

INSTRUCTIONS FOR COMPLETING JFS 02911, TITLE IV-E SINGLE COST REPORT**TABLE OF CONTENTS**

I.	Introduction	2
II.	Title IV-E Fiscal Accountability Rules.....	2
III.	General Instructions.....	2
	A. Programs Covered by the Report.....	2
	B. The Reporting Period.....	2
	C. Filing Deadline.....	2
	D. Effective Period of Approved Title IV-E Reimbursement Ceilings.....	3
	E. Record Retention.....	3
	F. Overview of the JFS 02911 Single Cost Report.....	3
	G. General Guideline for Determining Title IV-E Reimbursable Costs.....	3
	H. Allowable and Unallowable Cost Guidelines.....	5
	I. Administrative Overhead Costs.....	5
	J. Revenue.....	6
	K. Documentation.....	6
	L. Downloading the JFS 02911 Single Cost Report.....	6
IV.	Detailed Instructions for Completing the JFS 02911 Single Cost Report.....	6
	A. Identifying Information for the Operating Agency.....	6
	B. Total Agency Cost - Summary.....	7
	C. Title IV-E Services - Summary.....	7
	D. Purchased Foster Care Services.....	7
	E. Residential Services.....	13
	F. Title IV-E Reimbursement Ceilings and Cost Per Diem Calculations.....	19
	G. ODADAS Services.....	19
	H. ODMH Services.....	27
	I. Allocation of Administrative Overhead Costs Worksheet.....	33
	J. Filing the JFS 02911 Single Cost Report.....	33

I. INTRODUCTION

The JFS 02911 Single Cost Report (JFS 02911) should be completed by all public and private not-for-profit and for-profit providers of purchased family foster care and residential services. The JFS 02911 is designed to capture one hundred percent of an agency's actual cost of operation. The JFS 02911 incorporates program costs for Title IV-E, Ohio Department of Alcohol, Drug and Addiction Services (ODADAS), Ohio Department of Mental Health (ODMH) and any other program costs the provider incurs.

The costs that are allowable and reimbursable to be reported to the Title IV-E services will be used by ODJFS to establish ODJFS-approved reimbursement ceiling amounts. Any ODJFS-approved reimbursement ceiling amounts established as a result of submitting the JFS 02911 do not affect the actual payment made to the facility for the care of any child. These payments are still subject to negotiation between the provider agency and the public agency purchasing the services. The reimbursement ceiling amounts established by this report are used only by ODJFS as the basis for the reimbursement of allowable Title IV-E costs to public children services agencies for the placement costs of Title IV-E eligible children in eligible care sites. Other legitimate non-Title IV-E, non-ODADAS and/or non-ODMH service costs may be considered when placement contracts are negotiated; however, payments made for the purchase of these services are non-reimbursable under the aforementioned programs.

II. TITLE IV-E FISCAL ACCOUNTABILITY RULES

Title IV-E Fiscal Accountability rules were promulgated and signed into law on July 6, 2000, in order to comply with House Bill 448. The law mandates, among other requirements, the establishment of rules governing procedures for fiscal accountability for Public Children Services Agencies (PCSA), Private Child Placing Agencies (PCPA) and Private Noncustodial Agencies (PNA). The following is a summary of the rules:

Ohio Administrative Code (OAC) Rule 5101:2-47-26.1 identifies cost report filing requirements, record retention requirements and related party disclosure requirements.

OAC Rule 5101:2-47-26.2 requires each PCSA or Title IV-E agency (as defined in OAC Rule 5101:2-1-01) that files a cost report to have an annual agreed-upon procedures engagement of its cost report conducted by the Ohio Department of Job and Family Services (ODJFS). Additionally, it requires that, beginning with the JFS 02911 for State Fiscal Year ending June 30, 2004, each PCPA or PNA will engage a certified public accountant (CPA) to conduct an annual agreed-upon procedures engagement of its cost report in accordance with the ODJFS "Agreed-Upon Procedures" specified in appendix (A) of this rule.

III. GENERAL INSTRUCTIONS

The following general instructions provide an overview of (A) programs covered by the report; (B) the reporting period; (C) filing deadline; (D) the effective period of approved rates; (E) record retention; (F) a general overview of the cost report; (G) general guideline for determining Title IV-E reimbursable costs; (H) allowable and unallowable cost guidelines; (I) administrative overhead costs; (J) revenue; (K) documentation; and, (L) downloading the JFS 02911 Single Cost Report. Detailed instructions for completing the report are found in Section IV of the Instructions.

A. PROGRAMS COVERED BY THE REPORT:

The JFS 02911 Single Cost Report is to be completed by all public and private not-for-profit and for-profit providers of purchased foster care and residential services and is intended to capture one hundred percent of an agency's actual cost of operation. The JFS 02911 incorporates program costs for Title IV-E, ODADAS, ODMH and all other program costs the provider incurs.

B. THE REPORTING PERIOD:

The reporting period for the JFS 02911 is for the previous State Fiscal Year, July 1, through June 30. An exception to this requirement is that PCSAs, PCPAs or PNAs new to the Title IV-E program and existing PCSAs, PCPAs or PNAs that have established a new Title IV-E service during the current reporting period must submit an interim period JFS 02911 for a minimum of three full calendar months of operations in order to receive a Title IV-E reimbursement ceiling amount. Please contact the Office of Families and Children via e-mail at IVECostReports@jfs.ohio.gov for specific instructions regarding your agency's requirements for completing an interim period cost report and for an explanation of the required documentation which must be submitted for verification of your reported costs and statistics (census).

C. FILING DEADLINE:

The JFS 02911 cost report must be completed and filed, along with the documents required by OAC Rule 5101:2-47-26.2 of the Administrative Code (see Section IV (J) of the cost report instructions), by December 31, following the reporting period.

For Title IV-E agencies (i.e., counties), whose agreed-upon procedures is conducted by ODJFS' Office of Fiscal & Monitoring Services, the preliminary cost report should be completed and submitted electronically to ODJFS' Title IV-E Rate Setting Unit at IVECostReports@jfs.ohio.gov by September 30, following the reporting period.

For good cause and upon written application ODJFS may grant an extension of the December 31 filing deadline in accordance with OAC Rule 5101:2-47-26.1 of the Administrative Code. The written application must be filed prior to the deadline and must include information explaining the facts and circumstances giving rise to the need for a cost report extension, a projected time line for filing the cost report and any other information the agency would like to have considered. The extension request may be sent via e-mail to IVECostReports@jfs.ohio.gov or via mail to the address listed in the final portion of Section IV (J) of the cost report instructions.

D. EFFECTIVE PERIOD OF APPROVED TITLE IV-E REIMBURSEMENT CEILINGS:

The effective period for ODJFS-approved reimbursement ceiling amounts based on this cost report, the agreed-upon procedures and all other required documents to be filed will be April 1 through March 31, following the state fiscal year reporting period.

E. RECORD RETENTION:

Records used in support of costs reported on the JFS 02911 cost report must be retained for a minimum of three years after the cost report is filed. Records include, but are not limited to, financial, programmatic, statistical, recipient records, and supporting documents. If any litigation, administrative review, claim, negotiation, audit, or other action involving the records has been started before the expiration of the three year period, the records shall be retained three years after all appeal rights related to the action taken are exhausted.

F. OVERVIEW OF THE JFS 02911 SINGLE COST REPORT:

The brief instructions provided in this section are not intended to be comprehensive. This section is only intended to generally familiarize the reader with the cost report. Detailed instructions for completing the form are provided in Section IV of the Instructions.

The JFS 02911 is an automated form for reporting a provider's total cost of operation. Many of the worksheets such as the Total Agency Cost Summary (except for the "Other Programs" line item - See Other Programs below), the Title IV-E Summary of Services, and the Title IV-E Reimbursement Ceilings and Cost Per Diem Calculations are completed automatically based on the information input on the applicable service sheets. The top of every worksheet (except for the ODADAS and ODMH worksheets) will be completed automatically from the information provided on the Identifying Information for Operating Agency worksheet. The reporting period cell on the Title IV-E PFC and the RES service worksheets is left unprotected because the reporting period for a new service may be different. The calculations on every applicable service sheet are completed automatically. The administrative overhead costs allocated to applicable service sheets will be completed automatically from the Administrative Overhead Costs worksheet for the Title IV-E PFC and RES service worksheets and for the Other Program line on the Total Agency Cost Summary; for ODADAS and ODMH UCR Forms A-1, allocations from Forms A-4 must be manually input on the applicable service line.

At the top of most worksheets there is a Print button. When printing the completed pages, you may use the print button provided. **It is recommended that you do not use the File/Print option or the printer button found on the tool bar.** However, if no print button is provided, preparers will have to use the File/Print/Page Setup option in order to set the proper print parameters and attributes to accurately capture all printed data on the service worksheet.

G. GENERAL GUIDELINE FOR DETERMINING TITLE IV-E REIMBURSABLE COSTS:

Note: All costs associated with the provider's operation must be reported on the cost report. However, it is not necessary to complete every page of this cost report. Only the Provider's Identifying Information page, any Title IV-E service worksheets, ODADAS service worksheets, ODMH service worksheets and, where applicable, the Administrative Overhead Costs worksheet should be completed and printed for filing purposes.

IV-E reimbursable costs are those directly related to the cost of (and the cost of providing) food, clothing, shelter, daily supervision, school supplies, a child's personal incidentals, liability insurance with respect to a child, and reasonable travel to the child's home for visitation. These costs should be reported on the Purchased Foster Care (PFC) or Residential Service (RES) worksheets of the cost report.

Note: Where personnel functions involve multiple programs or involve Personnel Costs Direct and Personnel Costs Support activities, the total costs must be allocated to each program and to both Direct and Support cost report categories in reasonable proportion to the amount of time spent in each program and respective area of activity.

The maintenance reimbursement ceiling for Purchased Foster Care (PFC) Services is based on a contemporaneous payment system with established statewide maximums as outlined in OAC Rule 5101:2-47-11.

The administration reimbursement ceiling for Purchased Foster Care (PFC) Services is comprised of total reported costs on the PFC worksheet less Foster Parent Payments, Food - Special Diet, Clothing, Graduation Expense, Liability Insurance, Training, Non-Reimbursable - Behavioral Health, Non-Reimbursable - Other, Non-Reimbursable - Unallowable.

The maintenance reimbursement ceiling for Residential Services is comprised of all reimbursable direct costs and the proportionate allocation of support and administrative overhead costs.

The administration reimbursement ceiling for Residential Services is comprised of case management costs and the proportionate allocation of support and administrative overhead costs. A complete description of Residential case management activities is listed in Section IV(E)(4). **Note: If no costs are reported under Case Management on the RES worksheet, the result will be a Title IV-E administration reimbursement ceiling amount of \$0.**

Costs that are associated with other services reimbursed by other systems such as ODADAS or ODMH should be reported on the appropriate worksheets of the cost report.

The Title IV-E cost report services worksheets and summary worksheets are broken down into five main categories:

1. **Personnel Costs Direct** – are personnel compensation cost which relate to the watching or directing of children. While not all inclusive, typical examples of such activities include supervision of children during recreational activities, supervising of children during meal times, and reasonable transportation of children to their home for visitation as well as reasonable transportation of the child to remain in the school in which the child was enrolled at the time of placement.
2. **Personnel Costs Support** – are personnel compensation costs related to all other allowable and reimbursable Title IV-E service activities. While not all inclusive, typical examples of such activities include writing in children's logs, cleaning and housekeeping, maintenance, cooking children meals, and all executive functions such as bookkeeping, human resource management, and receptionist.

Where costs are common to more than one program (e.g., Title IV-E, ODMH, ODADAS, or Other Programs) or to each category of activity (Personnel Costs Direct and Personnel Costs Support), the costs should be recorded as "common costs" and allocated on the proportional basis of time directly charged to the aforementioned programs and categories of activities. Failure to reasonably allocate costs in accordance with 2 CFR 225 or 2 CFR 230, as applicable, may result in proposed costs adjustments.

3. **Non-Personnel Costs** – this includes non-payroll costs which can be allocated to a specific service within a program. Typical examples of non-personnel cost direct may include food, personal incidentals, children's food, and children's bedding. Common examples of non-personnel costs support includes such items office supplies, conferences, advertising for staff recruitment, and mailing and postage, kitchen supplies, and staff uniforms.

As the preceding list of items is not all inclusive, when assigning non-personnel costs to the direct and support cost categories, the entity must be able to substantiate the basis for the classification. When assigning costs to direct cost category, the entity must demonstrate how the cost provides specific benefit for the children.

4. **Administrative Overhead Costs** – this includes personnel or non-personnel costs which have been incurred for common or joint objectives and cannot be readily identified with a specific service within a program. Typical administrative overhead costs might include salaries, fringe benefits, rent, depreciation, utilities, supplies, equipment, etc. Note: If solely providing a single Title IV-E service, these costs may be included in the non-personnel costs.
5. **Statistics** – this includes census days associated with Title IV-E services or units of service associated with ODADAS and ODMH services.

Fringe Benefits are a separate category but are directly related to direct, support and administrative overhead personnel costs and should be proportionate to the salary costs reported for each service.

On the Title IV-E, ODADAS, and ODMH services worksheets there is another cost category:

a. Non-Reimbursable (Title IV-E Services Worksheets)

1. Behavioral Health Costs are costs of providing counseling, therapy, or medical services not reimbursable under Title IV-E. These should be reported on the Title IV-E services worksheets if the provider performs such services for children in their care but are not licensed nor certified to provide ODADAS or ODMH Services and such costs are not reported on the applicable ODADAS or ODMH services worksheets.
2. Other Costs are costs which are allowable under the Code of Federal Regulations (2 CFR 225 and/or 2

CFR 230) but are not Title IV-E reimbursable. Such costs would include the cost of educating youth, providing religious services, and respite. Furthermore, Other Costs include the amount of allowable, Title IV-E non-reimbursable costs which have been offset or reimbursed through other funding mechanisms (e.g., USDA revenue).

b. Unallowable (Title IV-E, ODADAS, and ODMH Service Worksheets)

Unallowable Costs are items deemed unallowable in accordance with the Code of Federal Regulations (2 CFR 225 and/or 2 CFR 230). Such costs which are directly associated with a specific Title IV-E, ODADAS, or ODMH service should be reported in the appropriate program's Unallowable cell or column.

