Virginia Department of Social Services
Finance Guidelines Manual for Local Departments of Social Services

Division of Finance
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Purpose

The purpose of this manual is to provide budget, financial reimbursement, and general service guidelines for local departments of social services that administer public assistance and social services programs under the supervision of VDSS. Included in this section is information on the Locality Automated System for Expenditure Reimbursement (LASER), the VDSS statewide financial reimbursement system for LDSSs.

These guidelines are intended to supplement and help interpret, but not replace or change, applicable federal, state, and local regulations, as well as, related policies and procedures. The explanations and descriptions do not include every variable and situation that can occur, but are to be used as fundamental guiding principles for LDSSs. Therefore, any questions or clarifications regarding any topics should be directed to the assigned Regional Office Administrative Manager or Central Office Local Review Team contact person.

Accessing Guidelines

Several units in the Division of Finance develop guidelines for LDSSs. The design and layout of the manual made available under Local Support Finance Guidelines web page combines the information developed by these units. To provide users most flexibility, the guidelines and forms are made viewable in one of three forms:

View Options	View Features
PDF File Version	This version combines all information into one document. Features of PDF File Version include the following: • View entire manual in one document • Find topics by book mark • Search entire document for a topic • Print entire manual • Print a range of pages within the manual
Individual PDF or Application File Version	This version makes guidelines, forms and charts available as separate documents. • Easily identify a document or information without scanning an entire document • Easily identify and print new and/or recently posted documents • View documents in the original application form, where

View Options	View Features
	necessary. For example, the LASER Master Table can be viewed as an EXCEL rather than a PDF file. • Make efficient use of computer server, which supports over 8,000 users. Opening one single PDF file uses less computer server space and time on a network system than opening a large combined PDF file.
Local Support Web Page Version	This version organizes guidelines, forms, and charts by finance units, or owners of information. • Enable employees familiar with DOF to easily find information by functional areas.

Date of Guideline or Form

The manual is comprised of documents and forms that have various effective or revision dates. Users should make a reference to the date listed on the Table of Contents or the date on the document itself, as applicable.

The Local Boards of Social Services administer funds appropriated from local, state, and federal sources for the purpose of providing social services and financial assistance under the provisions and requirements of federal regulations, state statutes (Code of Virginia), and the rules and regulations prescribed by the State Board of Social Services. These boards, rules, and regulations help LDSSs to ensure the use of public funds for their intended purposes efficiently and properly.

LDSSs receive state and local funds primarily from their local governments. The local governments receive most of their federal and state funds from the state government through an annual budget process, along with some funds from other sources. Each year, the LDSS Director, in conjunction with the Local Board, prepares a budget with estimates of the funding needs for each activity, presents the budget to their local government and then to the Commissioner of VDSS for review and approval. The local government appropriates funds from its local general fund to the LDSS. The appropriation is earmarked for public social services.

The local county/city treasurer or a fiscal officer is the custodian of all funds in the local treasury. The funds expended for social services are disbursed only with the authorization and approval of the Local Board of Social Services.

ACRONYM	DESCRIPTION
ABE	Adult Basic Education
ACF	Administration for Children and Families
ADAPT	Application Benefit Delivery Automation Project
AFCARS	Adoption and Foster Care Analysis and Reporting System
AFDC	Aid to Families with Dependent Children
ALF	Assisted Living Facility
APS	Adult Protective Services
APSS	Adoption Promotion and Support Services
BL	Budget Line
CC	Cost Code
CFCIP/ILP	Chafee Foster Care Independence Program/Independent Living Program
CFR	Code of Federal Regulations
CPMT	Community Policy and Management Team
CPS	Child Protective Services
CRF	Children's Residential Facility
CSA	Comprehensive Services Act
CSCAP	Central Services Cost Allocation Plan
CWEP	Community Work Experience Program
DFS	Division of Family Services
DHCD	Department of Housing and Community Development
DHRM	Division of Human Resource Management
DOF	Division of Finance
EAP	Energy Assistance Program
EBT	Electronic Benefits Transfer
ESL	English as a Second Language
ETV	Education and Training Voucher
FAMIS	Family Access to Medical Insurance Security
FAPT	Family Assessment and Planning Team
FC	Foster Care
FEP	Full Employment Program
FFP	Federal Financial Participation
FICA	Federal Insurance Contributions Act
FPS	Family Preservation Services
FREE	Fraud Reduction Elimination Effort
FSET	Food Stamp Employment and Training
FSS	Family Support Services
GED	General Education Development
HHS	Department of Health and Human Services, U.S.
ILP	Independent Living Program (Plan)

LASER	Locality Automated System for Electronic Reimbursement
LCPA	Licensed Child Placing Agency
LDSS	Local Department of Social Services
LETS	Local Employee Tracking System
LIHEAP	Low Income Home Energy Assistance Program
LDSS	Local Department of Social Services
LPACAP	Local Public Assistance Cost Allocation Plan
OGS	Office of General Services
OMB	Office of Management and Budget, U.S.
PACAP	Public Assistance Cost Allocation Plan
PSP	Public Service (Employment) Program
PSSF	Promoting Safe and Stable Families
REPP	Reasonable Efforts to Finalize the Permanency Plan
RMS	Random Moment Sampling
S & O	Staff and Operations
SFY	State Fiscal Year
SPARK	Services, Programs, Answers, Resources, Knowledge (Website)
SSBG	Social Services Block Grant
SSI	Supplemental Security Income
TANF	Temporary Assistance for Needy Families
TANF-UP	Temporary Assistance for Needy Families – Unemployed Parent
TET	Transitional Employment and Training
TLFRS	Time-Limited Family Reunification Services
VCC	Virginia Community Corps
VDSS	Virginia Department of Social Services
VIEW	Virginia Initiative for Employment, Not Welfare
VLSSE	Virginia League of Social Service Executives
VPPS	Virginia Public Procurement Act

1. Acquisition Cost: The net invoice price of an item of purchased equipment, including the cost of modifications, attachments, accessories, or auxiliary apparatuses necessary to make the equipment usable for the purpose for which it was acquired. Other charges such as the cost of installation, transportation, taxes, duty or protective in-transit insurance shall be included in or excluded from the unit acquisition cost in accordance with the regular accounting practices of the organization purchasing the equipment. If the item is acquired by trading in another item and paying an additional amount, acquisition cost means the amount received for trade-in plus the additional outlay.

2. Administrative Expenditures: Expenditures necessary for activity related to the operation of social service programs. These costs include, but are not limited to, salaries, fringe benefits, and operational costs.

3. Administrative Support Services: Non-customer specific services provided by a contractor to the LDSS.

4. Advance Payments: These are payments made prior to the receipt of goods or delivery of services.

5. Advanced Planning Document (APD) for Information Technology (IT) Equipment and Services Acquisitions: Written plan of action to acquire proposed ADP and other IT equipment and/or services.

6. Agency: Unless otherwise specified in the text, the agency refers to the Virginia Department of Social Services (VDSS)

7. Allocable Costs: A cost is allocable to a particular cost objective if the goods or services involved are chargeable or assignable to such cost objective in accordance with relative benefits received and such cost is treated consistently with other costs incurred for the same purpose in like circumstances.

8. Allowable Costs: Costs that can be claimed for reimbursement, under the provisions of pertinent laws, regulations, sponsored programs, or agreements *(Refer to Section 3.05 - General Principles for Determining Allowable Costs).*

9. Appropriations: Funds established by the General Assembly through the biennial Appropriation Act and related legislation.

10. Asset Classification: Equipment assets are tangible property having an expected useful life of greater than one year. These assets are classified as either capitalized or controlled assets.

11. Award: Means grants, cost reimbursement contracts and other agreements between a State, local and Indian tribal government and the Federal Government.

12. Awarding Agency: Means with respect to a grant, cooperative agreement, or cost reimbursement contract, the Federal agency, and with respect to a sub-award, the party that awarded the sub-award.

13. Basic State Compensation Schedule: The department's pay plan, which provides local departments a basis to develop local compensation plans. The plan provides information on classifications, salary grades, pay steps, and pay range for each grade.

14. Business Meeting: A meeting between LDSS Staff or an LDSS staff member and a specific client who conduct substantive and bona fide business discussions

15. Budget: A fiscal plan used to forecast social services related expenditures for a given period of time, and a proposed means of funding those expenditures.

16. Calendar Year: The normal chronological year, from January 1st to December 31st

17. Capitalized Equipment: Equipment having an expected useful life of greater than two years and having an acquisition cost of above $25,000. Examples of capitalized equipment include office equipment, furniture and automobiles. The acquisition costs of capitalized equipment are to be depreciated over the useful life of the equipment.

18. Capped Program: Federal programs that stipulate the maximum amount of funding the Commonwealth is entitled to receive.

19. Central Services Cost Allocation Plan (CSCAP): A plan that documents, identifies, accumulates, and allocates allowable costs of services provided by the central services departments of a governmental unit to its benefiting departments and agencies.

20. Central Services Departments: Departments that provide supportive services on a centralized basis to other departments within a governmental unit.

21. Chief Information Officer (CIO): The Chief Administrative Officer of the Information Technology Investment Board that oversees the operation of VITA.

22. Communications Services: Telecommunications services, automated data processing services, and management information systems that serve the needs of state agencies and institutions.

23. Controlled Equipment: Equipment having an expected useful life of greater than two years and having an acquisition cost at or less than $25,000. Examples of controlled equipment include furniture, cellular and portable phones, video cameras, TVs, VCRs, camcorders and vehicles. The acquisition costs of controlled equipment are to be expensed (claimed) in the year of acquisition.

24. Corrective Action: Activities that remediate identified deficiencies and/or actions that produce recommended improvements.

25. Current Needs: Immediate and reasonably foreseeable essentials for housing, food, clothing, utilities, medical care and insurance, dental care, personal hygiene, education, and the rehabilitation expenses of the disabled beneficiaries.

26. Dedicated Account**:** Certain large, past-due SSI payments to foster care children covering more than six months of payments must be paid directly into a separate, "dedicated account" in a financial institution.

27. Department: The Virginia Department of Social Services.

28. Depreciation: The process of allocating the cost of tangible property over a period of time, rather than deducting the cost as an expense in the year of acquisition. The term depreciation also includes "use allowance" (useful life).

29. Direct Costs: Costs associated with a specific cost center or objective not allocated.

30. Disabled Child: A person under the age of 18 who meets the definition of disability for children in Social Security law. That is, he or she must have a medically determinable physical or mental impairment that results in marked and severe functional limitation(s), and which can be expected to result in death, or has lasted or can be expected to last for a continuous period of not less than 12 months.

31. Eligibility Worker: A worker that supports client eligibility determination for benefit programs.

32. Equipment: An article of tangible personal property that has a useful life of more than two years and an acquisition cost of $500 or more. For accounting purposes, equipment is further classified as either capitalized or controlled.

33. Established Rate: The rate published by a vendor or determined under program policy. An example is the Maximum Reimbursable Rate used by Child Care.

34. Expenditures: Actual payment of cash or cash-equivalent paid by an LDSS for goods, financial assistance and/or services provided to social services clients, or a charge against available funds in settlement of an obligation—as evidenced by an invoice, receipt, voucher, or other such document.

35. Federal Cost Principal and Standards: 2 CFR, Part 225, Cost Principles for State, Local, and Indian Tribal Governments (OMB Circular A–87). The regulation and Circular establishes principles and standards for determining costs for federal awards carried out through grants, cost reimbursement contracts, and other agreements with state and local governments and federally recognized Indian tribal governments (governmental units).

36. Federal Fiscal Year: The twelve month period for which the Federal budget is set, from October 1 through September 30.

37. Federal Pass-Through: A "Pass-through" is a process whereby applicable LDSS expenditures can be submitted for reimbursement from the federal government, "federal financial participation" (FFP), through the state on condition that the locality provides the necessary financial match.

38. Federal/State/Local: A classification of data according to fiscal entities necessary to comply with legal requirements and GAAP (Generally Accepted Accounting Principals). The General Assembly and VDSS (Virginia Department of Social Services) makes appropriations according to funds. Expenditures are charged against funds in accordance with those appropriations.

39. Fiscal Monitoring: VDSS's oversight of LDSS expenditures to ensure that funds are being spent as intended to carryout the objectives of the program(s) and to also ensure that both federal and state cash management requirements are met. Various levels of fiscal monitoring are conducted throughout the Department. Fiscal monitoring activities are also based on the responsibilities of both administrative and program divisions. There may be occasions where fiscal and program monitoring may be combined. This might occur as a result of federal or state requirements and/or upon request by management.

40. Fiscal Year: The twelve month period for which budgets are usually set (refer to state fiscal and federal fiscal years).

41. Fraud: Fraud is the knowing employment of deceit or suppression of the truth in order to take something of value. Public Assistance Fraud occurs when an individual deliberately or willfully provides false information about his/her or

another person's circumstances, or intentionally fails to report applicable changes, in order to receive or attempt to receive benefits to which he or another person is not eligible. Fraud exists when an individual actually knows the information provided was in fact false.

42. Fraud Recovery Special Fund: A special fund established under §63.2-526 of the Code of Virginia. Overpayment monies collected or recovered by local agencies related to Food Stamp, Temporary Assistance for Needy Families (TANF), and other federal benefit programs, less money returned to the federal government are credited to the fund.

43. Full-time Equivalent (FTE): A full-time equivalent is an employee that works full-time, 40 hours per week. A work year is generally defined as 2,080 hours. One employee occupying a paid full time job all year would be an FTE of 1.0. Two employees working for 1,040 hours each would be an FTE of 1.0 between the two of them. In other words, an FTE of 1.0 means that the person is equivalent to a full-time worker, while an FTE of 0.5 indicates that the worker is only half-time.

44. Improper Payments: (1) Payments that should not have been made or that were made in an incorrect amounts (including overpayments and underpayments) under statutory, contractual, administrative, or other legally applicable requirements, and include payments to ineligible recipients; and (2) Payments for ineligible services, duplicate payments, payments for services not received, and payments that do-not account for credits for applicable discounts.

45. Indirect Cost Rate (IDC): An indirect cost rate is a process for determining in a reasonable manner the proportion of indirect costs each program should bear. It is a ratio (expressed as percentage) of the indirect costs to a direct cost base.

46. Information Technology (IT): Telecommunications, automated data processing, databases, the Internet, management and related information systems, equipment, goods and services.

47. In-Scope: Goods and services that have an enterprise-wide application. For example, PCs and PC peripherals; software for systems security, word processing, financial analysis and spreadsheets, etc.; telecommunications devices; printers connected to the network.

48. Joint Costs: Costs for the administration of public assistance, benefit programs, or social services programs within the LDSS. Costs include the staffing and operational/overhead expenses of the LDSS which are incurred for a common purpose benefiting more than one cost objective and which are not easily

attributed to either eligibility or services without effort disproportionate to the results achieved.

Examples of joint costs include such items as staffing costs for management, administrative and other support personnel, rent, utilities, telecommunications, postage, insurance premiums, office supplies, equipment items and most vehicles purchases.

49. Joint Worker: A classification to signify that this employee is associated with multiple cost centers and objectives including service and eligibility work, for example, management personnel.

50. Local Compensation Plan: The locally developed pay plan that lists classifications, salary grades, and pay steps of intervening increments from the minimum to the maximum amounts established for each grade, and includes other pay actions.

51. Local Review Report: Upon completion of a review, the VDSS LRT will issue a report notifying the LDSS and respective program areas of the outcome including any findings and required corrective action.

52. Maintenance Payments: Costs for shelter, food, clothing and education, etc.

53. Major Information Technology Project: State agency IT project that is mission critical, has a statewide application or has a total estimated cost of more than $1 million.

54. Maximum Resource Limits: SSI has established $2,000 as the maximum resource limit per individual.

55. Non-Reimbursable Expenditure: Expenditures reported by local departments of social services (LDSS) that are not eligible for reimbursement by Federal and/or State funds. LDSSs are responsible for covering all expenditures reported as non-reimbursable from their local budgets.

56. Out-of-Scope: Goods and services that are specific to an agency and do not have enterprise-wide application. Examples are stand-alone printers, fax machines, software for case management, etc.

57. Overpayments: The act of erroneously disbursing funds to a client/vendor for an amount more than the allowable entitlement.

58. Personal Interest: A financial benefit or liability accruing to a director or employee or to a member of his immediate family. A personal interest exists if an LDSS director or employee:

    a. owns at least 3% of the total equity of a business;

    b. has annual income from the interest which exceeds, or can reasonably be anticipated to exceed, $10,000 from owning real or personal property or a business;

    c. receives salary, other compensation, fringe benefits, or personally benefits from the use of property from a business involved in a contract that exceeds or reasonably could exceed $10,000 annually;

    d. has an ownership interest in property that exceeds $10,000. The LDSS director's or employee's salary or income from the property is not counted for this definition, but is covered in item (b.) above;

    e. has personal liability for a business that exceeds 3% of the equity of the business; or

    f. has an option for ownership of a business or real or personal property, and upon exercise, his ownership interest will meet the levels established in (a) or (e) above.

59. Personal Needs: Costs for spending allowance, hygiene items, reading materials, etc.

60. Personnel Activity Report (Time Sheet): A method of tracking employee work activity efforts in 15-minute increments so that applicable payroll costs are properly charged to appropriate federal, state, and local programs.

61. Procurement Transaction: A procurement transaction, as described in the Virginia Public Procurement Act (VPPA), includes all functions related to obtaining any goods or services, such as providing description requirements, solicitation and selection of sources, preparation of contract, contract approval, and all phases of contract administration.

62. Public Assistance Programs: These are federal programs that are administered by state agencies or local agencies under a state supervised locally administered public assistance system. Public Assistance Programs include: Temporary Assistance for Needy Families (CFDA 93.558), Child Welfare Services (93.645), Promoting Safe and Stable Families (CFDA 93.556), Foster Care (93.658), Adoption Assistance (93.659), Independent Living Program (93.674), Social Services Block Grants (93.667), Refugee Assistance (93.566), Food Stamps (10.561), and Medicaid (93.778).

63. Purchase of Services (POS): The process of purchasing services for a client or group of clients as allowed under Public Assistance Programs.

64. Purchase of Services Order (POS Order): A form sent to a vendor to authorize the delivery of services to a customer. A POS Order is available on the VDSS website: http://www.dss.virginia.gov under Forms and Applications, form number 032-02-0126-04-eng. The POS Order is written in accordance with the terms in a vendor agreement, if applicable. The POS Order specifies the conditions of the purchase, including the name of the customer (if applicable), time period, and units of service and cost/unit.

65. Questioned Costs: Costs that are questioned by VDSS related to a review finding. These costs (1) initially result from non-compliance with federal and/or state laws, regulations, contracts, grants, cooperative agreements, or other agreements or documents governing the use of Federal funds, including funds used to match Federal funds; (2) are not supported by adequate documentation at the time of a review; or (3) appear unnecessary or unreasonable and do not reflect actions a prudent person would take in the normal course of business. A final determination of questioned costs will be made by VDSS as to whether the costs are allowable for federal reimbursement or are entirely unallowable.

66. Random Moment Sampling (RMS): A statistically valid methodology used for allocating applicable expenditures to benefiting federal, state and local programs.

67. Reasonable and Necessary Cost: A costs that is incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost, and as approved using state standards and guidelines.

68. Reimbursement: Process whereby LDSS and/or the state are compensated for allowable expenditures claimed against eligible state and federal awards, contingent upon availability of funding.

69. Reimbursable Expenditure: Expenditures reported by LDSSs that are eligible for reimbursement by Federal and/or State funds. Depending on the type of expenditure, LDSSs may also be responsible for covering a percentage of the total expenditure from their local budgets.

70. Rentable Space: This space is the entire space enclosed within a building, less any vertical floor penetrations (such as elevator shafts and stairwells). Tenants generally pay a pro rata share of the “common use” spaces that include such areas as entryways and lobbies, hallways, elevator lobbies, mechanical rooms, and common use restrooms. The rentable space is usually referred to as rentable square feet or RSF, and is typically the calculated space on which tenants pay rent.

71. Report of Findings: Deficiencies identified by VDSS upon conclusion of a review.

72. Resource: SSI considers a resource as cash, liquid assets, and real or personal property that can be converted to cash.

73. Salary Range: salary grades and pay steps of intervening increments from the minimum to the maximum established for each grade, which includes reimbursable and non-reimbursable steps.

74. Service (Social) Worker: A worker that administers client specific services.

75. Special Needs**:** Costs for needs beyond those included as maintenance or personal care, or covered as a service under other programs.

76. Special Space Requirements: This is space that includes specific client service areas such as client waiting areas, interview rooms, training rooms to conduct client-based training, food pantries to service clients, and/or other space that is considered unique but also necessary in fulfilling the social service programs being administered by the LDSS.

77. State Agency: Any agency, institution, board, bureau, commission, council, or instrumentality of state government in the Executive Branch listed in the Appropriations Act.

78. State Classification Plan: The department's classification plan for LDSSs that consists of approved classification specifications that is comprised of corresponding class groups, salary grades, classification codes, equal employment opportunity codes and effective dates.

79. State Fiscal Year: The twelve month period for which the Commonwealth of Virginia and its agencies are set; from July 1 through June 30.

80. Sub-Contractor: A vendor who has a written or verbal agreement with a primary contractor. The subcontractor may provide all or part of the services specified in the primary contractor's agreement with the LDSS. The LDSS must approve the subcontracting arrangements. Such approval shall be included in the vendor agreement. The primary contractor maintains administrative responsibility. A subcontractor of a public agency does not assume the public status of its primary contractor.

81. Sub-Recipient: A non-Federal entity that receives Federal awards from a pass-through entity, such as VDSS, to carry out a Federal program. Individuals who

benefit from such a program are not sub-recipients. A sub-recipient may receive other Federal awards directly from a Federal agency.

82. Sub-Recipient Monitoring: Oversight of procedures and activities to provide reasonable assurance that LDSSs use federal and state awards for authorized purposes in compliance with laws, regulations, and provisions of contracts or grant agreements and that LDSSs achieve specified performance goals.

83. Supplemental Security Income (SSI)**:** A Federal cash assistance program funded and administered by the Social Security Administration (SSA). The program is authorized by Title XVI. The SSI program was established to provide cash assistance to assure a minimum level of income to individuals who: have limited income and resources; or is age 65 or older; or are blind; or are disabled.

84. Temporary Assistance for Needy Families (TANF): This public assistance program provides temporary cash assistance and employment-related services to enable families with children to become self-supporting. The Economic Assistance and Employment Unit manage the program at the state level.

85. TANF Diversionary**:** The intent of this program is to prevent potential TANF recipients from becoming ongoing TANF recipients. A Diversionary payment can be used if immediate intervention with short-term aid will resolve an emergency or crisis situation and prevent the need for ongoing TANF.

86. Technology Asset: Hardware and communications equipment not classified as traditional mainframe based items, including personal computers, mobile computers, and other devices capable of storing and manipulating electronic data.

87. Technology Infrastructure: Telecommunications, automated data processing, word processing and management information systems, and related information equipment, goods and services.

88. Telecommunications: Any origination, transmission, emission, or reception of signs, signals, writings, images, and sounds or intelligence of any nature, by wire, radio, television, optical, or other electromagnetic systems.

89. Temporary Assistance for Needy Families – Unemployed Parent (TANF-UP): The goal of this program is to provide assistance to families with two able-bodied parents.

90. Travel Status: Either day travel during regular business or over night travel

91. Unallowable Costs: Unallowable costs are defined as any costs which, under the provisions of any pertinent law, regulation, or sponsored agreement, cannot be included in prices, cost reimbursements (considered non-reimbursable), or settlements under the federally sponsored agreement or program to which they are allocable. A cost may be either expressly unallowable or directly associated with unallowable activities. "Expressly unallowable" applies to any type of cost which, under the express provisions of an applicable law, regulation, or sponsored agreement or federal program, is specifically named and stated to be unallowable.

92. Uncapped Program: Programs that do not stipulate a maximum amount of federal funding the Commonwealth is entitled to receive.

93. Unclaimed Property**:** All tangible or intangible property that has remained unclaimed by its owner for an extended period of time. This includes savings and checking accounts. Property becomes unclaimed when the holder has not had contact with the owner of the property for a specified period of time.

94. Usable Space: This is space that is under the control of the tenant such as offices and circulation space among offices. Restrooms that are under the control of the tenant may be included. Usable square feet is typically referred to as USF.

95. Useful Life: The length of time that capitalized equipment is expected to be useable.

96. Vendor: A person or organization that provides (sells) goods or services.

97. Vendor Agreement: A basic contract or agreement between the LDSS and a vendor that describes the terms and conditions of a purchase or service arrangement.

98. Vendor Information Form: A form that provides specific information about each POS vendor. The Vendor Information Form provides the LDSS with information about a specific vendor, such as the vendor's address, description of service/goods, price, unit, effective date, renewal date, and any subcontracting arrangements. This may be a form developed by the LDSS or the vendor's information sheet provided to the general public.

99. Vendor Invoice: A form sent to the LDSS by the vendor each month as a bill for authorized services provided. The LDSS provides the invoice form to the vendor for Individual and Group type POS Orders. The vendor invoice is available on SPARK, under Forms and Applications, form number 032-02-0128-03-eng.

Budget Request System (BRS)

Budget Office Staff Responsibilities

- Establish the maximum allocation available for each budget line and enter it in the BRS.
- Reset passwords for authorized BRS users.
- Open and close budget lines.
- Approve increases in maximum allocations requested by program managers.
- Enter/modify requests made by localities. For example, during mid-year review localities have a deadline for entering their requests. If the deadline is missed for legitimate reasons, Budget can enter the requests for them.

Regional Administrative Managers (RAMs)

- Approve/deny requests made by the localities in their assigned regions for the staff and operations budget line(s).
- For transfer requests, inform the appropriate budget analyst when another request must be acted on to complete the handling of a transfer request.
- Request additional information from localities for any given request

Program Manager Responsibilities

- Approve/deny requests made by localities for their specific budget line(s).
- For transfer requests, inform the appropriate budget analyst when another request must be acted on to complete the handling of a transfer request.
- Request additional information from localities for any given request

Local Reimbursement Unit

- Set up user access. Local users' access is limited to their locality; program users' access is limited to their budget lines.

LASER

Budget Office Staff Responsibilities

- Upload mass (statewide) allocations and mid year adjustments.
- Monitor overall budget line spending.
- Run reports

Regional Administrative Managers (RAMs)

- Monitor expenditures in staff and operations for the LDSSs in their assigned region
- Contact individual localities concerning abnormal variances in staff and operations

- Review overall individual locality spending across all budget lines

Program Manager Responsibilities

- Monitor budget line spending by locality.
- Contact individual localities concerning abnormal variances and/or possibility of returning funds.
- Run reports.

Local Allocations

Budget Responsibilities

- Determine funds available for allocation for each budget line.
- Send out local budget guidance and mid year review instructions.
- Compile local budgets and notify localities of their allocations.
- Load budget allocations into LASER and BRS.

Regional Administrative Managers (RAMs)

- Review and approve locality requests for staff and operations pass-through allocations
- Review and provide feedback to budget staff on base allocations for service and operations
- Review overall individual locality allocations in total
- Communicate concerns and/or recommendation to the Office of Budget

Program Manager/Budget Responsibilities

The local annual budget is broken down into five different types of allocations:

1. Allocations based on projected current year's expenditures – Provided by program managers.
2. Allocations based on approved formulas – Provided by program managers.
3. Allocations based on locality requests – Each locality submits their requests via e-mail to the budget office. The budget office compiles all requests. Locality requests are then forwarded to the program manager for approval.
4. Allocations based on approved plans – Provided by program managers.
5. Allocations based on the coming year's appropriations (For example, Eligibility and Service Administration) – Determined by Budget office.

Virginia Department of Social Services
Finance Guidelines Manual for Local Departments of Social Services
Section 2.07 – Budget Line Transfers

PURPOSE AND OVERVIEW

The purpose of this guideline is to provide Local Departments of Social Services (LDSS) with the specific budget lines for which budget transfers can be requested.

REFERENCE SOURCES

N/A

RESCINDED POLICY

N/A

DEFINITIONS

See Section 1.20 – Definitions

GUIDELINE

The accuracy of an agency's accounting and reporting records depends upon expenditures being recorded in the correct budget line. The purpose of budget line consolidation was to limit the charging of staff and operations expenditures to four budget lines. It eliminated the need to split charge staff salaries, benefits and other administrative costs among several budget lines.

As a result of budget line consolidation, VDSS can allow limited transfers of funds between budget lines. The ability to transfer funds provides the Local Departments of Social Services with more flexibility and makes it easier to charge expenses correctly. The ability to transfer funds is not intended to allow LDSSs to ignore certain activities to the benefit of others. LDSSs remain accountable for all activities for which they receive funds regardless of how funds are transferred within their budget.

General Rules of Budget Line Transfers

1) Transfers will require two requests to be submitted into the Budget Request System (BRS). One BRS request will reduce the budget line funds are being transferred from, and the second BRS request will increase the budget line funds are being transferred to.
2) Transfers from the base allocation of budget line 854 Services S&O to budget line 853 Eligibility S&O are allowable as needed to align budgets with LETS classifications of staff. If this is not a permanent transfer, it should be noted in the request.
3) May not transfer base allocation from budget line 853 to budget line 854.
4) May only transfer unused funds in budget line 854 to purchase of service budget lines that were consolidated.
5) ALL transfers are subject to funds availability and program office/budget office approvals.

Allowable Budget Line Transfers

The following are Purchase of Services budget line funds currently transferable to budget line 854 – Services Staff and Operations

1) BL 829 – Family Preservation and Support (SSBG)
2) BL 844 – SNAPET
3) BL 862 – Independent Living
4) BL 866 – Promoting Safe and Stable Families (PSSF)
5) BL 872 – VIEW
6) BL 890 – Child Care Quality Initiative Grant
7) BL 895 – Adult Protective Services

Funds can also be transferred from BL 854 to any of the above purchase of services budget lines with the proper authorization.

May 7, 2009

MEMORANDUM

Distribution: Local Directors/Superintendents
Local Office Managers
Program Directors

FROM: Michael L. Gump, Budget Director

SUBJECT: FINAL BUDGET ALLOCATIONS, FISCAL YEAR 2010

Enclosed is a copy of your final allocations for the fiscal year reporting period ending May 31, 2010. These allocations are based on Chapter 781, the 2009 Appropriations Act. The instructions and program information provided in this letter should be considered an addendum to the "Annual Budget, Fiscal Year Ending June 30, 2010" memorandum dated April 2, 2009. Both documents should be reviewed in conjunction with one another. All changes made in this guidance supersede all prior budget guidance.

I. GENERAL

For FY 2010, the General Assembly has taken a number of general fund reductions in anticipation of increased federal revenue from the stimulus legislation - the American Recovery and Reinvestment Act of 2009 (ARRA). The Department is awaiting additional federal guidelines for the anticipated stimulus funding and will communicate this information as soon as it becomes available.

Promoting Safe and Stable Families (budget line 866) allocations have not been included on the SFY 2010 Budget Allocation spreadsheet for those localities that have NOT submitted information required by program staff. Localities not receiving allocations on the spreadsheet will be notified by program staff regarding the approval of their plans and the allocations awarded for FY 2010.

Funding, for the State and Local Hospitalization (SLH) Program will temporarily end with the removal of funds at the end of fiscal year 2009. Please refer to Broadcast 5548 for further details.

II. AVAILABILITY OF FUNDS

All budget guidance and subsequent budget allocations are subject to availability of funds as governed by the Department's appropriation and federal awards. Localities must be mindful that this appropriation is subject to reduction by action of the Governor during any given fiscal year. Though the Department has worked, and will continue to

work, with the Administration and the Department of Planning and Budget to avoid and/or minimize mid-year budget reductions, the possibility of such reductions remains.

III. BUDGET LINE GUIDANCE and ALLOCATION METHODOLOGIES
For state fiscal year 2010, budget line allocations are based on one of four methodologies: (1) projected program expenditures, (2) approved formulas, (3) allocations based upon approved locality plans, or (4) state fiscal year 2009 allocations.

1) ALLOCATIONS BASED ON PROJECTED SFY 2009 EXPENDITURES

Budget line 804 – Auxiliary Grants
Budget line 808 – TANF – Manual Checks
Budget line 810 – TANF Emergency Assistance
Budget line 811 – IV-E (AFDC) Foster Care
Budget line 812 – IV-E Adoption Subsidy and Non-Recurring Expenses
Budget line 813 – General Relief
Budget line 817 – State Adoption Subsidy and Special Service Payments
Budget line 848 – TANF UP Manual Checks
Budget line 871 – VIEW Working and Transitional Child Care
Budget line 878 – Head Start Wrap-Around Child Care

TANF Emergency Assistance (budget line 810):
This budget line provides emergency assistance to destitute families with children who may or may not meet TANF eligibility factors. The total amount granted to a family shall not exceed $500 during any one period of thirty consecutive days in any twelve consecutive months.

Due to current economic conditions each locality will receive an initial allocation of $500 or projected FY 2009 expenditures, whichever is greater. Localities may request additional funding or return excess funding during the fiscal year through the budget request system (BRS).

IV-E Foster Care, IV-E Adoption Subsidy and Non-Recurring Expenses, and State Adoption Subsidy and Special Service Payments (budget lines 811, 812, and 817):
Based on the budget passed by the General Assembly, maintenance rates will increase by 6% for FY 2010. Please refer to Broadcast 5573 for details.

General Relief Program (budget line 813):
Initial local allocations will be based on each locality's percentage share of projected FY 2009 expenditures. The GR Aid to Locality reductions taken by the local departments that opted for the reduction in FY 2009 will constitute a permanent reduction in their budget line 813.

2) ALLOCATIONS BASED ON APPROVED FORMULAS

Budget line 820 – Adoption Incentive
Budget line 829 – Family Preservation - SSBG
Budget line 833 – Adult Services
Budget line 844 – Food Stamp Employment and Training (FSET)
Budget line 872 – VIEW Purchased Services
Budget line 881 – Fee Child Care - Matching
Budget line 883 – Fee Child Care - 100% Federal
Budget line 895 – Adult Protective Services

Adoption Incentive (budget line 820)
Allocations for budget line 820 are not included in the SFY 2010 Budget Allocation Spreadsheet. Funds remaining on May 31, 2009 will be rolled into LASER automatically at the beginning of FY 2010 and localities will have until December 31, 2009 to spend these funds.

Adult Services (budget line 833):
For FY 2010, initial allocations for Adult Services will be based on the previous year's allocation, with 10% being "withheld" for all agencies. To restore its "withheld" amount, an LDSS must submit a BRS request by September 30th. Requests will be considered based on ability to meet the required local match and prior and current year demonstration of need. Any BRS requests received between October 1st and when the mid-year review begins will be held.

At mid-year, the home office will review spending by all LDSS for budget line 833. Mid-year requests, including those for "withheld" funds, will be reviewed based upon demonstration of need, capacity to fully utilize the funds, and availability of funds.
If projections show a locality will not be spending all of the funding available to them, and the LDSS cannot justify projected expenditures that would equal the amount of the allocations, the Department, at it discretion, may reduce the local agency's allocation by the amount expected to go unspent in budget line 833.

Fee Child Care - Matching (budget line 881):
Base allocations for FY 2010 will remain the same as in FY 2009. In June 2009, LDSSs will receive 25% of their base allocation. Once expenditures for SFY 2009 are finalized, local agencies will receive the difference between 25% of their base allocation and their actual expenditures for SFY 2009. However, in no instance shall this amount exceed their base allocation. Any local agency receiving less than their base allocation may request the difference between actual expenditures and the base allocation by September 30th. A supplemental funding form signed by the local director and the county/city fiscal agent stating that local match funds are available must be submitted to home office. A copy of the

document can be accessed at
http://www.localagency.dss.state.va.us/divisions/cc/forms/cgi.

Fee Child Care-100% Federal (budget line 883):
Transfers between budget lines 883 and 854 will no longer be permitted. **All transfers thru February 2009 will be included in localities' budget line 883 and 854 allocations in FY 2010.**

3) ALLOCATIONS BASED ON APPROVED PLANS

Budget line 861 – Education &Training Vouchers Purchased Services
Budget line 862 – Independent Living Program - Purchased Services
Budget line 863 – Independent Living Program Demonstration Projects Purchased Services
Budget line 864 – Foster Parent Respite Care
Budget line 866 – Safe and Stable Families – Purchased Services
Budget line 873 – Approved Child Welfare Training Purchased Services
Budget line 875 – Title IV-E Approved Foster/Adoptive Parent, Volunteer, & Child Welfare Worker Training Administrative Rate
Budget line 890 – CDC Quality Initiative Program

The above budget lines are only to be used for purchase of services.

Monthly Worker Contacts (cost code 86608):
Funding to support caseworkers' face-to-face contacts with children in foster care as required in the Child and Family Services Improvement Act (CFSIA) of 2006 have been included in budget line 866. Although included, this funding is separate and distinct from the other budget line 866 cost codes.

4) ALLOCATIONS BASED ON SFY 2009 ALLOCATIONS
Budget line 824 – Other Purchased Services
Budget line 853 – Eligibility Staff and Operations
Budget line 854 – Services Staff and Operations
Budget line 936 – Virginia Community Corps (VCC)

Eligibility Staff & Operations and Services Staff & Operations (budget lines 853 and 854):
There have been no reductions to the base 853 and 854 budget lines in FY 2010. There will be no salary increase in FY 2010.

Additional administrative funding has been provided in budget line 853 due to an increase in the Low-Income Home Energy Assistance Program (LIHEAP) block grant funding.

However, these additional funds are not a base adjustment and will not be available in FY 2011.

Additional administrative funding for SNAP (formerly the Food Stamp program) will be provided in budget line 853 due to additional federal grant funds provided as a part of the economic stimulus funding. These additional funds will not be a permanent base budget adjustment. They are anticipated to exist only for FY 2010 and FY 2011.
Additional administrative funding totaling $295,858, which includes a 15.5 % local match, has been allocated for local desktop printers in budget lines 853 and 854 as indicated in Broadcast 5524. The methodology used by Home Office and the League's Administrative Committee allocates the additional funding to each locality based on filled positions from the Local Employment Tracking System (LETS) as of April 1, 2009. RMS direct worker counts as of March 1, 2009 were then used to split the locality's funds between eligibility and services. The additional funds will become a permanent adjustment to the base.

Virginia Community Corps (VCC) (budget line 936):
As part of the Governor's 2008-2010 budget reduction plan, funding for Virginia Community Corps was discontinued effective in FY 2010. **All expenditures for Budget Line 936 must be entered into LASER by the close of the September reporting period.**

Other Line Item Information

Refugee Resettlement (budget line 819):
Allocations to localities are made by the Office of Newcomer Services (ONS) based both on expenditure patterns in 2009 and on projected refugee arrival patterns for 2010. In response to new federal RCA reporting requirements, which are not met by LASER, ONS will require monthly case data reporting on RCA expenditures. Additional guidance will be provided on this by the ONS Director in May 2009.

Eligibility Staff and Operations & Services Staff and Operations Pass-Through (budget lines 856 & 857):
As in the previous year, there will be continued scrutiny of pass-though funding requests for staff and operations (budget lines 856 and 857). For FY 2010, the department will calculate an amount for pass-through for each budget line based on 90% of FY 2008 expenditures in each line by each locality.

Employment Advancement for TANF Participant (budget line 867):
The sub-grant program is being used to provide services to "engage present and former TANF recipients in activities to achieve and maintain self-sufficiency." Initial FY 2010 allocations for budget line 867 are ¼ of the projected allocation. LASER will be adjusted after the May 2009 activity to reflect remaining balances from October 1, 2008 through May 31, 2009. The new grant year will begin October 1, 2009 at which time any funds

remaining from the current federal fiscal year will expire and the new allocations will be loaded.

IV. OTHER

LASER AND BUDGET REQUEST SYSTEM (BRS):

BRS will close for FY 2009 on May 29, 2009. All budget requests for FY 2009 must be submitted via BRS no later than 5:00 P.M. on May 29, 2009.
LASER will close for FY 2009 on June 10, 2009 at 5:00 P.M.

LASER is scheduled to re-open for FY 2010 on June 17, 2009. Requested adjustments to FY 2010 allocations may be made via BRS at that time.

If additional information is needed on any item discussed in this memorandum, please contact either Torsheba Givens or Ida Bates Witherspoon of the Budget Office.

Torsheba Givens: (804) 726-7251, email address –torsheba.givens@dss.virginia.gov
Ida Witherspoon: (804) 726-7220, email address –ida.witherspoon@dss.virginia.gov
Budget office fax: (804) 726-7355

The information in this memorandum is to be retained until June 30, 2010

COMMONWEALTH of VIRGINIA

DEPARTMENT OF SOCIAL SERVICES

May 6, 2010

MEMORANDUM

Distribution: Local Directors/Superintendents
Local Office Managers
Program Directors

FROM: Michael L. Gump, Budget Director

SUBJECT: FINAL BUDGET ALLOCATIONS, FISCAL YEAR 2011

Enclosed is a copy of your allocations for the fiscal year reporting period ending May 31, 2011. These allocations are based on the Governor's 2010 Budget Bill with amendments approved by the General Assembly. All information provided in this memorandum is subject to the Governor's final signature. The instructions and program information provided should be considered an addendum to the "Annual Budget, Fiscal Year Ending June 30, 2011" memorandum dated April 2, 2010 as well as the revision to that memorandum dated April 6, 2010. All documents should be reviewed in conjunction with one another. All changes made in this guidance supersede all prior budget guidance.

The Department is closely monitoring the outcome of proposed legislation for The American Recovery and Reinvestment Act (ARRA) federal aid to states in the form of the federal medical assistance percentage (FMAP) match rate enhancement extension. As of this date, with the uncertainty of the FMAP extension at the federal level, the local allocations are being distributed **WITHOUT the benefit of the FMAP rate extension**.

Once final guidance has been received on the FMAP rate extension, the department will notify localities. In addition, local allocations will be revised and redistributed at this time if the allocations change.

I. GENERAL

Major budget actions affecting local department budget allocations for FY 2011 are summarized below. Further details are contained in the appropriate sections of the guidance document.

Eligibility Staff & Operations and Services Staff & Operations (budget lines 853 and 854):
Budget allocations are reduced by an amount equal to approximately 2.4% of the locality's combined allocation for budget lines 853 and 854. There are no furlough reductions for FY 2011.

TANF/CSA Early Intervention Trust Fund (budget line 851):
TANF funds for the Early Intervention Trust Fund grants for FY 2011 and FY 2012 were eliminated in the budget approved by the General Assembly.

Chore and Companion Services (budget line 833):
Initial budget allocations are reduced by 24% for FY 2011 since the department is awaiting the outcome the proposed legislation for the ARRA federal aid to states in the form of the FMAP match rate.

Other Purchased Services (budget line 824):
Initial budget allocations are reduced by 50% for FY 2011 as the department awaits further FMAP guidance.

II. AVAILABILITY OF FUNDS

All budget guidance and subsequent budget allocations are subject to availability of funds as governed by the Department's appropriation and federal awards. Localities must be mindful that this appropriation is subject to reduction by action of the Governor during any given fiscal year. Though the Department has worked, and will continue to work, with the Administration and the Department of Planning and Budget to avoid and/or minimize mid-year budget reductions, the possibility of such reductions remains.

III. BUDGET LINE GUIDANCE and ALLOCATION METHODOLOGIES

For state fiscal year 2011, budget line allocations are based on one of four methodologies: (1) projected program expenditures, (2) approved formulas, (3) allocations based upon approved locality plans, or (4) state fiscal year 2010 allocations.

1) ALLOCATIONS BASED ON PROJECTED SFY 2010 EXPENDITURES

Budget line 804 – Auxiliary Grants
Budget line 808 – TANF – Manual Checks
Budget line 810 – TANF Emergency Assistance
Budget line 811 – IV-E (AFDC) Foster Care
Budget line 812 – IV-E Adoption Subsidy and Non-Recurring Expenses
Budget line 813 – General Relief
Budget line 817 – State Adoption Subsidy and Special Service Payments
Budget line 848 – TANF UP Manual Checks
Budget line 871 – VIEW Working and Transitional Child Care
Budget line 878 – Head Start Wrap-Around Child Care

TANF Emergency Assistance (budget line 810):
This budget line provides emergency assistance to destitute families with children who may or may not meet TANF eligibility factors. The total amount granted to a family shall not exceed $500 during any one period of thirty consecutive days in any twelve consecutive months.

Localities received an initial allocation of $500 or projected FY 2010 expenditures, whichever is greater. Localities may request additional funding or return excess funding during the fiscal year through the budget request system (BRS).

IV-E Foster Care, IV-E Adoption Subsidy and Non-Recurring Expenses, and State Adoption Subsidy and Special Service Payments (budget lines 811, 812, and 817):
Based on the budget passed by the 2010 General Assembly, there is no increase in maintenance rates for FY 2011.

General Relief Program (budget line 813):
All localities received an allocation of at least 1/12th of their prior year allocation. With the uncertainty of the FMAP rate extension, funding for General Relief (GR) beyond 1/12th of the prior year allocation is limited to the "unattached children" component of the program. Because of this, only those local departments operating the "unattached children" component in FY 2010 will receive the additional funding for FY 2011. Once a final decision is made on the FMAP match rate the department will redistribute allocations if needed..

All available General Relief funding appropriated by the General Assembly is in turn allocated to local departments of social services; therefore, LDSSs must structure their local budgets with the expectation that there will be no additional funding available during the year. We expect that General Relief will be fully expended in FY 2011 and the foreseeable future. Supplemental funding requests in BRS will only be granted if funds are available (i.e. funds have been returned by a LDSS). Supplemental funding requests in BRS must include a justification of the amount requested.

2) ALLOCATIONS BASED ON APPROVED FORMULAS

Budget line 820 – Adoption Incentive
Budget line 829 – Family Preservation - SSBG
Budget line 833 – Adult Services
Budget line 844 – Supplemental Nutrition Assistance Program-Employment and Training (SNAPET)
Budget line 872 – VIEW Purchased Services
Budget line 881 – Fee Child Care - Matching
Budget line 883 – Fee Child Care - 100% Federal
Budget line 895 – Adult Protective Services

Adoption Incentive (budget line 820):
At present, VDSS has not received a federal award for this budget line.

Adult Services (budget line 833):
FY 2011 initial allocations are reduced by 50%, which is WITHOUT the benefit of the FMAP rate extension. When the final decision is known further guidance will be distributed in respect to this budget line.

Supplemental Nutrition Assistance Program-Employment and Training (budget line 844):
For all SNAPET agencies, the allocations are based on last year's award. Active enrollment numbers as well as inactive numbers, including pending, will be used to determine final allocations. Based on the availability of funds, awards can be up to 110% of the local agency's allocation for the last year or decreased to a limit of 90%. Localities may request a transfer of funds between SNAPET Purchased Services and Services Staff and Operations as needed. However, budget line 844 funds provided for Transportation and Other Supportive Services cannot be transferred. All transfers are subject to approval by the program manager.

Fee Child Care - Matching (budget line 881):
Base allocations for FY 2011 remain the same as in FY 2010. In June 2010, LDSSs receive 50% of their base allocation. LDSSs may request any or all of their remaining base allocation by September 30, 2010. A supplemental funding form signed by the local director and the county/city fiscal agent stating that local match funds are available must be submitted to home office. A copy of the document can be accessed at **http://www.localagency.dss.state.va.us/divisions/cc/forms/cgi**

Fee Child Care-100% Federal (budget line 883):
All American Recovery and Reinvestment Act (ARRA) funds for this budget line were allocated in FY 2010. FY 2011 allocations have returned to pre-ARRA levels.

3) ALLOCATIONS BASED ON APPROVED PLANS

Budget line 861 – Education &Training Vouchers Purchased Services
Budget line 862 – Independent Living Program - Purchased Services
Budget line 864 – Foster Parent Respite Care
Budget line 866 – Safe and Stable Families – Purchased Services
Budget line 873 – Approved Child Welfare Training Purchased Services
Budget line 875 – Title IV-E Approved Foster/Adoptive Parent, Volunteer, & Child Welfare Worker Training Administrative Rate
Budget line 890 – CDC Quality Initiative Program

The above budget lines are only to be used for purchase of services.

Budget Lines 861, 862, 866:
Localities who did not submit their plan by the due date did **not** receive an allocation at this time. Once the plans are reviewed and approved, the program manager will contact the locality and a BRS will need to be submitted for the approved amount.

Monthly Worker Contacts (cost code 86608):
Budget line 866, cost code 86608, provides funding to support caseworker face-to-face contacts with children in foster care as required in the Child and Family Services Improvement Act (CFSIA) of 2006 (P.L. 109-288). The allocation for cost code 86608 is separate and distinct from the other 866 cost codes. Funding allocations are based on the percentage of each locality's average number of children in foster care for the previous five years. Worker contacts with children in foster care supports Virginia Children's Services Transformation Practice Model concept that "Our organization is focused on providing high quality, timely, efficient, and effective services."

Localities may move funds from BL 866 to BL 854 upon approval of the program manager.

4) ALLOCATIONS BASED ON SFY 2010 ALLOCATIONS

Budget line 824 – Other Purchased Services
Budget line 853 – Eligibility Staff and Operations
Budget line 854 – Services Staff and Operations

Other Purchased Services (budget line 824):
Initial budget allocations are reduced by 50% for FY 2011 as the department awaits further FMAP guidance. LDSSs are strongly encouraged to use funds and input expenditures into LASER on a timely basis. Based on General Assembly amendments, the funding for BL 824 will be eliminated for FY 2012.

Eligibility Staff & Operations and Services Staff & Operations (budget lines 853 and 854):
Base budget funding in budget lines 853 and 854 has been reduced by approximately 2.4% for each locality. The reduction is based on the combined total of FY 2011 initial consolidated budget allocations excluding one-time LIHEAP funds and SNAP stimulus funds for budget lines 853 and 854. The total reduction for both budget lines has been taken in budget line 853 only. Localities may move all or a part of the reduction to budget line 854 when BRS opens for FY 2011.

If the FMAP rate is extended by the federal government, the reduction for budget lines 853 and 854 will decrease to 1%. Revised allocations will be issued should this occur.

There are no furlough day reductions for FY 2011.

The additional staff and operations funding provided in budget line 853 during FY 2010 are continued due to an increase in the Low-Income Home Energy Assistance Program (LIHEAP) block grant funding. However, these additional funds are not a permanent base adjustment and may not be available in FY 2012.

Additional administrative funding for SNAP is provided in budget line 853 due to additional federal grant funds provided as a part of economic stimulus funding. These additional funds will not be a permanent base budget adjustment and are anticipated to exist only for FY 2011.

Other Line Item Information

Pre-Occupancy Local Facilities Costs (budget line 805):
Several localities received the general fund portion of funds awarded for local facilities in budget line 805. As was noted when the funds were initially awarded in FY 2009, **for any locality that is not ready to begin occupancy of their facility by the beginning of FY 2012, the total amount provided for local facilities (general and nongeneral funds) will be reallocated to other localities with critical facilities on the prioritized listing of local space needs. Localities that received funds after FY 2009 have three years to begin occupancy of their new facility or the funds will be reallocated.**

International Home Studies (budget line 816):
Budget line 816 will be open June 1, 2010 for localities to report costs and receive reimbursement on a per case basis for International Home Studies conducted for children in foster care. Localities must submit all supporting documentation to the program manager for approval as well as a BRS request for the exact amount. Once the program manager approves the documentation, the BRS request will also be approved and localities can upload their expenditures to LASER for reimbursement. There will be no local match required for this budget line.

A broadcast and updated LASER descriptions explaining this budget line and the process localities are to follow will be issued prior to June 1, 2010.

Refugee Resettlement (budget line 819):
The Office of Newcomer Services makes allocations to localities for the Refugee Cash Assistance Program based on FY 2010 expenditure patterns and on FY 2011 projected refugee arrival patterns.

TANF/CSA Early Intervention Trust Fund (budget line 851):
This budget line is used to fund the Early Intervention Trust Fund grants that provide services for children and their families who are at-risk. However, TANF funds for the Early Intervention Trust Fund grants for FY 2011 and FY 2012 were eliminated by the recent budget approved by the General Assembly.

All expenditures through the middle of May must be entered in LASER by May 30th. Budget to cover the total remaining expenditures for May and June should be requested through the Budget Request System (BRS) when it opens for FY 2011. All expenditures must be claimed for reimbursement by the month end close date for the July period, August 12, 2010. It is important to adhere to these timelines and procedures so that localities can receive their total reimbursement for FY 2010.

Eligibility Staff and Operations & Services Staff and Operations Pass-Through (budget lines 856 & 857):
For FY 2011, the pass-through amount for each budget line is based on 90% of each locality's FY 2009 expenditures in each budget line. Localities may request the additional amounts of pass-through that may be needed when LASER and BRS open for FY 2011. These requests will, however, be subject to review by the regional offices. Pass-through reimbursement is only available for expenses incurred by local departments of social services for their staff and operations supporting the same activities as the corresponding base budget (budget lines 853 and 854).

Employment Advancement for TANF Participant (budget line 867):
The sub-grant program is being used to provide services to "engage present and former TANF recipients in activities to achieve and maintain self-sufficiency through employment, retention and advancement." A Request for Proposals (RFP) was issued on July 23, 2007. The current grant period began on October 1, 2009 and will continue until September 30, 2010. A new RFP was released on April 19th, with the ensuing initial grant period to begin October 1, 2010 and extend until June 30, 2011.

IV. OTHER

LASER AND BUDGET REQUEST SYSTEM (BRS):

BRS will close for FY 2010 on May 27, 2010. All budget requests for FY 2010 must be submitted via BRS no later than 5:00 P.M. on May 27, 2010.

LASER will close for FY 2010 on June 10, 2010 at 5:00 P.M.

LASER is scheduled to re-open for FY 2011 on June 17, 2010. Requested adjustments to FY 2011 allocations may be made via BRS at that time.

If additional information is needed on any item discussed in this memorandum, please contact either Torsheba Givens or Ida Witherspoon of the Budget Office.

Torsheba Givens: (804) 726-7251, email address –**torsheba.givens@dss.virginia.gov**
Ida Witherspoon: (804) 726-7220, email address –**ida.witherspoon@dss.virginia.gov**
Budget office fax: (804) 726-7355

The information in this memorandum is to be retained until June 30, 2011

COMMONWEALTH of VIRGINIA

DEPARTMENT OF SOCIAL SERVICES

June 2, 2010

MEMORANDUM

Distribution: Local Directors/Superintendents
Local Office Managers
Program Directors

FROM: Michael L. Gump, Budget Director

SUBJECT: FINAL BUDGET ALLOCATIONS, FISCAL YEAR 2011
--REVISION--

It has been brought to my attention that there was a typo error in the final budget allocations guidance memorandum dated May 6, 2010.

On page 4 the section addressing Adult Services (budget line 833) the guidance should have stated:

"FY 2011 initial allocations are reduced by *24%*, which is WITHOUT the benefit of the FMAP rate extension. When the final decision is known further guidance will be distributed in respect to this budget line."

The guidance mistakenly stated 50% in place of 24% for budget line 833.

We apologize for any difficulty this mistake may have caused.

If additional information is needed on any item discussed in this memorandum, please contact either Torsheba Givens or Ida Witherspoon of the Budget Office.

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The information in this memorandum is to be retained until June 30, 2011

COMMONWEALTH of VIRGINIA

DEPARTMENT OF SOCIAL SERVICES

September 14, 2010

MEMORANDUM

Distribution: Local Directors/Superintendents
Local Office Managers
Program Directors

FROM: Michael L. Gump, Budget Director

SUBJECT: FMAP Revisions to FY 2011 FINAL BUDGET ALLOCATIONS

The purpose of this memorandum is to convey the additional funding allocations to local departments of social services that will be available October 1, 2010 because Congress has extended the federal medical assistance percentage (FMAP) match rate enhancement to June 30, 2011.

Per language in the 2010 Appropriations Act (Chapter 874), this extension as discussed in the May 5, 2010 Final Budget Guidance triggers a restoration of funding for certain VDSS activities. Local department activities affected include Local Staff and Operations, Adult Services, General Relief, and Other Purchased Services. Congress actually restored approximately 75% of the funds anticipated. Therefore, the Governor will restore effective October 1, 2010 75% of the FY 2011 budget reductions that were subject to the FMAP provisions.

These allocations are based on Chapter 874, the 2010 Appropriations Act. The instructions and program information provided in this letter should be considered an addendum to both the "Final Budget Allocations, FY 2011" memorandum dated May 6, 2010 and the "Annual Budget, Fiscal Year Ending June 30, 2011" memorandum dated April 2, 2010. All documents should be reviewed in conjunction with one another. All changes made in this guidance supersede all prior budget guidance.

RESTORATION CALCULATIONS

Eligibility Staff & Operations and Services Staff & Operations (budget lines 853 and 854):
Budget allocations were reduced in May by an amount equal to 2.4% of the locality's combined allocation for budget lines 853 and 854. 1.4% of the reduction was to be subject to FMAP restoration. Each localities budget restoration is equal to 75% of 1.4% (approximately 1.05%) of the locality's combined allocation for budget lines 853 and 854. All funds will be restored in Budget Line 853 which is the budget line from which all original reductions were made.

In general, a locality cannot use these restored funds to increase BL 854 – Service Staff and Operations. However, if a locality had previously submitted BRS actions to take a portion of the original reduction in BL 854 the locality may use these funds to reverse those actions.

Chore and Companion Services (budget line 833):
The 10% budget reduction that occurred in FY 2010 will be continued. The additional 14% budget reduction subject to the FMAP restoration will be reduced to approximately 3.5%. All restored funding is distributed based on each locality's percentage of the initial FY 2011 allocations.

The home office will continue to review spending by all LDSS for budget line 833. Requests and recoupments will be considered based upon demonstration of need, capacity to fully utilize the funds, and availability of funds. Due consideration will be given to the late allocation of the FMAP funds.

Other Purchased Services (budget line 824):
The 11% budget reduction that occurred in FY 2010 which was scheduled to increase to 22% for FY 2011 will remain in effect. The additional 28% budget reduction subject to FMAP restoration will be reduced to 7%. All restored funding is distributed based on each locality's percentage of the initial FY 2011 allocations.

General Relief Program (budget line 813):
A total of $1.8 million is available (including the 1/12 allocation for June 2010). Please refer to Broadcast 6511 dated September 10, 2010 for further detail.

SUMMARY

All adjustments for the restorations will be processed in LASER using the calculations described above for each budget line. As stated previously, the Governor has authorized the restoration of funds for FY 2011 effective October 1, 2010. Therefore the Department will enter the necessary transactions into LASER on or about October 1.

If additional information is needed on any item discussed in this memorandum, please contact either Torsheba Givens or Ida Bates Witherspoon of the Budget Office.

Torsheba Givens: (804) 726-7251, email address –**torsheba.givens@dss.virginia.gov**
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Budget office fax: (804) 726-7355

The information in this memorandum is to be retained until June 30, 2011.

COMMONWEALTH of VIRGINIA

DEPARTMENT OF SOCIAL SERVICES

April 8, 2011

MEMORANDUM

Distribution: Local Directors/Superintendents
Local Office Managers
Executive Team
Division Directors

FROM: Michael L. Gump, Budget Director

SUBJECT: ANNUAL BUDGET, FISCAL YEAR ENDING JUNE 30, 2012

----- PRELIMINARY GUIDANCE -----

This bulletin provides program instructions and information intended to assist Local Departments of Social Services in preparing annual budgets for state fiscal year 2012. In combination with the final budget guidance to be issued in May, this document will supersede all previous annual budget guidance.

Information presented in this bulletin is based on the Governor's 2011 Budget Bill with amendments approved by the General Assembly. **All information presented in this bulletin is subject to the Governor's final signature and therefore, must be considered PRELIMINARY.**

I. GENERAL

Major budget actions affecting local department budget allocations for FY 2012 are summarized below. Further details are contained in the appropriate sections of the guidance document.

Eligibility Staff & Operations and Services Staff & Operations (budget lines 853 and 854):
Budget allocations for local administration were to be reduced by an additional 2.6%, for a total of 5% in FY 2012, based on the Governor's 2011 Budget Bill. However, the 2011 General Assembly restored one-half of the reduction. As a result of this restoration, funding for budget lines 853 and 854 will be reduced by only 2.5% in FY 2012 as

compared to FY 2010. The reduction will be based on each locality's FY 2010 combined allocation for budget lines 853 and 854.

Chore and Companion Services (budget line 833):
Total base funding for budget line 833 was reduced in FY 2011 by 24%. There will be no change to the base budget for FY 2012. However, please note that the additional federal medical assistance percentage (FMAP) restoration funds made available in FY 2011 were the result of a one-time allocation and will not be available in FY 2012.

Other Purchased Services (budget line 824):
All funding for budget line 824 will be eliminated in FY 2012.

II. AVAILABILITY OF FUNDS

All budget guidance and subsequent budget allocations are subject to availability of funds as governed by the Department's appropriation and federal awards. Localities must be mindful that this appropriation is subject to reduction by action of the Governor during any given fiscal year. Though the Department has worked, and will continue to work, with the Administration and the Department of Planning and Budget to avoid and/or minimize mid-year budget reductions, the possibility of such reductions remains.

III. BUDGET LINE GUIDANCE and ALLOCATION METHODOLOGIES

For state fiscal year 2012, budget line allocations are based on one of four methodologies: (1) projected program expenditures, (2) approved formulas, (3) allocations based upon approved locality plans, or (4) state fiscal year 2011 allocations.

1) ALLOCATIONS BASED ON PROJECTED FY 2011 EXPENDITURES

Budget line 804 – Auxiliary Grants
Budget line 808 – TANF – Manual Checks
Budget line 810 – TANF Emergency Assistance
Budget line 811 – IV-E (AFDC) Foster Care
Budget line 812 – IV-E Adoption Subsidy and Non-Recurring Expenses
Budget line 813 – General Relief
Budget line 817 – State Adoption Subsidy and Special Service Payments
Budget line 848 – TANF UP Manual Checks
Budget line 871 – VIEW Working and Transitional Child Care
Budget line 878 – Head Start Wrap-Around Child Care

Auxiliary Grants Program (budget line 804):
The Social Security Administration notified the Department that there would be no cost-of-living adjustment (COLA) for Supplemental Security Income in 2012. Therefore, the Auxiliary Grant (AG) reimbursement rate will remain the same. The 2012 AG rate for licensed assisted living facilities (ALF) and approved adult foster care (AFC) homes will remain at $1,112 per month, with a 15 percent differential, or $1,279, in planning District

8 (Northern Virginia.) The Personal Needs Allowance for Auxiliary Grant recipients will remain at $81 per month.

IV-E Foster Care, IV-E Adoption Subsidy and Non-Recurring Expenses, and State Adoption Subsidy and Special Service Payments (budget lines 811, 812, and 817):
Based on the budget passed by the General Assembly, there will be no increase in maintenance rates for FY 2012.

PLEASE NOTE: Requests for additional allocations at the mid-year review or any time during the fiscal year must be accompanied by a justification that includes quantitative data on caseload increase/increased demand and any extraordinary nonrecurring costs. Straight line projections will not suffice.

General Relief Program (budget line 813):
General Relief funds will only be available for the "unattached children" component. Allocations will be limited to this component and only local departments operating this component in FY 2011 will receive funding in FY 2012. Initial local allocations will be based on each locality's percentage share of projected FY 2011 expenditures for the unattached children component. **NOTE:** Supplemental allocations for FY 2011 are only available through May 31, 2011. Funding for FY 2012 will only be for the "unattached children" component. Please see Broadcast 6511 for further detail.

All available General Relief funding appropriated by the General Assembly is in turn allocated to local departments of social services; therefore, LDSSs must structure their local budgets with the expectation that there will be no additional funding available during the year. We expect that General Relief will be fully expended in FY 2012 and the foreseeable future. Supplemental funding requests in BRS will only be granted if funds are available (i.e., funds have been returned by a LDSS). Supplemental funding requests in BRS must include a justification of the amount requested.

VIEW Working and Transitional Child Care and Head Start Wrap-Around Child Care (budget lines 871 and 878):
VIEW Working and Transitional Child Care and Head Start Wrap-Around Child Care services remain mandated; all justifiable requests for supplemental funding will be approved. **Head Start families must be fully served to the extent that funding is allocated.**

Localities should budget with the expectation that the local match rate for budget line 871 will increase from 5% to 10% in FY 2012. The Department continues to work on this issue. If there is a change we will update you as quickly as possible.

