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Local Commissioners Memorandum

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To:	Local District Commissioners
Issuing Division/Office:	Strategic Planning and Policy Development Administration
Date:	June 1, 2012 (<i>Revised June 6, 2012</i>)
Subject:	SFY 2012-13 Foster Care Block Grant Allocations
Suggested Distribution:	Accounting Supervisors Directors of Social Services
Contact Person(s):	See page 7
Attachments:	Attachment A: SFY 2012-13 Foster Care Block Grant Allocations
Attachment Available Online:	Yes (as part of this policy), at: http://ocfs.state.nyenet/policies/external

I. Purpose

The purpose of this Local Commissioners Memorandum (LCM) is to provide social services districts with their Foster Care Block Grant allocations for State Fiscal Year (SFY) 2012-13 and the corresponding program implications as authorized by Chapter 53 of the Laws of 2012.

II. Background

Chapter 53 of the Laws of 2012 extended the Child Welfare Financing Law to June 30, 2017. The Child Welfare Financing Law promotes a reduction in the use of foster care placements through two components:

1. A Foster Care Block Grant capping state reimbursement to social services districts for foster care services and administration at the annual amounts appropriated.
2. Uncapped state reimbursement after applying available federal funds for all child welfare services except for Community Optional Preventive Services (COPS), foster care services, and administration.

The SFY 2012-13 state appropriation for the Foster Care Block Grant continues to be \$436,002,000. This includes funding to support the continuation of the required Maximum State Aid Rates (MSAR) for congregate care programs and the applicable administrative/services rates for therapeutic, special needs, and emergency foster home programs. Section III in this LCM provides additional details on the MSAR payment requirements and the Cost-of-Living Adjustment (COLA). Of the \$436,002,000, a major portion of the Block Grant, or \$399,552,000 is allocated based on historical claims; \$36,450,000 is set-aside for districts that have reduced their use of foster care days.

III. Program Implications

The Foster Care Block Grant includes state reimbursement for foster care services as follows:

- Care and maintenance, including clothing and special payments; supervision; administrative costs claimed on Schedule D, Schedule D-2, Schedule H, and Schedule K; all tuition for foster children placed in Office of Mental Health (OMH)-licensed residential treatment facilities, as well as in OCFS-licensed child care institutions.
- Supervision of foster care children in federally funded job corps programs.
- Care, maintenance, supervision and tuition of adjudicated juvenile delinquents or persons in need of supervision placed in residential programs operated by authorized agencies and in out-of-state residential programs. However, a separate State appropriation has been made available in the SFY 2012-13 Enacted Budget effective April 1, 2012 for New York City to implement a Close to Home (CTH) initiative, once a plan is approved by OCFS. Through contracts with authorized agencies, CTH will provide services for adjudicated juvenile delinquents determined by a Family Court as needing non-secure and limited secure placements.
- The provision and administration of the Kinship Guardianship Assistance Program (KinGAP), including assistance payments and non-recurring guardianship expenses.

The Foster Care Block Grant does **not** include federal reimbursement for foster care costs or state reimbursement for the following claims:

- Committee on Special Education (CSE) payments.
- Dormitory Authority payments in excess of the Foster Care Block Grant (for more information, see Fiscal Reference Manual Volume 2 Chapter 4).
- State reimbursement for Foster Care services for Indian tribes.
- Medical Assistance payments for children in foster care.

- Independent Living Services (except for those districts that have funds left over from their Foster Care Block Grant allocations for SFY 2011-12 – See V. Fiscal Claiming below).

Separate appropriations are available for these expenditures.

The Block Grant contains only those state funds that are available for reimbursement of a district's expenditures for the services included in the Foster Care Block Grant. District claims that are eligible to receive federal reimbursement under Title IV-E foster care, Independent Living, and TANF-EAF [up to the amount of the district's Flexible Fund for Family Services (FFFS) allocation that it wants to use for TANF EAF JD/PINS, TANF-EAF Tuition, EAF Foster Care Administration, and/or EAF Foster Care Maintenance – See Section IV below] will be submitted for federal reimbursement even if the district's claims exceed its Foster Care Block Grant allocation for the current SFY.