Note: In order to satisfy the requirements of the Code of Federal Regulations (2 CFR 225 or 2 CFR 230) with regard to allocation of indirect costs to benefiting functions by means of a base which best measures the relative degree of benefit, cost report preparers must ensure unallowable activities (e.g., fundraising, golf outings, marketing, etc.) are identified as a benefiting function in order that such activities receive a proportionate share of allowable administrative overhead costs.

Case Management/Community Psychiatric Supportive Treatment Program (CPST) service

Medicaid program providers are reminded that although portions of Federal Register Vol. 72, No. 232, were rescinded, child welfare (foster care) related case management service costs should not be reported to Medicaid (via the UCR/047) but rather should be reported to Title IV-E (via the JFS 02911). Case Management/Community Psychiatric Supportive Treatment Program (CPST) service costs cannot be allocated to Title IV-E unless they are child welfare (foster care) related. Case Management/CPST services can be allocated to ODADAS and/or ODMH only if the program/service is certified by the appropriate agency and the costs are Medicaid case management services that assist individuals eligible under the Medicaid state plan in gaining access to needed medical, social, educational, and other services identified in 42 CFR 440.

Section IV of the instructions explains how to allocate case management service costs to Title IV-E.

Other Program costs such as ODMR/DD, Adoption Assistance, Day Care or any other program service provided should be reported in the "Other Programs" line item on the Total Agency Cost Summary worksheet. These costs will be added to the Title IV-E, ODADAS and ODMH program costs to determine the total cost of operation for the reporting period.

H. **ALLOWABLE AND UNALLOWABLE COST GUIDELINES:** (Ref: OAC Rule 5101:2-47-26.1)

PCPAs and PNAs shall adhere to:

1. The allowable and unallowable cost principles contained in 2 CFR 230;
2. Section 501(C) (3) of the Internal Revenue Code for Non-profit organizations, where applicable;
3. All applicable rules found in Chapter 5101:2-47 of the Administrative Code; and,
4. The cost report instructions.

PCSAs shall adhere to:

1. The allowable and unallowable cost principles contained in 2 CFR 225;
2. All applicable rules found in chapter 5101:2-47 of the Administrative Code; and,
3. The cost report instructions.

For PCSAs, PCPAs and PNAs, any costs specifically subsidized by other federal monies are unallowable, except for federal funds authorized by federal law to be used to match other federal funds.

When calculating depreciation for reporting purposes, the straight-line method of depreciation must be used.

Respite care costs are unallowable. Respite care costs are any payments to the original foster home for the period in which the child is on temporary leave but is placed in another licensed foster home. Payments to the secondary licensed foster home where the child is temporarily placed when the intent is to return the child to the original foster home are not considered respite care costs and are allowable. For example, a child was placed with foster home A (the original foster home) for 28 days in June at a cost of \$20 dollars a day. The child was temporarily placed in foster home B for 2 days with the intent to return to foster home A after the 2 days. The cost of foster home B was also \$20 a day. An agency paid foster home A for 30 days which equaled \$600 dollars. The agency paid foster home B for two days which equaled \$40 dollars for a total of \$640. The payment for the 28 days when the child was physically in foster home A (\$560 – 28 days X \$20 dollars) and the payment for the 2 days when the child was physically in foster home B (\$40 – 2 days X \$20) are allowable (Total allowable = \$600 - \$560 + \$40). However, the payment to foster home A for the 2 days when the child was **not** physically in foster home A (but physically in foster home B) is considered a respite payment and is unallowable.

An agency should take special care to be accurate and consistent in reporting their total cost of operation. Any ODJFS-approved reimbursement ceiling amount which is found to be based on an inaccurate representation of program costs is subject to an agreed-upon procedures engagement exception.

I. ADMINISTRATIVE OVERHEAD COSTS

Administrative Overhead costs are those that have been incurred for common or joint objectives and cannot be readily identified with any specific program or service. **Note:** If solely providing a single Title IV-E service, these costs should be included in the non-personnel costs versus the Allocation of Administrative Overhead Costs worksheet.

Providers may choose any allocation methodology found in the Code of Federal Regulations (2 CFR 225 and/or 2 CFR 230) as long as the cost is treated consistently between reporting periods and programs and with other costs incurred for the same purpose in like circumstances and if it:

1. Benefits both the award and other work and can be distributed in reasonable proportion to the benefits received; and/or,
2. Is necessary to the overall operation of the organization, although a direct relationship to any particular cost objective cannot be shown.

J. REVENUE

Revenue is not reported on the JFS 02911 Single Cost Report. However, if an expense is incurred for which the provider has received federal revenue to assist in paying the expense, the amount of the expense being reported in allowable areas should be reduced by the total revenue received. The amount of the expense incurred that has been offset by the federal revenue or applicable credits or refunds should be reported as follows:

1. Title IV-E – Report the offset expense in the “Other” cost category on the specific Purchased Foster Care or Residential services worksheets;
2. ODADAS and ODMH – Report the offset expense in the “Un-Allowable” cost category on the specific ODADAS or ODMH service line.

For example: An agency received USDA revenue for the purchase of food for its residential facility in the amount of \$4,000. The amount of food expense is \$10,000. To accurately report this cost and ensure 100% of the cost of operation is reflected, the agency should report \$6,000 in the “Non-Personnel Other Consumables” cost category and \$4,000 in the “Non-Reimbursable Other” cost category on the specific residential services worksheet. This example assumes that the financial statements reflect the actual food expense in the amount of \$10,000 versus the net food expense in the amount of \$6,000.

K. DOCUMENTATION

Agencies must keep detailed records to be used by an auditor to trace costs, census days, and units of service reported on the cost report back to the trial balance, general ledger, actual expenses, census logs and units of service detail. Also, methodologies for allocating costs to various programs and services should be adequately documented and in compliance with the Code of Federal Regulations (2 CFR 225 and/or 2 CFR 230) as well as available for review.

L. DOWNLOADING THE JFS 02911 SINGLE COST REPORT

The JFS 02911 Single Cost Report can be downloaded from the ODJFS' Forms Central website by typing the following URL in your web browser: <http://www.odjfs.state.oh.us/forms/inter.asp>. Once you are at the website, perform your search by either "Form Number" or "Form Name." The quickest results occur when you search by "Form Number" and type "2911" in the "Search For" field. The search results should produce the most recent version of the cost report and the instructions. State fiscal year 2012's form and instructions will show "7/2012" in the "Revision Date" field.

When downloading the Microsoft Excel version of the JFS 02911 Single Cost Report you must first lower the macro security level for the macro buttons to work. To lower the macro security level, open Microsoft Excel, click Tools, Options and click the security tab. At the bottom of the security sheet, click Macro Security. Change your security level from high to low. At this point, you can download the file. Once you download and open the file, you will be prompted to either disable macros or enable macros. Click on enable macros. If the Macro security level is not changed to low and you do not click enable macros when you open the file, the macro buttons will not work.

IV. DETAILED INSTRUCTIONS FOR COMPLETING THE JFS 02911 SINGLE COST REPORT

A. IDENTIFYING INFORMATION FOR OPERATING AGENCY

Operating Agency Name: Enter the name of the agency responsible for administering the programs and services represented in the cost report.

Mailing Address: Enter the complete business address of the administrative office of the operating agency. This address will be utilized by ODJFS in sending written communications to your agency.

City, State, Zip Code: Enter the city, state, and zip code of the mailing address entered above.

Federal Tax ID Number: Enter the operating agency's federal tax identification number. The report cannot be approved without this information.

Telephone and Fax Numbers: Enter the main telephone number and fax number of the operating agency.

Cost Reporting Period: The standard cost reporting period for the JFS 02911 is for the previous State Fiscal Year, July 1, through June 30. For SFY 2012 (i.e., 7/1/2011 – 6/30/2012), the period is already identified. If you are completing a report for an interim cost report period, please indicate the proper reporting period following your discussion with the Office of Families and Children regarding the correct period to be used by your agency.

Date Prepared: Enter the date on which completion of the JFS 02911 Single Cost Report was finalized.

Operating Agency Programs: Identify the programs that are reported in the cost report by marking an "X" next to Title IV-E and, where applicable, ODADAS, ODMH and Other.

Operating Agency Contacts: Identify the name, email address, and phone number for the following individuals: JFS 02911 Single Cost Report Preparer; JFS 02911 Single Cost Report Liaison (if you desire someone other than the preparer to discuss issues related to the cost report); and, Agency Executive Director.

Authorized Agency Representative Signature and Date: The chief executive officer of the operating agency or his/her designee **must sign and date** the cost report. This signature is used as certification that the information contained herein is correct and completed in accordance with the instructions.

B. TOTAL AGENCY COST - SUMMARY

The information contained on this page is updated automatically when the Identifying Information for Operating Agency worksheet and the Title IV-E, ODADAS and ODMH service worksheets are completed with the exception of the "Other Programs" cost category (the administrative overhead column will be completed for you). If the agency has other program costs such as ODMR/DD, Adoption Assistance, Day Care or any other programs provided, these costs should be reported in the "Other Programs" line item on the Total Agency Cost Summary worksheet. These costs will be added to the Title IV-E, ODADAS and ODMH program costs to determine the provider's total cost of operation for the reporting period.

C. TITLE IV-E SERVICES - SUMMARY

The information contained on this page is updated automatically when completing the Identifying Information for Operating Agency worksheet, the Title IV-E Services worksheets, and, if applicable, the Administrative Overhead Cost worksheet.

D. PURCHASED FOSTER CARE SERVICES

Purchased foster care (PFC) means family foster care provided by an agency that operates two or more family foster homes. Family foster homes directly supervised by a public children services agency are not included in the definition of PFC.

The PFC service worksheets must be used to report actual costs incurred by purchased foster care programs. If a purchased foster care program requires different reimbursement ceiling amounts for different levels of care, the provider must complete a separate PFC worksheet for each level of care. Since each PFC worksheet establishes a Title IV-E reimbursement ceiling for all homes included on the worksheet, an agency that operates several homes that offer substantially different levels of care with correspondingly different costs should complete a separate PFC worksheet for each group of similar homes. Only similar homes should be included on the same PFC worksheet.

Completing the PFC Worksheet(s):

- Agency Name and Cost Reporting Period** - This will be updated automatically from information provided on the Identifying Information for Operating Agency worksheet.
- Program/Service Name and Provider Number** - Type this information in the space provided. For Program/Service Name, please indicate the proper name and, if applicable, the level of care (e.g. Traditional Foster Care – Level 1, Specialized Foster Care – Level 2, etc.). For Provider Number, enter the number associated with this program/service as assigned by the Office of Families and Children.
- Level of Difficulty of Care** - In an effort to satisfy the mapping and scripting of foster care placement service types within SACWIS (State Automated Child Welfare Information System), please indicate with an "X" every foster home level of difficulty of care available to a child placed in the program/service name identified on the specific PFC worksheet. For example, if the foster parents within your Traditional Foster Care – Level 1 program are certified for family foster care and treatment foster care (special needs), then mark an "X" under the Family Foster Home and Treatment Foster Home (Special Needs) columns. If, however, the foster parents within the Traditional Foster Care –

Level 1 program are certified for pre-adoptive infant foster care all the way through medically fragile foster care, then mark an "X" under all of the levels of difficulty of care columns.

The following are definitions for the various levels of difficulty of care:

- a. Pre-Adoptive Infant Foster Home - A foster home for the care of a child who is in the custody of a PCSA or PCPA pursuant to an agreement entered into under section 5103.15 of the Revised Code regarding a child who was less than six months of age on the date the agreement was executed.
- b. Family Foster Home - A foster home that is not a treatment or medically fragile foster home.
- c. Treatment Foster Home - A foster home that incorporates special rehabilitative services designed to treat the specific needs of the children received in the foster home and that receives and cares for children who are emotionally or behaviorally disturbed, chemically dependent, mentally retarded, or developmentally disabled, or who otherwise have exceptional needs. Children with special or exceptional needs possess the following qualifications as specified in OAC Rule 5101:2-47-18:
 1. Special Needs: (a) Moderate emotional or behavioral management problems. These children may display a moderate degree of acting out marked by aggressiveness and/or delinquent behavior such as truancy or running away, substance abuse or any other emotional problems with the primary location of treatment being in the treatment foster home; or (b) A physical condition determined by a physician which requires specialized care.
 2. Exceptional Needs: (a) More severe emotional or behavioral management problems than those children with special needs. These children may display a high degree of impulsive and acting out behavior toward themselves or others which is often characterized by verbal and physical aggression; or have multiple and severe psychiatric, emotional and behavioral management problems ranging from personality disorders, severe mental retardation, or autism to aggression toward animals, others and self; sexual acting out, suicidal behaviors or ideation; or (b) Has a physical handicap or disability as determined by a physician which requires a high degree of care and supervision; or who requires medical or remedial services recommended by a physician or other licensed or certified professional for the maximum reduction of physical or mental disability and restoration of the child to his best possible functioning level; or (c) For whom a licensed or certified professional, including a psychologist or psychiatrist, licensed social worker or licensed professional counselor must be involved in the child's care on an as-needed basis, but at least on a semi-annual basis or who has a physical handicap or disability as determined by a physician which requires constant twenty-four hour a day supervision provided by a licensed/registered nurse or persons closely supervised or trained by a licensed/registered nurse or physician; and (d) For whom a licensed or certified professional, including a physician, psychiatrist, psychologist, licensed social worker or licensed professional counselor must be involved in the child's care on at least a monthly basis.
- d. Medically Fragile Foster Home - A foster home that provides specialized medical services designed to meet the needs of children with intensive health care needs who meet all of the following criteria:
 1. Under rules adopted by the department of job and family services governing payment under Chapter 5111 of the Revised Code for long-term care services, the children require a skilled level of care.
 2. The children require the services of a doctor of medicine or osteopathic medicine at least once a week due to the instability of their medical conditions.
 3. The children require the services of a registered nurse on a daily basis.
 4. The children are at risk of institutionalization in a hospital, skilled nursing facility, or intermediate care facility for the mentally retarded.
4. **Foster Parent Payments** - Enter the actual foster parent payment amount for the foster homes included on this worksheet for the reporting period. You must enter this cost on Foster Parent Payments line of the Personnel section under Direct Services.
5. **Case Management** - This category must be used when an agency staff member is providing Title IV-E reimbursable (see Instructions Section III (G)) case management services. **Note:** Although Title IV-E case management services are a direct service for the child and are reported under the Direct Service column of the Personnel section, such costs are allowable administrative costs (not maintenance) and are captured in the calculation of the Title IV-E

administration ceiling. Title IV-E case management costs include the following:

- a. The referral of a child for services;
- b. The preparation for and participation in judicial determinations;
- c. The arrangement of the placement of the child;
- d. The development, ongoing management, implementation, and supervision of the child's case plan, BUT NOT the cost of any therapeutic, treatment, or counseling services required thereunder;
- e. The preparation for and participation in case reviews;
- f. Agreements for recruiting and licensing foster homes;
- g. Supervision of the child's placement; and
- h. Assistance to the county children services worker for arranging discharge and after-care services.