2) ALLOCATIONS BASED ON APPROVED FORMULAS

Budget line 829 – Family Preservation - SSBG
Budget line 833 – Adult Services

Budget line 844 – Supplemental Nutrition Assistance Program-Employment and Training (SNAPET)
Budget line 872 – VIEW Purchased Services
Budget line 881 – Fee Child Care - Matching
Budget line 883 – Fee Child Care - 100% Federal
Budget line 895 – Adult Protective Services

Family Preservation (budget line 829):
Family Partnership Meetings (FPM) budget guidance is presented in the budget line 854, Services Staff and Operations section. Though allocations will be made in budget line 854 localities may request a transfer of funds to budget line 829 in order to use for purchased services related to FPM.

Adult Services (budget line 833):
FY 2012 allocations will be the same as the initial allocations for FY 2011. As mentioned earlier in the guidance there will be no FMAP supplemental allocations for FY 2012.

There have been considerable difficulties with localities failing to expend all funds in recent past years. In December 2011, VDSS staff will complete a mid-year budget review based on an analysis of LASER expenditure reports. The review will help identify underutilization of funds and allow the redistribution of funds to LDSSs seeking additional resources. The allocations of LDSSs which use less than 50% of their current allocation through November 30 will be reduced by the amount equal to 50% of the initial allocation less the November year to date expenditures. **To avoid this reduction, LDSSs are strongly encouraged to use these funds and input expenditures into LASER on a monthly basis.**

Discussions will be held with the League's Adult Services and Administrative committees over the coming year concerning revising the allocation methodology for FY 2013.

Adult Protective Services (budget line 895):
Localities may request transfer of funds between budget lines 833 and 895 on a limited basis. All transfers are subject to approval by the program manager.

All agency requests for additional funds for budget lines 833 and 895 during mid-year review and throughout the year should include specific justification information such as the number of existing and new cases, monthly costs, or increased service costs. Requests should also be e-mailed to the appropriate regional consultant for review.

Supplemental Nutrition Assistance Program-Employment and Training (budget line 844):
FY 2012 allocations will be based on the prior year's grant award. Active enrollment numbers as well as inactive numbers, including pending, will be used to calculate each locality's allocation. Each locality's FY 2012 allocation will be between 90% and 110% of their FY 2011 allocation. The Department may reduce the allocations of those

localities with expenditures substantially below 50% of their total allocation at mid-year and reallocate those funds to other localities.

Localities may request a transfer of funds between budget lines 844 and 854 as needed. However, budget line 844 funds provided for Transportation and Other Supportive Services may not be transferred. All transfers are subject to the program manager's approval.

VIEW Purchased Services (budget line 872):
The Virginia State-Local Collaborative approved formula will continue to be used to allocate FY 2011 funds.

The Collaborative "VIEW Purchased Services Formula"

A. For all agencies, 75% of the allocation is based on caseload and 25% is based on performance.

B. Local agency VIEW caseloads will be determined by using the actual number of unduplicated cases served under the VIEW program for the time period of January 2010 through January 2011, thereby giving each locality credit for each unique person served under VIEW. If a person is served in multiple localities, each locality providing services will receive credit.

C. Performance will be determined by measuring the number of clients who participate in a work activity and the number of clients who retain employment for 90 days or more for each locality. The performance allocation (25% of the total allocation) will be split as follows: 16.67% for the work activity component and 8.33% for employment retention. The performance numbers were determined for the time period of January 2010 through January 2011.

D. Finally, figures will be adjusted so that changes in VIEW allocations do not increase or decrease by more than 10% from the 2010 allocation.

A portion of each locality's VIEW allocation will be included in the allocation for budget line 854, services staff and operations, based upon transfers through February 2011. The remainder of the VIEW funds will be in budget line 872 to be used for purchase of services. Localities may request a transfer of funds between budget line 872 and budget line 854. However, all transfers must be approved by the program manager. In making these decisions, local performance factors will be considered such as the work participation rate.

All available VIEW funding appropriated by the General Assembly is in turn allocated to local departments of social services. Therefore, LDSSs must structure their local budgets with the expectation that there will be no additional funding available during the year. Supplemental funding requests will only be granted if funds are available (i.e., funds have been returned by a LDSS) and an unanticipated change has resulted in the need for

additional funds (e.g., dramatic and unexpected caseload increase.) Supplemental funding requests must include a precise explanation of the need for additional funds, a justification of the amount requested, and an explanation of agency measures taken to ensure spending remains within the budget allocation.

Any BRS requests for additional funds received prior to mid-year will be held until mid-year review. Mid-year review requests will be granted to the extent that funds are returned. For example, if local departments return $200,000 and the requests total $800,000, only $200,000 will be granted as supplements. Agencies may request funding after the mid-year review, but requests will only be filled if there is a compelling need and funds are available. Additional funds granted at the mid-year review or any time during the fiscal year will not become a part of the base allocation in future years. At mid-year, the home office will review budget line 872 spending by all LDSSs. If projections show a locality will not be spending all of the funding available to them, and the LDSS cannot justify projected expenditures that would equal the amount of the allocations, the Department, at its discretion, may reduce the local agency's allocation by the amount expected to go unspent in budget line 872.

All local departments are required to submit annual VIEW plans that include information on local VIEW budgets and plans for dealing with potential shortages in funding. In no case will a supplement be approved for an agency that has not submitted an annual VIEW plan.

Fee Child Care - Matching (budget line 881):
Localities should budget with the expectation that the local match rate for budget line 881 will increase from 5% to 10% in FY 2012. The Department continues to work on this issue. If there is a change we will update you as quickly as possible.

The base allocation will remain the same as in FY 2011. In June 2011, LDSSs will receive 50% of their base allocation. Once final FY 2011 expenditures have been reviewed, LDSSs will automatically receive a 2nd allocation equal to the difference between 50% of their FY 2012 base allocation and their actual expenditures for FY 2011. The sum of the initial and 2nd allocation to localities will not exceed their base. For those localities receiving less than their FY 2012 base allocation, they may request any or all of the remainder of their base allocation by September 30, 2011. A supplemental funding form signed by the local director and the county/city fiscal agent stating that local match funds are available must be submitted to home office. A copy of the document can be accessed at **http://spark.dss.virginia.gov/divisions/cc/forms.cgi**

BRS requests received after September 30th will be considered during the mid-year review process. Agencies requesting additional funds must justify the requested amounts and certify that they have the required local match. **Local departments must agree that any additional funds received will not become a part of their base allocation in future years.**

Throughout the fiscal year, the home office will review spending by all local agencies for both budget lines 881 and 883. If straight line projections indicate that a local department will not be spending all of its allocation, the Department, at its discretion, may reduce the local agency's allocation by the amount expected to go unspent in either budget line 881 or 883.

Fee Child Care-100% Federal (budget line 883):
FY 2011 base allocations and transfers through February 2011 to budget line 854 will be used to determine the FY 2012 allocations. **Additional transfers from budget line 883 to budget line 854 will not be permitted in FY 2012.**

3) ALLOCATIONS BASED ON APPROVED PLANS

Budget line 861 - Education & Training Vouchers Purchased Services
Budget line 862 - Independent Living Program - Purchased Services
Budget line 864 - Foster Parent Respite Care
Budget line 866 – Promoting Safe and Stable Families – Purchased Services
Budget line 873 - Approved Child Welfare Training Purchased Services
Budget line 875 - Title IV-E Approved Foster/Adoptive Parent, Volunteer, & Child Welfare Worker Training Administrative Rate
Budget line 890 - CDC Quality Initiative Program

The above budget lines are only to be used for purchase of services.

Education and Training Vouchers Purchased Services (budget line 861) and Independent Living Purchased Services (budget line 862):
All localities that submit an application for funding that is approved by VDSS will receive an allocation based on eligible youth. A copy of the Child Welfare Funding Application for ETV and Independent Living can be accessed on SPARK at **http://spark.dss.virginia.gov/divisions/dfs/fc/cwf.cgi**

Foster Parent Respite Care (budget line 864):
FY 2012 respite care funding will be allocated to those agencies with an approved Child Welfare Application Package.

Agencies not receiving an allocation can access a general pool for their emergency needs upon approval. For information on accessing either pool of funds, please refer to the Child Welfare Application Package, Respite Care for Foster Families available on SPARK .

Safe and Stable Families –Purchased Services (budget line 866):
Allocations are subject to the submission and approval of the locality's Community Needs Assessment and the Promoting Safe and Stable Families (PSSF) Plan. Budget line 866 funds can only be used for purchase of services. All PSSF personnel costs (staff and related operations costs) associated with direct service delivery and administrative costs incurred by a local department must continue to be reported in LASER under budget line

854. The amount of each locality's PSSF allocation placed in BL 854 will be based on either the renewal or the approved application.

Localities may request a transfer of funds between budget line 866 and 854. A justification for the transfer request is required and must support the localities approved plan that describes the services to be delivered and by whom they will be delivered. All transfers must be approved by the program manager.

Monthly Caseworker Contacts (cost code 86608):
Budget line 866, cost code 86608, provides funding to support caseworker face-to-face contacts with children in foster care as required in the Child and Family Services Improvement Act (CFSIA) of 2006 (P.L. 109-288). The allocation for cost code 86608 is separate and distinct from the other 866 cost codes. Funding allocations are based on the percentage of each locality's average number of children in foster care for the previous five years. Localities may move funds from BL 866 to BL 854 upon approval of the program manager.

Approved Child Welfare Training Purchased Services (budget line 873):
Budget line 873 is limited to approved contractual/purchased services training costs for foster/adoptive/resource parents and agency child welfare staff. The training activities must meet Title IV-E requirements for enhanced reimbursement. Funding may also be used to finance local department staff in BSW and MSW educational programs in preparation for child welfare work.

Local staff salaries and other administrative expenses may **not** be charged to budget line 873. Note: foster and adoptive parent recruitment and retention activities are classified as administrative expenses and must be charged to budget line 875.

Title IV-E Approved Foster/Adoptive Parent, Volunteer, and Child Welfare Worker Training - Administrative Rate (budget line 875):
Budget line 875 has been established to claim approved but 'non-enhanced" reimbursement training costs related to purchased services or specific LDSS costs defined as "allowable costs." Certain training activities (and their related costs) may be approved for reimbursement at this lower rate. For allowable training under this budget line, please review the Financial Guidelines Manual on SPARK.

Child Care Quality Initiative Grants (budget line 890):
Allocations for FY 2012 will be the same as FY 2011. It is anticipated that FY 2012 will be the last year of allocations for this budget line. Local departments are encouraged to spend 50% of their respective Quality Initiative (QI) allocations on activities that relate to the Virginia Star Quality Initiative (VSQI), the state's child care program quality rating and improvement system. QI Plans should also demonstrate a strong collaboration with cross-sector early childhood community partners. Additional guidance and details will be provided through a broadcast in May 2011.

4) ALLOCATIONS BASED ON FY 2010 ALLOCATIONS

Budget line 853 – Eligibility Staff and Operations
Budget line 854 – Services Staff and Operations

Eligibility Staff & Operations and Services Staff & Operations (budget lines 853 and 854):
Local staff and operations funding in budget lines 853 and 854 will be reduced by 2.5% of the FY 2010 base. The FY 2012 reduction is roughly an increase of one-tenth of 1% of the FY 2011 budget reduction before the FMAP restoration. As in FY 2011, the total reduction for both budget lines will be taken in budget line 853 only. Localities may move all or a part of the reduction to budget line 854 when BRS opens for FY 2012.

In FY 2012 only, Department of Defense (DoD) SNAP funds will be used in budget line 853 for local eligibility determination. DoD SNAP funds will be allocated based on each locality's share of the state increase in SNAP applications. This methodology was approved by the League's Admin Committee. **These additional funds will not be a permanent base budget adjustment and are only available in FY 2012**.

During FY 2012, FPM funds will be allocated to assist with costs for local staff expenses for Family Partnership Meetings or other family engagement related activities included but not limited to transportation to and from FPM, payments to trained facilitators for conducting FPM, child care during FPM, search activities to locate and include family members in FPM, and coaches for internal facilitators. These funds will be allocated for FPM that are documented in OASIS with a valid purpose, are facilitated by a trained individual, and have family members in attendance. Allocations will be made **June 1, 2011** (FPM held December 2010 through February 2011), **August 1, 2011** (FPM held March-May 2011), **November 1, 2011** (FPM held June-August 2011) and **February 1, 2012** (FPM held September- November 2011). **Localities will be notified by program staff when the allocations are made and localities may request transfers between budget lines 854 and 829 as needed.**

Fraud Reduction/Elimination Effort (FREE) Standard Program:
Administrative allocations for the Fraud program have been included in budget line 853 allocations. Allocations are based on a combination of caseload size (40%) and performance (60%). A LDSS Fraud Plan is required for localities to receive an allocation. Fraud funding will be reduced by an additional 1.5% for a total of 2.5% in FY 2012. This reduction is based on the FY 2010 Fraud allocations.

Energy Assistance Administration – Cooling and Energy Assistance:
Administrative allocations for the Energy Assistance Program's (EAP) heating and cooling seasons (fuel, crisis, and cooling components) will be included in budget line 853 allocations.

Additional staff and operations funding will be provided in budget line 853 due to an increase in the Low-Income Home Energy Assistance Program (LIHEAP) block grant

funding. However, these additional funds are not a permanent base adjustment and may not be available in FY 2013.

For the Energy Assistance Program, the total funds available were estimated by calculating the three year average for total statewide local energy administration allocations (FY 2006 –FY 2008). FY 2012 base allocations for LIHEAP will remain the same as in FY 2011. However, the additional LIHEAP allocation is subject to the final appropriation approval and federal award.

LIHEAP continues to operate under a continuing resolution; a final appropriation from FFY 2011 has not been determined. Each locality's share of the local energy program administration funds is based on its percentage of the total statewide caseload for the EAP Program (Cooling 2010 Fuel/Crisis 2010-11). This percentage is then applied to the estimated energy administration funds available to determine the dollar allocation for each locality.

Other Line Item Information

International Home Studies (budget line 816):
Budget line 816 is used to report costs and receive reimbursement for International Home Studies conducted for children in foster care. Localities must submit all supporting documentation to the program manager for approval as well as a BRS for the exact amount. Once the program manager approves the documentation, the BRS will also be approved and localities can upload their expenditures to LASER for reimbursement. There will be no local match required for this budget line.

Refugee Resettlement (budget line 819):
The Office of Newcomer Services will make allocations to localities for the Refugee Cash Assistance Program based on FY 2011 expenditure patterns and on FY 2012 projected refugee arrival patterns.

Eligibility Staff and Operations & Services Staff and Operations Pass-Through (budget lines 856 & 857):
For FY 2012, the department will calculate an amount for pass-through for each budget line based on 90% of FY 2010 expenditures in each line by each locality. Localities may request the additional amounts of pass-through that may be needed when LASER and BRS open for FY 2011. These requests will, however, be subject to review by the regional offices. Pass-through reimbursement is only available for expenses incurred by local departments of social services for their staff and operations supporting the same activities as the corresponding base budget (budget lines 853 and 854).

Employment Advancement for TANF Participant (budget line 867):
The sub-grant program is being used to provide services to "engage present and former TANF recipients in activities to achieve and maintain self-sufficiency through employment, retention and advancement." The current grant period began on October 1,

2010 and will continue through June 30, 2011. A renewal period will begin on July1, 2011 and continue until June 30, 2012.

If additional information is needed on any item discussed in this memorandum, please contact either Torsheba Givens or Ida Witherspoon of the Budget Office.

Torsheba Givens: (804) 726-7251, email address –**torsheba.givens@dss.virginia.gov**
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Budget office fax: (804) 726-7355

The information in this memorandum is to be retained until June 30, 2012.

COMMONWEALTH of VIRGINIA

DEPARTMENT OF SOCIAL SERVICES

May 17, 2011

MEMORANDUM

Distribution: Local Directors/Superintendents
Local Office Managers
Executive Team
Division Directors

FROM: Michael L. Gump, Budget Director

SUBJECT: FINAL BUDGET ALLOCATIONS, FISCAL YEAR 2012

Enclosed is a copy of your allocations for the fiscal year reporting period ending May 31, 2012. These allocations are based on Chapter 890, the 2011 Appropriation Act. The instructions and program information provided in this letter should be considered an addendum to the "Annual Budget, Fiscal Year Ending June 30, 2012" memorandum dated April 8, 2011. Both documents should be reviewed in conjunction with one another. All changes made in this guidance supersede all prior budget guidance.

I. GENERAL

Major budget actions affecting local department budget allocations for FY 2012 are summarized below. Further details are contained in the appropriate sections of the guidance document.

VIEW Working and Transitional Child Care (budget line 871) and Fee Child Care - Matching (budget line 881):
Allocations for VIEW Child Care and Fee System – Matching are not included. Allocations for these two budget lines will be issued as soon as possible prior to June 1, 2011.

Eligibility Staff & Operations and Services Staff & Operations (budget lines 853 and 854):
Budget allocations for local administration were to be reduced by an additional 2.6%, for a total of 5% in FY 2012, based on the Governor's 2011 Budget Bill. However, the 2011 General Assembly restored one-half of the reduction. As a result of this restoration, funding for budget lines 853 and 854 has been reduced by only 2.5% in FY 2012 as

compared to FY 2010. The reduction was based on each locality's FY 2010 combined allocation for budget lines 853 and 854.

Chore and Companion Services (budget line 833):
Total base funding for budget line 833 was reduced in FY 2011 by 24%. There will be no change to the base budget for FY 2012. However, please note that the additional federal medical assistance percentage (FMAP) restoration funds made available in FY 2011 was the result of a one-time allocation and will not be available in FY 2012.

Other Purchased Services (budget line 824):
All funding for budget line 824 has been eliminated in FY 2012.

II. AVAILABILITY OF FUNDS

All budget guidance and subsequent budget allocations are subject to availability of funds as governed by the Department's appropriation and federal awards. Localities must be mindful that this appropriation is subject to reduction by action of the Governor during any given fiscal year. Though the Department has worked, and will continue to work, with the Administration and the Department of Planning and Budget to avoid and/or minimize mid-year budget reductions, the possibility of such reductions remains.

III. BUDGET LINE GUIDANCE and ALLOCATION METHODOLOGIES

For state fiscal year 2012, budget line allocations are based on one of four methodologies: (1) projected program expenditures, (2) approved formulas, (3) allocations based upon approved locality plans, or (4) state fiscal year 2011 allocations.

1) ALLOCATIONS BASED ON PROJECTED SFY 2011 EXPENDITURES

Budget line 804 – Auxiliary Grants
Budget line 808 – TANF – Manual Checks
Budget line 810 – TANF Emergency Assistance
Budget line 811 – IV-E (AFDC) Foster Care
Budget line 812 – IV-E Adoption Subsidy and Non-Recurring Expenses
Budget line 813 – General Relief
Budget line 817 – State Adoption Subsidy and Special Service Payments
Budget line 848 – TANF UP Manual Checks
Budget line 871 – VIEW Working and Transitional Child Care
Budget line 878 – Head Start Wrap-Around Child Care

TANF Emergency Assistance (budget line 810):
This budget line provides emergency assistance to destitute families with children who may or may not meet TANF eligibility factors. The total amount granted to a family shall not exceed $500 during any one period of thirty consecutive days in any twelve consecutive months.

Localities received an initial allocation of $500 or projected FY 2011 expenditures, whichever is greater. Localities may request additional funding or return excess funding during the fiscal year through the budget request system (BRS).

IV-E Foster Care, IV-E Adoption Subsidy and Non-Recurring Expenses, and State Adoption Subsidy and Special Service Payments (budget lines 811, 812, and 817):
Based on the budget passed by the 2011 General Assembly, there is no increase in maintenance rates for FY 2012.

PLEASE NOTE: Requests for additional allocations at the mid-year review or any time during the fiscal year must be accompanied by a justification that includes quantitative data on caseload increase/increased demand and any extraordinary nonrecurring costs. Straight line projections will not suffice.

General Relief Program (budget line 813):
General Relief funds are only available for the "unattached children" component of the program. Only local departments operating this component in FY 2011 received funding in FY 2012. Initial local allocations were based on each locality's percentage share of projected FY 2011 expenditures for the unattached children component. **NOTE:** Supplemental allocations for FY 2011 are only available through May 31, 2011. Funding for FY 2012 will only be for the "unattached children" component. Please see Broadcast 6511 for further details.

All available General Relief funding appropriated by the General Assembly is in turn allocated to local departments of social services; therefore, LDSSs must structure their local budgets with the expectation that there will be no additional funding available during the year. We expect that General Relief will be fully expended in FY 2012 and the foreseeable future. Supplemental funding requests in BRS will only be granted if funds are available (i.e., funds have been returned by a LDSS). Supplemental funding requests in BRS must include a justification of the amount requested.

VIEW Working and Transitional Child Care (budget line 871):
See section "I. GENERAL" for guidance concerning VIEW Working and Transitional Child Care, budget line 871.

2) ALLOCATIONS BASED ON APPROVED FORMULAS

Budget line 829 – Family Preservation - SSBG
Budget line 833 – Adult Services
Budget line 844 – Supplemental Nutrition Assistance Program-Employment and Training (SNAPET)
Budget line 872 – VIEW Purchased Services
Budget line 881 – Fee Child Care - Matching
Budget line 883 – Fee Child Care - 100% Federal
Budget line 895 – Adult Protective Services

Family Preservation (budget line 829):
Family Partnership Meetings (FPM) budget guidance is presented in the budget line 854, Services Staff and Operations section. Though allocations will be made in budget line 854, localities may request a transfer of funds to budget line 829 in order to use for purchased services related to FPM.

Supplemental Nutrition Assistance Program-Employment and Training (budget line 844):
FY 2012 allocations are based on the prior year's grant award. Active enrollment numbers as well as inactive numbers, including pending, were used to calculate each locality's allocation. Each locality's FY 2012 allocation will be between 90% and 110% of their FY 2011 allocation. The Department may reduce the allocations of those localities with expenditures substantially below 50% of their total allocation at mid-year and reallocate those funds to other localities.

Localities may request a transfer of funds between budget lines 844 and 854 as needed. However, budget line 844 funds provided for Transportation and Other Supportive Services may not be transferred. All transfers are subject to the program manager's approval.

Fee Child Care - Matching (budget line 881):
See section "I. GENERAL" for guidance concerning Fee Child Care – Matching, budget line 881.

Fee Child Care-100% Federal (budget line 883):
Additional transfers from budget line 883 to budget line 854 will not be permitted in FY 2012.

Child Care Automation:
The Department plans to begin implementation of its new child care automation system, Virginia Case Management System (VaCMS) in August of 2011. Six local agencies will begin to pilot VaCMS in August. The remaining local agencies will convert to the new child care system in three waves, with the first wave beginning in October 2011 and the last wave in December 2011. The implementation schedule and map can be found on the VaCMS link on SPARK at: **http://spark.dss.virginia.gov/divisions/dis/cca/**.

VaCMS is designed to make child care payments from the state treasury. Once VaCMS is fully operational, LASER (Locally Automated System for Expenditure Reimbursement) will no longer be used to reimburse local agencies for child care subsidy expenditures.

Prior to scheduled conversion to VaCMS, each local agency must advise the Department how much of their child care allocation for each budget line should remain in LASER to cover FY 12 pre-conversion expenditures. In addition, each local agency must notify the Department of the amount of budget that needs to be moved to VaCMS. In any case, the combined amount of budget in LASER and VaCMS must not exceed the total amount allocated by FIPS and by budget line

unless a request for additional funds has been approved. The Child Care program will issue further guidance on this matter by June 2011.

3) ALLOCATIONS BASED ON APPROVED PLANS

Budget line 861 – Education &Training Vouchers Purchased Services
Budget line 862 – Independent Living Program - Purchased Services
Budget line 864 – Foster Parent Respite Care
Budget line 866 – Safe and Stable Families – Purchased Services
Budget line 873 – Approved Child Welfare Training Purchased Services
Budget line 875 – Title IV-E Approved Foster/Adoptive Parent, Volunteer, & Child Welfare Worker Training Administrative Rate
Budget line 890 – CDC Quality Initiative Program

The above budget lines are only to be used for purchase of services.

Education &Training Vouchers Purchased Services (budget line 861) and Safe and Stable Families – Purchased Services (budget line 866):
Localities who did not submit their plan by the due date did **not** receive an allocation at this time. Once the plans are reviewed and approved, the program manager will contact the locality and a BRS will need to be submitted for the approved amount.

Foster Parent Respite Care (budget line 864):
The funding package for Respite Care was not due back to the program manager until April 25, 2011; therefore the allocations for budget line 864 are not being included at this time. However, all localities whose funding packages are approved will have their allocations in LASER when it opens for FY 2012.

4) ALLOCATIONS BASED ON SFY 2011 ALLOCATIONS

Budget line 853 – Eligibility Staff and Operations
Budget line 854 – Services Staff and Operations

Eligibility Staff & Operations and Services Staff & Operations (budget lines 853 and 854):
Local staff and operations funding in budget lines 853 and 854 has been reduced by 2.5% of the FY 2010 base. The FY 2012 reduction is roughly an increase of one-tenth of 1% of the FY 2011 budget reduction before the FMAP restoration. As in FY 2011, the total reduction for both budget lines were taken in budget line 853 only. Localities may move all or a part of the reduction to budget line 854 when BRS opens for FY 2012.

In FY 2012 only, Department of Defense (DoD) SNAP funds will be used in budget line 853 for local eligibility determination. DoD SNAP funds were allocated based on each locality's share of the state increase in SNAP applications. This methodology was approved by the League's Admin Committee. **These additional funds will not be a permanent base budget adjustment and are only available in FY 2012.**

During FY 2012, Family Partnership Meetings (FPM) funds will be allocated to assist with costs for local staff expenses for Family Partnership Meetings or other family engagement related activities including but not limited to transportation, payments to trained facilitators, child care, search activities to locate and include family members, and coaches for internal facilitators. These funds will be allocated for FPM that are:
1) documented in OASIS with a valid purpose; 2) facilitated by a trained individual; and 3) have family members in attendance.

Per Broadcast 6878 the allocations will be made **June 1, 2011** (FPM held December 2010 through February 2011), **August 1, 2011** (FPM held March-May 2011), **November 1, 2011** (FPM held June-August 2011) and **February 1, 2012** (FPM held September-November 2011). **Localities will be notified by program staff when the allocations are made and localities may request transfers between budget lines 854 and 829 as needed.** Please refer to Broadcast 6878 for further details.

Other Line Item Information

Pre-Occupancy Local Facilities Costs (budget line 805):
Localities that received funds after FY 2009 have three years from the date funds were initially allocated to begin occupancy of their new facility or the funds will be reallocated.

International Home Studies (budget line 816):
Budget line 816 is used to report costs and receive reimbursement for International Home Studies conducted for children in foster care. Localities must submit all supporting documentation to the program manager for approval as well as a BRS for the exact amount. Once the program manager approves the documentation, the BRS will also be approved and localities can upload their expenditures to LASER for reimbursement. There will be no local match required for this budget line.

Refugee Resettlement (budget line 819):
The Office of Newcomer Services made allocations to localities for the Refugee Cash Assistance Program based on FY 2011 expenditure patterns and on FY 2012 projected refugee arrival patterns.

Eligibility Staff and Operations & Services Staff and Operations Pass-Through (budget lines 856 & 857):
For FY 2012, the department calculated an amount for pass-through for each budget line based on 90% of FY 2010 expenditures in each budget line by each locality. Localities may request the additional amounts of pass-through that may be needed when LASER and BRS open for FY 2012. These requests will, however, be subject to review by the regional offices. Pass-through reimbursement is only available for expenses incurred by local departments of social services for their staff and operations supporting the same activities as the corresponding base budget (budget lines 853 and 854).

EBT Issuance-Administration (cost code 85350) and EBT Issuance-Administration Pass-Through (cost code 85650)
The practice of keeping timesheets for EBT Issuance tracking and prorating workers' salary and benefits to LASER Cost Codes 85350 and 85650 is no longer necessary for federal reporting purposes. With the rewrite of Virginia's Cost Allocation Plan and budget line consolidation, the EBT Issuance activity is being sufficiently captured in the Random Moment Sampling process.

Please discontinue keeping time records for EBT Issuance for any and all employees. The LASER Cost Codes 85350 and 85650 will be closed beginning June 1, 2011. As these cost codes' budgets are a part of the overall 853 budget line, there is no impact to the LDSS budget for budget lines 853 and 856.

Employment Advancement for TANF Participant (budget line 867):
The sub-grant program is being used to provide services to "engage present and former TANF recipients in activities to achieve and maintain self-sufficiency through employment, retention and advancement." The current grant period began on October 1, 2010 and will continue through June 30, 2011. A renewal period will begin on July1, 2011 and continue until June 30, 2012.

Those localities with funds available at the end of May 2011 will have those funds carried over in LASER through June 2011. Once LASER closes for June 2011, any remaining balances will be removed. FY 2012 allocations will be available at the beginning of July 2011 LASER period.

IV. OTHER

LASER AND BUDGET REQUEST SYSTEM (BRS):

BRS will close for FY 2011 on Friday, May 27, 2011. All budget requests for FY 2011 must be submitted via BRS no later than 5:00 P.M. on May 27, 2011.

LASER will close for FY 2011 on June 10, 2011 at 5:00 P.M.

LASER is scheduled to re-open for FY 2012 on June 20, 2011. Requested adjustments to FY 2012 allocations may be made via BRS at that time.

If additional information is needed on any item discussed in this memorandum, please contact either Torsheba Givens or Ida Witherspoon of the Budget Office.

Torsheba Givens: (804) 726-7251, email address –**torsheba.givens@dss.virginia.gov**
Ida Witherspoon: (804) 726-7220, email address –**ida.witherspoon@dss.virginia.gov**
Budget office fax: (804) 726-7355

The information in this memorandum is to be retained until June 30, 2012.

PURPOSE AND OVERVIEW

These guidelines outline the requirements for determining allowable costs. Expenditures submitted through LASER for state and federal reimbursement consideration must comply with federal cost principles.

REFERENCE SOURCES

- 2 CFR, Part 225, Cost Principles for State, Local, and Indian Tribal Governments (OMB Circular A–87)
- ASMB C-10, Cost Principles and Procedures for Developing Cost Allocation Plans and Indirect Cost Rates for Agreements with the Federal Government

RESCINDED GUIDELINES

Allowable Costs, Virginia Department of Social Services, LASER Expenditure Guidelines Manual, Feb 2002

DEFINITIONS

Award: Means grants, cost reimbursement contracts and other agreements between a State, local and Indian tribal government and the Federal Government.

Awarding Agency: Means with respect to a grant, cooperative agreement, or cost reimbursement contract, the Federal agency, and with respect to a sub-award, the party that awarded the sub-award.

Central Services Cost Allocation Plan (CSCAP): A plan that documents, identifies, accumulates, and allocates allowable costs of services provided by the central services departments of a governmental unit to its benefiting departments and agencies.

GUIDELINES

Federal Requirements

Below is an extract from OMB Circular A-87, Sections C, D, E, F, and G that cover some of the allowable cost principles. For a full text of Circular OMB A-87, refer to 2 CFR Part 225, Cost Principles for State, Local, and Indian Tribal Governments (OMB Circular A–87):

C. Basic Guidelines

1. Factors affecting allowability of costs. To be allowable under Federal awards, costs must meet the following general criteria:

a. Be necessary and reasonable for proper and efficient performance and administration of Federal awards.

b. Be allocable to Federal awards under the provisions of this Circular.

c. Be authorized or not prohibited under State or Local laws or regulations.

d. Conform to any limitations or exclusions set forth in these principles, Federal laws, terms and conditions of the Federal award, or other governing regulations as to types or amounts of cost items.

e. Be consistent with policies, regulations, and procedures that apply uniformly to both Federal awards and other activities of the governmental unit.

f. Be accorded consistent treatment. A cost may not be assigned to a Federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the Federal award as an indirect cost.

g. Except as otherwise provided for in this Circular, be determined in accordance with generally accepted accounting principles.

h. Not be included as a cost or used to meet cost sharing or matching requirements of any other Federal award in either the current or a prior period, except as specifically provided by Federal law or regulation.

i. Be the net of all applicable credits.

j. Be adequately documented.

2. Reasonable costs. A cost is reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost. The question of reasonableness is particularly important when governmental units or components are predominately federally funded. In

determining reasonableness of a given cost, consideration shall be given to:

a. *Whether the cost is of a type generally recognized as ordinary and necessary for the operation of the governmental unit or the performance of the Federal award.*

b. *The restraints or requirements imposed by such factors as: sound business practices; arms length bargaining; Federal, State and other laws and regulations; and, terms and conditions of the Federal award.*

c. *Market prices for comparable goods or services.*

d. *Whether the individuals concerned acted with prudence in the circumstances considering their responsibilities to the governmental unit, its employees, the public at large, and the Federal Government.*

e. *Significant deviations from the established practices of the governmental unit which may unjustifiably increase the Federal award's cost.*

3. Allocable costs.

a. *A cost is allocable to a particular cost objective if the goods or services involved are chargeable or assignable to such cost objective in accordance with relative benefits received.*

b. *All activities which benefit from the governmental unit's indirect cost, including unallowable activities and services donated to the governmental unit by third parties, will receive an appropriate allocation of indirect costs.*

c. *Any cost allocable to a particular Federal award or cost objective under the principles provided for in this Circular may not be charged to other Federal awards to overcome fund deficiencies, to avoid restrictions imposed by law or terms of the Federal awards, or for other reasons.*

d. *Where an accumulation of indirect costs will ultimately result in charges to a Federal award, a cost allocation plan will be required as described in Attachments C, D, and E.*

4. Applicable credits.

a. *Applicable credits refer to those receipts or reduction of expenditure type transactions that offset or reduce expense items allocable to Federal awards as direct or indirect costs. Examples of such transactions are: purchase discounts, rebates or allowances, recoveries or indemnities on losses, insurance refunds or rebates, and adjustments of overpayments or erroneous charges. To the extent that such credits accruing to or received by the governmental unit relate to allowable costs, they shall be credited to the Federal award either as a cost reduction or cash refund, as appropriate.*

b. *In some instances, the amounts received from the Federal Government to finance activities or service operations of the governmental unit should be treated as applicable credits. Specifically, the concept of netting such credit items (including any amounts used to meet cost sharing or matching requirements) should be recognized in determining the rates or amounts to be charged to Federal awards. (See Attachment B, item 11, "Depreciation and use allowances," for areas of potential application in the matter of Federal financing of activities.)*

D. <u>Composition of Costs</u>

1. Total costs. The total cost of Federal awards is comprised of the allowable direct cost of the program, plus its allocable portion of allowable indirect costs, less applicable credits.

2. Classification of costs. There is no universal rule for classifying certain costs as either direct or indirect under every accounting system. A cost may be direct with respect to some specific service or function, but indirect with respect to the Federal award or other final cost objective. Therefore, it is essential that each item of cost be treated consistently in like circumstances either as a direct or an indirect cost. Guidelines for determining direct and indirect costs charged to Federal awards are provided in the sections that follow.

E. <u>Direct Costs</u>

1. General. Direct costs are those that can be identified specifically with a particular final cost objective.

2. Application. Typical direct costs chargeable to Federal awards are:

a. Compensation of employees for the time devoted and identified specifically to the performance of those awards.

b. Costs of materials acquired, consumed, or expended specifically for the purpose of those awards.

c. Equipment and other approved capital expenditures.

d. Travel expenses incurred specifically to carry out the award.

3. Minor items. Any direct cost of a minor amount may be treated as an indirect cost for reasons of practicality where such accounting treatment for that item of cost is consistently applied to all cost objectives.

F. Indirect Costs

1. General. Indirect costs are those: (a) incurred for a common or joint purpose benefiting more than one cost objective, and (b) not readily assignable to the cost objectives specifically benefited, without effort disproportionate to the results achieved. The term "indirect costs," as used herein, applies to costs of this type originating in the grantee department, as well as those incurred by other departments in supplying goods, services, and facilities. To facilitate equitable distribution of indirect expenses to the cost objectives served, it may be necessary to establish a number of pools of indirect costs within a governmental unit department or in other agencies providing services to a governmental unit department. Indirect cost pools should be distributed to benefited cost objectives on bases that will produce an equitable result in consideration of relative benefits derived.

2. Cost allocation plans and indirect cost proposals. Requirements for development and submission of cost allocation plans and indirect cost rate proposals are contained in Attachments C, D, and E.

3. Limitation on indirect or administrative costs.

a. In addition to restrictions contained in this Circular, there may be laws that further limit the amount of administrative or indirect costs allowed.

b. Amounts not recoverable as indirect costs or administrative costs under one Federal award may not be shifted to another Federal award, unless specifically authorized by Federal legislation or regulation.

G. *Interagency Services*

The cost of services provided by one agency to another within the governmental unit may include allowable direct costs of the service plus a pro rate share of indirect costs. A standard indirect cost allowance equal to ten percent of the direct salary and wage cost of providing the service (excluding overtime, shift premiums, and fringe benefits) may be used in lieu of determining the actual indirect costs of the service. These services do not include centralized services included in central service cost allocation plans as described in Attachment C.

Consistent Treatment of Costs

As indicated above in Section C, of OMB A-87, a cost may not be assigned to a Federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the Federal award as an indirect cost.

In addition, failure to mention a particular item of cost is not intended to imply that it is either allowable or unallowable; rather, in each case the determination of allowability should be based on the treatment or standards provided for similar or related cost items.

Consistent treatment of costs applies to LDSSs' costs. Below are examples of consistent treatment of costs and situations that give rise to inconsistent treatment of costs.

1. Treatment of Eligibility and Services Staff & Operations Costs and Purchased Services

    - LDSS Eligibility and Services "Staff and Operations" (S&O) costs are treated as indirect costs and charged to S&O Budget Lines (853, 854, 856 or 857) and allocated based on RMS statistics.

    - A purchased service is defined as a service that is procured on behalf of a specific client or group of clients. Therefore, all purchased services are to be charged to the corresponding program cost code and treated as direct costs.

    Example: Unacceptable Treatment of S&O and Purchased Services

    Services to clients are delivered through **LDSS/LDSS contract employees** and through **contractual agreements** with external private and non-profit organizations.

A vendor has a contractual agreement to provide VIEW component services to LDSS clients. The vendor submits an invoice to the LDSS. The invoice lists vendor staff costs. The LDSS worker keys the vendor staff costs in the S&O Budget Line.

In this case, keying the vendor staff costs in the S&O Budget Line is unacceptable because the treatment of services rendered through a contractual agreement is considered purchased service and is to be treated as direct costs. Direct costs are those that can be identified specifically with a particular final cost objective; and in this case the cost objective would be the VIEW Cost Code 87201, View Component and Component-Related Activities.

2. Treatment of Legal Costs (Operating Costs)

Legal assistance or representation on behalf of the local department of social services is provided by the County Attorney's Office. These costs are reported in LASER under BL 853, 854, 856 or 857, which are then allocated based RMS results.

Example: Unacceptable treatment of legal costs

A local department of social services is billed monthly by the County Attorney's Office for:

- Services rendered. Hours worked multiplied by the attorney's hourly rate are used to calculate the billable costs.

- Proportionate share of overhead costs.

The locality's Central Services Cost Allocation Plan (CSCAP) for that corresponding fiscal year includes indirect overhead costs of the County Attorney's Office. The costs are proportionately charged to all departments based on FTE levels of each department. The CSCAP shows a charge to the local department of social services.

The above scenario is unacceptable because overhead costs of the County Attorney's Office that were previously charged with monthly billable services are being duplicated in the locality's CSCAP.

3. Treatment of Operating Costs

A locality's method to allocate costs for leased space must be uniformly applied to all Departments that occupy a leased building. If the ratio of square footage

occupied by each Department is the method used to calculate and allocate costs, then lease costs charged to each Department should reflect this allocation methodology. No one Department is to be charged more than its fair share of calculated costs.

Example: Unacceptable Treatment of Lease Costs (Operating Costs)

Locality treats lease costs uniformly as indirect costs. Due to funding shortage in another Department, the locality elects to increase the amount charged to LDSS for the following reason(s): the availability of uncapped federal programs and a higher federal financial participation rate.

This method used by the locality is unacceptable for the following reason:

The locality is inconsistent in following through on its own methodology and procedure of allocating lease costs based on the square footage used by each Department.

PURPOSE AND OVERVIEW

These guidelines define expenditures and clarify types of expenditures that can or cannot be claimed for reimbursement.

REFERENCE SOURCES

- 2 CFR, Part 225, Cost Principles for State, Local, and Indian Tribal Governments (OMB Circular A–87)
- ASMB C-10, Cost Principles and Procedures for Developing Cost Allocation Plans and Indirect Cost Rates for Agreements with the Federal Government

RESCINDED GUIDLINES

Introduction and General Guidelines, Definition of Expenditures, Virginia Department of Social Services, LASER Expenditure Guidelines Manual, Feb 2002

DEFINITIONS

Expenditures: Actual payment of cash or cash-equivalent paid by an LDSS for goods, financial assistance and/or services provided to social services clients, or a charge against available funds in settlement of an obligation—as evidenced by an invoice, receipt, voucher, or other such document.

Advance Payments: These are payments made prior to the receipt of goods or delivery of services.

GUIDELINES

Reimbursement of Expenditures

In order for allowable expenditures to be considered for reimbursement, LDSSs must enter them into LASER.

Advance Payments

Advance payments made by LDSSs put federal, state, and local financial assets at risk since there is no guarantee that goods or services promised to be delivered will be received. Certain advance payments, as described below, are allowable. Local departments of social services should contact VDSS Division of Finance if questions arise on the allowability and/or reimbursement of advance payments.

Miscellaneous Advance Payments

The following are examples of advance payments which, under certain terms and conditions, may be prepaid and entered into LASER for reimbursement consideration. **All allowable miscellaneous advance payments are subject to a maximum prepayment period of 90 days**.

ITEM	EXPLANATION
Organization Memberships	Includes employee or agency annual membership dues for professional organizations. As stated above, agencies are not allowed to make annual membership prepayments more than 90 days prior to the expiration of the previous year's membership.
Publication Subscriptions	Includes initial and renewal annual subscriptions for technical and professional publications. As stated above, agencies are not allowed to make subscription prepayments more than 90 days prior to the expiration of the previous year's subscription.
Convention and Education Services	Limited to advance registration fees for conventions, conferences, seminars, and employee workshops. Agencies must be reasonably sure that travel will occur as planned. Excludes other travel expenditures except for public carriers.
Travel Public Carriers	Limited to prepayment for individual travel by aircraft, train, and bus. Excludes rental vehicle expenditures.
U.S. Postal Service Purchases	Limited to postage purchased from the U.S. Postal Service. Excludes courier service and freight expenditures.
Hotel/Motel Deposits	Advance payments for direct billed hotel/motel expenses are discouraged. Limited to one night deposit for direct bill payments on

ITEM	EXPLANATION
	hotel/motel rooms for employees who travel on behalf of the local departments of social services.
Film Acquisitions or Rentals	Limited to payments for the acquisition or rental of educational or training and development films.
Advertising Expenses	Limited to prepayments for newspaper, magazine, journal, and periodical advertisements.
Telecommunication Services	Limited to advance payments for recurring monthly telephone, pagers, and television cable charges.

Advance Payments: Written Contracts, Leases, or Agreements

Allowable advance payments pursuant to written contracts, leases, or agreements are subject to a **maximum prepayment period of one year** where delivery, performance, or refund is assured based on written obligations. Vendors should be encouraged to invoice the agency on a monthly or quarterly basis in the absence of a sufficiently reduced annual pricing arrangement.

ITEM	EXPLANATION
Mechanical, Electrical, and Equipment Repair & Maintenance Contracts	Limited to payments for services provided to repair and maintain mechanical and electrical systems and equipment. Excludes material and equipment purchases.
Computer Hardware and Software Maintenance Contracts	Limited to payments for services provided to repair and maintain computer hardware and software. Excludes computer hardware and software purchases.
Licensing Agreements	Limited to payments for the licensing fees associated with the use of computer software.
Real Property	Limited to payments for the use of buildings and land.
Equipment Rentals	Limited to payments for the use of equipment.
Insurance Premiums	Limited to premiums for insurance contracts.

Advance Payments on Behalf of Social Services Clients

In general, advance payments on behalf of social services clients become reimbursable only as the goods or services are delivered to the clients. Examples would include payments of child care, adult, or residential services that have not yet been delivered to the clients. If these goods or services are purchased in advance, local departments of social services are to track usage and request reimbursement only after the goods or services are delivered to clients.

SNAPET and VIEW gas and bus vouchers are the exception to the above rule. LDSS may purchase and claim for reimbursement of gas and bus vouchers for use over "a reasonable time period". VDSS Division of Finance defines a reasonable time period as up to a 90 day supply. However, the LDSS must document and track the distribution of these items. The tracking log and subsequent documentation is subject to periodic review by VDSS Division of Finance and the Program areas.

Items Not Considered Expenditures

The following examples are not expenditures and are not to be submitted for reimbursement in LASER:

ITEM	EXPLANATION
Budget estimates or other distribution percentages	Budget estimates do not qualify as support for charges but may be used for interim accounting purposes under certain conditions. See LASER Procedures topic *Documenting Support of Compensation, Personnel Activity Reports* for more information.
Donated services or in-kind contributions received	The value of these services is not reimbursable as either a direct or indirect cost; however, the value of these services may sometimes be used to meet cost sharing or matching requirements for applicable federal awards or federal sub-grantee awards. The use of matching funds must be documented in the grant proposal or application. Written permission must be received from VDSS prior to

ITEM	EXPLANATION
	using donated services or in-kind contribution as match. Consult with the appropriate VDSS Program Manager, Regional Administrative Manager, and the Division of Finance prior to considering these services or contributions for cost sharing or matching requirements.
Encumbrances	Encumbrances are commitments to reserve and use funds for a specific purpose; however, actual costs have not been incurred.
Transfer of funds to a general or similar fund	Includes the draw down of reimbursement from LASER for grant funding such as the Child Care Initiative Grant or the Safe and Stable Families Grant and placement of these funds in Special Welfare or another local account for future disbursement.

PURPOSE AND OVERVIEW:

The purpose of this guidance is to provide local departments of social services (LDSS) staff the guidance for processing the receipt of revenue earned, fees collected, or program income received. While the reasons that a LDSS may receive funds earned by its staff vary, the guidelines address many of the circumstances for a LDSS to properly record the funds received.

Utilizing the flexibility inherent in a locally-administered system, a LDSS may operate or be assigned responsibility for activities in addition to regulated activities for which the LDSS may receive revenue/income or collect fees. This guidance will assist local departments in receiving the appropriate reimbursement from VDSS while properly crediting any funds received/reimbursed from other sources.

REFERENCE SOURCES:

OMB A-87, OMB A-133

RESCINDED POLICY:

N/A

DEFINITIONS:

See Section 1.20 Definitions

GUIDELINE:

LDSS Receiving Non-LASER Reimbursement for Work Performed by Staff

When the LDSS receives, collects, or is reimbursed funds for performing activities the LDSS also claims in LASER, then the funds received must be credited to the appropriate budget line/cost code. LDSS staff cost reimbursed through the Staff & Operations Budget Lines (853, 854, 856, and 857) who perform activities that 'earn' revenue or income for the LDSS or for which the LDSS collects a fee, must credit the LASER reimbursement by deducting the amount received in the appropriate budget line.

For collection of program overpayments or fraud, please see guidance related to the program or contact the appropriate program consultant.

An exception to this guidance is Guardianship Filing Fees. The *Code of Virginia* requires that the LDSS retain the filing fee that accompanies annual guardianship reports in the jurisdiction where the fee is collected. Please see Cost Code 89503 for specifics on how to record Guardianship Filing Fees.

If the LDSS does not receive any revenue, collect any fees, earn any program income, or receive any reimbursement from sources other than LASER, then the LDSS does not need to make any adjustment.

Example - Revenue Earned:
A LDSS Adult Services Worker completes an Assisted Living Facilities (ALF) Assessment or Reassessment, and the LDSS receives reimbursement from the Department of Medical Assistance Services (DMAS). As the LDSS receives reimbursement for the position when claimed in LASER Staff & Operations Budget Lines, the LDSS must credit (or reduce) the revenue received in the same budget line (854/857) that the worker's costs are claimed.

Example - Program Income for Reimbursable Activities:
A LDSS receives an Adoptions grant (not in LASER) and hires an employee. Assuming the employee is performing VDSS-reimbursable activities, the LDSS can claim the position's costs in Budget Lines 854/857. However, the LDSS cannot claim the full reimbursement in LASER and receive all the grant funding. The LDSS can claim the full costs of the employee in Budget Line 854/857 but then must reduce the 854/857 costs claimed by the grant funds received.

Exception Example - Comprehensive Services Act (CSA) Staff Part of the LDSS:
If the CSA staff is a unit of the LDSS organization, these positions are in LETS with a reimbursable RSC, will be on the LDSS organization chart, and are claimable in LASER for reimbursement in BL 854 and/or 857. The activities performed by the CSA staff are VDSS reimbursable. As the locality receives CSA Administration funds, these funds are considered local funds and no reduction of expenditures is necessary.

If the CSA staff is not part of the LDSS, then the positions are not in LETS, not on the LDSS organization chart, and not claimable in LASER.

PURPOSE AND OVERVIEW:

The purpose of this guideline is to outline funding alternatives available to LDSSs regarding support of LDSS personal computers (desktop and laptop).

REFERENCE SOURCES:

None

RESCINDED POLICY:

None

DEFINITIONS:

None

GUIDELINE:

LDSSs can elect a **full support** or **shared (formerly self) support** option. If the **full support** option is selected, VDSS will pay VITA a monthly seat management fee for the hardware and boots on the ground support that has been approved by JLARC and the U.S. Department of Health and Human Services, Division of Cost Allocation. If the **shared (formerly self) support** option is selected, VDSS will pay VITA a monthly fee for the hardware and software provided to LDSSs without boots on the ground support that has been approved by JLARC and the U.S. Department of Health and Human Services, Division of Cost Allocation.

Technically, the **full support** fee by contract is the approved rate for Service Option One and the **shared (formerly self) support** fee by contract is the approved rate for Service Option Three. The approved rate for **full support** is greater than the fee paid for **shared (formerly self) support**. However, there is no provision for or intention by VDSS to cover costs or pay a fee to LDSSs that select the **shared (formerly self) support** option. This option is provided to LDSSs by VDSS and VITA as a result of local interest in supporting LDSS' personal computers and networks. The rational basis for this alternative is that network and security protocols employed by their localities are different in some cases than those employed by VITA. <u>This is a local option</u>!

Localities that have their own Information Technology (IT) Departments receive at least partial reimbursement for service provided to LDSSs through the localities' central service cost allocation plan and reimbursement process. VDSS makes these payments

to localities in May of each year. We can provide exact amounts paid to any locality desiring this information. We recognize this payment provides for only partial recovery of local IT support costs, as well as other local administrative costs like Human Resources and Finance.

In either **full support** or **shared (formerly self) support** models, LDSSs can have IT staff members on their payroll or contract IT staff and claim reimbursement through their administrative budget lines as joint costs. This acknowledges the need for immediate support requirements in LDSSs for IT security as well as to meet other IT requirements. This is consistent with how these operations have functioned in the past and there is no cause for change with the shift to VITA seat management support of either variety.

One of the key tenants for claiming federal reimbursement for appropriate expenditures is that claims for reimbursement not be duplicated. Stated differently, the same cost cannot be claimed for reimbursement more than one time. Consequently, if a LDSS is claiming reimbursement for locality IT costs through the monthly LASER reimbursement process; those costs are not eligible to be claimed again through the local central services cost allocation reimbursement process.

Questions regarding the support options are to be directed to Jeanine Labrenz at jeanine.labrenz@dss.virginia.gov.

PURPOSE AND OVERVIEW

The purpose of this guideline is to outline the requirements and processes associated with Information Technology (IT) and telecommunications acquisitions made by LDSSs independently and those acquisitions made by LDSSs in coordination with the Virginia Information Technology Agency (VITA).

VITA is the Commonwealth's consolidated information technology organization. VITA oversees the procurement of IT and telecommunications goods and services for its own benefit or on behalf of executive branch agencies, other state agencies and institutions.

This guideline outlines the processes and requirements associated with the acquisition of IT and telecommunications goods and services. This guideline ensures those purchases are made in accordance with the Virginia Public Procurement Act, the Virginia Department of General Services/Division of Purchase and Supply, the Code of Virginia, VDSS policy , and when applicable, VITA policies; it identifies situations where Chief Information Officer (CIO) approval is required. It also specifies when VITA may delegate its procurement authority.

REFERENCE SOURCES

- Virginia Public Procurement Act (VPPA)
- Code of Virginia sections pertaining to VITA, including §2.2-1110-1111, and §2.2-2005 -2022
- 45 CFR 95, Subpart F, Automatic Data Processing Equipment and Services – Conditions for Federal Financial Participation
- 45 CFR 95, Subpart G, Equipment Acquired Under Public Assistance Programs
- GASB Statement #34, Capital Assets and Depreciation Guidance
- Department of Accounts CAPP Manual Section 30000 – Fixed Asset and Lease Accounting

RESCINDED GUIDELINE

Chapter I, Automated Data Processing Acquisition, Volume I, Administrative Manual, May 1984

DEFINITIONS

Advanced Planning Document (APD) for IT Equipment and Services Acquisitions

Written plan of action to acquire proposed ADP and other IT equipment and/or services.

Capitalized Equipment

Equipment having an expected useful life of greater than two years and having an acquisition cost of above $25,000. Examples of capitalized equipment include office equipment, furniture automobiles and information technology equipment. The acquisition costs of capitalized equipment must be depreciated over the useful life of the equipment. See *Depreciation Calculation* example below for additional requirements.

Chief Information Officer (CIO)

The Chief Administrative Officer of the Information Technology Investment Board that oversees the operation of VITA.

Communications Services

Telecommunications services, automated data processing services, and management information systems that serve the needs of state agencies and institutions.

Controlled Equipment

Equipment having an expected useful life of greater than two years and having an acquisition cost at or less than $25,000. Common examples of controlled equipment include cellular and portable phones, video cameras, TVs, VCRs and camcorders. The acquisition costs of controlled equipment must be expensed (claimed) in the year of acquisition.

Depreciation

The process of allocating the cost of tangible property over a period of time, rather than deducting the cost as an expense in the year of acquisition. The term depreciation also includes “use allowance” (useful life).

Information Technology (IT)

Telecommunications, automated data processing, databases, the Internet, management information systems and related information, equipment, goods and services.

In-Scope

Goods and services that have an enterprise-wide application. For example, PCs and PC peripherals; software for systems security, word processing, financial analysis and spreadsheets, etc.; telecommunications devices; printers connected to the network.

Major Information Technology Project

State agency IT project that is mission critical, has a statewide application or has a total estimated cost of more than $1 million.

Out-of-Scope

Goods and services that are specific to an agency and do not have enterprise-wide application. Examples are stand-alone printers, fax machines, software for case management, etc.

Procurement Transaction

A procurement transaction, as described in the Virginia Public Procurement Act (VPPA), includes all functions related to obtaining any goods or services, such as providing description requirements, solicitation and selection of sources, preparation of contract, contract approval, and all phases of contract administration.

Public Assistance Programs

Federal programs that are administered by state or local agencies under a state supervised, locally administered public assistance system. Public Assistance Programs include: Temporary Assistance for Needy Families (TANF) (CFDA 93.558), Child Welfare Services (93.645), Promoting Safe and Stable Families (CFDA 93.556), Foster Care (93.658), Adoption Assistance (93.659), Independent Living Program (93.674), Social Services Block Grants (SSBG) (93.667), Refugee Assistance (93.566), Food Stamps (10.561), and Medicaid (93.778).

State Agency

Any agency, institution, board, bureau, commission, council, or instrumentality of state government in the Executive Branch listed in the Appropriations Act.

Technology Asset

Hardware and communications equipment not classified as traditional mainframe based items, including personal computers, mobile computers, and other devices capable of storing and manipulating electronic data.

Technology Infrastructure

Telecommunications, automated data processing, word processing and management information systems, and related information equipment, goods and services.

Telecommunications

Any origination, transmission, emission, or reception of signs, signals, writings, images, and sounds or intelligence of any nature, by wire, radio, television, optical, or other electromagnetic systems.

Useful Life

The length of time that capitalized equipment is expected to be useable.

GUIDELINES

Independent IT Acquisitions by LDSSs

LDSSs are permitted to make independent acquisitions of IT goods and services. These acquisitions should be based on valid business needs. All procurement transactions must be made in accordance with the Code of Virginia, the Virginia Public Procurement Act and all other applicable local, state and federal regulations. While there is no statutory requirement for LDSSs to use VITA when making IT or telecommunications acquisitions, localities should be aware that in accordance with the Code of Virginia, §2.2-2012 "all statewide contracts and agreements made and entered into by VITA for the purchase of communications services, telecommunications facilities, and information technology goods and services shall provide for the inclusion of counties, cities, and towns in such contracts and agreements."

VITA Assisted IT Acquisitions by LDSSs

LDSSs are not required to go through VITA for the procurement of IT goods and services. It is up to the discretion of the locality to choose whether or not they will use VITA as a resource to make a particular IT acquisition.

VITA has sole authority to procure all IT and telecommunications goods and services (including general and agency – specific applications) for executive branch agencies and non-exempt institutions, except those explicitly exempted by the Code of Virginia or the Appropriations Act. All agencies can request VITA's assistance with IT procurement services, and all public bodies can use statewide contracts developed by VITA, if provided for in the solicitation or contract. All statewide contracts and agreements made and entered into by VITA for the purchase of communications services,

telecommunications facilities, computers, software, supplies, and related peripheral IT equipment and services shall provide for the inclusion of counties, cities, and towns in such contracts and agreements. All IT and telecommunications procurements conducted by VITA are pursuant to the laws of the Commonwealth of Virginia and applicable policy or regulation.

Public assistance or social services programs in the Commonwealth of Virginia fall under the authority of the VDSS. Social Services programs in Virginia are managed by state and local agencies under a state supervised locally administered public assistance system. VDSS is a designated executive branch agency.

At its discretion, VITA may grant, in writing, some or all of its procurement authority to purchase a specific IT or telecommunications good or service (including an application) to a requesting agency. Delegation may be based on amount or commodity.

All agencies have $50,000 delegated authority for goods and services that are Out-of-Scope to VITA. Procurement requests shall not be split to circumvent delegation limits.

Delegated authority for goods and services that are In-scope to VITA varies as follows:

- Agencies and non-exempt institutions of higher education that are not in scope to the Northrop Grumman partnership have $50,000 delegated authority.
- Agencies that are in scope to the Northrop Grumman partnership have $0 delegated authority.

VITA will provide guidance on its Website as to what goods and services are In-Scope and what are Out-of-Scope. Regardless of the determination of scope, all IT procurements are within VITA's authority.

Certain procurements require prior approval of the Commonwealth CIO. In the following instances, approval of the Commonwealth CIO is required prior to purchasing IT goods or services:

- Procurements exceeding $100,000. The Commonwealth Information Technology Agency Procurement Request form must be completed for IT procurement requests whose cost equals or exceeds $100,000, in accordance with the Code of Virginia, §2.2-2012. This form provides information to support the Commonwealth CIO review approval of IT procurement requests.
- All Major IT Projects as defined in the Code of Virginia §2.2-2006
- Purchases using cooperative procurement agreements, including the U.S. General Services Administration (GSA), regardless of amount
- Purchases using an online or public auction, regardless of amount

When LDSSs need to procure IT and telecommunications assets through VITA, the purchases must be made in accordance with VITA's policies and the Virginia Public Procurement Act. The classification of IT goods and services as In-Scope or Out-of-Scope to VITA generally determines the procurement procedures. VITA has delegated certain in-scope consumables to agencies when the purchase is for less than $500.

List of delegated consumables:

http://www.vita.virginia.gov/uploadedFiles/SCM/SCM-ITGoodsandServicesList.xls#Consumables!A1:A1

Comprehensive list of IT items and services designated In-Scope or Out-of-Scope:

http://www.vita.virginia.gov/uploadedFiles/SCM/SCM-ITGoodsandServicesList.xls

Conditions for Federal Financial Participation in IT Investments by LDSSs

In addition to the various procurements requiring the prior approval of the Commonwealth CIO, prior federal approval of IT investments is required under the conditions described below. No claim for federal financial participation can be made until such approval is received.

1. IT Investments Requiring Prior Approval by VDSS

   Prior approval for the purchase, by VDSS or LDSSs, of IT equipment and services provided in direct support of social service programs is required when:

   - The anticipated cost of the purchase equals or exceeds $1,000,000 and
   - VDSS or the LDSS intends to request reimbursement from state and federal funds

   IT services within a state or local government central services department providing general support to state or local government operations are not subject to the approval requirement. An example of a service not subject to approval is service provided by a central services department to process payroll.

2. Investments Requiring Prior Federal Approval

   Prior federal approval for the use of federal funds for the purposes described above is required when the cost of IT purchases of services or equipment have:

   - The total cost will equal or exceed $5,000,000 or
   - The total cost will equal or exceed $1,000,000 for noncompetitive acquisitions

   The U.S, Department of Health and Human Services and the U. S. Department of Agriculture are the federal agencies for review of proposals submitted by VDSS.

   LDSSs that are required to seek prior federal approval for their acquisitions must submit an Advance Planning Document (APD) and a draft Request for Proposals (RFP) to VDSS. The review of local acquisition requests requiring state or federal approval will be coordinated by the appropriate VDSS program unit and VDSS Division of Information Systems (DIS) staff. Only those investment requests approved by the VDSS Information Technology Investment Management (ITIM) Board and forwarded by VDSS to the appropriate federal agencies will be recognized as official requests.

   The federal departments normally acknowledge receipt of an APD within sixty days. Final action takes considerably longer.

Controlled and Capitalized IT Assets

IT equipment assets are classified as either controlled or capitalized. IT equipment having a unit acquisition cost of $25,000 or less are classified as a controlled asset. Controlled assets must be expensed and properly reported for reimbursement in LASER in the period when the asset was originally acquired.

IT equipment having a unit acquisition cost of more than $25,000 are classified as a capitalized asset. Capitalized assets must be depreciated with acquisition costs being recovered over the useful life of the asset(s).

Acquisition costs for a group/class of IT equipment items must be depreciated over the useful life of the asset(s) if the total unit acquisition cost of all pieces of equipment included in a single purchase exceeds the threshold of $25,000 even though the cost of the individual pieces of equipment is less than the threshold limit.

Localities must determine whether an item is 1) a separate piece of IT equipment having its own recorded cost and description or 2) a component and included as part of

the overall cost and description of an asset. A component is that part of a unit of asset that cannot be used independently of the remaining piece(s) of equipment or is physically connected to the major asset. An example would be the components of a personal computer system consisting of a central processing unit, monitor, and keyboard. These individual components would be considered parts of one IT equipment asset item and not recorded separately. If the total costs of component parts of the asset are below the capitalization limit of $25,000, the equipment would be expensed and not capitalized.

Routine costs that simply maintain an equipment item in its operating condition should be expensed; however, the costs of any repairs or improvements that significantly extends the useful life of the asset should be capitalized. Localities must analyze repair and improvement transactions on a case-by-case basis and should consult with the VDSS Local Review Team to apply the proper accounting treatment for any "improvement" transactions.

Useful Life

All IT equipment having a value or acquisition cost at or above $25,000 must be assigned a reasonably accurate useful life for depreciation and cost recovery purposes. LDSSs are to use the useful life estimate methodology established by their local government. In the absence of an established local government methodology, LDSSs can use the useful lives contained in the nomenclature code tables established by the Virginia Department of Accounts (DOA) as a guide for establishing reasonable useful lives for depreciation purposes. The nomenclature code tables are available online in the CAPP Manual on the DOA website (www.doa.virginia.gov). However, these useful lives are based on IRS estimates and may not reflect actual use patterns experienced by LDSSs. Governmental organizations often use equipment and vehicles longer than private sector for-profit businesses. Governmental organizations should consider actual use patterns for different types of equipment and take into account historical usage of different equipment items.

Salvage Value

The salvage value of an asset is the estimated value it will have when it reaches the end of its useful life. Some assets are not likely to have a salvage value. For example, due to continuous changes in technology, computers are often obsolete at the time of replacement and, therefore, have no salvage value. LDSSs are to use the salvage values of equipment established by their local government. In the absence of established local government salvage values, the LDSSs are to develop and periodically update a methodology for estimating salvage values. Salvage values should be based on the type of equipment, its obsolescence and degree of usefulness at disposal, and the nature of the disposal process. Assets that are no longer in use and

remain in the possession of the local government are considered surplus property and not a disposal.

Depreciation Calculation

Although a number of different depreciation methods exist, the Straight-Line method of depreciation should be used in order to uniformly accumulate and recover the acquisition costs of equipment and vehicles over the span of their useful lives. The following example displays the major steps in calculating depreciation using the Straight-Line method and hypothetical values.

