

Commonwealth of Pennsylvania
Department of Public Welfare

HUMAN SERVICES DEVELOPMENT FUND

INSTRUCTIONS AND REQUIREMENTS



APRIL 2005

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INSTRUCTIONS AND REQUIREMENTS

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I. INTRODUCTION

A. FOREWORD

A substantial portion of the Instructions and Requirements to the Human Services Development Fund (HSDF) does not change from one fiscal year to the next. The Department publishes that material (contained in this document) as a standing volume--instead of reprinting and distributing it each fiscal year.

The portion that is subject to annual change will be published and distributed each year as a Fiscal Year Update Package. The Fiscal Year Update Package contains such information as the current categorical services/cost centers established as HSDF cost centers, the applicable Family Monthly Gross Income levels for that fiscal year, the state mileage reimbursement rate, current report and audit information, and Pre-Expenditure Plan documents to be completed by the county.

For audit, compliance, and reporting purposes, the Fiscal Year Update is incorporated as part of the HSDF Instructions and Requirements for the fiscal year in which the audit, monitoring evaluation, or expenditure report is being issued or performed.

B. BASIS FOR THE HSDF

The HSDF is based on Act 1994-78, known as the "HSDF Act." This Act sets forth the legal parameters for the fund and establishes certain responsibilities for both the Department of Public Welfare and the counties. These Instructions and Requirements clarify and define these parameters.

C. PURPOSE OF THE HSDF

The HSDF was created "for the purpose of encouraging county governments to provide locally identified services that will meet the human services needs of citizens in their counties." (Act 1994-78, Section 4) The funds "shall be used by the county solely to provide and administer county based social services and service coordination within the county". [Act 1994-78, Section 6, (b)]

D. HSDF GOALS & SCOPE

The HSDF is used in the county human services system to provide services in the following areas as stated in Section 4 of Act 1994-78:

1. Categorical services, which include the following specific populations as defined in

Section 3 of Act 1994-78:

- a. Low-income adults;
 - b. Homeless persons;
 - c. Aging and aged persons;
 - d. Drug-addicted and alcohol-addicted persons;
 - e. Persons with mental health problems;
 - f. Persons with mental retardation; and/or
 - g. Dependent and delinquent children.
2. Service coordination, which consists of "planning and management activities designed to improve the effectiveness of county human services." (Act 1994-78, Section 3)
 3. Generic Services, which are defined as meeting "the needs of two or more client populations." (Act 1994-78, Section 3)
 4. Specialized services, which are "new services or a combination of services designed to meet the unique needs of a client population that are unmet by the current categorical programs." (Act 1994-78, Section 3)

No county match is required. Counties may also, within the established limits, use HSDF funds for administrative costs relative to managing their HSDF.

II. HSDF REQUIREMENTS

A. GENERAL REQUIREMENTS

HSDF funds are to be used according to the "Purpose" and "Goals and Scope" as stated above. The Department will administer the HSDF by requiring the following:

1. Pre-Expenditure Plan [Act 1994-78, Section 6, (d)]

Each county must prepare and submit a Pre-Expenditure Plan for Departmental approval. This Pre-Expenditure Plan "shall be developed based on the county officials' determination of county need, formulated after an opportunity for public comment in the county." Specific information on the preparation of the HSDF Pre-Expenditure Plan is included under *Section III - the HSDF Pre-Expenditure Plan* on Page 17. The

Department recommends that HSDf planning be done as a part of a coordinated planning process. To encourage counties to use this coordinated planning process, the separate Service Coordination cost center was established. Additional information about Service Coordination may be found on Page 10. HSDf funds may be used to pay for staffing and overhead costs associated with coordinated planning and other service coordination activities.

2. Plan Amendments

An Amendment to the HSDf Pre-Expenditure Plan is necessary if the county wishes to add a service which was not approved in the original Pre-Expenditure Plan, or if there is a change in the total amount of the grant to the county.

