 - 09:** Highway Planning & Construction    Status: **Resolved**    Questioned Costs: **\$ 0**

Resolution Agency: PA Department of Transportation

Condition:

GAAU did not submit reimbursement reports for the City's payroll costs portion of this program in a timely manner.

1997 Update:

Finding does not warrant further action in accordance with provisions of section .315 (b) (4) of OMB Circular A-133.

Contact Person: Lawrence Moy    Phone: (215) 686-5460

**CITY OF PHILADELPHIA  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FISCAL YEAR ENDED JUNE 30, 1997**

---

**1990 - 09:** Highway Planning & Construction    Status: **Resolved**    Questioned Costs: \$ 0

Resolution Agency: PA Department of Transportation

Condition:

GAAU did not submit reimbursement reports for the City's payroll costs portion of this program in a timely manner.

1997 Update:

Finding does not warrant further action in accordance with provisions of section .315 (b) (4) of OMB Circular A-133.

Contact Person: Lawrence Moy    Phone: (215) 686-5460

---

**1990 - 20:** Wastewater Grants    Status: **Unresolved**    Questioned Costs: **\$216,186**

Resolution Agency: US Environmental Protection Agency

Condition:

The EPA has audit reports that question costs associated with the Southwest Wastewater Treatment Facility's sludge dredging equipment.

1997 Update:

The Water Department has been working extensively with the EPA to resolve this finding. A Final Determination Letter (FDL) from the EPA is expected shortly.

Contact Person: Kumar Kishinchand    Phone: (215) 685-6103

---

**1990 - 22:** A/D/A MH    Status: **Resolved**    Questioned Costs: **\$184,000**

Resolution Agency: PA Department of Health

Condition:

CODAAP contracted with a subrecipient for drug treatment programs. The director of this subrecipient pleaded guilty to theft of \$184,000 of client fees from the agency from July, 1986 to June, 1989.

1997 Update:

Finding does not warrant further action, in accordance with provisions of section .315 (b) (4) of OMB Circular A-133.

Contact Person: Estelle Richman    Phone: (215) 685-5670

**CITY OF PHILADELPHIA  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FISCAL YEAR ENDED JUNE 30, 1997**

---

**1989 - 13:** Highway Planning & Construction    Status: **Resolved**    Questioned Costs: \$ 0

Resolution Agency: PA Department of Transportation

Condition:

GAAU does not always submit reimbursement reports for this program in a timely manner.

1997 Update:

Finding does not warrant further action, in accordance with provisions of section .315 (b) (4) of OMB Circular A-133.

Contact Person: Lawrence Moy    Phone: (215) 686-5460

---

**1988 - 31:** Highway Planning & Construction    Status: **Resolved**    Questioned Costs: \$ 0

Resolution Agency: PA Department of Transportation

Condition:

GAAU does not always submit reimbursement reports for this program in a timely manner.

1997 Update:

Finding does not warrant further action, in accordance with provisions of section .315 (b) (4) of OMB Circular A-133.

Contact Person: Lawrence Moy    Phone: (215) 686-5460



# CITY OF PHILADELPHIA

OFFICE OF THE CONTROLLER  
12th Floor, Municipal Services Bldg.  
1401 John F. Kennedy Boulevard  
Philadelphia, Pennsylvania 19102-1616  
(215) 686-6684 FAX (215) 686-3832

JONATHAN A. SAIDEL  
City Controller  
ALBERT F. SCAPEROTTO  
Deputy City Controller

## **INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES**

Honorable Edward G. Rendell, Mayor  
and Honorable Members of the Council  
of the City of Philadelphia

Commonwealth of Pennsylvania,  
Department of Public Welfare

We have performed the procedures enumerated below, which were agreed to by the City of Philadelphia, Pennsylvania and the Commonwealth of Pennsylvania, Department of Public Welfare (DPW) solely to assist you with respect to the financial schedules and exhibits required by the DPW Single Audit Supplement. This engagement to apply agreed-upon procedures was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the DPW. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

- (a) We have verified by comparison of the amounts and classifications that the supplemental financial schedules listed below which summarize amounts reported to DPW for fiscal year ended June 30, 1997 have been accurately compiled and reflect the audited books and records of the City of Philadelphia. We have also verified, by comparison to the example schedules in the DPW Single Audit Supplement, that these schedules are presented, at a minimum, at the level of detail and in the format required by the DPW Single Audit Supplement pertaining to this period.

<b><u>Program Name</u></b>	<b><u>Number</u></b>	<b><u>Referenced Schedule/Exhibit</u></b>
Title IV-D Child Support Program	A-1	Summary of Expenditures
Title IV-D Child Support Program - Supplementals	A-1	Summary of Expenditures
County Children and Youth Social Service Programs	I	Revenues and Expenditures
Low Income Home Energy Assistance Program Crisis Administration	II	Revenues and Expenditures
Mental Health/Mental Retardation	IV(A)MH	Revenues, Expenditures and Carryover Funds – MH
	IV(B)MH	Income and Expenditures – MH
	IV(C)MR	Revenues, Expenditures and Carryover Funds – MR
	IV(D)MR	Income and Expenditures – MR
Human Services Development Fund	X	Revenues and Expenditures
(Combined) Homeless Assistance Program	XIX	Revenues and Expenditures

- (b) We have inquired of management regarding adjustments to reported revenues or expenditures which were not reflected on reports submitted to DPW for the period in question
- (c) The processes detailed in the two preceding paragraphs, (a) and (b) above, disclosed the following findings which have not been reflected on the corresponding schedules:

County Children and Youth  
Social Services Programs, Exhibit I

Expenditures reported on this exhibit are overstated by \$1.6 million. This occurred because of (1) the use of a fringe benefit rate in excess of that allowed by the state, that resulted in the over reporting of allowable expenditures by \$595,727 and (2) the inclusion of \$1,035,610 in encumbered but unspent funds.