Step 1 – Calculate Depreciable Base
The depreciable base is the acquisition cost minus the salvage value.

Equipment	Unit Acquisition Cost	Salvage Value	Depreciable Base
Network Server	$30,000	$0	$30,000
Telephone System	$32,000	$0	$32,000

Step 2 – Determine Useful Life
The useful life values are used to calculate depreciation expense.

Equipment	Useful Life (Years)
Network Server	10
Telephone System	10

Step 3 – Calculate Depreciation
Annual depreciation is calculated by dividing the net cost (depreciable base) by the useful life in years. Monthly depreciation is calculated by determining the number of months of useful life and dividing the equipment or vehicle's net cost by that amount.

Equipment	Net Cost	Divided by Useful Life (Years)	Annual Depreciation
Network Server	$30,000	10	$3,000
Telephone System	$32,000	10	$3,200

Claiming Reimbursement for the Recovery of IT Equipment Costs

LDSSs should submit costs of capitalized IT equipment for reimbursement through LASER on a monthly basis. As an option, LDSSs can claim depreciation costs at the end of the fiscal year in which costs were incurred. However, LDSSs cannot submit the annual depreciation costs at the beginning of the fiscal year. Documentation of depreciation records, indicating the amount of depreciation taken each period, must be maintained. LDSSs should use the following account numbers when entering depreciation expense in LASER:

58111 Depreciation – Replacement of Equipment and Vehicles
58211 Depreciation – Addition of Equipment and Vehicles

The acquisition cost of controlled IT equipment should be submitted for reimbursement through LASER during the period of acquisition.

Control and Management

LDSSs that submit IT equipment costs for federal reimbursement are responsible for implementing adequate controls to safeguard against theft, damage, or loss. Local governments should have existing policies and procedures concerning inventories of IT equipment categorized as both capitalized and controlled. LDSSs should follow those policies and procedures. If physical inventories are not being performed on a regular basis, the LDSS should adopt appropriate measures to ensure that capitalized IT equipment is inventoried at least once every two years in order to properly safeguard the equipment and maintain fiscal accountability.

IT Equipment Disposition

The following requirements apply to the disposition of IT equipment:

1. If the cost of the equipment was claimed in the period acquired and the equipment is later sold, the proceeds of the sale shall be credited to current expenditures in approximate proportion to the distribution of the equipment's cost.

2. If the cost of the equipment was claimed in the period acquired and the equipment is later transferred to an activity which is not involved in the performance of programs currently or previously funded by the Federal Government, an amount equal to the fair market value of the equipment on the date of the transfer shall be credited to current expenditures in approximate proportion to the distribution of the equipment's costs.

3. If the cost of the equipment was claimed in the period acquired and the equipment is later traded in on other equipment, claims for Federal financial participation in the costs of replacement equipment shall be limited to the additional outlay of expenditures.

4. If the equipment was depreciated, any gain or loss on the disposition of the equipment shall be treated as a decrease or an increase to the depreciation expense of the period in which the disposition takes place. This provision does not apply to equipment whose costs were claimed for Federal financial participation through use allowances.

PURPOSE AND OVERVIEW

The purpose of these guidelines is to clarify the proper classification and treatment of equipment and vehicle assets by LDSSs. These guidelines ensure compliance with federal regulations and Governmental Generally Accepted Accounting Principles (GAAP) as they apply to control, management, disposal, and claiming depreciation for equipment and vehicles acquired under Public Assistance Programs.

REFERENCE SOURCES

- 2 CFR, Part 225, Cost Principles for State, Local, and Indian Tribal Governments (OMB Circular A–87)
- ASMB C-10, Cost Principles and Procedures for Developing Cost Allocation Plans and Indirect Cost Rates for Agreements with the Federal Government
- 45 CFR 95, Subpart F, Automatic Data Processing Equipment and Services – Conditions for Federal Financial Participation
- 45 CFR 95, Subpart G, Equipment Acquired Under Public Assistance Programs
- Governmental Generally Accepted Accounting Principles
- GASB Statement #34, Capital Assets and Depreciation Guidance
- Department of Accounts CAPP Manual Section 30000 – Fixed Asset and Lease Accounting

RESCINDED GUIDELINES

Fixed Assets – Equipment, February 11, 2008

DEFINITIONS

Acquisition Cost: The net invoice price of an item of purchased equipment, including the cost of modifications, attachments, accessories, or auxiliary apparatuses necessary to make the equipment usable for the purpose for which it was acquired. Other charges such as the cost of installation, transportation, taxes, duty or protective intransit insurance shall be included in or excluded from the unit acquisition cost in accordance with the regular accounting practices of the organization purchasing the equipment. If the item is acquired by trading in another item and paying an additional amount, acquisition cost means the amount received for trade-in plus the additional outlay.

Equipment: An article of tangible personal property that has a useful life of more than two years and an acquisition cost of $500 or more. For accounting purposes, equipment is further classified as either capitalized or controlled.

Capitalized Equipment: Equipment having an expected useful life of greater than two years and having an acquisition cost of above $25,000. Examples of capitalized equipment include office equipment, furniture and automobiles. The acquisition costs of capitalized equipment are to be depreciated over the useful life of the equipment. See *Depreciation Calculation* below for additional requirements.

Controlled Equipment: Equipment having an expected useful life of greater than two years and having an acquisition cost at or less than $25,000. Examples of controlled equipment include furniture, cellular and portable phones, video cameras, TVs, VCRs, camcorders and vehicles. The acquisition costs of controlled equipment are to be expensed (claimed) in the year of acquisition.

Depreciation: The process of allocating the cost of tangible property over a period of time, rather than deducting the cost as an expense in the year of acquisition. The term depreciation also includes “use allowance” (useful life).

Public Assistance Programs: These are federal programs that are administered by state agencies or local agencies under a state supervised locally administered public assistance system. Public Assistance Programs include: Temporary Assistance for Needy Families (CFDA 93.558), Child Welfare Services (93.645), Promoting Safe and Stable Families (CFDA 93.556), Foster Care (93.658), Adoption Assistance (93.659), Independent Living Program (93.674), Social Services Block Grants (93.667), Refugee Assistance (93.566), Food Stamps (10.561), and Medicaid (93.778).

Useful Life: The length of time that capitalized equipment is expected to be useable.

GUIDELINES

Treatment of Controlled and Capitalized Equipment and Vehicles

Equipment and vehicles having a unit acquisition cost of $25,000 or less should be expensed and properly reported in LASER in the period when the assets were originally acquired.

Equipment and vehicles having a unit acquisition cost of more than $25,000 need to be capitalized and costs are to be recovered over the useful life of the assets.

Acquisition costs for a group/class of equipment or vehicles are to be depreciated if the total unit acquisition cost of all equipment or vehicles exceeds the threshold of $25,000 even though the cost of an individual equipment or vehicle is less than the threshold limit (e.g. new vehicles or replacement of a fleet of vehicles, modular furniture to furnish a new office, and ADP equipment.).

Equipment Components

Localities must determine whether an item is 1) a separate piece of equipment having its own recorded cost and description or 2) a component and included as part of the overall cost and description of an asset. A component part is that part of a unit of asset that cannot be used independently of the remaining piece(s) of equipment or is physically connected to the major asset. An example would be the components of a personal computer system consisting of a central processing unit, monitor, and keyboard. These individual components would be considered parts of one equipment item and not recorded separately. If the total costs of component parts of the asset are below the capitalization limit of $25,000, the equipment would be expensed and not capitalized.

Routine costs that simply maintain an equipment item or a vehicle in its operating condition should be expensed; however, the costs of any repairs or improvements that extends the useful life of the asset should be capitalized. Localities are to analyze repair and improvement transactions on a case-by-case basis and should consult with the VDSS Local Review Team to apply the proper accounting treatment for any "improvement" transactions.

Useful Life

All equipment and vehicles having a value or acquisition cost at or above $25,000 must be assigned a reasonably accurate useful life for depreciation and cost recovery purposes.

LDSSs are to use the useful life estimate methodology established by their local government. In the absence of an established local government methodology, LDSSs can use the useful lives contained in the nomenclature code tables established by the Virginia Department of Accounts (DOA) as a guide for establishing reasonable useful lives for depreciation purposes.

The nomenclature code tables are available online in the CAPP Manual on the DOA website (www.doa.virginia.gov). However, these useful lives are based on IRS estimates and may not reflect actual use patterns experienced by LDSSs. Governmental organizations often use equipment and vehicles longer than private sector for-profit businesses. Governmental organizations should consider actual use patterns for different types of equipment and take into account historical usage of different equipment.

Salvage Value

The salvage value of an asset is the estimated value it will have when it reaches the end of its useful life. Some assets are not likely to have a salvage value. For example, due to continuous changes in technology, computers are often obsolete at the time of replacement and, therefore, have no salvage value. Some assets, such as vehicles, are often still in working condition when replaced and generally are traded-in or auctioned for some value.

LDSSs are to use the salvage values of equipment established by their local government. In the absence of established local government salvage values, the LDSSs are to develop and periodically update a methodology for estimating salvage values. Salvage values should be based on the type of equipment or vehicle, its obsolescence and degree of usefulness at disposal, and the nature of the disposal process.

Assets that are no longer in use and remain in the possession of the local government are considered surplus property and not a disposal.

Depreciation Calculation

Although a number of different depreciation methods exist, the Straight-Line method of depreciation should be used in order to uniformly accumulate and recover the acquisition costs of equipment and vehicles over the span of their useful lives.

The following example displays the major steps in calculating depreciation using the Straight-Line method and hypothetical values.

<u>Step 1 – Calculate Depreciable Base</u>

The depreciable base is the acquisition value minus the salvage value.

Equipment	Unit Acquisition Cost	Salvage Value	Depreciable Base
Fleet of Vehicles (7)*	$140,000	$14,000	$126,000
Network Server	$30,000	$0	$30,000
Telephone System	$32,000	$0	$32,000

* Group/class acquisition:

Cost per vehicle = $20,000
Unit acquisition cost = 7 x $20,000 = $140,000
Salvage value per vehicle = $2,000
Salvage value of a fleet of 7 vehicles = 7 x $2,000 = $14,000

Step 2 – Determine Useful Life

The useful life values are used to calculate depreciation expense.

Equipment	Useful Life (Years)
Vehicle	8
Network Server	10
Telephone System	10

Step 3 – Calculate Depreciation

Annual depreciation is calculated by dividing the net cost (depreciable base) by the useful life in years. Monthly depreciation is calculated by determining the number of months of useful life and dividing the equipment or vehicle's net cost by that amount.

Equipment	Net Cost	Divided by Useful Life (Years)	Annual Depreciation
Fleet of Vehicles (7)	$126,000	8	$15,750
Network Server	$30,000	10	$3,000
Telephone System	$32,000	10	$3,200

Claiming Reimbursement for the Recovery of Equipment and Vehicle Costs

Capitalized Equipment and Vehicles: LDSSs should submit costs of capitalized equipment and vehicles for reimbursement through LASER on a monthly basis. As an option, LDSSs can claim depreciation costs at the end of the fiscal year in which costs were incurred. However, LDSSs cannot submit the annual depreciation costs at the beginning of the fiscal year. Documentation of depreciation records, indicating the amount of depreciation taken each period, must be maintained. LDSSs are to use the following account numbers when entering depreciation expense in LASER:

- 58111 Depreciation – Replacement of Equipment and Vehicles
- 58211 Depreciation – Addition of Equipment and Vehicles

Controlled Equipment and Vehicles: The acquisition cost of controlled equipment and vehicles should be submitted for reimbursement through LASER during the period of acquisition.

Control and Management

Local departments of social services that submit equipment and vehicle costs for federal reimbursement are responsible for implementing adequate controls to safeguard against theft, damage, or loss. Local governments should have existing policies and procedures concerning inventories of equipment and vehicles categorized as both capitalized and controlled. LDSSs should follow those policies and procedures. If physical inventories are not being performed on a regular basis, the LDSS should adopt appropriate measures to ensure that capitalized equipment and vehicles are inventoried at least once every two years in order to properly safeguard the equipment and maintain fiscal accountability.

Equipment and Vehicle Disposition

The following requirements apply to the disposition of equipment and vehicles:

1. If the cost of the equipment was claimed in the period acquired and the equipment is later sold, the proceeds of the sale shall be credited to current expenditures in approximate proportion to the distribution of the equipment's cost.
2. If the cost of the equipment was claimed in the period acquired and the equipment is later transferred to an activity which is not involved in the performance of programs currently or previously funded by the Federal Government, an amount equal to the fair market value of the equipment on the date of the transfer shall be credited to current expenditures in approximate proportion to the distribution of the equipment's costs.
3. If the cost of the equipment was claimed in the period acquired and the equipment is later traded in on other equipment claims for Federal financial participation in the costs of replacement equipment shall be limited to the additional outlay.
4. If the equipment was depreciated, any gain or loss on the disposition of the equipment shall be treated as a decrease or an increase to the depreciation expense of the period in which the disposition takes place. This provision does not apply to equipment whose costs were claimed for Federal financial participation through use allowances.

PURPOSE AND OVERVIEW

These guidelines outline the requirements and procedures for determining reasonable rent or facility costs and claiming reimbursement.

On November 16, 1977, the State Board of Welfare (later renamed State Board of Social Services), adopted policies for facilities occupied by local departments of public welfare/social services. These policies were adjusted and expanded in September 1989 in order to adhere more closely to State policy for State agency occupied office space and were made available in the VDSS Administrative Manual, Volume I, Chapter D, Standards for Office Space.

In recognizing that LDSSs office space needs have changed since 1989, these procedures provide LDSSs with a means of determining reasonable rent or facility costs, applying standard allowable space per employee, and claiming costs for reimbursement. To assure that costs are reasonable and necessary, allocable to federal programs, and represent a proportionate share of costs to support LDSS programs, it is imperative for LDSSs to follow these procedures and strive to meet their agency space needs at the most competitive prices.

REFERENCE SOURCES

- 2 CFR, Part 225, Cost Principles for State, Local, and Indian Tribal Governments (OMB Circular A–87)
- 45 CFR, Part 92, Uniform Administrative Requirements for Grants and Cooperative Agreements to State, Local, and Trial Governments
- ASMB C-10, Cost Principles and Procedures for Developing Cost Allocation Plans and Indirect Cost Rates for Agreements with the Federal Government
- Code of Virginia § 2.2 -4300-4377. Virginia Public Procurement Act
- Code of Virginia § 63.2-401. Reimbursement of localities by the Commonwealth
- Virginia Department of General Services, Lease Manual, Space Planning Policies and Procedures for Leased Facilities
- Department of Accounts CAPP Manual Section 30000 – Fixed Asset and Accounting

RESCINDED POLICY

Chapter D, Standards of Office Space, of the VDSS Administrative Manual, Volume I

DEFINITIONS

Usable Space

This is space that is under the control of the tenant such as offices and circulation space among offices. Restrooms that are under the control of the tenant may be included. Usable square feet is typically referred to as USF.

Rentable Space

This space is the entire space enclosed within a building, less any vertical floor penetrations (such as elevator shafts and stairwells). Tenants generally pay a pro rata share of the "common use" spaces that include such areas as entryways and lobbies, hallways, elevator lobbies, mechanical rooms, and common use restrooms. The rentable space is usually referred to as rentable square feet or RSF, and is typically the calculated space on which tenants pay rent.

Special Space Requirements

This is space that includes specific client service areas such as client waiting areas, interview rooms, training rooms to conduct client-based training, food pantries to service clients, and/or other space that is considered unique but also necessary in fulfilling the social service programs being administered by the LDSS.

Full-time Equivalent (FTE)

A full-time equivalent is an employee that works full-time, 40 hours per week. A work year is generally defined as 2,080 hours. One employee occupying a paid full time job all year would be an FTE of 1.0. Two employees working for 1,040 hours each would be an FTE of 1.0 between the two of them. In other words, an FTE of 1.0 means the person is equivalent to a full-time worker, while an FTE of 0.5 indicates that the worker is only half-time.

BUILDING STANDARDS AND SPACE ALLOWANCE

Building Standards and Requirements

All leased or publicly owned buildings occupied by local departments of social services are to comply with federal, state, and local laws and requirements that pertain to accessibility to the public and people with disabilities, parking, security, building identification, building codes, and general physical conditions of the office space.

LDSSs should consult with their local government departments responsible for facilities, procurement, and equal employment opportunities. Additional information about federal and state requirements concerning these three areas is available on the Department of General Services, Division of Real Estate Services web site: http://dres.dgs.virginia.gov/

Space Planning

LDSSs that are in the process of relocating, renewing existing leases, entering into new leases, assessing future space needs, determining space requirements, planning renovations to existing buildings/leased facilities or constructing new facilities are to contact the RAM assigned to their region for guidance. The VDSS' Office of General Services (OGS) - Property and Facilities Manager is also available to assist LDSSs.

Space Allowance – Maximum Square Footage

Current Leases: The allowable maximum square footage per employee that is used by an LDSS with a current lease in place shall continue until the existing lease expires, and a new lease or renewed lease is approved by all authorized parties involved with the lease agreement. For current leases, local departments are to have documentation on file that supports a need for the maximum square footage in use and for expenditures reported for reimbursement. Space allowances are for LDSS employees and applicable contract positions that perform legitimate LDSS programs and activities. Allowable contract positions are to be properly authorized and approved by VDSS DHRM and supervised by LDSS personnel.

Current Leases – Adding Space in Existing Leased Facilities: The standard maximum allowable usable square footage (USF) per full-time equivalent (FTE), excluding approved special needs space, established by the Department of General Services shall apply at the time the renewed lease agreement that incorporates additional space changes is approved by all authorized parties to the lease agreement. FTEs are those LDSS employees and applicable contract positions that perform legitimate LDSS programs and activities. Allowable contract positions are to be properly authorized and approved by VDSS DHRM and supervised by LDSS personnel.

New/Renewed Leases: The standard maximum allowable USF/FTE established by the Department of General Services shall apply at the time the new or renewed lease agreement is approved by all authorized parties to the lease agreement. FTEs are those LDSS employees and applicable contract positions that perform legitimate LDSS activities. Allowable contract positions are to be properly authorized and approved by VDSS DHRM and supervised by LDSS personnel.

Exceptions to the State Standard USF/FTE

LDSSs are to contact the RAM assigned to their region for inquiries on exceptions. The OGS - Property and Facilities Manager is also available to assist LDSSs. Exceptions to the state standard of USF/FTE will be reviewed on a case by case basis.

STATE AUTHORITY TO DETERMINE REASONABLE RENT

The Code of Virginia is written as follows:

"Code of Virginia § 63.2-401. Reimbursement of localities by the Commonwealth.

The Commissioner also shall reimburse monthly, to the extent funds are available for such purpose, each county, city or district fiscal officer out of state and federal funds, to the extent provided in the preceding paragraph, for monthly rental payments for office space provided the local department in publicly owned buildings, for payments that are based on the cost of initial construction or purchase of a building or a reasonable amount for depreciation of such building, and for the cost of repairs and alterations to either a privately or publicly owned building. However, no monthly rental payment shall exceed a reasonable amount as determined by the Commissioner."

REASONABLE RENT REQUIREMENTS AND PROCEDURES

Reasonable Rent/Facility Costs

The information below outlines the acceptable methodology set forth by VDSS in determining reasonable rent/facility costs.

	If an LDSS is occupying a privately-owned or commercial building and…
Situation I	rent was determined through a competitive bidding process through a Request for Proposal (RFP); results of the RFP will be acceptable for determining reasonable rent.
Situation 2	rent was determined by not using a competitive bidding process, then the established benchmarks and standards that the DGS uses in obtaining rent space throughout the Commonwealth are to be used in determining reasonable rent.

OR

	If an LDSS is occupying a publicly owned building…
Situation I	the depreciation expense schedule and applicable interest costs, along with applicable operating costs for the facility are used to compute the amount of allowable facility costs. a "use allowance" may be justified when Federal programs have been charged with little or no depreciation expense in the past. If a use allowance is to be followed; the use allowance is to be computed at an annual rate not exceeding two percent of the original acquisition costs.
Situation 2	and the building is fully depreciated; then a proportionate share of general operating costs can be charged.

DGS uses two data sources to determine reasonable rent: (1) data from the U.S. General Services Administration and (2) data maintained by DGS. LDSSs that use the DGS benchmarks are to contact the RAM assigned to their region for applicable assistance. The OGS – Property and Facilities Manager is also available to assist in determining which benchmark source will be used in arriving at acceptable rental/lease rates.

<u>Rental Costs of Privately-owned or Commercial Buildings</u>

LDSSs may rent office space in a privately owned building. The use of a competitive bidding process or standards set forth under the Virginia Public Procurement Act and policies and procedures established by the DGS are to be used to determine reasonable rent costs.

LDSSs shall endeavor to obtain the most economical space that is appropriate for their program needs. In comparing rent costs among lessors or landlords, local departments are to consider the type of lease and all costs, including but not limited to, the cost of any expense increases to be passed through to the local department (such as increases in taxes, insurance and operating expenses), the annual escalation, and if not provided by the Lessor or Landlord, the costs of utilities, janitorial services, refuse removal, security and other services necessary to operate and maintain the facility.

Federal regulations 2 CFR, Part 225, OMB Circular A-87, Attachment B, Item 37, establishes principles and standards for costs for Federal awards as it applies to rent.

37. Rental costs of buildings and equipment.

a. Subject to the limitations described in subsections b. through d. of this section, rental costs are allowable to the extent that the rates are reasonable in light of such factors as: rental costs of comparable property, if any; market conditions in the area; alternatives available; and, the type, life expectancy, condition, and value of the property leased. Rental arrangements should be reviewed periodically to determine if circumstances have changed and other options are available.

b. Rental costs under "sale and lease back" arrangements are allowable only up to the amount that would be allowed had the governmental unit continued to own the property. This amount would include expenses such as depreciation or use allowance, maintenance, taxes, and insurance.

c. Rental costs under "less-than-arms-length" leases are allowable only up to the amount (as explained in Attachment B, section 37.b) that would be allowed had title to the property vested in the governmental unit. For this purpose, a less-than-arms-length lease is one under which one party to the lease agreement is able to control or substantially influence the actions of the other. Such leases include, but are not limited to those between (i) divisions of a governmental unit; (ii) governmental units under common control through common officers, directors, or members; and (iii) a governmental unit and a director, trustee, officer, or key employee of the governmental unit or his immediate family, either directly or through corporations, trusts, or similar arrangements in which they hold a controlling interest. For example, a governmental unit may establish a separate corporation for the sole purpose of owning property and leasing it back to the governmental unit.

d. Rental costs under leases which are required to be treated as capital leases under Generally Accepted Accounting Principles *(GAAP) are allowable only up to the amount (as explained in subsection b) that would be allowed had the governmental unit purchased the property on the date the lease agreement was executed. The provisions of Financial Accounting Standards Board Statement 13, Accounting for Leases, shall be used to determine whether a lease is a capital lease. Interest costs related to capital leases are allowable to the extent they meet the criteria in Attachment B, section 23. Unallowable costs include amounts paid for profit, management fees, and taxes that would not have been incurred had the governmental unit purchased the facility.*

Depreciation and Use Allowance of Publicly Owned Buildings

If LDSSs occupy space in a publicly owned building, the depreciation expense schedule and applicable interest costs, along with applicable operating costs for the facility are used to compute the amount of allowable facility costs.

A "use allowance" may be justified when Federal programs have been charged with little or no depreciation expense in the past. If a use allowance is to be followed; the use allowance is to be computed at an annual rate not exceeding two percent of the original acquisition costs.

Federal regulations 2 CFR, Part 225, OMB Circular A-87, Attachment B, Item 11 establishes principles and standards for costs for Federal awards as it applies to depreciation and use allowance.

11. Depreciation and use allowances.

a. *Depreciation and use allowances are* two *means of allocating the cost of fixed assets to periods benefiting from asset use. Compensation for the use of fixed assets on hand may be made through depreciation or use allowances. A combination of the two methods may not be used in connection with a single class of fixed assets (e.g., buildings, office equipment, computer equipment) except as provided for in subsection g. Except for enterprise funds and internal service funds that are included as part of a State/local cost allocation plan, classes of assets shall be determined on the same basis used for the government-wide financial statements.*

b. *The computation of depreciation or use allowances shall be based on the acquisition cost of the assets involved. Where actual cost records have not been maintained, a reasonable estimate of the original acquisition cost may be used. The value of an asset donated to the governmental unit by an unrelated third party shall be its fair market value at the time of donation. Governmental or quasi-governmental organizations located within the same State shall not be considered unrelated third parties for this purpose.*

c. *The computation of depreciation or use allowances will exclude:*

   (1) The cost of land;

   (2) Any portion of the cost of buildings and equipment born by or donated by the Federal Government irrespective of where title was originally vested or where it presently resides; and

(3) Any portion of the cost of buildings and equipment contributed by or for the governmental unit, or a related donor organization, in satisfaction of a matching requirement.

d. *Where the depreciation method is followed, the period of useful service/life established in each case for usable capital assets must take into consideration such factors as: type of construction, nature of the* building *and equipment used, historical usage patterns, technological developments, and the renewal and replacement policies of the governmental unit followed for the individual items or classes of assets involved. In the absence of clear evidence indicating that the expected consumption of the asset will be significantly greater in the early portions than in the later portions of its useful life, the straight line method of depreciation shall be used.*

   Depreciation methods once used shall not be changed unless approved by the Federal cognizant or awarding agency. When the depreciation method is introduced for application to an asset previously subject to a use allowance, the annual depreciation charge thereon may not exceed the amount that would have resulted had the depreciation method been in effect from the date of acquisition of the asset. The combination of use allowances and depreciation applicable to the asset shall not exceed the total acquisition cost of the asset or fair market value at time of donation.

e. *When the depreciation method is used for buildings, the shell of the building may be segregated from the major component of the building (e.g., plumbing system, heating, and air conditioning system) and each major component depreciated over its estimated useful life, or the entire building (i.e., the shell and all components) may be treated as a single asset and depreciated over a single useful life.*

f. *Where the use allowance method is followed, the use allowance for buildings and improvements (including land improvements, such as paved parking areas, fences, and sidewalks) will be computed at an annual rate not exceeding two percent of acquisition costs. The use allowance for equipment will be computed at an annual rate not exceeding 6 2/3 percent of acquisition cost. When the use allowance method is used for buildings, the entire building must be treated as a single asset; the building's components (e.g., plumbing system, heating and air condition) cannot be segregated from the building's shell.*

   The two percent limitation, however, need not be applied to equipment which is merely attached or fastened to the building but not permanently fixed to it and which is used as furnishings or decorations or for specialized purposes

(e.g., dentist chairs and dental treatment units, counters, laboratory benches bolted to the floor, dishwashers, modular furniture, carpeting). Such equipment will be considered as not being permanently fixed to the building if it can be removed without the destruction of, or need for costly or extensive alterations or repairs, to the building or the equipment. Equipment that meets these criteria will be subject to the 6 2/3 percent equipment use allowance limitation.

g. *A reasonable use allowance may be negotiated for any assets that are considered to be fully depreciated, after taking into consideration the amount of depreciation previously charged to the government, the estimated useful life remaining at the time of negotiation, the effect of any increased maintenance charges, decreased efficiency due to age, and any other factors pertinent to the utilization of the asset for the purpose contemplated.*

h. *Charges for use allowances or depreciation must be supported by adequate property records. Physical inventories must be taken at least once every two years (a statistical sampling approach is acceptable) to ensure that assets exist, and are in use. Governmental units will manage equipment in accordance with State laws and procedures. When the depreciation method is followed, depreciation records indicating the amount of depreciation taken each period must also be* maintained*.*

<u>Interest/Financing Costs</u>

Federal regulations 2 CFR, Part 225, OMB Circular A-87, Attachment B, Item 23 establishes principles and standards for costs for Federal awards as it applies to interest.

23. Interest.

a. *Costs incurred for interest on borrowed capital or the use of a governmental unit's own funds, however represented, are unallowable except as specifically provided in subsection b. or authorized by Federal legislation.*

b. *Financing costs (including interest) paid or incurred which are associated with the otherwise allowable costs of building acquisition, construction, or fabrication, reconstruction or remodeling completed on or after October 1, 1980 is allowable subject to the conditions in (1) through (4) of this section 23.b. Financing costs (including interest) paid or incurred on or after September 1, 1995 for land or associated with otherwise allowable costs of equipment is allowable, subject to the conditions in (1) through (4).*

(1) The financing is provided (from other than tax or user fee sources) by a bona fide third party external to the governmental unit;

(2) The assets are used in support of Federal awards;

(3) Earnings on debt service reserve funds or interest earned on borrowed funds pending payment of the construction or acquisition costs are used to offset the current period's cost or the capitalized interest, as appropriate. Earnings subject to being reported to the Federal Internal Revenue Service under arbitrage requirements are excludable.

(4) For debt arrangements over $1 million, unless the governmental unit makes an initial equity contribution to the asset purchase of 25 percent or more, the governmental unit shall reduce claims for interest cost by an amount equal to imputed interest earnings on excess cash flow, which is to be calculated as follows. Annually, non-Federal entities shall prepare a cumulative (from the inception of the project) report of monthly cash flows that includes inflows and outflows, regardless of the funding source. Inflows consist of depreciation expense, amortization of capitalized construction interest, and annual interest cost. For cash flow calculations, the annual inflow figures shall be divided by the number of months in the year (i.e., usually 12) that the building is in service for monthly amounts. Outflows consist of initial equity contributions, debt principal payments (less the pro rata share attributable to the unallowable costs of land) and interest payments. Where cumulative inflows exceed cumulative outflows, interest shall be calculated on the excess inflows for that period and be treated as a reduction to allowable interest cost. The rate of interest to be used to compute earnings on excess cash flows shall be the three-month Treasury bill closing rate as of the last business day of that month.

(5) Interest attributable to fully depreciated assets is unallowable.

<u>Reimbursement - Federal Requirements</u>

For rent or facility costs to be considered for reimbursement, the following federal requirements must be met:

Costs are reasonable and necessary for the proper and efficient performance and administration of Federal awards. A cost is reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost.

Cost is allocable to a particular Federal award or cost objective as outlined in 2 CFR, Part 225, OMB Circular A-87, Attachment A. A cost is allocable to a particular cost objective if the goods or services involved are chargeable or assignable to that cost objective according to the relative benefits received.

In addition to reasonableness and allocability, the other general tests of allowability are that the cost:

- be authorized or not prohibited under state or local laws or regulations --- A governmental unit may not accept and expend Federal funds to undertake an activity for which it does not have the authority under its own state or local law or which would constitute an illegal purpose;
- conform to any limitations or exclusions set forth in the cost principles, Federal laws, terms and conditions of the Federal award, or other governing regulations as to types or amounts of cost items;
- be consistent with policies, regulations, and procedures that apply uniformly to both Federal awards and other activities of the governmental unit;
- be accorded consistent treatment --- a cost may not be assigned to a Federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the Federal award as an indirect cost;
- be determined in accordance with generally accepted accounting principles, except as otherwise provided for in 2 CFR, Part 225, OMB Circular A-87;
- not be included as a cost or used to meet cost-sharing or matching requirements of any other Federal award in either the current or a prior period, except as specifically provided by Federal law or regulation;
- be net of all applicable credits; and
- be adequately documented.

<u>Reporting Rent or Facility Costs for Reimbursement</u>

- Costs incurred for rent of any building occupied jointly with other agencies or commercial businesses is to be allocated and submitted for reimbursement on the basis of a reasonable pro-rata share. The cost allocation is to be based on the percentage of space occupied by the local department of social services, in relation to the total space in the building.
- Reimbursement of rent or facility costs in either privately or publicly owned buildings will be provided for space occupied by LDSS staff and contract positions (or FTEs) that perform LDSS activities. These LDSS and contract (or

FTEs) positions must be supervised by the LDSS and authorized and approved by VDSS DHRM.

- All rent or facility costs must be based on actual charges.
- For space occupied in a publicly-owned building, the depreciation expense schedule and applicable interest costs, along with applicable operating costs for the facility are used to compute the amount of allowable facility costs. If the building is fully depreciated, then a proportionate share of general operating costs can be charged. A "use allowance" may be justified when Federal programs have been charged with little or no depreciation expense in the past. If a use allowance is to be followed; the use allowance is to be computed at an annual rate not exceeding two percent of the original acquisition costs.
- The benefit of rent or facility expenditures is to be commensurate with the cost, during the period of occupancy.
- When relocating to another facility, the local agency may not request reimbursement for office space costs for the old office and the new facility in the same calendar month. Consequently, timing for occupancy is a primary consideration in relocation. If the agency is establishing a new satellite office or branch office, or routinely operates satellite offices, these offices are not considered duplicate office space.
- Costs are to be entered into Locality Automated System for Expenditure Reimbursement (LASER) through the use of the alias cost code and appropriate EXPENDITURE type. Reference the following LASER policies and procedures for keying operational costs located on the VDSS interagency website, SPARK:

  http://spark.dss.virginia.gov/divisions/dof/local_support/laser/budget_lines.cgi

PURPOSE AND OVERVIEW

These guidelines cover steps for LDSSs to follow in order to claim legitimate costs for reimbursement.

REFERENCE SOURCES

- 2 CFR, Part 225, Cost Principles for State, Local, and Indian Tribal Governments (OMB Circular A–87)
- ASMB C-10, Cost Principles and Procedures for Developing Cost Allocation Plans and Indirect Cost Rates for Agreements with the Federal Government
- Code of Virginia § 63.2 Welfare (Social Services)
- 22 VAC 40-675 Personnel Policies For Local Departments Of Social Services
- Human Resources Manual for Local Departments of Social Services

RESCINDED GUIDELINE

Salary Reimbursement Guidelines, Virginia Department of Social Services, LASER Expenditure Guidelines Manual, Feb 2002

DEFINITIONS

Basic State Compensation Schedule: The department's pay plan, which provides local departments a basis to develop local compensation plans. The plan provides information on classifications, salary grades, pay steps, and pay range for each grade.

Department: The Virginia Department of Social Services.

Local Compensation Plan: The locally developed pay plan that lists classifications, salary grades, and pay steps of intervening increments from the minimum to the maximum amounts established for each grade, and includes other pay actions.

Salary Range: Salary grades and pay steps of intervening increments from the minimum to the maximum established for each grade, which includes reimbursable and non-reimbursable steps.

State Classification Plan: The department's classification plan for LDSSs that consists of approved classification specifications that is comprised of corresponding class groups, salary grades, classification codes, equal employment opportunity codes and effective dates.

GUIDELINES

Roles and Responsibilities

The State Board of Social Services is responsible for adopting regulations and policies in the development and operation of a system of personnel administration meeting requirements of the federal Department of Health and Human Services. The policies and procedures must be in compliance with federal merit system standards set forth in the Code of Federal Regulations (5 CFR Part 900). The board approves state classification and state compensation plans that apply to local departments.

The Commissioner must ensure that the Virginia Department of Social Services and local departments of social services properly apply State Board policies.

VDSS Human Resource Director is responsible to the Commissioner for personnel administration. It is his/her responsibility to develop and put into effect rules and procedures for carrying out State Board classification and compensation policies and to ensure that local departments of social services comply with personnel policies, rules, and procedures set forth in the Administrative Manual for local departments.

VDSS Chief Financial Officer is responsible to the Commissioner for the financial administration of the State Social Services System. It is the Chief Financial Officer's responsibility to ensure that the state and LDSSs are in compliance with federal cost principals as outlined in OMB Circular A-87, federal program requirements, guidelines issued by ACF Region III, and other federal/state regulations/guidelines. This position also works with Division Program Directors, other state agencies, and The Virginia League of Social Services Executives in areas of federal and state compliance, resolution of audit issues, and implementation of statewide financial guideline changes.

The Local Board is designated as the authority for all personnel actions, unless the board delegates that responsibility to the LDSS director. The local board is responsible for the local agency's adoption of and compliance with classification and compensation policies.

The Local Director is responsible for compliance with the personnel policies, rules, and procedures set forth in the VDSS Human Resource Manual for Local Departments of Social Services. He/she must also uphold statutory requirements of Title 63.2 of the Code of Virginia and other related statutes.

Compensation – Directors and Other LDSS Employees

The following guidelines apply to compensation costs for Directors and other LDSS employees, as defined in the VDSS Human Resource Manual for Local Departments of Social Services.

According to the federal requirements in OMB Circular A-87 governing costs, compensation and other expenditures to be submitted by the state for federal reimbursement must be allowable, reasonable and necessary. Compensation for personnel services includes all remuneration, paid currently or accrued, for services rendered during the period of performance under Federal and/or State awards, including but not necessarily limited to wages, salaries and fringe benefits. The state is allowed to make this determination by establishing standards and considering any applicable federal program rules. At the state level, there are standards and regulations that govern the reimbursement policies between the state and LDSSs.

Per Virginia State Code 63.2-330 below, compensation for any LDSS Director or other employee whose salary does not exceed the maximum amount indicated in the VDSS Basic State Compensation Schedule is allowable for reimbursement from state general (and federal) funds as available. In addition, the governing body of any locality may provide for payment of monetary bonuses to its officers and employees. The payment of a bonus shall be authorized by ordinance. Reference Virginia State Code 15.2-1508.

Compensation for any LDSS Director or other employee whose salary exceeds the maximum amount indicated in the VDSS Basic State Compensation Schedule, and approvals have been provided (see Local Compensation Plan and Accountability), shall be paid wholly from local funds. Although state general fund reimbursement is not permitted, these compensation costs that are in excess of the maximums permitted in the compensation plan may be reimbursed from applicable federal fund sources in addition to the use of local funds. If federal sources are to be utilized, local funds must be used to meet any federal financial match requirements.

> *§ 63.2-330. Compensation.*
>
> *The local director and other persons employed to administer the provisions of this title in each county or city shall be paid such compensation by such county or city as shall be fixed by the local board or other appointing authority within the compensation plan provided in the merit system plan. With the approval of the Board and the local governing body, the local board may provide that the local director and such other employees shall be paid compensation in excess of the maximums permitted in the compensation plan. Such excess compensation shall be paid wholly from the funds of such county or city and any federal funds that are available and appropriate for such use.*

§ 15.2-1508. Bonuses for employees of local governments.

Notwithstanding any contrary provision of law, general or special, the governing body of any locality may provide for payment of monetary bonuses to its officers and employees. The payment of a bonus shall be authorized by ordinance.

Compensation and Expenses - Local Boards

§ 63.2-310. Compensation and expenses.

Each member of the local board of a county or a city or of a district shall be paid his reasonable and necessary expenses incurred in attendance at meetings and while otherwise engaged in the discharge of his duties. In addition to such expenses, the governing body of each city or county may, out of its general fund, pay to each member of the local board, as compensation for his services, an amount to be fixed by the governing body of such city or county. No such county or city shall be reimbursed out of either state or federal funds for any part of such compensation paid.

Local Compensation Plan Process

Each LDSS develops its own annual local compensation plan. A local compensation plan includes a listing of classifications, salary grades, pay steps, and salary ranges. In addition, each LDSS's local compensation plan includes information on awarding salary adjustments, compensation for protective service work, sick leave accumulation payment, and other types of approved increases and/or pay actions.

Instructions for completing the Local Compensation Plan Form are developed and distributed by VDSS/DHRM and distributed to each LDSS on an annual basis.

Local Compensation Plan Approval and Accountability

VDSS uses several processes to approve and validate compensation costs to ensure they are allowable, reasonable and necessary. The following notes emphasize LDSS accountability and describe how compensation costs are validated and reimbursed.

1. Compensation costs are determined by the state to be reasonable, necessary, and allowable for reimbursement consideration when approved through all appropriate LDSS, Local Government, and/or VDSS/DHRM position and compensation approval processes. Applicable processes are those required by existing State, Local Government, and/or LDSS regulations, policies, and procedures designed to approve the related compensation cost.

2. Processes, policies, and procedures used by the department, local governments, and LDSS to approve compensation matters include: Human Resources Manual for Local Departments of Social Services, Basic State Compensation Schedule, Local Compensation Plans submitted to LDSS boards and VDSS, LETS procedures, Local and State Board approvals, in addition to all other compensation and/or human resources regulations, policies, and procedures.

3. Reimbursement from the state general fund is allowable for compensation that does not exceed the maximum amounts in the VDSS Basic State Compensation Schedule.

4. For compensation costs that exceed the Basic State Compensation Schedule maximums, reimbursement can be obtained from appropriate federal sources if approved through one or more of the applicable processes indicated in items #1 and #2 above. The state passes through FFP (Federal Financial Participation) to locals when LDSS expenditures are entered using the appropriate pass-through LASER cost codes. LDSSs must provide all federal matching requirements and the expenditures must meet all program requirements.

5. LDSSs must ensure that they do not duplicate compensation costs in any manner nor submit any type of cost for reimbursement more than once.

6. LDSSs must maintain and be able to provide on request, sufficient documentation to substantiate expenses submitted for reimbursement.

7. LDSSs are accountable for any disallowance resulting from a failure to comply with state and/or federal rules and regulations.

PURPOSE AND OVERVIEW

The purpose of this guideline is to clarify LDSS time and effort reporting activities to ensure they meet minimum state and federal documentation requirements.

Expenditures submitted in LASER for state and/or federal reimbursement consideration must comply with federal guidelines "OMB Circular A-87, Attachment B, section H - Support of salaries and wages". Federal regulations require state agencies seeking federal financial participation from the federal government to claim actual costs as opposed to estimates.

Charges to Federal awards for salaries and wages, whether treated as direct or indirect costs, need to be based on properly documented payroll information that is maintained and approved by the LDSS Director or designee.

Where direct service or eligibility employees (LDSS and Contract Employees) are expected to work solely on a single Federal award or cost objective, or multiple activities or cost objectives, the distribution of employee salaries or wages need to be supported and allocated by participating in a Random Moment Sampling (RMS) process *or* workers need to maintain Personal Activity Reports (time sheets) in 15-minute increments.

Since Virginia's LDSSs are highly integrated, (i.e. one organization supports virtually the full line of social services), LDSS and Contract Employee staff designated as direct service or eligibility workers by the LDSS should be subject to participation in the RMS process. Exclusion of direct workers from the RMS process and the use of a 15-minute increment Personal Activity Report (time sheet) are limited strictly to only those programs and/or positions reviewed and approved by VDSS Division of Finance, RMS Team.

The RMS sampling process is not applied against administrative employees (LDSS or Contract Employees) costs. However, the salaries or wages for these employees should be reported as joint costs and allocated based on both worker counts and RMS results.

REFERENCE SOURCES

- 2 CFR, Part 225, Cost Principles for State, Local, and Indian Tribal Governments (OMB Circular A–87)
- ASMB C-10, Cost Principles and Procedures for Developing Cost Allocation Plans and Indirect Cost Rates for Agreements with the Federal Government

RESCINDED GUIDELINES

Revision of Section 3.30 – Finance Guidelines Manual dated June 1, 2008

DEFINITIONS

Personnel Activity Report (Time Sheet): A method of tracking employee work activity efforts in 15-minute increments so that applicable payroll costs are properly charged to appropriate federal, state and local programs. (This form is only completed for direct worker positions that have been approved by VDSS to be excluded from the Random Moment Sampling process.)

Random Moment Sampling (RMS): A statistical methodology used to allocate applicable expenditures to benefiting federal, state and local programs.

GUIDELINES

Random Moment Sampling (RMS) is a federally approved process for distributing costs. Nationally, it is the method used most frequently by states and it is also preferred by VDSS' federal partners. RMS involves the random selection and polling of LDSS workers and points ("moments") in time. The selection of employees is extracted from LETS (Local Employee Tracking System). By using RMS, VDSS meets the minimum federal record keeping standards for recording worker activities for reimbursement purposes. As noted, the RMS process is preferred to the alternative requirement of LDSS employees keeping time sheets in 15-minute increments during a work day.

RMS Process

1. Source

   Local employees and applicable contract employees are entered into the LETS by the localities when the employee is hired. The local agency inputs all pertinent information such as name, social security number, birth date, position number, occupational title description and code, etc. The Reimbursement Status Code (RSC) is used to determine whether or not the employee is considered a benefit worker or a service worker to be included for sampling. For RMS purposes, each type of worker is considered to be part of a "pool" (i.e. benefit workers are in one pool and service workers are in another pool).

2. Selection of Workers

   On a quarterly basis, the RMS System selects a sample size of employees for testing from the direct service and eligibility "pools", Generally, the sample size is 3,250 for benefit related programs and 3,250 for service related programs. The RMS System randomly selects the employee, the date, and the time for the observation.

3. The Observation

   Once the sample is selected for the quarter, the RMS Team generates and mails the observation forms to the LDSS RMS Coordinator for the upcoming month. The RMS Coordinator receives the observation and distributes the observation sheets to the observer to conduct the observation.

   The designated observer approaches the selected worker on the date and time that the RMS System specified. On the form, the observer documents what the worker is doing at the designated moment in time (i.e. working with a client or on a case related to a specific program and activity, on break, etc.).

   Once the observation is completed, the observer fills out the observation form and forwards it back to the LDSS RMS Coordinator. The RMS Coordinator inputs the information into the RMS System. The LDSS is responsible for retaining the observation forms at the locality level in accordance with established record retention policies.

   Periodically, VDSS personnel will monitor whether LDSSs are properly classifying and maintaining accurate position and employee information in LETS.

4. Observation Results

   Once all observations for the quarter are made and input into the system, the VDSS Central Office closes the RMS System. The observations are compiled into statewide statistics or RMS percentages. Statistics are computed for both services and benefits.

   The system uses the past three months' observations to compile the data. The statistics are then used for the processing of the LASER monthly allocation and the VDSS quarterly cost allocation calculation.

Exclusions to the RMS Process

The RMS Team will be notified by local departments of programs and/or conditions that require positions to be excluded from the RMS process. The RMS Team will require that each local LDSS director submit an approved Random Moment Sampling Exclusion Form for each position that is to be excluded from the RMS process.

The RMS Team is responsible for updating the RMS system to ensure the entire RMS process is correct and produces valid results.

Personnel Activity Reports (Time Sheets)

Personnel Activity Reports (Time Sheets) may be required for direct worker positions that have been approved by VDSS to be excluded from the Random Moment Sampling process.

Personnel activity reports (timesheets) must meet the following standards:

- Document an employee's work being performed for each 15-minute increment of time by program cost code;
- Reflect an after the fact distribution of the actual activity of each employee;
- Account for the total activity for which each employee is compensated;
- be prepared at least monthly and must coincide with one or more pay periods, and
- They must be signed by the employee.

Since LDSS pay cycles vary, it is the responsibility of the LDSS to develop a Personnel Activity Report (time sheet) or equivalent documentation which meets the standards outlined above.

Virginia Department of Social Services
Finance Guidelines Manual for Local Departments of Social Services
Section 3.31 – Splitting Position Salary and Fringe Benefit Costs
(Not allowable)

PURPOSE AND OVERVIEW

The purpose of this guideline is to clarify the proper classification and treatment of reporting salaries and fringe benefit costs for reimbursement.

REFERENCE SOURCES

- 2 CFR, Part 225, Cost Principles for State, Local, and Indian Tribal Governments (OMB Circular A–87)
- ASMB C-10, Cost Principles and Procedures for Developing Cost Allocation Plans and Indirect Cost Rates for Agreements with the Federal Government

RESCINDED POLICY

Frequently Asked Questions
FAQ 5 – Splitting Salary Costs between Eligibility and Services
FAQ 16 – Eligibility Workers Performing Child Care Activities
FAQ 17 – Eligibility Workers Performing VIEW Activities
FAQ 18 – Supervisors Performing Eligibility and Service Functions
FAQ 25 – Fraud and Eligibility Workers Performing Service Activities

DEFINITIONS

Direct Worker: A classification to signify that an employee has job responsibilities associated with a single cost center and objective and is assigned to either the Services or Eligibility RMS pool.

Joint Worker: A classification to signify that an employee has job responsibilities associated with multiple cost centers and objectives that benefit both service and eligibility work, for example, management and administrative personnel. This classification is not included in the RMS pool.

GUIDELINE

Manually splitting position costs between Eligibility and Services budget lines for any position is prohibited. Splitting position costs compromises the statistical integrity of the RMS cost allocation process.

Salary and fringe benefit costs for direct workers are reported for reimbursement either as 100% to Eligibility Staff & Operations or 100% to Services Staff & Operations, depending on the employee's Reimbursement Status Code in LETS.

If the direct worker performs both Eligibility and Services functions, the position Reimbursement Status Code (RSC) in LETS is the basis for determining whether or not salary and fringe benefit costs for the position are to be charged to Eligibility Staff & Operations or Services Staff & Operations.

The following are common examples of how position costs for employees are reported in LASER.

1) Reporting salary and fringe benefit costs for an Eligibility Worker position that also performs work for the Child Care program.

   Eligibility Worker positions established in LETS are subject to RMS and assigned to the Benefit Worker Pool. Therefore, salary and fringe benefit costs for Eligibility Workers are reported to Budget Line 853 – Eligibility Staff & Operations.

   The effort of work performed by Eligibility Workers is captured statewide through RMS and the resulting statistics are used to allocate costs to benefiting federal and state programs.

   An Eligibility Worker's salary and fringe benefits are not to be manually split between the Services Staff & Operations Budget Lines and Eligibility Staff & Operations Budget Lines.

2) Reporting salary and fringe benefit costs for a program supervisor that supervises both eligibility and services workers.

   Since the supervisor's time is split between eligibility and services programs and a supervisor is not subject to RMS sampling, the supervisor's salary and fringe benefit costs are reported as Joint costs.

   When the salary and fringe benefit costs are reported in LASER the Expenditure Type 'J' is used. The system will allocate the costs between the Eligibility and Services staff and operations budget lines based on worker counts.

   For additional information on reporting Joint costs, see FGM Section 3.35 – Joint Expenditures.

   A Supervisor's salary and fringe benefit costs are not to be manually split between the Services Staff & Operations Budget Lines and Eligibility Staff & Operations Budget Lines.

3) Reporting salary and fringe benefit costs for staff that perform work that does not benefit any one specific program, such as Management Personnel, Finance Personnel, etc.

   Since Joint Workers indirectly benefit all programs and are not subject to RMS sampling, their salary and fringe benefit costs are reported as a Joint cost in LASER using Expenditure Type 'J'. The system will allocate the costs between the Eligibility and Services staff and operations budget lines based on worker counts.

   For additional information on reporting Joint costs, see Section 3.35 – Joint Expenditures.

   A Joint Worker's salary and fringe benefit costs are not to be manually split between the Services Staff & Operations Budget Lines and Eligibility Staff & Operations Budget Lines.

LDSSs should contact their respective HR Regional Consultant for questions regarding how employees are to be classified in LETS.

Virginia Department of Social Services
Finance Guidelines Manual for Local Departments of Social Services
Section 3.32 - Fees for Court Ordered Services

PURPOSE AND OVERVIEW

Fees for non-agency placement adoption services are established under the authority of §63.2-1248 of the Code of Virginia. Fees are based on actual costs of services, including direct and indirect costs taking into consideration family income and size. Fees for custody investigations, mediation services and supervised visitation are established under the authority of §16.1-274 of the Code of Virginia. The court shall assess a fee in accordance with established fee schedules. The method and medium for payment for such services shall be determined by the Local Department of Social Services, Department of Juvenile Justice, or the locally operated court services unit that provides the services.

Fees charged shall not exceed the actual cost of the service.

REFERENCE SOURCES

Adoption Manual, Chapter D, Section 9: Court Ordered Fees
Code of Virginia
State Median Income Chart: http://spark.dss.virginia.gov/divisions/dfs/as/smi_charts.cgi

RESCINDED POLICY

N/A

DEFINITIONS

N/A

GUIDELINE

Direct Costs of Services

In determining direct costs, the Local Department of Social Services (LDSS) has the option of using the actual salary and benefits of the worker performing the services, average of the salary and benefits, or the minimum salary and benefits.

a. If the actual salary and benefits of the worker performing the services is used, and a supervisor has to perform the service due to the worker being absent, the fee would be based on the amount of the salary and benefits of the worker that would have ordinarily performed the service to avoid overcharging.

b. If an average of salary and benefits is used, the average would be based on the previous fiscal year's actual salary and benefits for the workers performing the services. Fiscal years run from June 1 to May 31, therefore the average would be calculated annually around May or June.

   Example:
   If an agency had a Social Worker earning $15/hour in salary and benefits, a Social Worker II also earning $15/hour, a Social Worker III earning $16/hour, and a Social Work Supervisor (who has a normal caseload) earning $18/hour, the agency would calculate an average of $16/hour.

c. If the minimum salary and benefits is used, the amounts would be obtained from the agency's compensation schedule for a social worker. If the compensation schedule is updated during the year, the updated minimum salary and benefits amounts would be used to determine direct costs. This method is very simple and will insure that the salary charged does not exceed the actual salary and benefits of the worker performing the service.

Indirect Costs of Services

In determining the indirect costs of services, the LDSS will first need to obtain the indirect cost factor. The indirect cost factor is obtained at the beginning of each fiscal year by generating the **CO-Court Fees %** report in LASER. The period selected for the report should be MAY of the prior fiscal year. For example, to obtain the indirect cost factor for Fiscal Year 2011, the period selected for the report would be May 10. The fee for indirect costs of services is calculated by multiplying the amount of court ordered fees by the indirect cost factor %.

Fee Adjustment Based on Family Income and Size

Each LDSS will develop a fee schedule, based upon family size and income using the median income level for Virginia.
For the purpose of determining family size, include all persons for whom the petitioner/applicant and spouse are responsible. Determine the petitioner's/applicant's percent of median income using the median income scale disseminated by the Generic Policy Unit. If income falls between two percentages, the lower figure shall be used to determine the amount of the fee assessed. The median income scale is revised annually.

Medium Income Scale (for example purposes only)

- Families with 50% or less of median income shall not be charged a fee.
- Families whose income falls at 60% of median income shall be charged 10% of the actual costs.
- Families whose income falls at 70% of median income shall be charged 25% of the actual costs.
- Families whose income falls at 80% of median income shall be charged 50% of the actual costs.
- Families whose income falls at 90% of median income shall be charged 75% of the actual costs.
- Families whose income falls at 100% of median income or above all be charged 100% of the actual costs.

Example

The court orders the petitioner/applicant to pay a fee. The cost is calculated to be $480. Using the median income scale, the fee is adjusted for family size and income. The worker determines that the petitioner/applicant's annual income falls between 80% and 90% of the median. The worker uses the lower figure of 80%.

Using the scale shown above, the worker determines that the fee should be assessed 50% of the $480 or $240.

Collection and Reporting of Fees

- The fees shall be collected by the appropriate LDSS. The amount of the fee collected should be included in the LDSS' report to the court.
- The LDSS shall report any fees collected as expenditures refunded on its financial reports.
- The LDSS' reimbursement from state and federal funds needs to be adjusted to reflect the state and federal share of income collected. Therefore, the amount of fees collected will be reported in LASER as a credit journal entry, fund type 1111, account code 55840 and cost code 00001, Expenditure Type 'S'.

Additional information for determining direct services costs and developing fee schedules can be obtained from the Adoptions Manual.

Virginia Department of Social Services
Finance Guidelines Manual for Local Departments of Social Services
Section 3.33 - Out-stationed Eligibility Worker

PURPOSE AND OVERVIEW

Provide guidance for reporting personnel costs in LASER for Out-stationed Eligibility Workers (OEW) with contract agreements with Partial Federal Financial Participation and for calculating the non-federal share amount to bill to the contract facility.

REFERENCE SOURCES

Broadcast 4958
Division of Benefit Programs Out-stationed Procedures
Division of Benefit Programs Out-stationed Eligibility Worker Agreement (100%)
Division of Benefit Programs Out-stationed Eligibility Worker Agreement (50%)

RESCINDED POLICY

N/A

ACRONYMS

LASER: Locality Automated System for Expenditure Reimbursement
LDSS: Local Department of Social Services
LETS: Local Employee Tracking System
OEW: Out-stationed Eligibility Worker
RMS: Random Moment Sampling

GUIDELINE

OEW contract agreements are required to allow LDSS eligibility staff to be placed onsite at a contract facility such as a hospital or health department for the purpose of determining patient eligibility for medical assistance.

OEW Contract Agreements with Partial Federal Financial Participation (FFP)

- OEWs are LDSS staff
- OEW position and employee information are to be entered into LETS
- OEW salary and fringe benefit costs **are** reported in LASER under BL 856 – Eligibility Staff & Operations Pass-Through
- LDSS is to bill the contract facility for the local share of the OEW's salary and fringe benefits as reported in LASER
- Positions and work activities of OEW's under these contracts **will be** included in RMS

- RMS observations will be conducted by telephone.

OEW Contract Agreements 100% Funded by the Contract Facility (No FFP)

- OEWs are LDSS staff
- OEW position and employee information are to be entered in LETS using function code NER as the first function code
- OEW salary and fringe benefit costs **are not** reported in LASER under this type of contract
- The LDSS is to bill the contract facility for 100% of the OEW's salary and fringe benefit costs
- The positions and work activities under this contract **will not be** included in RMS.

For questions regarding the OEW program and/or OEW contract agreements, please contact Sandy Gilbert.

LASER Reporting (OEW Contract agreements with Federal Financial Participiption)

A. OEW salary and fringe benefit costs are charged to budget line 856 - Eligibility Staff and Operations Pass-Thru using alias cost code 00204, Expenditure Type 'E'. ***Do not enter these costs directly into budget line 856.***

   Additional information on alias cost code 00204 can be obtained from Section 4.25 of the Finance Guidelines Manual.
   http://spark.dss.virginia.gov/divisions/dof/local_support/laser/budget_lines.cgi

B. LDSS should maintain proper documentation for OEW expenditures along with the other staff and operations expenditures reported in LASER for the month.

C. LASER will allocate OEW costs using RMS statistics. RMS statistics is the method in which OEW expenditures will be allocated to the different cost codes within BL 856. The results of the allocation will determine the non-federal share percentage.

D. RMS statistics are updated quarterly therefore the non-federal share percentage may change at the beginning of each quarter.

   The following provides the LASER periods within each quarter:

Quarter	LASER Periods
1st	Jun. Jul. Aug.

2nd	Sep.	Oct.	Nov.
3rd	Dec.	Jan.	Feb.
4th	Mar.	Apr.	May.

E. To determine the non-federal share percentage, the LDSS can generate the **Admin, Assist, POS MTD** report in LASER.

How to generate –the Admin, Assist, POS MTD report in LASER

1. Log on to LASER. From the Navigator Menu select **Reports** – **Requests** – **Financials.** In the R*eport* field enter **Admin, Assist, POS MTD** and in the P*eriod* field select the desired month. Click in the *Segment Override* field and enter 856 as the budget line, then Submit the report
2. The following demonstrates how the non-federal share percentage is calculated using information from the Admin, Assist, POS MTD report. A sample report is provided below.

   a) Calculate the total reimbursable expenditures by adding the totals of the Federal column and the Local column.

   $679,392.99 (317,598.31 + 361,794.68)

   b) Calculate the non-federal share percentage of reimbursable costs by dividing the Local column total by the total of reimbursable expenditures.

   361,794.68 / 679,392.99 = 53.3%

   c) Calculate the total amount of the non-federal share of the personnel costs for the OEW that will be billed to the Facility.

   For example, if the total amount of the OEW's personnel costs reported in LASER is $2,500. The amount billed to the facility would be $1,335.50 (2,500 x 53.3%).

Sample Admin, Assist, POS MTD report

LASER Set Of Books
Administrative, Assistance and Purchase of Service MTD Expenditures

Page: 1

Current Period: MAY 08

Currency: USD
Budget Line=856 (Allocated Eligibility Staff and Operations PT), FIPS=0000 ()

Cost Code	Proje	Bud	Federal MAY 08	ARRA MAY 08	State MAY 08	Local MAY 08	Non Reim/Undist MAY 08	Total Funds MAY 08
Administrative								
Eligibility								
00204 Admin Local Sala	90204	856	0.00	0.00	0.00	0.00	0.01	0.01
85601 Allocated Elig S	90401	856	115,560.15	0.00	0.00	115,560.15	(0.05)	231,120.25
85602 Allocated Elig S	90402	856	0.00	0.00	0.00	23,481.08	0.00	23,481.08
85603 Allocated Elig S	90403	856	153,681.23	0.00	0.00	153,681.23	(0.08)	307,362.38
85604 Allocated Elig S	90404	856	889.61	0.00	0.00	889.61	(0.10)	1,779.12
85605 Allocated Elig S	90405	856	2,519.75	0.00	0.00	2,519.75	(0.06)	5,039.44
85606 Allocated Elig S	90406	856	551.82	0.00	0.00	551.82	(0.09)	1,103.55
85609 Allocated Elig S	90409	856	7,410.25	0.00	0.00	7,410.25	(0.06)	14,820.44
85610 Allocated Elig S	90410	856	24,007.71	0.00	0.00	24,007.71	(0.07)	48,015.35
85612 Allocated Elig S	90412	856	2,222.89	0.00	0.00	2,222.89	(0.07)	4,445.71
85613 Allocated Elig S	90413	856	501.72	0.00	0.00	92.02	0.00	593.74
85614 Allocated Elig S	90414	856	0.00	0.00	0.00	3,260.33	0.00	3,260.33
85615 Allocated Elig S	90415	856	0.00	0.00	0.00	2,666.59	0.00	2,666.59
85616 Allocated Elig S	90416	856	3,260.35	0.00	0.00	3,260.35	(0.05)	6,520.65
85617 Allocated Elig S	90417	856	147.93	0.00	0.00	147.93	(0.04)	295.82
85622 Allocated Elig S	90422	856	0.00	0.00	0.00	593.74	0.00	593.74
85623 Allocated Elig S	90423	856	0.00	0.00	0.00	2,074.92	0.00	2,074.92
85624 Allocated Elig S	90424	856	0.00	0.00	0.00	1,267.20	0.00	1,267.20
85627 Allocated Elig S	90427	856	0.00	0.00	0.00	889.58	0.00	889.58
85629 Allocated Elig S	90429	856	0.00	0.00	0.00	295.82	0.00	295.82
85634 Allocated Elig S	90434	856	0.00	0.00	0.00	295.82	0.00	295.82
85635 Allocated Elig S	90435	856	0.00	0.00	0.00	979.78	0.00	979.78
85636 Allocated Elig S	90436	856	0.00	0.00	0.00	3,854.06	0.00	3,854.06
85637 Allocated Elig S	90437	856	0.00	0.00	0.00	3,556.16	0.00	3,556.16
85640 Allocated Elig S	90440	856	0.00	0.00	0.00	4.19	0.00	4.19
85641 Allocated Elig S	90441	856	0.00	0.00	0.00	1,386.80	0.00	1,386.80
85650 EBT Issuance-Adm	90450	856	6,844.90	0.00	0.00	6,844.90	(0.01)	13,689.79
Total Eligibility			317,598.31	0.00	0.00	361,794.68	(0.67)	679,392.32
Service								
00204 Admin Local Sala	90204	856	0.00	0.00	0.00	0.00	0.01	0.01
Total Service			0.00	0.00	0.00	0.00	0.01	0.01
Total Administrative			317,598.31	0.00	0.00	361,794.68	(0.66)	679,392.33
Grand Total			317,598.31	0.00	0.00	361,794.68	(0.66)	679,392.33

PURPOSE AND OVERVIEW

The purpose of this guideline is to outline the non-reimbursable fund codes that are available in LASER and the proper use of each code.

REFERENCE SOURCES

- 2 CFR, Part 225, Cost Principles for State, Local, and Indian Tribal Governments (OMB Circular A–87)
- ASMB C-10, Cost Principles and Procedures for Developing Cost Allocation Plans and Indirect Cost Rates for Agreements with the Federal Government
- LASER MASTER TABLE

RESCINDED POLICY

N/A

DEFINITIONS

Non-Reimbursable Expenditures: Expenditures reported by local departments of social services (LDSS) that are not eligible for reimbursement by Federal and/or State funds. LDSSs are responsible for covering all expenditures reported as non-reimbursable from their local budgets.

Reimbursable Expenditures: Expenditures reported by LDSSs that are eligible for reimbursement by Federal and/or State funds. Depending on the type of expenditure, LDSSs may also be responsible for covering a percentage of the total expenditure from their local budgets.

GUIDELINES

Effective with the reporting of September 2008 expenditures in LASER, there are three non-reimbursable fund code options. LDSSs will utilize two of the fund codes. The third fund code, Fund 0088, is for **Central Office Use Only**.

When an LDSS reports non-reimbursable expenditures in LASER, the LDSS is to identify the type of non-reimbursable expenditure by selecting the appropriate non-reimbursable fund code.

