



Office of Children and Family Services

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Local Commissioners Memorandum

Transmittal:	17-OCFS-LCM-06
To:	Local District Commissioners
Issuing Division/Office:	Division of Administration Bureau of Budget Management
Date:	April 28, 2017
Subject:	State Fiscal Year (SFY) 2017-18 Foster Care Block Grant Allocations
Contact Person(s):	See Section VI
Attachments:	A. State Fiscal Year (SFY) 2017-18 Foster Care Block Grant Allocations of \$383,526,000

I. Purpose

The purpose of this Local Commissioners Memorandum (LCM) is to provide local departments of social services (LDSSs) with their Foster Care Block Grant allocations for State Fiscal Year (SFY) 2017-18 and the corresponding program implications, as authorized by Chapter 53 of the Laws of 2017.

II. Background

Chapter 56 of the Laws of 2017 extended the Child Welfare Financing Law through June 30, 2022. 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 LDSSs 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.

Chapter 56 of the Laws of 2017 amended the Child Welfare Financing Law to provide that state reimbursement to New York City for foster care tuition costs will no longer be available under the Foster Care Block Grant.

The SFY 2017-18 state appropriations for the Foster Care Block Grant is \$383,526,000, which reflects an adjustment in the state and local funding share to align them with the historical intent of the Foster Care Block Grant as well as the restructuring of state reimbursement for New York City foster care tuition costs.

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-2 and Schedule K; all tuition for foster children placed in New York State Office of Mental Health (OMH)-licensed residential treatment facilities, as well as in New York State Office of Children and Family Services (OCFS)-licensed child care institutions, other than tuition costs for New York City foster children
- 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 (JD/PINS) placed in residential programs operated by authorized agencies and in out-of-state residential programs, other than tuition costs for New York City youth. However, a separate state appropriation continues to be made available in the SFY 2017-18 Enacted Budget effective April 1, 2017, for the New York City Administration for Children's Services (ACS) to continue the Close to Home (CTH) initiative.
- 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 as separate appropriations are available for these expenditures:

- 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 LDSSs that have funds left over from their Foster Care Block Grant allocations for SFY 2016-17 – See V. Claiming below)

The Foster Care Block Grant contains only those state funds that are available for reimbursement of an LDSS's expenditures for the services eligible under the Foster Care Block Grant. An LDSS's claims that are eligible to receive federal funding under Title IV-E foster care, Chaffee Independent Living, and Temporary Assistance for Needy Families (TANF)-Emergency Assistance to Families (EAF) [up to the amount of the LDSS's Flexible Fund for Family Services (FFFS) allocation that it wants to use for TANFEAF JD/PINS,

TANF-EAF Tuition, EAF Foster Care Administration, and/or EAF Foster Care Maintenance – See Section IV below] will be claimed for federal funding even if the LDSS's claims exceed its Foster Care Block Grant allocation for the current fiscal year.

With the exception of regular foster boarding home programs and pass-through payments to foster parents, section 398-a of the Social Services Law prohibits LDSSs from paying less than the Maximum State Aid Rates (MSAR) established by OCFS. LDSSs are required to pay 100 percent of the applicable MSAR established by 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. 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.

The Foster Care Block Grant can be used only for foster care and KinGAP expenditures during SFY 2017-18. If an LDSS claims less than its allocation, unexpended funds may be used by the LDSS in the next SFY, up to the amount remaining from the LDSS's Foster Care Block Grant allocation, for the LDSS's expenditures on preventive services (including reunification services), independent living services, and aftercare services.

Kinship Guardianship Assistance Program (KinGAP)

Chapter 53 of the Laws of 2017 continues to allow eligible expenditures by LDSSs for KinGAP to be reimbursed by Foster Care Block Grant funds, up to the amount of the LDSS's annual Foster Care Block Grant allocation. Eligible expenditures include those for the provision and administration of KinGAP, including assistance payments to relative and successor guardians and non-recurring guardianship expenses.

If an LDSS 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.

The federal *Preventing Sex Trafficking and Strengthening Families Act* (P.L. 113-183) authorized KinGAP payments to be made to a successor guardian in the event of the death or incapacity of a relative guardian who was receiving KinGAP on behalf of a former foster child. Part L of Chapter 56 of the Laws of 2015 made state statutory changes needed for compliance with the new federal law, including the authorizing of KinGAP payments to a successor guardian in certain circumstances.