Mental Health Program

Exhibit IV – (B)MH

Revenues from the reimbursement of administrative costs are overstated on this exhibit by \$218,136. This occurred because administrative costs reported for the first three quarters of the reporting period were not deducted before arriving at the fourth quarter's administrative costs.

(Combined) Homeless Assistance Program

Exhibit XIX

Expenditures reported on this exhibit are overstated by \$56,352. This occurred because expenditures included encumbrances totaling \$56,352 which were not used to fund fiscal year 1997 obligations.

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 the Department of Public Welfare 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.

October 16, 1998

ALBERT F. SCAPEROTTO, CPA  
Deputy City Controller

JONATHAN A. SAIDEL, CPA  
City Controller

# **Commonwealth of Pennsylvania**

## **Department of Public Welfare**

### **Supplementary Schedules**

Title IV-D Child Support Program	5-6
Children and Youth	7
Low Income Home Energy Assistance Program	8
Mental Health/Mental Retardation	9-18
Human Services Development Fund	19
Combined Homeless Assistance Programs	20

**Pages 1 to 20 Inclusive**

## EXHIBIT A-1

**PHILADELPHIA COUNTY  
SUMMARY OF EXPENDITURES  
TITLE IV-D CHILD SUPPORT PROGRAM  
FISCAL YEAR ENDED JUNE 30, 1997**

Calendar Quarter Ended 9/30/96	Total	Unallowable	Net (A-B)	FFP	Amt Paid (C x D)
Salary/Overhead (Exclude Blood Tests)	4,073,982	179,041	3,894,941	66%	2,570,661
Fees/Costs	21		21	66%	14
Interest/Program Income	66,317	1,128	65,189	66%	43,025
Subtotal	4,007,644	177,913	3,829,731		2,527,622
Blood Testing	88,842		88,842	90%	79,958
ADP	226,182	3,845	222,337	66%	146,742
Statewide Computer	477		477	90%	429
Net Total	4,323,145	181,758	4,141,387		2,754,752

Calendar Quarter Ended 12/31/96	Total	Unallowable	Net (A-B)	FFP	Amt Paid (C x D)
Salary/Overhead (Exclude Blood Tests)	3,761,604	158,439	3,603,165	66%	2,378,089
Fees/Costs	16		16	66%	10
Interest/Program Income	42,210	744	41,466	66%	27,368
Subtotal	3,719,378	157,695	3,561,683		2,350,711
Blood Testing	55,200		55,200	90%	49,680
ADP	435,388	7,402	427,986	66%	282,471
Statewide Computer	14,840		14,840	90%	13,356
Net Total	4,224,806	165,097	4,059,709		2,696,218

Calendar Quarter Ended 3/31/97	Total	Unallowable	Net (A-B)	FFP	Amt Paid (C x D)
Salary/Overhead (Exclude Blood Tests)	3,661,065	223,702	3,437,363	66%	2,268,660
Fees/Costs	22		22	66%	15
Interest/Program Income	32,897	559	32,338	66%	21,343
Subtotal	3,628,146	223,143	3,405,003		2,247,302
Blood Testing	51,332		51,332	90%	46,199
ADP	352,940	6,001	346,939	66%	228,980
Statewide Computer	4,568		4,568	90%	4,111
Net Total	4,036,986	229,144	3,807,842		2,526,592

Calendar Quarter Ended 6/30/97	Total	Unallowable	Net (A-B)	FFP	Amt Paid (C x D)
Salary/Overhead (Exclude Blood Tests)	4,157,475	263,792	3,893,683	66%	2,569,831
Fees/Costs	23		23	66%	15
Interest/Program Income	106,443	1,810	104,633	66%	69,058
Subtotal	4,051,009	261,982	3,789,027		2,500,758
Blood Testing	44,244		44,244	90%	39,820
ADP	241,894	4,112	237,782	66%	156,936
Statewide Computer	5,838		5,838	90%	5,254
Net Total	4,342,985	266,094	4,076,891		2,702,768

## EXHIBIT A-1

**PHILADELPHIA COUNTY  
SUMMARY OF EXPENDITURES  
TITLE IV-D CHILD SUPPORT PROGRAM - SUPPLEMENTALS  
FISCAL YEAR ENDED JUNE 30, 1997**

Calendar Quarter Ended 9/30/96	Total	Unallowable	Net (A-B)	FFP	Amt Paid (C x D)
Salary/Overhead (Exclude Blood Tests)				66%	0
Fees/Costs				66%	
Interest/Program Income				66%	0
Subtotal					0
Blood Testing				90%	
ADP	143,406	2,438	140,968	66%	93,039
Statewide Computer				90%	
Net Total	143,406	2,438	140,968		93,039

Calendar Quarter Ended 12/31/96	Total	Unallowable	Net (A-B)	FFP	Amt Paid (C x D)
Salary/Overhead (Exclude Blood Tests)				66%	0
Fees/Costs				66%	
Interest/Program Income				66%	0
Subtotal					0
Blood Testing				90%	
ADP				66%	0
Statewide Computer				90%	
Net Total					0