The purpose of having more than one non-reimbursable fund code is to provide a way for the Division of Finance to identify those expenditures that are eligible for reimbursement, but are charged to non-reimbursable because the total exceeds the State allocation and those expenditures which are not reimbursable for policy reasons.

LDSSs should utilize the following two non-reimbursable fund codes:

1). Fund 0033 -Local Only – Non-reimbursable expenditures that are not eligible for reimbursement by Federal and/or State funds. This also includes any expenditure that an LDSS reports temporarily as non-reimbursable for tracking purposes.

The following is not a comprehensive list, rather examples of expenditures that the LDSS would charge to Fund033:

- Expenditures charged to Cost Code 00630 – Assistance Payments Local only and 00336 – Purchased Services – Local Only.
- APS Guardianship Fee ($5.00 refund) and the expenditure from 89503.
- Manual TANF checks issued by the LDSS that are not listed on the F10.2 report. Budget Lines impacted are 808 and 848.
- TANF Chargebacks. Budget Lines impacted are 808 and 848.
- LDSS local programs that are fully funded by the City, County, and/or another agency, and the budget resides within the LDSS. These would be local programs that provide services that are not similar to services currently defined in the Finance Guidelines Manual, Section 4.25.
- Payment errors that are not considered allowable costs. Ex. Payment to a child care provider for a child who is over 12 and is not special needs.
- If a program has a maximum reimbursable rate, but the locality pays more. The amount paid over the allowable maximum rate would be reported as non-reimbursable. Ex. The State reimbursable maximum for burials under GR is $500. The total cost of the burial is $750. If the LDSS pays $750, $250 would be reported as non-reimbursable.
- Expenditures identified as non-reimbursable in Section 4.25 – LASER BL/CC Descriptions.
- All other expenditures that the LDSS identifies as non-reimbursable that can not be charged to Fund 0077.

2) Fund 0077 – Exceeds State Allocation – Expenditures that are eligible for reimbursement, but the LDSS has exceeded their State allocated budget for the current reporting period. This includes State and Federal funds. This fund code provides a way for the Division of Finance to identify those expenditures that would be eligible for reimbursement, in the event the State receives additional funding for a particular program, or if at year-end if funding is available Statewide the funds can be reallocated.

The following is not a comprehensive list, rather examples of expenditures that the LDSS would charge to Fund 0077 are:

- The LDSS has reimbursable expenditures during the month that exceed their State allocated budget for the period. This is for all programs, as long as the expenditures are eligible for reimbursement.
- A LDSS' State Allocated Budget for a program, such as Companion Services, is $100,000. The LDSS knows it will need $120,000 to provide adequate services. The local government agrees to pay the additional $20,000 out of Local Funds. Reporting the $20,000 as Fund 0077 - "Exceeds State Allocation", allows the Division of Finance to identify those expenditures in the event additional funding for the program becomes available.
- LDSS reports reimbursable expenditures in LASER, but the journal does not post due to a funds failure.
  Example: The LDSS incurs a total of $15,000 in reimbursable expenditures to report in BL 811. The available State Allocation for the period in BL 811 is $10,000.

  When reporting the expenditures in LASER, the LDSS would make the following entry:
  Debit $10,000 to BL 811, Fund 1111 Reimbursable
  Debit $ 5,000 to BL 811, Fund 0077 Exceeds State Allocation (non-reimbursable)

  The LDSS may be able to submit a request for additional funding through a BRS request.
  If a BRS request is submitted, once it is approved, the LDSS would make the following entry in LASER:
  Credit $5,000 to BL 811, Fund 0077 Exceeds State Allocation (non-reimbursable)
  Debit $5,000 to BL 811, Fund 1111 Reimbursable

It is critical for LDSSs to correctly utilize Fund 0033 and Fund 0077. During the year-end close process, if funds are available on a Statewide basis, the Budget Office may reallocate the unspent funds to LDSSs. Fund 0077 identifies those expenditures that are eligible for reimbursement if funds are available.

The non-reimbursable column listed on existing LASER reports will include the total non-reimbursable expenditures reported for all fund codes. A Non-Reimbursable report is available in LASER that provides a separate total for each of the non-reimbursable fund codes by Cost Code.

PURPOSE AND OVERVIEW

The purpose of this guideline is to define joint expenditures and outline the procedures for claiming these expenditures for federal and state reimbursement.

REFERENCE SOURCES

- 2 CFR, Part 225, Cost Principles for State, Local, and Indian Tribal Governments (OMB Circular A–87)
- ASMB C-10, Cost Principles and Procedures for Developing Cost Allocation Plans and Indirect Cost Rates for Agreements with the Federal Government
- Joint Cost Split Worksheet. Located on SPARK.

RESCINDED POLICY

LASER Overview – Allocations, Virginia Department of Social Services, LASER Expenditure Guidelines Manual, Feb 2002

DEFINITIONS

Joint expenditures: Expenses for administering public assistance, benefit programs, or social services programs within the LDSS. Expenditures include the staffing and operational/overhead expenses of the LDSS which are incurred for a common purpose benefiting more than one cost objective and which are not readily attributed to either the Eligibility or Services direct budgets.

Examples of joint expenditures include such items as: staffing costs for management, administrative and other support personnel, rent, utilities, telecommunications, postage, insurance premiums, office supplies, equipment items and vehicles purchases.

GUIDELINES

Joint Expenditure Allocation

LASER allocates Joint expenditures to the appropriate Eligibility or Services base budget line or to the appropriate Eligibility or Services Pass-Through budget line using direct worker counts. These expenditures are further allocated across benefiting programs within each base budget line or pass-through budget line using the appropriate RMS statistics.

- Base Budget Lines 853 and 854: The LDSS enters Joint expenditures into LASER using the alias cost code 00001 and EXPENDITURE type "J." LASER allocates the expenditures between the base budget lines 853 and 854. See cost code description 00001 within Section 4.25 for more information.

- Pass-Through Budget Lines 856 and 857: The LDSS enters Joint expenditures into LASER using the alias cost code 00204 and EXPENDITURE type "J". LASER allocates the expenditures between the Pass-Through budget lines 856 and 857. See cost code description 00204 within Section 4.25 for more information.

  Each LDSS is responsible for monitoring their Eligibility and Services base budget allocations throughout the fiscal year. Prior to the LASER September 2008 period close, there was no standardized method to allocate Joint expenditures to the pass-through budget lines. Once the LDSS exhausted its base budgets it employed manual methods for calculating the Eligibility and Services ratios, using worker counts in LASER.

  Beginning with the September 2008 period in LASER, the new cost code 00204 and EXPENDITURE type "J" is available for reporting joint expenditures to the staff and operations pass-through budget lines. This cost code eliminates the manual calculation and provides a standardized method for Joint expenditures to be allocated to the Services and Eligibility pass-through budget lines.

  See Section 4.25 – for more descriptions and information on budget lines 856 and 857 related to Eligibility and Services Staff and Operations Pass-Through funding.

LDSSs typically exhaust their Eligibility and Services base budget allocations (BL 853 & 854) at different times throughout the fiscal year. LASER is unable to accommodate allocating Joint expenditures between base budget and pass-through budget lines when one base budget does not have funds available. The recommended method of handling this is for the LDSS to estimate the amount of annual Joint expenditures that will be allocated to the Eligibility and Services base budget lines and then set aside enough base budget to cover the Joint expenditures. If the LDSS anticipates that there will not be available budget to cover both the Joint expenditures and direct expenditures in any given base budget for the fiscal year, the LDSS should begin charging direct expenditures to the appropriate pass-through budget line.

In order to maintain the integrity of the expenditure reporting, direct Eligibility expenditures must be reported utilizing Expenditure Type “E”, direct Service expenditures must be reported utilizing Expenditure Type “S” and Joint expenditures must be reported utilizing Expenditure Type “J”.

All Joint expenditures are to be reported as either 00001J or 00204J. This is important for several reasons: 1) Joint expenditures are treated differently during the allocation process than Eligibility “E” and Service “S” expenditure types. 2) LASER reports are generated for statistical analysis of Joint expenditures. 3) Using the Expenditure Type J provides a standardized method for allocating Joint expenditures to the Service and Eligibility categories.

NOTE: The following examples demonstrate how the process is done if a LDSS has to perform a manual calculation, to determine if funds are available for both direct expenditures and joint expenditures to pass funds check. Some LDSSs have software programs that automatically calculate the split of Joint expenditures between Eligibility and Services in determining the journal entries used for reporting expenditures in LASER. It is important for each LDSS to understand the functions and capabilities of any software used in preparation for reporting expenditures for reimbursement.

The following examples demonstrate how Joint expenditures are reported in LASER if the LDSS does not have available funds in both of the base budgets, 853 and 854.

If funds are available in only one base budget, the LDSS will report allowable Joint expenditures to 00001 J. (This does not apply to Joint expenditures that must be reported in pass-through, such as salaries over the State maximum.)
When funding is unavailable in both 853 and 854, the cost code 00204 J will be used to report Joint expenditures.

Example 1:

Available Funds	Total Expenditures	
BL 853 - $1,000	Eligibility	$1,000
BL 856 - $2,000	Joint	$2,000

(For simplification purposes, this example only shows the impact to the Eligibility base budget and Eligibility Pass-Through.)

Because expenditures keyed to Joint do not go through a funds check until after LASER closes for the month, the LDSS needs to ensure there are adequate funds available to accommodate Joint expenditures, before reporting expenditures in LASER.

Therefore, prior to reporting Joint expenditures, the LDSS should estimate the amount of Joint expenditures that LASER will allocate to the Service and Eligibility staff and operations budget lines. This can be accomplished by using percentages based on direct Worker Counts in LASER. The LASER report "Worker Counts YTD for a FIPS" provides the number of direct workers in Eligibility and Service.
To calculate the Joint allocation percentages, divide the number of workers in each category by the total number of workers in both categories.

Assume the Worker Counts YTD for a FIPS report lists 40 direct eligibility workers and 60 direct service workers for a total of 100 direct workers. To calculate the percentage of direct eligibility workers, divide 40 by 100, which is 40%. Therefore 40% of Joint expenditures reported will be allocated to Eligibility.

Total Joint expenditures allocated to Eligibility = $800 ($2,000 x .40)

If a LDSS needs assistance in determining the Joint expenditure split, the Joint Cost Split Worksheet is available on SPARK.

To determine the total eligibility expenditures for the month, add the percentage of Joint expenditures allocated to Eligibility to the total of direct eligibility expenditures.

The total Eligibility expenditures for the month is $1,800 ($1,000 + $800)
The available funds in the base budget 853 are $1,000.
The LDSS does not have adequate funds available in BL 853 to cover the total of Eligibility expenditures ($1,800).

In this example, if the LDSS does not take into consideration the Joint expenditure allocation and charges the direct eligibility expenses of $1,000 to Cost Code 00001 Expenditure type "E" and charges Joint expenditures to cost code 00001 Expenditure type "J", a funds failure in the amount of $800 will occur.

Again, the Joint expenditure allocation process takes place **after** LASER closes for the month. Calculating the total amount of Eligibility expenditures prior to reporting in LASER will prevent a funds failure from occurring.

The following are the Journal Entries used to report expenditures in LASER:

Cost Code	Debit Amt	Bud Line Impacted	Comments
00001 J	$2,000	853 & 854	System will allocate $800 to 853 and $1,200 to 854
00001 E	$200	853	$200 will be available in BL853 after Joint allocation
00204 E	$800	856	Remaining eligibility expenditures are charged to pass-through

Example 2:

Available Funds	Total Expenditures	
BL 853 - $0	Eligibility	$2,000
BL 856 - $7,000	Joint	$2,000

(For simplification purposes, this example only shows the impact to the Eligibility base budget and Eligibility Pass-Through.)

Again, to ensure there are adequate funds available, LDSS should determine the percentage of Joint expenditures that will be allocated to Service and Eligibility prior to keying entries into LASER. The percentages are based on direct Worker Counts in LASER.

Using the same Joint expenditure allocation percentages from Example 1, 60% of costs will be allocated to Services and 40% to Eligibility.
Total Joint expenditures allocated to Eligibility = $800 ($2,000 x .40)

Total Eligibility expenditures for the month = $2,800 ($2,000 + $800)

Calculating the total amount of Eligibility expenditures prior to reporting in LASER will prevent a funds failure from occurring. In this example, if the LDSS does not take into consideration the Joint expenditure allocation and charges the direct eligibility expenses of $2,000 to Cost Code 00001 Expenditure type “E” and charges Joint expenditures of $2,000 to cost code 00001 Expenditure type “J”, a funds failure in the amount of $2,800 will occur.

The following are the Journal Entries used to report expenditures in LASER:

Cost Code	Debit Amt	Credit	Bud Line Impacted	Comments
00001E		$800	853	Increases available budget in 853 to $800. This will ensure that the eligibility portion of Joint costs does not fail funds.
00204 E	$800		856	Charges the $800 to Eligibility Pass-Thru
00001 J	$2,000		853 & 854	System will allocate $800 to 853 & $1,200 to 854.
00204 E	$2,000		856	$2,000 direct eligibility expense charged to pass-through, because available budget in BL 853 is zero.

Example 3:

Available Funds	Total Expenditures	
BL 853 - $0	Eligibility	$2,000
BL 854 - $0	Service	$2,000
BL 856 - $7,000	Joint	$2,000
BL 857 - $7,000		

Because both base budget lines do not have available funding, all expenditures will be charged to pass-through. LDSS should still calculate the percentage of Joint expenditures that will be allocated to Services and Eligibility to ensure there is available funding in both pass-through budget lines, to avoid a funds failure.

Assume Joint expenditures are allocated 40% to Eligibility and 60% to Services.
Total Service expenditures are $3,200 ($2,000 + $1,200)
Total Eligibility expenditures are $2,800 ($2,000 + $800)
There is available funding in both pass-through budget lines.

The following are the Journal Entries used to report expenditures in LASER:

Cost Code	Debit Amt	Credit	Bud Line Impacted	Comments
00204 J	$2,000		856 & 857	System will allocate $800 to 856 & $1,200 to 857.
00204 E	$2,000		856	
00204 S	$2,000		857	

NOTE: Rounding differences can occur during the allocation process. The rounding difference is usually no more than $.05. If the journal entries will reduce the available budget to zero, the LDSS may want to change the journal entry amounts before entering in to LASER.
Rounding differences only affect allocated budget lines.

LDSSs are responsible for ensuring adequate funds are available in **all** budget lines **prior** to entering expenditures into LASER. This is especially critical for Joint expenditures. Unlike all other expenditure types, funds check CAN NOT be performed on Joint expenditures at the time a batch is posted. Joint expenditures must be allocated between Service and Eligibility before funds check can be performed. The Joint expenditure allocation process does not take place until after LASER closes for the month.

The Local Reimbursement Unit (LRU) recommends that LDSSs review the "CO-Budget Bal Statewide" report to check Funds Available before entering expenditures into LASER. Also, if the LDSS reports Joint expenditures during the month, it should generate the "Worker Counts YTD for a FIPS" report in LASER to calculate the percentage of Joint expenditures that the system will allocate to Eligibility and Service. The LDSS can utilize information obtained from both reports to ensure adequate funds are available, before expenditures are reported in LASER.

Funds Failure

If a funds failure occurs the Local Reimbursement Unit (LRU) will create a journal entry for the total amount of the funds failure for the appropriate cost code. The expenditure will be classified as Fund 0077 (Exceeds State Allocation). This fund is non-reimbursable.

The following examples are provided to help clarify the process.

Example 1: A funds failure occurs during the Joint expenditure allocation in BL 854 in the amount of $30,000.

LRU will create the following Journal Entries:

1) Debit $30,000
   Cost Code: 00001 S (BL854)
   Fund Code: 0077 – Exceeds State Allocation (Non-Reimbursable)

2) Credit $30,000
   Cost Code: 00001 S (BL854)
   Fund Code: 1111 (reimbursable)

This Journal Entry will increase available funds in BL854 to $30,000. This will allow the funds failure that occurred from the Joint Allocation to now pass Funds Check.

LRU notifies the LDSS via e-mail of the funds failure. The Batch name is provided for the LDSS to review the journal entries in LASER.

If there are available funds in pass-through, the next month the LDSS will enter the following Journal Entries:

1) Credit $30,000
   Cost Code: 00001 S (BL854)
   Fund Code: 0077- Exceeds State Allocation (Non-Reimbursable)

2) Debit $30,000
Cost Code: 00204 S (BL857)
Fund Code: 1111 - Reimbursable

Example 2: A LDSS has a funds failure during the Joint expenditure allocation in BL 857 in the amount of $10,000.

LRU will create the following Journal Entries:
1) Debit $10,000
Cost Code: 00204 S (BL857)
Fund Code: 0077- Exceeds State Allocation (Non-Reimbursable)

2) Credit $10,000
Cost Code: 00204 S (BL857)
Fund Code: 1111 - Reimbursable
This Journal Entry will increase available funds in BL857 to $10,000. This will allow the funds failure that occurred from the Joint Allocation to now pass Funds Check.

The LDSS would need to request and obtain approval for additional funding from appropriate VDSS personnel before re-entering the costs into LASER for reimbursement.

If a BRS request is approved for additional funding in BL 857, LDSS will enter the following Journal Entries:
1) Credit $10,000
Cost Code: 00204 S (BL857)
Fund Code: 0077- Exceeds State Allocation.

2) Debit $10,000
Cost Code: 00204 S (BL857)
Fund Code: 1111 - Reimbursable

It is the LDSS' responsibility to ensure adequate funds are available in ALL budget lines prior to reporting expenditures for reimbursement in LASER.

NOTE:

ALL JOINT EXPENDITURES ARE TO BE KEYED TO EITHER COST CODE 00001 EXPENDITURE TYPE "J" FOR BASE ALLOCATIONS OR COST CODE 00204 EXPENDITURE TYPE "J" FOR PASS-THROUGH ALLOCATIONS.
LDSSs ARE NOT TO MANUALLY CALCULATE THE ELIGIBILITY AND SERVICE PORTIONS OF JOINT EXPENDITURES USING WORKER COUNTS AND CHARGE TO COST CODES 0001 and 00204 EXPENDITURE type "E" OR 00001 and 00204 EXPENDITURE type "S".

PURPOSE AND OVERVIEW: To establish a statewide fraud control program to ensure that fraud prevention and investigation are pursued throughout the Commonwealth.

REFERENCE SOURCES:

- Code of Virginia §63.2-526 - Statewide Fraud Control Program
- 22VAC40-325-20 – The Fraud Reduction/Elimination Effort
- Fraud Reduction and Elimination Effort (FREE) Manual

RESCINDED POLICY: Statewide Fraud Control Program, Finance Administration Guidelines Manual for LDSS (Local Departments of Social Services) February 2002

DEFINITIONS:

Fraud: Fraud is the knowing employment of deceit or suppression of the truth in order to take something of value. Public Assistance Fraud occurs when an individual/vendor deliberately or willfully provides false information about his/her or another person's circumstances, or intentionally fails to report applicable changes, in order to receive or attempt to receive benefits to which he or another person is not eligible. Fraud exists when an individual/vendor actually knows the information provided was in fact false.

Fraud Recovery Special Fund: A special fund established under §63.2-526 of the Code of Virginia. Overpayment monies collected or recovered by local agencies related to Food Stamps, Temporary Assistance for Needy Families (TANF), and other federal benefit programs, less money returned to the federal government are credited to the fund.

GUIDELINES:

Statewide Fraud Control Program.

A. The Department shall establish a statewide fraud control program to ensure that fraud prevention and investigation are pursued throughout the Commonwealth. The State Board shall adopt regulations to implement the provisions of this section.

B. Each LDSS shall establish fraud prevention and investigation units only insofar as money is appropriated therefore, which shall be staffed with sufficient qualified personnel to fulfill the regulations adopted by the Board. Solely for the purposes of obtaining motor vehicle licensing and registration information from entities within and without the Commonwealth, each local department fraud prevention and investigation unit shall be deemed to be a criminal justice agency as defined in §9.1-101 of the Code of Virginia. The local departments may contract with

other local departments to share a fraud prevention and investigation unit and may contract with private entities to perform fraud investigation. Any private entity performing fraud investigations shall comply with the Code requirements of §30-138 and shall not be deemed to be a criminal justice agency.

C. The duties of fraud units may include but shall not be limited to (i) developing methods to prevent the fraudulent receipt of public assistance administered by the local board and (ii) investigating whether persons who receive public assistance through the local board are receiving it fraudulently. The fraud unit shall provide whatever assistance is necessary to attorneys for the Commonwealth in prosecuting cases involving fraud.

D. There is hereby created in the state treasury a special nonreverting fund to be known as the Fraud Recovery Special Fund, hereafter referred to as "the Fund." The Fund shall be established on the books of the State Comptroller. All overpayment moneys collected or recovered by LDSSs related to Food Stamps, TANF, and other federal benefit programs administered by VDSS net of any refunds due the federal government shall be paid into the state treasury and credited to the Fund, except as prohibited by federal law or regulation. Any moneys remaining in the Fund at the end of each fiscal year shall not revert to the general fund of the Commonwealth but shall remain in the Fund. Moneys in the Fund shall be used solely for the purpose of funding state and local fraud control programs.

   Funding for local and state fraud control activities shall be comprised of (i) general funds of the Commonwealth appropriated for this activity, (ii) any federal funds available for this purpose, and (iii) balances in the Fund.

E. LDSSs shall apply to the Commissioner for reimbursements from the Fund for the local share of direct costs. The Commissioner shall authorize reimbursements to the local departments from the Fund as provided in the general appropriation act. To receive or continue receiving reimbursements from the Fund, the local departments shall administer their fraud and investigation units in compliance with Board regulations. The number of local fraud workers for which the state will provide reimbursement in each locality shall be determined by State Board regulations.

Reimbursement for Fraud Workers' Administrative Expenditures

Each fiscal year, LDSS directors are required to submit their Fraud FREE Locality Plan to the Fraud Program Manager at VDSS. An approved Plan is required to receive an allocation.

The Fraud Management Unit determines the LDSS allocations based on an approved methodology. Forty-percent of the allocation is based on the average caseload size for specified benefit and service programs. Sixty-percent of the allocation is based on performance, which is broken down as follows: 20% based on the number of fraud investigations completed, by case; 20% based on the number of claims/overpayments established for specified benefit and service programs, and 20% based on the dollar amount of collections received for specified benefit and service programs.

The VDSS Budget Office enters the budget allocations for the upcoming fiscal year into LASER upon notification of the Fraud Program Manager. LDSSs enter monthly Fraud Determination expenditures against Budget Line 853, Eligibility Staff and Operations.

PURPOSE AND OVERVIEW:

These guidelines outline the process to follow when Local Departments of Social Services (LDSS) staff identify a Temporary Assistance for Needy Families (TANF) overpayment.

REFERENCE SOURCES:

VDSS TANF Policy Manual
- Chapter 100 General Information
- Chapter 500 Authorization and Payment
- Chapter 700 TANF UP Unemployed Parent Program
- Chapter 800 Diversionary Assistance Program

LASER "How to" Instructions (posted on SPARK)
- Creating Batches and Journals

RESCINDED POLICY:

TANF Related Topics, Finance and Administration Guidelines Manual for LDSS, February 2002.

DEFINITIONS:

Temporary Assistance for Needy Families (TANF): This program provides temporary cash assistance and employment-related services to enable families with children to become self-supporting. The program is managed at the state level by the Economic Assistance and Employment Unit.

Temporary Assistance for Needy Families – Unemployed Parent (TANF –UP): The goal of this program is to provide assistance to families with two able-bodied parents.

TANF Diversionary**:** The intent of this program is to prevent potential TANF recipients from becoming ongoing TANF recipients. A Diversionary payment can be used if immediate intervention with short-term aid will resolve an emergency or crisis situation and prevent the need for ongoing TANF.

Chargeback: An **avoidable** overpayment to a recipient that was the fault of the LDSS. The LDSS is initially charged the lump sum of the overpayment.

Non-Chargeback: is an **unavoidable** overpayment to a recipient that was the fault of the recipient or is an "excused" Agency error (Due Diligence/Excused).
The LDSS is not penalized and charged with the lump sum of the overpayment to the recipient.

Recoupment: Method of collecting an overpayment that consists of reducing all or part of a current recipient's future assistance payment.

Recovery: Method of collecting an overpayment that consists of making arrangements with a former or current recipient for voluntary repayment of all or a portion of the overpayment. (Cash, check, etc. is paid to the locality.)

Correction of Payment Error (COPE) Form: The form the LDSS completes when an overpayment is identified. The form will indicate if the overpayment is a Chargeback or Non-Chargeback type of error.

GUIDELINE:

When the appropriate LDSS employee identifies an overpayment to a client, they should document the case record and retain the information in the applicable LDSS file. The documentation should include whether the overpayment is a **chargeback** or **non-chargeback**. The LDSS is initially charged the lump sum amount for chargeback types of overpayments. The LDSS is not initially charged the lump sum amount for non-chargeback types of overpayments but must pursue collection and return the funds to VDSS upon collection.

Chargeback (LDSS could have avoided the overpayment)

Overpayment Procedures for LASER

1) Initial entry in LASER to report the lump sum of the overpayment.
   - Enter the lump sum of the overpayment as a Credit journal entry, Fund 1111-reimbursable, Account Code 64010, for the applicable Cost Code, expenditure type "Chargebacks", reason "Initial Chargeback to Agency for Agency error".
   - Enter the lump sum of the overpayment as a Debit journal entry, fund 0033 – Local Only (non-reimbursable), Account Code 64010, for the applicable Cost Code, expenditure type "Chargebacks", reason "Initial Chargeback to Agency for Agency error".
   - The Cost Code for TANF is 80801 and the Cost Code for TANF-UP is 84801.

Depending on the method used for repayment, the LDSS will report the repayment in LASER as follows:

2) Reporting Chargeback Repayments:

A) Recoupment (reduction in client's current assistance payment)

- Enter each monthly recoupment amount as a Debit journal entry, Fund 1111 - reimbursable, Account Code 64010, for the applicable Cost Code, expenditure type "Chargebacks", reason "Chargeback Recoupment".
- Enter each monthly recoupment amount as a Credit journal entry, Fund 0033 – Local Only (non-reimbursable), Account Code 64010, for the applicable Cost Code, expenditure type "Chargebacks", reason "Chargeback Recoupment".

B) Recovery (Cash, checks, etc.):

- Enter the collection amount for the case as a Credit journal entry, Fund 0033 – Local Only (non-reimbursable), Account Code 64205, for the applicable Cost Code, expenditure type "Cash Refunds", reason "Chargeback-Agency error".
- No Debit journal entry is required to the reimbursable fund.

Non-Chargebacks (LDSS could not have avoided the overpayment)

Again, the LDSS is not initially charged the lump sum of the Non-Chargeback type of overpayments. The LDSS will report repayment amounts in LASER at the time the overpayment is recouped or recovered.

Overpayment procedures for LASER

1) Reporting Non-Chargeback Repayments:

A) Recoupment (reduction in client's current assistance payment)

- No journal entries are required since the LDSS was not initially charged for the overpayment.

B) Recovery (Cash, checks, etc.)

- Enter the collection amount for the case as a Credit journal entry, Fund 1111 - reimbursable, Account Code 64205, for the applicable Cost Code, expenditure type "Fraud Free", reason "Non-Chargeback".
- No journal entry is required to Fund 0033 – Local Only (non-reimbursable).

Excess Recovered

If an LDSS identifies that it recovered more from the client than the amount owed, the LDSS must take the following steps:

- Issue a local check to the client for the amount it over collected.
- If the LDSS already entered the excess amount in LASER, a correcting journal entry is needed:
  Debit the appropriate cost code,
  Account Code 64205.
  If a non-chargeback - Fund 1111 – reimbursable
  If a chargeback - Fund 0033 – Local Only (non-reimbursable).
- If the LDSS has not entered the excess amount in LASER, a journal entry is entered to Debit the appropriate cost code, Account Code 64205, Fund 0033 – Local Only (non-reimbursable).

Reporting TANF overpayment collections in ADAPT

Usually, LDSS eligibility workers are responsible for updating ADAPT. **For reconciliation and fraud FREE reporting purposes, it is important that all the LDSS report all TANF cash collections in LASER, and ADAPT during the same reporting month.** If eligibility workers are responsible for updating ADAPT, LDSS fiscal staff will need to coordinate with them to ensure both systems are updated during the same month.

When an LDSS receives a TANF cash payment, it must update ADAPT with the appropriate data. If no case exists in ADAPT, the LDSS needs to establish a case by following the steps listed in the May 18, 2000 broadcast titled “Converting Food Stamp and TANF claims when there is no case or program in ADAPT”. To enter the payment in ADAPT, perform the following functions:

1. On the ADAPT main menu enter option 9 TANF benefit adjustment.
2. Select option 13 and enter the pertinent information.
3. Print the PA warrant register to verify that the data is on ADAPT each day that you enter collections.
   a. Go to your TUMS menu.
   b. Select Public Assistance Daily Warrant Register & Reports.
   c. Enter option 4 PA Daily Mapper Reports Select refund listing.

PURPOSE AND OVERVIEW:

These guidelines outline the process for Local Department of Social Services (LDSS) to follow to request reimbursement for locally issued Temporary Assistance for Needy Families (TANF) checks.

REFERENCE SOURCES:

TANF Policy Manual
- Chapter 100 General Information
- Chapter 500 Authorization and Payment
- Chapter 700 TANF UP Unemployed Parent Program
- Chapter 800 Diversionary Assistance Program

VDSS Broadcasts
- 3728: F10.2 Financial Reports Available on the Local Agency Website

LASER "How to" Instructions
- Creating Batches and Journals

RESCINDED POLICY:

N/A

DEFINITIONS:

Temporary Assistance for Needy Families (TANF): This public assistance program provides temporary cash assistance and employment-related services to enable families with children to become self-supporting. The Economic Assistance and Employment Unit manage the program at the state level.

TANF Diversionary**:** The intent of this program is to prevent potential TANF recipients from becoming ongoing TANF recipients. A Diversionary payment can be used if immediate intervention with short-term aid will resolve an emergency or crisis situation and prevent the need for ongoing TANF.

Temporary Assistance for Needy Families – Unemployed Parent (TANF-UP): The goal of this program is to provide assistance to families with two able-bodied parents.

GUIDELINE:

The Economic Assistance and Employment Unit manages TANF and TANF-UP at the state level and the LDSS administers them locally. LDSSs may need to issue a local check in cases of emergencies, lost, stolen, or mutilated State issued checks for payment of assistance.

The client contacts the Eligibility Worker (EW) when there is an issue with a check. The EW follows the protocol in the TANF Manual, Chapter 500, Appendix I, to determine if they need to issue a local check. If the EW determines that the LDSS needs to issue a local check, the EW will submit a payment request to the LDSS' finance unit.

When the LDSS' finance unit issues a local check, the appropriate LDSS EW needs to be notified. The EW will update The Application Benefit Delivery Automation Project (ADAPT) system. Monthly F10.2 reports will be generated from ADAPT and posted on SPARK. The F10.2 Reports provide the total amount of locally issued checks an LDSS is authorized to be reported for reimbursement. It is important that the LDSS updates ADAPT in the same month the check is issued.

LDSS will print F10.2 reports. (Broadcast 3728)

The following are the four F10.2 reports and the corresponding LASER Cost Codes and Account Codes for each.

F10.2 Report	LASER Cost Code	LASER Account Code
TANF (215)	80801	64010
TANF Diversionary (215)	80801	64010
TANF (217)	84801	64010
TANF Diversionary (217)	84801	64010

There may be times when the LDSS does not update the ADAPT system during the same month a local check is issued. Because ADAPT is the official record of payment, the LDSS **should never** report amounts in LASER for reimbursement that exceed the amount on the F10.2 report. If the LDSS' finance unit is aware of a local payment issued, but it is not listed on the F10.2 report, they should enter the amounts into LASER as a debit to non-reimbursable (Fund 0033) to the appropriate cost code for tracking purposes. When the amount shows up on the F10.2 report, the LDSS will credit non-reimbursable (Fund 0033) and debit reimbursable in LASER.

The Local Reimbursement Unit (LRU) will reconcile F10.2 report amounts to journals entered into LASER.
If an LDSS made a debit entry to reimbursable, but the F10.2 report does not include the transaction, LRU staff will make a reversing entry.

If an LDSS did not make an entry in LASER and the F10.2 report lists the amount, LRU staff will e-mail a reminder to the LDSS as a courtesy.

It is the LDSS' responsibility to correctly report expenditures for reimbursement in LASER.

Below is a sample F10.2 report for TANF (215). All four reports have the same format.

1) Lists the type of F10.2 report.
2) Where information is obtained for creating a journal entry in LASER system.
   - Reimbursable Amt.(H10): Is the total amount of locally issued checks entered into ADAPT.
   - State Net Local Amt. (H12): Only a few localities will have amounts other than zero listed. This is the amount paid to clients over the State maximum rate. This amount is non-reimbursable.
   - Reimbursable Amt. (H14): Is the net amount of the Reimbursable Amt. and the State Net Local Amt.

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                                          PUBLIC ASSISTANCE -   AID TO DEPENDENT CHILDREN - 215                  RUN DATE:  11/08/07
                                                                                                                 EFF DATE:  10/31/07
 FIPS:  000   Locality Name                  F10.2 EXPENDITURE AND CASE DATA  :  LOCALITY SUMMARY    PART 1
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 LN        COUNTS        AMOUNT       AMOUNT          CB      NON-CB        AMOUNT        AMOUNT       AMOUNT
  1  PAYMT     234     45,404.00          .00          .00       139.28          .00     1,393.81    46,658.53                  1
  2  CANCL       0          .00          .00          .00          .00          .00          .00          .00                  2
  3    NET     234     45,404.00          .00          .00       139.28          .00     1,393.81    46,658.53                  3
 - - - - - - - L  O  C  A  L - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -
 COLUMN --->    -A-          -B-          -C-          -D-          -E-          -F-          -G-          -H-
            TRANS        MATCHED      LOCALITY  ----RECOUPMENT AMOUNT---      TANF MTCH                REIMBURSEMENT
 LN        COUNTS        AMOUNT       AMOUNT          CB      NON-CB        AMOUNT                        AMOUNT
  5  PAYMT       1        292.00          .00          .00          .00          .00                       292.00                  5
  6  CANCL       0           .00          .00          .00          .00          .00                          .00                  6
  7    NET       1        292.00          .00          .00          .00          .00                       292.00                  7
  8                                                             REIMB AMT FROM LOCALS OVER MAX:                 .00                  8
  9                                                                                                   ------------                  9
 10  TOTAL AMT  NOT  REIMBURSABLE:          .00                                  REIMBURSABLE AMT:       292.00                 10
 11      AMT FROM OVER MAX REPORT:          .00                                                                                    11
 12           NET LOCALITY AMOUNT:          .00                                STATE NET LOCAL AMT: -       .00                 12
 13                            ------------                                                          ------------                 13
 14                        TOTAL:          .00                                  REIMBURSABLE AMT:       292.00                 14
 COLUMN --->    -A-          -B-          -C-          -D-          -E-          -F-          -G-          -H-
 16      TOTAL AMT LOCAL WARRANTS:       292.00                                                                                    16
                                                   ------------ STATE/LOCAL   UNDUPLICATED   COUNTS ------------
                                                                CASES       CHILDREN      ADULTS          EWB
 18                                                PAYMENT       230            313         108            0                 18
 19                                                CANCEL          0              0           0            0                 19
 20                                                NET           230            313         108            0                 20
```

Example 1:
The amount listed in H14 shows that the total amount of local checks issued for the month is $292.00.

```
REPORT ID: FIP803-1A                    COMMONWEALTH OF VIRGINIA  DEPARTMENT OF SOCIAL SERVICES                    PAGE:        14
                                          PUBLIC ASSISTANCE -   AID TO DEPENDENT CHILDREN - 215                  RUN DATE:  11/08/07
                                                                                                                  EFF DATE:  10/31/07
 FIPS:  000   Locality Name                 F10.2 EXPENDITURE AND CASE DATA  :  LOCALITY SUMMARY    PART 1
                                                          FOR MONTH OF  10/07
 - - - - - - - S  T  A  T  E - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -
 COLUMN --->    -A-          -B-          -C-          -D-          -E-          -F-          -G-          -H-
              TRANS        MATCHED     LOCALITY  ----RECOUPMENT AMOUNT---        FEP       TANF MTCH     WARRANT
 LN          COUNTS        AMOUNT       AMOUNT           CB      NON-CB       AMOUNT         AMOUNT       AMOUNT
  1  PAYMT      234      45,404.00          .00          .00      139.28          .00       1,393.81     46,658.53                1
  2  CANCL        0           .00          .00          .00         .00          .00           .00          .00                  2
  3    NET      234      45,404.00          .00          .00      139.28          .00       1,393.81     46,658.53                3
 - - - - - - - L  O  C  A  L - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -
 COLUMN --->    -A-          -B-          -C-          -D-          -E-          -F-          -G-          -H-
              TRANS        MATCHED     LOCALITY  ----RECOUPMENT AMOUNT---      TANF MTCH                REIMBURSEMENT
 LN          COUNTS        AMOUNT       AMOUNT           CB      NON-CB       AMOUNT                        AMOUNT
  5  PAYMT        1        292.00          .00          .00         .00          .00                        292.00                5
  6  CANCL        0           .00          .00          .00         .00          .00                           .00                6
  7    NET        1        292.00          .00          .00         .00          .00                        292.00                7
  8                                                                REIMB AMT FROM LOCALS OVER MAX: +            .00                8
  9                                                                                                   -------------                9
 10  TOTAL AMT  NOT  REIMBURSABLE:          .00                                   REIMBURSABLE AMT:        292.00               10
 11      AMT FROM OVER MAX REPORT:          .00                                                                                   11
 12           NET LOCALITY AMOUNT:          .00                                 STATE NET LOCAL AMT: -        .00               12
 13                            ------------                                                          -------------               13
 14                          TOTAL:          .00                                   REIMBURSABLE AMT:        292.00               14
 COLUMN --->    -A-          -B-          -C-          -D-          -E-          -F-          -G-          -H-
 16      TOTAL AMT LOCAL WARRANTS:       292.00                                                                                   16
                                                          ------------ STATE/LOCAL  UNDUPLICATED  COUNTS ------------
                                                                       CASES       CHILDREN      ADULTS          EWB
 18                                                       PAYMENT       230           313         108            0                18
 19                                                       CANCEL          0             0           0            0                19
 20                                                       NET           230           313         108            0                20
```

The LDSS will report the amount for reimbursement in LASER using the following journal entry:

Cost Code	Fund	Account Code	Debit
80801	1111 (Reimbursable)	64010	292.00

If the LDSS issued a manual TANF check during the month, but the F10.2 report does not list it, the LDSS should report the amount as a Debit to Fund 0033 – Local Only (non-reimbursable), for the appropriate Cost Code and Account Code.
Because ADAPT is the official system of record, if the F10.2 report does not reflect the amount of the local check, the LDSS is not authorized to receive reimbursement.

When the amount shows on the F10.2 report, the LDSS will enter two journal entries.

1) Credit Fund 0033 – Local Only (non-reimbursable), to appropriate Cost Code and Account Code.
2) Debit to reimbursable, to appropriate Cost Code and Account Code.

<u>If an LDSS reports an amount as reimbursable in LASER, but the F10.2 report does not reflect the amount, LRU will enter a Credit journal in LASER to reduce the LDSS' reimbursement.</u>

Example 2:
The Reimbursable Amt. (H10) is the total amount of local checks issued.
The State net Local Amt.(H12) is the total amount paid to clients that exceeded the State maximum rate. (Only a few localities pay more than the maximum rate).

```
REPORT ID: FIP803-1A                    COMMONWEALTH OF VIRGINIA  DEPARTMENT OF SOCIAL SERVICES                    PAGE:        52
                                        PUBLIC ASSISTANCE -   AID TO DEPENDENT CHILDREN - 215                  RUN DATE:  11/08/07
                                                                                                               EFF DATE:  10/31/07
FIPS:  000   Locality Name              F10.2 EXPENDITURE AND CASE DATA  :  LOCALITY SUMMARY    PART 1
                                                          FOR MONTH OF  10/07
- - - - - - - S  T  A  T  E - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -
COLUMN --->    -A-          -B-          -C-          -D-          -E-          -F-          -G-          -H-
            TRANS        MATCHED      LOCALITY  ----RECOUPMENT AMOUNT---          FEP        TANF MTCH      WARRANT
LN         COUNTS        AMOUNT       AMOUNT           CB      NON-CB       AMOUNT         AMOUNT       AMOUNT
 1  PAYMT     279      63,095.00       775.00        45.00       105.70          .00       4,931.38     68,650.68                1
 2  CANCL       4         948.00         8.00          .00          .00          .00           .00        956.00                2
 3    NET     275      62,147.00       767.00        45.00       105.70          .00       4,931.38     67,694.68                3
- - - - - - - L  O  C  A  L - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -
COLUMN --->    -A-          -B-          -C-          -D-          -E-          -F-          -G-          -H-
            TRANS        MATCHED      LOCALITY  ----RECOUPMENT AMOUNT---         TANF MTCH                REIMBURSEMENT
LN         COUNTS        AMOUNT       AMOUNT           CB      NON-CB       AMOUNT                        AMOUNT
 5  PAYMT       1         382.00         4.00          .00          .00          .00                        386.00                5
 6  CANCL       0            .00          .00          .00          .00          .00                           .00                6
 7    NET       1         382.00         4.00          .00          .00          .00                        386.00                7
 8                                                                 REIMB AMT FROM LOCALS OVER MAX: +          .00                8
 9                                                                                                   -------------                9
10  TOTAL AMT  NOT  REIMBURSABLE:          .00                                   REIMBURSABLE AMT:        382.00               10
11      AMT FROM OVER MAX REPORT:          .00                                                                                   11
12           NET LOCALITY AMOUNT:         4.00                                 STATE NET LOCAL AMT: -     767.00               12
13                              -----------                                                          -------------               13
14                        TOTAL:         4.00                                   REIMBURSABLE AMT:        385.00-              14
COLUMN --->    -A-          -B-          -C-          -D-          -E-          -F-          -G-          -H-
16      TOTAL AMT LOCAL WARRANTS:       386.00                                                                                  16
                                                          ------------ STATE/LOCAL  UNDUPLICATED  COUNTS ------------
                                                                       CASES       CHILDREN      ADULTS          EWB
18                                                        PAYMENT        264            398         149            0                18
19                                                        CANCEL           2              4           2            0                19
20                                                        NET            262            394         147            0                20
```

The LDSS will make the following journal entries in LASER:

Cost Code	Fund	Account Code	Debit	Credit
80801	1111 (Reimbursable)	64010	382.00	

Cost Code	Fund	Account Code	Debit	Credit
80801	0033 (Non-Reimbursable)	64010	767.00	
80801	1111 (Reimbursable)	64010		767.00

Example 3

If amounts are zero, no entry is required in LASER.