Title IV-E case management services do not include Medicaid case management services that assist individuals eligible under the Medicaid state plan in gaining access to needed medical, social, educational, and other services identified in 42 CFR 440.

Medicaid program providers are reminded that although portions of Federal Register Vol. 72, No. 232, were rescinded, child welfare (foster care) related case management service costs should not be reported to Medicaid (via the UCR/047) but rather should be reported to Title IV-E (via the JFS 02911). Case Management/Community Psychiatric Supportive Treatment Program (CPST) service costs cannot be allocated to Title IV-E unless they are child welfare (foster care) related. Case Management/CPST services can be allocated to ODADAS and/or ODMH only if the program/service is certified by the appropriate agency and the costs are Medicaid case management services that assist individuals eligible under the Medicaid state plan in gaining access to needed medical, social, educational, and other services identified in 42 CFR 440.

When reporting Title IV-E Case Management services:

- a. Identify the number of applicable FTEs for all staff providing case management services (regardless of position title) for the specific PFC service.
- b. Group all case management service compensation (regardless of position title) for the specific PFC service and report the total on line two of the Personnel section under Case Management, Direct Services, both in the Annual Salary and the Direct Services Column. **Note:** Allocation to Title IV-E should not include costs that would be billable to Medicaid if your agency were a Medicaid provider.
- c. If no case management costs are reported for Title IV-E, please include an explanation in the cover letter of your JFS 02911 Single Cost Report submission stating why such costs were omitted (e.g., the county which placed the child is providing all case management related services or such services are billable through Medicaid via the ODADAS or ODMH Form A-1 (i.e., 047)).

6. **Salary and Wages** - These should be reported after the Case Management line item and before the Consultant line item in the Personnel section of the PFC Worksheet. If you run out of space to report job titles, you should group the remaining job titles and report the sum of the costs specific to the particular PFC service on the line item above the Consultant line item. You should title this line item "All Other Employees." This includes all Title IV-E reimbursable (see Instructions Section III (G)) compensation, paid or accrued, for services rendered during the period of the cost report. Compensation is allowable to the extent that the costs are reasonable for the services rendered and are supported by payroll vouchers or other generally accepted method of documentation. Payroll must be supported by time and attendance or equivalent records for individual employees. Compensation of employees chargeable to more than one service must be supported by documentation maintained by the provider that shows an equitable and appropriate distribution of time and effort. The value of volunteer services should not be included on this cost report. Contract consultants and substitute workers for whom no fringe benefits are paid are to be included in the Consultant line item.

When reporting compensation:

- a. List the actual job title, not the name of the employee. Abbreviations, but not acronyms, may be used. For example, "ch. care wrkr.," not "CCW" or "Exec. Dir.," not "E.D."
- b. Enter the number of full time equivalent (FTE - 2080 hours per year) positions in this program and distinguish between direct and support. Identical positions may be reported on the same line on the salary

page.

- c. Enter only the portion of an employee's compensation that is attributable to the service in the Annual Salary column of the Personnel section.
- d. Determine the amount of the annual salary for the position to be reported in direct services. Direct services are compensation costs associated with personnel who work directly with the children and can be assigned directly to a specific service within a program.
- e. Determine the amount of the annual compensation for the position to be reported in support services. Support services are salary costs that can be allocated to a specific service within a program excluding personnel direct costs.
- f. Total amount reported in the Annual Compensation column must equal the amount reported in the Total Reported column.
- g. Example of Purchased Foster Care (PFC) Services Personnel Information:

Personnel						
Title	No. of FTE's Direct	No. of FTE's Support	Annual Compensation	Direct Services	Support Services	Total Reported
Foster Parent Payments				\$500,000.00		\$500,000.00
Case Management	1.00		\$30,000.00	\$30,000.00		\$30,000.00
Director of Foster Care		0.50	\$30,000.00		\$30,000.00	\$30,000.00
Foster Care Secretary		0.50	\$10,000.00		\$10,000.00	\$10,000.00
Foster Home Manager	0.50	0.50	\$50,000.00	\$25,000.00	\$25,000.00	\$50,000.00

- 7. **Consultant** - Consultant and personal service contract fees are charges for the use of personal services provided by outside agencies or persons not on the regular payroll of the agency and for whom no fringe benefits are paid. Consultant costs that are reimbursable under Title IV-E (see Instructions Section III (G)) should be reported in the Annual Compensation column in total and further allocated between direct and support services. Consulting fees that are not reimbursable under Title IV-E should be reported as IV-E "Non-Reimbursable – Other," or to the appropriate ODADAS program and service or ODMH program and service. If the consulting costs being reported are not related to any of the previously mentioned programs the costs should be reported on the Total Agency Summary page under the "Other Services" program.
- 8. **Fringe Benefits** - Report the employer's share of fringe benefits associated with personnel costs reported in the Personnel section of the PFC worksheet. Reportable fringe benefits costs are Social Security, Medicare, Workers' Compensation, unemployment insurance, retirement, health insurance and any other fringe benefit payments. When employees are covered by professional liability insurance that is provided at the employer's expense, the cost of the insurance should be included as a fringe benefit. If professional liability insurance for the operating agency as a whole is obtained through a group policy, the cost of the group policy should be reported in the Non-Personnel section under Liability Insurance.
- 9. **Non-Personnel** - are non-payroll Title IV-E reimbursable (see Instructions Section III (G)) costs that can be allocated to a specific service within a program and must be reported in compliance with 2 CFR 225 or 2 CFR 230.
 - a. **Food (Special Diet)** - Report the total amount of special diet food purchased for the children included on the PFC worksheet. Special diet food should be reported only when the need for special diet food was determined by a licensed nutritionist or medical doctor and is included in the child's case plan.
 - b. **Clothing** - Report the total amount of clothing purchased for adequate clothing during the first sixty days of initial substitute care placement and ongoing clothing needs as a result of growth, seasonal changes, or attrition for the children included on the PFC worksheet.
 - c. **Graduation Expenses** – For PCPA or PNA, report the total amount of graduation expenses during the reporting period which are directly related to the graduation event including, but not limited to, class rings,

pictures, cap and gown, tuxedos, or prom gowns.

- d. **Liability Insurance (with respect to the child)** - Report the total amount of liability insurance that is purchased on behalf of foster parents to cover damages to the home or property of the foster parents and to cover harm done by a foster child to another party on the PFC worksheet. Only include the cost of liability insurance purchased for foster parents to cover the children included on the PFC services worksheet.
- e. **Other Consumables** - Report the total amount of other consumable supplies purchased for the specific PFC service. Other consumables are those items that are used up within one year. Excluding special diet food, clothing and graduation expenses as identified above, other consumable items including, but not limited to:
1. Food (non-special diet);
 2. Personal incidental items – such items include, but are not limited to:
 - a. Items related to personal hygiene.
 - b. Cosmetics.
 - c. Over-the-counter medications.
 - d. Infant and toddler supplies (e.g., high chairs, diapers).
 - e. Fees related to activities (e.g., Boy/Girl Scouts).
 - f. Special lessons (e.g., horseback riding).
 3. Allowances;
 4. Bedding;
 5. Household and kitchen supplies;
 6. Office supplies;
 7. Membership and subscriptions;
 8. School fees (non-graduation expenses);
 9. Reference materials;
 10. Printing and reproduction;
 11. Conference fees;
 12. Advertising for staff recruitment purposes;
 13. Mailing and postage;
 14. Reasonable and occasional cost of items for children such as tickets or other admission fees for sporting, entertainment or cultural events, or dues for clubs;
 15. Costs of staff that provide supervision to ensure the well being and safety of children at sporting, entertainment or cultural events are allowable even if the event has recreational components. However, the costs of staff merely accompanying the children but not for their supervision are not allowable; and,
 16. Any other costs incidental to the delivery of the Title IV-E reimbursable (see Instructions Section III (G)) service.
- f. **Facility Expense** - Report the total Title IV-E reimbursable (see Instructions Section III (G)) facility expense for the specific PFC worksheet. Facility expenses are those costs of owning, renting and operating a building. Claiming this cost depends on the type of ownership and should be reported as follows:
1. **Rental of Privately Owned Building** - Rental cost for space is allowable if the charge does not exceed the cost of comparable space and facilities in the same locality. The lease agreement must stipulate the extent of the lessor's responsibility for renovations. Major renovations which add to the permanent value of the property or appreciably prolong its life, the cost of which is borne by the provider, must be depreciated. If the rental or lease agreement is a less-than-arms length transaction, the agency may report only the rental amount up to the allowable amount as if the agency owned the building (e.g., depreciation amount). The difference in the actual rental cost and the allowable amount should be reported in the "Other" line item under the Non-Reimbursable section, of the specific PFC service worksheet.
 2. **Rental of Publicly Owned Building** - The rental cost of a publicly owned building is allowable if the charge does not exceed the cost of ownership. The rental charge includes the cost of service, maintenance, depreciation on the building, and depreciation of major renovation.
 3. **Use Allowance or Depreciation of Provider Owned Building** - The computation of use allowances or depreciation will be based upon acquisition cost. The computation will exclude (1) any cost borne by the federal government through other federal grant programs, (2) the cost of land, and (3) idle or excess facilities. The straight line method of depreciation must be used for building and capital improvements. In lieu of depreciation, a use allowance for buildings and improvements may be computed at an annual rate not exceeding two percent of acquisition costs.
 4. **Interest Cost** - The interest cost associated with otherwise allowable costs of building acquisition, construction, or fabrication, reconstruction or remodeling.

5. **Utilities** - Utility costs are those costs for heating, lighting, water, sewage, telephone, etc. Utility costs for related facilities are allowable if equitably distributed among services.
 6. **Property taxes for agency owned buildings** - Are the amount of property taxes paid for the building(s) included on the specific PFC worksheet.
 7. **Maintenance and Repair** - Are the costs of maintaining or making repairs to the building(s) in conjunction with facility expenses outlined above, provided they are not included as part of a rental agreement.
- g. **Insurance** - Report the total Title IV-E reimbursable (see Instructions Section III (G)) amount of insurance premiums purchased for the specific PFC worksheet subtracting any refunds or good performance allowances. Insurance premiums are, but not limited, to the following:
1. Liability (except for liability insurance purchased for foster parents as identified above);
 2. Property;
 3. Accident;
 4. Auto; and,
 5. Other.

The insurance costs above should cover the general conduct of activities to the extent that the cost is in accordance with sound business practices. Major losses incurred through lack of available insurance coverage would be considered an unallowable cost. However, the deductible portion of insurance coverage or minor uninsurable losses is allowable. The cost of insurance on the life of any officer or employee, for which the operating agency is beneficiary, is unallowable. Any unallowable costs for the purchase of insurance should be reported on the Non-Reimbursable - Unallowable line of the specific PFC service worksheet in which it applies. Insurance which is allowable, but not reimbursable under Title IV-E, should be reported under Non-Reimbursable – Other. The cost of individual employee health or life insurance is not to be entered here, but should be entered on the Fringe Benefits line.

- h. **Transportation/Travel** - Report the total Title IV-E reimbursable (see Instructions Section III (G)) amount of the operating and maintenance costs of any agency owned vehicles for the specific PFC worksheet. Transportation Costs are, but not limited to, the following:
1. Gas;
 2. Oil;
 3. Maintenance;
 4. Staff Mileage;
 5. Travel to Conferences/Meetings which pertain to the PFC service or operation of the provider;
 6. Purchased Transportation from a public carrier (i.e., bus tickets, taxi fare, etc.); and,
 7. Other.

- i. **Equipment Expense** - Report the total Title IV-E reimbursable (see Instructions Section III (G)) amount of equipment expense for the specific PFC worksheet. Equipment costs include, but are not limited to, the following:
1. **Expendable Equipment** - Any item or group of items having a useful life of less than one year and an acquisition cost of less than \$5,000 or a more restrictive local policy. List only those items which were purchased during the period covered by the cost report and are not included as depreciated equipment.
 2. **Leased and Rented Equipment** - Leased or rented equipment utilized during the reporting period by the service listed on the PFC worksheet.
 3. **Depreciated Equipment** - Depreciable equipment is any article (or groupings) of nonexpendable, tangible personal property purchased for more than \$5,000 and has a useful life in excess of one year. Depreciated equipment must be documented by adequate property records to ensure that assets exist and are usable and needed. Adequate depreciation records indicating the amount of depreciation taken must be maintained by the provider. Depreciation must be calculated using the straight line method of depreciation. If the agency has a more restrictive depreciation policy, (i.e., items costing less than \$5,000 and having a useful life of more than one year) the agency should follow that depreciation policy when calculating depreciation.
 4. **Maintenance and Repair** - The cost of keeping equipment in efficient operating condition which may include the cost of an equipment maintenance contract.

