



Revenue Maximization and Certification of Local Funds as State Match Annual Report 2021

Department of Children and Families
Office of Child Welfare

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Shevaun L. Harris
Secretary

Ron DeSantis
Governor

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Executive Summary

With the passage of the Local Funding Revenue Maximization Act, state agencies are required to work more closely with the local agencies and to certify local public agency funding for other federal matching programs to maximize federal funding of local preventive services and local child development programs within the state. Title IV-E, unlike Temporary Assistance for Needy Families or Child Care Development Block Grant, maintains restrictions on the type of funds that may be used as match for reimbursement. The costs must be expended by the agency receiving the Title IV-E grant or Medicaid, or another public agency, or a county-based agency that has an interagency agreement in place. A public agency may use certified public expenditures to leverage Title IV-E reimbursement when those funds are paying for Title IV-E eligible costs and are not used as match for other federal funds. No private provider funds can be used to match Title IV-E expenditures unless the private provider transfers funds to a public agency. In addition, steps must be taken by the Department to ensure that local agency funds are handled in a manner to ensure Title IV-E, specifically, the provisions outlined in 42 Code of Federal Regulations (CFR) 433.50 and 45 CFR 235.66(b) (1-3).

Sections 409.017(3)(h), and 409.26731, Florida Statutes, authorize the use of certified local funding for federal matching programs to maximize federal funding of local preventive services and local child development programs. Section 409.26731, Florida Statutes, establishes the authority of the Department of Children and Families (the Department) to certify publicly appropriated, local funds as state match for eligible Title XIX and Title IV-E expenditures.

A public agency, or "local government," is defined by sections 472, 474(a)(1) and 474(a)(3)(C) of the Social Security Act, as a county, municipality, city, township, local public authority, school district, intrastate district, council of governments (whether or not incorporated as a non-profit corporation under state law), any other regional or interstate government entity, or any agency or instrumentality of a local government.

The local match process currently applies to all counties having local public agencies that meet the federal requirements pursuant to 42 CFR 433.51 – Public Funds as the state share of financial participation and 45 CFR 235.66 – Sources of State Funds provisions of services to eligible children. The local match process enables public agencies to use expended, publicly appropriated local funds as a match for earning federal funds.

This process has been in place since 1998 and local agencies have received significant federal reimbursement because of the partnership with the Department and agencies expending local funds on allowable reimbursable expenditures. While the state was under the Title IV-E federal waiver, reimbursement opportunities with the local agencies for Title IV-E expenditures were significantly reduced; instead, Title

IV-E waiver dollars were used to reimburse the local agencies for expenditures incurred on traditionally ineligible costs. With the expiration of the Title IV-E waiver, effective September 30, 2019, Title IV-E reimbursement is uncapped, allowing for additional claiming for Title IV-E administrative costs.

On January 7, 2019, the U.S. Department of Health and Human Services' Children's Bureau announced a revision to the Child Welfare Policy Manual (CWPM) permitting states to receive federal Title IV-E funding reimbursement for the administrative costs of providing "independent legal representation by an attorney for a child who is a candidate for Title IV-E foster care or in foster care and his/her parent."

Under this revision, Title IV-E agencies may claim the 50 percent administrative match (after the statewide Title IV-E eligibility rate is applied) for the costs of "preparation and participation in judicial determinations" in all stages of foster care legal proceedings by a Title IV-E agency attorney, an attorney providing independent representation to a child who is a candidate for Title IV-E foster care or is in Title IV-E foster care, and an attorney providing independent representation to such a child's parent. Additionally, states may claim administrative costs for paralegals, investigators, peer partners, or social workers as administrative costs to the extent they are necessary to support an attorney providing independent legal representation.

In response to this pivotal shift in federal guidance, other entities have expressed interest in leveraging public dollars to obtain federal reimbursement. In October 2019, two children's services councils (CSCs), Broward and Palm Beach Counties, entered into interagency agreements for legal services that are provided to children involved in the child welfare system in their counties. In addition, interagency agreements were approved for passthrough funding for post-adoption services (Palm Beach County Board of County Commissioners), adoption recruitment and retention services (CSC of Broward County), and information and outreach support for Medicaid and Supplemental Nutrition Assistance Program (SNAP) (CSC of Martin County). The existing interagency agreements with the CSCs in Broward and Palm Beach Counties were amended during the current fiscal year, increasing the number of positions, expanding legal services being provided to more children, and providing additional Title IV-E claiming opportunities. CSC of Palm Beach County implemented a multidisciplinary legal representation model where social workers work in collaboration with the attorney and client to reach the identified goal.