Calendar Quarter Ended 3/31/97	Total	Unallowable	Net (A-B)	FFP	Amt Paid (C x D)
Salary/Overhead (Exclude Blood Tests)				66%	0
Fees/Costs				66%	
Interest/Program Income				66%	
Subtotal					0
Blood Testing				90%	
ADP				66%	0
Statewide Computer				90%	
Net Total					0

Calendar Quarter Ended 6/30/97	Total	Unallowable	Net (A-B)	FFP	Amt Paid (C x D)
Salary/Overhead (Exclude Blood Tests)				66%	0
Fees/Costs				66%	
Interest/Program Income				66%	
Subtotal					0
Blood Testing				90%	
ADP				66%	0
Statewide Computer				90%	
Net Total					0

This exhibit should be completed beginning FYE June 30, 1996 according to the instructions pertaining to the Monthly Statement of Expenditures (PW 1439.1).

## EXHIBIT I

**PHILADELPHIA COUNTY  
SCHEDULE OF REVENUES AND EXPENDITURES  
COUNTY CHILDREN AND YOUTH SOCIAL SERVICE PROGRAMS  
FOR THE TWELVE MONTH PERIOD ENDED JUNE 30, 1997**

	A	B	C	D	E	F	G	H	I	J	K
	GRAND TOTAL	FEDERAL TITLE XX	FEDERAL TITLE IV-E	FEDERAL TITLE IV-B	FEDERAL OTHER	FEDERAL TITLE IV-A	MEDICAL ASSIST.	PROGRAM INCOME	NET TOTAL	STATE ACT 148	LOCAL SHARE
NET CHILD WELFARE EXPENDITURES :											
01. 100 % Reimbursement	2,457,410			2,457,410					0		
02. 90 % Reimbursement	13,208,295		3,742,993		739,774	1,179,416			7,546,112	6,791,501	754,611
03. 80 % Reimbursement	198,530,638	3,813,180	62,465,017	1,195,031	10,947,036	16,145,855		3,281,656	100,682,863	80,546,291	20,136,572
04. 60 % Reimbursement	103,069,510		31,868,184		744,659	7,818,786	456,711	1,291,138	60,890,032	36,534,019	24,356,013
05. 50 % Reimbursement	25,085,330		1,672,880			318,539			23,093,911	11,546,956	11,546,955
06. Other Reimbursement									0		
<b>07. TOTAL NET EXPENDITURES :</b>	<b>342,351,183</b>	<b>3,813,180</b>	<b>99,749,074</b>	<b>3,652,441</b>	<b>12,431,469</b>	<b>25,462,596</b>	<b>456,711</b>	<b>4,572,794</b>	<b>192,212,918</b>	<b>135,418,767</b>	<b>56,794,151</b>
YDC/YFC PLACEMENT COSTS :											
08. 80 % DPW Participation	17,658								17,658	14,126	3,532
09. 60 % DPW Participation	24,763,193								24,763,193	14,857,916	9,905,277
<b>10. TOTAL YDC/YFC COSTS</b>	<b>24,780,851</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>24,780,851</b>	<b>14,872,042</b>	<b>9,908,809</b>
<b>11. RESERVED DPW USE **</b>	<b>23,920,233</b>		<b>6,426,461</b>						<b>17,493,772</b>	<b>10,496,263</b>	<b>6,997,509</b>
<b>12. NON-ALLOWABLE EXPENDITURES</b>	<b>1,682,338</b>			<b>62,939</b>					<b>1,619,399</b>		<b>1,619,399</b>
<b>13. TOTAL EXPENDITURES</b>	<b>392,734,605</b>	<b>3,813,180</b>	<b>106,175,535</b>	<b>3,715,380</b>	<b>12,431,469</b>	<b>25,462,596</b>	<b>456,711</b>	<b>4,572,794</b>	<b>236,106,940</b>	<b>160,787,072</b>	<b>75,319,868</b>
<b>14. Total HSDF Used for Child Welfare :</b>	<b>1,990,518</b>	<b>15. Total Title IV-D Collections :</b>				<b>424,947</b>	<b>16. Total IV-D/IV-E Collections :</b>				<b>350,303</b>
<b>A. State Act 148 (Line 7) :</b>	<b>135,418,767</b>	<b>B. State Act 148/IV-B Allocation :</b>				<b>142,911,976</b>	<b>C. Adj. State Share (Lower of A or B) :</b>				<b>135,418,767</b>

\*\*Note: Line 11 is Castille Beds

This single audit exhibit corresponds directly to the CY 348. Exhibit I (with reissuance date of September 1996) should be used for program year ended June 30, 1996. For prior periods, the supplemental schedule should mirror the CY 348 format applicable for that program year.

## EXHIBIT II

**PHILADELPHIA COUNTY**  
**SCHEDULE OF REVENUES AND EXPENDITURES**  
**LOW INCOME HOME ENERGY ASSISTANCE PROGRAM CRISIS ADMINISTRATION**  
**CONTRACT NUMBER: ME513465101**  
**FOR THE TWELVE MONTH PERIOD ENDED JUNE 30, 1997**