Kinship guardianship assistance payments shall be made to the relative or successor guardian(s) until the child's 18th birthday or until the child's 21st birthday if certain requirements are met. Also authorized is the payment to the relative guardian of eligible non-recurring guardianship payment of up to \$2,000 for the costs of finalizing the guardianship for each child. Medical assistance also is available for children in the program. State reimbursement for LDSSs costs for KinGAP is under the Foster Care Block Grant.

For more information on KinGAP, please refer to 11-OCFS-ADM-03. For additional information on KinGAP and successor guardians, please refer to 16-OCFS-ADM-10.

Allocation Methodology

The methodology used to allocate the Foster Care Block Grant funding continues the focus on safety, well-being, and permanency for children. It is intended to encourage LDSSs to continue to intensify their efforts to reduce foster care days. The allocation methodology continues the claims-based approach and the \$36,450,000 set-aside incentive to LDSSs.

Of the \$383,526,000 appropriation for state reimbursement for foster care services in SFY 2017-18, \$347,076,000 is allocated to LDSSs according to their respective shares of statewide gross foster care claims (originals and supplemental) net of cancellations and refunds for the 12-month period ending June 30, 2016, that were submitted to the state on or before January 3, 2017. The allocation for New York City reflects the \$23M reduction associated with the restructuring of funding for tuition costs for New York City foster children.

As in prior years, the allocation of the \$36,450,000 set-aside is based on the LDSS's reduction in the utilization of foster care days during two periods: from FFY 2012 to FFY 2014 (\$9,112,500) and from FFY 2014 to FFY 2016 (\$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 LDSSs that have decreased their foster care utilization over the past five years, while providing a more generous incentive to those LDSSs that have achieved more recent reductions in care days.

LDSS allocations for each component of the SFY 2017-18 Foster Care Block Grant are provided in Attachment A.

IV. Other Related SFY 2017-18 Budget Actions

The SFY 2017-18 Enacted Budget continues to appropriate \$964 million of TANF funding for the Flexible Fund for Family Services (FFFS). The FFFS provides LDSSs with the flexibility to determine local funding priorities. LDSSs can use their FFFS allocation to fund the TANF-EAF JD/PINS, TANF-EAF Tuition costs, EAF Foster Care Administration and EAF Foster Care Maintenance as well as any other eligible TANF purpose. LDSSs 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.

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 the SFY 2017-18 allocations. The scheduled time periods relate to when expenditures are

paid. If an LDSS exceeds its allocation for a particular fiscal year, there is no additional state funding. Any LDSS's claims submitted for a particular fiscal year that do not receive state reimbursement during that fiscal year may not be claimed against that LDSS's Block Grant apportionment for the subsequent fiscal year.

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 LDSS for the services or administrative costs.

Federal reimbursement will not be affected by the Foster Care 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
	<i>RF 17 Claim Package for Special Project Claiming</i>	LDSS-4975
KinGAP	Schedule K	LDSS-3479
	Schedule D-2	LDSS-2347-B

Please refer to the *Fiscal Reference Manual (FRM)*, Volume 2, Chapter 3 for instructions on completing the Schedules 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 FRM, Volume 3. The FRM is available at <http://otda.ny.gov/resources/fiscal-reference/>.

Chapters 53 and 56 of the Laws of 2017 prohibit the use of Foster Care Block Grant funds to support tuition expenditures for foster children, including persons in need of supervision and adjudicated juvenile delinquents in New York City.

Unclaimed Foster Care Block Grant funds from SFY 2017-18 that an eligible LDSS wishes to use during SFY 2018-19 for eligible preventive, independent living, and aftercare services must be reported through the *RF 17 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 FCBG Savings FY 2018 on the LDSS-4975A, *RF-17 Worksheet Distribution of Allocated Costs to Other Reimbursable Programs*.

For October 1, 2017, through September 30, 2018, 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 share 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 the SFY 2017-18 allocation. Any such claims submitted by an LDSS for which there are insufficient unclaimed funds available from the LDSS's SFY 2017-18 Foster Care Block Grant allocations are subject to 62 percent state reimbursement net of any available federal funds.