Amendments to the Pre-Expenditure Plan may be submitted by the county at anytime during the year, through June 30. Amendments to the HSDf Pre-Expenditure Plan must include the Assurance of Compliance Statement included in the Pre-Expenditure Package which must be completed and signed by a majority of the County Commissioners or the County Executive, and a revised Excel Pre-Expenditure Spreadsheet.

3. Quarterly Expenditure Reports

Quarterly, year-to-date reports of expenditures and clients served must be submitted to the county to the Department no later than 45 days following the end of each reporting period. This form will list only those services for which the county received Departmental approval. Further information on the HSDf reporting process is contained in *Section IV - HSDf Quarterly Expenditure Report* on Page 20.

4. Monitoring

The county is responsible for monitoring its HSDf funded services. This may include both program compliance reviews as well as fiscal audits of subrecipient agencies on contract to the county to provide HSDf funded services. In addition, county HSDf funded services will be also subject to monitoring by staff of the Department.

5. Fiscal

Counties are required to insure that all of the HSDf funds are spent for only the administration and delivery of social services in the community.

If the county elects to contract with an agency which receives separate funding to provide other services, the county must ensure that adequate documentation is maintained by that agency to show that HSDf funds are used only for approved HSDf funded services to HSDf funded clients.

The county may **not** use the HSDF to reduce its present financial commitment to the county human services programs for which it is responsible. (HSDF funds cannot supplant county-based social services funding.) Although HSDF funds may be shifted among the seven categorical programs, counties may not shift the funding of categorical services which require a match to the HSDF simply to avoid the categorical matching requirement.

B. REPORT/DATA SUBMISSION

Submission of HSDF Pre-Expenditure Plans, Quarterly Expenditure Reports and other documentation will be conducted via electronic and non-electronic methods using Excel and Microsoft Word software package. Specific details are included in the Fiscal Year Update.

C. ALLOWABLE HSDF FUNDED SERVICES AND ACTIVITIES

1. CATEGORICAL PROGRAMS

Within each of the seven categorical programs in which HSDF funds may be used, certain existing categorical services/cost centers are allowable under the HSDF. These categorical programs are listed in the Introduction, Section D (HSDF Goals and Scope) on Page 7.

As each categorical program makes cost center updates or changes, those changes will be incorporated within the HSDF as well. Accordingly, the up-to-date listing of both allowable and non-allowable HSDF funded categorical services/cost centers is contained in the Fiscal Year Update.

If the county chooses to use HSDF dollars for any of the allowable services/cost centers within the seven categorical programs, the following rules apply:

- a) The clients served must meet the eligibility requirements established by the Categorical Program under which the service is provided; and
- b) The HSDF funded service activities provided must conform to the service definition established by the categorical program for that service.

When HSDF funds are used within categorical cost centers within the *Aging, Children and Youth, Drug and Alcohol, Mental Health and Mental Retardation Programs*, the administering agency for the HSDF may not contract directly with the service provider agency. Such contracts must be between the categorical program and the service provider agency. The transfer of HSDF funds from the HSDF administering agency to the categorical program is accomplished by means of a written agreement.

For low-income adults, client eligibility may be determined either centrally, through a

consolidated case management structure; or, separately, by each contracted provider agency. Where client eligibility for all low-income adults is determined centrally, a letter of referral to the contracted service provider will provide that service provider agency with documentation establishing client eligibility. Actual eligibility determination/redetermination forms and related documents will be retained centrally by the case manager.

Where each contracted agency providing services for low-income adults is required by the county to determine/redetermine client eligibility, eligibility records will be retained by each provider within the client files for every client receiving services.

Counties must insure that HSDF funded services to low-income adults are provided according to the requirements established in 55 Pa Code, Chapter 2050 - Eligibility for Adult Services Funded Through the Adult Services Block Grant. A copy of these requirements (which are contained in Supplement A to the HSDF Instructions and Requirements) must be furnished to each agency providing services to low-income adults.