The Families First Prevention Services Act (FFPSA) was passed in 2018 with required implementation no later than October 2021. Several CSCs and county governments are currently funding prevention services in their counties. For these agencies to claim for the array of prevention services that are provided, the Department must have a federally approved Prevention Plan. The Prevention Plan was submitted September 30, 2021, and is pending approval.

The Prevention Plan outlines how Title IV-E claiming will be done for children at risk of out-of-home placement and considered a candidate, as well as what Evidence-Based Programs (EBPs) the state will implement and claim. The five EBPs included in Florida's Prevention Plan are Functional Family Therapy, Homebuilders, Motivational Interviewing, Multisystemic Therapy, and Parent-Child Interaction Therapy. The Department anticipates working with the CSCs and county governments who are interested in supporting the prevention-focused approach for mental health, substance abuse prevention and treatment, or in-home parenting skills to ensure child well-being and safety of Florida's children.

Department of Children and Families
Revenue Maximization and
Certification of Local Funds as State Match for Federally Funded Services

Fiscal Year 2021 Annual Report

Section 409.017(3)(h), Florida Statutes, authorizes the use of certified local funding for federal matching programs to maximize federal funding of local preventive services and local child development programs.

409.017 Revenue Maximization Act; legislative intent; revenue maximization program. —

(3) (h) Each agency, respectively, shall annually submit to the Governor, the President of the Senate, and the Speaker of the House of Representatives, no later than January 1, a report that documents the specific activities undertaken during the previous fiscal year under this section. The report must include, but is not limited to, a statement of the total amount of federal matching funds generated by local matching funds under this section, reported by federal funding source; the total amount of block grant funds expended during the previous fiscal year, reported by federal funding source; the total amount for federal matching fund programs, including, but not limited to, Temporary Assistance for Needy Families and Child Care and Development Fund, of unobligated funds and unliquidated funds, both as of the close of the previous federal fiscal year; the amount of unliquidated funds that is in danger of being returned to the Federal Government at the end of the current federal fiscal year; and a detailed plan and timeline for spending any unobligated and unliquidated funds by the end of the current federal fiscal year.

Section 409.26731, Florida Statutes, establishes the authority of the Department to certify publicly appropriated, local funds as state match for eligible Title IV-E expenditures. This statute gives the Department the authority to reimburse local governmental agencies for expenditures that are determined allowable and eligible under Title IV-E, on behalf of dependent children who are eligible under Title IV-E of the Social Security Act.

409.26731 Certification of local funds as state match for federally funded services. The department is authorized to certify local funds as state match for eligible Title IV-E expenditures more than the amount of state general revenue matching funds appropriated for such services by the General Appropriations Act. Title IV-E funds provided to the state as federal financial participation consequent to certified local matching funds shall automatically be passed through to the local entity that provided the certified local match. Notwithstanding the provisions of s. 215.425, Florida Statutes, all such federal funds earned for the current fiscal year

as a result of using certified local match, except for up to five percent of such earnings that the department is authorized to retain for administrative purposes, shall be distributed as set forth in this section and this process shall not impact the department's allocation to any district. All the provisions of this section are based upon federal approval of the provisions as specifically limited in this section and shall not become effective if any further modifications are required of the state, unless and until federal approval has been obtained. The department shall annually prepare a report to be submitted to the Legislature no later than January 1 documenting the specific activities undertaken during the previous fiscal year pursuant to this section.

This report is specific to Title XIX – Medicaid, Supplemental Nutrition Assistance Program, and Title IV-E funding, as no other funding sources have uncapped resources. Additionally, there are no unliquidated funds in danger of being returned to the federal government at the end of the federal fiscal year.

Federal Funding Supporting Local Initiatives

Part E – Federal Payments for Foster Care & Adoption Assistance

Under Title IV-E, several partially federally-funded programs are authorized, which are designed specifically to care for eligible children residing in fully licensed and eligible out-of-home care placements and to provide adoption subsidy payments for children who are in adoptive placements.

There are eligibility criteria that must be met to claim Title IV-E reimbursement on behalf of a child. The Department completes a determination of a child's eligibility for each specific program and maintains the child's eligibility status throughout the entire time the child is in out-of-home care. For any period, the child does not meet the eligibility criteria, Title IV-E reimbursement may not be claimed for the child. The Department is the single state agency authorized to enter into an interagency agreement with another public agency to make a pass-through of Title IV-E reimbursements. When a public agency certifies that local funds have been appropriated and expended for eligible, allowable Title IV-E expenditures, federal reimbursement grant funds provided to the state are passed through to the public agency that provided the "certified match."

Under state statutes, the local match process is available to all public agencies and taxing authorities and enables those agencies to use locally appropriated public funds as a match for earning federal funds.

