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**TO:** Directors, Public Children Services Agencies

**FROM:** Rick Smith, Deputy Director  
Office for Children and Families

**SUBJECT: NOTICE OF FORTHCOMING ALLOCATION LETTERS FOR RELEASE OF STATE FISCAL YEAR (SFY)'07 TANF ALLOCATIONS FOR ADOPTOHIO KIDS INCENTIVE, MULTI-ETHNIC PLACEMENT AND INDEPENDENT LIVING**

The Ohio Department of Job and Family Services (ODJFS) is pleased to announce that three separate allocation letters releasing TANF funds will be forthcoming from the Office of Fiscal Services to public children services agencies (PCSAs). The allocations are being provided to:

- To promote permanent families for children through adoption.
- To increase the number of African American families approved for adoption.
- To enable youth who have or who will emancipate from foster care to have the skills and support necessary to help them achieve self-sufficiency and lead productive lives.

Each of the activities funded under the allocations must be in accordance with TANF Law and Regulations and are articulated under each allocation description below. Pursuant to federal TANF and procurement laws, funds may not be used for medical services, juvenile justice services, regular IV-D child support or IV-E services, foster care maintenance payments, the general cost of government, constructing or purchasing of buildings or facilities, or purchasing real property, public education, or satisfying a cost sharing or matching requirement of another federal program. In addition funds may not be used for services that would otherwise be considered "assistance". As with all federal funds, agencies must assure all purchases of services or payments to vendors are in compliance with all federal procurement laws and regulations (e.g. Circular A-133).

### **AdoptOHIO Kids Allocation**

The Ohio Department of Job and Family Services (ODJFS) is pleased to announce that allocation letters for AdoptOHIO Kids 2007 funding will be forthcoming from the Office of Fiscal Services. The basis for the allocation is found at rule 5101:9-6-75 of the Administrative Code - "AdoptOHIO Kids Incentive Funds". A total of \$9.1 million dollars in TANF funds is available in SFY'07 for AdoptOHIO Kids funding to PCSAs. PCSAs will receive an allocation based on the following formula:

- Average number of children, ages nine and older that were served during SFYs 2004, 2005 and 2006.
- Number of permanently committed children in agency's custody on July 1, 2006 for 16 months or less, who are not placed in an adoptive home.
- Each PCSA will receive a minimum allocation of \$2,500.

**Purpose of the Allocation:** The allocation is to be used to enhance adoption programs to increase the overall number of adoptions – with a special emphasis on actions that will decrease the length of time required to complete adoptions with a view to achieving, or maintaining, compliance with the Child and Family Services Review (CFSR) performance measure for timely finalizations.

**Use of Funds:** Funds available under the allocation are targeted to serve two-parent adoptive families, and single parent adoptive families who meet the state’s standard of need. The standard of need for a single parent family is 120% of the state median income scaled to family size including the presence of any adopted children. There is no standard of need for two parent adoptive families. Funds available under the allocation may be used only for purchased services to promote the formation of a two parent or an eligible single parent adoptive family. Examples of allowable purchased services include contracts or grants for family recruitment and home studies, pre-adoptive training for parents and families, peer counseling and mentoring for pre-adoptive parents and families, and pre-finalization case management. Funds can be used to support agency recruitment campaigns and promotional activities only when the theme of such efforts are focused on the development of two parent adopting families. Grants to faith based organizations are permitted and encouraged within the restrictions noted above. Funds may also be used to provide one-time incentive payments to adoptive families upon finalization. Allocation funding may not be used to support PCSA staff or general operating costs.

**Availability and Claiming:** Allowable costs may be claimed against the allocation for the period July 1, 2006, through June 30, 2007, inclusive. Reimbursement for allowable costs is to be claimed on the JFS 2820. The last JFS 2820 that will be reimbursable under the allocation will be June, 2007. Allowable costs correctly reported will be reimbursed at a rate of 100% of the amount reported up to the PCSA’s allocation amount. After receipt of the allocation letter, questions regarding reimbursement should be forwarded to the ODJFS regional fiscal supervisor.

### **Multi-Ethnic Placement Allocation**

ODJFS is also pleased to announce the allocation of \$750,000 to six specific PCSAs which have been identified by ODJFS as most able to assist ODJFS comply with the Multi-Ethnic Placement Act, as amended (MEPA) and the Child and Family Service Review (CFSR) goals. The basis for this allocation is found at rule 5101:9-6-57 of the Administrative Code - “The Recruitment of African American Adoptive Families Allocation”. The six PCSAs will work on increasing the number of available African American families in order to achieve parity with the percent of their waiting African American children. Calculations for the allocation are based on the number of total families required to achieve parity and the total available dollars.