Counties must ensure that HSDF funded services to homeless persons are provided in accordance with the Homeless Assistance Program Instructions and Requirements for the fiscal year(s) in which HSDF funding is used.

Counties must ensure that HSDF funded services to persons through the remaining five categorical programs are provided in accordance with the statutes, regulations, and policies applicable to each named program.

2. GENERIC SERVICES

Act 1994-78, Section 3, defines Generic Services as those "services provided to meet the needs of two or more client populations." The Act does not define "client populations," however, the Department will accept only those services as generic that include clients of two or more of the categorical programs prescribed by the Act.

There are ten Generic Services (Adult Day Care, Adult Placement, Centralized Information and Referral, Chore, Counseling, Employment, Homemaker, Life Skills Education, Service Planning/Case Management, and Transportation Services) which are frequently needed by clients of two or more of the seven county human services programs. These Generic Services are defined separately within Supplement C to the HSDF Instructions and Requirements with particular notation of the eligibility criteria which must be met by each recipient of the service. These, and other recipient eligibility requirements, are included in 55 Pa Code, Chapter 2050, Eligibility for Adult Services Funded Through the Adult Services Block Grant.

As an alternative to negotiating and monitoring separate individual contracts for two or more county programs, a county may elect to negotiate one Generic contract using HSDF funding to serve clients of the programs included.

A county may choose either of two eligibility options for each Generic Service it provides through the HSDF:

- a. The eligibility requirements of the categorical programs included under the Generic Service may be used; or
- b. If Adult Services eligibility criteria (Section 2050.21) are used for all clients served by the Generic Service, the county may modify those criteria to include different age restrictions, need criteria, or fee scales, but must specify the modifications in its HSDF Pre-Expenditure Plan.

3. SPECIALIZED SERVICES

Act 1994-78, Section 3, defines Specialized Services as "new services or a combination of services designed to meet the unique needs of a client population that are unmet by the current categorical programs."

A county may choose either of two eligibility options for each Specialized Service it provides through the HSDF:

- a. The categorical program eligibility requirements of the program(s) included in the Specialized Service may be used; or
- b. If Adult Services eligibility criteria (Section 2050.21) are used for all clients served by the Specialized Service, the county may modify those criteria to include different age restrictions, need criteria, or fee scales, but must specify the modifications it is proposing within its HSDF Pre-Expenditure Plan.

4. SERVICE COORDINATION

Service Coordination is defined by Act 1994-78, Section 3, as "planning and management activities designed to improve the effectiveness of county human services." Such activities are particularly important in Pennsylvania due to the diversity, both in size and in demography of the 67 counties. Because of this diversity, a standard model -- or even several models for planning and management -- cannot be applied to all counties. The most effective efforts in service coordination are those which are undertaken locally.

While a variety of activities may be funded under Service Coordination, such activities must be coordinative and must be undertaken for the purpose of improving the effectiveness of the county's categorical programs. Some examples of such activities might be:

- a) a coordinated needs assessment process which includes all of the categorical programs

to determine gaps or duplications in service; thus allowing the county to tailor its categorical programs to address unique local problems.

- b) to pay for staff and overhead costs for Human Services Committees or Councils which serve in an advisory capacity.
- c) to build partnerships through collaboration with private and public organizations to design overall solutions to community problems and to improve the effectiveness of the service delivery system.
- d) to centrally recruit and train volunteers who will be assigned to government or private, non-profit social services agencies which provide services within their human services systems.
- e) specific training or planning functions that span all seven programs.

Costs for the administration and management of the county's HSDF -- or for the administration and management of individual categorical programs -- may not be charged to Service Coordination.

5. COUNTY ADMINISTRATION

Costs for the administration and management of the HSDF may be funded under the HSDF. Such costs, whether incurred either by the county or an agency designated by the county, are limited to ten percent of the total funds available (ie. the county's allocation, plus earned interest and program income). *Section F - Fiscal/Record/Report Requirements, Administrative Costs*, Page 13, provides additional information.