The passage of FFPSA opened Title IV-E claiming opportunities to include children who remain in the home of the parents or relatives, further supporting the Department's vision of becoming a prevention-focused agency. This opportunity allows the Department to partner with local communities to maximize funding sources and federal earnings to serve our families in a more coordinated effort. No longer is Title IV-E limited to the children who enter the foster care or adoption assistance system of care. While the Department is extending the start date for FFPSA to begin, the benefits of this opportunity will afford CSCs and local county governments the opportunity to claim additional funding reimbursement when funds are committed to support the objectives of the program.

Through the 2018 legislative session, the Department was provided authority to implement a Title IV-E reimbursable Extension of Foster Care Program (EFC), Extended Maintenance Adoption (EMAS), and Title IV-E Guardianship Assistance Program (GAP). The expansion of Title IV-E services will enhance the opportunities to support aging-out youth as well as supporting children remaining with relatives or fictive kin. In addition, these programs will also allow the expansion of the local agencies to support children who are served under these new programs. Implementation for EFC and EMAS began on January 1, 2019, and GAP on July 1,

2019. These programs are potential areas for local agency participation in the coming year. At least one agency is supporting children who are adopted and is claiming for the costs associated with post-adoption services to children in adoptive homes.

On January 7, 2019, the Agency for Children and Families (ACF) released a policy in the CWPM that allows for a Title IV-E state agency to claim administrative costs for legal representation provided by the public agency or tribal attorneys for legal activities related to all stages of foster care proceedings. In addition, ACF provided further clarification in the CWPM on July 26, 2019, that costs associated with independent representation under an agreement with the state agency may be claimed.

Title XIX – Medicaid Administrative Claiming

Title XIX of the Social Security Act allows for a portion of the administrative costs incurred in support of the necessary administration of the Medicaid state plan. Under section 1903 (a)(7) of the Act, federal payment is available at a rate of 50 percent for amounts expended by a state or through a contracted local entity. The costs must meet the following requirements, they must be:

- “proper and efficient” for the state’s administration of its Medicaid state plan.
- supported by an allocation methodology that appears in the state’s approved Public Assistance Cost Allocation Plan; and
- provided on behalf of an eligible child.

Allowable services claimed for federal reimbursement for Medicaid will consist of either case management services or referrals and assistance and information to establish eligibility for a child and their family.

Supplemental Nutrition Assistance Program

In 7 CFR, beginning in Part 271, guidance for implementation of The Supplemental Nutrition Assistance Program (SNAP) is outlined. SNAP is an entitlement program that offers nutrition assistance to millions of eligible, low-income individuals and families, and is administered by the U.S. Department of Agriculture Food and Nutrition Service (FNS). In addition to the distribution of funds, reimbursable costs include providing informational activities designed to provide food resources to families who qualify. The administrative functions that agencies may claim for reimbursement include providing informational activities designed to inform low-income households about the availability, eligibility requirements, application procedures, and the benefits of SNAP.

Participating Agencies

During SFY 2019-2020, the Department maintained interagency agreements with the local agencies listed below. With the Children's Bureau's announcement and revisions to the CWPM allowing for administrative costs for independent legal representation, a new agreement was approved with the CSC of Palm Beach County, and the existing agreement for the CSC of Broward County was amended to include legal representation of children.

1. CSC of Broward County
2. Palm Beach County Board of County Commissioners
3. CSC of Martin County
4. CSC of Palm Beach County

During SFY 2020-2021, the following local agencies amended their interagency agreements with the Department to expand the services being provided:

1. The CSC of Broward County continues claiming federal reimbursement for eligible for Title IV-E adoption assistance, providing retention and recruitment services for children to obtain permanent homes and financially supporting the Heart Gallery Program by financing the professional portraits of children available for adoption. The CSC of Broward County amended the existing interagency agreement for Adoption Assistance to include claiming for independent legal representation for children involved in the child welfare system. This amendment was executed in April 2020 but was made retroactive to allow claiming as of October 1, 2019.
2. The Palm Beach County Board of County Commissioners paid for services for pre-and post-adoption services to support adoptive families and children. This agreement was amended, increasing the allowable reimbursement amount to the agency to service additional children and families.
3. The CSC of Martin County has continued to claim for Medicaid reimbursement for allowable costs through the Whole Child Connection Program. This program has provided children and their families in Martin County access to medical care and referral services. In addition, in SFY 2020, the taxing authority has also added claiming SNAP costs through the funded Whole Child Connection.
4. The CSC of Palm Beach County finalized an interagency agreement in March 2020, allowing for retroactive claiming for Title IV-E for the legal representation of children to begin October 1, 2019. This agreement was amended effective October 1, 2021, to also allow for claiming reimbursement of administrative costs for social workers and additional legal staff to meet the needs of the growing population served.