- j. **Training** – Includes the costs of conducting foster parent training (cost to agency) and the total stipend payments (amount paid to foster parents) for the period. Note: These are costs which are typically reported on Form JFS 01350 Foster Caregiver Training Stipend and Recommending Agency Training Allowance Invoice. Report the total expense related to foster parent training and stipend payments for the specific PFC Services worksheets. **Do not offset this expense by revenue received from ODJFS via completion of Form JFS 01350 noted above.**
10. **Administrative Overhead** - Personnel or non-personnel costs that are incurred for common or joint objectives and cannot be attributed to a specific service within a program, (e.g., salary, fringe benefits, rent, depreciation, utilities, supplies, equipment, etc.) Do not include administrative overhead costs on the specific PFC worksheet. To report administrative overhead costs, complete the Allocation of Administrative Overhead Costs worksheet. Once this worksheet is completed, the administrative overhead costs allocated to the specific PFC service worksheet will be calculated automatically. See Allocation of Administrative Overhead Costs Worksheet section for instructions for reporting administrative overhead costs.
 11. **Non-Reimbursable Costs** - Costs that are non-reimbursable under the Title IV-E program or are unallowable.
 - a. **Behavioral Health** - Behavioral health care costs are the costs associated with Alcohol and Drug and Mental Health services that are non-reimbursable under Title IV-E, (e.g., costs of providing counseling, therapy or medical services not reimbursable under Title IV-E). If the agency is not certified nor licensed by ODADAS or ODMH, do not report these costs on the ODADAS or ODMH service worksheets. Report these costs on the specific PFC worksheet in the Behavioral Health line item. If the agency is certified and/or licensed by ODADAS and/or ODMH, report these costs on the appropriate ODADAS or ODMH services worksheets.
 - b. **Other** - Report the amount of allowable, non-reimbursable costs which have been offset or reimbursed through other funding mechanisms (e.g., USDA revenue;) but are associated directly with the specific PFC service worksheet.
 - c. **Unallowable** - Report the amount of costs that are deemed unallowable according to the Code of Federal Regulations (2 CFR 225 and/or 2 CFR 230) but are associated directly with the specific PFC service worksheet. Respite care payments are also unallowable and should be reported in this line item (see Section III (H)).
 12. **Statistics** - Compute the actual census of child-care days provided during the reporting period and enter the result in the space provided. The total census of child-care days is the total accumulated number of children for which costs are reported on the specific PFC service worksheet for each day of the reporting period. When computing census, include either the day the child entered the agency's care or the day the child left the agency's care, not both. If a child is temporarily absent (e.g., AWOL, hospitalized, or on leave due to a trial reunification visit) from a placement setting and the child's placement continues with the same provider agency (e.g. ABC Foster Care, Inc.), such placement setting days should be included in the service's census count if the provider agency is compensated by the placing agency (i.e. county) for the days the child was absent. If, however, the provider agency is not compensated for the days the child was absent, then such placement setting days should not be included in the service's census count. For respite care days, if payments were made to the original foster home in which the child was on temporary leave from with the intent for the child to return to this foster home and such costs were reported in the Non-Reimbursable, Unallowable line, do not include the respite care days in the service's census count. The only exception to this is if you paid the foster home in which the child was temporarily placed with the intent of returning the child to the original foster home and this cost was reported in the foster parent payment line item; if so, the associated census days should be included in the service's census count.
 13. **Title IV-E Reimbursement Ceilings** - no input is required by the cost report preparer. This protected cell will display the Title IV-E Administration Ceiling as calculated and reflected on the Title IV-E Reimbursement Ceilings and Cost Per Diem Calculations worksheet.

E. RESIDENTIAL SERVICES

The Residential (RES) service worksheets are to be used in reporting actual costs incurred in the operation of a children's residential center, group home, or residential parenting facility. The costs for purchased foster care are not to be reported on the RES service worksheets. A separate RES service worksheet must be completed for each children's residential center. If an agency operates both a children's residential center and group home program, separate RES service worksheets must be completed for each type of facility.

An agency operating more than one group home offering the same or similar services may combine the costs of the similar facilities on one RES service worksheet. Because each RES service worksheet establishes Title IV-E reimbursement ceilings for all facilities included on the worksheet, an agency which operates several group homes which offer substantially different levels of care with correspondingly different costs should complete a separate RES service worksheet for each facility or group

of similar facilities. Only similar group homes should be included on one RES service worksheet.

Completing the RES Worksheet(s):

1. **Agency Name, Prepared By, Date Prepared, and Reporting Period** – These will be updated automatically from the Identifying Information for Operating Agency worksheet. If the reporting period for the specific residential service is different due to the residential service being new during the state fiscal year reporting period, type in the actual reporting period for the specific residential service on the worksheet in the space provided.
2. **Facility Type** - To identify the facility type for the specific residential worksheet, put an “X” next to Private Non-Profit, Private For-Profit or Public. Secondly, put an “X” next to Residential Center, Group Home or Residential Parenting Facility.
3. **Service Name, Provider Number and Licensed Capacity** - Type this information in the space provided. For service name, please indicate the service description name as entered in the Statewide Automated Child Welfare Information System (SACWIS). Because you may report costs for similar group homes on one residential worksheet, we have provided enough space to identify up to ten group homes on one residential worksheet. When typing in more than one group home on a specific residential worksheet, type from top to bottom. If you have more than five group homes to report on a specific residential worksheet, the sixth should be identified to the right of the first five.
4. **Case Management** - This category should must be used when an agency staff member is providing Title IV-E reimbursable (see Instructions Section III (G)) case management services. **Note:** Although Title IV-E case management services are a direct service for the child and are reported under the Direct Service column of the Personnel section, such costs are allowable administrative costs and are captured in the calculation of the Title IV-E administration ceiling. Title IV-E case management costs include the following:
 - a. The referral of a child for services;
 - b. The preparation for and participation in judicial determinations;
 - c. The arrangement of the placement of the child;
 - d. The development, ongoing management, implementation, and supervision of the child's case plan, BUT NOT the cost of any therapeutic, treatment, or counseling services required thereunder;
 - e. The preparation for and participation in case reviews;
 - f. Agreements for recruiting and licensing foster homes;
 - g. Supervision of the child's placement; and
 - h. Assistance to the county children services worker for arranging discharge and after-care services.

Medicaid program providers are reminded that although portions of Federal Register Vol. 72, No. 232, were rescinded, child welfare (foster care) related case management service costs should not be reported to Medicaid (via the UCR/047) but rather should be reported to Title IV-E (via the JFS 02911). Case Management/Community Psychiatric Supportive Treatment Program (CPST) service costs cannot be allocated to Title IV-E unless they are child welfare (foster care) related. Case Management/CPST services can be allocated to ODADAS and/or ODMH only if the program/service is certified by the appropriate agency and the costs are Medicaid case management services that assist individuals eligible under the Medicaid state plan in gaining access to needed medical, social, educational, and other services identified in 42 CFR 440.

When reporting Title IV-E Case Management services:

- a. Identify the number of applicable FTEs for all staff providing case management services (regardless of position title) for the specific residential service.
- b. Group all case management service salaries (regardless of position title) for the specific residential service and report the total on line one of the Personnel section under Case Management, Direct Services, both in the Annual Salary and Direct Services Column. **Note:** Allocations to Title IV-E should not include costs that otherwise would be billable to Medicaid if your agency was a Medicaid provider.
- c. If no case management costs are reported for Title IV-E, please include an explanation in the cover letter of your JFS 02911 Single Cost Report submission stating why such costs were omitted (e.g., the county which placed the child is providing all case management related services or such services are billable through Medicaid via the ODADAS or ODMH Form A-1 (i.e., 047)).

5. **Salary and Wages** - These should be reported after the case management line item and before the Consultant line item in the Personnel section of the Residential Worksheet. If you run out of space to report job titles, you should group the remaining job titles and report the sum of the costs specific to the particular RES service on the line item above the Consultant line item. You should title this line item "All Other Employees." This includes all Title IV-E reimbursable (see Instructions Section III (G)) compensation, paid or accrued, for services rendered during the period of the cost report. Compensation is allowable to the extent that the costs are reasonable for the services rendered and are supported by payroll vouchers or other generally accepted method of documentation. Payroll must be supported by time and attendance or equivalent records for individual employees. Compensation of employees chargeable to more than one service must be supported by documentation maintained by the provider that shows an equitable and appropriate distribution of time and effort. The value of volunteer services should not be included on this cost report. Contract consultants and substitute workers for whom no fringe benefits are paid are to be included in the Consultant line item.

When reporting salary and wages:

- List the actual job title, not the name of the employee. Abbreviations, but not acronyms, should be used. For example, use "ch. care wrkr.", not "CCW;" and "Exec. Dir.," not "E.D."
- Enter the number of full time equivalent (FTE - 2080 hours per year) positions in this program and distinguish between direct and support. Identical positions may be reported on the same line on the compensation page.
- Enter only the portion of an employee's salary that is attributable to the service in the Annual Compensation column of the Personnel section.
- Determine the amount of the annual compensation for the position to be reported in direct services. Direct services are salary costs associated with personnel who work directly with the children and can be assigned directly to a specific service within a program.
- Determine the amount of the annual compensation for the position to be reported in support services. Support services are salary costs that can be allocated to a specific service within a program excluding personnel direct costs.
- Total amount reported in the "Annual Salary" column must equal the amount reported in the "Total Reported" column.

Example of Residential (RES) Services Personnel Information:

Personnel						
Title	No. of FTE's Direct	No. of FTE's Support	Annual Compensation	Direct Services	Support Services	Total Reported
Case Management	1		\$35,000.00	\$35,000.00		\$35,000.00
Child Care Worker	20.00		\$600,000.00	\$600,000.00		\$600,000.00
Executive Director	0.25	0.75	\$100,000.00	\$25,000.00	\$75,000.00	\$100,000.00
Secretary		0.50	\$15,000.00		\$15,000.00	\$15,000.00
Child Care Supervisor	0.50	0.50	\$100,000.00	\$50,000.00	\$50,000.00	\$100,000.00
Registered Nurse	0.20	0.10	\$12,000.00	\$2,400.00	\$1,200.00	\$3,600.00
Maintenance Tech		0.50	\$10,000.00		\$5,000.00	\$5,000.00

6. **Consultant** - Consultant and personal service contract fees are charges for the use of personal services provided by outside agencies or persons not on the regular payroll of the agency and for whom no fringe benefits are paid. Consultant costs that are reimbursable under Title IV-E (see Instructions Section III (G)) should be reported in the "Annual Salary" column in total and further allocated between direct and support services. Consulting fees that are not reimbursable under Title IV-E should be reported on the Non-Reimbursable - Other line, or to the appropriate ODADAS program and service or ODMH program and service. If the consulting costs being reported are not related to any of the previously mentioned programs the costs should be reported on the Total Agency Summary page under the "Other Services" program.

7. **Fringe Benefits** - Report the employer's share of fringe benefits associated with personnel costs reported in the Personnel section of the residential worksheet. Reportable fringe benefits costs are Social Security, Medicare, Workers' Compensation, unemployment insurance, retirement, health insurance and any other fringe benefit payments. When employees are covered by professional liability insurance that is provided at the employer's expense, the cost of the insurance should be included as a fringe benefit. If professional liability insurance for the operating agency as a whole is obtained through a group policy, the cost of the group policy should be reported in the Non-Personnel section under Liability Insurance.
8. **Non-Personnel** - are non-compensation Title IV-E reimbursable (see Instructions Section III (G)) costs that can be allocated to a specific service within a program and must be reported in compliance with 2 CFR 225 or 2 CFR 230.
- a. **Food (Special Diet)** - Report the total amount of special diet food purchased for the children included on the residential worksheet. Special diet food should be reported only when the need for special diet food was determined by a licensed nutritionist or medical doctor and is included in the child's case plan.
- b. **Clothing** - For PCPA, PNA, and PCSA or Title IV-E agencies who have not claimed these costs on the JFS 01925 or SACWIS equivalent, report the total amount of clothing purchased for adequate clothing during the first sixty days of initial substitute care placement as well as ongoing clothing needs as a result of growth, seasonal changes, or attrition for the children included on the RES worksheet.
- If the PCSA or Title IV-E agency claimed these costs on the JFS 01925 or SACWIS equivalent during the reporting period, report on the Non-Reimbursable - Other line the total amount of clothing purchased for adequate clothing during the first sixty days of initial substitute care placement as well as ongoing clothing needs as a result of growth, seasonal changes, or attrition during the reporting period on behalf of Title IV-E eligible children. Reimbursement of such expenses for Title IV-E eligible children may be sought by the PCSA or Title IV-E agency through completion of the JFS 01925 Monthly FCM Invoice or SACWIS equivalent. For clothing purchases incurred on behalf of non-Title IV-E eligible children; those not claimed on the JFS 01925 or SACWIS equivalent and/or for general inventory purposes, report such expenses on the JFS 02911 on the Non-Personnel, Clothing line.
- c. **Graduation Expenses** - For PCPA or PNA and PCSA or Title IV-E agencies who have not claimed these costs on the JFS 01925 or SACWIS equivalent, report the total amount of graduation expenses incurred during the reporting period which are directly related to the graduation event including, but not limited to, class rings, pictures, cap and gown, tuxedos, or prom gowns for the children included on the RES worksheet.
- If the PCSA or Title IV-E agency claimed these costs on the JFS 01925 or SACWIS equivalent during the reporting period, report on the Non-Reimbursable, Other line the total amount of graduation expenses incurred during the reporting period on behalf of Title IV-E eligible children for items which are directly related to the graduation event including, but not limited to, class rings, pictures, cap and gown, tuxedos, or prom gowns. Reimbursement of such expenses for Title IV-E eligible children may be sought by the PCSA or Title IV-E agency through completion of the JFS 01925 Monthly FCM Invoice or SACWIS equivalent. For graduation expenses incurred on behalf of non-Title IV-E eligible children; those not claimed on the JFS 01925 or SACWIS equivalent and/or for general inventory purposes, report such expenses on the JFS 02911 on the Non-Personnel, Graduation Expenses line.
- d. **Liability Insurance (with respect to the child)** - Report on the RES worksheet the total amount of liability insurance that is purchased to cover damages by a child to the residential facility/property and/or to cover harm done by a child to another individual. Include only the portion of the cost of liability insurance purchased to cover the children included on the RES worksheet.
- e. **Other Consumables** - Report the total amount of other consumable supplies purchased for the specific Residential worksheet. Other consumables are those items that are used up within one year. Excluding special diet food, clothing and graduation expenses as identified above, other consumable items include, but not limited to:
1. Food (non-special diet);
 2. Personal incidental items – such items include, but are not limited to:
 - a. Items related to personal hygiene.
 - b. Cosmetics.
 - c. Over-the-counter medications.
 - d. Infant and toddler supplies (e.g., high chairs, diapers).
 - e. Fees related to activities (e.g., Boy/Girl Scouts).
 - f. Special lessons (e.g., horseback riding).

For PCPA or PNA and PCSA or Title IV-E agencies who have not claimed these costs on the JFS

01925 or SACWIS equivalent, report the total amount of personal incidental item expenses for the children included on the RES worksheet.