All costs for negotiating and monitoring HSDF contracts with public or private agencies must be charged under County Administration, not Service Coordination.

D. PROHIBITIONS

- 1. When HSDF funds are used to provide categorical services, any prohibitions which apply within the categorical program apply also to the HSDF-funded services within that program.
- 2. The following specific prohibitions apply to the HSDF:
 - The purchase or improvement of land, or the purchase, construction, or permanent improvement of any building or facility;

- The provision of payments to any client for costs of subsistence or for the provision of room and board (other than the costs of subsistence during rehabilitation, room and board provided for a short term as an integral but subordinate part of a social service, or temporary emergency shelter provided as a protective service);
 - The provision of payments to clients *as a service*; (This does not preclude the payment of wages to workers who provide allowable HSDF services.)
 - The provision of medical care (other than rehabilitation services or initial detoxification of an alcoholic or drug dependent individual) unless it is an integral but subordinate part of an allowable social service;
 - Social Services (except rehabilitation services or services to an alcoholic or drug dependent individual) provided in and by employees of any hospital, nursing facility or correctional facility, to any individual living in such facilities;
 - The provision of any educational/instructional service which the state and/or local school districts make generally available to residents without cost and without regard to their incomes unless provided as a normal part of one of the categorical programs mentioned in Section 3 of Act 1994-78; and/or
 - Any program or service which, under state or federal law or regulation, requires license(s) or certification(s) and is operating without such license(s) or certification(s) being valid, current, and in effect.
3. Since they are not included in Act 1994-78, the programs and services listed below shall **not** be funded by the HSDF. It is noted, however, that *in most cases*, the Department does not prohibit counties from contracting with the agencies which provide the services or programs listed below from also providing allowable HSDF funded services to eligible HSDF funded clients.
- Statewide Human Services Programs which the Department operates directly by contract (Blindness and Visual Services, Child Day Care, Community Services Program for Persons with Physical Disabilities, Domestic Violence, Family Planning, Alternatives to Abortion, Legal Services, Rape Crisis, Refugee Services, and Attendant Care);
 - Statewide programs operated by other Pennsylvania Departments (Community Services Block Grant; Womens, Infants, and Children's Programs);

- Directly-funded federal programs (Head Start, for example);
- Educational/instructional programs for which the Pennsylvania Department of Education, school districts, or intermediate units are responsible; and/or
- Social services provided to residents of institutions which are responsible for the provision of those services.

If a county elects to contract with one of the agencies mentioned above (or any other agency that receives funding to serve non-HSDF funded client populations), the county must ensure that adequate documentation is maintained by the agency to show that HSDF funds are used only for approved HSDF funded services to HSDF funded clients. HSDF funds may not be used to subsidize programs and/or services which are not allowable under the HSDF and which have not been approved by the Department in the county's HSDF Pre-Expenditure Plan.

E. COST SHARING

The sharing of service costs between clients and county HSDF funded agencies is allowable through the collection of either *donations* or *fees*.

Donations are voluntarily contributions made by the client to defray the cost of service. It is understood that the amount of the contribution will vary among clients, depending upon their financial resources. **Fees** are established payments which are required from all clients who receive service. These payments are derived from an established fee schedule which is applied uniformly.

Donations and fees collected from HSDF clients shall be added to the county's total available funds and used for allowable HSDF purposes during the fiscal year in which the fees or donations are collected. They shall be reported as program income on the HSDF Expenditure Report.

When donations and fees are received from HSDF funded clients receiving allowable services within the **Aging, Children and Youth, Drug and Alcohol, Homeless Assistance, Mental Health and Mental Retardation Programs**, the prevailing laws, regulations or policies of that categorical program shall apply to the collection and use of the fees.

