

New Title XX Accounting Methodology for Counties Participating in the Title IV-E California Well-Being Project

Title XX All Waiver County Webinar
February 26, 2016
1:00 PM – 3:00 PM

Conference Call: 1-888-240-3210
Participant Code: 2518125

Disclaimer

- The following Title XX methodology change is only applicable to counties participating in the Title IV-E California Well-Being Project.
- This webinar will be recorded for training purposes.

Introduction

- This meeting is to answer the counties questions regarding the IV-E Recoup in lieu of Title XX- FC Transfer adjustments on the AA 190s for SFY 2014-15 and to explain the learning opportunities that led to the new Title XX methodology effective SFY 2015-16.

Title XX Allocations

- Title XX Foster Care (FC) and Title XX Child Welfare Services (CWS) allocations are separate from the Title IV-E allocation and can only be expended using Title XX eligible expenditures. Once the Title XX allocations are expended, the remaining Title XX eligible expenditures can then be covered with Title IV-E funds, up to the capped Title IV-E annual allocation.

SFY 2014-15

- The SFY 2014-15 methodology provided the funding from the Title XX allocation plus reimbursement of Title IV-E for the claimed expenditures throughout the year.

SFY 2014-15 - Title XX FC

- The eligible expenditures were being included with all expenditures claimed on the CA 800 FC FED claim, using the Project sharing ratio of 50% federal and 50% non-federal (herein referred to as “50/50”) and counted against the county’s Title IV-E allocation.
- In order to use these eligible expenditures to support the county’s Title XX FC allocation, it was necessary to identify the Title XX eligible expenditures reported on the CA 800 FC 1 FED claim.

SFY 2014-15 - Title XX CWS

- The eligible expenditures are claimed on the CEC and were included in the federal portion of the manual program code (PC) 596A and 164A shift amounts reflected on the CWS IV-B ledger and Title IV-E Waiver Ledger Report.
- In order to use these eligible expenditures to support the county's Title XX CWS allocation, it was necessary to identify the Title XX eligible expenditures reported under PC 148 for costs time-studied to 1483 (Family Reunification) and 1484 (Permanent Placement) and PC 147 for costs time-studied to 1473 (Family Reunification) and 1474 (Permanent Placement).

SFY 2014-15

- After the June quarter expenditures became available, there was a reconciliation process to identify and true up all Title XX and Title IV-E funds to eligible expenditures.
- The IV-E Recoup in lieu of Title XX- FC Transfer adjustment was to correct the payment made for Title XX FC eligible expenditures and allowed other Title IV-E eligible expenditures to be paid with Title IV-E funds. Therefore, reducing the county's share of the overmatch reflected on the Title IV-E Waiver Ledger Report.

SFY 2014-15

- SFY 2014-15 has been reconciled and all waiver counties have enough Title XX FC and Title XX CWS expenditures to support both Title XX allocations.
- There will be no change to the SFY 2014-15 Title IV-E Waiver Ledger Report, as it was appropriate to reflect the Title XX FC allocation and expenditures on the ledger based on the methodology used at the time.
- During this process, it was discovered that the Title XX payment process required a methodology change effective SFY 2015-16.

Questions regarding SFY 2014-15 methodology?

Counties can also send their Title XX questions to the IVEwaiverpayment@dss.ca.gov email box.

New Title XX Methodology effective SFY 2015-16

- In an effort to avoid unnecessary adjustments at the end of the year, it was necessary to identify and remove all Title XX eligible expenditures prior to expenditures being recalculated at the Project sharing ratio of 50/50 that is paid with Title IV-E funds.
- The new methodology is necessary to ensure appropriate fiscal oversight of federal funds and will be implemented by May 2016.

SFY 2015-16 - Title XX FC

- Counties will start receiving monthly advances based on their Title XX FC quarterly allocation. Title XX advances are capped at the quarterly amount of their allocation due to the timing of the schedule of federal payments.
- The Title XX FC eligible expenditures claimed on the CA 800 FC 1 FED claim will be subtracted from the federal amount of the CA 800 FC FED expenditures prior to being recalculated at the Project sharing ratio of 50/50 and paid monthly with Title IV-E funds.

Title XX FC and EFC

- Title XX FC expenditures subtracted from the CA 800 FC Fed claim will be tracked against the Title XX FC allocation along with the previously unused Title XX Extended Foster Care (EFC) expenditures.
- Title XX EFC expenditures are considered outside of the waiver and are not eligible for Title IV-E funds. However, they are eligible for Title XX funds and can be used to support the Title XX allocation.
- During the quarterly offsets, the Title XX EFC expenditures will be applied to the Title XX FC allocation first, followed by Title XX FC expenditures, up to the capped Title XX quarterly allocation.
- Any remaining expenditures will be recalculated at the Project sharing ratio of 50/50 and paid with Title IV-E funds, up to the capped Title IV-E annual allocation, except Title XX EFC expenditures as they are not eligible for Title IV-E funds.