If the PCSA or Title IV-E agency claimed these costs on the JFS 01925 or SACWIS equivalent during the reporting period, report on the Non-Reimbursable, Other line the total amount of personal incidental item expenses incurred during the reporting period on behalf of Title IV-E eligible children. Reimbursement of such expenses for Title IV-E eligible children may be sought by the PCSA or Title IV-E agency through completion of the JFS 01925 Monthly FCM Invoice or SACWIS equivalent. For personal incidental item expenses incurred on behalf of non-Title IV-E eligible children; those not claimed on the JFS 01925 or SACWIS equivalent and/or for general inventory purposes, report such expenses on the JFS 02911 on the Non-Personnel, Other Consumables line.;

3. Allowances;
4. Bedding;
5. Household and kitchen supplies;
6. Office supplies;
7. Membership and subscriptions;
8. School fees (non-graduation expenses);
9. Reference materials;
10. Printing and reproduction;
11. Conference fees;
12. Advertising for staff recruitment purposes;
13. Mailing and postage;
14. Reasonable and occasional cost of items for children such as tickets or other admission fees for sporting, entertainment or cultural events, or dues for clubs;
15. Costs of staff that provide supervision to ensure the well being and safety of children at sporting, entertainment or cultural events are allowable even if the event has recreational components. However, the costs of staff merely accompanying the children but not for their supervision are not allowable; and,
16. Any other costs incidental to the delivery of Title IV-E reimbursable (see Instructions Section III (G)) service.

f. **Facility Expense** - Report the Title IV-E reimbursable (see Instructions Section III (G)) facility expense for the specific Residential worksheet in direct and/or support services. Facility expenses are those costs of owning, renting and operating a building. Claiming this cost depends on the type of ownership and should be reported as follows:

1. **Rental of Privately Owned Building** - Rental cost for space is allowable if the charge does not exceed the cost of comparable space and facilities in the same locality. The lease agreement must stipulate the extent of the lessor's responsibility for renovations. Major renovations which add to the permanent value of the property or appreciably prolong its life, the cost of which is borne by the provider, must be depreciated. If the rental or lease agreement is a less-than-arms length transaction, the agency may report only the rental amount up to the allowable amount as if the agency owned the building (e.g., depreciation amount). The difference in the actual rental cost and the allowable amount should be reported in the "Other" line item under the Non-Reimbursable section of the specific Residential worksheet.
2. **Rental of Publicly Owned Building** - The rental cost of a publicly owned building is allowable if the charge does not exceed the cost of ownership. The rental charge includes the cost of service, maintenance, depreciation on the building, and depreciation of major renovation.
3. **Use Allowance or Depreciation of Provider Owned Building** - The computation of use allowances or depreciation will be based upon acquisition cost. The computation will exclude (1) any cost borne by the federal government through other federal grant programs, (2) the cost of land, and (3) idle or excess facilities. The straight line method of depreciation must be used for building and capital improvements. In lieu of depreciation, a use allowance for buildings and improvements may be computed at an annual rate not exceeding two percent of acquisition costs.
4. **Interest Cost** - The interest cost associated with otherwise allowable costs of building acquisition, construction, or fabrication, reconstruction or remodeling.
5. **Utilities** - Utility costs are those costs for heating, lighting, water, sewage, telephone, etc. Utility costs for related facilities are allowable if equitably distributed among services.
6. **Property taxes for agency owned buildings** - Are the amount of property taxes paid for the building(s) included on the specific Residential worksheet.

7. **Maintenance and Repair** - Are the costs of maintaining or making repairs to the building(s) in conjunction with facility expenses outlined above, provided they are not included as part of a rental agreement.

g. **Insurance** - Report the total Title IV-E reimbursable (see Instructions Section III (G)) amount of insurance premiums purchased for the specific residential worksheet subtracting any refunds or good performance allowances. The following insurance premiums are, but not limited to the following:

1. Property;
2. Accident;
3. Auto;
4. Liability; and
5. Other

The insurance costs above should cover the general conduct of activities to the extent that the cost is in accordance with sound business practices. Major losses incurred through lack of available insurance coverage would be considered an unallowable cost. However, the deductible portion of insurance coverage or minor uninsurable losses is allowable. The cost of insurance on the life of any officer or employee, for which the operating agency is beneficiary, is unallowable. Any unallowable costs for the purchase of insurance should be reported on the Non-Reimbursable, Unallowable line of the specific RES service worksheet in which it applies. The cost of individual employee health or life insurance is not to be entered here, but should be entered on the Fringe Benefits line.

h. **Transportation/Travel** - Report the total Title IV-E reimbursable (see Instructions Section III (G)) amount of the operating and maintenance costs of any agency owned vehicles for the specific Residential worksheet. Transportation Costs are, but not limited to, the following:

1. Gas;
2. Oil;
3. Maintenance;
4. Staff Mileage;
5. Travel to Conferences/Meetings which pertain to the Residential service or operation of the provider;
6. Purchased Transportation from a public carrier (i.e., bus tickets, taxi fare, etc.); and
7. Other.

i. **Equipment Expense** - Report the total Title IV-E reimbursable (see Instructions Section III (G)) amount of equipment expense for the specific Residential worksheet. Equipment costs are, but not limited to, the following:

1. **Expendable Equipment** - Any item or group of items having a useful life of less than one year and an acquisition cost of less than \$5,000 or a more restrictive local policy. List only those items which were purchased during the period covered by the cost report.
2. **Leased and Rented Equipment** - Leased or rented equipment utilized during the reporting period by the service listed on the residential worksheet.
3. **Depreciated Equipment** - Depreciable equipment is any item or group of items purchased for more than \$5,000 and has a useful life in excess of one year. Depreciated equipment must be documented by adequate property records to ensure that assets exist and are usable and needed. Adequate depreciation records indicating the amount of depreciation taken must be maintained by the provider. Depreciation must be calculated using the straight line method of depreciation. If the agency has a more restrictive depreciation policy, (i.e., items costing less than \$5,000 and having a useful life of more than one year) the agency should follow that depreciation policy when calculating depreciation.
4. **Maintenance and Repair** - The cost of keeping equipment in efficient operating condition which may include the cost of an equipment maintenance contract.

9. **Administrative Overhead** - Personnel or non-personnel costs that are incurred for common or joint objectives and cannot be attributed to a specific service within a program, (e.g., salary, fringe benefits, rent, depreciation, utilities, supplies, equipment, etc.) Do not include administrative overhead costs on the specific residential worksheet. To report administrative overhead costs, complete the Allocation of Administrative Overhead Costs worksheet. Once this worksheet is completed, the administrative overhead costs allocated to the specific residential worksheet will be calculated automatically. See Allocation of Administrative Overhead Costs Worksheet section for instructions for reporting administrative overhead costs.

10. **Non-Reimbursable Costs** - Costs that are non-reimbursable under the Title IV-E program or are unallowable.
- a. **Behavioral Health** - Behavioral health care costs are the costs associated with Alcohol and Drug and Mental Health services that are non-reimbursable under Title IV-E, (e.g., costs of providing counseling, therapy or medical services not reimbursable under Title IV-E). If the agency is not certified nor licensed by ODADAS or ODMH, do not report these costs on the ODADAS or ODMH service worksheets. Report these costs on the specific residential worksheet in the Behavioral Health line item. If the agency is certified and/or licensed by ODADAS and/or ODMH, report these costs on the appropriate ODADAS or ODMH services worksheets.
 - b. **Other** - Report the amount of allowable, non-reimbursable costs which have been offset or reimbursed through other funding mechanisms (e.g., USDA revenue; Form JFS 01925 Monthly FCM Invoice or SACWIS equivalent (PCSA or Title IV-E agency only); cost of educating youth) but are associated directly with the specific RES service worksheet.
 - c. **Unallowable** - Report the amount of costs that are deemed unallowable according to the Code of Federal Regulations (2 CFR 225 and/or 2 CFR 230) but are associated directly with the specific RES service worksheet.
11. **Statistics** - Compute the actual census of child-care days provided during the reporting period, and enter the result in the space provided. The total census of child-care days is the total accumulated number of children for which costs are reported on the specific RES service worksheet for each day of the reporting period. When computing census, include either the day the child entered the agency's care or the day the child left the agency's care, not both. If a child is temporarily absent (e.g., AWOL, hospitalized, or on leave due to a trial reunification visit) from a placement setting and the child's placement continues with the same provider agency (e.g. ABC Group Home, Inc.), such placement setting days should be included in the program's census count if the provider agency is compensated by the placing agency (i.e. county) for the days the child was absent. If, however, the provider agency is not compensated for the days the child was absent, then such placement setting days should not be included in the program's census count.
12. **Title IV-E Reimbursement Ceilings** - no input is required by the cost report preparer. This protected cell will display the Title IV-E Maintenance and Administration Ceilings as calculated and reflected on the Title IV-E Reimbursement Ceilings and Cost Per Diem Calculations worksheet.
13. **Facility Address Information** - Program/Service Name(s) and Provider Numbers identified at the top of the RES worksheet will automatically populate the cells in this section. Preparers must identify the address, city, state, and zip code for each program/service name shown. Additionally, preparers must identify the State Licensing Agency (ex., ODJFS, ODADAS, ODMH, etc.) which has issued a license certifying the residential site; a copy of the residential license must accompany the JFS 02911 Single Cost Report filing (see Filing the JFS 02911" Single Cost Report" at the end of the cost report instructions).

F. **Title IV-E Reimbursement Ceilings and Cost Per Diem Calculations** - The information contained on this worksheet is updated automatically from the specific PFC and RES service worksheets. This page will identify the reimbursement ceilings calculated for each Title IV-E program service worksheet completed as well as identify the cost per diem calculations for the following: Maintenance, Administration, Case Management, Transportation, Other Direct Services, Behavioral Health and Other. The reimbursement ceilings and the cost per diem calculations include the inflation factor calculated annually by ODJFS.

G. **ODADAS Services**

The ODADAS services worksheets are to be used in reporting actual costs incurred in providing a specific service within the ODADAS program. The costs for ODADAS services should be reported on the ODADAS Uniform Cost Report. The following instructions, as reflected in OAC Rule 3793:2-1-09, Appendix A, detail how to complete the ODADAS Uniform Cost Report:

1. **INTRODUCTION**

The purpose of this section is to detail the cost finding principles that must be followed when a UCR is being completed. Also included are the recommended forms to be used when completing a UCR and the format in which the UCR must be submitted. This appendix will provide instructions for the proper completion of all forms.

The UCR has been designed to report all costs, regardless of payor/program. When costs associated with a particular service (for example room and board) benefit multiple programs, an allocation methodology must be used to prevent duplicating reporting of those costs. For example, a program provides room and board service to children. If, historically, 25% of those kids received their room and board service as part an AOD residential program and 75% of those children received their room and board service through the Title IV-E program, therefore when completing a UCR, 25% of the room and board service costs and units should be reported on the AOD "Room and Board" service

line and 75% of the room and board service costs should be reported in the "Title IV-E Services" line.

2. **GENERAL PRINCIPLE**

"Form A-1, Uniform Cost Report (UCR)" is the summary of the entire cost reporting process. The UCR has been designed to calculate an allowable cost of providing a unit of service. This is found in column 12. The following represents the formula for this calculation for each service being expensed:

Allowable Cost per Unit (column 12) = Total Allowable Costs (column 11) divided by the Number of Units (column 2)

3. **INSTRUCTIONS**

a. **Reporting service volume, (i.e. number of units provided by service).**

The cost reporting process is essentially composed of two separate components which include the proper allocation of all costs into the various service categories and the documentation of service volume, (i.e. the type of services and the number of units for each service type), that were produced by the allocated costs.

Types of services and unit definitions

The types of services, referred to as the service taxonomy, ODADAS certified/licensed AOD programs may provide are listed in column 1 "Service Taxonomy and MACSIS Procedure Codes" of the UCR.

For the following service, a unit is defined as a visit and is always reported as one:

Medication Assisted Treatment

For the following services, a unit is defined as one day and there are no fractions of a unit, only reportable in whole units:

23 Hour Observation Bed
Acute Hospital Detoxification
Ambulatory Detoxification
Behavioral Health Medical Community Residential Treatment - Hospital Setting
Behavioral Health Medical Community Residential Treatment - Non-Hospital Setting
Behavioral Health non-Medical Community Residential Treatment
Intensive Outpatient
Medical Community Residential Treatment - Hospital Setting
Medical Community Residential Treatment - Non-Hospital Setting
Non-Medical Community Residential Treatment
Room and Board
Sub-Acute Detoxification

For the following services, a unit is defined as an hour and there may be fractions of a unit, reportable in six minute increments represented by tenths:

Alcohol and/or Substance Abuse Services Not Otherwise Classified
Alternatives
Assessment
Behavioral Health Hotline
Behavioral Health Outreach
Case Management
Childcare
Community Based Process
Consultation
Crisis Intervention
Education
Environmental
Information Dissemination
Intervention
Medical/Somatic
Problem Identification and Referral
Referral and Information
Training

For the following services, a unit is defined as 15 minutes and there are no fractions of a unit, only reportable in whole units:

Family Counseling
Group Counseling
Individual Counseling

For the following services, a unit is defined as a screen (regardless of number of panels) and there are no fractions of a unit, only reportable in whole units:

Laboratory Urinalysis
Urine Dip Screening

For the following service, a unit is defined as one dose and there are no fractions of a unit, only reportable in whole units:

Methadone Administration

For the following service, a unit is defined as one meal and there are no fractions of a unit, only reportable in whole units:

Meals

For the following service, a unit is defined as one month and there are no fractions of a unit, only reportable in whole units:

Transportation

For the following services, a unit is defined as one and there are no fractions of a unit, only reportable in whole units:

DIP - 48 Hour Residential
DIP - 72 Hour Residential
DIP - Non-Residential

The first step in completing a UCR is to document the number of service units actually provided for each service during the SFY the UCR is covering.

When completing a budgeted UCR, the units are established according to historical data in conjunction with service planning activities. These unit totals should be entered into column 2 "number of units" of the UCR.

When completing an actual UCR, it is recommended that all AOD programs or their owner(s) have a management information system that tracks the number of units produced (by service) throughout the SFY regardless of the anticipated or actual payor source of the units in order to produce a report that documents the total number of units for all service types provided in the SFY being expensed. The results of this report should be entered into column 2 "number of units" of the UCR.

b. **Determining and Allocating Direct Service Costs, Support Service Costs and Administrative Personnel Costs**

1. **General information**

When completing a UCR, either budget or actual, all cost information should be rounded to the nearest hundredth (penny).