```
ID: FIP806-1A                    COMMONWEALTH OF VIRGINIA  DEPARTMENT OF SOCIAL SERVICES                    PAGE:        20
                                       PUBLIC ASSISTANCE -   ADC    DIVERSIONARY PAYMT - 215                     RUN DATE:  11/08/07
                                                                                                                 EFF DATE:  10/31/07
 FIPS:  000   Locality Name                F10.2 EXPENDITURE AND CASE DATA  :  LOCALITY SUMMARY    PART 1
                                                          FOR MONTH OF  10/07
 - - - - - - - S  T  A  T  E - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -
 COLUMN --->    -A-          -B-          -C-          -D-          -E-          -F-          -G-          -H-
             TRANS        MATCHED      LOCALITY  ----RECOUPMENT AMOUNT---         WARRANT      HOLDHRMLS        TOTAL
 LN         COUNTS         AMOUNT       AMOUNT           CB      NON-CB          AMOUNT        AMOUNT       AMOUNT
  1  PAYMT       5       2,237.00          .00          .00          .00       2,237.00          .00     2,237.00                  1
  2  CANCL       0            .00          .00          .00          .00            .00          .00          .00                  2
  3    NET       5       2,237.00          .00          .00          .00       2,237.00          .00     2,237.00                  3
 - - - - - - - L  O  C  A  L - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -
 COLUMN --->    -A-          -B-          -C-          -D-          -E-          -F-          -G-          -H-
             TRANS        MATCHED      LOCALITY  ----RECOUPMENT AMOUNT---         WARRANT                REIMBURSEMENT
 LN         COUNTS         AMOUNT       AMOUNT           CB      NON-CB          AMOUNT                       AMOUNT
  5  PAYMT       0            .00          .00          .00          .00            .00                          .00                  5
  6  CANCL       0            .00          .00          .00          .00            .00                          .00                  6
  7    NET       0            .00          .00          .00          .00            .00                          .00                  7
  8                                                                 REIMB AMT FROM LOCALS OVER MAX: +              00                  8
  9                                                                                              -------------                        9
 10  TOTAL AMT  NOT  REIMBURSABLE:          .00                                  REIMBURSABLE AMT:            .00                 10
 11      AMT FROM OVER MAX REPORT:          .00                                                                                      11
 12           NET LOCALITY AMOUNT:          .00                                 STATE NET LOCAL AMT: -        .00                 12
 13                            ------------                                                   -------------                        13
 14                          TOTAL:          .00                                  REIMBURSABLE AMT:            .00                 14
 COLUMN --->    -A-          -B-          -C-          -D-          -E-          -F-          -G-          -H-
 16      TOTAL AMT LOCAL WARRANTS:          .00                                                                                      16
                                                          ------------ STATE/LOCAL  UNDUPLICATED  COUNTS ------------
                                                                          CASES       CHILDREN      ADULTS          EWB
 18                                                       PAYMENT          3            4            3            0                 18
 19                                                       CANCEL           0            0            0            0                 19
 20                                                       NET              3            4            3            0                 20
```

PURPOSE AND OVERVIEW:

The purpose of this section is to provide general guidelines and procedures for establishing and managing special welfare funds.

Local treasurers hold special welfare funds for foster children and other individuals. *§63.2-320 of the Code of Virginia* authorizes local agencies to accept and expend funds for children placed by or entrusted to the Local Board when there is no appointed guardian. Some of these individuals receive payments from the Social Security Administration, Veteran's Administration, or parental support. The local agency posts these and other payments to the individual's account(s) and the local Treasurer posts these transactions to the local government's account. The statute provides for final disposition of remaining funds in the child's account when the local board discharges the child from its care. However, §63.2-320 does not authorize local boards to open bank accounts for these funds. Instead, local boards must follow the law provided in *§63.2-314*, which requires that local boards deposit all funds in the local treasuries of their respective county, city or local district board. The statute further states these moneys are not assets of the locality or the local welfare board, but rather agency or trust funds held for the children. Federal law specifies that these funds belong to the children, and establishes specific guidelines on the types and titling of bank accounts.

All Child Welfare Trust accounts should be deposited in a bank or savings and loan. Some local treasurers combine accounts and maintain detailed ledgers showing each child's balance. Other local treasurers maintain separate accounts for each child. Either method is acceptable with one exception. The federal government requires treasurers to maintain a separate dedicated account for certain social security payments.

REFERENCE SOURCES:

- Section 63.2-314 Code of Virginia
- Section 63.2-320 Code of Virginia
- Social Security Handbook
- Specifications for Audits of Counties, Cities and Towns
- Department of Treasury, Division of Unclaimed Property

RESCINDED POLICY:

Special Welfare, Virginia Department of Social Services Finance and Administration Guidelines Manual for LDSS (Local Departments of Social Services), Feb 2002.

DEFINITIONS:

Current Needs**:** Immediate and reasonably foreseeable essentials for housing, food, clothing, utilities, medical care and insurance, dental care, personal hygiene, education, and the rehabilitation expenses of the disabled beneficiaries.

Dedicated Account**:** Certain large, past-due SSI payments to foster care children covering more than six months of payments must be paid directly into a separate, "dedicated account" in a financial institution.

Disabled Child**:** A person under the age of 18 who meets the definition of disability for children in Social Security law. That is, he or she must have a medically determinable physical or mental impairment that results in marked and severe functional limitation(s), and which can be expected to result in death, or has lasted or can be expected to last for a continuous period of not less than 12 months.

Maintenance Payments**:** Costs for shelter, food, clothing and education, etc.

Maximum Resource Limits**:** SSI has established $2,000 as the maximum resource limit per individual.

Personal Needs**:** Costs for spending allowance, hygiene items, reading materials, etc.

Resource**:** SSI considers a resource as cash, liquid assets, and real or personal property that can be converted to cash.

Special Needs**:** Costs for needs beyond those included as maintenance or personal care, or covered as a service under other programs.

Supplemental Security Income (SSI)**:** A Federal cash assistance program funded and administered by the Social Security Administration (SSA). The program is authorized by Title XVI. The SSI program was established to provide cash assistance to assure a minimum level of income to individuals who: have limited income and resources; or is age 65 or older; or are blind; or are disabled.

Unclaimed Property**:** All tangible or intangible property that has remained unclaimed by its owner for an extended period of time. This includes savings and checking accounts. Property becomes unclaimed when the holder has not had contact with the owner of the property for a specified period of time.

GUIDELINE:

The local boards are authorized to receive and disburse funds derived from public grants or private sources in the form of gifts, contributions, bequests or legacies for the purpose of aiding needy persons within their respective counties, cities or districts under the authority of *§63.2-314, Code of Virginia*. The local boards are authorized and empowered to accept and expend on behalf of and for the benefit of any child placed by it where legal custody remains with the parents or guardians.

Types of Funds:

Public or private (non foster care) – These include gifts, contributions, special local government grants, etc. Funds in this account can only be used for the purpose of the bequest. Funds received for an individual or those with restrictions cannot be used for any other purpose. If an individual or organization donates funds for a specific purpose, request permission in writing from the donor to roll any excess funds into a general donation ledger within Special Welfare, otherwise, return any unspent funds to the donor.

Dedicated accounts – These funds include certain large past-due SSI payments covering more than six months of benefits. These payments must be paid directly into a separate, "dedicated account" in a financial institution. The account may be a checking account, savings account or a money market account and should be interest bearing . The dedicated account funds must be separate from any other savings or checking account set up for the beneficiary. Except for certain subsequent underpayments, no other funds may be combined in the account. Funds in this account, including interest, are excluded when calculating the amount of the beneficiary's resources. Funds in this account can only be used for the following allowable expenses for the benefit of the child:

- Medical treatment and education or job skills training;
- If related to the child's disability, personal needs assistance, special equipment, housing modification, and therapy or rehabilitation; and
- Any other item or service related to the child's disability that SSA determines to be appropriate.

A payee who uses money from the dedicated account for anything other than the expenses shown above must repay the SSA from his or her own funds in an amount equal to what was spent. The SSA requires the representative payee to keep a record of all money taken from this account and maintain receipts for all items or services bought for a minimum of two years.

Regular monthly accounts – These are regular monthly receipts and the funds are to be used for current monthly needs. "Current needs" are the immediate and reasonably foreseeable essentials for housing, food, clothing, utilities, medical care and insurance, dental care, personal hygiene, education, and the rehabilitation expenses of the disabled beneficiary. The local treasurer should either maintain separate accounts for each child, or maintain detailed subsidiary ledgers to identify each child's balance, including any interest. Accumulated funds of more than $500 should be placed in an interest yielding account or investment on behalf of the child. Any interest and dividend payments that result from checking accounts, savings or an investment are the property of the beneficiary.

Special Welfare Fund Special Requirements

1. The Social Security Administration provides two types of payments for children, regular monthly payments and back payments. The local agency may authorize disbursement of regular monthly payments to the child or on the child's behalf for any purpose. The local agency may disburse back payments only for limited purposes, usually education or medical, and there are no time limits on disbursing the funds. Federal law requires separate bank accounts for these two types of payments. Public Law (P.L.) 104-134, Section 1631(a)(2)(F) describes the types of accounts required and their titling. Specifically, federal law requires payees to establish and maintain a dedicated account in a financial institution for certain past-due benefit payments made on or after August 23, 1996 for persons with disabilities or blind SSI recipients under age 18. This dedicated account must be separate from the account(s) for the deposit of regular monthly SSI payments. The local agency may not deposit any other funds into the dedicated account except certain subsequent SSI underpayments and past-due benefits. Local Treasurers must deposit the regular SSI monthly payments in the Special Welfare Account and back payments in the dedicated account.

2. Federal law states that SSI Dedicated Account may be a savings account; a checking account; or a money market account established in a financial institution. Although not specified in the law, the account should be interest bearing. Federal law does not permit investing in certificates of deposit, mutual funds, stocks and bonds for these funds. These instruments are not considered financial institutions' accounts. Treasurers may set up a separate SSI Dedicated Funds Account for each child or use a collective SSI Dedicated Funds Account. However, federal law only permits collective dedicated checking and savings accounts if they meet existing federal policy and the new requirements for dedicated accounts described above.

Special Welfare Fund Other Requirements

1. The Special Welfare fund is established under the authority of *§63.2-314, Code of Virginia*. This account consists of funds taken into the agency that are not allocated through the budget. These funds include donations from individuals, organizations, or churches, special grants from the local government, social security and veteran's administration benefits collected for specific individuals for whom the agency is acting as the custodian. The prior list is not all inclusive. These funds are deposited with the county/city treasurer and the locality must have a system to keep the funds separate from its budgeted funds. These funds cannot be commingled with other locality funds. This fund is a special fund account and does not revert to the general fund at fiscal year end. It is the Local Board, or designee, responsibility to allocate the uncommitted money within the account to ensure it is properly administered.

2. This fund should not be used to provide travel advances unless the Board of Supervisors/City Council provides unrestricted funds or appropriations to the fund for this purpose. In the event travel advances are made from funds available for that purpose, repayment must be made immediately upon reimbursement of expenses.

3. The Local Treasurer may choose to establish one interest yielding account; however, the interest must be prorated and credited to the individual beneficiaries on the basis of their share of funds in the account.

4. The bank account must be titled so it is clear the funds belong to the beneficiary. A checking account is recommended because you have cancelled checks and/or bank statements. However, in a few situations the beneficiary cannot maintain a minimum balance to avoid service fees. Make every effort to set up an account that earns interest, minimizes fees and provides clear records.

5. Accumulated funds of more than $500 should be placed in an interest-yielding account on behalf of the beneficiary.

6. Certain large, past-due SSI payments covering more than six months of benefits must be deposited directly to a separate, dedicated account in a financial institution and must be kept separate from the other accounts.

Fund restrictions for foster children accounts

1. Individuals may have up to $2,000 in total countable income/resources and remain eligible for Medicaid. If these conserved funds exceed $2,000 they must be spent within six months of original receipt, or they will be considered

resources to the individual. Exception: SSI benefits received after the account has accumulated $2,000 are considered overpayments. Should this occur, the LDSS is required to immediately return to SSA all payments received after the point of $2,000 accumulation.

2. Title IV-E eligible individuals are also Medicaid eligible under the Title IV-E Medicaid category as long as they are receiving a Title IV-E maintenance payment and their income/resource levels are below the $2,000/$10,000 income/resource level limit.

3. If a LDSS cannot maintain a child's Special Welfare account below the $2,000/$10,000 income/resource level it can establish an irrevocable trust account that will allow resources to accumulate over these income/resource levels, while not making the child ineligible for most benefits. However, in order to be exempt as a countable resource for the purposes of Medicaid eligibility, trusts must meet specific requirements of the Medicaid program. Local agencies should consult with an attorney or the Regional Office Medicaid consultant to ensure these irrevocable trust accounts are set up properly.

4. If a LDSS opts to not establish an irrevocable trust and the Title IV-E child's income/resource level exceeds the $2,000/$10,000 limits, the child is immediately ineligible for Title IV-E funding. All maintenance costs must immediately be paid from the child's resources (CSA funds should not be used since CSA funds are the payer of last resort). If the Title IV-E child's income/resource levels drop below the $2,000/$10,000 limit, the child becomes Title IV-E eligible again and funding can then be shifted back to Title IV-E.

Special Welfare Accounting Procedures:

It is important that proper accounting procedures be used by each LDSS and these procedures be standardized to minimize errors, speed reviewing time, error detection and provide an adequate audit trail. A person unfamiliar with the welfare system should be able to look at the records and determine where the funds came from, for what purpose it was intended and how it was spent.

The following process should be followed by each LDSS:

Receipts

1. All funds received in the Special Welfare Fund must be recorded on an official receipt and "Special Welfare Fund" must be written on the "For the Account" line. Additional identifying information should be added, i.e., case name, case number, source of funds, donor account fund, i.e., Christmas fund, or other brief remarks. For lump sum SSI receipts equal to more than six months of benefits

indicate the funds are for a dedicated account. This information should be legible and used to post the data to ledgers or subsidiary accounts. Use the account statement to post the data for funds received by electronic funds transfer, such as, SSA, SSI or veteran benefits.

2. A report of collections should be prepared and forwarded, along with the funds, to the Local Treasurer who is responsible for making the deposit. Cash should not be allowed to accumulate in the LDSS office; therefore, the funds should be forwarded to the local treasurer within the week funds are received by the LDSS. At least monthly the balances of the ledger accounts must be checked, or reconciled, to the local treasurer's balance.

3. A ledger of accounts must be maintained and if the funds received have any restriction these should be noted on the ledger sheet or subsidiary account. All SSI dedicated accounts and regular monthly foster care accounts require individual ledgers. The following information is required on the ledger accounts: name of account, case number, amount of receipt, date of receipt, receipt number, source of funds, purpose for which funds are to be spent, amount of disbursement, date of disbursement and reason for disbursement.

Disbursements

1. *§63.2-314, Code of Virginia* place the responsibility for disbursements on the Local Board. This responsibility can be delegated to the Director or other designee provided fund oversight is maintained through periodic disbursement reporting to the Local Board. The number of designated individuals should be kept to a minimum. Signatures of persons designated to authorize disbursements from this fund should be on file with the Local Treasurer. All disbursements should be properly posted to the individual ledger accounts as soon as possible within the week of disbursement.

2. Funds received with restrictions cannot be disbursed for any other purpose. If an individual or organization donates funds for a specific purpose, request permission in writing from the donor to roll any excess funds into a general donation ledger within Special Welfare, otherwise, return any excess funds to the donor.

Foster Care Disbursements

3. Refunds to expenditures (disbursements) for foster care beneficiaries are made in the following order:
    a. Maintenance (room and board, clothing, personal care and allowance)
    b. Medical expenses (not covered by Title XIX and Title XXI)

c. Purchased Services

4. Funds received for an individual recipient from the Social Security Administration, Veterans Administration, or other sources for maintenance are to be credited in this fund in the name of the individual. A monthly disbursement is to be credited on the account of the individual to refund program costs expended for the individual during the period the benefit check covers. The data on the individual ledger is to be updated showing the refund to program cost. If applicable, LASER should also be updated to record the refund to program cost. Prior period expenditures may also be deducted from current month receipts, with the exception of dedicated funds, after current expenses are refunded.

5. Funds from an initial benefit check deposited in this account may be used to refund program expenditures made retroactive to the month of the individual's eligibility for the benefit with the exception of SSI back payments that are greater than the amount of six months of benefits. A representative payee is not required to use benefits to pay bills incurred by a beneficiary before the first month that benefits are paid to the representative payee. A representative payee may choose to do so after the current expenses are paid in full.

6. Funds available in an individual account may be used to pay for "special needs" over and above those included in other funding.

7. Return the receipt of erroneous checks to the Regional Financial Center (RFC), U.S. Treasury Department to the return address on the check envelope. You can also return the erroneous check to the local Social Security office.

<u>Unexpended Funds for Closed Foster Care Accounts</u>

1. In the event a foster care child leaves custody of the LDSS, all SSA/SSI savings or other investments and interest earned on the funds must be returned to the Social Security Administration. The LDSS must seek written approval from the SSA to disburse these funds to a new payee rather than returning it to SSA.

2. If a child in foster care has remaining unspent funds other than saved SSA/SSI benefits upon leaving custody of the LDSS, they must be paid to him/her, or parent/guardian, in accordance with *§63.2-314, Code of Virginia*.

3. In the event an individual cannot be located, after diligent attempts to locate have been made, the unclaimed balance to the individual's credit shall be transferred to the State Treasurer in accordance with the *Unclaimed Property Act, Title 55, Chapter 11.1, Sections 55-210.1 – 55-210.30, Code of Virginia.*

4. In the event of a child's death, conserved funds become the property of the child's estate. Rather than returning them to SSA, conserved funds must be given to the legal representative of the deceased child's estate for disposition under State law. If no legal representative exists, the payee must contact the State probate court (or the State agency handling estate matters) for instructions on what to do with the remaining conserved funds.

Welfare Fund Best Practice Recommendations

1. Post receipts and disbursements to ledgers or subsidiary accounts accurately and timely and at least within a week of the activity.
2. Post interest properly to all individuals or accounts.
3. Reimburse foster children payments from the receipts for program costs for the month incurred.
4. Report expenditure reimbursements in LASER for the month incurred, if applicable.
5. Validate funds are spent for purpose intended.
6. Refund to applicable funding sources or escheat to unclaimed property all unexpended special welfare funds and dedicated funds for individuals who leave the custody of social services.
7. Monthly reconcile all of the special welfare accounts to the local government's records.
8. Notify program staff to review and take appropriate action on cases that have been inactive for an extended period of time, at a minimum every six months.

PURPOSE AND OVERVIEW

The purpose of these guidelines is to outline the standards of conduct for directors and employees of LDSSs who engage in outside activities for financial gains. The main objective of these guidelines is to ensure that directors and employees of LDSSs avoid conflicts of interests while conducting operations and making financial decisions. The guidelines are provided to aid LDSSs in complying with the Virginia Conflict of Interests Act, which regulates financial relationships in three general areas:

1. Bribes;
2. Personal financial interests of an LDSS director or employee involved in a contract or transaction involving the locality or agency;
3. Other illegal behaviors

Included in these guidelines are considerations and actions that need to be taken when seeking employment outside the LDSS. Also included is information concerning the Annual Statement of Economic Interests that some LDSS officials and employees are required to complete.

REFERENCE SOURCES

- Code of Virginia, §§2.2-3100 – 3117. Virginia Conflict of Interest Act
- Director's Manual - Local Departments of Social Services, Rev. 2005

RESCINDED POLICY

None.

DEFINITIONS

Personal Interest: A financial benefit or liability accruing to a director or employee or to a member of his immediate family. A personal interest exists if an LDSS director or employee:

a. owns at least 3% of the total equity of a business;

b. has annual income from the interest which exceeds, or can reasonably be anticipated to exceed, $10,000 from owning real or personal property or a business;

c. receives salary, other compensation, fringe benefits, or personally benefits from the use of property from a business involved in a contract that exceeds or reasonably could exceed $10,000 annually;

d. has an ownership interest in property that exceeds $10,000. The LDSS director's or employee's salary or income from the property is not counted for this definition, but is covered in item (b.) above;

e. has personal liability for a business that exceeds 3% of the equity of the business; or

f. has an option for ownership of a business or real or personal property, and upon exercise, his ownership interest will meet the levels established in (a) or (e) above.

GUIDELINES

Outside Employment and Other Paid Activities

If any LDSS staff chooses to engage in outside employment or other paid activities, he must obtain the LDSS Director's written permission. Permission is required to assure that outside activities do not directly conflict with the employee's LDSS responsibilities or the Virginia Conflict of Interests Act.

Outside activities should not impact the employee's LDSS work hours or duties, or require the use of LDSS property or equipment. While permission is required, to ensure that the employee receives all of his constitutional protections, a director should consult the city or county attorney before denying an employee's request to engage in paid outside employment.

Prohibited Conduct

The Virginia Code prohibits public officials from taking bribes, engaging in activities in which they appear to be or are subject to undue influence, and from sharing insider information.

Every LDSS director and employee is prohibited from:

1. soliciting or accepting money or other valuable item, except from the agency, for performing services within the scope of his official duties;
2. offering or accepting money or other valuables for, or in consideration of, assisting any person in obtaining employment, appointment, or promotion within the agency or locality;
3. offering or accepting money or other valuables for, or in consideration of, the use of his public position to obtain a contract for any person or business with agency or locality;

4. using confidential information, gained through his public position and not available to the public, for his or another individual's economic benefit;
5. accepting any money, loan, gift, favor, service, business or professional opportunity that can reasonably be assumed to influence the performance of his official duties. Political contributions actually used for political campaigns or constituent services and reported as required by Chapter 9 (§24.2-900 et seq.) of Title 24.2 are excluded;
6. accepting any business or professional opportunity when it is reasonable to assume that the opportunity is being offered to influence the performance of his official duties;
7. accepting any honoraria for any appearance, speech, or article in which he provides expertise or opinions related to his official duties. Payment or reimbursement of actual travel, lodging, or subsistence expenses incurred in connection with the appearance, speech or article is permissible. A payment of money or anything of value not exceeding the per diem deduction allowed under §162 of the Internal Revenue Code is also excluded;
8. accepting a gift from a person whose interests may be substantially affected by the director's or employee's performance of his official duties when the timing and nature of the gift would cause a reasonable person to question the director's or employee's impartiality in a matter involving the giver;
9. accepting gifts from sources so frequently that it raises the question of whether the person is using his influence and public position for personal gain.

Prohibited Contracts

The Virginia Code sets forth regulations addressing the personal interests a director or employee of the Commonwealth may have in a contract. The following outlines the prohibitions and exceptions for LDSS employees entering into personal contracts.

Directors and employees of LDSSs are prohibited from entering into contracts:

A. with the LDSS other than his personal employment contract;

B. in which he has a personal interest unless the LDSS contract is (i) awarded as a result of a sealed competitive bid or competitive negotiation (as defined in § 2.2-4301) or as a result of a procedure embodying competitive principles (as authorized by 10 or 11 § 2.2-4343 or (ii) is awarded after a finding, in writing, by the administrative head of the agency that competitive bidding or negotiation is not in the public's best interest.

C. These provisions do not apply to:

1. an employee's personal interest in additional employment contracts with the LDSS that he may receive because of an immediate family member as long as he does not exercise any control over the employment or employment activities of his immediate family member and is not in a position to influence those activities;
2. an director's or employee's personal interest in an employment contract with any other governmental agency that is a component part of the government of his locality;
3. contracts for a governmental agency's sale of services or goods at uniform prices available to the general public;
4. members of local governing bodies who are subject to §2.2-3107; or
5. members of local school boards who are subject to § 2.2-3108.

Further Exceptions

A. The provisions of Article 3 (§ 2.2-3106 et seq.) do not apply:

1. to selling, leasing, or exchanging real property between a director or employee and the LDSS as long as the he does not participate in his official capacity in any way;
2. to publication of official notices;
3. to contracts between an LDSS director or employee and the government or school board of a town or city with a population less than 10,000 when the total of contracts between the parties does not exceed $10,000 annually or is obtained by sealed bid and is less than $25,000;
4. if the director's or employee's sole personal interest in the governmental contract is income from the contracting firm or governmental agency exceeding $10,000, so long as the director or employee or an immediate family member neither participates in nor has authority to participate in the procurement or execution of the contract on behalf of the contracting firm;
5. to contracts between the LDSS and a public service corporation, financial institution, or company furnishing public utilities in which the director or employee has a personal interest, provided the director or employee is not authorized to participate in the procurement or execution of the contract on behalf of the LDSS or disqualifies himself from the process as a matter of public record;
6. to contracts for goods and services that do not exceed $500;
7. to grants or other payments under a program with established rates or amounts which are paid uniformly to all qualified applicants;

8. when a director or employee whose sole personal interest in a contract with the LDSS results from marriage to a spouse employed by the same agency so long as the spouse has been employed by the agency for five or more years prior to marrying the director or employee.

B. The chapter does not apply to employment contracts or renewals entered into prior to August 1, 1987, which comply with either the former Virginia Conflict of Interests Act, Chapter 22 (§2.1-347 et seq.) or the former Comprehensive Conflict of Interests Act, Chapter 40 (§ 2.1-599 et seq.) of Title 2.1 at the time of their formation or thereafter. Employment by the same LDSS of a director or employee and a spouse or other relative residing in the same household does not create a material financial interest unless one of the persons is in a direct supervisory or administrative position of the other and the annual salary of the subordinate is at least $22,500.

Personal Interest in a Transaction

In addition to the attributes used to identify personal interests in contracts, the Code of Virginia also includes parent-subsidiary and affiliated business relationships as attributes when identifying a personal interest in a contract. For the purpose of these guidelines, a transaction is broadly defined as any matter of official action contemplated by the LDSS.

A. The fact that an LDSS director or employee has a personal interest in a transaction does not automatically require him to disqualify himself from the matter. A director or employee is disqualified from the transaction if it deals solely with property, a business, or a governmental agency in which he has a personal interest. He may, however, participate in the transaction if:

1. he is a member of a business, profession, occupation, or group of three or more persons affected by the transaction and makes the declarations required by §2.2-3114F or § 2.2-3115G;
2. a party to the transaction is a client of his firm and he does not personally represent or provide services to the client and makes the declarations required by § 2.2-3114G or § 2.2-3115H; or
3. it affects the general public.

B. Disqualifications under this section do not prevent an employee from having a personal interest in a transaction or from representing himself or an immediate family member in a transaction in which the LDSS is in engaged. He may not, however, receive compensation for such representation and must comply with all disqualification and relevant disclosure requirements.

C. If disqualifications reduce the voting members below the required number, the remaining members have authority to vote by majority. If a unanimous vote is required, then the remaining members must reach a unanimous vote. Disqualified members, while not allowed to vote, must still attend the vote in order to meet the required quorum.

D. The Virginia Conflict of Interests Act requires an LDSS director or employee to complete the following steps if he is disqualified from participating in a transaction:

1. disclose the interest that causes the disqualification, whether voluntary or required by law, by identifying the interest, including the name and address of the business or property;
2. retain the disclosure for five years;
3. the disqualified director or employee must refrain from voting or participating in discussion on the transaction;
4. the disqualified member cannot attend any closed meeting at which the transaction is discussed; and
5. the disqualified director or employee may not discuss the matter with anyone in the government who is involved in the transaction.

Annual Statement of Economic Interests

In addition to transaction-specific disclosures, some LDSS directors and employees may be required to submit an annual Statement of Economic Interests form. The form is located in the Code of Virginia § 2.2-3117. By November 30 of each year, the Virginia Secretary of the Commonwealth must distribute the forms to the clerks of the local governing bodies. In turn, by December 10, the clerks distribute the forms to the individuals who are required to file. Individuals must complete and file the form by January 15 of the following year.

For more information about the Statement of Economic Interests, and who is required to file visit http://www.commonwealth.virginia.gov/StateGovernment/Conflict/conflict.cfm, or contact the Conflict of Interests Director at 1111 East Broad Street, 4th Floor, Richmond, VA 23219 or (804)225-2849.

PURPOSE AND OVERVIEW

The purpose of this section is to provide general guidelines and procedures for conducting monthly LASER Expenditure Certification and Reconciliation activities.

VDSS is a state-supervised, locally-administered, human services system. Section 63.2-401 of the Code of Virginia provides that the state reimburse localities for the federal and state shares of program and administrative expenditures associated with administering social service programs. The Division of Finance uses the Locality Automated System for Expenditure Reimbursement (LASER) to process local agency expenditures for reimbursement. LDSSs must submit allowable costs into LASER for reimbursement monthly. To assure accuracy of costs being reported for reimbursement and compliance with federal and state requirements and regulations, LDSSs are required to perform a monthly reconciliation and certification of costs reported for reimbursement.

REFERENCE SOURCES

- Code of Virginia § 63.2-401. Reimbursement of localities by the Commonwealth
- 2 CFR, Part 225, Cost Principles for State, Local, and Indian Tribal Governments (OMB Circular A–87)
- ASMB C-10, Cost Principles and Procedures for Developing Cost Allocation Plans and Indirect Cost Rates for Agreements with the Federal Government
- Commonwealth of Virginia Department of Accounts Agency Risk Management and Internal Control Standards (ARMICS) Control Activities Section

RESCINDED POLICY

Revision of Section 3.60 - Finance Guidelines Manual dated May 1, 2009.

PROCEDURES

VDSS is responsible for overseeing that expenditures reimbursed are reasonable, necessary, and in compliance with state and federal regulations, and generally accepted accounting principles. LDSSs are responsible for ensuring that expenditures entered into LASER for reimbursement are done in a manner that supports VDSS responsibilities.
LDSS must demonstrate compliance and ensure accuracy by certifying and reconciling their expenditures. LDSSs must complete a LASER Monthly Expenditure Certification form to certify the expenditures reported in LASER for that month is allowable and correct to the best of their knowledge. In addition to the certification, LDSSs must complete the Monthly LASER Expenditure Reconciliation Form to ensure monthly

amounts reimbursed reconcile to the source documents and general ledger for expenditures submitted through LASER for reimbursement.

The LASER Monthly Expenditure Certification Form is due the day LASER closes each month. The LASER Monthly Expenditure Reimbursement Reconciliation Form is due by the last day of the month. (If the last day of the month falls on the weekend, the form is due the previous Friday. If the last day of the month falls on a Holiday, the form is due the day before.) The purpose of both forms is to assure accuracy of costs being reported for reimbursement and compliance with federal and state requirements and regulations. Failure by the locality to comply with the stated deadlines, may delay their reimbursement until forms are submitted.

VDSS Monthly Expenditure Certification Requirements:

Preparing Journals for LASER Entry

LDSS staff must gather supporting documentation and source documents. Supporting documentation for expenditures reported in:

a) Staff and Operations budget lines includes LETS Person Employee Display Report; a report from the local payroll system listing employees, their salaries and fringe benefits and their position classification; and copies of any applicable invoices for payroll and overhead costs.

b) Maintenance/Assistance Payments and Purchase of Services Program budget lines include applicable invoices, warrant registers, client lists, contracts, agreements, etc.

c) Adjusting journal entries includes notes to file for changes, locality documents that show changes and/or adjustments, amended invoices, etc.

d) As journals are entered into LASER, LDSSs need to review input screens for accuracy. This item entry-level reconciliation assures LDSS staff that they actually entered items into the system as intended.

LASER Monthly Expenditure Certification Form

1.) The expenditure section must be completed from the source documents and supporting documentation. The total on the Certification Form must balance to the total in the LASER system.

2.) Once all batches are posted and before LASER closes for the month, the LDSS should generate the '**LASER Cert – Adm, Assist, POS'** report to verify the certification totals balance with the total in LASER.

3.) LDSS staff must certify the accuracy of the expenditures to assure oversight and authority when requesting reimbursement. Responsibilities for signing the LASER Monthly Expenditures Certification Form are:

A) Completed By: LDSS staff must complete and sign. (May be completed and signed by Office Manager or their delegate.)

B) Reviewed By: LDSS Office Managers must review and sign. (If the Office Manager completed the certification, the LDSS Director ort their designee must sign as the reviewer.)

The LDSS Director Signatory Designee Authorization form is located in Section 6.0 Forms.

4.) **The LASER Monthly Expenditure Certification Form is due the day LASER closes for the month.** For specific monthly due dates, refer to the LASER Schedule Close/Open Dates posted on SPARK.
(Ex. The LASER close date for the January period is February 9, therefore the Certification form is due by February 9.)

5.) The completed LASER Monthly Expenditure Certification Form can be submitted by:

A) Scan and send to Laser.Certifications@dss.virginia.gov
[This is the preferred method of submission. Certifications submitted without proper signatures will not be accepted.]

B) Fax to 804-726-7480, Division of Finance, Attn: LRU

If the LDSS chooses to use the Pouch system, the same deadline applies. To avoid late submission of the certification, it should be placed in the pouch a couple of days before the due date. Certifications submitted via the pouch and received by LRU after the due date will be considered late.

6.) To assist localities in verifying the totals reported on the Certification form to the total expenditures reported in LASER, additional Batch postings will be

scheduled to begin at 3:00p.m. and in 30 minute increments until 6:30p.m., the day LASER is scheduled to close each month. This will allow LDSSs, which key batches the same day LASER closes, the opportunity to have batches post and to generate the '**LASER Cert – Adm, Assist, POS'** report to verify the totals reported on the Monthly Expenditure Certification form prior to submission..

7.) The LDSS must retain a complete LASER Monthly Expenditure Certification Package including supporting documents used in the reimbursement and certification processes.

A LDSS' reimbursement may be withheld if:

1) LASER Monthly Certification Form is not received by LRU by the due date.
2) LASER Monthly Certification Form totals do not balance with LASER totals.
3) LASER Monthly Certification Form is not signed by authorized staff.

VDSS Monthly Expenditure Reconciliation Requirements

LDSS staff, specifically the Office Manager or their authorized designee, is required to perform monthly reconciliations of their LASER expenditures reported for reimbursement.

The LDSS must perform a comprehensive reconciliation of each monthly reimbursement received. Reconciliations should be performed promptly after final LASER reports are made available. Expenditures reported for reimbursement must be reconciled by the LDSS to the **system(s) that generates the checks and other applicable local source documents used to compile and enter the data into LASER**. This reconciliation must be done at the budget line/cost code level.

If checks are generated from a Subsidiary Ledger, the LDSS should still reconcile to their locality's general ledger. Internal and external auditors will generally request to see the reconciliation at this level.

The reconciliation process required by the Division of Finance is not intended to supplant any other reconciliation processes that the local government and/or auditors require.

LASER Monthly Expenditure Reconciliation Form

1.) LDSSs have the discretion to choose the forms and tools (i.e. documents, spreadsheets, etc.) used to complete monthly reconciliations. Using the LDSS' reconciliation tools, enter the monthly journal totals by budget line and/or cost code. The amounts on this document must match the amount in LASER and the locality's General Ledger (GL) system or Subsidiary Ledger system report. Subsidiary Ledger systems include payroll systems, purchase of services systems, Thomas Brothers, Harmony, Bright, etc. Again, the system(s) that is used for reconciliation is the system(s) that generates checks.

2.) General/Subsidiary Ledger Total column: Enter totals from General Ledger and/or Subsidiary Ledger utilized to reconcile.

3.) *LASER Total Expenditures* column: Either the **Admin, Assist and POS MTD** or the **Local Reimb Rpt MTD for a FIPS** report can be generated to obtain LASER totals.

4.) Differences column: Identify, document, and notate the treatment of all reconciling differences including, but not limited to, timing differences, and adjusting and correcting journal entries. A brief explanation must be provided for all differences when submitting the reconciliation form.

5.) Correct any duplicate or erroneous entries during the next open LASER period. The correcting/adjusting entry must include a description of the entry and the period to which it relates.

6.) LDSS officials must certify the accuracy of the expenditures to assure oversight and authority when requesting reimbursement. Responsibilities for signing the LASER Monthly Expenditures Reconciliation Form are:

A) Completed By: Office Manager must complete and sign.

B) Reviewed By: LDSS Director or Designee must sign as the reviewer.

7.) **The LASER Monthly Expenditure Reconciliation Form for any given month is due the last day of the month.** If the last day of the month is during a weekend, the reconciliation will be due the Friday before. If the last day of the month falls on a holiday, the reconciliation will be due the day before.

(Ex. For the April period in LASER, the reconciliation form is due by May 31. If the 31st is a Sunday, the reconciliation is due Friday, May 29.)

8.) The completed LASER Monthly Expenditure Reconciliation form can be submitted by:

A) Scan and send to Laser.Certifications@dss.virginia.gov. [This is the preferred method of submission. Reconciliations submitted without authorized signatures will not be accepted.]

B) fax to 804-726-7480, Division of Finance, Attn: LRU.

C) mail via the pouch system to the Division of Finance, Attn: LRU.

9.) The LDSS must prepare and retain a complete reconciliation package including supporting documents used in the reimbursement and reconciliation processes. The LDSS has discretion in assembling and filing the reconciliation package, provided all supporting information (e.g., journals, backup documentation, LASER reports, LASER Monthly Expenditure Certification Form, etc.) is maintained and available for review upon request.

A LDSS' reimbursement may be withheld if:

1) LASER Monthly Expenditure Reconciliation is not received by LRU by the due date.
2) LASER Total expenditures column does not balance to final LASER report.
3) Explanations for all reconciling differences are not submitted with the LASER Monthly Expenditure Reconciliation.
4) LASER Monthly Expenditure Reconciliation form is not signed by authorized staff.

A LDSS' reimbursement is contingent upon the certification and reconciliation forms being completed correctly and submitted by the stated deadlines. LDSSs are urged to plan accordingly when key staff are scheduled to be out of the office, specifically the Office Manager and Director. This will ensure reimbursement is not withheld.

Forms are located in Section 6.0

1) Combined LASER Monthly Expenditure Certification and Reconciliation
This form can be used only if both Part I and Part II are completed and submitted by the day LASER closes for the month. If both Parts cannot be completed, the individual LASER Monthly Expenditure Certification Form and the LASER Monthly Expenditure Reconciliation Form must be used.

2.) LASER Monthly Expenditure Certification

3.) LASER Monthly Expenditure Reconciliation

4.) LDSS Director Signatory Designee Authorization

Reimbursement Withholding

LDSSs that do not submit correct Certifications and Reconciliations by the respective deadlines will have their reimbursement for the period partially withheld.

A LDSS' reimbursement will be partially withheld if:

1) Certification and Reconciliation are not received by LRU by the deadline.
2) Certification total does not balance with the LASER total.
3) Certification and Reconciliation are submitted without authorized signatures.
4) Reconciliation column, LASER Total expenditures, does not balance with LASER total.
5) Explanations for all reconciling differences are not submitted with the Reconciliation.

For each reporting period in LASER, the administrative portion of a LDSS' reimbursement will be withheld if both the Certification for the current period and the Reconciliation for the previous period are not properly submitted.

Example:
To receive reimbursement on the total amount reported for the June 2010 period, the LDSS would need to submit the Certification for the June 2010 period and the Reconciliation for the May 2010 period.

Withholding Process:

1) If a LDSS' reimbursement will be partially withheld, the Office Manager, Director and RAM will be notified.

2) Division of Finance will withhold reimbursement by temporarily moving the reimbursable administrative expenditures reported by the LDSS to non-reimbursable.

3) Division of Finance will make the necessary entries in LASER to reimburse the withheld amount the following month, if the LDSS has successfully submitted all required information. The LDSS will not have to re-enter the administrative expenditures into LASER.

Virginia Department of Social Services
Finance Guidelines Manual for Local Departments of Social Services
Section 3.65 – Central Services Cost Allocation Plan and Indirect Cost Rate

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PURPOSE AND OVERVIEW

These guidelines outline the requirements and procedures for submitting Central Services Cost Allocation Plans (CSCAP).

Most governmental units provide certain services on a centralized basis to its operating departments. These services may include, but are not limited to, motor pools, payroll, accounting, information systems, legal, procurement services, etc. Since federally supported awards are performed by the operating departments, the CSCAP provides a process to identify and assign central services costs to the benefiting activities on a reasonable and consistent basis. The CSCAP allows the locality to receive a portion of federal reimbursement for those allowable costs that benefit programs administered by the LDSS.

REFERENCE SOURCES

- 2 CFR, Part 225, Cost Principles for State, Local, and Indian Tribal Governments (OMB Circular A–87)
- ASMB C-10, Cost Principles and Procedures for Developing Cost Allocation Plans and Indirect Cost Rates for Agreements with the Federal Government

RESCINDED GUIDELINE

Reimbursement Topics, CSCAP, Virginia Department of Social Services, Finance and Administrative Guidelines Manual for LDSS, Feb 2002

DEFINITIONS

Central Services Cost Allocation Plan (CSCAP): A plan that documents, identifies, accumulates, and allocates allowable costs of services provided by the central services departments of a governmental unit to its benefiting departments and agencies.

Central Services Departments: Departments that provide supportive services on a centralized basis to other departments within the governmental unit.

Indirect Cost Rate (IDC): An indirect cost rate is a process for determining in a reasonable manner the proportion of indirect costs each program should bear. It is a ratio (expressed as percentage) of the indirect costs to a direct cost base.

GUIDELINES

CSCAP Plan Requirements

The local government must develop and submit a CSCAP in accordance with the requirements described in the Code of Federal Regulations in 2 CFR, Part 225 (OMB A-87). All costs and other data used to distribute the costs included in the CSCAP must be supported by formal accounting and other documentation that demonstrates the correctness of costs assigned to federal awards.

The local government must ensure that the CSCAP is prepared in a manner that treats similar costs consistently among the various federal awards and between federal and non-federal awards or activities. For example, the local government cannot allocate local attorney services through the CSCAP for some of its departments and then request reimbursement through LASER for local attorney services provided to the LDSS.

Since the annual CSCAP is formally certified by the chief executive officer of the local government and the director of the LDSS, it is imperative that the director and relevant agency staff have an adequate understanding of how costs that relate to the LDSS are compiled within the CSCAP. This includes the following:

a. Ensuring the local government establishes cost allocations or billings that are allowable in accordance with the requirements of 2 CFR, Part 225, Cost Principles for State, Local, and Indian Tribal Governments (OMB Circular A–87), and the Federal award(s) to which they apply.
b. Ensuring all costs included in the CSCAP proposal are properly allocable to Federal awards on the basis of a beneficial or causal relationship between the expenses incurred and the awards to which they are allocated in accordance with applicable requirements. This requires identifying the allowable basis for allocating each type of pooled cost and maintaining appropriate supporting documentation for each allocation basis.
c. Ensuring the local government only seeks reimbursement for allocable portions of the CSCAP that are associated with the LDSS which are allowable and legitimate, while also ensuring that unallowable costs associated with the local government or LDSS have been properly adjusted (credited) out of the CSCAP.
d. Ensuring direct costs previously claimed via LASER have not also been treated as indirect costs within the CSCAP and therefore duplicated.
e. Ensuring similar types of costs have been treated and accounted for consistently.

f. Ensuring costs that are allocated and submitted for reimbursement through the CSCAP must be based on actual costs. The local government and LDSS should use actual amounts when calculating the direct allocation of costs for the CSCAP. NOTE: If any operating costs are estimated, the local government and the LDSS need to take appropriate steps to true-up the amounts in order to arrive at actual costs prior to preparing the CSCAP.

Annual CSCAP Schedule

Reimbursement of local CSCAP costs is an annual process initiated by the local government. The following table outlines the annual schedule for submission, review, approval, and reimbursement of the local CSCAP:

ACTION	DEADLINE	EXAMPLE (FY 2007)
Local government audit is completed and audit report is prepared	Not later than nine months following the end of the fiscal year	Not later than March 31, 2008
Locality prepares and submits annual CSCAP to VDSS, Division of Community and Volunteer Services	Not later than nine months following completion of local audit/report	Not later than December 31, 2008
VDSS, Division of Community and Volunteer Services reviews and approves CSCAP	Not later than three months following December, 2008	Not later than March 31, 2009
VDSS, Division of Finance, Federal Accounting Unit reviews and approves CSCAP submitted by Division of Community and Volunteer Services	Not later than two months following, March 2009	Not later than May 31, 2009
VDSS, Division of Finance, Local Reimbursement Unit initiates payment to LDSSs as part of the monthly LASER close	Not later than one month following Federal Accounting Unit's review and approval of the CSCAP	Not later than June 30, 2009 (The LASER month-end close for May 2009)

CSACP Submission Requirements

The preparation of the CSCAP must be performed with the utmost care, as legitimate central services costs that are omitted from the plan will not be reimbursed. CSCAP costs should be submitted for the most recent state fiscal year by the established deadline set by VDSS. **Plans received after the established deadline will not be reimbursed.**

The local government submits the CSCAP to VDSS, Division of Community and Volunteer Services. The CSCAP must be accompanied by:

1. Copy of the local audit report applicable for the same fiscal year
2. Organizational chart showing all departments of the local government benefiting from central service functions
3. CSCAP certification signed by the chief executive officer of the locality and the director of the LDSS. The CSCAP certification form is available on the VDSS website in the Forms section.

Local governments must use this process to claim CSCAP costs. LDSSs cannot directly submit CSCAP costs for reimbursement through LASER.

CSCAP - VDSS Review and Approval

VDSS, Division of Community and Volunteer Services will review the CSCAP to determine if the local government central services costs allocated to the LDSS appear allowable, reasonable, and have been treated in a consistent manner. Division of Community and Volunteer Services will forward the approved CSCAP costs to the Division of Finance for further approval and processing.

CSCAP - Reimbursement

Reimbursement of allowable local government CSCAP costs is subject to availability of federal funds.

Reimbursement is calculated by allocating the CSCAP costs between the Eligibility and Services RMS pools based on the locality's direct worker counts and then further allocating the costs to the benefiting programs based on the statewide average RMS statistics of each pool for the applicable year. Only costs associated with uncapped federal programs are reimbursed.

VDSS will process reimbursement of CSCAP costs using the LASER system under budget line 843. See budget line description *843 Central Services Cost Allocation* for more information.

CSCAP and Indirect Cost (IDC) Rate

A CSCAP that includes an IDC rate is an acceptable method for claiming indirect costs. In the event the locality elects to use an IDC rate to claim indirect costs, the locality is required to comply with 2 CFR, Part 225, Cost Principles for State, Local, and Indian Tribal Governments (OMB Circular A–87).

VDSS will only allow the use of a U.S. Department of Health and Human Services (HHS) federally approved IDC rate. Absent of a federally approved IDC rate, LDSS will be required to submit a CSCAP as outlined in the preceding sections of these guidelines.

CSCAP and IDC Rate Annual Schedule

ACTION	DEADLINE	EXAMPLE (FY 2007)
Local audit completed and local audit report prepared	Not later than nine months following the end of the FY	Not later than March 31, 2008
Locality prepares and submits a copy of the CSCAP, IDC rate and copy of the local audit report to VDSS, Division of Finance, Federal Accounting Unit	Not later than nine months following completion of local audit/report	Not later than December 31, 2008
VDSS, Division of Finance, Federal Accounting Unit reviews the local audit report and approves the CSCAP, IDC rate	Not later than five months following, December 2008	Not later than May 31, 2009
VDSS, Division of Finance, Local Reimbursement Unit, reimburses LDSSs based on the approved CSCAP and IDC rate	Not later than one month following Federal Accounting Unit's review and approval of the CSCAP and IDC rate	Not later than June 30, 2009. (The LASER month-end close for May 2009.)

CSCAP and IDC Rate - VDSS Review and Approval

VDSS Federal Accounting Unit will review the CSCAP and IDC rates to determine if those local government central services costs allocated to the LDSS appear allowable, reasonable, and have been treated in a consistent manner. The VDSS Federal Accounting Unit will forward the approved CSCAP costs to the VDSS Division of Finance – Local Reimbursement Unit for reimbursement processing.

CSCAP IDC Rate - Reimbursement

Reimbursement of allowable local government CSCAP IDC rate costs is subject to availability of federal funds.

Reimbursement is calculated by allocating the CSCAP IDC rate costs between the Eligibility and Services RMS pools based on the locality's direct worker counts and then further allocating the costs to the benefiting programs based on the statewide average RMS statistics of each pool for the applicable year. Only costs associated with uncapped federal programs are reimbursed.

VDSS will process reimbursement of CSCAP costs using the LASER system under budget line 843. See budget line description *843 Central Services Cost Allocation* for more information.

CSCAP - Audit/Review

The CSCAP remains subject to audit or further review by VDSS to ensure costs claimed are consistent with all LDSS claims for reimbursement.

PURPOSE AND OVERVIEW:

This section outlines the requirements and procedures that pertain to sub-recipient monitoring.

The Virginia Department of Social Services (VDSS) oversees the operation of social service programs in accordance with Title 63.2 of the *Code of Virginia*. In carrying out its supervisory responsibility, the VDSS ensures that local departments of social services (LDSS) manage funds efficiently and effectively while accomplishing the overall objectives for which funding was provided.

OMB Circular A-133 requires that non-federal government agencies, such as VDSS, are "monitor, the subrecipient's use of Federal awards through reporting, site visits, regular contact, or other means to provide reasonable assurance that the subrecipient administers Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements and that performance goals are achieved." In fulfilling this responsibility, VDSS chose to apply the same requirements to state funds awarded to sub-recipients.

REFERENCE SOURCES:

- 2 CFR, Part 225 – Cost Principals for State, Local, and Indian Tribal Governments (OMB Circular A-87)
- ASMB C-10, Cost Principals for Developing Cost Allocation Plan and Indirect Cost Rates for Agreements with the Federal Government – Implementation Guide for Office Management and Budget Circular A-87
- OMB Circular A-102, Grants and Cooperative Agreements with State and Local Governments
- OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations
- 45 CFR, Part 95 - General Administration--Grant Programs (public assistance, medical assistance and state children's health insurance programs)
- Generally Accepted Accounting Principals (GAAP), as applicable to governmental accounting and financial reporting
- Title 63.2 of the Code of Virginia

RESCINDED POLICY:

June 1, 2008 Virginia Department of Social Services, Finance Guidelines Manual for Local Departments of Social Services, Section 3.70 - Sub-Recipient Monitoring

DEFINITIONS:

Allowable Costs: Costs that can be claimed for reimbursement, under the provisions of pertinent laws, regulations, sponsored programs, or agreements *(Refer to Section 3.05 - General Principles for Determining Allowable Costs).*

Corrective Action: Activities that remediate identified deficiencies and/or actions that produce recommended improvements.

Fiscal Monitoring: VDSS's oversight of LDSS expenditures to ensure that funds are being spent as intended to carryout the objectives of the program(s) and to also ensure that both federal and state cash management requirements are met. Various levels of fiscal monitoring are conducted throughout the Department. Fiscal monitoring activities are also based on the responsibilities of both administrative and program divisions. There may be occasions where fiscal and program monitoring may be combined. This might occur as a result of federal or state requirements and/or upon request by management.

Improper Payments: (1) Payments that should not have been made or that were made in an incorrect amounts (including overpayments and underpayments) under statutory, contractual, administrative, or other legally applicable requirements, and include payments to ineligible recipients; and (2) Payments for ineligible services, duplicate payments, payments for services not received, and payments that do-not account for credits for applicable discounts.

Questioned Costs: Costs that are questioned by VDSS related to a review finding. These costs (1) initially result from non-compliance with federal and/or state laws, regulations, contracts, grants, cooperative agreements, or other agreements or documents governing the use of Federal funds, including funds used to match Federal funds; (2) are not supported by adequate documentation at the time of a review; or (3) appear unnecessary or unreasonable and do not reflect actions a prudent person would take in the normal course of business. A final determination of questioned costs will be made by VDSS as to whether the costs are proper for federal reimbursement or are entirely unallowable.

Local Review Report: Upon completion of a review, the VDSS LRT will issue a report notifying the LDSS and respective program areas of the outcome including any findings and required corrective action.

Sub-Recipient: A non-Federal entity that receives Federal awards from a pass-through entity, such as VDSS, to carry out a Federal program. Individuals who benefit from such a program are not sub-recipients. A sub-recipient may receive other Federal awards directly from a Federal agency.

Sub-Recipient Monitoring: Oversight of procedures and activities to provide reasonable assurance that LDSSs use federal and state awards for authorized purposes in compliance with laws, regulations, and provisions of contracts or grant agreements and that LDSSs achieve specified performance goals.

GUIDELINES:

Local Review Team

VDSS Division of Finance (DOF) established a Local Review Team (LRT) to execute a sub-recipient monitoring program. In accordance with state and federal monitoring requirements, the LRT monitors the local reimbursement process for overall effectiveness, accuracy, and compliance with federal and state policies and procedures.

Compliance Requirements

OMB Circular A-133 specifies fourteen areas of compliance requirements. The two areas of compliance requirements that the LRT monitors and reviews are:

Allowed or Un-allowed Activities: Each Federal program requires that costs meets specific standards to be allowable. To determine if a cost meets the unique requirements of a Federal program the LDSS must review applicable laws; regulations; provisions of contracts or grant agreements pertaining to the program; VDSS program and finance policy manuals, guidelines, and broadcasts; and other state, federal and local correspondence.

Allowable Costs/Cost Principles: OMB Circular A-87 establishes principles and standards for determining allowable direct and indirect costs for Federal awards, descriptions of selected cost items, and standard methodologies for calculating indirect costs rates. *(Also, Refer to Section 3.05 - General Principles for Determining Allowable Costs).*

Monitoring Approaches

In an effort to identify areas of compliance and non-compliance, resolve expenditure reporting problems in manners best suited for the issues at hand, and provide a means of gathering information to develop annual sub-recipient monitoring plans, the VDSS uses several approaches to monitoring expenditures reported by LDSSs. The Regional Administrative Managers (RAMs) conduct monthly fluctuation analyses and the LRT conducts reviews of selected LDSS expenditures reported by budget line. The LRT performs reviews to validate that expenditures reported for reimbursement are: allowable; reasonable and necessary; properly documented and allocated to the benefiting state and federal program; treated consistently with regard to policies, regulations and procedures; and also ensure that expenditures have not been duplicated or previously submitted for reimbursement. The primary objective for all reviews is to improve the collective quality and integrity of VDSS's financial processes.

1. Monthly Monitoring of Expenditures: In collaboration with the LRT, the RAMS assess fluctuations and proper use of account codes in expenditures reported by LDSSs. Specifically, RAMs review and assess:

   - Staff and Operations budget line variances of 20% or more from the prior month.
   - Significant variances in reported expenditures and/or no spending of allocated funds.
   - Reported expenditures that show improper use of Staffing/Operations (administrative) budget lines and account codes.
   - Reported expenditures that could reveal improper charging of non-administrative account codes for Staffing/Operations budget lines.

   RAMS will contact the LDSS to obtain explanations on significant variances in administrative and operations costs.

RAMs will refer expenditure fluctuations that raise a high level of concern and involve medium-to-high-risk conditions to the LRT manager. Depending on the severity of issues raised by expenditure fluctuations, the LRT manager may elect to assign an LRT member to conduct either a desk or an on-site review.

2. Desk Reviews: LRT reviews an LDSS's administrative, fiscal and/or program records maintained by an LDSS at the VDSS Home Office. The LRT also reviews system generated financial and program reports and other documentation submitted by the LDSS. These reviews may be limited in scope. When the LRT will need a large volume of supporting documentation, they will consider visiting the LDSS to conduct an on-site review.

3. On-Site Reviews: LRT reviews an LDSS's administrative, fiscal and/or program records maintained by an LDSS on the premises of the LDSS. The type of information reviewed may vary depending on the purpose and objectives of the on-site review.

Selection of Expenditures and LDSSs for Reviews

Local reviews do not conform to a schedule of regular interval; rather, the LRT reviews localities and budget lines based on a combination of risk, and referrals. The risk associated with each budget line is determined by a combination of evaluation criteria including fluctuation analyses on expenditures reported in LASER, budget requests submitted in the Budget Request System (BRS), and monitoring of LASER expenditure activity and journal entries. The LRT also initiates reviews based on referrals from VDSS management and staff.

The LRT reviews localities from each geographic region and level designation throughout the year. VDSS groups LDSS by geographic region: Central, Eastern, Northern, Piedmont and Western. The Division of Human Resource Management assigns level designations based on the agency's number of authorized positions, caseload, and the number and types of programs offered.

Expectations of the LDSS

The RAMs use the LASER Report of Account Activity, comparing account-level detail for two consecutive months to identify significant variances.

When the RAM notifies the LDSS of a significant variance in Budget Lines 853, 854, 856 and 857, the LDSS needs to provide the RAM with a written response quantifying the variances. If the LDSS's response does not fully explain the variance, or if further questions result, the RAM will request more detail.

During an LRT review

For your convenience and to facilitate the review, the LRT will provide the appropriate LDSS LASER Local Reimbursement Reports and corresponding journal entries for the budget lines under review. The LDSS will need to provide supporting documentation for the LASER journal entries.

The LRT will also provide a template spreadsheet that the LDSS can use to detail expenditures to detail expenditures by budget line/cost code. The LDSS may provide similar schedules/documents so long as they contain the supporting data used to prepare the original LASER journal entries.

Throughout the review process, the LRT will work with the LDSS as questions arise and/or additional information is needed. Generally, there will be discussions, correspondences and/or meetings between the LRT and the LDSS as circumstances require.

If during the process of the review, activity warrants an on-site review, the LRT will work with each LDSS to coordinate a visit.

The LRT will provide the LDSS an opportunity to respond to any findings prior issuing its final report. When the LRT concludes its review, LDSSs will receive written notice advising them that the review is complete.

Local Review Letter

The LRT manager will notify the LDSS director when a review is complete by issuing a Local Review Letter. The letter will outline final results and any corrective actions.

The LRT will afford the LDSS the opportunity to provide a response to the report of findings and offer additional information on mitigating or questionable circumstances that may clarify certain information included in the report.

PURPOSE AND OVERVIEW:

This section describes the requirements and procedures for local shelter operations during declared emergencies. Shelter Operations are not a regular on-going function of Social Services and therefore is not a budgeted program.

REFERENCE SOURCES:

§ 44.146.17 of the Code of Virginia
Commonwealth of Virginia Emergency Operations Plan (COVEOP), September 2007
Executive Order 102 (2005) – Adoption of the National Incident Management System

RESCINDED POLICY:

None

DEFINITIONS:

Shelter Operations: Provides food and shelter to displaced persons during a declared State of emergency or during a specific local emergency decided upon by the local government.

GUIDELINE:

Sheltering is a local jurisdiction / local government preparedness expense and responsibility. In many jurisdictions, the LDSS has the lead for this function. It is important that all shelter costs (food, overtime, etc.) be fully documented for potential reimbursement through the Virginia Department of Emergency Management. Funds made available to the Virginia Department of Emergency Management are targeted for the reimbursement of expenditures incurred during emergencies. Local governments are responsible for developing emergency plans that include procedures and responsibilities for the operation of local shelters. LDSSs should participate in local planning, training, and exercises including participation in grant applications / funding requests. Participation will also help ensure LDSSs have a comprehensive knowledge of the locality's capabilities, and can assist in the identification and resolution of gaps in planning.

In compliance with the National Incident Management System (NIMS), local, state, and federal disaster operations must incorporate NIMS and the Incident Command System (ICS) into emergency planning and operations. As such, the local government emergency organizational structure should include Emergency Support Function (ESF) #6 and a Concept of Operations for that ESF function. In jurisdictions where LDSS has the shelter lead, it is critical that they participate in the development of Standard Operating Procedures for ESF6.

Preparedness Planning

Local governments should write a shelter plan that encompasses policies and procedures for opening, operating, and closing the shelter. Consideration should be given for the following populations – those with special medical needs, the public transportation dependent, and those with pets or service animals.

Reimbursements:

Instances in which a State of Emergency or a presidential disaster declaration is issued, some shelter operating costs may be eligible for reimbursement through FEMA. The Virginia Department of Emergency Management (VDEM) provides local governments with written notification for "just in time" briefings / trainings that explain eligible items, the reimbursement process, required forms, etc. It is imperative that LDSS keep accurate records of all shelter costs and integrate those costs into the overall locality's emergency preparedness and response costs and submit those costs as a single locality application for reimbursement.

Out of pocket expenditures incurred by the LDSS in direct support of Shelter operations are not reimbursable through LASER.

The following are examples of reimbursable and non-reimbursable expenditures with regard to reporting in LASER:

Reimbursable Examples	Non-Reimbursable Examples
• Straight-time pay of salaries, wages and fringe benefits for LDSS staff when performing duties in direct support of Shelter operations.	• Overtime pay of salaries, wages and fringe benefits for LDSS staff performing duties in direct support of Shelter Operations. • All goods and services purchased in direct support of Shelter Operations by the LDSS or other local agency. • Compensation for any Non-LDSS staff.

NOTE: Non-reimbursable expenditures related to shelter operations do not need to be reported in LASER.

Virginia Department of Social Services
Finance Guidelines Manual for Local Departments of Social Services
Section 4.05 – Overview of LASER Reimbursement Process.

PURPOSE AND OVERVIEW:

Provide an overview of the Locality Automated System for Expenditure Reimbursement (LASER) process to reimburse local departments of social services for monthly expenditures submitted for reimbursement for state and federal funds.

RESCINDED POLICY:

Revision of Section 4.05, Finance Guidelines Manual dated June 1, 2008.

GUIDELINE:

OVERVIEW OF LASER REIMBURSEMENT PROCESS

The VDSS Division of Finance uses the Locality Automated System for Expenditure Reimbursement (LASER) to process monthly local agency expenditures submitted for reimbursement for state and federal funds.

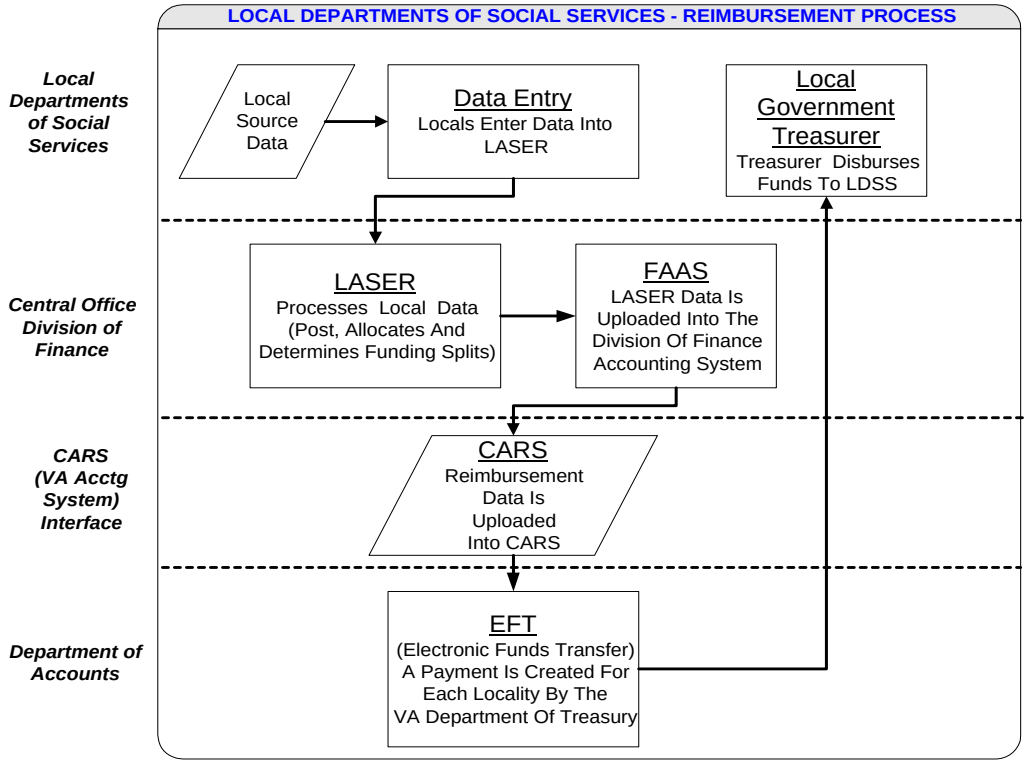
When LDSSs enter expenditures into LASER, they assign a specific Cost Code. The selection determines if the expenditure is a direct (not allocated) or indirect charge (to be allocated), and it also determines to which Budget Line it applies. When the LDSS enters the expenditure into LASER, the system automatically checks the budget or funds availability for the direct expenditures.

When LDSSs enter indirect expenditures into LASER, an Expenditure Type “S” (services), “E” (eligibility), or “J” (Joint) is selected.
LASER allocates the indirect expenditures with expenditure type “S” and “E” by using RMS (Random Moment Sampling) statistics. LASER allocates the indirect expenditures with expenditure type “J” by using a combination of worker counts and RMS (Random Moment Sampling) statistics. Refer to Section 3.35 - Joint Expenditures for further information.

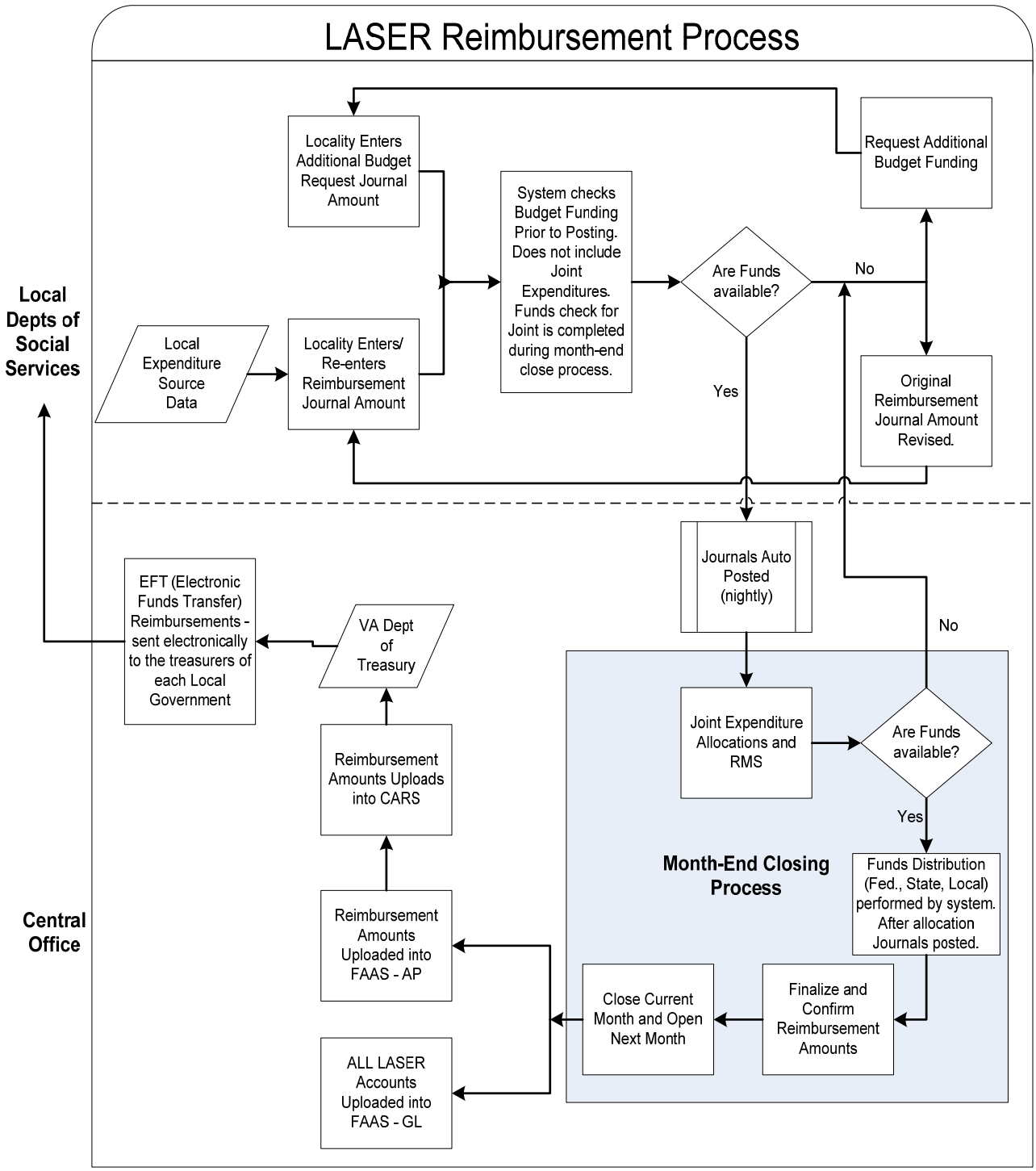
Also, as part of the monthly LASER reimbursement process, the system calculates the distribution of expenditures to applicable funds (federal, state & local) based on predetermined funding split percentages. Refer to the LASER Master Table for more specific information. Electronic payments are made to localities on the last working day of the month for prior month expenditures.

The following process flows pertain to the LASER Reimbursement Process.

Virginia Department of Social Services
Finance Guidelines Manual for Local Departments of Social Services
Section 4.05 – Overview of LASER Reimbursement Process.



LASER Reimbursement Overview - Continued



LASER Chart of Accounts

LDSS personnel enter expenditure data into LASER using COA (Chart of Accounts) account number segment combinations. LDSSs may also have the need to enter some case data associated with certain expenditures. The COA structure is designed to collect and classify different expenditure category information in a systematic manner.

There are ten required COA segments. The Cost Code is the primary account segment used in LASER. Segments six through ten (below) automatically default based on the Cost Code selected.

The following COA segments are used in LASER:

1. **COST CODE:** Accumulates and tracks local government expenditures by task. The first three numbers of the Cost Code are the same as the Budget Line.

2. **FIPS CODE:** Accumulates financial information by local government entity using the number assigned through Federal Information Processing Standards (FIPS) that uniquely identifies each county or independent city.

3. **FUND:** LDSSs classify funding of expenditures as Reimbursable - Fund 1111, Non-Reimbursable - Fund 0033 – Local Only or Fund 0077 – Exceeds State Allocation. (Review section 3.34 – Non-Reimbursable Funds for additional explanation.)

   During the LASER month-end closing process, all expenditures are further classified as Federal - Fund 1000, State - Fund 0100, or Local - Fund 0500. The Local Fund represents the local match portion of the expenditure.

4. **ACCOUNT:** Classifies the expenditure as a specific activity or service. Normally, Administrative account codes start with the number five (5) and Purchase of Services start with the number six (6). Review Section 4.30 for a complete list.

5. **EXPENDITURE TYPE:** Classifies the expenditure as Service, Eligibility, Joint or Direct. This is needed for allocating staff and operations costs to their respective “pools”.

6. **PROGRAM:** Accumulates financial information related to activities designed to achieve specific objectives. This segment reports the costs of programs across both agency and fund lines and provides the basis for forming and controlling program budgets.

7. **GRANT:** Accumulates financial information by federal program funding sources and reporting categories.

8. **PROJECT:** This code is equivalent to the corresponding cost code to which it is assigned. This code is used for the purpose of tracking LASER costs in the Financial Accounting and Analysis System (FAAS.)

9. **BUDGET LINE:** Compiles and tracks local government expenditures for all Cost Codes within a specific Budget Line. The first three numbers of the Cost Code is the Budget Line.

10. **CFDA** (Catalog of Federal Domestic Assistance): The Catalog of Federal Domestic Assistance is a list of all domestic assistance programs of the Federal Government. It includes information about a program's authorization, fiscal details, accomplishments, regulations, guidelines, eligibility requirements, information contacts, and application and award process.

LASER Worker Counts

Overview

The average Worker Counts in LASER come from the Local Employee Tracking System (LETS) annually. The average Worker Counts include the total of direct service and the total of direct eligibility workers. Direct Eligibility and direct Services Workers are categories to signify that a LDSS employee performs direct Eligibility or direct Services case work.

A Joint Worker is a classification to signify that a LDSS employee is associated with multiple cost centers and objectives including service and eligibility work, for example, management personnel.

LASER allocates Joint ("J" Expenditure Type in LASER) staff and operations expenses entered for reimbursement based on the average worker counts for each LDSS. This LASER allocation process is referred to as the Joint Allocation and is the first of three system generated allocation processes that occur during the LASER month-end closing process. This process is referenced in Section 4.10 LASER Allocations.

Worker Count Percentages