Title XX CWS

- Counties will continue receiving monthly advances based on their Title XX CWS quarterly allocation.
- The Title XX eligible expenditures are included in the federal portion of the manual PC 596A and 164A that shift expenditures exceeding the CWS IV-B allocation over to the Title IV-E Waiver Ledger Report, minus the county's 25% share.
- The Title XX CWS quarterly payment will be subtracted from the federal portion prior to this shift so these expenditures will only be used to support the Title XX CWS allocation and will not be paid with Title IV-E funds.

Exhibit B – CWS IV-B Ledger and Title IV-E Waiver Ledger Report

CWS IV-B - Non-Waiver Ledger				00 County - For Example Use Only			
ALLOCATION	1,000,000		LEDGER NUMBER:	010			
TOTAL EXP	1,000,000		LEDGER TYPE:	FEDERAL			
BAL/OM	0		REPORTING PERIOD:	SFY 2015-16			

PROC DTE	QUARTER	TRAN TYPE	PRGCODE	Federal	State	County	ALLOC	B/O
11/23/15	09/30/15	OC	164	120,000	30,000	12,000		(120,000)
11/23/15	09/30/15	OC	164	6,200,000	1,500,000	700,000		(6,320,000)
11/23/15	09/30/15	SHIFT	164A		(1,500,000)	(700,000)		(6,320,000)
11/23/15	09/30/15	SHIFT	596	(120,000)	84,000	36,000		(6,200,000)
11/23/15	09/30/15	SHIFT	596	(6,200,000)	4,340,000	1,860,000		0
11/23/15	09/30/15	SHIFT	596A		(4,340,000)	(1,860,000)		0
Sub-Total for Quarter:				0	114,000	48,000		

1,500,000 + 700,000 = 2,200,000

Title XX CWS Quarterly Payment

4,340,000 + 1,860,000 = 6,200,000 - 625,000 = 5,575,000

TITLE IV-E WAIVER LEDGER REPORT - CEC and Assistance County - 00 State Fiscal Year 2015-16

		Period	Federal	State	Non-Federal	Total
ALLOCATION	TITLE IV-E - CFL 15/16-36	SFY 2015-16	57,734,285			
	CSEC - STATE - CFL 15/16-36			1,110,512		
	CASE WORKER REVIEW - STATE - CFL 15/16-36			169,125		
CWS IV-E	077 CWS BASIC NONFEDERAL (A 9/06)	93658	80,772		80,772	161,544
	143 CWS INTAKE (C 6/07)	93658	73,315		73,316	146,631
	147 CWS-COURT RELATED ACTIVITIES(Add 9/91)	93658	1,015,124		1,015,123	2,030,247
	148 CWS-CASE MANAGEMENT (Add 9/91)	93658	1,926,902		1,926,902	3,853,804
	171 SUO CWS-TITLE XX TO LEDGERS (A 3/03)				(625,000)	(625,000)
	707 GOMEZ GRIVANCE HEARINGS (A 03/08)	93658	413		413	826
	732 Increase FMLY Case Planning (A09/09)	93658	59,536		59,536	119,072
	733 IRSAE (A09/09)	93658	41,648		41,648	83,296
	734 SUO CWS Case Management	93658	85,260		85,260	170,520
	786 NREFM UNDER 18 (A 09/12)	93658	34		35	69
	864 NRLG PROBATE COURT (C 12/12)	93658	48		48	96
	865 NRLG JUVENILE COURT (C12/12)	93658	62		62	124
	164A ST. Only CWS IV-B 146	93658	1,100,000		1,100,000	2,200,000
	596A SUO-CWS IV-B NonFed	93658	2,475,000		3,100,000	5,575,000
CWS IV-E Total			6,858,114	0	6,858,115	13,716,229

Title XX CWS

- The Title XX CWS expenditures subtracted from the federal portion of the manual PC 596A and 164A on the CWS IV-B ledger will be tracked against the Title XX CWS allocation and processed during the quarterly offsets.
- The actual quarterly Title XX CWS expenditures will be identified on an internal report to ensure each county has enough Title XX CWS expenditures to support their quarterly allocation but will not affect the PCs 171/173 amounts reflected on the CEC.
- The Title XX CWS expenditures are reported under PC 148 for costs time-studied to 1483 (Family Reunification) and 1484 (Permanent Placement) and PC 147 for costs time-studied to 1473 (Family Reunification) and 1474 (Permanent Placement).

