Date: January 15, 2013

Sequence: 2013-09A

Topic: Coding Direct Expenditures for State Adoption Incentive

This BCFTA update communicates revised coding of direct expenditures for the State Adoption Incentive Program originally communicated in BCFTA Update 2013-09 issued on August 30, 2012.

CODING

For **Direct** Expenditures counties may use the State Adoption Incentive funding to cover local match as follows:

Step 1: *IV-E Reimbursement*

Counties should code an eligible direct expenditure to the following financial code combination:

Project Code: **JFSFP839 State Adoption Activities -** Contracts and purchased services to support the finalization of adoption for children in permanent custody at 50% Federal Financial Participation of the Adoption Assistance Eligibility Ratio. Activities include but are not limited to, permanent placement of the Child, and performing a case assessment and pre-adoptive activities relating to home studies; fair hearing and appeals; rate setting; grievance procedures; negotiation and review of adoption agreements; recruitment of adoptive homes; placement of the child in the adoptive home; case reviews conducted during a specific pre-adoptive placement for children who are legally free for adoption; case management and supervision prior to a final decree of adoption; referral to services; and development of the case plan. In addition, post adoption services provided to maintain and support the stabilization of the adoption.

Account Code: **518001 Contract/Purchase Services**

BCFTA will reimburse the county for the IV-E allowable portion of the expenditure at 50% of the Federal Financial Participation of the Adoption Eligibility Ratio.

Step 2: Calculate Eligible Local Match

Counties can calculate the amount of the State Adoption Activities expenditure that is eligible for reimbursement via the State Adoption Incentive Allocation by completing the following steps:

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A.   State Adoption Activities Expenditures X Adoption Assistance Eligibility Ratio =
Expenditures Eligible for FFP

B. Expenditures Eligible for FFP X 50% = **IV-E Reimbursement**

C. State Adoption Activities Expenditures – IV-E Reimbursement = **Local Match Obligation**

The **Local Match Obligation** is the amount that is eligible for reimbursement. The amount that can be claimed for the State Adoption Incentive Allocation is determined by the agency up to the counties actual allocation.

Step 3: State Adoption Incentive Allocation Reimbursement

Counties must utilize the following financial code adjustment to indicate the amount of the Local Match Obligation to be claimed for reimbursement:

From   Project Code JFSFP809-518001 Local State Adoption Match
To   Project Code JFSFP838-518001 State Adoption Incentive Allocation

EXAMPLE

Sunshine County spends $1000 on allowable State Adoption Activities. The county's Adoption Assistance Ratio is 92.40%.

Step 1: IV-E Reimbursement

$1000 – JFSFP839 518001

Step 2: Calculate Eligible Local Match

A. Expenditures eligible for FFP	**$1000 X 92.40% = $924**
B. IV-E Reimbursement	**$924 X 50.00% = $462**
C. Local Match Obligation	**$1000 - $462 = $538**

Step 3: State Adoption Incentive Allocation Reimbursement

($538) – *JFSFP809   Local State Adoption Match*
$538 – *JFSFP838 State Adoption Incentive Allocation*

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Coding established for indirect expenditures remain unchanged.   However, the definition for JFSFP838 State Adoption Incentive has changed as follows:

Project Code: **JFSFP838 State Adoption Incentive:** Incentive payments received by counties for implementation of a State Adoption Incentive Program to support adoption activities during the year.

For **Indirect** Expenditures:

Counties may use State Adoption Incentive funding as match for administrative costs as a result of the SSRMS Reconcile/Certification of Funds process for adoption related activities. The RMS codes associated with this funding are eligibility determinations (764), pre adoptive activities (769), and post adoption activities (787). In order to use funds to cover the match for these activities, counties must *first utilize SCPA on the COF* then move amounts via a coding adjustment from SCPA to State Adoption Incentive as follows:

From: Project Code **JFSFP847 SCPA Adoption Special**

To : Project Code **JFSFP838 State Adoption Incentive**

For questions regarding the allowable activities please contact Dan Shook at Dan.Shook@jfs.ohio.gov. Please contact your ODJFS fiscal supervisor if you have questions regarding the coding.