For the New York City ACS Close to Home (CTH) program, funding is available at 100 percent for the non-federal share of costs for CTH youth, up to the funding limit. Non-secure CTH foster care expenditures above the CTH funding limit may be claimed for reimbursement as 100 percent state share using Foster Care Block Grant funds subject to the limitation on state reimbursement for tuition expenditures. After CTH and Foster Care Block Grant funding is exhausted, if New York City ACS's plan is approved and services are eligible, 62 percent state child welfare financing may be provided for child preventive services for eligible CTH youth, provided the child welfare threshold provisions are met. Information regarding the child welfare threshold can be found in FRM Volume 1, Chapter 8 guidelines.

The reimbursement schedule for the SFY 2017-18 Foster Care Block Grant is as follows:

Foster Care

- Foster Care Maintenance Claims: January 1, 2017, through December 31, 2017
- Foster Care Administration Claims: October 1, 2016, through September 30, 2017
- Foster Care Tuition Claims for eligible counties and municipalities: January 1, 2017, through December 31, 2017
- *RF 17 Claim Package for Special Project Claiming*: October 1, 2017, through September 30, 2018

VI. Contact Information

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

Shonna Clinton, Local Operations Manager, Bureau of Budget Management,
(518) 474-1361, Shonna.Clinton@ocfs.ny.gov

Deborah Davis, Director, Bureau of Budget Management, (518) 474-1361,
Deborah.Davis@ocfs.ny.gov

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

BRO – Amanda Darling, (716) 847-3145, Amanda.Darling@ocfs.ny.gov

RRO – Karen Buck, (585) 238-8201, Karen.Buck@ocfs.ny.gov

SRO – Sara Simon, (315) 423-1200, Sara.Simon@ocfs.ny.gov

ARO – John Lockwood (518) 486-7078, John.Lockwood@ocfs.ny.gov

SVRO – Yolanda Désarmé, (845) 708-2498, Yolanda.Desarme@ocfs.ny.gov

New York City RO – Ronni Fuchs, (212) 383-1676, Ronni.Fuchs@ocfs.ny.gov

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

FFFS Plan

Susanne Haag, (518) 486-6291, Susanne.Haag@otda.ny.gov

Claiming

Regions I-IV: Dan Stuhlman, (518) 474-7549, Dan.Stuhlman@otda.ny.gov

Region V - VI: Michael Simon, (212) 961-8250, Michael.Simon@otda.ny.gov

/s/ Derek Holtzclaw

Issued By:

Name: Derek Holtzclaw

Title: Associate Commissioner for Financial Management

Division/Office: Administration

Attachment A					
SFY 2017-18 Foster Care Block Grant Allocations					
\$36.450 Million Set Aside Based on Trended Foster Care Days					
Trended Change for 2012-2014 & 2014-2016					
District	Prorated Foster Care Claims	Tuition Cut	Set Aside Based on Trended Change for 2012-2014	Set Aside Based on Trended Change for 2014-2016	Proposed Allocation
Albany	\$5,299,995	\$0	\$0	\$3,449	\$5,303,444
Allegany	\$1,466,160	\$0	\$0	\$210,313	\$1,676,473
Broome	\$4,944,527	\$0	\$45,976	\$715,989	\$5,706,492
Cattaraugus	\$1,986,947	\$0	\$0	\$138,101	\$2,125,048
Cayuga	\$1,291,666	\$0	\$127,522	\$48,674	\$1,467,862
Chautauqua	\$1,871,213	\$0	\$0	\$59,469	\$1,930,682
Chemung	\$1,881,208	\$0	\$73,196	\$0	\$1,954,404
Chenango	\$802,298	\$0	\$26,523	\$0	\$828,821
Clinton	\$1,957,622	\$0	\$0	\$5,334	\$1,962,956
Columbia	\$2,272,209	\$0	\$120,504	\$360,262	\$2,752,975
Cortland	\$1,003,296	\$0	\$127,661	\$338,065	\$1,469,022
Delaware	\$730,491	\$0	\$0	\$178,566	\$909,057
Dutchess	\$7,564,583	\$0	\$0	\$0	\$7,564,583
Erie	\$18,119,925	\$0	\$0	\$0	\$18,119,925
Essex	\$636,584	\$0	\$0	\$0	\$636,584
Franklin	\$1,012,832	\$0	\$0	\$0	\$1,012,832
Fulton	\$1,554,533	\$0	\$10,031	\$0	\$1,564,564
Genesee	\$1,117,446	\$0	\$0	\$0	\$1,117,446
Greene	\$1,587,143	\$0	\$0	\$254,898	\$1,842,041
Hamilton	\$43,166	\$0	\$0	\$0	\$43,166
Herkimer	\$1,548,008	\$0	\$0	\$306,063	\$1,854,071
Jefferson	\$1,550,625	\$0	\$68,711	\$97,571	\$1,716,907
Lewis	\$373,937	\$0	\$0	\$0	\$373,937
Livingston	\$1,082,383	\$0	\$0	\$0	\$1,082,383
Madison	\$1,474,470	\$0	\$0	\$129,924	\$1,604,394
Monroe	\$11,229,950	\$0	\$148,636	\$235,991	\$11,614,577
Montgomery	\$1,182,280	\$0	\$28,979	\$0	\$1,211,259
Nassau	\$6,998,431	\$0	\$260,843	\$225,835	\$7,485,109
Niagara	\$3,543,693	\$0	\$45,262	\$0	\$3,588,955
Oneida	\$5,818,126	\$0	\$0	\$0	\$5,818,126
Onondaga	\$9,561,157	\$0	\$0	\$0	\$9,561,157
Ontario	\$1,928,319	\$0	\$0	\$0	\$1,928,319
Orange	\$7,371,438	\$0	\$29,423	\$0	\$7,400,861
Orleans	\$548,967	\$0	\$0	\$0	\$548,967
Oswego	\$1,863,303	\$0	\$31,399	\$0	\$1,894,702

Attachment A					
SFY 2017-18 Foster Care Block Grant Allocations					
\$36.450 Million Set Aside Based on Trended Foster Care Days					
Trended Change for 2012-2014 & 2014-2016					
Otsego	\$897,590	\$0	\$20,376	\$50,015	\$967,981
Putnam	\$741,652	\$0	\$0	\$0	\$741,652
Rensselaer	\$4,024,093	\$0	\$25,957	\$244,997	\$4,295,047
Rockland	\$2,970,021	\$0	\$0	\$55,445	\$3,025,466
St. Lawrence	\$2,867,066	\$0	\$0	\$0	\$2,867,066
Saratoga	\$1,904,634	\$0	\$0	\$63,493	\$1,968,127
Schenectady	\$5,356,484	\$0	\$114,992	\$0	\$5,471,476
Schoharie	\$1,085,331	\$0	\$33,472	\$0	\$1,118,803
Schuyler	\$358,902	\$0	\$7,123	\$0	\$366,025
Seneca	\$1,110,608	\$0	\$0	\$0	\$1,110,608
Steuben	\$2,145,227	\$0	\$0	\$79,686	\$2,224,913
Suffolk	\$15,245,586	\$0	\$0	\$763,034	\$16,008,620
Sullivan	\$2,194,980	\$0	\$0	\$0	\$2,194,980
Tioga	\$497,854	\$0	\$32,688	\$0	\$530,542
Tompkins	\$1,918,527	\$0	\$91,029	\$273,965	\$2,283,521
Ulster	\$4,190,789	\$0	\$193,081	\$0	\$4,383,870
Warren	\$874,356	\$0	\$4,302	\$72,244	\$950,902
Washington	\$971,234	\$0	\$14,097	\$67,549	\$1,052,880
Wayne	\$785,331	\$0	\$0	\$111,879	\$897,210
Westchester	\$19,121,834	\$0	\$232,796	\$152,728	\$19,507,358
Wyoming	\$974,493	\$0	\$0	\$109,676	\$1,084,169
Yates	\$378,590	\$0	\$0	\$78,248	\$456,838
Upstate Totals	\$183,834,113	\$0	\$1,914,579	\$5,431,463	\$191,180,155
New York City	\$186,241,887	-\$23,000,000	\$7,197,921	\$21,906,037	\$192,345,845
Statewide Totals	\$370,076,000	-\$23,000,000	\$9,112,500	\$27,337,500	\$383,526,000