LASER allocates Joint expenditures to the Service and Eligibility for base budgets and/or Pass-Through based on the percentage of workers in each category as indicated. The joint allocation basis percentage is based on the number of workers in the category divided by the total number of workers in both categories.

Worker Count Category	Cost codes Joint expenditures are Allocated to
Service workers %	cost code 00001 or cost code 00204 (service)
Eligibility worker %	cost code 00001 or cost code 00204 (eligibility)

Worker Count Process

1. Annually, near the month of May, VDSS-HRM (Virginia Department of Social Services Human Resource Management) initiates the process of updating the average worker counts by locality for the following LASER fiscal year. At this time, VDSS-HRM provides instructions and LETS report information to LDSSs to assist them in confirming their worker count numbers.

   Worker counts used in the Joint Expenditure Allocation process are based on the number of direct service and direct eligibility/benefits workers in LETS. The classification code of a position entered in LETS is used to determine whether or not an employee is considered a direct service or a direct eligibility/benefit worker.
   - Only direct service and direct eligibility staff are included in the average Worker Counts.
   - Vacant or positions funded with local only dollars are excluded from the average Worker Counts.
   - All LDSS employees not in the RMS sampling process are excluded from the average Worker Counts.

2. LDSSs verify LETS worker count reports.
   - The LDSS confers with VDSS-HR to resolve all discrepancies and confirms the count numbers by the established deadline.

3. VDSS-HR approves and finalizes all average worker counts.

4. By approximately July 1, VDSS-HR forwards all approved average worker counts by locality to Division of Finance (DOF)
   - DOF enters the average worker counts into LASER

5. The LASER June (joint) expenditures (entered by mid July) are allocated using the new worker counts.

6. During the year, worker counts may be modified in LASER at the request of the LDSS if significant changes occur. The changes must be in LETS and approved by VDSS-HR first.
   - The LDSS will contact VDSS-HR to forward the approved changes for direct eligibility and direct service worker counts to DOF.
   - Upon review of the changes in direct workers counts in LETS, DOF will determine whether or not to approve changes in LASER.
   - Worker count changes approved by DOF are effective for the next open period in LASER. For example, if a change is approved during the calendar month of August, August 15, the changes will be effective for the August period in LASER.

Existing worker counts in LASER can be reviewed via the LASER report “Worker Counts YTD for a FIPS". This report is generated the same as other LASER reports.

LASER - Pass-Through Opportunities

A "Pass-Through" is a process whereby applicable LDSS expenditures can be submitted for reimbursement from the federal government, "federal financial participation" (FFP), through the state on condition that the locality provides the necessary financial match. This process occurs when:

- A locality desires to seek reimbursement from federal sources, rather than from the state. This normally occurs when the LDSS has fully expended their state general fund allocation for a particular budget line.
- No additional state funds are available.
- Sufficient federal funds are available and the expenses are allowable.
- Sufficient state appropriation is available.
- The LDSS can provide the necessary financial match.
- The state submits the costs on behalf of the locality and passes-along the reimbursement to the LDSS, through LASER.

The majority of available pass-through federal funds are for administrative expenditures only, but there are some exceptions. In addition, most federal funds used for this purpose are the ones that are uncapped - have unlimited funds.
The following LASER Cost Codes can be used for the pass-through reimbursement for allowable expenditures.

- 00204 Eligibility and/or Service Administrative Pass-Through

- 89702 Supplemental Nutrition Assistance Program Employment & Training (SNAPET) Participant Expenditures Pass-Through
- 89703 Purchased or Contractual Services for Supplemental Nutrition Assistance Program Employment & Training (SNAPET) components Pass-Through

For more pass-through information refer to: Section 4.25 – LASER Budget Lines and Cost Codes Descriptions.

Virginia Department of Social Services
Finance Guidelines Manual for Local Departments of Social Services
Section 4.10 – LASER Allocations

PURPOSE AND OVERVIEW:

The purpose of this guideline is to provide an overview of the three allocation processes that occur in LASER during the month-end close.

REFERENCE SOURCES:

LASER Master Table

RESCINDED POLICY:

LASER Overview – Allocations, Virginia Department of Social Services, LASER Expenditure Guidelines Manual, Feb 2002

DEFINITIONS:

None

GUIDELINE:

There are two LASER Cost Codes, 00001 and 00204, used to report Staff and Operations expenses. Staff and Operations expenses are classified upon entry as Expenditure type, “E” (Eligibility), “S” (Service) and/or “J” (Joint). During the month-end process, LASER uses the Expenditure type to allocate these expenses to specific Cost Codes within LASER using Random Moment Sampling (RMS) statistics. RMS statistics are updated in LASER quarterly.

Allocated Cost Codes

1. 00001 (Expenditure types are Eligibility, Service, and Joint for base budget)
   - Eligibility and Service expenses in 00001 are allocated respectively to Cost Codes 853xx and 854xx.
   - Joint expenses in 00001 are first allocated to the appropriate Eligibility (BL853) and Service (BL854) base budget lines using average direct worker counts in LASER. The expenses are then allocated respectively within LASER to Cost Codes 853xx and 854xx using RMS statistics.
2. 00204 (Expenditure types are Eligibility, Service, and Joint for Pass-Through)
   - Eligibility and Service expenses in 00204 are allocated respectively to Cost Codes 856xx and 857xx.
   - Joint expenses in 00204 are first allocated to the appropriate Eligibility (BL856) and Service (BL857) pass-through budget lines using average direct

worker counts in LASER. The expenses are then allocated respectively within LASER to Cost Codes 856xx and 857xx using RMS statistics.

Allocation Process within LASER

There are three main allocation processes that occur during the LASER month-end closing process.

1. Joint allocation process - This is the first allocation process that occurs at month-end. LASER allocates the joint expenses based on average worker counts to the Service, or Eligibility pools based on the average direct worker counts in LASER. These direct worker counts are derived from Local Employee Tracking System (LETS) and entered in LASER annually.
2. Staff and Operations allocation processes - After the Joint allocation, all Eligibility and Service expenses are allocated to applicable 853xx or 856xx Cost Codes for the Eligibility expenses, and 854xx or 857xx Cost Codes for Service expenses. LASER uses RMS percentages in all of these allocations.
3. Fund allocation processes - After allocating expenses to the appropriate Cost Codes, this process allocates expenses in all Cost Codes to the appropriate federal, state, or local fund category based on pre-determined funding percentages in LASER. The LASER Master Table includes these fund percentages.

Other Allocation Processes

Another allocation process external to LASER occurs through the use of the Central Service Cost Allocation Plan (CSCAP). Local governments allocate their county/city-wide administrative costs to their local departments annually. The expenditures allocated to their LDSS are forwarded to VDSS for approval and reimbursement through LASER. The Cost Codes used for this CSCAP reimbursement are: 84319, 84322, 84323, and 84324. For additional information on CSCAP, refer to Finance Guidelines Manual, Section 3.65.

Virginia Department of Social Services
Finance Guidelines Manual for Local Departments of Social Services
Section 4.11 – LASER Adjustments

PURPOSE AND OVERVIEW:

This section outlines the requirements for making adjustments in LASER. These adjustments include financial corrections, additions, or deletions in LASER.

REFERENCE SOURCES:

- 45 CFR, Part 95 - General Administration--Grant Programs (Public assistance, Medical Assistance and State Children's Health Insurance Programs)

RESCINDED POLICY:

LASER Overview – Adjustments, Virginia Department of Social Services, LASER Expenditure Guidelines Manual, Feb 2002.

Revision of Section 4.11 - Finance Guidelines Manual dated June 1, 2008.

DEFINITIONS:

None.

GUIDELINES:

LDSSs can only make LASER entries, including adjustments, during the current open month/period. LASER does not process any expenditures from prior periods, only in the current month/period that is open.

If occurring within the same fiscal year, the LDSS should make a correcting adjustment in LASER, at the same time (in the same open month/period) that the original entry is reversed, if the original incorrect entry occurred in a previous fiscal year, it should NOT be reversed, (Refer to the State Notification item below).

LDSSs should adhere to the following guidelines to ensure expenditures and adjustments are allowable for reimbursement:

- Time limits for claiming reimbursement: LDSSs must follow established state and federal regulations pertaining to each program. Many (but not all) programs have a two-year time limit (15 months in some cases) to claim expenditures for reimbursement.

- Budget allocations: Expenditures and adjustments will be applied against the current fiscal year budget for the respective Budget Line allocation. For example;

if an expenditure or adjustment was processed in a period within fiscal year 2009, then the Budget Line allocation for fiscal year 2009 would be offset by the expenditure or adjustment amount. LDSSs can request additional budget allocations via the VDSS Budget Office using the Budget Request System.

- State notification and approvals: When LDSSs have adjustments related to a prior fiscal year, staff should notify the applicable RAM in the VDSS state regional office for guidance and approval. RAMS will work with the appropriate program staff to verify if prior fiscal year expenditures can be claimed in the current fiscal year.

  Also, when individual adjustments that occur in the current fiscal year exceed 15% of the average monthly expenditure, LDSSs should notify the RAM for guidance and approval. For individual adjustment amounts that occur in the current fiscal year that are less than $5,000, LDSSs do not need to notify their RAM.

00001 ELIGIBILITY/SERVICES STAFF AND OPERATIONS ALIAS

Cost Code Description: Local Departments of Social Services (LDSS) use this alias cost code to enter expenditures into LASER that will be charged to budget lines 853 – Eligibility Staff and Operations, and 854 – Services Staff and Operations. These costs are for a common purpose benefiting more than one cost objective and not readily assignable to the benefiting programs without expending effort disproportionate to the results achieved. The use of an alias cost code is necessary since costs charged to the Eligibility or Services Staff and Operations budget lines must be allocated to the benefiting programs through the use of RMS statistics.

The local departments must determine if costs are Eligibility, Services, or Joint:

Definitions

Eligibility – costs for administering public assistance or benefit programs within the local departments of social services. These programs serve low-income citizens of the Commonwealth who meet the federal and state eligibility requirements. Costs include the staffing and operational/overhead expenses of the local departments of social services associated with eligibility activities.

Services – costs for administering social services programs within the local departments of social services. These programs are necessary to promote and support the development of healthy individuals and families and to protect adults and children from abuse and neglect. Costs include the staffing and operational/overhead expenses of the local departments of social services associated with activities of service programs.

Joint – costs for administering public assistance, benefit programs, or social services programs within the local departments of social services. Costs include the staffing and operational/overhead expenses of the local departments of social services such as management and support personnel, which benefit multiple programs and services the LDSS cannot easily attribute to either Eligibility or Services.

The LDSS should enter costs into LASER through the use of the alias cost code and appropriate EXPENDITURE type:

COST CODE	EXPENDITURE TYPE	COSTS
00001	E	Eligibility – allocated using RMS statistics for eligibility programs and charged to budget line 853
00001	S	Services – allocated using RMS statistics for service programs and charged to budget line 854
00001	J	Joint – initially allocated to Eligibility and Services using Worker Counts. These costs are then allocated in lines 853 and 854 using the appropriate RMS statistics.

See descriptions for budget lines 853 and 854 for more information on Eligibility and Services Staff and Operations and allowable costs.

See Section 4.10 - LASER Allocations and Worker Counts under Section 4.05 - LASER Overview of the Finance Guidelines Manual for more information on the allocation process and the use of worker counts to split joint costs.

00204 ELIGIBILITY/SERVICES STAFF AND OPERATIONS PASS-THRU ALIAS

Cost Code Description: Local Departments of Social Services (LDSS) use this alias cost code to enter expenditures into LASER that will be charged to budget lines 856 – Eligibility Staff and Operations Pass-Thru, and 857 – Services Staff and Operations Pass-Thru. These are costs incurred for a common purpose benefiting more than one cost objective and not readily assignable to the benefiting programs without expending effort disproportionate to the results achieved. The use of an alias cost code is necessary since costs charged to the Eligibility or Services Staff and Operations Pass-Thru budget lines must be allocated to the benefiting programs through the use of RMS statistics.

The local departments must determine if costs are Eligibility, Services, or Joint:

Definitions

Eligibility – costs for administering public assistance or benefit programs within the local departments of social services. These programs serve low-income citizens of the Commonwealth who meet the federal and state eligibility requirements. Costs include the staffing and operational/overhead expenses of the local departments of social services associated with eligibility activities.

Services – costs for administering social services programs within the local departments of social services. These programs are necessary to promote and support the development of healthy individuals and families and to protect adults and children from abuse and neglect. Costs include the staffing and operational/overhead expenses of the local departments of social services associated with activities of service programs.

Joint – costs for administering public assistance, benefit programs, or social services programs within the local departments of social services. Costs include the staffing and operational/overhead expenses of the local departments of social services such as management and support personnel, which benefit multiple programs and services the LDSS cannot easily attribute to either Eligibility or Services. .

Costs should be entered into LASER through the use of the alias cost code and appropriate EXPENDITURE FUND type:

COST CODE	EXPENDITURE TYPE	COSTS
00204	E	Eligibility – allocated using RMS statistics for eligibility programs and charged to budget line 856
00204	S	Services – allocated using RMS statistics for service programs and charged to budget line 857
00204	J	Joint – initially allocated to Eligibility and Services using Worker Counts. These costs are then allocated in lines 856 and 857 using the appropriate RMS statistics.

See descriptions for budget lines 856 and 857 for more information on Eligibility and Services Staff and Operations Pass-Thru and allowable costs.

See Section 4.10 - LASER Allocations and Worker Counts under Section 4.05 - LASER Overview of the Finance Guidelines Manual for more information on the allocation process and the use of worker counts to split joint costs.

00336 PURCHASED SERVICES – LOCAL ONLY

Cost Code Description: Provides for reporting of local, non-reimbursable costs of purchasing services for various programs that do not fall under any VDSS classified program. *The Code of Virginia* requires that local departments of social services (LDSS) report all social services costs incurred by the, LDSS regardless of reimbursement. This cost code serves as a tracking mechanism for locally funded purchased services programs. EXCEPTION - Do not report CSA costs that are reported to the Department of Education for reimbursement.

NOTE: Locally funded purchased services that are similar or identical to VDSS classified services already described under another cost code in LASER should be reported under the VDSS cost code as non-reimbursable, Fund 0033.

Reimbursable Examples	Non-Reimbursable Examples
• None	• Purchased services for locally funded, non-reimbursable programs

00630 ASSISTANCE PAYMENTS – LOCAL ONLY

Cost Code Description: Provides for reporting of local, non-reimbursable costs of maintenance/assistance payments for various programs that do not fall under any VDSS classified program. *The Code of Virginia* requires that all Local Departments of Social Services (LDSSS) report all social services costs regardless of reimbursement. This cost code serves as a tracking mechanism for locally funded maintenance/assistance payments. EXCEPTION - Do not report CSA costs that are reported to the Department of Education for reimbursement.

NOTE: Locally funded maintenance/assistance payments that are similar or identical to VDSS classified programs already described under another cost code in LASER should be reported under the VDSS cost code as non-reimbursable, Fund 0033.

Reimbursable Examples	Non-Reimbursable Examples
• None	• Maintenance/assistance payments for locally funded, non-reimbursable programs

21704 GUARDIANSHIP PETITIONS

Cost Code Description: Provides for the costs of petitioning the court for appointment of a guardian for a Medicaid applicant who is unable to apply for himself/herself.

NOTE: VDSS does not provide a local budget allocation for this cost code - all expenditures entered in 21704 will be funded using 100% General funds.

Localities should complete page two of the Response to Medicaid Referral form located at http://spark.dss.virginia.gov/divisions/dfs/as/forms.cgi. Expenses must be itemized, attached to the form, and retained in the locality as documentation for reimbursement.

Localities should submit a BRS to request funds to cover the expenditures. The request will be reviewed and acted on by the Adult Services program manager.

Reimbursable Examples	Non-Reimbursable Examples
• Expenses occurred during a guardianship proceeding for a Medicaid applicant who is unable to apply for himself/herself: o Evaluation o Guardian ad litem legal fees o Attorney legal fees o Court filing fees o Other costs (itemized)	• Expenses that are not part of the guardianship proceeding for the Medicaid applicant

50501 NETCENTRIC INFRASTRUCTURE

Cost Code Description: Provides for the costs of state technical support and maintenance of desktops, telecommunications, and appliction servers in support of state-wide information technology infrastructure in a limited number of local departments of social services. Expenditures must be pre-approved by VDSS, Division of Information Services.

NOTE: VDSS does not provide a local budget allocation for this cost code - all pre-approved expenditures entered in 50501 will be 100% reimbursed.

Reimbursable Examples	Non-Reimbursable Examples
• Hardware/software costs and maintenance, telecommunications fees, and other network expenditures pre-approved by VDSS, Division of Information Services	• Any costs not pre-approved by VDSS, Division of Information Services • Payments to unapproved vendors

803 ADOPTION PLACEMENT SERVICES

Program Description: The purpose of adoption placement services is to provide a full array of purchased adoption services for children in custody of local departments of social services, so that children who have been permanently and legally separated from their birth parent can be placed with a new family. These services include projects to improve recruitment of adoptive parents in rural communities.

80301 ADOPTION PLACMENT SERVICES - TITLE IV-B2

Cost Code Description: The cost code is used to report IV-B2 costs to promote adoptive services and support that are purchased from an agency, vendor or individual according to a contractual arrangement. This cost code does not include administration/operational cost for staff directly employed by a local department of social services. These costs are included in Budget line 854. Grants are awarded to local departments of social services to provide a full array of adoption services for children in custody of local departments of social services.

Reimbursable Examples	Non-Reimbursable Examples
• Contract or purchased services may include any of the following: o Recruitment of prospective adoption families o Completion of adoptive home studies; matching adoptive homes with waiting children o Supervision of the placement o Submitting reports to court for entry of a final order of adoption o Travel for contractees o Training/Conference/meetings for contractees o Other adoption related costs	• Payment that are in excess of budget allocations • Payments made to unapproved vendors

80302 ADOPTION PLACEMENT SERVICES - SSBG

Cost Code Description: The cost code is used to report SSBG costs to promote adoption services and support that are purchased from an agency, vendor or individual, according to a contractual arrangement with VDSS. This cost code does not include administration/operational cost for staff directly employed by local department of social services. These costs are included in Budget line 854. All reimbursable costs must be included in the contract with VDSS. Grants are awarded to local department of social services who provide adoption services for children in custody of local departments of social services.

Reimbursable Examples	Non-Reimbursable Examples
• Contract or purchased adoption services may include any of the following: o Recruitment of prospective adoption families o Completion of adoptive home studies; matching adoptive homes with waiting children o Supervision of the placement o Submitting reports to court for entry of a final order of adoption o Travel for contractees o Training/Conference/meetings for contractees o Other adoption related costs	• Payment that are in excess of budget allocations • Payments made to unapproved vendors

804 AUXILIARY GRANT PROGRAM

Program Description: The Auxiliary Grant Program provides income supplements to recipients of SSI and certain other aged, blind, or disabled individuals residing in a licensed assisted living facility or in an approved adult foster home. This assistance is made available through local departments of social services to ensure that adults are able to maintain a standard of living that meets a basic level of need.

Before being admitted to an assisted living facility or an adult foster home, adults are assessed by the local department of social services to determine eligibility and level of care. The Auxiliary Grant Program is specifically for adults who reside in an assisted living facility licensed by the Division of Licensing Programs or in an adult foster home approved by the individual's local department of social services. Not all assisted living facilities accept auxiliary grant recipients.

An individual's auxiliary grant payment includes coverage for room and board, maintenance and care, and a personal needs allowance.

Grant rates are determined by the Virginia General Assembly and are adjusted periodically.

80401 ADULT FOSTER CARE - BLIND

Cost Code Description: Provides financial assistance for blind individuals in adult foster homes through the Auxiliary Grant Program. The individual must be living in an adult foster home that has been approved by the local department of social services, with three or fewer clients.

Reimbursable Examples	Non-Reimbursable Examples
• Auxiliary Grant payments for blind individuals living in approved adult foster homes	• Client overpayments due to a local agency error • Auxiliary Grant payments for blind individuals living in an assisted living facility - these costs must be charged to cost code 80405

80402 ADULT FOSTER CARE - AGED

Cost Code Description: Provides financial assistance for elderly individuals aged 65 or older in adult foster homes through the Auxiliary Grant Program. The individual must be living in an adult foster home that has been approved by the local department of social services, with three or fewer clients.

Reimbursable Examples	Non-Reimbursable Examples
• Auxiliary Grant payments for elderly individuals aged 65 or older living in approved adult foster homes	• Client overpayments due to a local agency error • Auxiliary Grant payments for elderly individuals aged 65 or older living in an assisted living facility - these costs must be charged to cost code 80404

80403 ADULT FOSTER CARE - DISABLED

Cost Code Description: Provides financial assistance for disabled individuals in adult foster homes through the Auxiliary Grant Program. The individual must be living in an adult foster home that has been approved by the local department of social services, with three or fewer clients.

Reimbursable Examples	Non-Reimbursable Examples
• Auxiliary Grant payments for disabled individuals living in approved adult foster homes	• Client overpayments due to a local agency error • Auxiliary Grant payments for disabled individuals living in an assisted living facility - these costs must be charged to cost code 80406

80404 ASSISTED LIVING FACILITIES - AGED

Cost Code Description: Provides financial assistance for elderly individuals aged 65 or older in assisted living facilities through the Auxiliary Grant Program. The individual must be living in an assisted living facility licensed by the Virginia Department of Social Services, Division of Licensing Programs.

Reimbursable Examples	Non-Reimbursable Examples
• Auxiliary Grant payments for elderly individuals aged 65 or older living in a licensed assisted living facility	• Client overpayments due to a local agency error • Auxiliary Grant payments for elderly individuals living in an adult foster home - these costs must be charged to cost code 80402

80405 ASSISTED LIVING FACILITIES - BLIND

Cost Code Description: Provides financial assistance for blind individuals in assisted living facilities through the Auxiliary Grant Program. The individual must be living in an assisted living facility licensed by the Virginia Department of Social Services, Division of Licensing Programs.

Reimbursable Examples	Non-Reimbursable Examples
• Auxiliary Grant payments for blind individuals living in a licensed assisted living facility	• Client overpayments due to a local agency error • Auxiliary Grant payments for blind individuals living in an adult foster home - these costs must be charged to cost code 80401

80406 ASSISTED LIVING FACILITIES - DISABLED

Cost Code Description: Provides financial assistance for disabled individuals in assisted living facilities through the Auxiliary Grant Program. The individual must be living in an assisted living facility licensed by the Virginia Department of Social Services, VDSS Division of Licensing Programs.

Reimbursable Examples	Non-Reimbursable Examples
• Auxiliary Grant payments for disabled individuals living in a licensed assisted living facility	• Client overpayments due to a local agency error • Auxiliary Grant payments for disabled individuals living in an adult foster home - these costs must be charged to cost code 80403

808 TANF – MANUAL CHECKS

Program Description: TANF provides financial assistance to eligible families so that children may be cared for in their homes or in the homes of relatives. Eligible families receive a monthly cash payment to meet their basic needs.

This budget line only includes manual checks written by local departments of social services. All other payments are generated through the ADAPT system and are not included in the local budgeting and reimbursement process.

80801 TANF – MANUAL CHECKS

Cost Code Description: This cost code is used to report manual TANF checks written by the local departments of social services and to report cash refunds collected on TANF overpayments.

Reimbursable Examples	Non-Reimbursable Examples
• Manual TANF checks • Cash refunds	• Overpayments to clients due to agency error • Manual TANF-UP checks - these payments are reported under cost code 84801

810 TANF EMERGENCY ASSISTANCE

Program Description: Under certain conditions, TANF funds may be used to provide emergency assistance to destitute families with children who may or may not meet TANF eligibility factors. The emergency assistance component is available to applicants and recipients who have a housing emergency caused by: (1) fire or natural disaster which has destroyed items necessary for maintaining a household or home itself, or (2) total loss of family earnings when such loss occurred within a period not to exceed one month prior to application and the loss is due to a severe weather condition or a reduction in labor force caused by an energy shortage.

Assistance must be authorized during a period not to exceed thirty consecutive days within any twelve consecutive months. This thirty-day period begins with the date of the first authorization of payment by agency action.

81001 EMERGENCY ASSISTANCE - TANF

Cost Code Description: Provides emergency assistance to destitute families with children who may or may not meet TANF eligibility factors. The total amount granted to a family shall not exceed $500 during any one period of thirty consecutive days in any twelve consecutive months.

Method of Payment - Payment for purchase, repair, moving, or storage of household equipment must be made by the vendor method to the provider of the goods or services.
Payment to meet other needs may be either a money payment to the recipient or a vendor payment to the provider, whichever is most practical and advantageous to the family.

NOTE: Emergency assistance payments do not affect the regular TANF money payment for TANF recipients. However, an emergency assistance payment may not be issued to replace money lost by the recipient or for the loss of earnings.

Reimbursable Examples	Non-Reimbursable Examples
• Items such as: o Food o Shelter items o Clothing o Repair or replacement of household equipment which has been destroyed or rendered unusable o Moving or storage of household equipment	• Money lost by the recipient • Loss of earnings

811 IV-E (AFDC) FOSTER CARE

Program Description: The goal of the program is to provide services to enable the child to return to his or her home or to find another permanent home for the child. Foster care is intended as a temporary response to difficulties in the family situation, not a long-term solution to family difficulties.

Title IV-E pays for maintenance, day care, and visitation related transportation for IVE eligible children. In order to report costs for reimbursement under BL 811, Title IV-E case records must document initial and current eligibility as specified in the **Title IV-E Eligibility Manual** in the following areas:

REMOVAL: The local agency must have legal responsibility for the care and placement of the child. This is achieved by either (1) an initial court order or (2) a voluntary placement agreement that meets the requirements.

AFDC ELIGIBILITY: Title IV-E eligibility decisions must be based on the AFDC requirements. The eligibility worker must determine the IV-E "eligibility month," the "removal home," and the "assistance unit" before beginning the initial eligibility determination of the foster care case. The circumstances of the "assistance unit" in the "removal home" in the "eligibility month" are vital to making an accurate Title IV-E eligibility determination on behalf of the child placed in foster care. TANF eligibility is not sufficient for meeting AFDC eligibility.

ONGOING IV-E REIMBURSABILITY DETERMINATION: Reimbursability of Title IV-E foster care cases must be re-determined whenever a change occurs, upon notification by DCSE of child support collected, and at regular intervals, not to exceed 12 months, for both maintenance and non-maintenance cases.

ANNUAL JUDICIAL DETERMINATIONS: The local agency must obtain an annual judicial determination that reasonable efforts to finalize the permanency plan(s) (REPP) has been made within twelve months of the date the child is considered to have entered foster care and at least once every twelve months thereafter while the child is in foster care. The judicial determination may address reasonable efforts towards any approved permanency goal(s) that was in effect within the previous twelve months.

Reasonable efforts to “Return to Parents” may be made during any judicial determination in conjunction with any other permanency goal that was in effect during the previous twelve months - but when made alone will only

satisfy the REPP criteria if there has been a goal of "Return to Parents" within the previous twelve months.

PLACEMENT IN LICENSED FACILITIES AND/OR AGENCY APPROVED HOMES: Title IV-E is available for an eligible child in a fully licensed child placing agency or child care facility, or a foster/adoptive home that is fully approved according to state regulations. Temporary absences from the placement for reasons such as hospitalization, education or training, a vacation or a visit do not affect eligibility.

81107 CHILDRENS'S RESIDENTIAL FACILITY (CRF)

Cost Code Description: The purpose of this cost code is to report maintenance costs claimed for Title IV-E eligible children placed in Children's Residential Facilities, including group homes.

Costs reported in CC 81107 are residential vendor costs invoiced to and paid by local departments of social services that are necessary to meet the basic needs of the foster care child.

Reimbursable Examples	Non-Reimbursable Examples
• Shelter, room and board • Daily supervision • A child's personal incidentals • Liability insurance with respect to a child • Clothing • Reasonable travel for child's visitation with family or other caretakers, including siblings • Prorated share of administrative and operational costs of such eligible institution	• Costs of social services provided to a child, the child's family, or the child's foster family which provide counseling or treatment to ameliorate or remedy personal problems, behaviors, or home conditions • Medical and dental care and treatment

81108 LICENSED CHILD PLACING AGENCY (LCPA) – BASIC MAINTENANCE
Project code: 90637

Cost Code Description: The purpose of this cost code is to report basic maintenance costs claimed for Title IV-E eligible children placed in LCPA foster homes.

Costs reported in CC 81108 can also include payment for basic daily supervision to a trained foster parent who provides care to a child through a LCPA's defined foster care treatment program, whereby that child has identified emotional/behavior, developmental, physical or medical disorders. Title IV-E eligible children must be identified as needing treatment foster care.

Reimbursable Examples	Non-Reimbursable Examples
• Shelter, room and board • Basic daily supervision • Day care • A child's personal incidentals • Liability insurance with respect to a child • Clothing • Reasonable travel for child's visitation with family or other caretakers including siblings and travel costs for the child to attend their school of origin. • Prorated share of administrative and operational costs of such eligible institution	• Costs of social services provided to a child, the child's family, or the child's foster family which provide counseling or treatment to ameliorate or remedy personal problems, behaviors, or home conditions • Medical and dental care and treatment • Enhanced Maintenance for Additional Daily Supervision (ADS)

81110 LOCAL AGENCY FOSTER HOMES – BASIC MAINTENANCE
Project code: 90639

Cost Code Description: The purpose of this cost code is to report basic maintenance costs claimed for Title IV-E eligible children placed in local agency foster homes. Cost reported in CC 81110 can include payment for basic daily supervision.

Reimbursable Examples	Non-Reimbursable Examples
• Shelter, room and board • Basic daily supervision • Day care • A child's personal incidentals • Liability insurance with respect to a child • Clothing • Reasonable travel for child's visitation with family or other caretakers including siblings and travel costs for the child to attend their school of origin • Prorated share of administrative and operational costs of such eligible institution	• Costs of social services provided to a child, the child's family, or the child's foster family which provide counseling or treatment to ameliorate or remedy personal problems, behaviors, or home conditions • Medical and dental care and treatment • Enhanced maintenance for Additional Daily Supervision (ADS)

81111 LOCAL AGENCY FOSTER HOMES - THERAPEUTIC
Project code: 90641

Cost Code Description: The purpose of this cost code is to report maintenance costs claimed for a Title IV-E eligible child placed in a therapeutic foster home. In a therapeutic foster home, a trained foster parent provides care to IV-E eligible children. A Foster parent may receive an additional payment for added daily supervision required for children through a local agency's defined foster care therapeutic program. A foster parent may receive an additional payment for added daily supervision required for children who have identified emotional/behavior, developmental, physical or medical disorders. Title IV-E eligible children must be identified as needing therapeutic foster care.

Reimbursable Examples	Non-Reimbursable Examples
• • Shelter, room and board • Daily supervision • Added daily supervision • Day care • A child's personal incidentals • Liability insurance with respect to a child • Clothing • Reasonable travel for child's visitation with family or other caretakers including siblings • Prorated share of administrative and operational costs of such eligible institution	• Costs of social services provided to a child, the child's family, or the child's foster family which provide counseling or treatment to ameliorate or remedy personal problems, behaviors, or home conditions • Medical and dental care and treatment

Note: Cost Code 81111 will be closed in November 2009

81112 LICENSED CHILD PLACING AGENCY (LCPA) – ENHANCED MAINTENANCE FOR ADDITIONAL DAILY SUPERVISION (ADS) Project code: 90657

Cost Code Description: The purpose of this cost code is to report enhanced maintenance payments for Additional Daily Supervision (ADS) claimed for Title IV-E eligible children placed in LCPA foster homes.

Reimbursable Examples	Non-Reimbursable Examples
• Based on the application of the state approved uniform, rate-structuring tool, an enhanced maintenance payment is to be paid to the foster parent to provide Additional Daily Supervision (ADS) for a child in LCPA foster home.	• Enhanced maintenance payments paid to foster parent without determined by the states uniform rate-structuring tool. • Service Costs • Basic foster care maintenance costs

81113 LOCAL AGENCY FOSTER HOMES – ENHANCED MAINTENANCE FOR ADDITIONAL DAILY SUPERVISION (ADS)
Project code: 90658

Cost Code Description: The purpose of this cost code is to report enhanced maintenance payments for Additional Daily Supervision (ADS) claimed for Title IV-E eligible children placed in local agency foster homes.

Reimbursable Examples	Non-Reimbursable Examples
• Based on the application of the state approved uniform, rate-structuring tool, an enhanced maintenance payment is to be paid to the foster parent to provide Additional Daily Supervision (ADS) for a child in local agency foster homes.	• Enhanced maintenance payments paid to foster parent without being determined by the states uniform rate-structuring tool. • Service costs • Basic foster care maintenance costs

812 FEDERAL ADOPTION ASSISTANCE: BASIC AND ENHANCED MAINTENANCE and NON-RECURRING ADOPTION ASSISTANCE

Program Description: Budget allocation is based on projected program expenditures, state mandate and contractual obligation. Many children in need of adoptive placement have characteristics that make them difficult to place. The State offers adoption assistance to families adopting children who are eligible for Title IV-E. A Title IV-E adoption assistance agreement shall be executed for any child who meets special needs criteria and meets eligibility requirements for AFDC in effect July 1996 or SSI eligibility requirements at the time of adoption and a child of a minor place in foster care. This budget line has three types of payments: 1) Basic maintenance- Cost Code 81201 adoption assistance for families adopting Title IV-E eligible children; 2) Enhanced maintenance- Cost Code 81203 for additional daily supervision (ADS); and 3) the non-recurring costs of adoption assistance – Cost Code 81202 for families adopting any child from agency custody, regardless of eligibility status.

81201 FEDERAL ADOPTION ASSISTANCE – BASIC MAINTENANCE
Project code: 90606

Cost Code Description: Use this cost code to report payments for basic daily maintenance expenses to adoptive families on behalf of children who meet eligibility requirements for AFDC, Title IV-E foster care, or SSI and who meet the definition of a "special needs child" and with an adoption assistance agreement in effect.

Reimbursable Examples	Non-Reimbursable Examples
• Food • Clothing • Shelter • Basic daily supervision • School supplies • Child's personal essentials	• Ongoing services • Payments cannot exceed the foster care maintenance payment the child would have received in a foster family home • Payments in excess of budget allocation • Overpayment to clients due to agency Error • Enhanced maintenance for Additional Daily Supervision (ADS) • Service costs

81202 NON-RECURRING ADOPTION ASSISTANCE
Project code: 90627

Cost Code Description: This cost code is used to report costs for adoptive parent(s) for non-recurring fees for children with special needs with an adoption assistance agreement in effect.

Reimbursable Examples	Non-Reimbursable Examples
• Reimbursement for non-recurring costs up to $2,000 for any adoptive placement (per child, per placement) • Reasonable and necessary fees of adoption child placing agencies, • Attorney fees directly related to the finalization of the adoption, • Court costs related to filing an adoption petition • Transportation • Other expenses incurred by adoptive parents related to placement of the child	• Payments in excess of federal allowable amount of $2,000 • Payments that in excess of budget allocations • Overpayments to clients due to agency error

81203 FEDERAL ADOPTION ASSISTANCE ENHANCED MAINTENANCE for ADDITIONAL DAILY SUPERVISION (ADS) Project code: 90607

Cost Code Description: Use this cost code to report enhanced maintenance payments for Additional Daily Supervision (ADS) to adoptive families on behalf of children who meet eligibility requirements for AFDC, Title IV-E foster care, or SSI and who meet the definition of a "special needs child" and with an adoption assistance agreement in effect.

Reimbursable Examples	Non-Reimbursable Examples
• Based on the application of the state approved uniform, rate-structuring tool, an enhanced maintenance payment is to be paid to the adoptive family to provide Additional Daily Supervision (ADS) for a child.	• Enhanced maintenance payments paid to adoptive family without determined by the states uniform rate-structuring tool. • Service costs • Basic adoptive assistance maintenance costs

813 GENERAL RELIEF PROGRAM

Program Description: The General Relief program is an optional local program designed to provide maintenance or emergency assistance that cannot be provided through other means. Each locality's General Relief plan is developed by the local department of social services to meet the identified needs of their individual community. Components of the plan may include maintenance assistance for certain qualified individuals, and emergency assistance such as food, clothing, shelter, medical, transient, and burial costs.

Localities should report expenses that exceed the General Relief allocation as non-reimbursable. To the extent that funds allow, VDSS will reimburse these expenditures at year-end out of unspent allocations in line 813.

81301 GENERAL RELIEF

Cost Code Description: Provides maintenance and emergency financial assistance that cannot be provided through other means.

Maintenance may include such components as assistance for unemployed employable individuals, unemployable individuals, institutional care, ongoing medical assistance, interim assistance for SSI applicants, and assistance for unattached children.

Emergency assistance may include such components as food, clothing, shelter, relocation, medical, transient, and burial assistance.

Note: Each locality must specify in its local General Relief plan which components it will offer and the maximum amount of assistance that will be provided for each.

Reimbursable Examples	Non-Reimbursable Examples
• *Maintenance components: o assistance for unemployed employable individuals o assistance for unemployable individuals o institutional care o ongoing medical assistance o interim assistance for SSI applicants o assistance for unattached children • *Emergency components: o Food o Clothing o Shelter o Relocation o Medical o Transient o Burial Not to exceed the state reimbursable maximums outlined in the General Relief Manual, Volume II, Part IV, Chapter D, Section 7	• Components not identified in the locality's General Relief plan • Component costs exceeding the state reimbursable maximums outlined in the General Relief Manual, Volume II, Part IV, Chapter D, Section 7 • Overpayments to clients due to agency error

816 INTERNATIONAL HOME STUDY COSTS *(Administrative Rate)*

Program Description: Title IV-E will pay its fair share to cover the costs incurred for international home studies conducted for children in foster care. Appropriate Costs necessary to establish the safety and suitability of such homes may be claimed.

81601 INTERNATIONAL HOME STUDIES

Cost Code Description: Use this cost code for International Home Studies. Costs closely associated with conducting or purchasing international home studies for the approval of relative or non-relative families for the placement of children in foster care may be claimed.

The LDSS must submit all supporting documentation of costs to the Program Manager for approval as well as a BRS request for the exact amount. Once the Program Manager approves the documentation, the BRS request will also be approved and the LDSS can report the expenditures in LASER for reimbursement.

The following costs are considered reasonable and necessary for the proper and efficient administration of the State title IV-E and IV-B plan.

Reimbursable Examples	Non-Reimbursable Examples
• For international home studies conducted by the local department of social services, costs of travel such as air fare, meals, lodging; criminal background checks • Costs for purchasing international home studies conducted by other organizations/agencies may include travel (transportation, meals and lodging), the fee for conducting the home study, including charges incurred for obtaining safety information about the family such as criminal background checks, water testing, medical examinations for family members. • Prorated share of administrative and operational costs of such eligible organizations/agencies.	• Salaries and fringe benefits for local department of social services program staff. • Costs for in-country home studies. • Personal costs incurred by the individuals/families on whom the home study is being conducted (travel, day care/baby-sitting).

817 STATE ADOPTION ASSISTANCE: BASIC and ENHANCED MAINTENANCE and SPECIAL SERVICE/PURCHASE OF SERVICE

Program Description: Budget allocation is based on projected program expenditures, State mandate and contractual obligation. Many children in need of adoptive placement have characteristics that make them difficult to place. The State offers State adoption assistance to families adopting children who are not eligible for Title IV-E. The three types of payments: 1) Special service/purchase of services - Cost Code 81701 to report special needs service payments for Title IV-E and State adoption assistance eligible children; 2) Basic maintenance – Cost Code 81702 to report non-Title IV-E eligible children (State); and 3) Enhanced maintenance – Cost Code 81703 to report Enhanced Maintenance for Additional Daily Supervision (ADS) for non-Title IV-E and State adoption assistance for children with special needs.

81701 STATE ADOPTION ASSISTANCE
Project code: 90648

Cost Code Description: Use this cost code to report special service payments and purchase of service for Title IV-E and State adoption assistance children with special needs with an adoption assistance agreement in effect.

Only use special service payments when it is determined that the adoptive family's private insurance and Medicaid do not cover the expense.

Reimbursable Examples	Non-Reimbursable Examples
• Special services payments provided directly to the child by the adoptive parents or a vendor. • Special service payments include but are not limited to: o Medical, surgical, or dental care o Equipment such as prosthetics, braces, crutches, hearing aids, eyeglasses, etc o Individual tutoring or remedial educational sessions, books or equipment; o Psychological and psychiatric evaluations and treatments o Speech, physical and occupational therapy and o Premiums for a major medical insurance policy for a child, if the child is not covered by a family policy o Respite Care Payments and Residential Treatment with FAPT review and recommendation.	• Payments that are in excess of budget allocations • Overpayments to clients due to an agency error • Basic maintenance payments • Enhanced maintenance for additional daily supervision (ADS)

81702 STATE ADOPTION ASSISTANCE - BASIC MAINTENANCE
Project code: 90647

Cost Code Description: Use this cost code to provide adoption basic maintenance payments for state eligible (non-Title IV-E) children with special needs and who have an adoption assistance agreement in effect.

Reimbursable Examples	Non-Reimbursable Examples
• Food • Clothing • Shelter • Basic daily supervision • School supplies • Child's personal essentials	• Payments that are in excess of budget allocations • Overpayments to clients due to an agency error • Enhanced maintenance for Additional Daily Supervision (ADS) • Service costs

81703 STATE ADOPTION ASSISTANCE – ENHANCED MAINTENANCE for ADDITIONAL DAILY SUPERVISION (ADS)
Project code: 90659

Cost Code Description: Use this cost code to report enhanced maintenance payment for Additional Daily Supervision (ADS) for non -Title IV-E and State adoption assistance children with special needs with an adoption assistance agreement in effect.

Reimbursable Examples	Non-Reimbursable Examples
• Based on the application of the state approved uniform rate-structuring tool, an enhanced maintenance payment is to be paid to the adoptive family to provide Additional Daily Supervision (ADS).	• Payments that are in excess of budget allocations • Overpayments to clients due to an agency error • Service costs • Basic maintenance

819 REFUGEE RESETTLEMENT PROGRAM

Program Description: The Virginia Refugee Resettlement Program is administered by the Office of Newcomer Services, which is in the Division of Community and Volunteer Services. The populations eligible for refugee resettlement services are refugees, asylees, Cuban/Haitian entrants, Amerasians, unaccompanied refugee minors, and victims of human trafficking. Definitions for these terms are found in the Virginia Refugee Resettlement Program Manual.

Services to these refugee populations are provided through:

1. contracts with local resettlement service providers for employment services, English language training, case managements, and limited support services;
2. an agreement with the Virginia Department of Health for health screenings;
3. an agreement with the Department of Medical Assistance Services for Refugee Medical Assistance; and
4. LASER electronic reimbursements to local departments of social services for Refugee Cash Assistance payments.

81901 REFUGEE CASH ASSISTANCE

Cost Code Description: Cash assistance payments for eligible refugee populations that meet TANF program financial requirements but do not meet non-financial requirements. Refugee populations must be screened for TANF **before** being determined eligible for refugee cash assistance.

NOTE: Eligibility for Refugee Cash Assistance is eight months from the date of arrival in the United States for refugees, Cuban/Haitian entrants, and Amerasians. For asylees and victims of human trafficking, eligibility is eight months from the date of determination of that status.

Refugee Cash Assistance overpayments are handled in the same manner and according to the same policy and procedures as TANF overpayments.

Reimbursable Examples	Non-Reimbursable Examples
• Refugee Cash Assistance payments made to eligible populations within the eight month eligibility period	• Refugee Cash Assistance payments paid beyond the eight month eligibility period • Overpayments to clients

820 ADOPTION INCENTIVES

Program Description: Part E, Section 473A of the Social Security Act; the Adoption Promotion Act of 2003, Public Law 108-145, authorizes adoption incentive payments for states that increase the number of adoptions from foster care.

NOTE: Adoption incentive funds are used intermittently as funds become available on an annual basis. Local departments of social services will be notified when such funds are available.

For years in which funds are available, the Children's Bureau determines the numbers of foster child adoptions, the special needs adoptions, and the older child adoption in the State on the basis of AFCARS data as reported by each State and accepted by the Children's Bureau of the fiscal year subsequent to the fiscal year in which the adoptions were finalized (i.e., the "earning year").

The adoption incentive payment payable to a State for a fiscal year shall be equal to the sum of (a) $4,000, multiplied by the number of foster child adoptions in the State during the fiscal year which exceeds the base number of foster child adoptions for the State for the fiscal year; (b) $4,000 multiplied by the number of foster child adoptions of children age 9 or older in the State during the fiscal year in which exceeds the base number of foster child adoption of children age 9 or older for the State for the fiscal year; and (c) $2,000, multiplied by the number of special needs adoptions of children under age nine in the State during the fiscal year which exceeds the base number of special needs adoptions of children under age 9 for the State for the fiscal year. There are no matching requirements for these funds.

82001 ADOPTION INCENTIVES

Cost Code Description: This cost code is used to report expenditures that support adoption incentive programs and activities. Adoption Incentive Funds that are awarded by the federal government to states that increase the number of children adopted from the foster care system over the number adopted during the previous federal fiscal year. The Department passes these funds to local departments of social services that increased their adoptions based on a plan of expenditure.

Reimbursable Examples	Non-Reimbursable Examples
• Adoption activities or services based on approved plan	• Payments that are in excess of budget allocations • Overpayments to clients due to an agency error

824 OTHER PURCHASED SERVICES

Program Description: This budget line provides funding to purchase services for adults, families, and children. These services are focused on self support, self sufficiency, protection of children and adults, community and home based care, and institutional care.

NOTE FOR ALL BL 824 COST CODES –
As of June 1, 2011, state funding for Budget Line 824 has been eliminated; however, Budget Line 824 cost codes will remain available for localities to process returned Budget Line 824 funds and report 100% local expenditures.

As no budget allocation will be available for 824 cost codes, if a locality incurs expenditures for Budget Line 824 activities, the locality can only key expenditures as Non-Reimbursable (Fund 0077). The exception to this would be if the locality had funds returned and a credit balance greater than the expenditure exists in the cost code. Otherwise, the entry will not pass the funds checking process in LASER.

As Budget Line 824 funds are returned to the locality, the appropriate cost code is to be credited to process the returned funds. The locality is to retain the returned funds and spend them for an allowable purpose (see specific cost code for allowable expenditures). The locality can only key reimbursable expenditures (Fund 1111) up to the amount of the credit balance for the cost code; otherwise, the entry will not pass the funds checking process.

82401 ADULT PROTECTIVE SERVICES

Cost Code Description: Provides for the purchase of goods or services associated with protecting abused, neglected, or exploited adults or adults at risk of abuse, neglect, or exploitation. Adult means individuals aged 60 and older and individuals aged 18 - 59 who are incapacitated.

Service needs should be identified in the adult protective services plan.

Reimbursable Examples	Non-Reimbursable Examples
• Home-based services • Temporary out-of-home accommodations for adults who are unsafe at home • Re-connection of utilities • Food and other essential goods when financial abuse has left the adult without resources • Other services needs identified in the adult protective services plan	• Service needs not identified in the adult protective services plan • Payments to unapproved vendors

82402 CHILD PROTECTIVE SERVICES

Cost Code Description: Provides for the purchase of goods or services associated with protecting abused, neglected, or exploited children and to prevent further maltreatment. Child protective services are non-punitive in its approach and are directed toward enabling families to provide adequate care and nurture for their children. The LDSS may provide goods or services, without regard to income, to the child, parent or guardian, and alleged abuser or neglector when the LDSS documents that other resources are not available to cover the costs of services.

All service needs must be documented in the child protective services plan.

Reimbursable Examples	Non-Reimbursable Examples
• Emergency shelter for children and families • Clothing, food, rent, and utilities • Medical, remedial care • Evaluation and treatment • Counseling and treatment services • Child care • Emergency needs • Other services needs identified in the child protective services plan	• Service needs not identified in the child protective services plan • Payments to unapproved vendors

82403 COUNSELING AND TREATMENT

Cost Code Description: Provides for the purchase of psychological, psychiatric, and therapeutic services not covered by Title XIX, Medicaid. These services focus on identification and assessment in an effort to protect adults and children, preserve families, and prevent further maltreatment.

Reimbursable Examples	Non-Reimbursable Examples
• Evaluation and diagnosis • Development of treatment goals and strategies • Counseling • Room and board	• Counseling and treatment services covered by Title XIX, Medicaid • Payments to unapproved vendors

82404 ADULT DAY SERVICES (BLOCK GRANT)

Cost Code Description: Provides for purchase of adult day services for a portion of a 24-hour day. Adult day services assess the needs of participants and offer services to meet those needs. Participants attend on a planned basis.

NOTE: This cost code is used after all funds are expended in cost code 83302, Adult Day Services (State Supplement).

Reimbursable Examples	Non-Reimbursable Examples
• Personal supervision of the adult • Activities that promote physical and emotional well-being through socialization	• Payments to unapproved vendors

82405 DEVELOPMENTAL DAY PROGRAMS FOR ADULTS

Cost Code Description: Provides for the purchase of adult developmental day services for a portion of a 24-hour day. These services provide instruction and training for mentally retarded and developmentally disabled adults, aged 18 and older, to help the individual function more independently.

Reimbursable Examples	Non-Reimbursable Examples
• Instruction and training services for mentally retarded and developmentally disabled adults	• Payments made to unapproved vendors

82406 DEVELOPMENTAL DAY PRGRAMS FOR CHILDREN

Cost Code Description: Provides for the purchase of child developmental day services for a portion of a 24 hour day. These programs provide stimulation, education, recreation, and socialization for mentally retarded and developmentally disabled, deaf, blind, and deaf-bind children, ages 2 through 17, to help the child function more independently. Such programs may be provided outside of usual school hours and/or during the summer.

Reimbursable Examples	Non-Reimbursable Examples
• Child developmental day services for mentally retarded and developmentally disabled, deaf, blind, and deaf-blind children • Registration fees • Transportation	• Payments to unapproved vendors

82407 SUBSTANCE ABUSE SERVICES

Cost Code Description: Provides for the purchase of services to assist adults and children with substance abuse treatment.

Reimbursable Examples	Non-Reimbursable Examples
• Counseling • Medical and remedial services • Pharmacological services • Intervention, social, education, and rehabilitative services	• Payments to unapproved vendors

82408 EDUCATION AND TRAINING

Cost Code Description: Provides for purchase of formal or functional education and training services for adults and children to improve individual knowledge and skills.

NOTE: This cost code excludes education and training which has a guarantee of job placement or which is a requirement of employment since such activities fall under employment services.

Reimbursable Examples	Non-Reimbursable Examples
• Formal or functional education and training services for adults and children	• Tutoring and Special Education for the disabled which are the responsibility of the local/state school board • Education and training required for employment • Payments to unapproved vendors

82409 EMPLOYMENT SERVICES

Cost Code Description: Provides for the purchase of services to assist individuals in retaining, regaining, or securing employment, and acquiring training or educaiton leading to employment. This includes vocational evaluation, vocational training, and supportive services for sheltered employees of a sheltered workshop.

Reimbursable Examples	Non-Reimbursable Examples
• Room and board • Child care • Transportation • Counseling • Medical and dental care • Emergency Intervention • Education and training leading to employment	• Payments to unapproved vendors

82410 FAMILY AND PERSONAL ADJUSTMENT COUNSELING

Cost Code Description: Provides for the purchase of services such as guidance, consultation, and problem solving in a helping professional relationship. It is related to family and personal adjustment problems, values clarificaton, personal effectiveness, and other areas of counseling exclusive of counseling related to other discrete services.

Reimbursable Examples	Non-Reimbursable Examples
• Guidance counseling • Consultation • Problem solving	• Payments to unapproved vendors

82411 FAMILY PLANNING SERVICES

Cost Code Description: Provides for the purchase of medical and supportive services to help an individual limit his/her family size or space his/her children.

Reimbursable Examples	Non-Reimbursable Examples
• Medical services not covered by Title XIX, Medicaid including: o Physical examinations o Laboratory tests o Provision of contraceptive devices o Sterilization services • Supportive services including: o Child care o Transportation	• Medical services covered by Title XIX, Medicaid • Payments to unapproved vendors

82412 FOSTER CARE FOR ADULT

Cost Code Description: Provides for the purchase of supervision and special services in an approved foster home for an adult who has a physical/mental health condition or emotional/behavioral problem. This adult must be incapable of independent living or unable to remain in his/her own home.

Reimbursable Examples	Non-Reimbursable Examples
• Adult foster care to include supervision and special services	• Payments made to unapproved foster homes or unapproved vendors

82413 HEALTH RELATED SERVICES

Cost Code Description: Provides for the purchase of instruction and assistance in preventive and restorative health measures for adults and children.

Reimbursable Examples	Non-Reimbursable Examples
• Home health nursing services • Physical, occupational, or speech therapy	• Payments to unapproved vendors

82414 HOME BASED CHORE (BLOCK GRANT)

Cost Code Description: Provides for the purchase of non-routine, heavy home maintenance chore services for individuals unable to perform such tasks themselves. Chore services shall be provided only to individuals living in an independent situation who are responsible for the maintenance of their own home or apartment and have no one available to provide this service without cost.

NOTE: This cost code is used after all funds are expended in cost code 83301, Home Based Chore (State Supplement).

Reimbursable Examples	Non-Reimbursable Examples
• Yard maintenance • Painting • Chopping wood • Carrying wood and water • Snow removal • Minor repair work in the home	• Payments to unapproved vendors

82415 HOUSING SERVICES

Cost Code Description: Provides for the purchase of goods and services to assist individuals and families in acquiring or maintaining safe, healthy, affordable housing and obtaining necessary household furnishings.

Reimbursable Examples	Non-Reimbursable Examples
• Minor housing modifications if individual owns his/her home • Special housing modifications for the deaf and blind • Household furnishings	• Payments to unapproved vendors

82416 LEGAL SERVICES

Cost Code Description: Provides for the purchase of legal assistance in civil matters to protect the client's rights and to prevent his/her exploitation.

NOTE: This cost code can only be used to provide legal assistance for a client. Legal assistance or representation on behalf of the local department of social services must be charged to eligibility or services administration.

Reimbursable Examples	Non-Reimbursable Examples
• Legal assistance in civil matters to protect a client's rights and prevent exploitation	• Payment of a guardian or committee's fee • Payment for commitment to a mental health or mental retardation facility • Legal assistance in criminal matters • Payments to unapproved vendors

82417 NUTRITION SERVICES

Cost Code Description: Provides for the purchase of services for individuals in need of nutrition education and/or home delivered or congregate meals. An individual is not considered to be in need of home delivered or congregate meals if his/her meals are provided in a nursing home, institution, home for adults, a room and board situation, or as a member of a family. An individual is not considered to be in need if his/her only cost is for purchasing raw food and he/she has someone to prepare the meals at no cost.

NOTE: Vendors, transporters, and congregate meal sites shall be in compliance with the rules and regulations of the State Board of Health.

Reimbursable Examples	Non-Reimbursable Examples
• Fees for classes or courses related to nutrition • Home delivered meals for ill, aged, blind, or disabled homebound persons • Congregate meals for aged, blind, or disabled adults who are unable to shop or cook for themselves or lack incentive or ability to prepare meals	• Medical examinations for the purpose of case planning must be paid from administrative funds • Payments to unapproved vendors

82418 PREVENTION SERVICES

Cost Code Description: Provides for the purchase of goods or services to prevent disruption of the family and to stabilize the situation, provided that the need is documented in the case record. These services may include the purchase of emergency shelter until more permanent arrangements can be made. It may also include items such as clothing, food, utilities, or rent when no other resources are available and the lack of these goods and services become life threatening or may result in institutionalization.

Reimbursable Examples	Non-Reimbursable Examples
• Emergency shelter • Clothing • Food • Rent and utilities	• Payments for goods or services not documented in the case record • Payments to unapproved vendors

82419 SERVICES TO SPECIFIED DISABLED INDIVIDUALS

Cost Code Description: Provides for the purchase of coordinated and comprehensive services to assist autistic, cerebral palsied, epileptic, mentally retarded, deaf, or blind individuals.

Reimbursable Examples	Non-Reimbursable Examples
• Respite care • Infant and child stimulation • Parent training • Training to maximize independence	• Payments to unapproved vendors

82420 SOCIALIZATION AND RECREATION

Cost Code Description: Provides for the purchase of services which offer opportunities for constructive social experiences and leisure time activities. These services are directed at improving individual functioning in personal and social communicaton, offering opportunities for self-expression and minimizing isolation and monotony.

Reimbursable Examples	Non-Reimbursable Examples
• Socialization and recreation activities which offer constructive social experiences	• Payments to unapproved vendors

82421 TRANSPORTATION SERVICES

Cost Code Description: Provides for the purchase of transportation services to and from needed community resources and facilities.

Reimbursable Examples	Non-Reimbursable Examples
• Transportation services to and from needed community resources and facilities	• Transportation services to and from work • Transportation services to obtain medical care payable under Title XIX, Medicaid • Payments to unapproved vendors

82422 HOME BASED HOMEMAKER (BLOCK GRANT)

Cost Code Description: Provides for the purchase of homemaker services provided by an individual or agency provider who give instruction in or, where appropriate, performs activities to maintain a household.

NOTE: This cost code is used after all funds are expended in cost code 83303, Home Based Homemaker (State Supplement).

Reimbursable Examples	Non-Reimbursable Examples
• Consumer education • Personal care • Home management • Household maintenance • Nutrition • Hygiene education	• Payments to unapproved vendors

82423 HOME BASED COMPANION (BLOCK GRANT)

Cost Code Description: Provides for the purchase of companion services provided by an individual or agency provider who assists adults unable to care for themselves without assistance and where no one is available to provide the needed services without cost. Companion services shall only be provided to an eligible individual who lives in his/her own home.

NOTE: This cost code is used after all funds are expended in cost code 83304, Home Based Companion (State Supplement).

Reimbursable Examples	Non-Reimbursable Examples
• Supervision • Shopping • Meal preparation • Assistance with bathing, dressing, toileting, and feeding • Transportation	• Payments to unapproved providers

829 FAMILY PRESERVATION AND SUPPORT (SSBG)

Program Description: Family Preservation funds are allocated to each local social services agency annually to be used to keep at-risk children from entering the foster care system.

Family Preservation and Support Services programs provide interventions to maintain and strengthen the family unit while ensuring the safety of the child. These programs are flexible locality coordinated community-based programs that provide services to help children and families that are in crisis who need short-term support.

Services may include "hard services" such as counseling and in-home services or "soft services" such as child care and material assistance. Services can be to reunify a child in foster care with the natural parent and adoption promotion and family preservation services can also be provided.

82904 FAMILY SUPPORT (SSBG)

Cost Code Description: The purpose of this cost code is to report purchased services provided to vulnerable families in which risk is not immediate, who need additional support to improve parenting skills, home management skills, and to meet other needs to avoid their children becoming at risk.

Reimbursable Examples	Non-Reimbursable Examples
• Counseling and treatment • Child care for children • Developmental child care for children • Drug services • Education and training • Family and personal adjustment counseling • Respite care • Health related services • Homemaker/home management; housing • Legal services • Nutrition related services • Services to specified disabled individuals • Socialization and recreation • Transportation, and other related activities, etc	• Payments to unapproved vendors • Payments in excess of allocation • Services after the child has come into foster care

82905 FAMILY PRESERVATION (SSBG)

Cost Code Description: This cost code is used to report purchased services provided to families whose children have been identified as being at risk of out-of-home placement unless immediate services are provided to preserve the family.

Reimbursable Examples	Non-Reimbursable Examples
• Counseling and treatment • Child care for children • Developmental child care for children • Drug services • Education and training • Family and personal adjustment counseling • Respite care • Health related services • Homemaker/home management; housing • Legal services • Nutrition related services • Services to specified disabled individuals • Socialization and recreation • Transportation, and other related activities, etc	• Payments to unapproved vendors • Payments in excess of allocation • Services after the child has come into foster care

833 ADULT SERVICES

Program Description: Adult services are provided to assist an individual to remain in his or her own home and to be as independent as possible for as long as possible. The provision of adequate services decreases the risk of institutional placement, decreases overall costs for long-term care in the Commonwealth and ensures that appropriate services are provided to maximize self-sufficiency.

83301 HOME BASED CHORE (STATE SUPPLEMENT)

Cost Code Description: Provides for the purchase of non-routine, heavy home maintenance chore services for individuals unable to perform such tasks themselves. Chore services shall be provided only to individuals living in an independent situation who are responsible for the maintenance of their own home or apartment and have no one available to provide this service without cost.

NOTE: After all funds are expended in this cost code, cost code 82414 Home Based Chore (Block Grant) is utilized.

Reimbursable Examples	Non-Reimbursable Examples
• Yard maintenance • Painting • Chopping wood • Carrying wood and water • Snow removal • Minor repair work in the home	• Payments to unapproved vendors

83302 ADULT DAY SERVICES (STATE SUPPLEMENT)

Cost Code Description: Provides for purchase of adult day services for a portion of a 24-hour day. Adult day services assess the needs of participants and offer services to meet those needs. Participants attend on a planned basis.

NOTE: After all funds are expended in this cost code, cost code 82404 Adult Day Services (Block Grant) is utilized.

Reimbursable Examples	Non-Reimbursable Examples
• Personal Supervision of the adult • Activities that promote physical and emotional well-being through socialization	• Payments to unapproved vendors.

83303 HOME BASED HOMEMAKER (STATE SUPPLEMENT)

Cost Code Description: Provides for the purchase of homemaker services provided by an individual or agency provider who give instruction in or, where appropriate, performs activities to maintain a household.

NOTE: After all funds are expended in this cost code, cost code 82422 Home Based Homemaker (Block Grant) is utilized.

Reimbursable Examples	Non-Reimbursable Examples
• Consumer education • Personal care • Home management • Household maintenance • Nutrition • Hygiene education	• Payments to unapproved vendors

83304 HOME BASED COMPANION (STATE SUPPLEMENT)

Cost Code Description: Provides for the purchase of companion services provided by an individual or agency provider who assists adults unable to care for themselves without assistance and where no one is available to provide the needed services without cost. Companion services shall only be provided to an eligible individual who lives in his/her own home.

NOTE: After all funds are expended in this cost code, cost code 82423 Home Based Companion (Block Grant) is utilized.

Reimbursable Examples	Non-Reimbursable Examples
• Supervision • Shopping • Meal Preparation • Assistance with bathing, dressing, toileting, and feeding • Transportation	• Payments to unapproved providers

843 CENTRAL SERVICES COST ALLOCATION

Program Description: Most local governmental units provide certain services on a centralized basis that benefit all of its operating departments. These services can include, but are not limited to, motor pools, information systems, legal services, purchasing, and accounting. Since federally supported awards are performed within the individual operating departments, there needs to be a process whereby these central service costs can be identified and assigned to the benefiting departments on a reasonable and consistent basis. The Central Services Cost Allocation Plan (CSCAP) provides for that process. The plans allow localities to receive some additional federal funds for a portion of these costs that benefit programs administered by the local departments of social services. All costs and the data used to distrbute the costs included in the plan should be supported by formal accounting and other records that will support the propriety of the costs assigned to federal awards.

Annually, local governments prepare CSCAPs and forward that portion of the plan which allocates expenditures to the local department of social services to VDSS, Division of Community and Volunteer Services. Division of Community and Volunteer Services reviews the plan and submits an approved reimbursable total to DOF. CSCAP claims are made only for costs allocated to the "uncapped" open-ended federal grants. DOF allocates the costs based on the applicable RMS percentages and enters the allowable expenditures into LASER.

VDSS will use the following cost codes to display the allocation results in LASER (DOF use only):

COST CODE NUMBER	COST CODE DESCRIPTION
84319	Central Services Cost Allocation - IV-E Serv
84322	Central Services Cost Allocation - SNAP
84323	Central Services Cost Allocation - Medicaid
84324	Central Services Cost Allocation – IV-E Adoption

NOTE: The local department of social services must review the CSCAP prior to submission to VDSS to ensure that costs claimed are: (1) initial submissions of public expenditures that have not previously been included in a VDSS reimbursement process and (2) have not been claimed within any other federal or state reimbursement process outside of the VDSS.

844 SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM EMPLOYMENT & TRAINING (SNAPET) – PURCHASE SERVICES

Program Description: The Virginia SNAPET Program is a multi-component employment and training program that is available through participating localities. The goal of the program is for food stamp recipients who do not receive public cash assistance to gain employment and become self-sufficient.

The Virginia SNAPET program offers the following components: (1) Job Search; (2) Community Work Experience; (3) Education, including e-learning; (4) Vocational Training; (5) Basic Employment Skills Training; and (6) Employment &Training for Ex-offenders (can include several of the components listed above).

General Principles in Determining Allowable SNAPET Expenditures: To be allowable, costs submitted for reimbursement must be valid and properly documented obligations under the LDSS's approved SNAPET plan. Furthermore, allowable SNAPET costs must meet the following conditions:

- The State Plan must contain general information about the products, services and related costs that are offered throughout the Commonwealth and the Regional office must review and approve the State Plan;
- The product or service must relate directly to an approved SNAPET Program component and be necessary and reasonable;
- The product or service may not be for the purpose of overcoming barriers to participation that make clients exempt from Federal work registration or from State SNAPET Program participation requirements; and
- The product or service may not be available through another government program or available at no cost to the participant through a private source, e.g., charitable donations.

The following test must be applied when determining "reasonable and necessary" costs:

<u>A cost is considered reasonable when it:</u>

- Provides a program benefit that is generally commensurate with the costs incurred;
- Is in proportion to other program costs for the function that the costs serve; and
- Is within the scope of the SNAPET plan/program.

<u>A cost is necessary</u> if it is needed in the performance of the program. Thus, necessary costs:

- Are incurred to carry out essential functions of the SNAPET plan/program;
- May not be avoided without adversely affecting program operations;
- Are a priority expenditure relative to other demands on availability of administrative resources; and
- Do not duplicate existing efforts.

84403 PURCHASED OR CONTRACTUAL SERVICES FOR SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM EMPLOYMENT & TRAINING (SNAPET) COMPONENTS

Cost Code Description: Purchased or contractual services are limited to costs directly related to one or more of an approved SNAPET component: (1) Job Search; (2) Community Work Experience; (3) Education, including e-learning; (4) Vocational Training; (5) Basic Employment Skills Training; and (6) Employment &Training for Ex-offenders (can include several of the components listed above).

Reasonable and necessary purchased service expenditures that are in excess of the budget line 844 allocation may be reported in cost code 89703, Purchased or Contractual Services for SNAPET Components Pass-Thru, whereby those local expenditures are reimbursed at 50%.

Reimbursable Examples	Non-Reimbursable Examples
• Tuition payments, fees for eligible participants in an approved SNAPET component • Services related to general self-improvement that are part of an approved SNAPET component listed above, (e.g. costs associated with providing a workshop designed to increase job hunters' motivation and self confidence), are allowable provided there is a direct link between the program and job-readiness • Bonus awards to service providers for job placement (defined as occurring no later than 30 days after SNAPET participant begins employment)	• SNAPET Participant Expenses associated with cost code 84404 • SNAPET dependent care associated with cost code 87106 • Costs associated with activities that occur prior to an applicant's participation in an SNAPET training component, e.g. medical screening • Expenses to overcome barriers to participation in an SNAPET training component, such as medical and mental health services, drug and alcohol counseling • Service provider and educational/training costs that would exceed what the general public would pay • Payments to unapproved vendors

84404 SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM EMPLOYMENT & TRAINING (SNAPET) PARTICIPANT EXPENDITURES

Cost Code Description: Participant expenses are limited to costs directly related to participation in one or more of an approved SNAPET component: (1) Job Search; (2) Community Work Experience; (3) Education, including e-learning; (4) Vocational Training; (5) Basic Employment Skills Training; and (6) Employment &Training for Ex-offenders (can include several of the components listed above).

In accordance with program requirements, participants' transportation needs within each component must be met before any other supportive service expenses. Reasonable and necessary participant expenses that are in excess of the budget line 844 allocation and other allowable expenses, such as books and uniforms necessary for participation in an SNAPET component, may be reported in cost code 89702, SNAPET Participant Expenses Pass-Thru, whereby those local expenditures are reimbursed at 50%.

