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Local Commissioners Memorandum

Transmittal:	11-OCFS-LCM-03
To:	Local District Commissioners
Issuing Division/Office:	Strategic Planning and Policy Development Administration
Date:	May 13, 2011
Subject:	SFY 2011-12 Foster Care Block Grant Allocations
Suggested Distribution:	Accounting Supervisors Directors of Social Services
Contact Person(s):	See pages 6 & 7
Attachments:	A. Allocation of \$436,002,000
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) 2011-12 and the corresponding program implications as authorized by Chapter 53 of the Laws of 2011.

II. Background

Chapter 57 of the Laws of 2009 extended the Child Welfare Financing Law to June 30, 2012. The Child Welfare Financing Law promotes a reduction in the use of foster care placements through three 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.
3. A Quality Enhancement Fund administered by the Office of Children and Family Services (OCFS) to increase the availability and quality of children and family services programs.

The SFY 2011-12 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; \$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, 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.
- 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 and children in KinGAP.

- Independent Living Services (except for those districts that have funds left over from their Foster Care Block Grant allocations for SFY 2010-11 – 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 are now 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. The exception to the requirement is regular foster boarding home programs and pass-through payments to foster parents. 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 2010-11 MSAR rate cycle, as well as for all subsequent rate cycles.

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 2011-12. 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 59 of the Laws of 2011 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, 2011. These COLAs are scheduled to resume on April 1, 2012, and be extended for a third year into SFY 2014-15. The SFY 2011-12 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 2011 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 child attained guardianship at age 16 or older and also 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, but as earlier stated, such costs are not included in the Foster Care Block Grant.

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 six State Fiscal Years (SFY 2005-06 through SFY 2010-11), 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 2011-12, \$399,552,000 is 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, 2010, that were submitted to the state on or before January 3, 2011.

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 2006 to FFY 2008 (\$9,112,500) and from FFY 2008 to FFY 2010 (\$27,337,500). Reductions in care days during the more recent period are weighted more heavily (75 percent) than reductions during the earlier period (25 percent). This methodology recognizes 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 2011-12, 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 2011-12 Enacted Budget appropriates \$951,000,000 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.

Prior to the establishment of FFFS in SFY 2005-06, 50 percent of Federal TANF-EAF funds were used to offset the Foster Care Block Grant. In SFY 2011-12, no offset is taken against the Foster Care Block Grant appropriation of \$436,002,000. Therefore, the full \$436,002,000 in funding is 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 will no longer be in effect with claims for the period beginning January 1, 2011.

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
	Reimbursement Claim for Special Project Form	LDSS - 3922
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 Schedules K and H, and the Reimbursement Claim for Special Claims Form. The Schedules D and D-2 claiming instructions are in the Fiscal Reference Manual, Volume 3 (or Volume 4 for New York City). The Fiscal Reference Manuals are available at <http://otda.state.ny.net/bfdm/>.

Unclaimed Foster Care Block Grant funds from SFY 2011-12 that an eligible district wishes to use during SFY 2012-13 for eligible preventive, independent living, and aftercare services must be reported on the Reimbursement Claim for Special Projects (LDSS – 3922), with **Saving FCBG 11-12** indicated in the project name box. Costs should be reported in the non-Administrative column for the following time period: October 1, 2011, through September 30, 2012. The reported expenditures are eligible for 100 percent State reimbursement up to the amount of the unclaimed Foster Care Block Grant funds from SFY 2011-12. Any such claims submitted by a social services district for which there are insufficient unclaimed funds available from the district's SFY 2011-12 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 2011-12 Foster Care Block Grant is as follows:

Foster Care

- Foster Care Maintenance Claims: January 1, 2011, through December 31, 2011
- Foster Care Administration Claims: October 1, 2010, through September 30, 2011
- Foster Care Tuition Claims: January 1, 2011, through December 31, 2011
- Special Project Claims Form Claims: October 1, 2011, through September 30, 2012

KinGAP

KinGAP changes to the Automated Claiming System (ACS) Schedule K Reimbursement for Foster Care and Adoption Expenditures (LDSS-3479) and Schedule D-2 Allocation for Claiming General Services Administration Expenditures (LDSS-2347-B) will not be available for the April 1, 2011 start date. ACS changes are scheduled for October 1, 2011 claiming. Until the ACS is changed, claiming should be entered on LDSS-3922 Reimbursement Claims for Special Projects.

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

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.