Progress Toward Expansion

Five Regional Counsels are currently working to implement interagency agreements for legal representation of parents that will utilize a multidisciplinary legal model. The agencies have received budget authority for SFY 2020-2021 with the expectation that the interagency agreements will be submitted for approval this year.

The Department submitted the interagency agreement for JAC for approval in September 2021 and anticipates its approval to allow JAC to begin claiming for Title IV-E administrative costs retroactively to October 2021.

With the implementation of FFPSA, the Department has been contacted by multiple CSCs and local agencies with existing evidence-based practices that are interested in entering into an interagency agreement for Title IV-E reimbursement. The Department has begun gathering information from CSC of Palm Beach County, Palm Beach County Board of County Commissioners, and Hillsborough County Children's Services to initiate the process.

Allowable costs for claiming, which include the local match and federal share as of June 30, 2021, totaled \$2,551,042.60 for SFY 2020-2021. The increase over the last year has not been significant, only 17%; however, with the increased services by the CSC and the addition of six interagency agreements, the Department anticipates an increase of at least 75% in claiming for SFY 2021-2022. Cumulatively, since 1998, participating agencies have claimed \$27,531,123.24 and received \$14,710,272.17 in federal reimbursement through this process. The federal reimbursement amount per year is as follows:

SFY	Federal Reimbursement	Match	Total
1998 - 2008	\$ 5,948,343.62	\$ 4,923,813.70	\$ 10,872,157.32
2008 - 2009	\$ 847,256.49	\$ 753,961.43	\$ 1,601,217.92
2009 - 2010	\$ 998,137.26	\$ 792,409.61	\$ 1,790,546.87
2010 - 2011	\$ 977,931.15	\$ 937,858.89	\$ 1,915,790.04
2011 - 2012	\$ 779,655.98	\$ 769,960.37	\$ 1,549,616.35
2012 - 2013	\$ 781,470.23	\$ 401,932.08	\$ 1,183,402.31
2013 - 2014	\$ 577,528.72	\$ 440,966.27	\$ 1,018,494.99
2014 - 2015	\$ 261,252.70	\$ 261,252.70	\$ 522,505.40
2015 - 2016	\$ 325,030.86	\$ 325,030.86	\$ 650,061.72
2016 - 2017	\$ 289,371.16	\$ 289,371.16	\$ 578,742.32
2017 - 2018	\$ 284,957.42	\$ 284,957.42	\$ 569,914.84
2018 - 2019	\$ 279,540.90	\$ 279,540.90	\$ 559,081.80
2019 - 2020	\$ 1,084,274.38	\$ 1,084,274.38	\$ 2,168,548.76
2020 - 2021	\$ 1,275,521.30	\$ 1,275,521.30	\$ 2,551,042.60

For programmatic purposes, administrative expenditures necessary for the proper and efficient administration of the Title IV-E State Plan, and the Title XIX Medicaid State Plan are detailed in Appendix A of this report and outlined in 45 CFR 1356.60(c). The Department is authorized in section 409.26731, Florida Statutes, to retain up to 5% of local match earnings to administer the program, although the Department has never exercised that option.

Eligibility Under Title IV-E

Title IV-E Requirements:

On October 1, 2019, the federal waiver authority for Title IV-E waiver projects expired. As a result, the Department is working with local public-funded agencies supporting the children within the child welfare system to support their future claiming of Title IV-E funding through the funded programs they have in place.

Currently, no agency that has entered into an interagency agreement is claiming costs related to the maintenance costs of the children in foster care. However, the eligibility of children in foster care plays a major role in the administrative claiming of Title IV-E foster care and adoption. Based on the child's eligibility, an eligibility rate is created to apply toward all administrative and training costs for foster care, foster care candidate, or adoption. The creation of the statewide eligibility rate is calculated in this manner:

Statewide Foster Care Title IV-E Eligibility Rate	
Numerator Includes:	Denominator includes:
Children determined Title IV-E Foster Care Eligible and Reimbursable in one of the following out-of-home placement settings: <ul style="list-style-type: none">Placed in licensed foster carePlaced with relative caregiver in the process of becoming licensed Children determined Title IV-E Foster Care Eligible but Not Reimbursable due to receiving Supplemental Security Income (SSI).	All children in foster care regardless of Title IV-E eligibility status or placement setting.
Statewide Foster Care Candidate Title IV-E Eligibility Rate	
Numerator Includes:	Denominator includes:
Children in an in-home living arrangement with a Safety Plan completed within the last 180 days.	All children in an in-home living arrangement.
Statewide Adoption Title IV-E Eligibility Rate	
Numerator Includes:	Denominator includes:
Children receiving adoption subsidy determined to be Title IV-E Adoption Eligible.	All children receiving adoption subsidy regardless of eligibility status.