When donations and fees are received from HSDF funded clients receiving **Services to low-income adults** or **Generic Services**, the requirements established in 55 Pa Code, Chapter 2050, Section 22, Financial Eligibility Criteria, shall apply.

When donations and fees are collected from HSDF funded clients receiving **Specialized Services**, the practices which are described and justified in the county's approved Pre-Expenditure Plan shall apply. If such policies are not described in the county's approved Pre-Expenditure Plan,

the requirements established under 55 Pa Code, Chapter 2050, Section 22 shall apply by default.

F. RECORD REQUIREMENTS

The following fiscal requirements govern the use of HSDF funds:

Fiscal and Client Records Retention

The county and its contracted providers shall maintain books, records, documents, and other evidence pertaining to costs and expenses of the HSDF to the extent and in such detail as will properly reflect all costs of personnel, fringe benefits, materials, equipment, supplies, services, and other costs and expenses of whatever nature for which HSDF funds are expended by either the county or the provider. Where feasible, it is recommended that books and records be maintained within the accounting structures used in other human services programs. Books, records, documents, and other evidence of expenditures shall be maintained according to generally accepted accounting principles using the accrual method of accounting (recognition of income when earned and expenses when incurred regardless of when cash is received or disbursed).

Counties and providers shall retain all client files, rejected application forms, information and referral logs, and books, records, and other fiscal and administrative documents pertaining to expenditures which are reimbursed through the HSDF. These documents shall be retained for one of the following time periods, whichever occurs last.

1. For the period of time required by the categorical program in which the HSDF funded service was provided.
2. For a period of four years from the end of the fiscal year in which all HSDF funded activities are terminated.
3. Until the completion of any audit involving HSDF funds begun, but not completed, at the end of the four year period specified in Paragraph 2 above.
4. Until audit findings not resolved at the end of the four year period specified in Paragraph 2 have been resolved.

Due to the length of time it takes for the resolution of County Single Audits, counties shall extend the record retention period to ensure that records are not destroyed prior to the Department's acceptance of any particular Single Audit.

Expenditure Reports

Counties are required to submit reports of expenditures and clients served on a quarterly, year-to-date basis. Please see *Section IV - HSDF Quarterly Expenditure Report* on Page 20 for further information.

Audits

The county's HSDF is subject to audit under the Single Audit Act. See *Section V - HSDF Audits* on Page 20.

Unexpended Funds

HSDF funds which are not expended by the county by the end of the fiscal year shall revert back to the Department. This will be accomplished through a reduction in a subsequent year grant *payment*. The county shall retain and carry forward such unexpended funds into the new fiscal year to replace the funds to be subtracted.

Such a reduction in *payment* does not constitute a reduction in the county's *allocation*. The amount carried forward from the previous year plus the payments made by the Department during the subsequent year, will equal the subsequent year's allocation for that county.

Overspending

The Department's financial obligation is limited to the amount of the grant. The Department is not responsible for funding a deficit (spending above the county's allocation, earned interest and program income) incurred by the county during any fiscal year.

Encumbrances

Funds may not be encumbered out of a current year grant for costs anticipated to be incurred in a succeeding year or which have been paid in a prior year.

Bidding and Procurement

The county shall obtain all services and supplies in accordance with all applicable statutes, regulations, and policies that apply to the bidding, procurement/purchase, and contracting for such services and supplies.¹

Travel Reimbursements

Counties and their provider agencies are not allowed to reimburse staff travel expenditures which exceed either the actual cost for public transportation or the state mileage reimbursement rate for HSDF-related travel in personal vehicles. The state mileage rate will be communicated to counties in the Fiscal Year Update which is sent to counties prior to the beginning of each fiscal year.