Chapter 57 of the Laws of 2005 amended Section 398-a of the Social Services Law to add a new subdivision 2-a that prohibits social services districts from paying less than the MSARs established by OCFS. As of July 1, 2006, local social services districts continue to be required to pay 100 percent of the applicable MSAR established by the OCFS for congregate care programs and for each administrative/services rate for therapeutic, special needs, or emergency foster home programs operated by a voluntary agency. In addition, districts that were paying at or above the MSARs for applicable programs as of January 1, 2005, are required to continue to pay at least 100 percent of the MSAR in the 2011-12 MSAR rate cycle, as well as for all subsequent rate cycles. The exception to the requirement is regular foster boarding home programs and pass-through payments to foster parents.

The Foster Care Block Grant does not include state expenditures made on behalf of youth placed in OCFS-operated facilities.

This Block Grant can be used only for foster care and KinGAP expenditures during SFY 2012-13. If a local social services district claims less than its allocation, unexpended funds may be used by the district in the next SFY, up to the amount remaining from the district's Foster Care Block Grant allocation, for the district's expenditures on preventive services (including reunification services), independent living services, and aftercare services.

Cost-of-Living Adjustment (COLA)

Chapter 56 of the Laws of 2012 amended Chapter 59 of the Laws of 2011, which amended Chapter 111 of the Laws of 2010, which amended Chapter 58 of the Laws of 2009, which amended Chapter 57 of the Laws of 2008, by suspending the COLA that would have been implemented April 1, 2012. These COLAs are scheduled to resume on April 1, 2013, and be extended for a third year into SFY 2015-16. The SFY 2012-13 Foster Care Block Grant continues to support the mandated 3.2 percent COLA that was effective April 1, 2008.

Chapter 57 of the Laws of 2008 amended Part C of Chapter 57 of the Laws of 2006 that provided a three-year COLA based on the Consumer Price Index, and instead mandated a 3.2 percent

COLA effective April 1, 2008. This COLA affected all in-state programs for which OCFS establishes MSARs, including Committee on Special Education (CSE) maintenance rates. The COLA was applicable to MSARs for foster parent and adoption subsidy payments. Local districts were required to pay the increase even for those rates that were exempt from the MSAR minimum payment requirement as specified in Section 398-a (2-a) of Social Services Law, and must continue to pay the COLA. In addition, local districts were required by statute to pay no less than the established rates for specified programs. Local districts and voluntary agencies were required to increase their payment schedule by 3.2 percent effective April 1, 2008. This affected all administrative/services rates applicable to regular foster boarding home programs; all pass-through rates applicable to foster parent payments and adoption subsidies; and replacement clothing allowances paid to foster parents.

Kinship Guardianship Assistance Program (KinGAP)

Chapter 53 of the Laws of 2012 allows for eligible expenditures by local departments of social services (LDSS) for KinGAP to be reimbursed by Foster Care Block Grant funds, up to the amount of the district's annual Foster Care Block Grant allocation. Eligible expenditures include those for the provision and administration of the Kinship Guardianship Assistance Program, including assistance payments and non-recurring guardianship expenses.

If the social services official determines that it is in the best interests of the child for the prospective relative guardian to become the legal guardian, the child resided with the relative in foster care for six consecutive months, and other eligibility requirements are met, the LDSS and the relative may enter into an agreement for assistance and other services. Kinship guardianship assistance payments shall be made to the relative guardian(s) until the child's 18th birthday or until the child's 21st birthday if the kinship guardianship arrangement became effective on or after the child's 16th birthday and the child meets certain educational or employment criteria; provided the relative guardian is still legally responsible for the child. Also authorized is the payment of non-recurring guardianship payments of up to \$2,000 for the costs of finalizing the guardianship for each child, which are only available for those expenditures that are determined to be eligible for reimbursement. State reimbursement for LDSS costs for the kinship guardianship assistance program is under the Foster Care Block Grant. Medical assistance also is available for children in the program.

For additional information on KinGAP, please refer to 11-OCFS-ADM-03.