Payroll information or other supporting documentation must be able to capture and allocate personnel costs into the following cost categories:

Direct Service Personnel Costs - Direct service personnel costs shall represent the full salary and benefit cost of those personnel who provide direct services to the clients. These costs would include the total paid time for each position, minus the value of any time allocated to the provision of clinical supervision, program oversight or administration, or quality assurance by a clinician who has primary or significant responsibility in these areas (which are items that require the expertise of a licensed clinical person; but which also represent staff time that is not available for direct client care). Total paid time includes that time spent in delivering a unit of service as well as the time for that position which may be devoted to paperwork, vacation, meetings, etc.

Support Service Personnel Costs - Support service personnel costs are those personnel

costs that directly support a specific AOD service or services. Examples of these costs include, but are not limited to, clerical staff for an outpatient program, or dietary staff for a residential program. Support service personnel costs also include the value of any direct care staff time allocated to the provision of clinical supervision, program oversight or administration, or quality assurance by a clinician who has primary or significant responsibility in these areas.

Administrative Overhead Costs - Administrative overhead costs are those personnel and non-personnel costs that benefit the agency as a whole and cannot be allocated to a specific service or services. Examples of administrative overhead costs specific to personnel include, but are not limited to, the personnel costs of the chief financial officer and the personnel costs of the maintenance staff for the entire agency.

These personnel cost categories are defined in paragraphs (H)(3), (H)(4), and (H)(6) of OAC Rule 3793:2-1-09.

In addition to separating the costs into the above cost categories, the documentation must also accurately allocate the Direct Service Personnel Costs and Support Service Personnel Costs among the various alcohol and other drug services for the SFY being expensed.

2. **Personnel Services Costs Worksheet, Form A-2**

The "Alcohol and Other Drug Services Personnel Services Costs Worksheet," Form A-2 of this section or its equivalent (e.g., a spreadsheet containing the same information), must be completed for the reporting and allocating of all personnel time and/or costs during the SFY being expensed.

This form provides a method for allocating personnel time and/or costs among the direct and support service categories for all services being expensed. Note that at this step in the reporting process, the administrative personnel costs are treated in the same manner as Support Service costs.

3. **Instructions for completion of Form A-2**

When completing Form A-2 for budgeting purposes, historical payroll, contract and other personnel service records should be used to create the report. When completing Form A-2 for actual purposes, the actual payroll, contract and other personnel service records for the SFY being expensed should be used.

From these records, it is recommended a report be produced that accounts for total incurred costs and/or hours worked for each employee. The total personnel costs must agree with the financial statements and will be used to verify that all costs and/or hours have been allocated among the various cost categories in the cost reporting process.

From either the report referenced above, or some other supporting documentation, the hours and/or costs of each employee must be separated into direct service or support service hours and costs (as defined in paragraphs (H) (3) and (4) of OAC Rule 3793:2-1-09), remembering that administrative personnel costs must be classified as a support service cost at this point in the cost reporting process.

The next step is that all direct and support hours worked and/or costs incurred are required to be further allocated to the various services that are included in the cost report.

Once this information has been documented, complete Form A-2 by following these steps:

The position title of each employee is entered into column 1 of Form A-2. If there are multiples of the same position, enter the position title as many times as necessary (i.e. If there are three chemical dependency counselor positions, enter chemical dependency counselor on three rows in column 1).

Column 2 is the minimum educational level necessary to perform the duties of the position. Acceptable entries are: ND for non-degreed, B for a Bachelor's degree, M for a Master's degree and D for a Doctoral degree (D.O., M.D. or Ph.D.).

Utilizing a report that accounts for total incurred costs and/or hours paid for each employee for the SFY being expensed, the total incurred personnel costs, including fringe benefits is entered into column 3 for each position listed.

Utilizing the payroll records for the SFY being expensed, enter the total hours, including overtime, to be worked or actually worked (calculated using the accrual method of accounting) for each position into column 4.

For each service that is being expensed, place the name of the service at the top of a separate column 5. These names must match the service names in column 1 of the UCR. Make as many column 5s as are necessary for the services being expensed, including administration as a service.

The total costs and/or the total hours should be allocated among the various services by cost category, (i.e. direct service or support service). Be certain that all of the hours and all of the costs have been allocated.

The final step in the completion of Form A-2 is to sum columns 3, 4, and the eight sub columns in all column 5s. Place these sums in the appropriate space on the "TOTALS" row.

4. **Reporting of Personnel hours and costs on the UCR**

The sum of column 3 of Form A-2 represents the total personnel costs and must balance to the financial statements. The sum of column 4 of Form A-2 divided by the total hours (using the accrual method of accounting) a FTE should work during the SFY being expensed represents the total FTEs and must equal the sum of columns 3 (a) and (b) of the "totals for agency" row on the UCR.

The sum of the total costs for each direct service (column 5, sub column (b) of Form A-2) is transferred to the appropriate column 4, sub column (a) of the UCR.

The sum of the total costs for each support service (column 5, sub column (f) of Form A-2) is transferred to appropriate column 4, sub column (b) of the UCR.

The sum of the hours for the direct (each column 5, sub column (e) of Form A-2) service is divided by the total hours (using the accrual method of accounting) a FTE should work during the SFY being reported and the resulting FTE amount is transferred to column 3, sub column (a) of the appropriate service on the UCR.

The sum of the hours for the support (each column 5, sub column (i) of Form A-2) service for each service (column 5) is divided by the total hours (using the accrual method of accounting) a FTE should work during the SFY being reported and the resulting FTE amount is transferred to column 3 sub column (b) of the appropriate service on the UCR.

c. **Determining and Allocating Non-personnel Costs**

After allocating all personnel costs among the various services, the non-personnel costs must be determined and allocated among the services. Non-personnel costs are those costs defined in paragraph (H) 5 of OAC Rule 3793:2-1-09. An example of this type of cost includes, but is not limited to, the cost of supplies needed for the delivery of an individual counseling service. These costs also include those costs which benefit the agency as a whole and cannot be directly allocated to one or more services. An example of this type of non-personnel cost includes, but is not limited to, utility costs that are allocated to all services on the basis of square footage. Non-personnel costs must be allocated to the services that they benefit.

1. **Allocation Methods for Non-personnel Costs**

Direct Allocation – This method is used when the entire cost category benefits one service. An example of a direct allocation is the depreciation costs of a van that is used exclusively for transportation. In this case, the entire cost of the depreciation must be allocated to the transportation service and must not be shared among any of the other services.

Allocation by square footage – This method is used in the allocation of non-personnel costs that are driven by the physical area that a service utilizes. Examples of these types of non-personnel costs are utility and maintenance related cost. When this type of allocation base is used, the physical area of the facility that is used by each service, including administration, must be documented in square feet. The percentage of the square footage for each service is multiplied by the total non-personnel cost for that cost category and the result will be that service's allocated cost for that category.

Allocation by total FTEs assigned to each service – This allocation base is used for non-personnel

costs that are driven by staff usage. An example where this allocation base is used is the costs of general office supplies. When this allocation base is used, columns 3 (a) and 3 (b) of the UCR should be summed for each service and the resulting percentage of the total FTEs must be multiplied by the total cost of that non-personnel item of expense, such as office supplies, to arrive at each service's allocation of these costs.

Allocation by Direct Service FTEs assigned to each service - This allocation base is used for non-personnel costs that are driven by direct care staff usage. An example where this allocation base is used is the costs of clinical liability insurance. When this allocation base is used, the percentage of column 3(b) of the UCR compared to the total direct care FTEs on the UCR for each service must be multiplied by the total cost of that non-personnel item of expense, such as liability insurance, to arrive at each service's allocation of these costs.

Allocation by the Number of Units Produced for each service - This allocation base is used for non-personnel costs that are driven by units produced for each service. An example where this allocation base is used is the non-personnel claims processing costs. When this allocation base is used, the percentage of the units documented in column 2 of the UCR for each service is multiplied by the total cost of that non-personnel cost category, such as claims processing costs, to arrive at each service's allocation of these costs.

2. Non-personnel Costs Report, Worksheet, Form A-3

The "Alcohol and Other Drug Non-personnel Costs Worksheet," Form A-3 of this section or its equivalent (e.g., a spreadsheet containing the same information), must be completed for the reporting and allocating of all non-personnel costs actually incurred during the SFY being expensed.

This form provides documentation of the method or methods used for allocating non-personnel costs for all services being expensed including "administration" as a service.

3. Instructions for the completion of Form A-3

The first step is to obtain cost information concerning all service non-personnel costs, and combine the costs into like categories, (e.g. natural gas costs, electric costs, liability insurance costs, etc.). The objects of expense are documented in column 1 "object of expense" of Form A-3.

These costs must be separated into allowable and unallowable categories in order to complete Form A-3.

The total costs identified for each object of expense documented in column 1 must be entered into the appropriate column 4 of Form A-3.

Once the method of allocation (i.e. the allocation base) has been determined for each object of expense, document this in column 2 of Form A-3.

For each service being expensed on the uniform cost report, including administration, a separate column 3 must be made on Form A-3 and the name of the each service must be placed at the top of each column 3 of Form A-3. These service names must match the service taxonomy located in column 1 of the UCR.

The allocated allowable and unallowable costs, using calculations defined above, must then be placed into the appropriate sub columns (b) and (c) of each column 3 on Form A-3. Each sub column (b) and (c), by object of expense, is then summed and entered in the appropriate sub column (a) of each column 3.

Once all sub columns (a), (b) and (c) of each column 3 has been completed for all appropriate objects of expense, sum the allocated total, unallowable and allowable costs, including administration, by object of expense and compare the resulting number to column 4 "object of expense total" to ensure they are the same.

Each sub column (a), (b) and (c) of all column 3s and column 4 should then be summed and the resulting number documented in the "totals" row.

4. Reporting of Non-personnel Costs on the UCR

The "totals" documented in each sub column (a) of each column 3 on Form A-3 must be transferred to the appropriate row, by service taxonomy, in column 5 "service non-personnel costs" of the UCR.

d. **DETERMINING SERVICE TOTAL COSTS**

Columns 2 through 5 of the UCR have been completed. The values in columns 4(a), 4(b) and 5 should be summed by service and the total for each service placed in the appropriate place of column 6 "service total costs" of the UCR.

e. **DETERMINING AND ALLOCATING ADMINISTRATIVE OVERHEAD COSTS**

1. **General Information**

The purpose of this step is to equitably allocate all administrative overhead costs among the various alcohol and other drug services as well as non alcohol and other drug services (e.g. mental health services, Title IV-E services, etc.). Up to this point, personnel and non-personnel costs have been allocated to administrative overhead as a discrete service as well as the other alcohol and other drug services. The personnel and non-personnel costs that were allocated to administrative overhead have been documented on the UCR in the row titled "administrative overhead." Columns 4 (b) and 5 of the "administrative overhead" row need to be summed and the result placed in column 6 of the "administrative overhead" row on the UCR.

2. **Administrative Overhead Cost Distribution Worksheet, Form A-4**

The "Administrative Overhead Cost Distribution Worksheet," Form A-4 of this section or its equivalent (e.g., a spreadsheet containing the same information), must be completed for the reporting and allocation of all administrative costs actually incurred during the SFY being expensed.

This form provides documentation of the method used for allocating administrative costs among the services.

3. **Instructions for the completion of the "Administrative Overhead Cost Distribution Worksheet," Form A-4.**

In column 1 "type of service," enter the names of all alcohol and other drug services that contain a value in column 6 of the UCR. The number of and names of the services reported on Form A-4 must be identical to those found in column 1 of the UCR.

At this point, decide which allocation base will be used for the distribution of all administrative overhead costs across all services being expensed. The only acceptable allocation bases are:

- Service Total Costs, (column 6 of the UCR)
- Direct Service Personnel Costs, (column 4a of the UCR)
- Total Personnel Costs, (column 4a plus column 4b of the UCR)
- Total Direct Service FTEs, (column 3a of the UCR)
- Total FTEs, (column 3a plus column 3b of the UCR)

Place a check mark in the appropriate place on the bottom of Form A-4 in the "check method used" area.

The allocation base for each service must be entered into column 2 "allocation base for each service" of Form A-4. For example, if the allocation base used is service total costs, the values in column 6 of the UCR are entered into column 2 for each service on Form A-4.

Column 2 is then summed and the result entered in the "totals" row of Form A-4.

For each service in column 1, the value in column 2 is divided by the value in column 2 in the "totals" row. The result of this calculation is a percentage of the total and is placed in column 3 "% of total base." For example, if the value in column 2 is \$25,000 for assessment, and the sum of column 2 is \$100,000, then the percent of the total allocation is .25 (25,000 divided by 100,000) or 25%. The values in column 3 should be rounded to two decimal points.

Column 3 is summed and the result must be 1.00 or 100.00%. If not, the calculations must be rechecked.

At this point, the total administrative overhead costs, (found in column 6 in the "administrative overhead" row of the UCR) are entered in the "totals" row of column 4.

The total administration value found at the bottom of column 4 should be multiplied by each value

in column 3. The result is entered into the appropriate service row of column 4. For example, if the percent of total allocation for assessment is .25 or 25% and the total administration is \$100,000, then the administration allocation for assessment is \$25,000. The amount of \$25,000 would be entered in column 4 "administration allocation" of the assessment row on Form A-4.

All column 4 values should be totaled to verify that the sum is equal to the amount previously entered in the "totals" row of column 4. If not, the calculations must be rechecked.

Column 5 is now to be completed. The value from the "totals" row of Form A-3, column 3, Service: Administration, sub column (b) and the value from the "totals" row of Form A-2, column 5, (a) Service: Administration, sub column (g) are summed together and the resulting value is entered into the "totals" row of column 5. This total unallowable allocation should be multiplied by each value in column 3. The result is entered into the appropriate service row of column 5.

All column 5 values should be totaled to verify that the sum is equal to the amount previously entered in the "totals" row of column 5. If not, the calculations must be rechecked.

