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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:	May 31, 2013 (<i>Rev. June 12, 2013</i>)
Subject:	SFY 2013-14 Foster Care Block Grant Allocations
Suggested Distribution:	Accounting Supervisors Directors of Social Services
Contact Person(s):	See pages 6 & 7
Attachments:	Attachment A: SFY 2013-14 Foster Care Block Grant Allocations
Attachment Available Online:	Yes (as part of this policy), at: http://ocfs.state.nyenet/policies/external/OCFS_2013

I. Purpose

The purpose of this Local Commissioners Memorandum (LCM) is to provide local departments of social services (LDSS) with their Foster Care Block Grant allocations for State Fiscal Year (SFY) 2013-14 and the corresponding program implications as authorized by Chapter 53 of the Laws of 2013.

II. Background

Chapter 57 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 LDSS 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 2013-14 state appropriation for the Foster Care Block Grant is \$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; and \$36,450,000 is set-aside for LDSS 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, 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 continues to be made available in the SFY 2013-14 Enacted Budget effective April 1, 2013 for New York City to continue the Close to Home (CTH) initiative, once a plan is approved by OCFS. Through contracts with authorized agencies, CTH will provide services for adjudicated 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 LDSS that have funds left over from their Foster Care Block Grant allocations for SFY 2012-13 – 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 LDSS's expenditures for the services included in the Foster Care Block Grant. LDSS claims that are eligible to receive federal reimbursement 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 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 LDSS claims exceed its Foster Care Block Grant allocation for the current state fiscal year.

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 LDSS from paying less than the MSARs established by OCFS. As of July 1, 2006, LDSS 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, LDSS 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 2013-14. If a 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 Foster Care Block Grant allocation, for the LDSS expenditures on preventive services (including reunification services), independent living services, and aftercare services.

Cost-of-Living Adjustment (COLA)

Chapter 53 of the Laws of 2013 amended Chapter 56 of the Laws of 2012, which 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, 2013. These COLAs are scheduled to resume on April 1, 2014, and be extended for a third year into SFY 2016-17. The SFY 2013-14 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. LDSS 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, LDSS were required by statute to pay no less than the established rates for specified programs. LDSS 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 2013 continues to allow eligible expenditures by LDSS for KinGAP to be reimbursed by Foster Care Block Grant funds, up to the amount of the LDSS 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 LDSS to continue to intensify their efforts to reduce foster care days. As in the past seven State Fiscal Years (SFY 2006-07 through SFY 2012-13), the allocation methodology continues the claims-based approach and the \$36,450,000 set-aside incentive to LDSS.

Of the \$436,002,000 appropriation for state reimbursement for foster care services in SFY 2013-14, \$399,552,000 continues to be distributed to LDSS according to their respective shares of historical claims. In accordance with budget appropriation language, the percentage of funds allocated to each LDSS reflects the LDSS share of the statewide gross foster care claims (originals and supplemental) for the 12-month period ending June 30, 2012, that were submitted to the state on or before January 2, 2013.

The allocation of the \$36,450,000 set-aside is based on the LDSS reduction in the utilization of foster care days during two periods: from FFY 2008 to FFY 2010 (\$9,112,500) and from FFY 2010 to FFY 2012 (\$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 LDSS that have decreased their foster care utilization over the past five years, while providing a more generous incentive to those LDSS that have achieved more recent reductions in care days.

LDSS allocations for each component of the SFY 2013-14, Foster Care Block Grant are provided in Attachment A.

IV. Other Related SFY 2013-14 Budget Actions

The SFY 2013-14 Enacted Budget continues to appropriate \$964 million of TANF funding for the Flexible Fund for Family Services (FFFS). The FFFS provides LDSS with the flexibility to determine local funding priorities. LDSS 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. LDSS 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.

Prior to the establishment of the FFFS in SFY 2005-06, 50 percent of Federal TANF-EAF funds were used to offset the FCBG. In SFY 2013-14, there continues to be no offset taken against the FCBG appropriation. Therefore, the full \$436,002,000 in funding continues to be available to LDSS under the FCBG, as well as the amounts the LDSS 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 state fiscal year. 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 LDSS exceeds its allocation for a particular state fiscal year, there is no additional funding. Any LDSS claims submitted for a particular state fiscal year that do not receive state reimbursement during that state fiscal year may not be claimed against that LDSS Block Grant apportionment for the subsequent state 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, 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 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 FRMs are available at <http://otda.state.ny.net/bfdm/finance>.

Unclaimed Foster Care Block Grant funds from SFY 2013-14 that an eligible LDSS wishes to use during SFY 2014-15 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 **Saving FCBG 13 14** on the LDSS-4975A “RF-17 Worksheet, Distribution of Allocated Costs to Other Reimbursable Programs.”

For October 1, 2013 through September 30, 2014, 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 SFY 2013-14. Any such claims submitted by a LDSS for which there are insufficient unclaimed funds available from the LDSS SFY 2013-14 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.