Allocation Methodology

The methodology used to allocate the Foster Care Block Grant funding is designed to continue the focus on safety, well-being, and permanency for children. It is intended to encourage districts to continue to intensify their efforts to reduce foster care days. As in the past seven State Fiscal Years (SFY 2005-06 through SFY 2011-12), the allocation methodology continues the claims-based approach and the \$36,450,000 set aside incentive to local districts.

Of the \$436,002,000 appropriation for state reimbursement for foster care services in SFY 2012-13, \$399,552,000 continues to be distributed to districts according to their respective shares of historical claims. In accordance with budget appropriation language, the percentage of funds allocated to each district reflects the district's share of the statewide gross foster care claims (originals and supplemental) for the 12-month period ending June 30, 2011, that were submitted to the state on or before January 3, 2012.

The allocation of the \$36,450,000 set-aside is based on the district's reduction in the utilization of foster care days during two periods: from FFY 2007 to FFY 2009 (\$9,112,500) and from FFY 2009 to FFY 2011 (\$27,337,500). Reductions in care days during the more recent period continues to be weighted more heavily (75 percent) than reductions during the earlier period (25 percent). This methodology continues to recognize the accomplishments of those districts that have decreased their foster care utilization over the past five years, while providing a more generous incentive to those districts that have achieved more recent reductions in care days.

District allocations for each component of the SFY 2012-13 Foster Care Block Grant are provided in Attachment A.

IV. Other Related SFY 2011-12 Budget Actions

Flexible Fund for Family Services (FFFS) - The SFY 2012-13, Enacted Budget appropriates \$964,000,000, an increase of \$13,000,000, of Temporary Assistance for Needy Families (TANF) funding for FFFS. The FFFS provides districts with the flexibility to determine local funding priorities. Districts can use their FFFS allocation to fund the TANF Emergency Assistance to Families (EAF) Juvenile Delinquents (JD) / Persons In Need of Supervision (PINS), TANF-EAF Tuition costs, EAF Foster Care Administration and EAF Foster Care Maintenance, as well as any other eligible TANF purpose. Districts will receive separate guidance on the process for indicating the portion of their FFFS allocations that they choose to use to reimburse expenditures associated with TANF-EAF JD/PINS, TANF-EAF Tuition, EAF Foster Care Administration and EAF Foster Care Maintenance.

The full \$436,002,000 in funding continues to be available to districts under the Foster Care Block Grant, as well as the amounts the districts opt to use out of their FFFS allocations to cover these associated expenditures. The EAF foster care swap is no longer in effect.

V. Claiming

The Foster Care Block Grant is an annual capped allocation for foster care costs that are ordinarily reimbursed during the SFY. The Foster Care Block Grant payments are generally made on a monthly basis, and there is no state share settlement of the claims filed for state reimbursement. The reimbursement schedule below sets forth the relevant periods for the foster care maintenance, administration and tuition costs covered by this year's allocations. The scheduled time periods relate to when expenditures are paid. If a social services district exceeds its allocation for a particular SFY, there is no additional funding. Any social services district

claims submitted for a particular SFY that do not receive state reimbursement during that SFY may not be claimed against that district's Block Grant apportionment for the subsequent SFY.

There is no Maintenance of Effort (MOE) requirement associated with the Foster Care Block Grant.

Supplemental claims are paid from the Foster Care Block Grant allocation that covers the period when the expenditures are paid by the district for the services or administrative costs, as it pertains to the allowable claiming period.

Federal reimbursement will not be affected by this Block Grant and will be settled in the normal manner subject to the availability of federal funds. Expenditures for the allocations included in this LCM are claimed as follows:

Foster Care	Schedule K	LDSS - 3479
	Schedule H	LDSS - 4283
	Schedule D-2	LDSS - 2347-B
	RF-17 Claim Package for Special Project Claiming	LDSS-4975
KinGAP	Schedule K	LDSS - 3479
	Schedule D2	LDSS - 2347-B

Please refer to the Fiscal Reference Manual, Volume 2, Chapter 3 for instructions on completing the Schedule K “Reimbursement Claim for Foster Care and Adoption Expenditures” and the Schedule H “NON-TITLE XX Services for Recipients.” The Schedule D “DSS Administrative Expenses Allocation and Distribution by Function and Program,” the Schedule D-2 “Allocation for Claiming General Services Administration Expenditures,” and the RF-17 Claim Package instructions are in the Fiscal Reference Manual, Volume 3 (Volume 4 for New York City). The Fiscal Reference Manuals are available at <http://otda.state.nyenet/bfdm/finance>.

