

# HANDOUT #4

## 5101:9-7-50 Federal Financial Participation (FFP) and the Nonfederal Matching Share

### FAPMTL 224

**Effective Date: November 28, 2011**

**Most Current Prior Effective Date: October 30, 2006**

- (A) Administration of the various family services programs is the joint financial responsibility of federal, state, and local governments. The percentage of FFP varies by program and is subject to change each federal fiscal year. State and local funds, known as the nonfederal share, must be used to supply the difference between the percentage of FFP and one hundred per cent. When there is no FFP ~~requirement~~availability, the state and county must supply the total funds. When there are no state funds involved, the county must supply the entire nonfederal share.
- (B) The percentage of participation at the federal and state level is applicable only to allowable costs, up to the maximum amount of funds available. Nonallowable costs or nonreimbursable costs are not eligible for federal and/or state participation. These costs must be met through one hundred per cent local funds.
- (C) FFP is available to the county ~~departments of job and family services (CDJFS), public children services agencies (PCSA),~~family services agencies (CFSA) and workforce development agencies, and child support enforcement agencies (CSEA)(WDA) for allowable/reimbursable costs. Paragraphs (D) to (I) of this rule contain matching funds requirements for the nonfederal share that must be followed in order to receive FFP if from sources other than state or county funds.
- (D) Funds donated from public sources may be considered the nonfederal share in claiming FFP when the funds meet the following conditions:
- (1) Funds must be:
    - (a) Appropriated directly to the local agency, or
    - (b) Transferred from another public agency to the local agency and under its administrative control, or
    - (c) Certified by the contributing public agency as representing expenditures eligible for FFP;
  - (2) Funds must not be used to match other federal funds; and
  - (3) Funds must not be federal funds, except those authorized by federal law to be used to match other federal funds.
- (E) Child support public matching funds requirements are contained in rule 5101:12-1-50 of the Administrative Code.
- (F) When a public entity wishes to contribute funds to a program, these donated public funds need not meet the requirements of paragraph (D)(1)(a) or (D)(1)(b) of this rule if the ~~local family service agency or workforce development area, CFSA or WDA~~ and provider agency ~~enters~~enter into a written agreement with the provider agency. This written agreement is known as a memorandum of understanding (MOU). The MOU must contain the following terms:
- (1) In lieu of transfer of funds, the provider agency will identify the specific amount

- of funds that the ~~ODJFSC~~CFSA or WDA may use as the nonfederal share of program expenditures;
- (2) The funds that the provider agency identifies for use as the nonfederal share of program expenditures are for services and activities that are not otherwise available on a nonreimbursable basis;
  - (3) The ~~ODJFSC~~CFSA or WDA has the authority to determine the specific activities and services for which these funds will be used; and
  - (4) State or local funds identified for this purpose may not be used to match other federal funds.
- (G) Funds donated from private sources may be considered the nonfederal share in claiming FFP when the funds meet the following three conditions:
- (1) Funds must be transferred to the local agency and under its administrative control;
  - (2) Funds must be donated without any restriction which would require their use for particular individuals or at particular facilities or institutions; and
  - (3) Funds must not revert back to the donor's ~~facility or use~~control.
- (H) A CFSA or WDA receiving a provider-related donation is eligible to receive~~can utilize~~ FFP as long as the donation is not returned to the individual provider or related entity and:
- (1) The amount of the payment received does not correlate to either the amount of the donation or to the difference between the amount of the donation and the amount of FFP received;
  - (2) No portion of the payment made under medicaid to the donor or any related entity varies based only on the amount of the total donation received; and
  - (3) The county agency receiving the donation does not provide for any payment, offset, or waiver that guarantees the return of any portion of the donation to the provider.
- (I) Provider-related donations to the county agency must not exceed the following limitations:
- (1) ~~A donation from an individual provider must not exceed five~~Five thousand dollars per year~~from an individual provider~~; and
  - (2) ~~A donation from any health care organization entity must not exceed fifty~~Fifty thousand dollars per year~~from any health care organization entity unless the entity has outstationed eligibility workers as outlined in rule 5101:1-38-04 of the Administrative Code.~~

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