ODJFS has reviewed FACSIS information on open adoption resources that do not have a child placed in their home for the purposes of adoption. Based on point in time data, ODJFS has determined the difference between the percent of waiting approved African American families in each county and the percentage of African American children in that same county who were legally available for adoption.

**Purpose of Allocation:** The Multiethnic Placement Act (MEPA) requires the racial and ethnic diversity of the families waiting to adopt be reflective of the racial and ethnic diversity of the children waiting to be adopted. In Ohio, the percentage of available African American adoptive families is far less than the percentage of waiting African American children. Increasing the

number of available African American adoptive families is a goal of Ohio's CFSR Program Improvement Plan.

**Use of Funds:** Funds available under the allocation are targeted to serve two-parent adoptive families, and single parent adoptive families who meet the state's standard of need. The standard of need for a single parent family is 120% of the state median income scaled to family size including the presence of any adopted children. There is no standard of need for two parent adoptive families. The funds can only be used to contract with an individual (personal services contractor) or another entity for the purpose of producing two parent African-American approved adoptive applicants or eligible single parent African-American approved adoptive applicants. Funds cannot be used to cover PCSA's staff time, the development of recruitment campaigns or the purchase of other recruitment materials. These funds cannot be used to support staff time.

**Availability and Claiming:** Allowable costs may be claimed against the allocation for the period July 1, 2006, through June 30, 2007, inclusive. Reimbursement for allowable costs is to be claimed on the JFS 2820. The last JFS 2820 that will be reimbursable under the allocation will be June, 2007. Allowable costs correctly reported will be reimbursed at a rate of 100% of the amount reported up to the PCSA's allocation amount. After receipt of the allocation letter, questions regarding reimbursement should be forwarded to the ODJFS regional fiscal supervisor.

### **Independent Living Allocation**

ODJFS is also pleased to announce the allocation of \$2.5 million in TANF funds this year to PCSAs to support the provision of independent living (IL) services and assistance to youth ages 16 and older who are in the agency's custody, and young adults ages 18 to 21 who have emancipated from the agency's care. PCSAs may also use the funds to support the provision of independent living services to youth in their custody under the age of 16 when the youth is likely to remain in agency custody until the youth's eighteenth birthday. PCSAs will receive their allocation based on the following formula:

- All PCSAs will receive a base allotment of \$2,500.
- The remaining \$2.28 million will be distributed to each PCSA that experienced any IL cost in SFY '05 proportionate to the ratio that the PCSA's SFY '05 allocation represented to the statewide total of the SFY '05 allocation net of the SFY '05 allocation amount provided to PCSAs that experienced no IL costs within the SFY '05 allocation.
- PCSAs that experienced no IL costs within the SFY 05 allocation will receive only the base allotment.

**Purpose of the Allocation:** The allocation is to be used to expand PCSAs efforts to enable youth who have, or who will, emancipate from foster care to gain the skills necessary to achieve self-sufficiency and lead productive lives in the community.

**Use of Funds:** Funds available under the allocation are targeted to serve TANF purpose three, "To prevent and reduce the incidence of out-of-wedlock pregnancies and establish annual numerical goals for preventing and reducing the incidences of these pregnancies." The allocation may be used on behalf of any youth eligible to receive independent living services per rules 5101:2-42-19 and 5101:2-42-19.2 of the Administrative Code - "Requirements for Independent Living Arrangements for Independent Living Youth in Custody" and "Requirements for

Provision of Independent Living Services to Young Adults Who Have Emancipated” respectively.

Notwithstanding the scope of services noted in the above-referenced OAC rules, funding from this allocation may only be used for the activities denoted below and may not be used to support PCSA staff salaries.

**Supplantation:** Funds available through the Chafee Independent Living Program, the Education and Training Voucher Program, the Workforce Investment Act, and other community resources must be utilized first for services allowable under these programs. The TANF funds for independent living are to expand services available under these programs, not supplant them.

**Allowable Expenditures for Youth in the PCSA’s Custody:** For youth in a PCSA’s custody, the agency may purchase services, make vendor payments, and make incentive payments consistent with the youth’s life skills assessment and written independent living plan developed in accordance with rule 5101:2-42-19. With the exception of medical services, PCSAs may use the allocation funding to purchase services using the service categories outlined in rule 5101:2-42-19.