Unclaimed Foster Care Block Grant funds from SFY 2012-13 that an eligible district wishes to use during SFY 2013-14 for eligible preventive, independent living, and aftercare services must be reported through the RF17 claim package for special project claiming. These costs should be identified as F17 functional costs and reported on the Schedule D in the F17 column in the RF2A claim package. The individual project costs should also be reported under the project label “**SAVING FCBG 12-13**” on the LDSS-4975A “RF-17 Worksheet, Distribution of Allocated Costs to Other Reimbursable Programs.”

For October 1, 2012, through September 30, 2013, program costs should be reported as object of expense 37 – Special Project Program Expense on the LDSS-923B Summary-Program (page 2) “Schedule of Payments for Expenses Other Than Salaries for Other Reimbursable Programs.”

Total project costs and shares should be reported on the LDSS-4975 “Monthly Statement of Special Project Claims Federal and State Aid (RF-17).”

The reported expenditures are eligible for 100 percent State reimbursement up to the amount of the unclaimed Foster Care Block Grant funds from SFY 2012-13. Any such claims submitted by a social services district for which there are insufficient unclaimed funds available from the

district's SFY 2012-13 Foster Care Block Grant allocations are subject to 95.4 percent of 65 percent (or 62 percent) state reimbursement net of any available federal funds.

The reimbursement schedule for the SFY 2012-13 Foster Care Block Grant is as follows:

Foster Care

- Foster Care Maintenance Claims: January 1, 2012, through December 31, 2012
- Foster Care Administration Claims: October 1, 2011, through September 30, 2012
- Foster Care Tuition Claims: January 1, 2012, through December 31, 2012
- RF-17 Claim Package for Special Project Claiming: October 1, 2012, through September 30, 2013

VI. Contact Information

Any fiscal questions regarding the Foster Care Block Grant should be directed to:

Derek J. Holtzclaw, Director, Bureau of Resource Management at (518) 474-1361
E-mail: Derek.Holtzclaw@ocfs.state.ny.us

Rayana Gonzales, Children & Family Services Manager 2, Bureau of Budget Management at (518) 402-3324
E-mail: Rayana.Gonzales@ocfs.state.ny.us.

Programmatic questions should be directed to the appropriate Regional Office, Division of Child Welfare and Community Services:

BRO – Dana Whitcomb (716) 847-3145
E-mail – Dana.Whitcomb@ocfs.state.ny.us

RRO – Karen Buck (585) 238-8201
E-mail – Karen.Buck@ocfs.state.ny.us

SRO – Dan Comins (315) 423-1200
E-mail – Dan.Comins@ocfs.state.ny.us

ARO – Kerri Barber, Acting Director (518) 486-7078
E-mail – Kerri.Barber@ocfs.state.ny.us

SVRO – Raymond Toomer (845) 708-2499
E-mail – Raymond.Toomer@ocfs.state.ny.us

NYCRO – Patricia Beresford (212) 383-1788
E-mail – Patricia.Beresford@ocfs.state.ny.us

Questions pertaining to the FFFS Plan and Claiming may be directed to the Office of Temporary and Disability Assistance:

FFFS Plan:

Christine Insull, (518) 474-9494
E-mail – Christine.Insull@otda.ny.gov

Claiming:

Regions I-V: Edward Conway, 1-800-343-8859, ext. 4-7549 or (518) 474-7549

E-mail – Edward.Conway@otda.ny.gov

Region VI: Michael Simon, (212) 961-8250

E-mail – Michael.Simon@otda.ny.gov

/s/ Nancy W. Martinez

Issued By:

Name: Nancy W. Martinez

Title: Director

Division/Office: Strategic Planning and Policy Development

/s/ Mikki Ward-Harper

Issued By:

Name: Mikki Ward-Harper

Title: Acting Deputy Commissioner for Administration

Division/Office: Administration

Attachment A**SFY 2012-13 Foster Care Block Grant Allocations**

District	Allocation of \$399,552,000	Allocation of the \$9,112,500 Set-Aside	Allocation of the \$27,337,500 Set-Aside	Final SFY 2012-13 Allocation
Albany	5,598,312	209,028	680,128	6,487,468
Allegany	1,388,715	70,313	84,800	1,543,828
Broome	6,243,503	-	294,788	6,538,291
Cattaraugus	1,846,332	44,580	-	1,890,912
Cayuga	1,533,200	-	-	1,533,200
Chautauqua	1,780,671	99,828	133,291	2,013,790
Chemung	1,756,431	156,390	523,127	2,435,948
Chenango	807,505	55,844	88,539	951,888
Clinton	1,476,971	4,432	279,993	1,761,396
Columbia	3,189,396	103,595	9,829	3,302,820
Cortland	1,728,069	44,545	-	1,772,614
Delaware	819,460	-	48,099	867,559
Dutchess	7,151,133	71,644	196,081	7,418,858
Erie	16,014,642	709,326	1,090,929	17,814,897
Essex	568,286	-	-	568,286
Franklin	1,151,677	127,960	-	1,279,637
Fulton	1,609,976	-	38,296	1,648,272
Genesee	725,058	-	48,465	773,523
Greene	1,870,309	174,888	129,945	2,175,142
Hamilton	30,103	-	-	30,103
Herkimer	1,639,185	120,603	160,817	1,920,605
Jefferson	1,808,312	113,036	-	1,921,348
Lewis	434,490	-	61,744	496,234
Livingston	1,160,961	27,414	131,096	1,319,471
Madison	1,178,884	-	272,543	1,451,427
Monroe	13,529,934	1,434,644	1,504,344	16,468,922
Montgomery	1,452,031	19,339	-	1,471,370
Nassau	12,606,108	455	653,072	13,259,635
Niagara	3,234,634	36,470	-	3,271,104
Oneida	6,216,176	311,362	707,994	7,235,532
Onondaga	7,027,583	364,928	665,855	8,058,366

Ontario	1,245,688	98,725	-	1,344,413
Orange	6,693,603	151,083	292,933	7,137,619
Orleans	372,038	28,798	7,372	408,208
Oswego	1,654,196	291,182	774,627	2,720,005
Otsego	695,247	-	158,125	853,372
Putnam	748,381	-	79,389	827,770
Rensselaer	4,502,856	-	227,555	4,730,411
Rockland	3,142,938	2,505	193,676	3,339,119
St. Lawrence	1,927,099	-	-	1,927,099
Saratoga	2,171,942	37,574	170,829	2,380,345
Schenectady	6,284,943	35,209	11,397	6,331,549
Schoharie	940,073	-	-	940,073
Schuylar	215,235	-	12,574	227,809
Seneca	597,568	32,774	79,677	710,019
Steuben	2,425,842	110,076	-	2,535,918
Suffolk	16,324,463	918,793	481,590	17,724,846
Sullivan	1,224,906	76,811	-	1,301,717
Tioga	582,002	30,549	70,763	683,314
Tompkins	1,842,457	-	-	1,842,457
Ulster	3,293,622	36,558	149,551	3,479,731
Warren	1,322,129	99,776	19,397	1,441,302
Washington	1,123,849	-	49,223	1,173,072
Wayne	747,507	45,123	-	792,630
Westchester	21,431,819	51,044	1,044,294	22,527,157
Wyoming	718,396	92,296	-	810,692
Yates	344,471	85,167	-	429,638
Upstate Totals	190,151,317	6,524,667	11,626,747	208,302,731
New York City	209,400,683	2,587,833	15,710,753	227,699,269
Statewide Totals	399,552,000	9,112,500	27,337,500	436,002,000