The Department relies on the Florida Safe Families Network (FSFN) for establishing Title IV-E eligibility following the entry of eligibility criteria for both foster care and adoption. The following is a basic description of the criteria that must be met:

Foster Care:

- Judicial determinations regarding “reasonable efforts” and “contrary to the welfare”
- Voluntary placement agreements
- Responsibility for placement and care vested with the Title IV-E agency
- Based on the family circumstances in the removal month, the child would be eligible for Aid to Families with Dependent Children (AFDC) based on the state plan in effect July 16, 1996
- Child’s placement in a licensed foster family home or child care institution
- Safety requirements are met by the child's foster care provider

Adoptions:

- Special Needs determination
 - Child cannot return home
 - Hard to place factor
 - Efforts to place with subsidy
- Applicable Child determination
 - Age
 - Length of time in foster care
 - Applicable Sibling
- Eligibility Path determination for Applicable Child
 - Contrary to the welfare determination at removal
 - Supplemental security income recipient
 - A child of a minor parent in foster care whose removal was based on a contrary to the welfare finding
 - Title IV-E eligible in prior adoption
- Eligibility Path determination for Not Applicable Child
 - Title IV-E foster care eligibility judicial and AFDC, under the state plan in effect July 16, 1996, criteria was met regarding the child’s removal
 - Supplemental security income recipient
 - A child of a minor parent in foster care whose foster care payments covered the cost of the child residing with the minor parent
 - Title IV-E eligible in a prior adoption

Key Advantages to the Local Match Initiative

The value of the local match initiative provides a significant contribution to the children and families in their specified areas and allows for local communities to expand Florida's focus on the prevention of child maltreatment while improving child and family well-being. Whether it is a CSC, a county, or another agency, the benefit has been tremendous. The needs of a community outweigh the funding provided to the Department or a CBC. The ability to leverage public dollars for services and resources for children in the child welfare system is a benefit to the children. In addition, the reimbursement from the federal government provides the publicly funded entity to reinvest additional dollars to provide further support to the child welfare system.

Appendix A

Public Agency Procedures

A public agency, or local government, is defined and governed by 2 CFR Part 200—Uniform Administrative Requirements, Cost Principles, And Audit Requirements for Federal Awards.

For a public agency to claim federal reimbursement for an expenditure related to the maintenance and/or administrative costs for the care of eligible children, the public agency must:

1. Enter into an interagency agreement with the Department of Children and Families: An interagency agreement must be executed before any Title IV-E, Medicaid, and SNAP claims being submitted.
2. Develop cost allocation plans (if applicable): A cost allocation plan must be submitted as partial documentation of Title IV-E, Medicaid, and SNAP administrative expenditures per 45 CFR 200.
3. Document the child's eligibility: Documentation must be available that the expenditure was made for a child who was eligible for Title IV-E at the time the expenditure was made. Eligibility for Medicaid or SNAP is not required to be established to claim the administrative costs associated with promoting the programs.
4. Provide certification of match: Documentation must be provided, such as invoices and billing receipts, that include the amount of the expenditure and certify that the expenditure was made from public funds.
5. Develop expenditure projections: Along with the quarterly claim, the agency must submit projections for the upcoming quarter.

Appendix B

Department Accounting Procedures

Upon completion of documentation as outlined in the interagency agreement between the public agency and the Department, the following accounting procedures are initiated to reimburse local agencies for their Title IV-E expenditures:

1. The public agency must require the local public agency to submit to the public agency quarterly documentation of Title IV-E expenditures and an estimate of eligible expenditures for the upcoming quarter.
2. The public agency will submit documentation to the contract manager of the Office of Child Welfare to certify that the expenditures were made with public funds. The local match liaison will review the documentation for payment approval.
3. The expenditures will be claimed, and the upcoming quarter estimates will be included on the quarterly CB-496 Statement of Expenditures Report.

Contract Manager Procedures

Eligibility and reimbursability determination. Each contract manager will ensure that expenditures are made per the Title IV-E program, Medicaid program, and/or SNAP program.

Interagency Agreement

The Department has established guidance through the interagency agreement that will guide the local match process and must be followed by all key local agency officials and the Department contract staff. Compliance and review of the application of the requirements will be provided by contract staff with support from the Office of Child Welfare.