	<u>Reported</u>	<u>Actual</u>
<b><u>REVENUES</u></b>		
Pennsylvania Department of Public Welfare	275,621	275,621
Interest Income		
<b>Total Revenues :</b>	<u>275,621</u>	<u>275,621</u>
<b><u>EXPENDITURES</u></b>		
Personnel:		
Wages	139,665	139,665
FICA		
Workmen's Compensation		
Unemployment Compensation		
Retirement		
Medical Insurance		
Total Personnel:	<u>139,665</u>	<u>139,665</u>
Operating Costs:		
Travel Staff		
Telephone		
Advertising		
Postage	76	76
Printing		
Community Groups	123,502	123,502
Rental of Real Estate		
Equipment Maintenance	730	730
Office Supplies	1,000	1,000
Equipment Purchase	10,648	10,648
Total Operating:	<u>135,956</u>	<u>135,956</u>
Audit Costs	0	0
<b>Total Expenditures:</b>	<u>275,621</u>	<u>275,621</u>
<b>Excess of Revenue Over Expenditures:</b>	<u>0</u>	<u>0</u>

The Fuel Emergency Program Invoice in Section 3 should be used to prepare this schedule. The preparer will be required to accumulate the line item costs from the supplementary schedules submitted with the invoices throughout the contract period.

**PHILADELPHIA COUNTY**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CARRYOVER FUNDS**  
**MENTAL HEALTH SERVICES**  
**FOR THE TWELVE MONTH PERIOD ENDED JUNE 30, 1997**

SOURCE OF DPW FUNDS	DPW FUNDS AVAILABLE			Cost Eligible for DPW Participation	Balance of Funds	Grant Fund Adjs.	CSR St. Grant Fd Adjs.	CSR- MAMIS Adjs.	Total Fund Balance
	Carryover Funds	Allotment	Total Allocation						
<b>A. MH SERVICES (App 140)</b>	2,500,000	106,634,363	109,134,363	109,013,736	120,627				120,627
<b>B. OTHER STATE FUNDS</b>									
1. Special. Res. (App 160)	0	1,232,247	1,232,247	1,232,247					0
2. BH Initiative (App 173)	0	3,888,871	3,888,871	3,888,871					0
3. BH IGT (App 173)	0	896,811	896,811	896,811					0
Total Other State	0	6,017,929	6,017,929	6,017,929	0	0	0	0	0
<b>C. SSBG (App 734)</b>	0	8,214,380	8,214,380	8,214,380					0
<b>D. CMHSBG (App 903)</b>	0	1,456,324	1,456,324	1,456,324					0
<b>E. OTHER FEDERAL FUNDS</b>									
1. Fed. CASSP (App 842)	0	35,000	35,000	35,000	0				0
2. Community Sup (App 714)	769,824	0	769,824	622,968	146,856				146,856
3. BH MIS (992)	0	0	0	0	0				0
4. PATH Homeless (App 769)	0	123,800	123,800	123,800	0				0
5. Access Grant (App 948)	1,956,526	1,973,206	3,929,732	2,036,163	1,893,569				1,893,569
Total Other Federal	2,726,350	2,132,006	4,858,356	2,817,931	2,040,425	0	0	0	2,040,425
<b>F. TOTAL</b>	5,226,350	124,455,002	129,681,352	127,520,300	2,161,052	0	0	0	2,161,052

This exhibit corresponds directly to the MH-15. Instructions for its completion are included in the MH/MR Instructions for the Annual Income and Expenditure Report.

**PHILADELPHIA COUNTY  
REPORT OF INCOME AND EXPENDITURES  
FOR THE TWELVE MONTH PERIOD ENDED JUNE 30, 1997**

<b>MENTAL HEALTH PROGRAM</b>	<b>Administrator's Office</b>	<b>Community Services</b>	<b>Service Management</b>	<b>Intensive Case Management</b>
<b>I. TOTAL ALLOCATION</b>				
<b>II. TOTAL EXPENDITURES</b>	6,649,892	3,751,279	0	18,562,822
<b>III. COSTS OVER ALLOCATION</b>				
A. County Funded Eligible	880,548	0	0	0
B. County Funded Ineligible	194,617	0	0	0
C. Other Eligible	0	0	0	0
D. Other Ineligible	0	240	0	0
E. CHIPP				
F. Total Costs Over Allocation	1,075,165	240	0	0
<b>IV. REVENUES</b>				
A. Program Service Fees	0	0	0	0
B. Private Insurance Fees	0	0	0	0
C. Medical Assistance	0	0	0	7,145,484
D. Medical Assistance -	0	0	0	0
MA 325 (1150 Waiver)	0	0	0	0
E. Medical Assistance -	0	0	0	0
Administrative Claims	658,651	0	0	0
F. Room and Board	0	0	0	0
G. Earned Interest	1,586	1,320	0	252
H. Other	170,642	222,287	0	561,916
I. Total Revenue :	830,879	223,607	0	7,707,652
<b>V. DPW REIMBURSEMENT</b>				
A. Base Allocation 90 %	3,726,992	1,353,434	0	0
B. Base Allocation 100 %	0	0	0	6,513,422
C. DPW Categorical				
Funding 90 % Subtotal	0	0	0	0
D. DPW Categorical				
Funding 100 % Subtotal	602,746	2,023,616	0	4,341,748
E. SSBG				
90 % Adult	0	0	0	0
90 % Child	0	0	0	0
100 % Adult	0	0	0	0
100 % Child	0	0	0	0
F. CMHSBG (ADAMH)				
90 %	0	0	0	0
100 %	0	0	0	0
<b>VI. COUNTY MATCH</b>				
10 % County Match	414,110	150,382	0	0
<b>VII. TOTAL DPW REIMBURSEMENT AND COUNTY MATCH</b>	4,743,848	3,527,432	0	10,855,170
<b>VIII. TOTAL CARRYOVER</b>				