The values in column 4 of Form A-4 are transferred to the appropriate column 7 of the UCR and the values in column 5 of Form A-4 are transferred to the appropriate column 10 of the UCR.

f. Calculating Total Costs for Each Service on the UCR

The total costs for a service is calculated by adding the value in column 6 "service total costs" and the value in column 7 "allocation of administrative overhead." The sum is entered into column 8 "total costs."

g. Calculating the Cost Per Unit of Each Service on the UCR

For each service being expensed on the UCR, the total costs in column 8 must be divided by the number of units in column 2. This results in a cost per unit for each service and this value is entered in column 9 "cost per unit" of the UCR.

h. Calculating the Total Allowable Costs on the UCR

For each service being expensed on Form A-2, the value from the "totals" row for each direct service (column 5, sub column (c) unallowable costs) and each support service (column 5, sub column (g) unallowable costs) should be reported in the appropriate column 10 of the UCR. Note: Do not report the amounts for Service: Administration, Unallowable Costs, as these amounts are captured on Form A-4.

For each service being expensed on Form A-3, the value from the "totals" row for each column 3, sub column (b) unallowable costs should be reported in the appropriate column 10 of the UCR. Note: Do not report the amounts for Service: Administration, Unallowable Costs, as these amounts are captured on Form A-4.

For each service being expensed which has documented unallowable costs, subtract the amount in column 10 from the amount in column 8. This results in a total allowable cost and this value is entered in column 11 "total allowable costs" of the UCR.

For each service being expensed which has no documented unallowable costs, enter the value from column 8 in column 11.

i. Calculating the Allowable Cost Per Unit of Each Service on the UCR

For each service being expensed on the UCR, the total allowable costs in column 11 must be divided by the number of units in column 2. This results in an allowable cost per unit for each service and this value is entered in column 12 "allowable cost per unit" of the UCR.

j. Reporting of Costs for "Other" in the Service Taxonomy

For the following four services listed in the "Other" section of the ODADAS UCR Service Taxonomy:

Administrative Overhead - This represents administrative costs which cannot be allocated to a specific service in the Service Taxonomy.

Mental Health Services - This represents the total costs associated with Mental Health services. These values should exactly match the values in the "Total MH Services" service line of the Ohio Department of Mental Health (ODMH) UCR (ODMH-FIS-047).

Title IV-E Services - This represents costs associated with all services provided under the Title IV-E program. Costs reported in columns 4a, 4b, 5 and 7 of this service line on the UCR must exactly match the costs as reported on the JFS 02911, "Total Agency Cost - Summary" IV-E service line.

Non AOD/MH/Title IV-E Services - This represents costs associated with any service or services not already classified.

k. **Totals for AOD Services**

In each area indicated in this row, total all values entered into each column excluding the values for "Administrative Overhead," "Mental Health Services," "Title IV-E Services" and "Non AOD/MH/Title IV-E Services." This will report the total column values for all AOD specific services.

l. **Totals for Agency**

In each area indicated in this row, total all values entered into each column including the values for "Administrative Overhead," "Mental Health Services," "Title IV-E Services" and "Non AOD/MH/Title IV-E Services." This will report the total column values for all services.

H. **ODMH Services**

The ODMH services worksheets are to be used in reporting actual costs incurred in providing a specific service within the ODMH program. The costs for ODMH services should be reported on the ODMH Uniform Cost Report. The following instructions, as reflected in OAC Rule 5122-26-19, Appendix A, detail how to complete the ODADAS Uniform Cost Report:

1. **INTRODUCTION**

The purpose of this section is to detail the cost finding principles that must be followed when a UCR is being completed. Also included are the recommended forms to be used when completing a UCR and the format in which the UCR must be submitted. This section will provide instructions for the proper completion of all forms.

The UCR has been designed to report all costs, regardless of payor/program. When costs associated with a particular service (e.g., room and board) benefit multiple programs, an allocation methodology must be used to prevent duplicating reporting of those costs. For example, a program provides room and board service to children. If, historically, 25% of those children received the room and board service as part of a mental health residential program and 75% of those children received the room and board service through the Title IV-E program, then when completing a UCR, 25% of the room and board service costs and units should be reported on the mental health service line and 75% of the room and board service costs should be reported on the Title IV-E services line.

2. **GENERAL PRINCIPLE**

"Form A-1, Uniform Cost Report (UCR)" is the summary of the entire cost reporting process. The UCR has been designed to calculate an allowable cost of providing a unit of service. This is found in column 12. The following represents the formula for this calculation for each service being expensed:

Allowable Cost per Unit (Column 12) =

Total Allowable Costs (column 11)
Divided by the Number of Units (column 2)

3. **INSTRUCTIONS**

a. **Reporting Service Volume, (i.e. number of units by service).**

The cost reporting process is essentially composed of two separate components which include the proper allocation of all Agency costs into the various service categories, and the documentation of service volume (i.e. the type of services and the number of units for each service type) that were produced by the allocated costs.

Types of Services – All mental health services provided by an agency and funded by public funds must be certified by ODMH. The services that are subject to certification are defined in O.A.C. Section 5122-29 and are listed in column 1 of the DMH-FIS-047. This report also contains a place where non-mental health services (e.g. Alcohol and Drug Addiction Services, Title IV-E services, etc.), should be reported.

Unit Definitions – On the DMH-FIS-047, the duration of the units for each service is located to the right of the "type of service," and "procedure code" columns.

The first step in completing a UCR is to document the number of service units actually provided for each service during the SFY the UCR is covering.

When completing a budgeted UCR, the units are established according to historical data in conjunction with service planning activities. These unit totals should be entered into column 2 "number of units" of the UCR.

When completing an actual UCR, it is recommended that all mental health agencies have a management information system that tracks the number of units produced (by service) throughout the SFY regardless of the anticipated or actual payor source of the units in order to produce a report that documents the total number of units for all service types provided in the SFY being expensed. The results of this report should be entered into column 2 "number of unit" of the UCR.

b. **Determining and Allocating Direct Service Costs, Support Service Costs and Administrative Personnel Costs**

1. **General information**

Payroll information, or other supporting documentation, must be able to capture and allocate personnel costs into the following cost categories:

Direct Service Personnel Costs – Direct service personnel costs shall represent the full salary and benefit cost of those personnel who provide direct services to the clients. The costs would include the total paid time for each position, minus the value of any time allocated to the provision of clinical supervision, program oversight or administration, or quality assurance by a clinician who has primary or significant responsibility in these areas (which are items that require the expertise of a licensed clinical person; but which also represent staff time that is not available for direct client care). Total paid time includes that time spent in delivering a unit of service as well as the time for that position which may be devoted to paperwork, vacation, meetings, etc.

Support Service Personnel Costs – Support service personnel costs are those personnel costs that directly support a specific mental health service or services. Examples of these costs include, but are not limited to, clerical staff for a partial hospitalization program, or dietary staff for a residential care facility. Support service personnel costs also include the value of any direct care staff time allocated to the provision of clinical supervision, program oversight or administration, or quality assurance by a clinician who has primary or significant responsibility in these areas.

Administrative Overhead Costs - Administrative overhead costs are those personnel and non-personnel costs that benefit the agency as whole and cannot be allocated to a specific service or services. Examples of administrative overhead costs specific to personnel include, but are not limited to, the personnel costs of the chief financial officer and the personnel costs of the maintenance staff for the entire agency.

These personnel cost categories are defined in paragraphs (H)(3), (H)(4), and (H)(6) of OAC Rule 5122-26-19.

In addition to separating the costs into the above cost categories, the payroll documentation must also accurately allocate the Direct Service Personnel Costs and Support Service Personnel Costs among the various mental health services for the SFY being expensed.

2. **Personnel Services Costs Worksheet, Form A-2**

The "Mental Health Services Personnel Services Costs Worksheet," Form A-2 of this section or its equivalent (e.g., a spreadsheet containing the same information), must be completed for the reporting and allocating of all personnel costs during the SFY being expensed.

This form provides a method for allocating personnel time and costs among the direct and support service categories for all services being expensed. Note that at this step in the reporting of the costs, the administrative personnel hours and costs are treated in the same manner as Support Service costs.

3. **Instructions for completion of Form A-2**

When completing Form A-2 for budgeting purposes, historical payroll and contract service records should be used to create the report. When completing Form A-2 for actual purposes, the actual

payroll and contract service records for the SFY being expensed should be used.

From payroll and contract service records, it is recommended a report be produced that accounts for total incurred costs and hours paid for each employee. The total personnel costs must agree with the financial statements and will be used to verify that all costs have been allocated among the various cost categories in the cost reporting process.

From either the report referenced above, or some other supporting documentation, the hours and costs of each employee must be separated into direct service or support service hours and costs (as defined in paragraphs (H) (3) and (4) of OAC Rule 5122-26-19) remembering that administrative personnel costs must be classified as support service costs at this point in the cost reporting process.

The next step is that all direct and support hours paid and costs incurred are required to be further allocated to the various services that are included in the cost report.

Once this information has been documented, complete Form A-2 by following these steps:

The position title of each employee is entered into column 1 of Form A-2. If there are multiples of the same position, enter the position title as many times as necessary (i.e. If there are three community psychiatric supportive treatment workers, enter community psychiatric supportive treatment workers on three rows in column 1.). The agency must keep sufficient documentation to be able to track each "position title" to a specific employee and that employee's payroll records.

Column 2 is optional and, if used, must reflect the position number or other internal position identification number.

Utilizing a report that accounts for total incurred costs and hours paid for each employee for the SFY being expensed, the total incurred personnel costs, including fringe benefits is entered into column 3 for each position listed.

Utilizing the payroll records for the SFY being expensed, enter the total hours, including overtime, to be paid or actually paid (calculated using the accrual method of accounting) for each position into column 4.

For each service that is being expensed, place the name of the service at the top of a separate column 5. These names must match the service names in column 1 of the UCR. Make as many column 5s as are necessary for the services being expensed, including administration as a service.

The total costs and the total hours should be allocated among the various services by cost category, (i.e. direct service or support service). Be certain that all of the hours and all of the costs have been allocated.

The final step in the completion of Form A-2 is to sum columns 3, 4, and the four columns in all column 5s. Place these sums in the appropriate space on the "TOTALS" row.

4. Reporting of Personnel hours and costs on the UCR

The sum of column 3 of Form A-2 represents the total personnel costs and must balance to the financial statements. The sum of column 4 of Form A-2 divided by the total hours (using the accrual method of accounting) a FTE should work during the SFY being expensed, represents the total FTEs and must equal the sum of columns 3 (a) and (b) of the "totals for agency" row on the UCR.

The sum of the costs for each direct service (column 5, sub column (b) of Form A-2) is transferred to the appropriate column 4, sub column (a) of the UCR.

The sum of the costs for each support service (column 5, sub column (d) of Form A-2) is transferred to appropriate column 4, sub column (b) of the UCR.

The sum of the hours for the direct (each column 5, sub column c) of Form A-2) service is divided by the total hours (using the accrual method of accounting) a FTE should work during the SFY being reported and the resulting FTE amount is transferred to column 3, sub column (a) of the appropriate service on the UCR.

The sum of the hours for the support (each column 5, sub column (e) of Form A-2) service for each

service (column 5) is divided by the total hours (using the accrual method of accounting) a FTE should work during the SFY, being reported and the resulting FTE amount is transferred to column 3 sub column (b) of the appropriate service on the UCR.

The final step in the reporting of personnel hours and costs is to sum column 3 (a), sum column 3 (b), sum column 4 (a) and sum column 4 (b) in the "totals for agency" row of the UCR.

c. **Determining and Allocating Non-personnel Costs**

After allocating all personnel costs among the various services, the non-personnel costs must be determined and allocated among the services. Non-personnel costs are those costs defined in paragraph (H) 5 of OAC Rule 5122-26-19. An example of this type of cost includes, but is not limited to, the cost of supplies needed for the delivery of a partial hospitalization service. These costs also include those costs which benefit the agency as a whole and cannot be directly allocated to one or more services. An example of this type of non-personnel costs includes, but is not limited to, utility costs that are allocated to all services on the basis of square footage. Non-personnel costs must be allocated to the services that they benefit.

1. **Allocation Methods for Non-personnel Costs**

Direct Allocation – This method is used when the entire cost category benefits one service. An example of a direct allocation is the depreciation costs of a van that is used exclusively for a partial hospitalization service. In this case, the entire cost of the depreciation must be allocated to the partial hospitalization service and must not be shared among any of the other services.

Allocation by square footage – This method is used in the allocation of non-personnel costs that are driven by the physical area that a service utilizes. Examples of these types of non-personnel costs are utility and maintenance related cost. When this type of allocation base is used, the physical area of the facility that is used by each service, including administration, must be documented in square feet. The percentage of the square footage for each service is multiplied by the total non-personnel cost for that cost category and the result will be that service's allocated cost for that category.

Allocation by total FTEs assigned to each service – This allocation base is used for non-personnel costs that are driven by staff usage. An example where this allocation base is used is the costs of general office supplies.

When this allocation base is used, columns 3 (a) and 3 (b) of the UCR should be summed for each service and the resulting percentage of the total FTEs must be multiplied by the total cost of that non-personnel item of expense, such as office supplies, to arrive at each service's allocation of these costs.

Allocation by Direct Service FTEs assigned to each service - This allocation base is used for non-personnel costs that are driven by direct care staff usage. An example where this allocation base is used is the costs of clinical liability insurance. When this allocation base is used, the percentage of column 3(b) of the UCR compared to the total direct care FTEs on the UCR for each service must be multiplied by the total cost of that non-personnel item of expense, such as liability insurance, to arrive at each service's allocation of these costs.

Allocation by the Number of Units Produced for each service - This allocation base is used for non-personnel costs that are driven by units produced for each service. An example where this allocation base is used is the non-personnel claims processing costs. When this allocation base is used, the percentage of the units documented in column 2 of the UCR for each service is multiplied by the total cost of that non-personnel cost category, such as claims processing costs, to arrive at each service's allocation of these costs.

2. **Non-personnel Cost Report, Form A-3**

The "Mental Health Services Non-personnel Cost Report," Form A-3 of this section or its equivalent (e.g., a spreadsheet containing the same information), must be completed for the reporting and allocating of all non-personnel costs actually incurred during the SFY being expensed.

This form provides documentation of the method or methods used for allocating non-personnel costs for all services being expensed including "administration" as a service.