Title XX Reconciliation

- After the June quarter expenditures become available, reconciliation will be necessary to ensure each county has enough Title XX FC, Title XX EFC and Title XX CWS eligible expenditures to support both Title XX allocations.

Title XX Reconciliation

- If the Title XX FC allocation is not fully expended, Title XX CWS expenditures that have not been used to support the Title XX CWS allocation will be identified and used to support any remaining Title XX FC allocation and vice versa.
- This step is necessary to ensure the Title XX allocations are fully expended as they cannot roll over to the next SFY.

Title XX Reconciliation

- If the counties exceed their Title XX allocations, the remaining Title XX eligible expenditures will be reimbursed by Title IV-E funds at the Project sharing ratio of 50/50, up to the capped Title IV-E annual allocation, except Title XX EFC which is not eligible for Title IV-E funds.
- When the reconciliation is complete, the IV-E Waiver Section will reflect the adjustments (if any) on the Title IV-E Waiver Ledger Report, Title IV-E Waiver Payment Report, Title IV-E Non Waiver Payment Report, CWS IV-B Ledger and AA 190s.

County Reconciliation – Title XX FC

- Counties can reconcile the **monthly** FC payment on the AA 190 by subtracting the sum of the Title XX FC expenditures claimed on the CA 800 FC 1 Fed claim prior to reconciliation.
- Counties can reconcile the **quarterly** Title XX FC payment on the AA 190 by summing the Title XX FC expenditures claimed on the CA 800 FC 1 Fed claim. However, quarterly Title XX FC expenditures that exceed the quarterly Title XX FC allocation will be paid with Title IV-E funds and will be reflected on the AA 190 as FC payment. Title XX FC expenditures paid with Title IV-E funds will be reflected on the Title IV-E Waiver Ledger Report.
- Counties can reconcile the **quarterly** Title XX EFC payment on the AA 190 by summing the Title XX EFC expenditures claimed on the CA 800 FC 1 (EFC Temp) claim.
- The Title XX FC and Title XX EFC payments will be tracked against the Title XX FC allocation up to the capped quarterly allocation and expenditures exceeding the quarterly allocation, will be paid with IV-E funds, up to the capped Title IV-E annual allocation, except Title XX EFC.

County Reconciliation – Title XX CWS

- Counties reconciliation for Title XX CWS will remain the same as prior to the new methodology. The Title XX CWS quarterly payment will be reflected on the CEC using the manual PCs 171 and 173 and reflected on the Title IV-E Waiver Payment Report and Title IV-E Non-Waiver Payment Report.
- Counties can reconcile the manual PC 596A and 164A shift amounts shown on the Title IV-E Waiver Ledger Report by adding back the Title XX CWS quarterly payment reflected on the AA 190.

Benefits of the New Methodology

- It ensures appropriate fiscal oversight of federal funds.
- It benefits counties by providing Title XX FC advances on a monthly basis and uses Title XX funds first since any remaining balance cannot be rolled over to the next FY.
- It frees up Title IV-E funds to be applied to Project expenditures that would have been shifted to the county's overmatch on the Title IV-E Waiver Ledger or that are eligible to be rolled over to the next FY.

Implementing New Methodology

- We have continued the SFY 2014-15 methodology until the new methodology could be finalized and the counties could be notified of the change. As a result, the Title XX FC expenditures have not been getting subtracted from the CA 800 FC Fed claim and have been reimbursed with Title IV-E funds and adjustments will be necessary.
- Accounting will revise the necessary records to implement the new methodology effective SFY 2015-16. Any adjustments will be reflected on revised payment reports, revised ledgers and upcoming AA 190s.

Implementing New Methodology Continued

- Counties will start receiving monthly Title XX FC advance in April 2016 and all Title XX funds and expenditures will be trued up by May 2016.
- Counties can reconcile by using their Title IV-E Waiver Ledger Report, Title IV-E Waiver Payment Report, Title IV-E Non Waiver Payment Report, CWS IV-B ledger, CA 800 claims and AA 190s.
- Effective SFY 2015-16, Title XX eligible expenditures paid with Title XX funds will not be reflected on the Title IV-E Waiver Ledger Report, as they are not paid with Title IV-E funds.
- A CFL providing details regarding the changes to the Title XX methodology is forthcoming.

Questions regarding SFY 2015-16 methodology?

Counties can also send their Title XX questions to the IVEwaiverpayment@dss.ca.gov email box.