Rayana Gonzales, Children & Family Services Manager 2, Bureau of Budget Management at (518) 402-3324.

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 – Jack Klump (315) 423-1200
E-mail – Jack.Klump@ocfs.state.ny.us

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

SVRO – Pat Sheehy (845) 708-2499
E-mail – Patricia.Sheehy@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.state.ny.us

Claiming:

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

E-mail – Edward.Conway@otda.state.ny.us

Region VI: Michael Simon (212) 961-8250

E-mail – Michael.Simon@otda.state.ny.us

/s/ Nancy W. Martinez

Issued By:

Name: Nancy W. Martinez

Title: Director

Division/Office: Strategic Planning and Policy Development

/s/ Edna Mae Reilly

Issued By:

Name: Edna Mae Reilly

Title: Acting Deputy Commissioner for Administration

Division/Office: Administration

Attachment A**SFY 2011-12 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 2011-12 Allocation
Albany	5,423,217	159,079	906,511	6,488,807
Allegany	1,311,231	54,649	212	1,366,092
Broome	6,217,995	0	104,459	6,322,454
Cattaraugus	1,558,869	190,880	0	1,749,749
Cayuga	1,543,729	13,517	82,953	1,640,199
Chautauqua	1,724,889	147,151	184,833	2,056,873
Chemung	2,281,353	0	776,520	3,057,873
Chenango	750,335	33,062	145,282	928,679
Clinton	1,582,398	0	408,936	1,991,334
Columbia	3,200,688	123,370	110,780	3,434,838
Cortland	1,622,806	43,124	0	1,665,930
Delaware	754,231	71,772	50,499	876,502
Dutchess	6,088,582	0	0	6,088,582
Erie	13,743,510	1,233,847	1,802,074	16,779,431
Essex	611,116	67,006	26,874	704,996
Franklin	903,906	278,237	0	1,182,143
Fulton	1,154,677	0	183,421	1,338,098
Genesee	753,456	39,366	0	792,822
Greene	2,136,272	0	336,507	2,472,779
Hamilton	35,118	3,707	0	38,825
Herkimer	1,480,599	36,012	292,223	1,808,834
Jefferson	1,452,746	25,723	230,106	1,708,575
Lewis	396,002	0	0	396,002
Livingston	1,074,686	0	165,905	1,240,591
Madison	1,222,839	0	358,367	1,581,206
Monroe	13,543,197	2,139,168	2,601,760	18,284,125
Montgomery	1,383,661	8,020	0	1,391,681
Nassau	11,096,440	42,544	198,535	11,337,519
Niagara	2,552,032	260,660	0	2,812,692
Oneida	5,947,196	0	1,256,826	7,204,022
Onondaga	7,120,561	591,175	573,641	8,285,377

Ontario	1,103,922	38,963	38,210	1,181,095
Orange	6,041,453	15,257	657,441	6,714,151
Orleans	361,957	178,598	18,681	559,236
Oswego	2,380,003	0	999,351	3,379,354
Otsego	891,962	19,469	54,313	965,744
Putnam	508,882	0	76,667	585,549
Rensselaer	4,423,299	434,820	0	4,858,119
Rockland	2,937,259	175,749	21,153	3,134,161
St. Lawrence	1,919,516	168,587	0	2,088,103
Saratoga	2,204,845	107,684	18,257	2,330,786
Schenectady	5,967,130	0	0	5,967,130
Schoharie	854,287	0	0	854,287
Schuyler	240,644	0	27,298	267,942
Seneca	536,190	15,585	147,048	698,823
Steuben	2,174,453	277,329	0	2,451,782
Suffolk	14,638,430	1,540,001	939,353	17,117,784
Sullivan	1,132,258	12,458	149,449	1,294,165
Tioga	612,532	0	55,019	667,551
Tompkins	1,464,697	0	0	1,464,697
Ulster	3,627,933	124,101	131,474	3,883,508
Warren	1,090,294	262,324	0	1,352,618
Washington	867,866	0	24,543	892,409
Wayne	947,625	146,823	0	1,094,448
Westchester	22,101,344	0	1,010,016	23,111,360
Wyoming	538,881	32,683	105,554	677,118
Yates	209,432	0	220,748	430,180
Upstate Totals	180,445,431	9,112,500	15,491,799	205,049,730
New York City	219,106,569	0	11,845,701	230,952,270
Statewide Totals	399,552,000	9,112,500	27,337,500	436,002,000