**PHILADELPHIA COUNTY  
REPORT OF INCOME AND EXPENDITURES  
FOR THE TWELVE MONTH PERIOD ENDED JUNE 30, 1997**

<b>MENTAL HEALTH PROGRAM</b>	<b>Outpatient</b>	<b>Inpatient</b>	<b>Day Treatment (Partial Hosp.)</b>	<b>Emergency Services Crisis Interv.</b>
<b>I. TOTAL ALLOCATION</b>				
<b>II. TOTAL EXPENDITURES</b>	21,694,881	13,674,705	18,414,237	2,288,639
<b>III. COSTS OVER ALLOCATION</b>				
A. County Funded Eligible	47,774	0	0	18,000
B. County Funded Ineligible	171,331	103,983	0	0
C. Other Eligible	272,944	0	0	54,743
D. Other Ineligible	2,350	0	3,275	832
E. CHIPP	0	0	0	0
F. Total Costs Over Allocation	494,399	103,983	3,275	73,575
<b>IV. REVENUES</b>				
A. Program Service Fees	136,256	0	46,007	0
B. Private Insurance	1,736,646	3,337,947	3,728,963	0
C. Medical Assistance	2,418,261	7,860,836	10,986,592	292,113
D. Medical Assistance - MA 325 (1150 Waiver)	0	0	0	0
E. Medical Assistance - Administrative Claims	0	0	0	0
F. Room and Board	0	0	0	0
G. Earned Interest	247,312	0	0	26,596
H. Other	2,435,370	390,080	2,378,134	9
I. Total Revenue :	6,973,845	11,588,863	17,139,696	318,718
<b>V. DPW REIMBURSEMENT</b>				
A. Base Allocation 90 %	10,824,835	0	0	0
B. Base Allocation 100 %	0	1,851,344	783,979	874,095
C. DPW Categorical Funding 90 % Subtotal	0	0	0	0
D. DPW Categorical Funding 100 % Subtotal	1,731,063	130,515	487,287	1,022,251
E. SSBG 90 % Adult	0	0	0	0
90 % Child	0	0	0	0
100 % Adult	0	0	0	0
100 % Child	0	0	0	0
F. CMHSBG (ADAMH) 90 %	0	0	0	0
100 %	467,980	0	0	0
<b>VI. COUNTY MATCH</b>				
10 % County Match	1,202,759	0	0	0
<b>VII. TOTAL DPW REIMBURSEMENT AND COUNTY MATCH</b>	14,226,637	1,981,859	1,271,266	1,896,346
<b>VIII. TOTAL CARRYOVER</b>				

**PHILADELPHIA COUNTY  
REPORT OF INCOME AND EXPENDITURES  
FOR THE TWELVE MONTH PERIOD ENDED JUNE 30, 1997**

<b>MENTAL HEALTH PROGRAM</b>	<b>Adult Development Training</b>	<b>Community Employment</b>	<b>Vocational Rehabilitation</b>	<b>Social Rehabilitation</b>
<b>I. TOTAL ALLOCATION</b>				
<b>II. TOTAL EXPENDITURES</b>	0	0	4,845,336	9,544,416
<b>III. COSTS OVER ALLOCATION</b>				
A. County Funded Eligible	0	0	0	0
B. County Funded Ineligible	0	0	0	285,039
C. Other Eligible	0	0	0	0
D. Other Ineligible	0	0	0	325
E. CHIPP	0	0	0	0
F. Total Costs Over Allocation	0	0	0	285,364
<b>IV. REVENUES</b>				
A. Program Service Fees	0	0	110,752	180
B. Private Insurance	0	0	0	50
C. Medical Assistance	0	0	0	186,791
D. Medical Assistance - MA 325 (1150 Waiver)	0	0	0	0
E. Medical Assistance - Administrative Claims	0	0	0	0
F. Room and Board	0	0	0	0
G. Earned Interest	0	0	178	5,735
H. Other	0	0	850,381	1,019,102
I. Total Revenue :	0	0	961,311	1,211,858
<b>V. DPW REIMBURSEMENT</b>				
A. Base Allocation 90 %	0	0	1,618,936	721,501
B. Base Allocation 100 %	0	0	0	0
C. DPW Categorical Funding 90 % Subtotal	0	0	0	0
D. DPW Categorical Funding 100 % Subtotal	0	0	1,489,705	3,831,341
E. SSBG 90 % Adult	0	0	0	0
90 % Child	0	0	0	0
100 % Adult	0	0	445,966	2,968,175
100 % Child	0	0	0	0
F. CMHSBG (ADAMH) 90 %	0	0	0	0
100 %	0	0	149,536	446,010
<b>VI. COUNTY MATCH</b>				
10 % County Match	0	0	179,882	80,167
<b>VII. TOTAL DPW REIMBURSEMENT AND COUNTY MATCH</b>	0	0	3,884,025	8,047,194
<b>VIII. TOTAL CARRYOVER</b>				