Equipment

1. Purchase of Equipment

No more than 10 percent of the total HSDF funds available may be used to purchase major items of equipment which have a useful life of more than one year, or which can be used repeatedly without materially changing or impairing their physical

¹ See 16 P.S. Sections 1802, 5001, and 7377 of the County Code.

condition with normal repair, maintenance, or replacement of components. Total funds available include: the county's HSDf allocation, interest earned on HSDf funds during the fiscal year, and program income from fees and/or donations for that fiscal year.

2. Ownership of Equipment

Ownership of equipment with a unit purchase price over \$300 acquired with HSDf funds shall remain with the county during the term of the grant. This includes equipment purchased by the county for its own use and equipment purchased by or for contracted provider agencies. Counties must maintain an up-to-date inventory of such equipment purchased during present and previous fiscal years with HSDf funds.

3. Disposition of Equipment

- a. In the event that a county wishes to dispose of equipment which was purchased with HSDf funds and has remaining useful life, the value of that equipment will be determined through an independent, third-party appraisal **or** through the use of depreciation tables, at the county's discretion.
- b. The county will sell the equipment, add the proceeds to its available funds for the fiscal year in which the equipment was sold, and use them for allowable HSDf expenditures during that fiscal year.
- c. If equipment was purchased with a combination of HSDf and non-HSDf funds, the appropriate HSDf share will be added and used in accordance with Paragraph b. above.

Payments

HSDf grant payments will be paid in monthly installments. HSDf monies received by the county may be used at anytime during the fiscal year.

Interest

Counties shall ensure that all HSDf funds are deposited in interest-bearing accounts. Interest earned on HSDf funds, fees, and other program income must be used according to HSDf requirements and reported on the quarterly, year-to-date HSDf Expenditure Reports.

Administrative Costs

Expenditures made by the county for administration of the HSDf may not exceed 10 percent of the total funds available. Total funds available include: the county's HSDf allocation; interest earned on HSDf funds; and fees, donations, or other program income.

Included under County Administration are the following:

- staff and overhead costs for negotiating and monitoring HSDF funded contracts.
- appropriate costs for accounting, bookkeeping, and related activities necessary for processing payment to providers of HSDF funded services.
- the appropriate HSDF funded share of administrative overhead for space, maintenance, supervision, and legal, personnel, or support services.
- audit costs which may be reasonably attributed to the HSDF.

County administrative costs must be documented. At the option of the county, certain shared administrative costs may be charged as indirect costs within the 10 percent limitation. Such costs shall not exceed 2 percent of the county's total available HSDF funds, and must be specified on an approved Cost Allocation Plan.²

Not included within the 10 percent limitation on County Administration, are:

- planning, administrative, or management activities focused toward the improvement of coordination among the seven county human services programs. Such costs should be included as Service Coordination.
- administrative or management costs directly associated with service delivery; e.g., if a county awards a contract for a particular service, the entire cost of the contract is considered a service cost.

The county shall not charge to the HSDF any expenses which fall within the Administration or Administrator's Office cost centers of the Aging, Children and Youth, Drug and Alcohol, Mental Health, Mental Retardation, or Homeless Assistance Programs, either as an HSDF administrative cost or as a service cost.

G. DATABASE CONFIDENTIALITY AND SECURITY

Counties, prime contractors, and subcontractors shall not use or disclose any information about a recipient of the services to be provided for any purpose not directly connected with the administration of the HSDF.

Persons operating computer terminals, electronic data transfer equipment, or telephones to

²Social Services Bulletins 99-84-05 and 99-85-13 provide further information on the Department's policies on indirect costs.

obtain information from the Department of Public Welfare's data base shall comply with the following conditions:

- (a) Any information contained in the Department of Public Welfare's data base regarding persons who have applied for, have received, or who are receiving Public Assistance or Social Services is considered confidential and shall only be disclosed to specifically authorized persons.
- (b) The operator may use the terminal, electronic data transfer equipment, or telephones only for those specific functions for which he/she has been specifically authorized.