3. **Instructions for the completion of Form A-3**

The first step is to obtain cost information concerning all service non-personnel costs, and combine

the costs into like categories, (e.g. natural gas costs, electric costs, liability insurance costs, etc.). The Objects of expense are documented in column 1 "object of expense" of Form A-3.

The total costs identified for each object of expense documented in column 1 must be entered into the appropriate column 4 of Form A-3.

Once the method of allocation (i.e. the allocation base) has been determined for each object of expense, document this in column 2 of Form A-3.

For each service being expensed on the uniform cost report, including administration, a separate column 3 must be made on Form A-3 and the name of the each service must be placed at the top of each column 3 of Form A-3. These service names must match the service taxonomy located in column 1 of the UCR.

The allocated costs, using calculations defined above must then be placed into the appropriate column 3 on form A-3.

Once all necessary column 3s have been completed for all appropriate objects of expense, sum the allocated costs, including administration, by object of expense and compare the resulting number to column 4 "Object of Expense Total" to ensure they are the same.

Each column 3 and column 4 should then be summed and the resulting number documented in the "totals" row.

4. Reporting of Non-personnel Costs on the UCR

The totals documented on Form A-3 must be transferred to the appropriate row, by service taxonomy, in column 5 "service non-personnel costs" of the UCR.

d. Determining Service Total Costs

Columns 1 through 5 of the UCR have been completed. The values in columns 4 (a), 4(b) and 5 should be summed by service and the total for each service placed in the appropriate place of column 6 "service total costs" of the UCR.

e. Determining And Allocating Administrative Overhead Costs

1. General Information

The purpose of this step is to equitably allocate all administrative overhead costs among the various mental health services as well as non-mental health services, (e.g. alcohol and other drug services, Title IV-E services, etc.). Up to this point, personnel and non-personnel costs have been allocated to administrative overhead as a discrete service as well as the other mental health services. The personnel and non-personnel costs that were allocated to administrative overhead have been documented on the UCR in the row titled "administrative overhead." Columns 4 (b) and 5 of the "administrative overhead" row need to be summed and the result placed in column 6 of the "administrative overhead" row on the UCR.

2. Administrative Overhead Cost Distribution Worksheet, Form A-4

The "Administrative Overhead Cost Distribution Worksheet," Form A-4 of this section or its equivalent (e.g., a spreadsheet containing the same information), must be completed for the reporting and allocation of all administrative costs actually incurred during the SFY being expensed.

This form provides documentation of the method used for allocating administrative costs among the services.

3. Instructions for the completion of the "Administrative Overhead Cost Distribution Worksheet," Form A-4.

In column 1 "type of service," enter the names of all mental health services that contain a value in column 6 of the UCR. The number of and names of the services reported on Form A-4 must be identical to those found in column 1 of the UCR.

At this point, decide which allocation base will be used for the distribution of all administrative overhead costs across all services being expensed. The only acceptable allocation bases are:

Service Total Costs, (column 6 of the UCR)
Direct Service Personnel Costs, (column 4a of the UCR)
Total Personnel Costs, (columns 4a plus 4b of the UCR)
Total Direct Service FTEs, (column 3a of the UCR)
Total Direct and Support FTEs, (columns 3a plus 3b of the UCR)

Place a check mark in the appropriate place on the bottom of Form A-4 in the "check method used" area.

The allocation base for each service must be entered into column 2 "base value for each service" of Form A-4. For example, if the allocation base used is service total costs, the values in column 6 of the UCR are entered into column 2 for each service on Form A-4.

Column 2 is then summed and the result entered in the "totals" row of Form A-4.

For each service in column 1, the value in column 2 is divided by the value in column 2 in the "totals" row. The result of this calculation is a percentage of the total and is placed in column 3 "% of total base." For example, if the value in column 2 is \$25,000 for assessment, and the sum of column 2 is \$100,000, then the percent of the total allocation is .25 (25,000 divided by 100,000). The values in column 3 should be rounded to two decimal points.

Column 3 is summed and the result must be 1.00. If not, the calculations must be rechecked.

At this point, the total administrative overhead costs, (found in column 6 in the "administrative overhead" row of the UCR) are entered in the "totals" row of column 4.

The total administration value found at the bottom of column 4 should be multiplied by each value in column 3. The result is entered into the appropriate service row of column 4. For example, if the percent of total allocation for mental health assessment is .25 and the total administration is \$100,000, then the administration allocation for mental health assessment is \$25,000. The amount of \$25,000 would be entered in column 4 "administration allocation" of the mental health assessment row on form A-4.

All Column 4 values should be totaled to verify that the sum is equal to the amount previously entered in the "totals" row of column 4. If not, the calculations must be rechecked.

Finally, the values in column 4 of Form A-4 are transferred to the appropriate column 7 of the UCR.

f. Calculating Total Costs for Each Service on the UCR

The total costs for a service is calculated by adding the value in column 6 "service total costs" and the value in column 7 "allocation of administrative overhead." The sum is entered into column 8 "total costs."

g. Calculating the Cost Per Unit of Each Service on the UCR

For each service being expensed on the UCR, the total costs in column 8 must be divided by the number of units in column 2. This results in a cost per unit for each service and this value is entered in column 9 "cost per unit" of the UCR.

h. Identification and Documentation of Unallowable Costs

For each service being expensed on the UCR, any unallowable costs as defined in OAC Rule 5122-26-19 must be documented in column 10 of the service in which the unallowable cost was originally allocated. After all such costs are documented and placed in column 10, the column should be summed.

i. Calculating the Total Allowable Costs

For each service being expensed which has documented unallowable costs, subtract the amount in column 10 from the amount in column 8. This results in a total allowable cost and this value is entered in column 11 "total allowable costs" of the UCR.

For each service being expensed, which has no documented unallowable costs, enter the value from column 8 in column 11.

j. Calculating The Allowable Cost Per Unit Of Service

For each service being expensed on the UCR, the total allowable costs in column 11 must be divided by the

number of units in column 2. This results in an allowable cost per unit for each service and this value is entered in column 12 "allowable cost per unit" of the UCR.

k. **Reporting Of Costs For "Other" In The Service Taxonomy**

The following four services are considered as "Other" in the ODMH Service Taxonomy:

Administrative Overhead – This represents administrative costs that benefit the agency as whole and can not be allocated to a specific service or services.

Ohio Department of Alcohol and Drug Addiction Services – This represents the total costs associated with alcohol and other drug services. These values should exactly match the values in the "Total AoD Services" service line of the ODADAS-FIS-047.

Title IV-E Services – This represents costs associated with all services provided under the Title IV-E program. Costs reported in columns 4a, 4b, 5 and 7 of the UCR must exactly match the costs as reported on the JFS 02911, "Total Agency Cost-Summary" IV-E service line.

Other non-Mental Health/AoD/IV-E Services – This represents costs associated with any services not already classified.

l. **Totals for AOD MH services**

In each area indicated in this row, total all values entered into each column excluding the values for "Administrative Overhead," "Mental Health Services," "ODADAS," "Title IV-E Services," and "Non MH/AOD/Title IV-E Services." This will report the total column values for all AOD MH specific services.

m. **Totals for Agency**

In each area indicated in this row, total all values entered into each column including the values for "Administrative Overhead," "Mental Health ODADAS Services," "Title IV-E Services" and "Non MH/AOD/Title IV-E Services." This will report the total column values for all services.

I. **Allocation of Administrative Overhead Costs Worksheet**

Administrative overhead costs are those incurred for common or joint objectives and cannot be readily identified with a particular program or service, (e.g., salary, fringe benefits, rent, depreciation, utilities, supplies, equipment, etc.).

Complete the Allocation of Administrative Overhead Costs worksheet as follows:

1. **Administrative Overhead** - Identify the total administrative overhead costs that cannot be directly attributed to a specific service within a program. Ensure the costs are reported by line item type. For ODADAS and ODMH providers, the total costs identified here should equate the total costs used in calculating the administrative overhead calculation on Form(s) A-4 and reflected on Form(s) A-1 UCR, column 7 (total).
2. **Allocation Methodology** - Determine one allocation methodology (See III (I) for allowability) to use for all reported programs (i.e., Title IV-E, ODADAS, ODMH, Other). The allocation methodology should be documented at the bottom of the worksheet by indicating an "X" in the "Method Used" column of the appropriate line. If none of the prescribed methodologies were utilized, click on the cell next to "Other" and provide sufficient wording to describe the method used.
3. **Title IV-E Program Allocation** - Report the amount (not percentage) of allowable administrative overhead costs to be allocated to each applicable service. Unallowable/non-reimbursable administrative overhead costs per the Code of Federal Regulations (2 CFR 225 and/or 2 CFR 230) should be reported on the Unallowable/Non-reimbursable line.
4. **Non-Title IV-E Programs Allocation** - The total administrative overhead costs which were allocated on the ODADAS and ODMH Form(s) A-4 and were applied to their respective service lines on Form(s) A-1UCR, column 7, Allocation of Administrative Overhead, will automatically carry forward to the respective "Summary (Form A-1 UCR)" lines in this section. However, ODADAS and ODMH providers are reminded to identify the unallowable/non-reimbursable administrative overhead costs for each service from Form A-1UCR, column 7, Allocation of Administrative Overhead, and include such costs in column 10, Unallowable Costs, in order to ensure the proper calculation of the allowable cost per unit on Form(s) A-1 UCR. Additionally, administrative overhead costs which are attributable to programs other than Title IV-E, ODADAS, or ODMH should be reported on the "Other Programs" line.

The reported "Total Administrative Overhead" amount at the top of the worksheet must equal the "Total All Programs" amount shown in the Summary section of the worksheet. Any residual cost will be reflected on the "Remainder to Allocate" line of the Summary section indicating that the total amount of administrative overhead costs has not been fully allocated.

J. **Filing the JFS 02911 Single Cost Report**

PCSA or Title IV-E agency that files a cost report will file with ODJFS a copy of the following:

1. A report on "Agreed-Upon Procedures" performed in accordance with the attestation standards as prescribed by the American Institute of Certified Public Accountants (AICPA). These standards can be obtained at www.aicpa.org/index.htm.
2. A schedule of proposed cost and statistical adjustments (Schedule S-1) with an agency representative's signature;
3. A written summary of non-compliance with applicable rules and regulations;
4. The signed original, a copy and the electronic copy of the provider's cost report which includes:
 - a. Identifying Information for Operating Agency worksheet;
 - b. Total Agency Cost - Summary worksheet;
 - c. Title IV-E Summary worksheet and applicable PFC and Residential services worksheets;
 - d. Title IV-E Reimbursement Ceilings and Cost Per Diem Calculations worksheet;
 - e. The electronic version of the JFS 02911 on a CD or via email to IVECostReports@jfs.ohio.gov;

And where applicable:

- a. The Allocation of Administrative Overhead Costs worksheet;
 - b. The ODADAS Uniform Cost Report, Forms A-1, A-2, A-3, and A-4;
 - c. The ODMH Uniform Cost Report, Forms A-1, A-2, A-3, and A-4.
5. A copy of the related party listing and related party transactions for the cost report period;
 6. A copy of the ODJFS, ODADAS, ODMH or other state issued and approved provider license in effect during the cost report period plus any license reflecting recertification for the current or future periods.

PCPA or PNA will file with ODJFS a copy of the following:

1. A report on "Agreed-Upon Procedures" performed in accordance with the attestation standards as prescribed by the American Institute of Certified Public Accountants (AICPA). These standards can be obtained at www.aicpa.org/index.htm
2. A schedule of proposed cost and statistical adjustments (Schedule S-1);
3. A copy of the most recent audited financial statements.
4. A written summary of non-compliance with applicable rules and regulations;
5. A copy of the corresponding CPA's management letter for the agencies most recent financial statement audit. If no management letter was issued, include a statement from the CPA who conducted the financial statement audit stating that there were no issues identified during the audit that gave rise to a management letter; and
6. The signed original and the electronic copy of the provider's cost report which includes:
 - a. Identifying Information for Operating Agency worksheet;
 - b. Total Agency Cost Summary worksheet;
 - c. Title IV-E Summary worksheet and applicable PFC and Residential services worksheets;
 - d. Title IV-E Reimbursement Ceilings and Cost Per Diem Calculations worksheet;
 - e. The electronic version of the JFS 02911 on a CD or via email to IVECostReports@jfs.ohio.gov;

And where applicable:

- a. The Allocation of Administrative Overhead Costs worksheet;
 - b. The ODADAS Uniform Cost Report, Forms A-1, A-2, A-3, and A-4;
 - c. The ODMH Uniform Cost Report, Forms A-1, A-2, A-3, and A-4;
 - d. A copy of all Agreed-Upon Procedures waivers approved by ODJFS/OFMS.
7. A copy of the related party listing and related party transactions for the cost report period;
 8. A copy of the provider's representation letter to the CPA firm conducting the Agreed-Upon Procedures engagement;

9. A copy of the ODJFS, ODADAS, ODMH or other state issued and approved provider license in effect during the cost report period plus any license reflecting recertification for the current or future periods.

For agencies with services applicable to ODADAS and/or ODMH, refer to the specific agency rules regarding the filing requirements for each respective agency: ODADAS – OAC Rule 3793:2-1-10; ODMH – OAC Rule 5122-26-191.

ODJFS will consider the results of the annual “Agreed-Upon Procedures Engagement” and supplemental schedules when determining the Title IV-E reimbursement ceiling amount.

Note: For agencies which complete the Title IV-E worksheets of the JFS 02911, please do not make any changes to the original or the copy of the JFS 02911 based on proposed adjustments identified on Schedule S-1 prior to submitting the JFS 02911 to ODJFS. ODJFS will make the final determination as to which proposed adjustments will be taken. However, since agencies which complete the ODADAS or ODMH worksheets are required to submit adjusted cost reports which include proposed adjustments identified on Schedule S-1, we ask that you include a statement with the filing of your cost report indicating if the included ODADAS or ODMH worksheets incorporate any proposed Schedule S-1 adjustments. This action by the provider agency will help to ensure that proposed Schedule S-1 adjustments are not duplicated.

Failure to include the above attachments (or explanation for omission) will result in the agency’s cost report being classified as incomplete and returned.

Please submit the JFS 02911 Single Cost Report and required supplements to:

Ohio Department of Job and Family Services
Office of Families and Children
Fiscal Accountability
Attention: Title IV-E Cost Report Section
P.O. Box 182709
Columbus, Ohio 43218-2709