**PHILADELPHIA COUNTY  
REPORT OF INCOME AND EXPENDITURES  
FOR THE TWELVE MONTH PERIOD ENDED JUNE 30, 1997**

<b>MENTAL HEALTH PROGRAM</b>	<b>Family Support Services</b>	<b>Community Residential</b>	<b>Family Based Services</b>	<b>Resource Coordination</b>
<b>I. TOTAL ALLOCATION</b>				
<b>II. TOTAL EXPENDITURES</b>	973,135	69,233,695	925,552	4,691,644
<b>III. COSTS OVER ALLOCATION</b>				
A. County Funded Eligible	0	0	0	0
B. County Funded Ineligible	0	0	0	0
C. Other Eligible	83,591	0	0	0
D. Other Ineligible	0	164,496	0	0
E. CHIPP	0	0	0	0
F. Total Costs Over Allocation	83,591	164,496	0	0
<b>IV. REVENUES</b>				
A. Program Service Fees	0	0	0	0
B. Private Insurance	0	0	0	0
C. Medical Assistance	453,327	0	481,463	1,782,841
D. Medical Assistance - MA 325 (1150 Waiver)	0	0	0	0
E. Medical Assistance - Administrative Claims	0	0	0	0
F. Room and Board	0	4,385,292	0	0
G. Earned Interest	0	89,537	0	0
H. Other	7,409	6,558,168	0	0
I. Total Revenue :	460,736	11,032,997	481,463	1,782,841
<b>V. DPW REIMBURSEMENT</b>				
A. Base Allocation 90 %	385,927	21,461,490	0	0
B. Base Allocation 100 %	0	0	444,089	2,314,029
C. DPW Categorical Funding 90 % Subtotal	0	2,714,232	0	0
D. DPW Categorical Funding 100 % Subtotal	0	31,174,289	0	594,774
E. SSBG 90 % Adult	0	0	0	0
90 % Child	0	0	0	0
100 % Adult	0	0	0	0
100 % Child	0	0	0	0
F. CMHSBG (ADAMH) 90 %	0	0	0	0
100 %	0	0	0	0
<b>VI. COUNTY MATCH</b>				
10 % County Match	42,881	2,686,191	0	0
<b>VII. TOTAL DPW REIMBURSEMENT AND COUNTY MATCH</b>	428,808	58,036,202	444,089	2,908,803
<b>VIII. TOTAL CARRYOVER</b>				

**PHILADELPHIA COUNTY  
REPORT OF INCOME AND EXPENDITURES  
FOR THE TWELVE MONTH PERIOD ENDED JUNE 30, 1997**

<b>MENTAL HEALTH PROGRAM</b>	<b>Admin Management</b>	<b>Emergency Services</b>		<b>Total</b>
<b>I. TOTAL ALLOCATION</b>				129,681,352
<b>II. TOTAL EXPENDITURES</b>	13,018,844	14,670,814		202,939,891
<b>III. COSTS OVER ALLOCATION</b>				
A. County Funded Eligible	467,347	0		1,413,669
B. County Funded Ineligible	16,023	12,630		783,623
C. Other Eligible	0	0		411,278
D. Other Ineligible	533	125,900		297,951
E. CHIPP	0	0		0
F. Total Costs Over Allocation	483,903	138,530		2,906,521
<b>IV. REVENUES</b>				
A. Program Service Fees	0	59,347		352,542
B. Private Insurance	0	814,668		9,618,274
C. Medical Assistance	0	620,245		32,227,953
D. Medical Assistance - MA 325 (1150 Waiver)	0	0		0
E. Medical Assistance - Administrative Claims	0	0		658,651
F. Room and Board	0	0		4,385,292
G. Earned Interest	12,781	14,840		400,137
H. Other	1,502,481	3,032,460		19,128,439
I. Total Revenue :	1,515,262	4,541,560		66,771,288
<b>V. DPW REIMBURSEMENT</b>				
A. Base Allocation 90 %	1,357,997	7,510,687		48,961,799
B. Base Allocation 100 %	0	0		12,780,958
C. DPW Categorical Funding 90 % Subtotal	0	0		2,714,232
D. DPW Categorical Funding 100 % Subtotal	4,710,554	1,252,718		53,392,607
E. SSBG 90 % Adult	0	0		0
90 % Child	0	0		0
100 % Adult	4,800,239	0		8,214,380
100 % Child	0	0		0
F. CMHSBG (ADAMH) 90 %	0	0		0
100 %	0	392,798		1,456,324
<b>VI. COUNTY MATCH</b>				
10 % County Match	150,889	834,521		5,741,782
<b>VII. TOTAL DPW REIMBURSEMENT AND COUNTY MATCH</b>	11,019,679	9,990,724		133,262,082
<b>VIII. TOTAL CARRYOVER</b>				2,161,052

**PHILADELPHIA COUNTY**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CARRYOVER FUNDS**  
**MENTAL RETARDATION SERVICES**  
**FOR THE TWELVE MONTH PERIOD ENDED JUNE 30, 1997**

SOURCE OF DPW FUNDS	DPW FUNDS AVAILABLE			Cost Eligible for DPW Participation	Balance of Funds	Grant Fund Adjs.	CSR St. Grant Fd Adjs.	CSR- MAMIS Adjs.	Total Fund Balance
	Carryover Funds	Allotment	Total Allocation						
<b>A. MR SERVICES</b>									
1. Community (NR/Res) (App 156)	32,424	29,285,493	29,317,917	29,315,934	1,983				1,983
2. SSBG (App 933)	0	2,611,234	2,611,234	2,611,234	0				0
3. Family Living (App 141)	0	0	0	0	0				0
4. Subtotal MR Services :	32,424	31,896,727	31,929,151	31,927,168	1,983	0	0	0	1,983
<b>B. WAIVER</b>									
1. Waiver Services (App 156/931)	719,541	100,168,631	100,888,172	99,136,980	1,751,192				1,751,192
2. Waiver Admin. (App 156/931)	0	6,663,086	6,663,086	6,663,086	0				0
3. Waiver Fam/Livg (App 141/718)	0	45,000	45,000	13,687	31,313				31,313
4. Subtotal Waiver :	719,541	106,876,717	107,596,258	105,813,753	1,782,505	0	0	0	1,782,505
<b>C. EARLY INTERVENTION</b>									
1. State Early Intervent. (App 117)	545,241	5,735,685	6,280,926	6,280,926	0				0
2. Infants and Toddlers (App 907)	0	2,401,854	2,401,854	2,401,854	0				0
3. SSBG - EI (App 935)	0	523,475	523,475	523,475	0				0
4. Subtotal Early Intervent. :	545,241	8,661,014	9,206,255	9,206,255	0	0	0	0	0
<b>D. OTHER</b>									
1. Elwyn (App 118)	0	0	0	0	0	0	0	0	0
2. Pennhurst (App 124)	0	0	0	0	0	0	0	0	0
3. Subtotal Other :	0	0	0	0	0	0	0	0	0
<b>E. TOTAL</b>	1,297,206	147,434,458	148,731,664	146,947,176	1,784,488	0	0	0	1,784,488