A PCSA may also offer incentives to eligible youth to promote successful behavioral outcomes. Such outcomes may include academic achievement such as honor roll or election to student council; acts or recognition of good citizenship in the community, or the achievement of milestones that further the youth’s accomplishment of goals/expectations outlined in the youth’s written plan. Incentives may be provided to youth either in the form of a cash payment and/or an instrument such as a gift card or gift certificate. The value of incentive reward should not be disproportionately large.

Payments to vendors for room and board are not allowable for youth in the PCSA’s custody. In addition, services and payments may not fall within the definition of “assistance” under TANF, nor otherwise prohibited by TANF regulations.

**Allowable Expenditures for Young Adults Who Have Emancipated from Foster Care:** Allocation funding may be used to purchase services, make vendor payments, and provide incentive awards for young adults who have emancipated from foster care. Such persons must enter into a written plan developed in accordance with rule 5101:2-42-19.2 with the PCSA that held prior custody. Purchased services, vendor payments, or incentive awards must be consistent with the aforementioned plan. In developing the plan, the PCSA must place a special emphasis on defining goals and outcomes which assist the young adult in achieving and maintaining self-sufficiency.

Except for medical services, PCSAs may purchase services using the service categories outlined in rule 5101:2-42-19.2. PCSAs may also purchase other services, make payments to vendors, or provide incentives to the young adult to assist in furthering the young adult’s achievement of self-sufficiency as outlined in the written plan. Services and payments may not fall within the TANF definition of “assistance”. Some allowable expenditure which a PCSA may consider on a case-by-case basis for a young adult who has emancipated includes:

- Security deposits, utility deposits, and rent and utility payments for up to four months when there is a clear plan that the young adult will be able to maintain ongoing payments beyond those for which he or she has received assistance from the PCSA.

- Up to \$1000 to assist with furniture.
- Driver's education classes and driver's license fees.
- A one time payment to a vendor to purchase or help to purchase a used car to support the person's employment when there is a clear plan that the young adult will be able to maintain the costs and responsibilities associated with a car.
- A one time payment to a vendor up to \$2000 to cover the cost of repairs to a car that is used to support the person's employment, provided that such repairs are necessary to the functioning of the car and are not considered ongoing car maintenance (e.g. - an oil change).
- Work clothes, tools, supplies, examination and/or permit fees needed to obtain or maintain employment.
- Payment of a membership to join a YMCA or other activity which would help a young person maintain a responsible lifestyle.
- Employment mentoring.
- Nominal incentive awards either in the form of cash payment or gift card or gift certificate for the achievement of specific behavioral outcomes outlined in the written plan between the person and the PCSA.

**Case-by-case Considerations for Emancipated Youth:** These funds are intended to allow PCSAs flexibility in designing a service plan which meets the individual needs of the youth while considering his or her level of maturity and responsibility. As with all purchases of services or payments to vendors on behalf of a young adult, PCSAs shall consider the individual's needs on a case-by-case basis weighing the young person's level of maturity, ability to accept responsibility and the various options that are available to that young person in the county. One county may have an excellent public transportation system where another county has minimal public transit services available. One young person may have demonstrated responsibility through having been employed while under agency custody and responsibly driving the car of his foster family while in their care. Perhaps he or she would only need some assistance from the PCSA to make a one time purchase or repair a car to be used in employment, or to assist with initial housing costs. When considering the purchase of a car that can support the young adult's employment, the PCSA should take due care to consider that person's ability to pay for car insurance, fuel, and ongoing maintenance costs. Agencies are encouraged to dialogue with their legal counsel, and board of county commissioners to discuss any additional perimeters the county wishes to be factored into the written plan developed with emancipated youth in regard to the services and supports the PCSA will provide.

**General Prohibition Relevant to the IL Allocation:** Allocation funds may not be used for the purchase of child care. Fund may also not be used to provide transportation for unemployed youths or young adults.

**Availability and Claiming:** Allowable costs may be claimed against the allocation for the period July 1, 2006, through June 30, 2007, inclusive. A procedure letter is being prepared by the Office of Fiscal Services to direct PCSAs in submitting expenditures for reimbursement. Allowable costs correctly reported will be reimbursed at a rate of 100% of the amount reported up to the PCSA's allocation amount.

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