For NYC, State Close to Home (CTH) funding is available at 100 percent for the non-federal share of CTH youth, up to the funding limit. 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. After CTH and Foster Care Block Grant funding is exhausted, if eligible, 62

percent state child welfare financing may be provided for child preventive services for TANF 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 2013-14 Foster Care Block Grant is as follows:

Foster Care

- Foster Care Maintenance Claims: January 1, 2013, through December 31, 2013
- Foster Care Administration Claims: October 1, 2012, through September 30, 2013
- Foster Care Tuition Claims: January 1, 2013, through December 31, 2013
- RF 17 Claim Package for Special Project Claiming: October 1, 2013, through September 30, 2014

VI. Contact Information

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

Gabrielle Ares, Director, Bureau of Resource Management at (518) 474-1361.

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.ny.gov

RRO – Karen Buck (585) 238-8201

E-mail – Karen.Buck@ocfs.ny.gov

SRO – Kelly Proctor-Leon (315) 423-1200

E-mail – Kelly.Proctor-Leon@ocfs.ny.gov

ARO – Kerri Barber, Acting Director (518) 486-7078

E-mail – Kerri.Barber@ocfs.ny.gov

SVRO – Yolanda Désarmé (845) 708-2499

E-mail – Yolanda.Desarme@ocfs.ny.gov

NYCRO – Raymond Toomer (212) 383-1788

E-mail – Raymond.Toomer@ocfs.ny.gov

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

FFFS Plan:

Elida Tomasulo, (518) 474-8905

E-mail – Elida.Tomasulo@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/ Jeanne Milstein

Issued By:

Name: Jeanne Milstein

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 2013-14 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 2013-14 Allocation
Albany	5,191,541	351,174	543,507	6,086,222
Allegany	1,289,144	2,504	87,602	1,379,250
Broome	6,351,490	43,298	324,950	6,719,738
Cattaraugus	1,879,515	-	-	1,879,515
Cayuga	1,925,004	44,916	-	1,969,920
Chautauqua	1,892,898	65,396	80,401	2,038,695
Chemung	2,031,969	297,411	151,807	2,481,187
Chenango	984,509	45,186	-	1,029,695
Clinton	1,423,772	159,286	38,067	1,621,125
Columbia	2,835,775	46,778	109,279	2,991,832
Cortland	1,615,366	-	145,672	1,761,038
Delaware	825,256	13,637	-	838,893
Dutchess	6,587,584	-	619,496	7,207,080
Erie	15,169,185	689,571	529,202	16,387,958
Essex	557,763	3,018	-	560,781
Franklin	851,602	-	85,856	937,458
Fulton	1,491,805	52,171	101,398	1,645,374
Genesee	761,729	-	51,015	812,744
Greene	1,711,547	113,715	8,098	1,833,360
Hamilton	22,321	13	7,783	30,117
Herkimer	1,458,815	87,302	109,715	1,655,832
Jefferson	2,102,179	85,004	-	2,187,183
Lewis	385,313	-	142,932	528,245
Livingston	927,930	63,303	207,670	1,198,903
Madison	998,903	127,775	106,563	1,233,241
Monroe	12,439,771	947,418	1,149,934	14,537,123
Montgomery	1,149,615	-	131,682	1,281,297
Nassau	10,966,186	142,157	1,029,817	12,138,160
Niagara	3,604,449	-	-	3,604,449
Oneida	5,983,988	485,241	826,439	7,295,668
Onondaga	7,239,239	212,985	774,915	8,227,139
Ontario	1,410,647	16,924	-	1,427,571
Orange	7,628,160	215,424	255,630	8,099,214

SFY 2013-14 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 2013-14 Allocation
Orleans	430,518	2,761	-	433,279
Oswego	1,352,959	352,971	458,693	2,164,623
Otsego	588,164	33,064	10,014	631,242
Putnam	732,598	26,682	46,359	805,639
Rensselaer	4,133,405	-	284,434	4,417,839
Rockland	2,976,154	18,041	187,473	3,181,668
St. Lawrence	1,801,038	-	216,933	2,017,971
Saratoga	2,016,624	39,690	248,720	2,305,034
Schenectady	5,848,989	-	458,281	6,307,270
Schoharie	874,972	-	55,427	930,399
Schuyler	392,063	10,131	-	402,194
Seneca	653,680	49,924	-	703,604
Steuben	2,336,366	-	213,344	2,549,710
Suffolk	14,911,533	359,520	558,007	15,829,060
Sullivan	1,823,107	68,388	-	1,891,495
Tioga	686,272	12,353	-	698,625
Tompkins	2,194,837	-	-	2,194,837
Ulster	4,673,809	52,864	-	4,726,673
Warren	1,064,214	-	110,733	1,174,947
Washington	1,279,547	27,812	21,943	1,329,302
Wayne	1,068,100	-	-	1,068,100
Westchester	21,496,005	352,586	837,907	22,686,498
Wyoming	857,509	36,531	-	894,040
Yates	478,946	77,428	-	556,374
Upstate Totals	186,366,379	5,832,353	11,327,698	203,526,430
New York City	213,185,621	3,280,147	16,009,802	232,475,570
Statewide Totals	399,552,000	9,112,500	27,337,500	436,002,000