This exhibit corresponds directly to the MR-15.

## EXHIBIT IV-(D) MR

**PHILADELPHIA COUNTY**  
**REPORT OF INCOME AND EXPENDITURES**  
**FOR THE TWELVE MONTH PERIOD ENDED JUNE 30, 1997**

<b>MENTAL RETARDATION PROGRAM</b>	<b>Admin Office</b>	<b>Community Services</b>	<b>Case Management</b>	<b>Early Intervention</b>
<b>I. TOTAL ALLOCATION</b>				
<b>II. TOTAL EXPENDITURES</b>	10,245,740	500,311	12,724,078	9,176,381
<b>III. COSTS OVER ALLOCATION</b>				
A. County Funded Eligible	1,082,361	0	0	0
B. County Funded Ineligible	207,013	0	93,886	710
C. Other Eligible	0	8,536	0	6,920
D. Other Ineligible	0	0	0	987
E.				
F. Total Costs Over Allocation	1,289,374	8,536	93,886	8,617
<b>IV. REVENUES</b>				
A. Program Service Fees	0	0	0	0
B. Private Insurance Fees	0	0	0	0
C. Medical Assistance	0	0	1,325,194	0
D. Medical Assistance - MR EI	0	0	1,936,313	973,715
E. Medical Assistance - Administrative Claims	42,292	0	0	0
F. Room and Board	0	0	0	0
G. Earned Interest	6,928	580	0	3,560
H. Other	17,435	55,493	3,198	33,133
I. Total Revenue :	66,655	56,073	3,264,705	1,010,408
<b>V. DPW REIMBURSEMENT</b>				
A. Base Allocation 90 %	1,965,900	392,132	26,883	0
B. Base Allocation 100 %	0	0	0	0
C. DPW Categorical Funding 90 % Subtotal	0	0	3,911,917	6,818,145
D. DPW Categorical Funding 100 % Subtotal	6,705,378	0	4,989,042	0
E. SSBG 90 % Adult	0	0	0	0
90 % Child	0	0	0	523,475
100 % Adult	0	0	0	0
100 % Child	0	0	0	0
F. CMHSBG 90 %	0	0	0	0
100 %	0	0	0	0
<b>VI. COUNTY MATCH</b>				
10 % County Match	218,433	43,570	437,645	815,736
<b>VII. TOTAL DPW REIMBURSEMENT AND COUNTY MATCH</b>	8,889,711	435,702	9,365,487	8,157,356
<b>VIII. TOTAL CARRYOVER</b>				

## EXHIBIT IV-(D) MR

**PHILADELPHIA COUNTY  
REPORT OF INCOME AND EXPENDITURES  
FOR THE TWELVE MONTH PERIOD ENDED JUNE 30, 1997**

<b>MENTAL RETARDATION PROGRAM</b>	<b>Adult Development Training</b>	<b>Community Employment</b>	<b>Vocation Rehabilitation</b>	<b>Family Support Services</b>
<b>I. TOTAL ALLOCATION</b>				
<b>II. TOTAL EXPENDITURES</b>	8,470,830	6,155,906	11,361,251	3,445,233
<b>III. COSTS OVER ALLOCATION</b>				
A. County Funded Eligible	0	0	0	0
B. County Funded Ineligible	0	0	0	0
C. Other Eligible	2,470	28,906	3,594	2,755
D. Other Ineligible	415	61	0	253
E.				
F. Total Costs Over Allocation	2,885	28,967	3,594	3,008
<b>IV. REVENUES</b>				
A. Program Service Fees	99,320	26,072	0	0
B. Private Insurance	0	0	0	0
C. Medical Assistance	0	0	0	0
D. Medical Assistance - MR EI	0	0	0	0
E. Medical Assistance - Administrative Claims	0	0	0	0
F. Room and Board	0	0	0	6,079
G. Earned Interest	9,871	4,827	37,337	1,119
H. Other	65,966	867,883	1,878,380	358
I. Total Revenue :	175,157	898,782	1,915,717	7,556
<b>V. DPW REIMBURSEMENT</b>				
A. Base Allocation 90 %	1,358,613	2,949,971	2,149,350	3,091,202
B. Base Allocation 100 %	0	0	0	0
C. DPW Categorical Funding 90 % Subtotal	48,857	0	0	0
D. DPW Categorical Funding 100 % Subtotal	6,728,933	1,950,411	4,152,402	0
E. SSBG				
90 % Adult	0	0	2,611,234	0
90 % Child	0	0	0	0
100 % Adult	0	0	0	0
100 % Child	0	0	0	0
F. CMHSBG				
90 %	0	0	0	0
100 %	0	0	0	0
<b>VI. COUNTY MATCH</b>				
10 % County Match	156,385	327,775	528,954	343,467
<b>VII. TOTAL DPW REIMBURSEMENT AND COUNTY MATCH</b>	8,292,788	5,228,157	9,441,940	3,434,669
<b>VIII. TOTAL CARRYOVER</b>				