III. HSDF PRE-EXPENDITURE PACKAGE

The HSDF Pre-Expenditure Package contains documents, forms and surveys necessary for approval of the County's HSDF program for a particular Fiscal Year. These items are to be completed in conjunction with the Fiscal Year Update which will supply needed dates, addresses, income guidelines and other Fiscal Year specific information.

In completing the Pre-Expenditure Plan documents, please observe the following:

- A) Enter only **WHOLE DOLLAR AMOUNTS**.
- B) Enter unduplicated clients by service. Clients receiving more than one service will be counted once for each service received.
- C) Do not include interest earned or projections of interest to be earned within the HSDF Pre-Expenditure Plan. Interest earned must, however, be reported within the quarterly and annual HSDF Reports.
- D) Expenditure and client totals are cumulative for each period. For example, the client data in Quarter three will be the sum of client data in quarters one and two.

The HSDF Pre-Expenditure Plan includes the following components.

ASSURANCE OF COMPLIANCE and CERTIFICATION STATEMENT

The Assurance of Compliance AND Certification Statement assure the Department that the county will or has complied with Act 1994-78 (The HSDF Act), the Instructions and Requirements

of the HSDF and applicable state and federal regulations relating to affirmative action and non-discrimination as a condition of receiving HSDF grant funds.

The Pre-Expenditure Plan must be signed by a majority of the County Commissioners or the County Executive, as appropriate. The name, title, address, and phone number of the person designated by the county to be the HSDF Contact Person should be entered in the spaces provided. This form must be completed and signed both for the initial submission of the Pre-Expenditure Plan and all subsequent Amendments.

The Certification Statement must be signed by a majority of the County Commissioners or the County Executive, as appropriate. The name, title, address, and phone number of the person designated by the county to be the HSDF Contact Person should be entered in the spaces provided. This form should accompany the paper version of the Final Expenditure Report detailing the County's use of the HSDF during the Fiscal Year.

HUMAN SERVICES ORGANIZATIONAL STRUCTURE

Provide an organizational chart of the county's human services system and describe how the administration of the Human Services Development Fund fits into this structure. Within this description should be a discussion about the relationship of the Administering Agency (for the HSDF) with the other agencies which comprise the county's human services system, including those programs which operate under a joinder arrangement with other counties.

Submit revisions to this structure and description only if it differs from the previous year's documentation.

COUNTY HSDF PLANNING PROCESS FORM

Provide a one page description of the planning process used by the county to develop its planned uses for HSDF funds.

EXCEL PRE-EXPENDITURE REPORT SPREADSHEET

Complete the form provided for the existing services/cost centers within each of the seven HSDF funded Programs, Generic and Specialized Services. All of the allowable services/cost centers within each of the Categorical programs for the Fiscal Year are listed. Counties should enter the estimated number of clients and planned expenditures for each existing service/cost center to be funded through the HSDF. List the Specialized and Generic Service names in the appropriate section of the spreadsheet. For each Specialized and Generic Service, indicate whether eligibility will be determined by Adult or Categorical Service providers. Additionally, for each Specialized and Generic Service, indicate whether Categorical or Adult Services programs will provide consumers for the Specialized or Generic service.

FISCAL YEAR UPDATE

This document lists the variable aspects of the HSDF such as Commonwealth's mileage reimbursement allowance, HSDF document Calendar and Income Guidelines.

SERVICE COORDINATION FORM

For counties planning to spend HSDF funds for Service Coordination activities, a Service Coordination page must be completed. Counties must describe the processes and methods through which it will coordinate planning, management, and/or the delivery of services provided within the county's human services system. This includes the county operated programs, and other government or private agencies which provide social services or funding for social services within the county through the categorical programs as defined by Act 1994-78, Section 3. Indicate the expenditures the county plans to make under Service Coordination, and indicate in the appropriate space, which county programs will be included in the Service Coordination effort.