Reimbursable Examples	Non-Reimbursable Examples
• Transportation costs such as bus tickets, gas vouchers, taxis and other commuter fares necessary for participation in an SNAPET component • Equipment, books, or manuals necessary for participation in an SNAPET component • Clothing suitable for job interviews or uniforms for participation in an SNAPET component • Licensing and bonding fees necessary for a community work experience placement • Vision correction (eyeglasses, bifocals and eye exams) • Dental work (teeth cleaning, bridge) • Legal services • Housing assistance	• Purchased or Contractual SNAPET component costs associated with cost code 84403 • SNAPET dependent care associated with cost code 87106 • Participant expenses that are covered through another government program or available at not cost to a participant • Payments to unapproved vendors • Meals away from home • Automobile purchases and related owner/operator taxes, automobile repairs and automobile insurance costs • <u>Costs associated with a client starting and retaining employment:</u> o Transportation costs o Relocation expenses o Test fees o Equipment or tools o Clothing or uniforms o Licensing and bonding fees o Union dues

848 TANF-UP – MANUAL CHECKS

Program Description: Temporary Assistance for Needy Families-Unemployed Parent provides financial assistance to eligible children and their parents when both parents are able-bodied and are present in the home. Eligible families receive a monthly cash payment to meet their basic needs.

This budget line only includes manual checks written by local departments of social services. All other payments are generated through the ADAPT system and are not included in the local budgeting and reimbursement process.

84801 TANF-UP – MANUAL CHECKS

Cost Code Description: This cost code is used to report manual TANF-UP checks written by the local departments of social services and to report cash refunds collected on TANF-UP overpayments.

Reimbursable Examples	Non-Reimbursable Examples
• Manual TANF-UP checks • Cash refunds	• Overpayments to clients due to agency error • Manual TANF checks - these payments are reported under cost code 80801

853 ELIGIBILITY STAFF AND OPERATIONS

Program Description: Provides for the cost of staff and operations for the benefit programs within the local departments of social services. These programs serve low income citizens of the Commonwealth who meet the federal and state eligibility requirements. The reporting of staff and operations costs includes the staffing and operational/overhead expenses of the local departments of social services associated with eligibility activities.

Eligibility Staff and Operations costs are incurred for a common purpose benefiting more than one cost objective and are not readily assignable to benefiting cost objectives without effort disproportionate to the results achieved. Statewide RMS program percentages are used to determine the amounts to allocate to each benefit program included in Eligibility Staff and Operations.

Reimbursable Examples	Non-Reimbursable Examples
• Salaries, wages, and fringe benefits • Fees for professional services • *Legal services incurred by the LDSS or the local board in the administration of federal and state programs • Local government internal service funds, not included in the local Central Services Cost Allocation Plan, such as motor pool, print shop, central purchasing, and risk management • Contingency provisions, not included in the local Central Services Cost Allocation Plan, for self-insurance reserves, pension plan reserves, and health and benefits reserves • Utilities • Postal fees and services • Telecommunications • Insurance • Leases and rent	• Payment to local board members as compensation for serving on the board • Salaries, wages, and proportionate share of fringe benefits above the maximum state reimbursable compensation • Alcoholic beverages • Bad debts • Contingency provisions other than those listed as reimbursable • Donations and contributions • Value of donated services • Entertainment costs • Fines and penalties • Interest, including interest penalties • Costs associated with fund raising • Costs of idle facilities and idle portion of partially used facilities • Lobbying costs including the portion of VLSSE dues used to hire a lobbyist

Reimbursable Examples	Non-Reimbursable Examples
• **Staff development and training expenses for LDSS staff • Travel expenses • Dues and membership fees • Materials and supplies • Books and subscriptions • Equipment and other capitalized expenses • Capital outlay expenditures • Depreciation and other use allowances *See Reimbursement of Legal Expenditures Section of the manual for more information on allowable legal expenditures. **See budget line 873 for information on reimbursement of child welfare worker training costs.	• Costs incurred by local board members while attending meetings or engaged in the discharge of their duties

NOTE: Because statewide RMS statistics are used to allocate these costs to the benefiting programs, localities will not key Eligibility Staff and Operations costs directly into budget line 853 but rather enter these costs into LASER through the use of alias cost code 00001. Please see description for cost code 00001 for more information on the use of this alias cost code.

LASER has the capability of displaying the results of the RMS allocation for Eligibility Staff and Operations within the following cost codes:

COST CODE NUMBER	COST CODE DESCRIPTION
85301	Allocated Elig S & O Medicaid
85302	Allocated Elig S & O FAMIS
85303	Allocated Elig S & O SNAP
85304	Allocated Elig S & O SNAPET
85305	Allocated Elig S & O FC-Eligibility
85306	Allocated Elig S & O FC Case Planning
85307	Allocated Elig S & O Pre Placement
85308	Allocated Elig S & O Adoption
85309	Allocated Elig S & O TANF Prog
85310	Allocated Elig S & O TANF Admin

COST CODE NUMBER	COST CODE DESCRIPTION
85311	Allocated Elig S & O VIEW Admin
85312	Allocated Elig S & O VIEW Prog
85313	Allocated Elig S & O Refugee
85314	Allocated Elig S & O LIHEAP Admin
85315	Allocated Elig S & O LIHEAP Prog
85316	Allocated Elig S & O Child Care Cert/Elig
85317	Allocated Elig S & O Child Care Non-Direct Services
85318	Allocated Elig S & O Child Care Quality
85319	Allocated Elig S & O Child Care Admin
85320	Allocated Elig S & O SSBG - APS
85321	Allocated Elig S & O SSBG - Admin
85322	Allocated Elig S & O SSBG - Prevention
85323	Allocated Elig S & O SSBG - Adult
85324	Allocated Elig S & O SSBG - Foster Care
85325	Allocated Elig S & O SSBG - Adoption
85326	Allocated Elig S & O SSBG - CPS
85327	Allocated Elig S & O IV-B 2 FPS
85328	Allocated Elig S & O IV-B 2 FSS
85329	Allocated Elig S & O IV-B 2 TLFRS
85330	Allocated Elig S & O IV-B 2 APSS
85331	Allocated Elig S & O IV-B 1
85332	Allocated Elig S & O TLFR
85333	Allocated Elig S & O Independent Liv
85334	Allocated Elig S & O Chafee
85335	Allocated Elig S & O Auxiliary - Aged
85336	Allocated Elig S & O General Relief
85337	Allocated Elig S & O State/Allocated/Hosp
85338	Allocated Elig S & O Other Admin Foster Care
85339	Allocated Elig S & O Medicaid Children
85340	Allocated Elig S & O Auxiliary - Blind
85341	Allocated Elig S & O Auxiliary - Disabled
85342	Allocated Elig S & O SSBG – Independent Living
85343	Allocated Elig S & O Medicaid EPSDT Outreach
85344	Allocated Elig S & O Medicaid MFP
85345	Allocated Elig S & O Medicaid Waiver
85346	Allocated Elig S & O Medicaid Preadmissions
85347	Allocated Elig S & O IV-E Agency Admin

See the RMS instructions on the DOF website for more information on program descriptions used for the RMS allocation process.

854 SERVICES STAFF AND OPERATIONS

Program Description: Provides for the cost of staff and operations for the social services programs within the local departments of social services. These programs promote and support the development of healthy families and protect the Commonwealth's children and adults from abuse and neglect. The reporting of staff and operations costs includes the staffing and operational/overhead expenses of the local departments of social services associated with services activities.

Services Staff and Operations costs are incurred for a common purpose benefiting more than one cost objective and are not readily assignable to benefiting cost objectives without effort disproportionate to the results achieved. Statewide RMS program percentages are used to determine the amounts to allocate to each service program included in Services Staff and Operations.

Reimbursable Examples	Non-Reimbursable Examples
• Salaries, wages, and fringe benefits • Fees for professional services • *Legal services incurred by the LDSS or the local board in the administration of federal and state programs • Local government internal service funds, not included in the local Central Services Cost Allocation Plan, such as motor pool, print shop, central purchasing, and risk management • Contingency provisions, not included in the local Central Services Cost Allocation Plan, for self-insurance reserves, pension plan reserves, and health and benefits reserves • Utilities • Postal fees and services • Telecommunications • Insurance • Leases and rent	• Payment to local board members as compensation for serving on the board • Salaries, wages, and proportionate share of fringe benefits above the maximum state reimbursable compensation • Alcoholic beverages • Bad debts • Contingency provisions other than those listed as reimbursable • Donations and contributions • Value of donated services • Entertainment costs • Fines and penalties • Interest, including interest penalties • Costs associated with fund raising • Costs of idle facilities and idle portion of partially used facilities • Lobbying costs including the portion of VLSSE dues used to hire a lobbyist

Reimbursable Examples	Non-Reimbursable Examples
• **Staff development and training expenses for LDSS staff • Travel expenses • Dues and membership fees • Materials and supplies • Books and subscriptions • Equipment and other capitalized expenses • Capital outlay expenditures • Depreciation and other use allowances *See Reimbursement of Legal Expenditures Section of the manual for more information on allowable legal expenditures. **See budget line 873 for information on reimbursement of child welfare worker training costs.	• Costs incurred by local board members while attending meetings or engaged in the discharge of their duties

NOTE: Because statewide RMS statistics are used to allocate these costs to the benefiting programs, localities will not key Service Staff and Operations costs directly into budget line 854 but rather enter these costs into LASER through the use of alias cost code 00001. Please see description for cost code 00001 for more information on the use of this alias cost code.

LASER has the capability of displaying the results of the RMS allocation for Services Staff and Operations within the following cost codes:

COST CODE NUMBER	COST CODE DESCRIPTION
85401	Allocated Serv S & O Medicaid
85402	Allocated Serv S & O FAMIS
85403	Allocated Serv S & O SNAP
85404	Allocated Serv S & O SNAPET
85405	Allocated Serv S & O FC-Eligibility
85406	Allocated Serv S & O FC Case Planning
85407	Allocated Serv S & O Pre Placement
85408	Allocated Serv S & O Adoption
85409	Allocated Serv S & O TANF Prog
85410	Allocated Serv S & O TANF Admin

COST CODE NUMBER	COST CODE DESCRIPTION
85411	Allocated Serv S & O VIEW Admin
85412	Allocated Serv S & O VIEW Prog
85413	Allocated Serv S & O Refugee
85414	Allocated Serv S & O LIHEAP Admin
85415	Allocated Serv S & O LIHEAP Prog
85416	Allocated Serv S & O Child Care Cert/Elig
85417	Allocated Serv S & O Child Care Non-Direct Services
85418	Allocated Serv S & O Child Care Quality
85419	Allocated Serv S & O Child Care Admin
85420	Allocated Serv S & O SSBG - APS
85421	Allocated Serv S & O SSBG - Admin
85422	Allocated Serv S & O SSBG - Prevention
85423	Allocated Serv S & O SSBG - Adult
85424	Allocated Serv S & O SSBG - Foster Care
85425	Allocated Serv S & O SSBG - Adoption
85426	Allocated Serv S & O SSBG - CPS
85427	Allocated Serv S & O IV-B 2 FPS
85428	Allocated Serv S & O IV-B 2 FSS
85429	Allocated Serv S & O IV-B 2 TLFRS
85430	Allocated Serv S & O IV-B 2 APSS
85431	Allocated Serv S & O IV-B 1
85432	Allocated Serv S & O TLFR
85433	Allocated Serv S & O Independent Liv
85434	Allocated Serv S & O Chafee
85435	Allocated Serv S & O Auxiliary - Aged
85436	Allocated Serv S & O General Relief
85437	Allocated Serv S & O State/Allocated/Hosp
85438	Allocated Serv S & O Other Admin Foster Care
85439	Allocated Serv S & O Medicaid Children
85440	Allocated Serv S & O Auxiliary – Blind
85441	Allocated Serv S & O Auxiliary - Disabled
85442	Allocated Serv S & O SSBG Independent Living
85443	Allocated Serv S & O Medicaid EPSDT Outreach
85444	Allocated Serv S & O Medicaid MFP
85445	Allocated Serv S & O Medicaid Waiver
85446	Allocated Serv S & O Medicaid Preadmissions
85447	Allocated Serv S & O IV-E Agency Admin

See the RMS instructions on the DOF website for more information on program descriptions used for the RMS allocation process.

856 ELIGIBILITY STAFF AND OPERATIONS PASS-THRU

Program Description: Provides federal pass-thru funding for the cost of staff and operations for the benefit programs within the local departments of social services. These programs serve low income citizens of the Commonwealth who meet the federal and state eligibility requirements. The reporting of staff and operations costs includes the staffing and operational/overhead expenses of the local departments of social services associated with eligibility activities.

Eligibility Staff and Operations Pass-Thru costs are incurred for a common purpose benefiting more than one cost objective and are not readily assignable to benefiting cost objectives without effort disproportionate to the results achieved. Statewide RMS program percentages are used to determine the amounts to allocate to each benefit program included in Eligibility Staff and Operations Pass-Thru.

Federal pass-thru funding for eligibility staff and operations costs is available to those localities that have requested and received an allocation for budget line 856 and can provide the required local funding.

Reimbursable Examples	Non-Reimbursable Examples
• Salaries, wages, and fringe benefits • Salaries, wages, and proportionate share of fringe benefits above the maximum state reimbursable compensation for employees listed in the locality's annual compensation plan which is approved by the State Board of Social Services • Fees for professional services • *Legal services incurred by the LDSS or the local board in the administration of federal and state programs • Local government internal service funds, not included in the local Central Services Cost Allocation Plan, such as motor pool, print shop, central purchasing, and risk management	• Salaries, wages, and proportionate share of fringe benefits above the maximum state reimbursable compensation for employees that have not been listed in the locality's annual compensation plan which is approved by the State Board of Social Services • Payment to local board members as compensation for serving on the board • Alcoholic beverages • Bad debts • Contingency provisions other than those listed as reimbursable • Donations and contributions • Value of donated services • Entertainment costs • Fines and penalties

Reimbursable Examples	Non-Reimbursable Examples
• Contingency provisions, not included in the local Central Services Cost Allocation Plan, for self-insurance reserves, pension plan reserves, and health and benefits reserves • Utilities • Postal fees and services • Telecommunications • Insurance • Leases and rent • **Staff development and training expenses for LDSS staff • Travel expenses • Dues and membership fees • Materials and supplies • Books and subscriptions • Equipment and other capitalized expenses • Capital outlay expenditures • Depreciation and other use allowances *See Reimbursement of Legal Expenditures Section of the manual for more information on allowable legal expenditures. **See budget line 873 for information on reimbursement of child welfare worker training costs.	• Interest, including interest penalties • Costs associated with fund raising • Costs of idle facilities and idle portion of partially used facilities • Lobbying costs including the portion of VLSSE dues used to hire a lobbyist • Costs incurred by local board members while attending meetings or engaged in the discharge of their duties

NOTE: Because statewide RMS statistics are used to allocate these costs to the benefiting programs, localities will not key Eligibility Staff and Operations Pass-Thru costs directly into budget line 856 but rather enter these costs into LASER through the use of alias cost code 00204. Please see description for cost code 00204 for more information on the use of this alias cost code.

LASER has the capability of displaying the results of the RMS allocation for Eligibility Staff and Operations Pass-Thru within the following cost codes:

COST CODE NUMBER	COST CODE DESCRIPTION
85601	Allocated Elig S & O PT Medicaid
85602	Allocated Elig S & O PT FAMIS
85603	Allocated Elig S & O PT SNAP
85604	Allocated Elig S & O PT SNAPET
85605	Allocated Elig S & O PT FC-Eligibility
85606	Allocated Elig S & O PT FC Case Planning
85607	Allocated Elig S & O PT Pre Placement
85608	Allocated Elig S & O PT Adoption
85609	Allocated Elig S & O PT TANF Prog
85610	Allocated Elig S & O PT TANF Admin
85611	Allocated Elig S & O PT VIEW Admin
85612	Allocated Elig S & O PT VIEW Prog
85613	Allocated Elig S & O PT Refugee
85614	Allocated Elig S & O PT LIHEAP Admin
85615	Allocated Elig S & O PT LIHEAP Prog
85616	Allocated Elig S & O PT Child Care Cert/Elig
85617	Allocated Elig S & O PT Child Care Non-Direct Services
85618	Allocated Elig S & O PT Child Care Quality
85619	Allocated Elig S & O PT Child Care Admin
85620	Allocated Elig S & O PT SSBG - APS
85621	Allocated Elig S & O PT SSBG - Admin
85622	Allocated Elig S & O PT SSBG - Prevention
85623	Allocated Elig S & O PT SSBG - Adult
85624	Allocated Elig S & O PT SSBG - Foster Care
85625	Allocated Elig S & O PT SSBG - Adoption
85626	Allocated Elig S & O PT SSBG - CPS
85627	Allocated Elig S & O PT IV-B 2 FPS
85628	Allocated Elig S & O PT IV-B 2 FSS
85629	Allocated Elig S & O PT IV-B 2 TLFRS
85630	Allocated Elig S & O PT IV-B 2 APSS
85631	Allocated Elig S & O PT IV-B 1
85632	Allocated Elig S & O PT TLFR
85633	Allocated Elig S & O PT Independent Liv
85634	Allocated Elig S & O PT Chafee
85635	Allocated Elig S & O PT Auxiliary - Aged
85636	Allocated Elig S & O PT General Relief
85637	Allocated Elig S & O PT State/Allocated/Hosp
85638	Allocated Elig S & O PT Other Admin Foster Care

COST CODE NUMBER	COST CODE DESCRIPTION
85639	Allocated Elig S & O PT Medicaid Children
85640	Allocated Elig S & O PT Auxiliary – Blind
85641	Allocated Elig S & O PT Auxiliary - Disabled
85642	Allocated Elig S & O PT SSBG Independent Living
85643	Allocated Elig S & O PT Medicaid EPSDT Outreach
85644	Allocated Elig S & O PT Medicaid MFP
85645	Allocated Elig S & O PT Medicaid Waiver
85646	Allocated Elig S & O PT Medicaid Preadmissions
85647	Allocated Elig S & O PT IV-E Agency Admin

See the RMS instructions on the DOF website for more information on program descriptions used for the RMS allocation process.

857 SERVICES STAFF AND OPERATIONS PASS-THRU

Program Description: Provides for the cost of staff and operations for the social services programs within the local departments of social services. These programs promote and support the development of strong families and protect the Commonwealth's children and adults from abuse and neglect. The reporting of staff and operations costs includes the staffing and operational/overhead expenses of the local departments of social services associated with services activities.

Services Staff and Operations Pass-Thru costs are incurred for a common purpose benefiting more than one cost objective and are not readily assignable to benefiting cost objectives without effort disproportionate to the results achieved. Statewide RMS program percentages are used to determine the amounts to allocate to each service program included in Services Staff and Operations Pass-Thru.

Federal pass-thru funding for services staff and operations costs is available to those localities that have requested and received an allocation for budget line 857 and can provide the required local funding.

Reimbursable Examples	Non-Reimbursable Examples
• Salaries, wages, and fringe benefits • Salaries, wages, and proportionate share of fringe benefits above the maximum state reimbursable compensation for employees listed in the locality's annual compensation plan which is approved by the State Board of Social Services • Fees for professional services • *Legal services incurred by the LDSS or the local board in the administration of federal and state programs • Local government internal service funds, not included in the local Central Services Cost Allocation Plan, such as motor pool, print shop, central purchasing, and risk management	• Salaries, wages, and proportionate share of fringe benefits above the maximum state reimbursable compensation for employees that have not been listed in the locality's annual compensation plan which is approved by the State Board of Social Services • Payment to local board members as compensation for serving on the board • Salaries, wages, and proportionate share of fringe benefits above the maximum state reimbursable compensation • Alcoholic beverages • Bad debts • Contingency provisions other than those listed as reimbursable

Reimbursable Examples	Non-Reimbursable Examples
• Contingency provisions, not included in the local Central Services Cost Allocation Plan, for self-insurance reserves, pension plan reserves, and health and benefits reserves • Utilities • Postal fees and services • Telecommunications • Insurance • Leases and rent • **Staff development and training expenses for LDSS staff • Travel expenses • Dues and membership fees • Materials and supplies • Books and subscriptions • Equipment and other capitalized expenses • Capital outlay expenditures • Depreciation and other use allowances *See Reimbursement of Legal Expenditures Section of the manual for more information on allowable legal expenditures. **See budget line 873 for information on reimbursement of child welfare worker training costs.	• Donations and contributions • Value of donated services • Entertainment costs • Fines and penalties • Interest, including interest penalties • Costs associated with fund raising • Costs of idle facilities and idle portion of partially used facilities • Lobbying costs including the portion of VLSSE dues used to hire a lobbyist • Costs incurred by local board members while attending meetings or engaged in the discharge of their duties

NOTE: Because statewide RMS statistics are used to allocate these costs to the benefiting programs, localities will not key Service Staff and Operations Pass-Thru costs directly into budget line 857 but rather enter these costs into LASER through the use of alias cost code 00204. Please see description for cost code 00204 for more information on the use of this alias cost code.

LASER has the capability of displaying the results of the RMS allocation for Services Staff and Operations within the following cost codes:

COST CODE NUMBER	COST CODE DESCRIPTION
85701	Allocated Serv S & O PT Medicaid
85702	Allocated Serv S & O PT FAMIS
85703	Allocated Serv S & O PT SNAP
85704	Allocated Serv S & O PT SNAPET
85705	Allocated Serv S & O PT FC-Eligibility
85706	Allocated Serv S & O PT FC Case Planning
85707	Allocated Serv S & O PT Pre Placement
85708	Allocated Serv S & O PT Adoption
85709	Allocated Serv S & O PT TANF Prog
85710	Allocated Serv S & O PT TANF Admin
85711	Allocated Serv S & O PT VIEW Admin
85712	Allocated Serv S & O PT VIEW Prog
85713	Allocated Serv S & O PT Refugee
85714	Allocated Serv S & O PT LIHEAP Admin
85715	Allocated Serv S & O PT LIHEAP Prog
85716	Allocated Serv S & O PT Child Care Cert/Elig
85717	Allocated Serv S & O PT Child Care Non-Direct Services
85718	Allocated Serv S & O PT Child Care Quality
85719	Allocated Serv S & O PT Child Care Admin
85720	Allocated Serv S & O PT SSBG - APS
85721	Allocated Serv S & O PT SSBG - Admin
85722	Allocated Serv S & O PT SSBG - Prevention
85723	Allocated Serv S & O PT SSBG - Adult
85724	Allocated Serv S & O PT SSBG - Foster Care
85725	Allocated Serv S & O PT SSBG - Adoption
85726	Allocated Serv S & O PT SSBG - CPS
85727	Allocated Serv S & O PT IV-B 2 FPS
85728	Allocated Serv S & O PT IV-B 2 FSS
85729	Allocated Serv S & O PT IV-B 2 TLFRS
85730	Allocated Serv S & O PT IV-B 2 APSS
85731	Allocated Serv S & O PT IV-B 1
85732	Allocated Serv S & O PT TLFR
85733	Allocated Serv S & O PT Independent Liv
85734	Allocated Serv S & O PT Chafee
85735	Allocated Serv S & O PT Auxiliary - Aged
85736	Allocated Serv S & O PT General Relief
85737	Allocated Serv S & O PT State/Allocated/Hosp
85738	Allocated Serv S & O PT Other Admin Foster Care
85739	Allocated Serv S & O PT Medicaid Children
85740	Allocated Serv S & O PT Auxiliary - Blind
85741	Allocated Serv S & O PT Auxiliary - Disabled

COST CODE NUMBER	COST CODE DESCRIPTION
85742	Allocated Serv S & O PT SSBG Independent Living
85743	Allocated Serv S & O PT EPSDT Outreach
85744	Allocated Serv S & O PT Medicaid MFP
85745	Allocated Serv S & O PT Medicaid Waiver
85746	Allocated Serv S & O PT Medicaid Preadmissions
85747	Allocated Serv S & O PT IV-E Agency Admin

See the RMS instructions on the DOF website for more information on program descriptions used for the RMS allocation process.

861 INDEPENDENT LIVING PROGRAM – EDUCATION AND TRAINING VOUCHERS

Program Description: The Independent Living Program – Education And Training Vouchers (ETV) Program provide vouchers for post secondary training and education to youth who have aged out of foster care or who have been adopted from public foster care system after age 16.

Funds may be used to provide vouchers for postsecondary education and training to youth otherwise eligible for services under Virginia's CFCIP/ILP. Vouchers may also be provided to youth who are adopted from foster care after age 16 and to youth up to the age of 23, as long as they are participating in the program at age 21 and are making satisfactory progress toward completing their course of study or training. Vouchers provided to individuals may be available for the cost of attending an institution of higher education (as defined in section 472 of the Higher Education Act) and shall not exceed the lesser of $5,000 per grant year or the total cost of attendance as defined in section 472 of the Higher Education Act.

86101 INDEPENDENT LIVING PROGRAM – EDUCATION AND TRAINING VOUCHERS

Cost Code Description: This cost code is used to report costs associated with helping eligible current or former foster youth make the transition to self-sufficiency. Costs include education, training and services necessary to obtain employment. Total reimbursable cost per eligible youth cannot exceed $5,000 per federal fiscal year.

Reimbursable Examples	Non-Reimbursable Examples
• Tuition and fees • Room and board • Rental or purchase of required educational equipment, materials, or supplies (including a computer) • Allowance for books, supplies, transportation • Required residential training related to an educational or vocational program • Special study projects • Child care • Other related expenses	• Payments in excess of the cost of the annual education or training program tuition and related expenses or $5,000 (whichever is less) per eligible youth per federal fiscal year. • Funds distributed directly to the youth without prior approval from the local agency and absent receipts/supporting documents • Payment in excess of allocated budget. • Payments to unapproved vendors

Note: ETV funds must be used to supplement and not supplant any other state or local funds previously expended for the same general purposes.

862 INDEPENDENT LIVING PROGRAM – BASIC ALLOCATION

Program Description: The Basic Independent Living Program (ILP) is a program that provides a continuum of services and activities for current and former foster children to promote self-sufficiency. The eligible population includes young people ages 14-18 who are likely to remain in foster care and those 18-21 who have aged out of foster care, but continue to receive independent living services. LDSS may continue to include youth younger than 14 in independent living group activities, as appropriate.

ILP include those services that are based on a written assessment of life skills. Areas of focus include personal development skills such as self-esteem, communication skills, decision-making, conflict resolution and anger management. Examples of independent living skills are career exploration, job skills, money, management, housing, transportation, and legal issues.

INCENTIVES FOR ELIGIBLE YOUTH

LDSS have the option of offering training incentives or stipends to youth to encourage them to participate in life skills training. If LDSS elect to provide small monetary training incentives for youth, this should be noted in the program plan and should be included in the reporting, when appropriate.

ADDITIONAL SERVICES FOR FORMER FOSTER CARE RECIPIENTS AGES 18 TO 21

For former foster care recipients 18 to 21 years of age, the Act specifies providing "financial, housing, counseling, employment, education, and other appropriate services to complement their own efforts to achieve self-sufficiency and to assure that program participants recognize and accept their personal responsibility for preparing for and then making the transition from adolescence to adulthood." Daily living skills training may be provided by LDSS staff (charged to BL 854 Service Administration), others involved in the youth's care or through negotiation or contract with a resource person or entity. The training may be on a one-on-one basis or in group settings.

ROOM AND BOARD EXPENDITURES LIMIT AND ELIGIBLE POPULATION

The Act specifies that a state may use up to 30 percent of its Chafee Foster Care Independence Program (CFCIP) funds for room and board for "young people ages 18 to 21 who have left foster care because they have reached age 18, but not 21. This includes young people who have aged out at age 18 or older up to age 21 who

move directly from foster care into independent living programs, as well as those who age out, lose touch with the agency, and then return for assistance before reaching the age of 21." In keeping within the guidelines of this Act, the LDSS can use up to **30 percent** of their Basic ILP allocation for room and board.

Virginia defines "room and board" as security deposits, apartment application fees, utilities and telephone connection fees, emergency shelter and rent payment if youth are at risk of being evicted. **CFCIP funds cannot be used for room and board for foster care youth under 18 years of age including those who were emancipated before the age of 18.**

86201 INDEPENDENT LIVING PROGRAM - BASIC ALLOCATION

Cost Code Description: This cost code is used to report purchased service costs to provide appropriate support and services to current and former foster care youth, age 14 to 21, to become self-sufficient adults. The eligible population includes young people ages 14-18 who are likely to remain in foster care and those 18-21 who have aged out of foster care, but continue to receive independent living services.

Reimbursable Examples	Non-Reimbursable Examples
• Education • Vocational training • Daily Living Skills/Aid training • Counseling, individual or group • Support to provide personal and emotional support through mentors and the promotion of interactions with dedicated adults • Room and board expenses for <u>former</u> foster care youth who aged out of care at 18, but not yet 21 years of age (Note: Only 30% of the Basic ILP allocation can be reimbursed for allowable room and board costs) • Resources such as materials, supplies and equipment for the establishment, continuation, revision or evaluation of the program. Equipment purchases with a unit cost of $5,000 and over require approval by the federal government via the VDSS ILP Supervisor. • Training incentives or stipends for youth to encourage them to participate in ILP activities. • Other services that improve the transition of current and former foster care youth to self-sufficiency	• Room and board payments for <u>current</u> foster care youth under the age of 18 years • Room and board payments that are in excess of 30% of the Basic ILP allocation amount • Payments that are in excess of budget allocations • Payments made to unapproved vendors • Payment for expenditures that are not included in the current approved Basic ILP plan and/or budget

Note: Basic Allocation funds must be used to supplement and not supplant any other state or local funds previously expended for the same general purposes.

864 RESPITE CARE FOR FOSTER FAMILIES

Program Description: Respite care is a therapeutic support service designed to:

- Offer short-term relief to foster families caring for children by providing substitute care for the child;
- Provide respite care for siblings placed in different foster homes so that the sibling group can have an opportunity for structured interaction
- Reduce foster home disruption and provide a stable foster care placement for the child; and
- Be provided on an emergency or planned basis.

LDSS must be sure the activity meets the following criteria:

a. the request for respite care is foster parent and not agency driven (i.e., the provision of respite care is a response to the needs of the individual foster parent as opposed to the agency's desire to provide specific activities for children that give a foster parents a "break.")
b. the payment is made directly to an approved respite provider for direct supervision of the child rather than an organization (e.g.; Chuck E. Cheese), the local department or a local department staff person; and
c. funding is used to pay the provider for direct services ("supervision") to the child; and
d. respite funding may be used to pay for a camp experience when such an experience is used to provide a planned break for the foster parent that is designed to prevent a placement disruption and is at the foster parents' request. The case record should document the service was used for the purpose of preventing placement disruption.
e. Reimbursement rates for respite services are based on the approved plan submitted by each locality.

Respite care funds are not an alternative means to pay for children's or families' needs. Use of funds MUST be based on the assumption that without respite services, the placement is in danger of disruption or that by using respite services, it is likely the placement will stabilize.

86401 RESPITE CARE FOR FOSTER FAMILIES

Cost Code Description: This cost code is used to report respite care cost for foster parents and/or sibling group respite care.

Reimbursable Examples	Non-Reimbursable Examples
• Payments made directly to an approved respite care provider for respite care services	• Payments in excess of budget allocation • Payments made to an unapproved respite provider • Payments made to foster parent • Payments for respite care services that have not been pre-authorized by the LDSS' respite coordinator, unless services were rendered in an emergency that might preclude pre-authorization.

866 PROMOTING SAFE AND STABLE FAMILIES

Program Description: The Promoting Safe and Stable Families (PSSF) funds enable localities to develop, establish, expand, and operate coordinated community-based programs and cover certain costs for conducting face-to-face contacts with children in foster care. The four definitive community-based service types are: Family Preservation, Family Support, Time-limited Family Reunification, and Adoption Promotion and Support.

PSSF community-based services' funds may be provided through local public or private agencies, or individuals, or any combination of resources. The funding for the program is used for direct and purchased services to preserve and strengthen families, avoid unnecessary out-of-home or out-of-community placements, reunify children and their families, or to find and achieve new permanent families for those children who cannot return home. This program funding is flexible and a local planning body determines what community services on behalf of the children and families in their respective communities will be funded or reimbursed for services.

The Child and Families Services Act of 2006 appropriated additional funding under PSSF to help cover costs to support mandated face-to-face monthly worker contacts with children in foster care. PSSF funds for face-to-face monthly worker contacts may be used by local departments of social services to purchase activities designed to improve caseworker retention, recruitment, training, and ability to access the benefits of technology.

86601 FAMILY SUPPORT

Cost Code Description: This cost code is used to report community-based purchased services which promote the well-being of children and families and are designed to increase the strength and stability of families (including adoptive, foster, and extended families), to increase parents' confidence and competence in their parenting abilities, to afford children a stable and supportive family environment, and to enhance child development. Under PSSF, Family Support can be distinguished from Family Preservation when the family is not in a "crisis." The services identified and provided are at the request of the family and not as a result of an intervention from child protective services. The child is not in foster care.

Reimbursable Examples	Non-Reimbursable Examples
• Respite care for parents and other caregivers • Early developmental screening of children to assess the needs of these children and assistance in obtaining specific services to meet their needs • Mentoring • Tutoring • Health education for youth • a range of center-based activities (informal interactions in drop-in centers, parent support groups) • Services designed to increase parenting skills • Counseling • Home visiting activities	• Payments that are in excess of budget allocation • Payments to unapproved vendors • Medical and dental costs

86602 FAMILY PRESERVATION

Cost Code Description: This cost code is used to report purchased services for children and families that are designed to protect children from harm and help families (including birth, foster, adoptive, and extended families) at risk or in crisis.

Reimbursable Examples	Non-Reimbursable Examples
• Pre-placement preventive services, such as intensive family preservation programs, designed to help children at risk of foster care placement remain with their families, where possible. • Respite care services for parents, grandparents and other caregivers (including foster parents) • Case management services designed to stabilize families in crisis such as transportation, assistance with housing and utility payments, and access to adequate heath care, parenting skills with respect to matters such as child development, family budgeting, coping with stress, health and nutrition, etc. • Services to help return children to families from which they have been removed • Follow-up care services to families to whom a child has been returned after a foster care placement, and when the 15 month period for time-limited reunification does not apply or has been exhausted. • Other services as submitted in the local plan and approved by state VDSS.	• Payments that are in excess of budget allocations • Payment made to unapproved vendors. • Medical & dental services • Maintenance costs for placement in foster homes or child care facilities.

86605 TIME-LIMITED REUNIFICATION

Cost Code Description: This cost code is used to report purchased time-limited family reunification services. Time-limited reunification services are "services and activities that are provided to a child who is removed from home and placed in a foster family home or a residential facility, and to the parents or primary caregiver of such a child, in order to facilitate the reunification of the child safely and appropriately within fifteen months of entering foster care. If services must be continued after the first 15 months, they must be switched to Family Preservation (PSSF).

Reimbursable Examples	Non-Reimbursable Examples
• Individual, group, and family counseling • Inpatient, residential, or outpatient substance abuse treatment services • Mental health services • Assistance to address domestic violence • Services designed to provide temporary child care and therapeutic services for families, including crisis nurseries • Transportation to or from any of the services and activities described	• Payment that are in excess of budget allocations • Payments made to unapproved vendors. • Maintenance costs for placement in a foster home or child care facility • Medical & dental costs

86606 ADOPTION

Cost Code Description: This cost code is used to report purchased services designed to encourage more adoptions out of the foster care system, when adoption promotes the best interest of the child, including such activities as pre- and post-adoptive services and activities designed to expedite the adoption process and support adoptive families

Reimbursable Examples	Non-Reimbursable Examples
• Adoption activities and programs designed to find new permanent families for those children who cannot return home. • Post adoption services to children and families designed to give support and prevent disruption of the adoption.	• Payments that are in excess of budget allocations • Payments made to unapproved vendors • Maintenance and special services payments • Medical and dental costs

86608 Monthly Caseworker Contacts with Children in Foster Care

Cost Code Description: This cost code is used to report the costs of services and activities that are designed to increase monthly face to face caseworker contacts with children in foster care. This may ONLY include activities designed to improve caseworker retention, recruitment, training, and ability to access the benefits of technology.

(Note: If the caseworker is an LDSS employee and the locality has a state-approved Title IV-E training plan, then staff training activities are claimed in 87302 or 87502)

Reimbursable Examples	Non-Reimbursable Examples
• Contracts with private providers (See limitations for contracting with licensed child-placing agencies below*) to: participate in case staffings and become familiar with the case plan for the child; conduct meaningful monthly face-to-face contacts with children in foster care; and provide documentation of the visits for the LDSS. • Training for LDSS staff related to engaging families and making meaningful contacts with children is allowable and includes related costs of travel, meals (only when the training is overnight) and lodging. • Staff recruitment and retention activities.	• Contracts with licensed child placing agencies to conduct face-to-face contacts with children placed in their care. • Salaries, fringe benefits and travel costs for LDSS staff who conduct monthly face-to-face contacts with children in foster care. (To use these funds for staff the funds must be transferred to BL 854). • Hiring of contractual staff supervised by the LDSS. • Purchase of electronic, computer equipment or other related equipment by the LDSS (These charges are allowable in this cost code IF the LDSS will not use VITA for technical support, maintenance and/or replacement of the equipment). • All staff and operations costs for the LDSS making face-to-face monthly contacts.Staff recruitment and retention activities not approved by VDSS Central Office. • Contacts made through audiovisual means.

* Child placing agencies that contract to conduct monthly visits for a child are prohibited from also providing placement services for that child. (For example, a

licensed child placing agency may not have child “A” in their therapeutic foster care program and also contract to conduct monthly face-to-face visits for that child).

867 EMPLOYMENT ADVANCEMENT FOR TANF PARTICIPANTS

Program Description: The purpose of the TANF Competitive Grant is to provide proven service approaches and strategies that help current and former TANF clients (including those with multiple barriers to becoming employed) prepare to enter, succeed, and advance in the workplace. The intent is to provide resources to expand and enhance existing service delivery efforts to address more fully the needs of the TANF population prior to entry into work and during employment. The Commonwealth intends for the key outcomes of this initiative to be improved job placement, improved job retention, higher entered employment wages, and increased wage gains and job advancement over time for current and former TANF clients.

The grant program uses criteria that will ensure grants are awarded statewide and to organizations that have a proven record of effectively delivering services and for leveraging private and public sector dollars to carry out activities. The costs reported under this budget line are purchased services costs expensed by local departments of social services. These purchased services are those approved by state VDSS in the awarding of the TANF Competitive Grant to the local department of social services and to other organizations including incorporated nonprofits and for-profits; other state and local agencies; educational institutions; and faith-based organizations.

86701 TANF COMPETITVE GRANT

Cost Code Description: The purpose of the cost code is to report purchased service costs associated with providing resources to expand and enhance existing service delivery efforts to address more fully the needs of the TANF population prior to entry into work and during employment.

Reimbursable Examples	Non-Reimbursable Examples
• Comprehensive assessments (including utilization of psychologists and clinicians) that help identify strengths, diagnose disabilities, and determine any treatment and accommodations required • Services that stabilize an individual's situation so that he/she can participate in or retain employment and/or seek alternative financial resources such as Social Security Income • Intensive work preparation or work adjustment services, including education and skills training, community work experience placements, and on the job training • Job development and placement services including sectoral initiatives, subsidized employment, and the development of industry-based career ladders • Other services that support individuals retaining employment and/or obtaining higher wages, health benefits, and/or jobs with a career path	• Expenditures that are determined unreasonable and excessive or not required for the proper and efficient administration of the program

86703 TANF COMPETITVE GRANT - MEDICAL

Cost Code Description: The purpose of this cost code is to report purchased medical costs when Medicaid is not available.

The VDSS Grant Administrator must pre-authorize services and costs before they are incurred.

Reimbursable Examples	Non-Reimbursable Examples
• Medical expenses incurred that enables a participant to take part in services to accomplish the program objectives.	• Any payments that are not medical in nature • Medical payments for services that are covered by Medicaid • Medical expenditures that are determined unreasonable and excessive or not required for the proper and efficient administration of the program

871 TANF/VIEW WORKING & TRANSITIONAL CHILD CARE PURCHASED SERVICES

Program Description: TANF/VIEW Working and Transitional Child Care provides child care services to TANF and VIEW recipients who work or are engaged in an approved activity. This program also provides time-limited transitional child care services to former TANF and VIEW recipients who work or are engaged in an approved activity for the 12 months immediately following TANF case closure.

10/1/2011 NOTE: Throughout SFY 2012, Virginia is transitioning to the new Child Care case management system (VACMS), which will be making the payments at the state level. After the locality fully transitions to VACMS, the use of this cost code will be limited to the recovery/recoupment of child care payments made by the locality and reimbursed via this cost code. When the locality receives the overpayment from the vendor, it is to credit the full amount recovered in this cost code. LASER will process the credit and retain the federal and state share of the recovery.

87101 VIEW – WORKING CHILD CARE

Cost Code Description: Provides for the purchase of child care services for TANF recipients who are enrolled in the VIEW program to enable the parent to participate in an assigned VIEW activity. VIEW activities may include but are not limited to: employment (subsidized or non-subsidized), on-the-job training, job search, job skills training, job readiness training, community work experience, and education, internships, or practicum in conjunction with work.

Reimbursable Examples	Non-Reimbursable Examples
• Child care services for VIEW participants engaged in an assigned VIEW activity	• Child care services for participants enrolled in a post baccalaureate education program • Payments to unapproved vendors • Activities not approved by the VIEW program.

87102 VIEW – TRANSITIONAL CHILD CARE

Cost Code Description: Provides for the purchase of child care services for income-eligible former VIEW participants who no longer receive TANF benefits. Child care services may be provided for up to 12 consecutive months immediately following TANF case closure to support parents engaged in part-time or full-time employment or in training approved by the VIEW worker. Transitional child care services include needed child care for children who were not part of the TANF assistance unit, but who are dependent on the parent.

Reimbursable Examples	Non-Reimbursable Examples
• Child care services to support work or training activities for income-eligible former VIEW participants who no longer receive TANF benefits	• Child Care services for former VIEW participants who do not meet the income eligibility requirements for VIEW Transitional Child Care may be provided for 90 days out of VIEW funds in cost code 87202 • Payments to unapproved vendors • Child Care services if a parent is not working or is not attending an approved education or training activity approved by VIEW. • Child Care services for participants who do not meet income-eligibility requirements

87103 TANF - TRANSITIONAL CHILD CARE

Cost Code Description: Provides for the purchase of child care services for income-eligible former TANF recipients who were not in the VIEW program. Child care services may be provided for up to 12 months immediately following TANF case closure to support full-time or part-time employment of parents. Transitional child care services include needed child care for children who were not part of the TANF assistance unit, but who are dependent on the parent.

Reimbursable Examples	Non-Reimbursable Examples
• Child care services for income-eligible former TANF(non-VIEW) recipients who are engaged in full-time or part-time employment	• Payments to unapproved vendors • Child Care services if a parent is not working or is not attending an approved education or training activity • Child Care services for participants who do not meet income-eligibility requirements

87104 TANF – (NON-VIEW) WORKING CHILD CARE

Cost Code Description: Provides for the purchase of child care services for TANF recipients who are exempt from the VIEW program. Child care services are provided for those recipients engaged in full-time or part-time employment.

Reimbursable Examples	Non-Reimbursable Examples
• Child care services for TANF(non-VIEW) recipients who are engaged in full-time or part-time employment	• Payments to unapproved vendors

87105 LEARNFARE CHILD CARE

Cost Code Description: Provides for the purchase of child care services to children of a minor parent in a TANF public assistance unit to enable the minor parent to comply with compulsory school attendance laws. This assumes the parent of the minor cannot provide the care because of work, education/training, disability, or another hardship exemption.

Reimbursable Examples	Non-Reimbursable Examples
• Child care services for children of minor parents in a TANF public assistance unit	• Payments to unapproved vendors • Child Care services if the adult parent is not working or is not attending an approved education or training activity or CPS or experiencing another hardship. • Child Care services if the minor parent is not attending school in compliance with compulsory attendance laws.

87106 SNAPET CHILD CARE

Cost Code Description: Provides for the purchase of child care services to children of parents under Virginia's SNAPET program. Child care is provided to support the parent's participation in an assigned SNAPET component listed on the SNAPET Plan of Participation.

Reimbursable Examples	Non-Reimbursable Examples
• Child care services to support a parent's participation in an assigned SNAPET component	• Payments to unapproved vendors • Child Care services if the parent is not participating in an assigned SNAPET component.

872 VIEW – PURCHASED SERVICES

Program Description: Virginia Initiative for Employment, not Welfare (VIEW) program is a workforce program administered through local departments of social services. The VIEW Program provides employment and training services to TANF recipients who are required to participate in the program as a condition of eligibility and to TANF recipients who volunteer to participate.

The goal of VIEW is to provide proven service approaches and strategies that help current and former TANF clients (including those with multiple barriers to becoming employed) prepare to enter, succeed and advance in the workplace. The VIEW program offers a wide range of workforce services including job readiness classes, job search assistance, education, training, community work experience placements and subsidized employment. VIEW also offers support services including child care, transportation, and the purchase of work related items such as uniforms.

Reference VIEW policy, Chapter 1000, TANF manual for guidelines and limitations on allowable activities and costs.

87201 VIEW COMPONENT AND COMPONENT-RELATED ACTIVITIES

Cost Code Description: This cost code is used to report purchased VIEW component and component-related activities for VIEW clients with open TANF cases. Purchased component and component-related activities are made available through contract or approved vendor agreement.

Reimbursable Examples	Non-Reimbursable Examples
• Components: o Employment o Job search o Job readiness o Education - ESL, GED, ABE, H.S., post-secondary o Full Employment Program (FEP) o Job skills training o On-the-job training (OJT), excluding wages o Work experience o Public Service Program (PSP) o Vocational education and training o Other locally developed • Component-related o Job development o Job placement o Job retention	• Payments that are in excess of budget allocations • Payments made without an approved contract or to an unapproved vendor • Payments made for supportive or transitional services • Payments made to support wages for any paid employment including OJT.

87202 VIEW SUPPORTIVE SERVICES

Cost Code Description: This cost code is used to report purchased supportive services, including "one-time-only" purchases, for VIEW clients with open TANF cases. The provision of VIEW supportive services must directly support the VIEW client's program participation or employment. Purchased supportive services are through contract, by approved vendor agreement, or, in some cases, through client reimbursement.

To report costs for the following expenditures, reference the noted cost codes:

- Transportation-related supportive services for VIEW clients with open TANF cases are reported to CC 87207
- VIEW child care for VIEW clients with open TANF cases, CC 87101

Reimbursable Examples	Non-Reimbursable Examples
• Medical statements or other necessary medical verifications • Medical evaluations • Dental work, dentures, glasses, orthopedic shoes, or other required medical items • Uniforms • Professional or licensing fees • Job-related safety equipment, tools, or other equipment necessary for employment or program participation • Food, utilities, and other items which are directly related to the client's ability to work or to participate in program activities.	• Payments that are in excess of budget allocations • Payments made without an approved contract or to an unapproved vendor except for direct client reimbursements • Payments for medical services or supplies which are covered by Medicaid • Child care costs (See CC: 87101) • Emergency needs not directly related to VIEW program participation or employment • Payments made for transitional services for VIEW clients with closed TANF cases.

87204 VIEW TRANSITIONAL TRANSPORTATION

Cost Code Description: This cost code is used to report purchased transportation and transportation related expenses for former VIEW clients with closed TANF cases who need transportation in order to retain employment.

Transitional Transportation may be purchased through contract, by approved vendor agreement, or, in some cases, through client reimbursement.

Reimbursable Examples	Non-Reimbursable Examples
• Transportation to retain employment • Bus tickets • Car/van pooling expenses • Gas coupons or vouchers • Gas cards • Car repairs	• Payments that are in excess of budget allocations • Payments made without an approved contract or to an unapproved vendor, except for direct client reimbursements • Payments made for transportation for VIEW clients with open TANF cases • Payments made for transportation unrelated to employment

87207 VIEW TRANSPORTATION

Cost Code Description: This cost code is used to report purchased VIEW transportation and transportation-related expenses for VIEW clients with open TANF cases who need transportation in order to work or to participate in program activities.

Reimbursable Examples	Non-Reimbursable Examples
• Transportation to employment • Transportation to and from interviews • Bus tickets • Car/van pooling expenses • Gas coupons or vouchers • Gas cards • Car repairs	• Payments that are in excess of budget allocations • Payments made without an approved contract or to an unapproved vendor, except for direct client reimbursements • Payments made for transportation for VIEW clients with closed TANF cases • Payments made for transportation unrelated to employment or program participation

87210 VIEW TRANSITIONAL EMPLOYMENT AND TRAINING (TET) COMPONENT ACTIVITIES

Cost Code Description: The cost code is used to report purchased VIEW Transitional Employment Training component activities for clients enrolled in VIEW at the time of TANF case closure when the TET assignment is designed to help the client maintain employment, increase employment income, or prevent the loss of income. Clients with an associate or higher degree are ineligible for TET.

Transitional Employment and Training services can be used to pay for all VIEW component activities with the exception of the Full Employment Program (FEP) and the Community Work Experience Program (CWEP) for up to 12 months after TANF case closure.

Reimbursable Examples	Non-Reimbursable Examples
• Job search • Job readiness • Education - ESL, ABE, GED, H.S., post-secondary • OJT (excluding wages) • Job skills training • Public service employment (PSP) • Vocational education and training • Other locally developed	• Payments that are in excess of budget allocations • Payments made without an approved contract or to an unapproved vendor, except for direct client reimbursements • Payments made on behalf of VIEW clients with open TANF cases • Payments made on behalf of VIEW clients with closed TANF cases who do not meet the eligibility criteria regarding work attachment or education • Payments made to support CWEP or FEP placements • Payments made beyond the 12-month eligibility period. • Payments made to support wages for any paid employment including OJT • Payments for salaries of PSP worksite supervisors

87211 VIEW TRANSITIONAL SUPPORTIVE SERVICES

Cost Code Description: This cost code is used to report purchased VIEW transitional supportive services for working VIEW clients with closed TANF cases for up to 3 months following TANF case closure.

Allowable transitional supportive services are transitional medical/dental, transitional work-related expenses, and transitional emergency intervention services. Allowable transitional supportive services include "one-time-only" purchases. Transitional supportive services may be purchased through contract, by approved vendor agreement, or, in some cases, through client reimbursement.

This cost codes also includes purchased child care services for former VIEW participants who do not meet the non-financial and financial income eligibility requirements for VIEW Transitional Child Care under CC 87102.

To report costs for the following expenditures, reference the noted cost codes:

- Transitional Transportation costs are reported on budget line 87204

Reimbursable Examples	Non-Reimbursable Examples
• Medical statements or other necessary medical verifications • Dental work, denture, glasses, orthopedic shoes, or other required medical items • Uniforms • Professional or licensing fees • Job-related safety equipment, tools, or other equipment necessary for employment • Food, utilities, and other items which are directly related to the client's ability to work	• Payments that are in excess of budget allocations • Payments made without an approved contract or to an unapproved vendor, except for direct client reimbursements • Payments made on behalf of VIEW clients with open TANF cases • Payments made on behalf of VIEW clients with closed TANF cases who are not working • Payments made beyond the 3-month eligibility period • Payments for medical services or supplies which are covered by Medicaid • Child care payments that qualify under CC 87102 • Emergency needs not directly related to employment

87212 VIEW OTHER ACTIVITIES AND MATERIALS

Cost Code Description: This cost code is used to report other purchased VIEW activities and materials for VIEW clients with open TANF cases. Other purchased VIEW activities and materials are arranged through contract or by approved vendor agreement.

Reimbursable Examples	Non-Reimbursable Examples
• Activities o Assessment o Case Management • Materials o Assessment tools and instruments o Occupational and career inventories o Program curricula and workbooks	• Payments that are in excess of budget allocations • Payments made without an approved contract or to an unapproved vendor • Payments made for component, component-related, supportive or transitional services

873 TITLE IV-E APPROVED FOSTER/ADOPTIVE PARENT AND CHILD WELFARE WORKER TRAINING

Funding: Budget allocation is based on VDSS approved local training plans.

Program Description: The Title IV-E Training Program was created as part of the Child Welfare and Adoption Assistance Act of 1980 (P.L. 96-272). It is a major source of funding to educate and train child welfare workers who provide foster care and adoption services. Funding is also available to reimburse the cost of training to prepare perspective foster and adoptive parents and provide them with on-going training once they have been approved for the placement of children.

Only educational courses, training curricula and modules, conferences and other training topics that have been approved by the state at the enhanced rate can be reported for reimbursement to BL 873.

A list of approved educational courses, training curricula, conferences and related training topics can be obtained by referencing the Title IV-E Resources and Funding Guidelines that is available on the VDSS SPARK Webpage or contacting the VDSS State Foster Care Office at titleIVE@dss.virginia.gov.

87301 TITLE IV-E APPROVED FOSTER/ADOPTIVE PARENT AND VOLUNTEER TRAINING

Cost Code Description: This cost code is use to report costs of training foster and adoptive parents to facilitate greater stability, safety and permanency for children placed in these homes.

Costs related to the state approved conferences (at the enhanced rate) for foster and adoptive parents and costs associated with pre-service and in-service training can be charged to this program.

Reimbursable Examples	Non-Reimbursable Examples
• Contracts with trainers/providers to conduct pre-service and in-service training activities. • Travel, lodging, and meals for program staff who provide Foster/Adoptive Parent training and related approved activities. • Approved training supplies, curricula, materials, equipment, and resources purchased by contracted trainers/providers and/or an LDSS. • Childcare expenses while foster and adoptive parents attend training; childcare must be provided by a licensed childcare provider in the childcare providers facility • Foster/Adoptive and Volunteer travel, lodging, and meals to attend approved conferences, workshops, and courses.	• Salaries and fringe benefits for program staff who provide Foster/Adoptive Parent training and approved related activities. • Salaries or other compensation to local board members. • Criminal and child abuse record checks • Recruitment/retention activities for current and prospective foster/adoptive parents • Tuberculosis skin test • VDSS and Federal unapproved training costs, conferences, workshops, courses, materials, supplies.

87302 TITLE IV-E APPROVED FOSTER/ADOPTIVE CHILD WELFARE WORKER TRAINING

Cost Code Description: This cost code is used to report costs of new worker and on-going training for public agencies' child welfare workers to attend state approved (at the enhanced rate) conferences, courses, and workshops.

Reimbursable Examples	Non-Reimbursable Examples
• Contracts with trainers/providers to conduct approved new and on-going training courses and programs. • Travel, lodging, and meals for program staff who provide Child Welfare Worker training and related approved activities. • Approved training supplies, curricula, materials, equipment, and resources purchased by contracted trainers/providers and/or an LDSS. • Child Welfare workers travel, lodging, and meals to attend approved conferences, workshops, and courses.	• Salaries and fringe benefits for program staff who provide Child Welfare Worker training and related activities. • Salaries or other compensation to local board members. • Training provided to non-child welfare staff • Training provided for private child welfare staff • VDSS and Federal unapproved training costs, conferences, workshops, courses, materials, supplies.

87303 TITLE IV-E APPROVED EMPLOYEE EDUCATIONAL ASSISTANCE PROGRAM

Cost Code Description: This cost codes is used to report costs of public agency employees' tuition, books and fees to attend an accredited university when seeking a Bachelors of Social Work or Masters of Social Work degree.

Employees in this program must sign an agreement with the public agency to work in the agency for a period of equal to the period for which financial assistance is granted unless an exemption is granted by the State or local agency. The agency must submit the policy under which this program will be operated to the state and receive approval before instituting the program.

Reimbursable Examples	Non-Reimbursable Examples
• The employee's tuition and fees to attend an accredited university; these fees are paid directly to the university or upon submission of an original receipt, the employee may be reimbursed for tuition costs paid by the employee. • The employee's college books and educational supplies to attend the university. • The employee's travel expenses to and from the university.	• Salary and fringe benefit expenses for the employee to attend the accredited university. • Salaries or other compensation to local board members. • Financial stipends to the employee.

875 TITLE IV-E APPROVED FOSTER/ADOPTIVE PARENT, VOLUNTEER, AND CHILD WELFARE WORKER TRAINING *(Administrative Rate)*

Funding: Budget allocation is based on VDSS approved local training plans.

Program Description: The Title IV-E Training Program was created as part of the Child Welfare and Adoption Assistance Act of 1980 (P.L. 96-272). It is a major source of funding to educate and train child welfare workers who provide foster care and adoption services and LDSS volunteers working with families and children. Funding is also available to reimburse the cost of training to prepare perspective foster and adoptive parents and provide them with on-going training once they have been approved for the placement of children.

Only educational courses, training curricula and modules, conferences and other training topics that have been approved by the state at the administrative rate of 50% can be reported for reimbursement to BL 875.

A list of approved educational courses, training curricula, conferences and related training topics can be obtained by referencing the Title IV-E Resources and Funding Guidelines that is available on the VDSS SPARK Webpage or contacting the VDSS State Foster Care Office at titleIVE@dss.virginia.gov.

87501 TITLE IV-E APPROVED FOSTER/ADOPTIVE PARENT AND VOLUNTEER TRAINING

Cost Code Description: This cost code is used to report recruitment and general administrative training costs of current and prospective foster care, adoptive, and resource parents and families and training costs of LDSS volunteers working with families and children.

Costs related to the state approved conferences (at the administrative rate) for foster and adoptive parents and costs associated with pre-service and in-service training can be charged to this program.

Reimbursable Examples	Non-Reimbursable Examples
• Contracts with trainers/providers to conduct pre-service and in-service foster parent training such as cardiopulmonary resuscitation, sexual harassment, anger and conflict management, computer basics, team building, home safety and time management. • Travel, lodging, and meals for program staff who provide Foster/Adoptive Parent training and related approved activities. • Approved training supplies, curricula, materials, equipment, and resources purchased by contracted trainers/providers and/or an LDSS. • Childcare expenses while foster and adoptive parents attend training; childcare must be provided by a licensed childcare provider in the childcare provider's facility • Foster/Adoptive and Volunteer travel, lodging, and meals to attend approved conferences, workshops, and courses. • Recruitment/retention activities for current and prospective foster/adoptive parents	• Salaries and fringe benefits for program staff who provide Foster/Adoptive Parent training and approved related activities. • Salaries or other compensation to local board members. • Tuberculosis skin test • Unapproved VDSS and Federal training costs, including conference registration fees, workshop fees, course fees, and/or any related training materials and supplies.

87502 TITLE IV-E APPROVED CHILD WELFARE WORKER TRAINING

Cost Code Description: This cost code is used to report costs of training child welfare employees on general subject matter courses. These courses are relevant and necessary for child welfare employees in the performance of their job responsibilities, but are not specifically related to carrying out the activities of the IV-E program.

Costs related to the state-approved conferences (at the administrative rate) for child welfare workers.

Reimbursable Examples	Non-Reimbursable Examples
• Contracts with trainers/providers or LDSS provided trainings to child welfare workers to include such trainings as cardiopulmonary resuscitation, sexual harassment, anger and conflict management, computer basics, team building, office safety and time management. • Travel, lodging, and meals for contracted experts outside the LDSS who provide training and related approved activities for child welfare workers. • Approved training supplies, postage, space, curricula, materials, equipment, and resources purchased by contracted trainers/providers and/or an LDSS. • Child welfare workers travel, lodging, and meals to attend approved conferences, workshops, institutes, seminars, special events and courses.	• Salaries and fringe benefits for program staff who provide Foster/Adoptive Parent training and approved related activities. • Salaries or other compensation to local board members. • Unapproved VDSS and Federal training costs, including conference, workshop, or course registration fees and the costs of related training materials and/or supplies.

878 HEADSTART WRAP-AROUND CHILD CARE PURCHASED SERVICES

Program Description: Head Start Wrap-Around Child Care program provides extended day and extended year child care to families enrolled in Head Start. The cost of child care is provided to a Head Start enrolled child while the parent works or attends an approved education or training activity. The siblings of a Head Start child may receive child care services through this program if they would otherwise be on the local waiting list due to lack of Fee child care funds.

87801 HEADSTART WRAP-AROUND CHILD CARE

Cost Code Description: Provides for the purchase of child care services to families enrolled in Head Start. This is a subsidy fee program that pays for additional hours beyond those provided by Head Start while the parent works or attends an approved education or training activity. The siblings of a Head Start child may receive child care services through this program if they would otherwise be on a local waiting list due to a lack of Fee child care funds. If there is no local waiting list, child care for siblings of the enrolled Head Start child will be paid from Fee child care budget lines 881 or 883.

Reimbursable Examples	Non-Reimbursable Examples
• Child care services for a Head Start child for additional hours beyond those provided by Head Start while the parent works or attends an approved education or training activity • Child care services for the siblings of a Head Start child, if they would otherwise be on a local waiting list due to lack of Fee child care funds, while the parent works or attends an approved education or training activity • Child care services for a Head Start child for the summer prior to attendance in a part-year Head Start program and for the summer following the end of a part-year Head Start program while the parent works or attends an approved education or training activity	• Child care services for a child not enrolled in Head Start • Child care services if a parent is not working or is not attending an approved education or training activity • Child care services if the parent is enrolled in a post baccalaureate education program • Child care services for siblings of a Head Start child if Fee child care funds are available • Payments to unapproved vendors

881 FEE CHILD CARE PURCHASED SERVICES - MATCHING

Program Description: Fee Child Care provides funding to enhance the quality, affordability, and supply of child care available to Virginia's families. Fee Child Care provides child care services, to the extent of available funds, for income eligible families to support full-time or part-time employment, approved education and training activities, or child protective services. LDSS are required to provide matching funds for this budget line as determined by VDSS.

NOTE: In the Fee Child Care program, it may become necessary to place a family on a local waiting list due to lack of funds. Localities shall have a waiting list policy for these child care funding sources. Prior receipt of TANF shall not be a reason for preferential placement on a waiting list. The local waiting list policy must be approved by VDSS.

10/1/2011 NOTE: Throughout SFY 2012, Virginia is transitioning to the new Child Care case management system (VACMS), which will be making the payments at the state level. After the locality fully transitions to VACMS, the use of this cost code will be limited to the recovery/recoupment of child care payments made by the locality and reimbursed via this cost code. When the locality receives the overpayment from the vendor, it is to credit the full amount recovered in this cost code. LASER will process the credit and retain the federal and state share of the recovery.

88102 FEE CHILD CARE - MATCHING

Cost Code Description: Provides for the purchase of child care services for income eligible families to support full-time or part-time employment, approved education and training activities, or child protective services. Families contribute toward the cost of care based on a sliding fee scale.

NOTE: At the option of the locality, a child born to a family 10 months or more after the initial date of receipt of Fee child care may receive Fee child care or be placed on the locality's waiting list.

Localities may also limit receipt of Fee child care services to a maximum of five years. Please refer to the Child Care Manual, Volume VII, Section II, Chapter D for more information on the five-year limit.

Reimbursable Examples	Non-Reimbursable Examples
• Child care services to support full-time or part-time employment or approved education and training activities • Child care services for children whose family is receiving child protective services in cases open through the family assessment track, through the investigation track, or open as child protective services on-going	• Child care services for a participant enrolled in a post baccalaureate education program • Payments to unapproved vendors • Child Care services if a parent is not working or is not attending an approved education or training activity or open to CPS • Child Care services for participants who do not meet income-eligibility requirements

88103 TANF (NON-VIEW) EDUCATION/TRAINING CHILD CARE - MATCHING

Cost Code Description: Provides for the purchase of child care services for TANF families engaged in approved education and training activities. The TANF recipients must be exempt from VIEW participation. No fee toward the cost of care is assessed to the family.

NOTE: At the option of the locality, a child born to a family 10 months or more after the initial date of receipt of Fee child care may receive Fee child care or be placed on the locality's waiting list.

Localities may also limit receipt of Fee child care services to a maximum of five years. Please refer to the Child Care Manual, Volume VII, Section II, Chapter D for more information on the five-year limit.

Reimbursable Examples	Non-Reimbursable Examples
• Child care services for TANF (non-VIEW) families involved in approved education or training activities • Child care services for children whose family is receiving child protective services in cases open through the family assessment track, through the investigation track, or open as child protective services on-going	• Child care services for a participant enrolled in a post baccalaureate education program • Payments to unapproved vendors • Child Care services if a parent is not working, is not attending an approved education, or training activity or open to CPS • Child Care services for participants who do not meet income-eligibility requirements

883 FEE CHILD CARE PURCHASED SERVICES – 100% FEDERAL

Program Description: Fee Child Care provides funding to enhance the quality, affordability, and supply of child care available to Virginia's families. Fee Child Care provides child care services, to the extent of available funds, for income eligible families to support full-time or part-time employment, approved education and training activities, or child protective services.

NOTE: In the Fee Child Care program, it may become necessary to place a family on a local waiting list due to lack of funds. Localities shall have a waiting list policy for these child care funding sources. Prior receipt of TANF shall not be a reason for preferential placement on a waiting list. The local waiting list policy must be approved by VDSS.

10/1/2011 NOTE: Throughout SFY 2012, Virginia is transitioning to the new Child Care case management system (VACMS), which will be making the payments at the state level. After the locality fully transitions to VACMS, the use of this cost code will be limited to the recovery/recoupment of child care payments made by the locality and reimbursed via this cost code. When the locality receives the overpayment from the vendor, it is to credit the full amount recovered in this cost code. LASER will process the credit and retain the federal and state share of the recovery.

88302 FEE CHILD CARE – 100% FEDERAL

Cost Code Description: Provides for the purchase of child care services for income eligible families to support full-time or part-time employment, approved education and training activities, or child protective services. Families contribute toward the cost of care based on a sliding fee scale.

NOTE: At the option of the locality, a child born to a family 10 months or more after the initial date of receipt of Fee child care may receive Fee child care or be placed on the locality's waiting list.

Localities may also limit receipt of Fee child care services to a maximum of five years. Please refer to the Child Care Manual, Volume VII, Section II, Chapter D for more information on the five-year limit.

Reimbursable Examples	Non-Reimbursable Examples
• Child care services to support full-time or part-time employment or approved education and training activities • Child care services for children whose family is receiving child protective services in cases open through the family assessment track, through the investigation track, or open as child protective services on-going	• Child care services for a participant enrolled in a post baccalaureate education program • Payments to unapproved vendors • Child Care services if a parent is not working or is not attending an approved education or training activity or open to CPS • Child Care services for participants who do not meet income-eligibility requirements

88304 TANF (NON-VIEW) EDUCATION/TRAINING CHILD CARE – 100% FEDERAL

Cost Code Description: Provides for the purchase of child care services for TANF families engaged in approved education and training activities. The TANF recipients must be exempt from VIEW participation. No fee toward the cost of care is assessed to the family.

NOTE: At the option of the locality, a child born to a family 10 months or more after the initial date of receipt of Fee child care may receive Fee child care or be placed on the locality's waiting list.

Localities may also limit receipt of Fee child care services to a maximum of five years. Please refer to the Child Care Manual, Volume VII, Section II, Chapter D for more information on the five-year limit.

Reimbursable Examples	Non-Reimbursable Examples
• Child care services for TANF (non-VIEW) families involved in approved education or training activities • Child care services for children whose family is receiving child protective services in cases open through the family assessment track, through the investigation track, or open as child protective services on-going	• Child care services for a participant enrolled in a post baccalaureate education program • Payments to unapproved vendors • Child Care services if a parent is not working or is not attending an approved education or training activity or open to CPS • Child Care services for participants who do not meet income-eligibility requirements

888 AT-RISK REPAYMENT OF VACMS CHILD CARE CASES

Program Description: Child Care provides funding to enhance the quality, affordability, and supply of child care available to Virginia's families. Fee Child Care provides child care services, to the extent of available funds, for income eligible families to support full-time or part-time employment, approved education and training activities, or child protective services.

88801 DISCRETIONARY RECOUPMENT OF VACMS CASES

Cost Code Description: This cost code is used to record the recovery of child care discretionary funds for VaCMS cases only. As the locality receives the recouped funds for a VaCMS discretionary payment, the locality enters the amount of the recoupment as a credit in this cost code.

NOTE: If a recoupment for a non-VaCMS discretionary payment is received, the locality is not to enter a credit in this cost code. Instead, the locality is to enter a credit in appropriate cost code in BL883. See the appropriate cost code descriptions (88302 and 88304).

Reimbursable Examples	Non-Reimbursable Examples
• None – only recouped VaCMS discretionary funds are to be credited. No expenditures.	

88802 MANDATORY/MATCHING RECOUPMENT FOR VACMS CASES (NON-TANF)

Cost Code Description: This cost code is used to record the recovery of child care mandatory/matching funds for VaCMS cases only. As the locality receives the recouped funds for a VaCMS mandatory/matching payment, the locality enters the amount of the recoupment as a credit in this cost code.