**PHILADELPHIA COUNTY  
REPORT OF INCOME AND EXPENDITURES  
FOR THE TWELVE MONTH PERIOD ENDED JUNE 30, 1997**

<b>MENTAL RETARDATION PROGRAM</b>	<b>Community Residential Services</b>	<b>Other</b>		<b>Total</b>
<b>I. TOTAL ALLOCATION</b>				148,731,664
<b>II. TOTAL EXPENDITURES</b>	104,184,723			166,264,453
<b>III. COSTS OVER ALLOCATION</b>				
A. County Funded Eligible	561,941			1,644,302
B. County Funded Ineligible	0			301,609
C. Other Eligible	310,564			363,745
D. Other Ineligible	1,216			2,932
E.				0
F. Total Costs Over Allocation	873,721	0		2,312,588
<b>IV. REVENUES</b>				
A. Program Service Fees	292,082			417,474
B. Private Insurance	0			0
C. Medical Assistance	0			1,325,194
D. Medical Assistance - MR EI	0			2,910,028
E. Medical Assistance - Administrative Claims	0			42,292
F. Room and Board	5,090,377			5,096,456
G. Earned Interest	1,267,945			1,332,167
H. Other	87,267			3,009,113
I. Total Revenue :	6,737,671	0		14,132,724
<b>V. DPW REIMBURSEMENT</b>				
A. Base Allocation 90 %	0			11,934,051
B. Base Allocation 100 %	13,511,150			13,511,150
C. DPW Categorical Funding 90 % Subtotal	0			10,778,919
D. DPW Categorical Funding 100 % Subtotal	83,062,181			107,588,347
E. SSBG				
90 % Adult	0			2,611,234
90 % Child	0			523,475
100 % Adult	0			0
100 % Child	0			0
F. CMHSBG				
90 %	0			0
100 %	0			0
<b>VI. COUNTY MATCH</b>				
10 % County Match	0			2,871,965
<b>VII. TOTAL DPW REIMBURSEMENT AND COUNTY MATCH</b>	96,573,331	0		149,819,141
<b>VIII. TOTAL CARRYOVER</b>				1,784,488

**PHILADELPHIA COUNTY  
SCHEDULE OF REVENUES AND EXPENDITURES  
HUMAN SERVICES DEVELOPMENT FUND  
FOR THE TWELVE MONTH PERIOD ENDED JUNE 30, 1997**

<b><u>REVENUE</u></b>	<b><u>Reported</u></b>	<b><u>Actual</u></b>
Pa. Department of Public Welfare	8,644,496	8,644,496
Interest Income	41,835	41,835
Fees		
Client Contributions		
Other		
<b>Total Revenues :</b>	<u>8,686,331</u>	<u>8,686,331</u>
 <b><u>EXPENDITURES</u></b>		
Categorical:		
Adult Services	3,414,027	3,414,027
Aging		
Drug and Alcohol	520,000	520,000
Children and Youth	1,596,853	1,596,853
Mental Health	2,135,733	2,135,733
Mental Retardation		
Homeless Assistance		
Specialized	822,078	822,078
Generic		
Service Coordination	147,855	147,855
County Administration	49,785	49,785
<b>Total Expenditures:</b>	<u>8,686,331</u>	<u>8,686,331</u>
Unliquidated Obligations	<u>                    </u>	<u>0</u>
<b>Total Obligations:</b>	<u>8,686,331</u>	<u>8,686,331</u>
<b>Excess of Revenue Over Expenditures:</b>	<u>0</u>	<u>0</u>

**PHILADELPHIA COUNTY  
SCHEDULE OF REVENUES AND EXPENDITURES  
(COMBINED) HOMELESS ASSISTANCE PROGRAM  
FOR THE TWELVE MONTH PERIOD ENDED JUNE 30, 1997**

<b>SOURCES OF FUNDING</b>	<b>Bridge Housing</b>	<b>PENNFREE Bridge House</b>	<b>Case Management</b>	<b>Housing Assistance</b>	<b>Permanency For Families</b>	<b>Emergency Shelter</b>	<b>Specialized Services</b>	<b>TOTAL</b>
DPW Allocation	1,437,692		296,949	1,208,177		1,207,653		4,150,471
Client Contributions	19,682							19,682
Other	41,762							41,762
Interest Earned	9,142				14,525			23,667
							<b>Total HAP Funding</b>	4,235,582

<b>EXPENSES</b>								
Clients	221,745			889,019		1,207,653		2,318,417
Personnel	790,237		258,492	212,596				1,261,325
Operating	351,065		38,457	45,361				434,883
Fixed Assets	76,110			3,391				79,501
Subtotal	1,439,157		296,949	1,150,367		1,207,653		4,094,126
(County Administration is not allowable for PENNFREE Bridge Housing)							<b>County Administration</b>	141,456
(Subtotal Plus County Administration)							<b>Total HAP Funding</b>	4,235,582

(Total Funding Minus Total Expenses)

<b>Total Unexpended HAP Funds</b>	0
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