SPECIALIZED SERVICES FORM

For counties planning to use HSDF funding for Specialized Services, a Specialized Service Description form must be included for each Specialized Service planned. All portions of the Specialized Service Description form must be completed, including estimated clients to be served and planned expenditures for the fiscal year.

PROVIDER LISTING

This form is to list Adult, Categorical, Generic and Specialized Services provider names and addresses, organized by service. These listings include a one to two sentence description of the provider agency.

ADULT SERVICES SUPPLEMENT

This document provides detailed information regarding service descriptions and financial eligibility for Adult and Generic Services.

REMAINDER PRE-EXPENDITURE PACKAGE

This includes reports, surveys and outcome measurement tools that will provide support and analysis for the Department and County in their oversight of the HSDF.

Following the submission guidelines in the HSDF Fiscal Year Update, the completed HSDF Pre-Expenditure package is to be submitted to the Department by the dates specified in the Update

Document.

IV. HSDF QUARTERLY EXPENDITURE REPORT

County administrations are to submit quarterly counts of the numbers of HSDF consumers receiving services, the amount of the HSDF expended, any income earned by the HSDF, and finally the HSDF balance or the amount of HSDF available after expenditures have been deducted from HSDF income for a particular quarter. HSDF income is comprised of the allocations received, the amounts of interest generated, fees, or other funds available for use by the HSDF program in that quarter.

Following the submission guidelines in the HSDF Fiscal Year Update document, Quarterly and Final Expenditure Reports and signed *Certification Statements* are to be submitted to the Department *by the dates specified* in the Fiscal Year Update document.

V. HSDF AUDITS

The Human Services Development Fund is subject to audit by state agencies or their authorized representatives.

The county is subject to the provisions of the Single Audit Act Amendments of 1996 and all other applicable federal and state requirements, including:

- A) U.S. Office of Management and Budget (OMB) Circular No. A-133;
- B) Department of Public Welfare (DPW) Single Audit Supplement; and,
- C) The Instructions and Requirements for the Human Services Development Fund, including the appropriate Fiscal Year Update.

The Commonwealth reserves the right for state agencies or their authorized representatives to

require or perform additional audits of a financial/compliance, economy/efficiency or program results nature, if deemed necessary, including audits of actual costs incurred under the HSDF.

The county and its HSDF providers must maintain records sufficient to justify costs claimed under the HSDF, and must provide access to such records to Commonwealth agencies or their authorized representatives, upon request.

VI. HSDF WAIVERS

The Department retains the right to grant waivers to particular administrative requirements of the HSDF which have *not* been established within Act 1994-78. However, the Department does not have the authority to waive provisions of Act 1994-78.

A request to waive an HSDF administrative requirement must:

1. Be submitted in writing to the Department 's HSDF Contact listed in the Fiscal Year Update Package;
2. Cite the requirement for which a waiver is requested;
3. Provide justification for the waiver request; and
4. Include any alternative requirements the county proposes in place of the waived requirement.

A separate letter must be used for each individual waiver request.

Waiver requests will be coordinated intra- and inter-departmentally, as appropriate. Approval or disapproval of the waiver request will be made in writing.

VII. DISAPPROVAL OF EXPENDITURES

The Department shall have the right to disapprove any county expenditures under the HSDF not made in accordance with Act 1994-78 (The Human Services Development Fund Act), the HSDF Instructions and Requirements or the County HSDF Pre-Expenditure Plans and Plan Amendments.

VIII. OBSERVANCE OF DEPARTMENTAL DEADLINES

The Department shall retain the right to *withhold monthly allocation disbursements* to a County if HSDf reporting documents are not submitted according to the established HSDf calendar. It is understood that unforeseen events may delay the receipt of HSDf documents including, but not limited to Pre-Expenditure documentation, Commissioner or County Executive Certifications and quarterly expenditure reports. These occurrences are understood to be the exception and not the rule.

Each County must obtain prior permission from the Department's HSDf contact if submission of HSDf materials must take place outside the established 45 day Department-wide report submission allowance.