NOTE: If a recoupment for a non-VaCMS mandatory/matching payment is received, the locality is not to enter a credit in this cost code. Instead, the locality is to enter a credit in appropriate cost code in BL881. See the appropriate cost code descriptions (88102 and 88103).

Reimbursable Examples	Non-Reimbursable Examples
• None – only recouped VaCMS mandatory/matching funds are to be credited. No expenditures.	

889 VIEW REPAYMENT OF VACMS CHILD CARE CASES

Program Description: Child Care provides funding to enhance the quality, affordability, and supply of child care available to Virginia's families. Fee Child Care provides child care services, to the extent of available funds, for income eligible families to support full-time or part-time employment, approved education and training activities, or child protective services.

88901 MANDATORY/MATCHING RECOUPMENT OF VACMS CASES

Cost Code Description: This cost code is used to record the recovery of child care Mandatory/Matching funds for VaCMS cases only. As the locality receives the recouped funds for a VaCMS discretionary payment, the locality enters the amount of the recoupment as a credit in this cost code.

NOTE: If a recoupment for a non-VaCMS discretionary payment is received, the locality is not to enter a credit in this cost code. Instead, the locality is to enter a credit in appropriate cost code in BL871. See the appropriate cost code descriptions (87101 - 87105).

Reimbursable Examples	Non-Reimbursable Examples
• None – only recouped VaCMS mandatory/matching funds are to be credited. No expenditures.	

890 CHILD CARE QUALITY INITIATIVE GRANTS – PURCHASED SERVICES

Program Description: The Child Care Quality Initiative Grants are awarded to local departments of social services to improve the quality and affordability of child care for all of Virginia's citizens. By awarding these grants, VDSS aims to improve the quality of child care through: consumer and parental education, small business training and development, infant and toddler development activities, improvements to services for at-risk and special needs children, improvements in care for school age children, improved school readiness, or other approved child care quality initiatives.

The LDSS will act as the lead and fiscal agent for Quality Initiative funds awarded to community partners. The LDSS must collaborate with the community partners to determine local needs and the approaches to meet those needs. The LDSS may sub-contract for any or all of its Quality Initiative project.

89001 CHILD CARE QUALITY INITIATIVE GRANTS

Cost Code Description: Provides for the purchase of goods or services, including contractual services, to improve the quality and affordability of child care in local communities. The purpose of the allocations is: to provide comprehensive consumer education to parents and the public, to increase parental choice, and to improve the quality and availability of child care.

Local Quality Initiative efforts should be focused on one or more of the following areas: infants and toddlers, Head Start, school age initiatives, children with special needs, business involvement, expansion of capacity and quality of child care beyond basic licensing requirements.

NOTE: Funds may not be used to supplement non-federal fund expenditures or as a condition for the receipt of federal funds. Except in extreme circumstances, funds may not be used to meet the minimum licensing qualifications.

Reimbursable Examples	Non-Reimbursable Examples
• Goods and purchased or contractual services included in the local plan that are approved by VDSS and designed to improve the quality and availability of child care, including: o Contractual services for any or all of the Quality Initiative project o Consumer education o Small business training and development o Resource and referral initiatives o Provider training and technical assistance o Improvements to services for at-risk and special needs children o Improvements in care for school age children o Improvements in school readiness o Other initiatives that increase parental choice and improve the quality of care	• Any costs not included in the local plan approved by VDSS • LDSS administrative costs such as salaries, fringe benefits, and general operating/overhead costs • Payments to recipients or providers of child care services • Construction or renovation or the purchase or improvement of land • Equipment for the LDSS • Vehicles • Parties, recognition programs, conference attendance • Payments to unapproved vendors

895 ADULT PROTECTIVE SERVICES

Program Description: Adult Protective Services provides services to prevent or remedy abuse, neglect, or exploitation of vulnerable adults who are unable to protect their own interests. Services can be provided to adults age 60 and older and incapacitated adults age 18 and older.

89501 ADULT PROTECTIVE SERVICES

Cost Code Description: Provides for the purchase of goods and services for vulnerable adults served through the Adult Protective Services Program. Local Departments of Social Services (LDSS) can provide services through this program when Adult Protective Services has taken a report, and through its investigation, determined that a vulnerable adult:

1) needs protective services and the purchased service is part of the service plan to protect the adult from ongoing abuse, neglect, or exploitation; or

2) is at risk of abuse, neglect, or exploitation and the purchased service is part of the service plan to prevent abuse, neglect, or exploitation from occurring.

Reimbursable Examples	Non-Reimbursable Examples
• Temporary out-of-home accommodations;temporary emergency shelter or emergency services • Respite care • Adult day services • Home delivered or congregate meals • Home based care • Relocation costs • Food, clothing, utilities and other essential goods when financial abuse has left the adult without resources • Medical or remedial care or treatment; medical transportation • Cost of guardianship petition when the subject of the petition is indigent • Cost of emergency order petition when the subject of the petition is indigent	• Physical and/or psychological evaluations not covered by Title XIX, Medicaid or other sources may be paid from administrative funds • Payments for services not identified in the service plan • Payments made to unapproved vendors

89503 GUARDIANSHIP FILING FEES

Cost Code Description: Provides for recording the collection and use of annual guardianship fees. *The Code of Virginia* requires that the local department of social services (LDSS) retain the filing fee that accompanies annual guardianship reports in the jurisdiction where the fee is collected. The LDSS must use the funds to provide services to protect vulnerable adults and prevent abuse, neglect, and exploitation of vulnerable adults. *The Code of Virginia* redirects the fee to the LDSS rather than to the state treasurer.

NOTE: The LDSS must enter all allowable receipts and expenditures recorded in cost code 89503 as non-reimbursable using fund code "0033." <u>These entries will have no budget impact</u>.

Enter the receipt of fees paid to the locality using expenditure type "R" (receipt) as a credit to account number 40895, Receipt of Fees, using the non-reimbursable fund code 0033. Enter expenditures as a debit to the appropriate account number using the non-reimbursable fund code 0033.

Reimbursable Examples	Non-Reimbursable Examples
• None	• Receipt of filing fees that accompany the annual guardianship reports (recorded as non-reimbursable credit) • Expenditures for services to protect vulnerable adult and prevent abuse, neglect, and exploitation of vulnerable adults (recorded as non-reimbursable debit)

897 SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM EMPLOYMENT & TRAINING PURCHASED SERVICES PASS-THRU

Program Description: The Virginia SNAPET Program is a multi-component employment and training program that is available through participating localities. The goal of the program is for food stamp recipients who do not receive public cash assistance to gain employment and become self-sufficient.

The Virginia SNAPET program offers the following components: (1) Job Search; (2) Community Work Experience; (3) Education, including e-learning; (4) Vocational Training; (5) Basic Employment Skills Training; and (6) Employment &Training for Ex-offenders (can include several of the components listed above).

General Principles in Determining Allowable SNAPET Expenditures: To be allowable, costs submitted for reimbursement must be valid and properly documented obligations under the LDSS's approved SNAPET plan. Furthermore, allowable SNAPET costs must meet the following conditions:

- The State Plan must contain general information about the products, services and related costs that are offered throughout the Commonwealth and the Regional office must review and approve the State Plan;
- The product or service must relate directly to an approved SNAPET Program component and be necessary and reasonable;
- The product or service may not be for the purpose of overcoming barriers to participation that make clients exempt from Federal work registration or from State SNAPET Program participation requirements; and
- The product or service may not be available through another government program or available at no cost to the participant through a private source, e.g., charitable donations.

The following test must be applied when determining "reasonable and necessary" costs:

<u>A cost is considered reasonable when it:</u>

- Provides a program benefit that is generally commensurate with the costs incurred;
- Is in proportion to other program costs for the function that the costs serve; and
- Is within the scope of the SNAPET plan/program.

<u>A cost is necessary</u> if it is needed in the performance of the program. Thus, necessary costs:

- Are incurred to carry out essential functions of the SNAPET plan/program;
- May not be avoided without adversely affecting program operations;
- Are a priority expenditure relative to other demands on availability of administrative resources; and

- Do not duplicate existing efforts.

NOTE: Federal pass-thru funds are available to local agencies operating the SNAPET program that have exhausted their 844 SNAPET allocation. SNAPET Pass-Thru is funded with 50% federal and 50% local funds.

89702 SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM EMPLOYMENT & TRAINING PARTICIPANT EXPENDITURES PASS-THRU

Cost Code Description: Reasonable and necessary participant expenses that are in excess of the budget line 844 allocation and other allowable expenses may be reported in cost code 89702, SNAPET Participant Expenses Pass-Thru, whereby those local expenditures are reimbursed at 50%.

Participant expenses are limited to costs directly related to participation in one or more of an approved SNAPET component: (1) Job Search; (2) Community Work Experience; (3) Education, including e-learning; (4) Vocational Training; (5) Basic Employment Skills Training; and (6) Employment &Training for Ex-offenders (can include several of the components listed above).

In accordance with program requirements, participants' transportation needs within each component must be met before any other supportive service expenses. Reasonable and necessary participant expenses that are in excess of the budget line 844 allocation and other allowable expenses, such as books and uniforms necessary for participation in an SNAPET component, may be reported in cost code 89702, SNAPET Participant Expenses Pass-Thru, whereby those local expenditures are reimbursed at 50%.

Reimbursable Examples	Non-Reimbursable Examples

• Transportation costs such as bus tickets, gas vouchers, taxis and other commuter fares necessary for participation in an SNAPET component
• Equipment, books, or manuals necessary for participation in an SNAPET component
• Clothing suitable for job interviews or uniforms for participation in an SNAPET component
• Licensing and bonding fees necessary for a community work experience placement
• Vision correction (eyeglasses, bifocals and eye exams)
• Dental work (teeth cleaning, bridge)
• Legal services
• Housing assistance
	• Purchased or Contractual SNAPET component costs associated with cost code 84403
	• SNAPET dependent care associated with cost code 87106
	• Participant expenses that are covered through another government program or available at not cost to a participant
	• Payments to unapproved vendors
	• Meals away from home
	• Automobile purchases and related owner/operator taxes, automobile repairs and automobile insurance costs
	• <u>Costs associated with a client starting and retaining employment:</u>
	  o Transportation costs
	  o Relocation expenses

Reimbursable Examples	Non-Reimbursable Examples
	o Test fees o Equipment or tools o Clothing or uniforms o Licensing and bonding fees o Union dues

89703 PURCHASED OR CONTRACTUAL SERVICES FOR SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM EMPLOYMENT & TRAINING COMPONENTS PASS-THRU

Cost Code Description: Reasonable and necessary purchased service expenditures that are in excess of the budget line 844 allocation may be reported in cost code 89703, Purchased or Contractual Services for SNAPET Components Pass-Thru, whereby those local expenditures are reimbursed at 50%.

Purchased or contractual services are limited to costs directly related to one or more of an approved SNAPET component: (1) Job Search; (2) Community Work Experience; (3) Education, including e-learning; (4) Vocational Training; (5) Basic Employment Skills Training; and (6) Employment &Training for Ex-offenders (can include several of the components listed above).

Reasonable and necessary purchased service expenditures that are in excess of the budget line 844 allocation may be reported in cost code 89703, Purchased or Contractual Services for SNAPET Components Pass-Thru, whereby those local expenditures are reimbursed at 50%.

Reimbursable Examples	Non-Reimbursable Examples
• Tuition payments, fees for eligible participants in an approved SNAPET component • Services related to general self-improvement that are part of an approved SNAPET component listed above, (e.g. costs associated with providing a workshop designed to increase job hunters' motivation and self confidence), are allowable provided there is a direct link between the program and job-readiness • Bonus awards to service providers for job placement (defined as occurring no later than 30 days after SNAPET participant begins employment)	• SNAPET Participant Expenses associated with cost code 84404 • SNAPET dependent care associated with cost code 87106 • Costs associated with activities that occur prior to an applicant's participation in an SNAPET training component, e.g. medical screening • Expenses to overcome barriers to participation in an SNAPET training component, such as medical and mental health services, drug and alcohol counseling • Service provider and educational/training costs that would exceed what the general public would pay Payments to unapproved vendors

Account Code	Title	Definition
40895	RECEIPT OF FEES	Receipt of Guardianship Fees. (Used with Cost Code 89503)
51100	SALARIES AND WAGES – REGULAR	Salaries and Wages – Regular
51200	SALARIES AND WAGES – OVERTIME	Salaries and Wages - Overtime
51300	PART-TIME SALARIES AND WAGES - REGULAR	Part-Time Salaries and Wages - Regular
51400	PART-TIME SALARIES AND WAGES - OVERTIME	Part-Time Salaries and Wages - Overtime
52100	FICA	Payroll taxes for the employer match of Social Security under the authority of the Federal Insurance Contributions Act for payments to the US Treasury on behalf of old-age and survivors' benefits.
52210	RETIREMENT - VRS	Payments for the employer share into the trust fund of the Virginia Retirement System.
52220	RETIREMENT - OTHER	Payments for the employer share into the trust fund of local or other retirement systems.
52230	RETIREMENT - DIRECT	Payments from the general government to retired personnel over and above any prepaid retirement benefits. This should be expensed in the activity where the employee last worked.
52300	HOSPITAL / MEDICAL PLANS	Payment for employer share for group insurance program providing hospital, medical and surgical, and/or dental coverage.
52400	GROUP INSURANCE	Payment for the employer share of employee life insurance plans.
52510	SHORT TERM DISABILITY PLAN	Short-term Disability Insurance Plans
52520	LONG TERM DISABILITY INSURANCE PLAN	Long-term Disability Insurance Plans
52600	UNEMPLOYMENT INSURANCE	Unemployment Insurance
52710	WORKER'S COMP - SELF INSURED	Workers' Compensation - Self-Insured
52720	WORKER'S COMP - COMMON CARRIER	Workers' Compensation - Common Carrier
52800	OTHER BENEFITS	Other job-related benefits provided to employees as part of their total compensation.

Account Code	Title	Definition
52810	CLOTHING ALLOWANCES	Cash payments to employees for clothing allowances. Clothing/uniforms purchased by the locality for an employee is reflected under Account Code 56011 – Uniforms and Wearing Apparel.
52820	EDUCATION - TUITION ASSISTANCE	Payments to employees to assist with payment for college credit courses. Employee must successfully complete the course before cost can be reported for reimbursement. Payments for conferences or training sessions which are an aspect of job performance are not reflected here but are included under Account Code 55540 Travel-Convention.
53110	PROFFESSIONAL HEALTH SERVICES	Payments for medical, dental and hospital services.
53120	ACCOUNTING AND AUDITING SERVICES	Include expenditures for accounting and auditing services.
53130	MANAGMENT CONSULTING SERVICES	Include expenditures for management consulting services.
53140	ENGINEERING AND ARCHITECTURAL SERVICES	Include expenditures for engineering and architectural services.
53150	PROFESSIONAL SERVICES – LEGAL	Include expenditures for legal services.
53170	PROFESSIONAL SERVICES – OTHER	Include expenditures for other professional services purchased from sources outside the local government.
53180	COURT ORDERED FEES	Court Ordered Fees for custody investigations, mediation services and supervised visitation.
53200	TEMPORARY HELP SERVICE FEES	Include expenditures for fees paid to outside vendors for providing temporary personnel services.
53310	REPAIR & MAINTENANCE	Include expenditures for minor repairs and routine maintenance to a building, equipment and/or **vehicles** to keep property in an efficient operating condition. Does not include extensive repairs which may represent capitalized additions or improvements.
53320	MAINTENANCE SERVICE CONTRACTS	Include expenditures for regular maintenance, inspection and service of equipment included in a service contract.
53330	COMPUTER SOFTWARE MAINTENANCE	Include expenditures for services provided to maintain updates to computer software

Account Code	Title	Definition
53410	TRANSPORTATION SERVICE - PUBLIC CARRIER	Include expenditures for individual travel by public carrier.
53420	TRANSPORTATION SERVICE – PRIVATE CARRIER	Include expenditures for individual travel by private carrier.
53430	TRANSPORTATION BY CONTRACT	Include expenditures for contractual transportation services.
53500	PRINTING & BINDING	Include expenditures for printing and binding provided by outside sources.
53600	ADVERTISING	Include expenditures for advertising in radio, television, newspapers or other media for such purposes as to: seek employment applicants; announce public hearings; notice of ordinances; public service announcements; public relations for the locality.
53700	LAUNDRY AND DRY CLEANING	Include expenditures for services rendered by a commercial establishment.
53810	PURCHASE SERVICE - OTHER GOVERNMENTAL ENTITIES	Include expenditures for services purchased from other governmental entities (i.e., other local governments, public authorities, State), e.g. In-State Birth Certificates purchased from the VA State Health Department.
53840	SNAPET CONTRACTUAL SERVICES - GOVERNMENTAL ENTITIES	Payments for SNAPET contractual services purchased from other governmental entities (i.e., other local governments, public authorities, State) on a contract/fee basis.
54100	DATA PROCESSING	Include expenditures for data processing charges from an internal service fund to other activities/elements of the local government.
54200	AUTOMOTIVE / MOTOR POOL	Include expenditures for automotive/motor pool charges from an internal service fund to other activities/elements of the local government.
54300	CENTRAL PURCHASING/STORE	Include expenditures for central purchasing/store charges from an internal service fund to other activities/elements of the local government.
54400	PRINT SHOP	Include expenditures for print shop charges from an internal service fund to other activities/elements of the local government.
54500	RISK MANAGEMENT	Include expenditures for risk management charges from an internal service fund to other activities/elements of the local government.

Account Code	Title	Definition
55110	ELECTRICAL SERVICES	Payments for electricity regardless of whether the service is provided by a private enterprise, authority or an enterprise fund operated by the local government.
55120	HEATING SERVICES	Payments for heat regardless of whether the service is provided by a private enterprise, authority or an enterprise fund operated by the local government.
55130	WATER AND SEWER SERVICES	Include expenditures for water and sewer services. (Excludes purchases of bottled water charged to Account Code 56002.)
55140	REFUSE SERVICES	Include expenditures for services to haul garbage, trash and other refuse.
55210	POSTAL SERVICES	Include expenditures for services provided to distribute mail by the United States Postal Service and other postal services such as stamps, stamped envelopes, postage meter rent, and permit fees.
55220	MESSENGER SERVICES	Include expenditures for services provided to distribute messages and packages by private or intra-governmental courier organizations.
55230	TELECOMMUNICATIONS	Include expenditures for services that provide facsimile transmissions, telephone service (land line and cellular) and similar services.
55301	BOILER INSURANCE	Include expenditures for insurance on boilers and other energy equipment.
55302	FIRE INSURANCE	Include expenditures for fire insurance coverage on buildings and contents, excluding motor vehicle insurance.
55303	FLOOD INSURANCE	Include expenditures for mandatory flood insurance on properties located in designated flood hazard areas.
55304	OTHER PROPERTY INSURANCE	Include expenditures for other property insurance excluding motor vehicle insurance.
55305	MOTOR VEHICLE INSURANCE	Include expenditures for motor vehicle insurance for fire, liability, theft, and collision.
55306	SURETY BONDS	Include expenditures for surety insurance providing coverage for public officials in positions of trust to guarantee the performance of their lawful obligations.
55307	PUBLIC OFFICIAL LIABILITY INSURANCE	Include expenditures for Public Official Liability Insurance
55308	GENERAL LIABILITY INSURANCE	Include expenditures for insurance for bodily injury and property damage that the locality may be liable for that is not covered by other policies.

Account Code	Title	Definition
55410	LEASES/RENT OF EQUIPMENT	Include expenditures for the lease/rent of equipment which is not capitalized. [Excludes payments made under a lease-purchase agreement charged to either Account Code 58108 or 58208.]
55420	LEASES/RENT OF BUILDINGS	Include expenditures for the lease/rent of a privately owned building. [Excludes payments made under a lease-purchase agreement charged to either Account Code 58108 or 58208.]
55510	TRAVEL - MILEAGE	Allowances to individuals for use of private vehicles in performance of locality business. Includes personal and leased vehicles, also parking and tolls. Excludes cost chargeable to Account Code 55540.
55520	TRAVEL – FARES	Include expenditures for individual transportation by means other than a personal vehicle. Includes taxi, airport limousine, train, bus, air fares. Excludes costs chargeable to Account Code 55540.
55530	TRAVEL - LODGING	Include expenditures related to lodging necessary in the performance of locality business other than cost chargeable to Account Code 55540.
55540	TRAVEL - CONVENTION	Include expenditures related to attendance at conferences, conventions, workshops and courses Includes subsistence and lodging, travel fares, registration fees, and costs of materials.
55545	EMPLOYEE TRAINING	Include expenditures related to cost of training courses and materials when travel is not involved.
55610	PAYMENT TO LOCAL HEALTH DEPARTMENT	Payment to the State Department of Health for the locality's share of the cooperative budget of the Local Health Department.
55620	PAYMENT FOR MENTAL HEALTH SERVICE	Payment of the locality's share of expenses for Chapter X Boards.
55640	OTHER PAYMENTS	Include other payments for allowable administrative expenditures not provided for in a previous account code.
55711	OTHER PURCHASED SERVICES	Include administrative expenditures for other services purchased not provided for in a previous account code.
55713	HOSPITALIZATION - OUT PATIENT	Payment of locality’s share to individuals for Hospitalization - Out Patient and Emergency Room.
55810	DUES AND ASSOCIATION MEMBERSHIPS	Includes employee or agency annual membership dues for professional organizations. [Costs of membership in organizations substantially engaged in lobbying are reported as non-reimbursable.]

Account Code	Title	Definition
55830	REFUNDS	Revenue Refunds
55835	FINES & PENALTIES (NON-REIMBURSABLE)	Fines and penalties, to include late fees and interest charges, resulting from failure of the governmental unit to comply with, Federal, State or Local policies.
56001	OFFICE SUPPLIES	Include expenditures for binders, clips, paper, writing instruments, tape, file folders, and similar office items.
56002	FOOD SUPPLIES	Include expenditures for items of food, drink and supplies such as cutlery, disposable dishes, napkins and similar food supplies.
56003	AGRICULTURAL SUPPLIES	Include expenditures for items used in the care and treatment of plants and in landscaping that are not specified in a rental agreement or an MOU for a publicly-owned building.
56004	MEDICAL AND LABORATORY SUPPLIES	Include expenditures for medical supplies for first aid kits, AED machines, and related items.
56005	JANITORIAL SUPPLIES	Includes soaps and other cleaning preparations, waxes, disinfectants, building insecticides, mops, brooms, electric bulbs, toilet tissue, paper cups and towels, and other disposable items, that are not already included in a janitorial services contract.
56006	LINEN SUPPLIES	Sheets, pillows, blankets, towels and similar items.
56007	REPAIR AND MAINTENANCE SUPPLIES	Include expenditures for building materials and supplies; paints and painting supplies; plumbing supplies; electrical supplies for minor repairs and maintenance.
56008	VEHICLE AND POWERED EQUIPMENT FUELS	Gasoline or such other fuel as is used in the operation of vehicles and powered equipment.
56009	VEHICLE AND POWERED EQUIPMENT SUPPLIES	Include expenditures for vehicle and equipment supplies such as lubricating oils, tires, spark plugs, batteries, chains and similar items.
56011	UNIFORMS AND WEARING APPAREL	Include expenditures for clothing/uniforms purchased by the locality for employees. Includes boots, shoes, belts, shields, badges, safety equipment and similar items
56012	BOOKS AND SUBSCRIPTIONS	Include expenditures for subscriptions to professional or technical publications and reference books used for professional development.

Account Code	Title	Definition
56013	EDUCATION AND RECREATIONAL SUPPLIES	Include expenditures for chalk, erasers, videotapes and similar educational supplies.
56014	OTHER OPERATING SUPPLIES	Include expenditures for operating supplies not provided for in a previous account code.
56016	CERTIFICATES	Expenditures associated with obtaining out-of-state birth certificates for children in LDSS custody. To be an allowable expenditure, the certificate must be needed for the LDSS to obtain services for the child. Purchase of in-state birth certificates can be charged to Account Code 53810.
56020	TEXTBOOKS	Textbooks
58101	MACHINERY AND EQUIPMENT - REPLACEMENT	Include expenditures associated with the replacement of machinery and equipment not specifically identified in an account code definition and does not require capitalization. Machinery and Equipment that require capitalization are reported in Account Code 58111.
58102	FURNITURE AND FIXTURES – REPLACEMENT	Include expenditures associated with the replacement of office furniture and fixtures, e.g., desks, file cabinets, lamps, carpets, and similar items that do not require capitalization. Furniture and fixtures replacement that require capitalization are reported in Account Code 58111.
58103	COMMUNICATION EQUIPMENT – REPLACEMENT	Include expenditures associated with the replacement of telephone equipment/system and other communications equipment that do not require capitalization. Communication equipment that requires capitalization is reported in Account Code 58111.
58105	MOTOR VEHICLES - REPLACEMENT	Include expenditures associated with the replacement of motor vehicles that are not capitalized. Vehicles that require capitalization are reported in Account Code 58111.
58107	COMPUTER EQUIPMENT - REPLACEMENT	Include expenditures associated with the replacement of Computer equipment (hardware). Replacement of computer equipment that requires capitalization is reported in Account Code 58111.
58108	CAPITAL LEASES – REPLACEMENT	Include expenditures associated with the replacement of capitalized leased equipment.
58111	DEPRECIATION – REPLACEMENT OF EQUIPMENT AND VEHICLE	Depreciation expense associated with the replacement of equipment and vehicles, to include office furniture and/or fixtures that require capitalization.

Account Code	Title	Definition
58201	MACHINERY AND EQUIPMENT – ADDITION	Include expenditures associated with the addition of machinery and equipment not provided for in a previous account code and is not capitalized. Machinery and equipment additions that require capitalization are reported in Account Code 58211.
58202	FURNITURE & FIXTURES – ADDITION	Include expenditures associated with the addition of office furniture, desks, file cabinets, lamps, carpets, and similar items that do not require capitalization. Furniture and fixture additions that require capitalization are reported in Account Code 58211.
58203	COMMUNICATION EQUIPMENT - ADDITION	Expenditures associated with the addition of new telephone equipment/system and other communications equipment that do not require capitalization. Communication equipment additions that require capitalization are reported in Account Code 58211.
58205	MOTOR VEHICLES – ADDITION	Include expenditures associated with the addition of motor vehicles that are not capitalized. Motor Vehicle additions that require capitalization are reported in Account Code 58211.
58207	COMPUTER EQUIPMENT - ADDITION	Include expenditures associated with the addition of Computer equipment (hardware) that are not capitalized. Computer equipment additions that require capitalization are reported in Account Code 58211
58208	CAPITAL LEASES - ADDITION	Include expenditures associated with the addition of capital leases.
58211	DEPRECIATION – ADDITION OF EQUIPMENT AND VEHICLE	Depreciation expense associated with the addition of new capitalized equipment and vehicles to include furniture and/or fixtures that require capitalization.
58311	DEPRECIATION – BUILDING AND IMPROVEMENTS	Depreciation expense associated with the addition of a new capitalized publicly-owned building and/or improvements on a publicly-owned building, as stated in the Memorandum of Understanding (MOU) or Facility Cost Agreement.
59120	INTEREST	Interest paid associated with the otherwise allocable costs of building acquisition, construction, or renovations. Interest charges associated with late payments should be charged to Account Code 55835.
61010	TEMPORARY ASSISTANCE FOR NEEDY FAMILIES	General Purchased Services or direct assistance payments on behalf of TANF recipients.
61020	SOCIAL SECURITY INCOME FOR AGED-PURCHASE SERVICE	General Purchased Services on behalf of recipients of SSI - Social Security Income for the Aged.

Account Code	Title	Definition
61030	SOCIAL SECURITY INCOME FOR DISABLED - PURCHASE SERVICE	General Purchased Services on behalf of recipients of SSI - Social Security Income for the Disabled.
61040	ELIGIBILITY BASED ON INCOME - PURCHASE SERVICE	General Purchase Service on behalf of clients determined eligible based on income.
61050	ELIGIBILITY WITHOUT REGARD TO INCOME - PURCHASE SERVICE	General Purchase Service on behalf of clients determined eligible without regard to income.
61060	BLIND - PURCHASE SERVICE	General Purchased Services on behalf of recipients of SSI - Social Security Income for the Blind.
61070	SNAPET - PURCHASE SERVICE	General Purchased Services on behalf of SNAPET, Supplemental Nutrition Assistance Program Employment & Training, participants.
61080	TICKETS - PURCHASE SERVICE	Purchase of bus tickets on behalf of eligible clients.
61085	TRANSPORTATION	Include expenditures for transportation in the participation of applicable VDSS programs. Includes taxi, train, air fares, mileage, gas vouchers, car repairs and similar items. Excludes bus tickets charged to Account Code 61080
61090	TAXES - FICA	Agency share of FICA taxes paid for in- home service providers.
61100	TAXES - OTHER	Agency share of Federal Unemployment Tax (FUTA) and State Unemployment Tax (SUTA) paid for In-Home Service Providers.
61110	PURCHASE SERVICE - OTHER	Other Purchase Service, allowable in the participation of an applicable VDSS program, not specifically provided for in another account code.
61210	ASSESSMENT, CASE MANAGEMENT, MATERIALS – PURCHASE SERVICE [Allowable. No ESPAS Code]	Assessment tools and other materials used in assessing VIEW clients; contracted assessment and case management services. [Cost Code 87212]

Account Code	Title	Definition
61215	VIEW TRANSITIONAL SUPPORTIVE SERVICES [Closed TANF cases]	Transitional Supportive Services are provided after TANF case closure to former VIEW clients who are employed. Medical/dental, work-related expenses, and emergency intervention services may be provided for up to 3 months. Transportation services may be provided for up to 12 months. Transitional services also include child care services for former VIEW participants who do not meet the requirements for VIEW Transitional Child Care funded under Cost Code 87102. [Cost Codes 87211 and 87204.] [Open VIEW cases - use Account Code 61080 or 61085 for VIEW Transportation expenditures].
61220	EDUCATION BELOW POST-SECONDARY - PURCHASE SERVICE [ESPAS Codes: 05, 06, 07, 08]	Educational activities include basic and remedial education (ABE), high school or alternative education designed to prepare an individual for a high school degree or equivalent (GED) and education in English as a second language (ESL). [Cost Code 87201, 87202 and 87210]
61230	JOB SKILLS TRAINING - PURCHASE SERVICE [ESPAS Code: 11, 18]	Job skills training is general training that prepares an individual for employment or job specific training required by an employer or training needed to adapt to the changing demands of the workplace. It includes post-secondary associate, certificate, and baccalaureate level programs; instruction in a second language for participants who have a high school diploma or GED; unpaid practicums or internships offered by a college or training program, or by an employer. It does not include advanced degrees **beyond the baccalaureate level.** [Cost Code 87201, 87202 and 87210]
61240	JOB READINESS - PURCHASE SERVICE [ESPAS Code: 04]	Job Readiness provides instruction in skills needed to seek or obtain employment. Job readiness may include instruction in workplace expectations, help in developing resumes and interviewing skills, life skills training. Job readiness may also include preparation for employment through participation in short term substance abuse or mental health treatment, or in rehabilitation activities for those who are otherwise employable. [Cost Code 87201, 87202 and 87210]

Account Code	Title	Definition
61250	VOCATIONAL EDUCATION AND TRAINING- PURCHASE SERVICE [ESPAS Codes: 09, 10]	Vocational Education and Training is training or education designed to prepare the participant for a specific trade, occupation, or vocation. It does not include ABE, GED, ESL, or advanced degrees **beyond the baccalaureate level.** [Cost Code 87201, 87202 and 87210]
61260	SELF INITIATED ACTIVITY - PURCHASE SERVICE [ESPAS Codes: 16, 17]	Self-Initiated activities are post-secondary education or training activities begun by the client prior to her enrollment in VIEW. [Cost Code 87201 and 87202]
61270	JOB SEARCH - PURCHASE SERVICE [ESPAS Codes: 01, 02, 03]	Job search includes individual and group job search, and Job Club. Participants assigned to job search are provided with information about seeking and maintaining employment and are required to search for a job. [Cost Code 87201, 87202 and 87210]
61280	ON THE JOB TRAINING - PURCHASE SERVICE [ESPAS Code: 19]	On the job training is a type of paid employment in which the participant is hired by the employer and, as part of the training contract, a portion of the participant's salary is reimbursed to the employer by the contracting agency to offset the cost of the training. [Cost Code 87201, 87202 and 87210]
61300	OTHER LOCALLY DEVELOPED ACTIVITIES – PURCHASE SERVICE [ESPAS Code:22]	Other Locally Developed Activities – developed or used by a local agency to increase a client's employability, but which does not meet the definition of a work activity and which will not be included in the federal participation rate calculation. [Cost Code 87201, 87202 and 87210]
61305	PUBLIC SERVICE PROGRAM (PSP) [ESPAS Code: 27]	The Public Service Program (PSP) provides unpaid work opportunities that increase the client's employability while serving a useful community purpose. PSP sites are established in public or private non-profit organizations. [Cost Code 87201, 87202 and 87210]
61310	COMMUNITY WORK EXPERIENCE PROGRAM (CWEP)- PURCHASE SERVICE [ESPAS Code: 21]	The Community Work Experience Placement (CWEP) – unpaid work in a public or private non-profit organization designed to improve the employability of the participant. The weekly number of hours of a CWEP assignment is based on the TANF and SNAP benefit amounts. [Cost Code 87201 and 87202]

Account Code	Title	Definition
61320	FULL EMPLOYMENT PROGRAM (FEP) - PURCHASE SERVICE [ESPAS Code:26]	Full Employment Program (FEP) - subsidized, training-oriented employment, that replaces TANF benefits with wages paid by an employer. The employment is designed to train the recipient for a specific job, increase her self-sufficiency and improve her competitiveness in the labor market. [Cost Code 87201 and 87202]
61325	UNSUBSIDIZED EMPLOYMENT – PURHASE SERVICE	Employment in which no government funds are used to directly subsidize the participant's salary and in which the participant earns at least the federal minimum wage. ESPAS Codes: Full-time, 25-033; Part-time, 23 when no other component assignment. [Cost Code 87201 and 87202]
61330	TRAINING CONTRACTS	Purchase of training services contracted outside of the agency.
61340	RECORDS CHECKS	Expenditures for criminal history record checks required in the participation of applicable VDSS programs.
62010	IN HOME CHILD CARE - PURCHASE SERVICE	Payments to in-home child care provider – child care provided in the home of the child and parent when all of the children in care reside in the home and the provider does not live in the home.
62020	FAMILY CHILD CARE HOME – PURCHASE SERVICE	Payments to family child care home - child day program offered in the residence of the provider or the home of any of the children in care for one through 12 children under the age of 13, exclusive of the provider's own children and any children who reside in the home, when at least one child receives care for compensation.
62030	CHILD CARE CENTER - PURCHASE SERVICE	Payments to child care center - child day program offered to two or more children under the age of 13 in a facility that is not the residence of the provider or any of the children in care, or 13 or more children at any location.
64010	EXPENDITURES - ASSISTANCE PROGRAM MAINTENANCE	Assistance and/or maintenance payments to individuals that do not meet the definition of other account codes listed.
64150	EMPLOYABLES - ASSISTANCE PROGRAM MAINTENANCE	General Relief Maintenance: Payments to individuals who are unemployed but employable and do not reside in institutions.
64160	UNEMPLOYABLES - ASSISTANCE PROGRAM MAINTENANCE	General Relief Maintenance: Payments to individuals who are unemployable and do not reside in institutions

Account Code	Title	Definition
64170	INSTITUTION DOMICILIARY - ASSISTANCE PROGRAM MAINTENANCE	General Relief Maintenance: Institutional Care - An institution is defined as an establishment that provides maintenance and a treatment or services. Individuals who reside in specified institutions may qualify for this component. Individuals in educational institutions, jails, general hospitals, and psychiatric units of a hospital cannot receive assistance from this component.
64180	MEDICAL COST - ASSISTANCE PROGRAM MAINTENANCE	General Relief Maintenance: Ongoing Medical Assistance payments for individuals who have ongoing medical needs and do not reside in excluded institutions.
64190	INTERIM ASSISTANCE - ASSISTANCE PROGRAM MAINTENANCE	General Relief Maintenance: Interim Assistance payments for individuals who have applied for SSI or must apply for SSI or are appealing an SSI decision.
64200	UNATTACHED CHILDREN - ASSISTANCE PROGRAM MAINTENANCE	General Relief Maintenance: Assistance payments for unattached children.
64205	CASH COLLECTIONS	Cash Collections
64210	FOOD - ASSISTANCE PROGRAM SHORT TERM EMERGENCY	Emergency Assistance: Food Credit Authorization.
64220	MEDICAL COST - ASSISTANCE PROGRAM SHORT TERM EMERGENCY	Emergency Assistance: Emergency Medical Assistance
64230	RENT - ASSISTANCE PROGRAM SHORT TERM EMRGENCY	Emergency Assistance: Shelter Assistance includes payments to or in behalf of an assistance unit for rent or house payments.
64240	UTILITIES - ASSISTANCE PROGRAM SHORT TERM EMERGENCY	Emergency Assistance: Utility Assistance includes payments to or in behalf of an assistance unit for utilities.
64250	SSI RECIPIENTS - ASSISTANCE PROGRAM SHORT TERM EMERGENCY	Emergency Assistance: Assistance to SSI recipients includes payments to or in behalf of SSI recipients for any emergency need established by the agency.
64260	TRANSIENTS - ASSISTANCE PROGRAM SHORT TERM EMERGENCY	Emergency Assistance: Assistance to Transients for food, transportation or any other need established by the agency.
64270	BURIAL - ASSISTANCE PROGRAM SHORT TERM EMERGENCY	Emergency Assistance: Assistance with Burial Costs includes payments for items and services incurred in preparing a body for cremation or burial.

Account Code	Title	Definition
64280	CLOTHING - ASSISTANCE PROGRAM SHORT TERM EMERGENCY	Emergency Assistance: Clothing Assistance for an eligible assistance unit.
64290	RELOCATION - ASSISTANCE PROGRAM SHORT TERM EMERGENCY	Emergency Assistance: Relocation Assistance includes moving expense for individuals and their belongings, the first month's rent, required utility deposits, required rental housing deposit, and other needs related to moving the unit identified by the agency.
64300	REPAIRS TO PROPERTY - ASSISTANCE PROGRAM SHORT TERM EMERGENCY	Emergency Assistance: Repairs to Property for an eligible assistance unit.
65010	EDUCATION - INDEPENDENT LIVING	Expenditures to enable youth to seek a high school diploma or its equivalent or to attend college.
65020	VOCATIONAL TRAINING - INDEPENDENT LIVING	Expenditures to enable youth to participate in vocational training.
65030	DAILY LIVING SKILL/AIDE - INDEPENDENT LIVING	Expenditures to provide youth training in daily living skills, budgeting, locating and maintaining housing, or career planning.
65040	COUNSELING - INDEPENDENT LIVING	Expenditures to provide youth counseling.
65050	INTEGRATION AND COORDINATION SERVICES - INDEPENDENT LIVING	Expenditures to provide youth integration and coordination services.
65070	OUTREACH SERVICES	Expenditures to provide youth outreach services.
65080	OTHER SERVICES AND ASSISTANCE	Expenditures to provide youth with other services and assistance to support successful transitions to self-sufficiency.
66010	FAMILIES - FAMILY SUPPORT	Purchased services expenditures for family preservation/support.
67000	CHILD RESIDENTIAL FACILITY – ROOM AND BOARD	Foster care payments to child residential facility for room and board.
67005	CHILD RESIDENTIAL FACILITY – DAILY SUPERVISION	Foster Care payment for basic daily supervision of children in a child residential facility and Group homes.
67010	FOSTER CARE – BASIC MAINTENANCE	Foster Care maintenance payments that include room and board, basic daily supervision, a child's personal incidentals.

Account Code	Title	Definition
67020	FOSTER CARE MAINTENANCE - SUPPLEMENTAL CLOTHING	Foster care payment for supplemental clothing allowance.
67030	FOSTER CARE ENHANCED FOR ADDITIONAL DAILY SUPERVISION	Enhanced maintenance for additional daily supervision for children in foster care who meet the eligibility requirements and meet the definition of a special needs child to a Family Foster Home or Child Placing Agency.
67040	FOSTER CARE MAINTENANCE - TRAVEL	Reasonable travel for children in foster care for visitation with family or other caretakers including siblings and travel costs for the child to attend their school of origin.
67050	FOSTER CARE MAINTENANCE - CHILD CARE	Child Care expenditures for children in foster care.
67060	ADOPTION ASSISTANCE – BASIC MAINTENANCE	Maintenance payments which include food, clothing, shelter, basic daily supervision, school supplies and the child's personal essentials.
67070	ADOPTION ASSISTANCE – ENHANCED MAINTENANCE FOR ADS	Enhanced maintenance for additional daily supervision for children who meet the eligibility requirements and meet the definition of a special needs child and with an adoption assistance agreement in effect.
67080	ADOPTION ASSISTNACE – NON-RECURRING FEES	Non-recurring adoption fees, court costs, attorney fees and other expenses which are directly related to the legal adoption of a special needs child.
67090	ADOPTION ASSISTANCE – SPECIAL SERVICES NEEDS	Special Services Payments for children who meet the eligibility requirements and meet the definition of a special needs child and with an adoption assistance agreement in effect.

Virginia Department of Social Services
Finance Guidelines Manual for Local Departments of Social Services
Section 5.05 - Administrative Support Services

PURPOSE AND OVERVIEW:

To provide guidance to Local Departments of Social Services and State DSS operations regarding the Office of General Services Mail Room and Print Shop services for eligible customers.

REFERENCE SOURCES:

Not applicable

RESCINDED POLICY:

Virginia Department of Social Services, Administrative Manual (Vol. I), Chapter J - Administrative Services

Print Shop

Upon request, the on-site print shop prints and distributes divisions' manuals.

Courier Service

The courier service administered by Property and Facilities Management is provided to expedite delivery of materials among local, regional, DCSE and state DSS offices. Materials cannot be sent directly from one office to another but must be processed through the DSS Home Office mailroom to its destination. The service is not to be used to send personal items or mail. Items that are intended only for a specific person must be sent by United States Postal Service (USPS) at the expense of the sending office. Using the courier service to prevent or reduce USPS expenditures is a violation of USPS rules and regulations. Mail sent via the courier service such as manuals, supplies and transmittals are sorted according to home, regional, district or local office. The courier service is intended for mail and small packages (no larger than an envelope box). Boxes and other large items must be sent via USPS or other courier service at the respective agency's expense.

When addressing all mail, including courier mail, it is critical that the sender provide sufficient information so as not to delay distribution.

Inter-office mail should include the following information:
- Recipient's Name
- Division / Location (e.g. Public Affairs - Home Office)
- Floor (e.g. 6th Floor)

Regular envelopes should include:
- Recipient's Name (e.g. John Doe)
- Agency Name (e.g. Department of Social Services)
- Division (e.g. Public Affairs)
- Complete Address (e.g. 7 N. 8th Street; Richmond, VA 23219)

Forms and Brochures

Most of the forms used by local departments of social services can be downloaded and printed from the Department of Social Services website http://www.dss.virginia.gov/. High volume forms, multi-part forms, and brochures are available through the department's Forms Warehouse Contractor at www.powerorbit.com. If you are visiting the Forms Warehouse Contractor's website for the first time, you must establish an account by clicking on Existing Customer Login and following the on-screen instructions or by calling 1-800-523-6014, extension 206 before ordering. A list of all forms and brochures that are available through the Forms Warehouse Contractor can be viewed on their website.

PURPOSE AND OVERVIEW

The Code of Virginia (§ 42.1-79) designates that the State Library Board is responsible for records management and is responsible for issuing regulations on preservation, storage, filing, microfilming, management, and destruction of public records by all agencies.

§ 42.1-85 of the Code of Virginia authorizes the State Librarian to establish procedures for the effective management of public records. In accordance with the *Virginia Public Records Act* of the *Code of Virginia* (§ 42.1-76 et. seq.), the Records Management and Imaging Services Division (RMISD), under the guidance of the State Records Administrator, offers services that support the efficient and economical management of state agency and locality government records. The State Librarian provides these services at no charge, unless otherwise noted.

In turn, the State Board of Social Services, pursuant to § 63.2-335, has adopted policies and procedures for records retention and disposition of such records in order to comply with Federal and State codes. The Library of Virginia (**LVA**) offers classes and workshops throughout the year to individuals who have records management responsibilities. They include:

- Basic Records Management
- Records File Management
- Electronic Records
- Intermediate Records Management
- Disaster Planning
- State Records Center

REFERENCE SOURCES

- Code of Virginia
- State Library Board

RESCINDED POLICY

- Section 5.15: Records Retention (Financial Information Only) v.01Jun08
- Volume I, Chapter K, Records Management, Administrative Manual, Dated 8/88.

DEFINITIONS

Calendar Year (CY) – The normal chronological year, from January 1st to December 31st

Fiscal Year (FY) – The twelve month period for which budgets are usually set (July 1 through June 30)

GUIDELINE

Policy

Section 205.60 of the Federal Register (April 1976) mandated state agencies to maintain and supervise the maintenance of all agency records in accordance with the Library of Virginia schedules. General Schedule Number 15 explains the records retention policy for local social service agencies. In cases in which a record does not correspond to a particular schedule number contact the LVA Records Analyst assigned to the Virginia Department of Social Services (**VDSS**) and complete a Records Survey form. The records analyst will then review the provided information and make a determination in respect to the appropriate retention period.

Box Specifications for Storage

Storage boxes must meet the following guidelines established by the State Records Center:

Boxes for file storage should be letter/legal size, heavy duty, a minimum of 200 lb test corrugated double wall construction, three ply ends, with removable top and die cut handholds cut into each end. Boxes must be interlocking with no staples or tape required for set up. Boxes must be able to hold 50 lbs so it is critical that you assemble the box correctly. All cartons are to be white with label printed in black ink on one end of the container. File storage box size should be 1.2 cubic foot size, 12” x 10” x 15” internal dimensions.

Archival use, “acid free boxes” for file storage should be letter/legal size, heavy duty, minimum of 200 lb test corrugated double wall construction, three-ply ends, with removable top, with die cut handhold cut into each end and of acid free material suitable for long term archival storage. Boxes must be interlocking with no staples or tape required for set up. Boxes must be able to hold 50 lbs as well so again, correct assembly is critical. If not pre-printed, write “Acid Free” or a ph level above 8 on the outside of the box. File storage box size should be 1.2 cubic foot size, 12” x 10” x 15” internal dimensions.

For more information and a list of vendors, refer to the following link: http://www.lva.virginia.gov/whatwedo/records/box_specifications.htm.

Boxing Records for Storage

Similar type files should be boxed together (i.e. check registers, day care providers). Combining multiple records in the same box requires sorting through the box for the correct files when the records are due for destruction or for retrieval requests. It is better to have a partial box of like records than to merge records for the sake of a full storage box.

Electronic Records

Public records are increasingly being created, managed, and stored electronically. In many cases, public information is now 'born digitally' and may not be effectively managed using traditional methods. The goal of the electronic records program is to ensure that Virginia's electronic public records are managed and preserved in accordance with applicable laws, and in compliance with LVA standards and guidelines. "Deletion" of confidential or privacy-protected information in computer files or other electronic storage media is not acceptable. Electronic records must be "wiped" clean or the storage media physically destroyed. The Library of Virginia has an Electronic Records Analyst available to provide guidance in maintaining and preserving electronic data, and establishing retention schedules. The Records Analyst also provides training upon request.
http://www.lva.virginia.gov/agencies/records/sched_local/GS-19.pdf - GS19 covers administrative records for county and municipal governments

Imaging Services

Imaging Services at the LVA manages a security microform program for the Library's collection, state agencies and localities and offers advice to state and local governmental agencies in accordance with the Public Records Act, *Code of Virginia*, Section 42.1-76 et al. Although the LVA no longer offers microfilming services, they do provide services such as quality control, maintenance of microforms in an environmentally controlled storage area, duplication of reels of security microfilm for record custodians, and consultation on microfilm standards, security, storage and duplication as needed.

Records Destruction

In accordance with §42.1-86.1 each agency shall ensure that records created after July 1, 2006 and authorized to be destroyed or discarded in accordance with subsection A, are destroyed or discarded in a timely manner in accordance with the provisions of this chapter; provided, however, such records that contain identifying information as defined

in clauses (iii) through (ix), or clause (xii) of subsection C of § 18.2-186.3, shall be destroyed within six months of the expiration of the records retention period.

The LVA interprets "timely manner" to mean that records scheduled for destruction will be destroyed no later than the end of the year (calendar or fiscal) in which the retention period expires. In order to implement this section, an entity must know whether records are maintained by calendar year or fiscal year. Refer to the LVA's website under "timely destruction of records" to determine the appropriate destruction date. (http://www.lva.virginia.gov/whatwedo/records/timely_destruction.htm).

Custodians of records must ensure that information in confidential or privacy protected records is protected from unauthorized disclosure through the ultimate destruction of the information. Normally, destruction of confidential or privacy protected records will be done by shredding or pulping. "Deletion" of confidential or privacy-protected information in computer files or other electronic storage media is not acceptable. Electronic records must be overwritten with meaningless data or the storage media physically destroyed. Commercial software applications are available to "shred" deleted records from database systems.

The State Records Center will forward *Certificate of Destruction (Form RM-3)* forms to the Records Officer in the Home Office as the destruction date nears. Local Records Coordinators (**LRC**) will have the opportunity to review the records scheduled for destruction. The LRC must sign the form and return it to the Records Officer in the Home Office for signature before forwarding the form to the State Records Center, where the records will be destroyed. If the LRC does not want any of the records on the form destroyed, the LRC should clearly designate those boxes that should not be destroyed, sign the form and return it to the Records Officer.

Completing Forms

When completing forms it is critical that you provide clear, accurate information:

1) Enter full name of agency or locality
2) Enter agency or locality budget code
3) Enter the name and title of person completing the form
4) Enter telephone number and extension if applicable of person requesting records
5) Enter department name
6) Enter street, city, and zip code; specify building and room number
7) Records Transferred to/for: Check whether the records are going to the Records Center, Archives, Imaging Services, or another location
8) Restrictions to Access or use: Indicate whether records are for public viewing
9) Enter the box number (1, 2, 3, etc.)
10) Enter the bar code number that corresponds to each line. Bar codes stickers are provided by the Records Center

11) Enter the schedule number. Refer to the RM-2 for the appropriate schedule
12) Enter the contents of the box; be specific as to contents
13) Enter the date range for the contents (i.e. June '07 – Oct. '07)
14) Enter the disposal date; refer to RM-2 for disposition dates appropriate for your schedule
15) Your Records Officer should print, and then sign their name
16) List the date you are signing the form

In order to ensure charges are allocated correctly, include on the RM-3 (Certificate of Records Destruction) and RM-17 (Records Transfer and Receipt) form the following information: FIPS Code, Fund Code, Object Code, Cost Code, Project Code, Grant Code and CDFA (if applicable).

Transferring Records to the State Records Center

Once records are boxed and the RM-17 form is complete pouch the form to the Records Officer in the Office of General Services at the Home Office who will sign the form and return it via pouch. Coordinate the pick-up of the boxes with the State Records Center or schedule an appointment with the SRC to personally drop-off your boxes The RM-17form signed by the Records Officer is given to the driver when picked up. The driver will sign the form acknowledging possession of the boxes. A copy will be retained by the entity and one to be forwarded to the Records Officer at the Home Office; the original goes with the driver to the Records Center. Charges do apply for pick-ups outside the Richmond area. Contact the State Records Center at (804) 236-3711 for a quote. Charges also apply for storage. Contact the SRC for a breakdown of fees or access the fee schedule at http://www.lva.lib.va.us/whatwedo/records/rc-svcs.htm.

Retrieval Requests

Use the Records Retrieval Request, RM-18, to access a file(s) rather than the contents of an entire box. The bottom of the form provides instructions for completing this form.

PURPOSE AND OVERVIEW:

The purpose of the Purchase of Services (POS) guidelines is to provide a process by which Local Departments of Social Services (LDSS) are able to purchase social services from vendors for eligible clients.

REFERENCE SOURCES:

Virginia Public Procurement Act (VPPA), Title 2.2, Chapter 43 (§2.2-4300 et seq.) of the *Code of Virginia*.

RESCINDED POLICY:

Volume VII, Section I, Chapter G – Purchase of Services in the Social Services Manual

DEFINITIONS:

Administrative Support Services: Non-customer specific services provided by a contractor to the LDSS.

Agency: Unless otherwise specified in the text, the agency refers to the Local Department of Social Services (LDSS)

Established Rate: The rate published by a vendor, or determined under program policy. An example is the Maximum Reimbursable Rate used by Child Care.

LDSS: Local Department of Social Services

Purchase of Service (POS): The process of purchasing services for a client or group of clients as allowed under Public Assistance Programs.

Purchase of Service Order (POS Order): A form sent to a vendor to authorize the delivery of services to a customer. A POS Order is available on the VDSS website: http://www.dss.virginia.gov under Forms and Applications, form number 032-02-0126-04-eng. The POS Order is written in accordance with the terms in a vendor agreement, if applicable. The POS Order specifies the conditions of the purchase, including the name of the customer (if applicable), time period, and units of service and cost/unit.

Sub-contractor: A vendor who has a written or verbal agreement with a primary contractor. The subcontractor may provide all or part of the services specified in the primary contractor's agreement with the LDSS. The LDSS must approve the subcontracting arrangements. Such approval shall be included in the vendor agreement. The primary contractor maintains administrative responsibility. A sub-contractor of a public agency does not assume the public status of its primary contractor.

VDSS: Virginia Department of Social Services

Vendor: A person or organization that provides goods or services.

Vendor Agreement: A basic contract or agreement between the LDSS and a vendor that describes the terms and conditions of a purchase or service arrangement.

Vendor Information Form: A form that provides specific information about each POS vendor. The Vendor Information Form provides the LDSS with information about a specific vendor, such as the vendor's address, description of service/goods, price, unit, effective date, renewal date, and any subcontracting arrangements. This may be a form developed by the LDSS or the vendor's information sheet provided to the general public.

Vendor Invoice: A form sent to the LDSS by the vendor each month as a bill for authorized services provided. The LDSS provides the invoice form to the vendor for Individual and Group type POS Orders. The vendor invoice is available on SPARK, under Forms and Applications, form number 032-02-0128-03-eng.

VPAA: Virginia Public Procurement Act

GUIDELINES:

All LDSS must adhere to procurement and contracting procedures established by their respective governing bodies; or, if procedures are not established by the locality, the LDSS must follow the VPPA. To determine if your locality has procurement and contracting procedures, contact one of the following: the office of your County Administrator or City Manager, your Commonwealth's Attorney, or your purchasing or procurement office.

Sections §2.2-4344 and §2.2-4345 of the VPPA allow any public body to enter into contracts without competitive sealed bidding or competitive negotiation for the purchase of certain goods or services. The following exemption applies to Local Departments of Social Services and the Purchase of Services procedure:

> § 2.2-4345. Exemptions from competitive sealed bidding and competitive negotiation for certain transactions; limitations.
>
> 14. Public bodies administering public assistance and social services programs as defined in § 63.2-100, community services boards as defined in § 37.2-100, or any public body purchasing services under the Comprehensive Services Act for At-Risk Youth and Families (§ 2.2-5200 et seq.) or the Virginia Juvenile

Community Crime Control Act (§ 16.1-309.2 et seq.) for goods or personal services for direct use by the recipients of such programs if the procurement is made for an individual recipient. Contracts for the bulk procurement of goods or services for the use of recipients shall not be exempted from the requirements of § 2.2-4303.

There are two separate processes when generating purchase of services. The first is the client process; the second is the vendor process.

The client process is identifying specific clients, establishing eligibility and determining the need for service. This process is program specific and is not addressed in this section. Refer to program guidelines for client processes.

The vendor process, detailed in this document, involves vendor selection, writing a vendor agreement, determining the type of service delivery, writing a Purchase of Service (POS) order, LDSS internal processing, vendor acceptance, and invoicing.

VENDOR PROCESS

1. Vendor Approval Process
   The LDSS staff negotiates rates with vendors based on services and costs. The vendor must meet applicable state, federal, and local laws and regulations as well as standards and/or criteria established for the type of vendor of services being sold. Match the description of services to one of the services defined in the appropriate program manuals.

2. Vendor Agreement
   a. Definition: A vendor agreement is a legally binding contract, between two or more competent parties, to provide lawful goods or services, to do or not to do something for the benefit of LDSS or VDSS clients.
   b. Attributes of a Vendor Agreement
      i. Clear and Easily Understood Language – Write a clear and easily understood agreement. Clearly define the obligations of each party so that anyone reading it is able to understand without additional explanation.
      ii. Complete and Precise Definition of Rights and Obligations – There should be a complete and precise detail of the rights and obligations of the LDSS and the Vendor/Sub-contractor. At a minimum, the document should provide the full answers to the following questions:
         - Who the parties are;

- Where they reside;
- Where the contract is being made;
- Where the contract is to be performed;
- Where delivery is to be made, if required;
- When it begins and ends;
- Why the parties are making the agreement;
- What the agreement seeks to accomplish;
- What each of the parties is to do, to furnish, to pay, or to receive;
- What the parties assume, if anything, as the basis of their agreement; and
- How the parties are to discharge their obligations to one another

iii. Forward Thinking - It is advisable to make provisions for every reasonably foreseeable event that may affect the contract's validity or its performance. At a minimum, the document should provide the full answers to the following situations:

- unavailability of funds
- changes in regulations
- delays that are the fault of neither party

c. Sub-contracting

i. Prior Approval: A vendor under a vendor agreement may subcontract services according to the terms of the Agreement. The vendor must have prior approval from the LDSS before using a subcontractor.

ii. Rules and Regulations for a sub-contractor: The vendor is responsible for the performance of the subcontractor. The subcontractor must comply with all rules, regulations and standards pertinent to the primary contractor.

iii. Payment of a sub-contractor: When a subcontractor is used, the LDSS will pay the vendor as usual. The vendor will be responsible for paying the subcontractor.

iv. LDSS contact with sub-contractor: LDSS will not purchase directly from any sub-contractor. However, a subcontractor may become a primary contractor by entering into a separate vendor agreement.

3. Purchase of Service (POS) Order

The POS Order authorizes the vendor to provide service, sets forth the specification for the future service(s) and provides the LDSS and the vendor with a record of services ordered.

The POS Order allows the fiscal officer to encumber appropriate funds to be able to pay expected invoices. It also provides the LDSS with a mean by which to notify the vendor of a change or termination of a POS Order.

Once the service worker has selected the vendor and has determined the amount of service necessary he or she completes the POS Order

Use the POS Order for the following four (4) types of service delivery:

A. Service Delivery Types

1) Individual Type

Use a single Individual Type POS Order form to authorize services for a single person, or a single family unit receiving services from the same vendor.

After the vendor provides the service, the vendor bills the LDSS on a Vendor Invoice monthly.

2) Group Type

Use a Group Type POS Order to purchase services for two or more clients from the same vendor. The clients do not need to be from the same family group. Indicate the total number of units authorized for all clients on the POS Order. Attach the following to each copy of the POS Order: each client's name, case number and authorized hours of service, when applicable.

The vendor invoices the LDSS by submitting a separate Vendor Invoice for each client served. All Vendor Invoices related to one POS Order should arrive together and should bear the number of the POS Order. Keep a copy of the POS Order and Vendor Invoices in the individual client record.

i. Use the Group Type POS Order when the vendor has available fewer slots that the number of eligible individuals the LDSS has determined to be in need of the service. The service is, therefore, available on an "as-needed" and "first-come, first-served" basis.

   For example, a Group Type POS Order for congregate meals for 50 eligible adults may be issued when only 20 meals per day can be served by the vendor. Therefore, the number of meals each customer will receive will vary according to how often each customer attends.

ii. Use the Group Type POS Order when the vendor of a particular service is determining eligibility as well as providing the service. The LDSS may

then need to limit service provision to a certain number of units of service.

The LDSS may be unable to determine beforehand which individual will be receiving the service. The Group Type POS Order authorizes the vendor to invoice only for a certain number of units of service given to the customers determined eligible for services.

A crisis intervention agency is an example of vendor who determines eligibility and provides services.

iii. Use the Group Type POS Order in cases where group eligibility applies. When customers of the specified group appear, render service until the unit limit specified on the POS Order is reached.

iv. Use the Group Type POS Order in cases where group eligible customers are receiving service on a one-time-only basis such as a group of customers who attend a week of summer camp.

v. Use the Group Type POS Order when authorized services for a limited number of customers who receive the same service and the same possible number of units from the same vendor.

3) Reimbursement Type

The Reimbursement Type POS Order authorizes the client, as permitted by specific program policy, to receive reimbursement after paying for purchases from vendors.

Use a single Reimbursement Type POS Order form to authorize services for a single person, or a single family unit as permitted by specific program policy, receiving services from the same vendor.

The LDSS must pre-authorize service. Once the vendor provides the service and the client remits payment to the vendor, the client presents a receipt of the purchase to the LDSS. The LDSS reimburses the client. Foster parents may also receive reimbursement for expenditures, such as school fees, for their foster children. The distinctive feature of the Reimbursement Type POS Order is that the LDSS pays client or the foster parent rather then directly to the vendor.

4) Internal Authorization Type

The Internal Authorization Type POS Order is LDSS internal documentation only. The POS Order is not sent to the vendor.

i. Customer-specific Purchasing

Services provided by vendors of tangible goods, lodging, food, utilities, rent, tuition and related fees, admission to a commercial entertainment facility, or transportation provided by a public conveyor shall be authorized by the service worker prior to service delivery. Indicate prior authorization in the service case record. The LDSS may choose to utilize the Internal Authorization type of POS Order for to indicate the prior authorization in the case record; and to allow encumbering of the funds to assure available funds to pay for the service. Billing under the Internal Authorization POS Order may be on the Vendor Invoice or on the vendor's own bill.

ii. Non-customer-specific Purchasing

The Internal Authorization POS Order is only useful when the fiscal officer will be encumbering funds necessary to pay for the administrative support services. Each LDSS must adhere to the governing body's procurement policies and procedures for non-customer-specific purchases because this type of purchase is not exempt from competition under the VPPA.

B. POS Order Form

1. Dating the Purchase of Service Order: The POS Order indicates an effective date and a termination date for each service ordered. The vendor is authorized to provide and bill for the service only on and between the two dates.

a. Effective Date

The effective Date on the POS Order shall not be before:

- The effective date that the vendor is approved or the beginning date on the POS when required;
- The date of service application of the customer; or
- The date of eligibility determination for the customer, with the following exceptions:

Exception 1: The beginning date of service payment authorization shall be the date the application/request for services is received in the agency if the customer/family is determined eligible within 45 days.

Exception 2: If determination is made more than 45 days after the application/request is received, services may begin only on the date eligibility is determined, except in the case of administrative delay.

b. Termination Date

The service worker's judgment and LDSS policy will determine the appropriate termination date to record on the POS Order. Factors affecting the appropriate termination date include the following:

- The termination date of the vendor's approval or vendor agreement for the purchase of services;
- Available funds;
- Customer eligibility, need, circumstance; and
- End of LDSS fiscal year.

c. Signature Date

The service worker and fiscal officer signature date is the actual date that the POS Order is signed. Usually, the signature date will not be the same date as the effective date and can be before or after the effective date.

2. Specific instructions for completion of the other sections of the POS Order are included as part of the form.

4. LDSS Internal POS Order Processing

a. <u>Verification of POS Order</u>

Prior to final authorization, the designated LDSS employee must verify the accuracy of the information on the POS Order. Make verification by checking:

- The customer's eligibility status;
- Either the current market rate schedule, and/or established rate, or a child care rate documentation form; and
- The LDSS file to determine the approval status of a vendor.

b. <u>Availability of Funds</u>

Once the fiscal officer can assure that funds are available and that the form is correct, he or she signs the POS Order. If funds are not available, the fiscal officer will return the POS Order to the service worker.

c. Routing of POS Orders
The locality should get the POS Order to the vendor within 10-14 days of authorization. (Note: LDSS are encouraged to implement electronic means of exchanging orders with vendors.)

Send the Individual or Group type of POS Order to the vendor. Since it is the LDSS responsibility to supply the Vendor Invoice, also send the vendor all the necessary Vendor Invoice forms for the POS Order.

Send the Reimbursement type POS Order to the customer.

The Internal Authorization type POS Order remains within the agency and indicates prior authorization for certain customer-specific services.

5. Vendor Acceptance of POS Order

The vendor may either accept or reject any POS Order. Acceptance and signing of the POS Order indicates the vendor's intention to provide and bill for service.

a. Acceptance of POS Order

If the vendor will provide the specified service(s), the representative signs the POS Order and sends one copy back to the LDSS. The vendor is then authorized to provide the service(s) described on the POS Order.

b. Rejection of POS Order

If the vendor is unable or unwilling to provide the service, the representative should indicate refusal on the POS Order. The vendor sends the entire form back to the LDSS.

6. Invoice Processing by Vendor

The LDSS must provide appropriate training to the vendor to ensure accurate completion of the Vendor Invoice.

The vendor prepares the Vendor Invoice by the date specified on the POS Order or Vendor Agreement for services provided in the previous month. The vendor sends it to the LDSS for payment. Inaccurate/incomplete Vendor Invoices may be returned to the vendor for correction.

ADJUSTMENT OR TERMINATION OF POS ORDER

A POS Order automatically terminates on its specified termination date. Under certain circumstances, it may be adjusted or terminated prior to its specified termination date. An adjustment or termination of a POS Order may not be retroactive unless the vendor is in violation of the vendor agreement.

1. Reasons for LDSS Adjustment or Termination:

    a) The LDSS may terminate a POS Order or vendor agreement without penalty-by delivering to the vendor a written notice of termination specifying the extent which performance under the POS order or vendor agreement is terminated, and the date of termination. After receipt of notice of termination, the vendor must stop all work and/or delivery of services under the POS Order or vendor agreement on the date and to the extent specified. The LDSS must make payment for all services rendered prior to the effective date of termination.

    b) The LDSS may adjust or terminate POS Orders anytime due to the vendor's failure to comply with any part of the vendor agreement.

    c) If the LDSS becomes unable to honor approved POS Orders for causes beyond the agency's control, a POS Order may be adjusted to avoid delivery of service for which the LDSS cannot make payment. Adjustments or termination of a POS Order must be made to the vendor in writing. An example of a cause beyond the agency's control is failure to receive promised revenue or donor funds.

    d) The LDSS may adjust or terminate POS Orders anytime for customer-related causes but may not adjust or terminate POS Orders arbitrarily or without cause. Customer related causes may range from changes in customer eligibility and customer progress to a customer's desire to cease receiving service from a particular vendor. Vendors should be notified in writing of any change/adjustment to the POS Order. In all cases, the LDSS shall pay for services rendered until the effective date of the adjustment or termination.

2. Reasons for Vendor's Adjustment or Termination

    a) A vendor must discuss a proposed adjustment of a POS Order with the LDSS. It is the LDSS decision whether or not to adjust the POS Order.

b) A vendor may only terminate service provision for customer-related causes. Examples of such customer-related causes include:

(i) A customer may not be suited to the vendor's program;

(ii) A customer may cease to meet the eligibility criteria for the vendor's program; or,

(iii) A customer may be attending a program so irregularly that the vendor wants to terminate service provision.

To terminate a POS Order, the vendor must give the LDSS at least 15 days notice of the intended service termination. This requirement must be included in a vendor agreement to be enforceable.

3. Termination Procedure

To terminate a POS Order, write a separate POS Order and check Premature Termination on the form. Enter the effective date of the termination in both the Effective Date column and the Termination Date column. In addition, if all invoices have been paid the service worker must check Un-encumber now to alert the fiscal officer to un-encumber funds. If another Vendor Invoice is expected, the service worker must check Await Final Vendor Invoice to alert the fiscal officer to un-encumber funds after paying the final invoice.

The vendor does not have to sign a POS Order that has been terminated as no option is offered regarding its acceptance.

4. Adjustment Procedure

In order to adjust a POS Order, write a separate POS Order. Check New Purchase Of Services Order and Premature Termination on the form. Enter the effective date in the Effective Date column and the new termination date in the Termination Date column. The fiscal officer will need to check the old POS Order to determine if additional funds require encumbering or if funds already encumbered can be unencumbered.

5. Notification to Vendor

Make every effort to give the vendor as much notice as possible regarding the adjustment or termination of a POS Order. Therefore, allow as much time as possible between the anticipated receipt of the adjustment or termination POS Order by the vendor and the effective date of the adjustment or

termination. If the service worker can reasonably anticipate that a termination POS Order will not reach a vendor prior to the termination effective date, the service worker shall call the vendor to give notice of the termination or adjustment effective date.

6. Vendor Default and/or Recollection of Funds

   Issue a termination POS Order if the vendor fails to comply with any part of the vendor agreement. Backdate the Termination Date and Effective Date on the POS Order to the date of violation. Provide the vendor a written notice of default that specifically identifies the areas of default. If applicable, the LDSS may demand the repayment of all funds paid to the vendor since the violation. Demand for repayment will depend on individual circumstances. The LDSS may consider referring the situation to the appropriate law-enforcement agency.

   Examples of vendor default include:

   a) The vendor bills for services that were not provided;
   b) The vendor fails to report substantial changes in the delivery of services; or
   c) The vendor is responsible for determining customer eligibility and uses incorrect procedures.

SERVICE PAYMENT AND INVOICE PROCESSING

1. <u>Vendor Invoice</u>

   The vendor shall submit a Vendor Invoice/bill within the specified number of calendar days after the close of the month in which services were delivered as indicated on the POS Order or vendor agreement. Upon satisfactory delivery of services, vendor invoices that are correct shall be paid no later than either; (i) the date on which payment is due under the terms of the contract for provision of the goods or services; or (ii) if a date is not established by contract, not more than forty-five days after goods or services are received or not more than forty-five days after the invoice is rendered, whichever is later. Va. Code § 2.2-4352. The LDSS can not refuse payment or assign a penalty for late submission of a correct invoice, unless the Vendor Agreement contains a provision allowing for a penalty or allows for non-payment.

   When using the Internal Authorization POS Order the vendor may bill the LDSS by submitting an invoice on the vendor's own billing form. The vendor's billing form, invoice, or receipt must contain all of the following information:

- Vendor's name
- Vendor's address
- Date of sale
- Goods purchased or services provided
- Amount paid or owed
- Customer's name
- Vendor's signature

When reimbursement to the customer is made, it shall be based upon the vendor's receipt marked "paid."

2. Review of Vendor Invoice by Service Worker

   Route each invoice/bill or a copy of it through the service worker in order for him/her to check the invoice/bill and the services received. If the services actually delivered were considerably less than those authorized, the service worker needs to explore the causes. For example, the customer may have been ill, may not have had transportation to get to the service, or may not have been motivated to seek the service.

RECORD RETENTION

1. Procurement Records:
   Maintain a complete file for each purchase transaction, containing all the information necessary to understand the why, who, what, when, where and how of the transaction. Generally, records are open to the public in accordance with the *Virginia Freedom of Information Act* and should be made available for review after the award has been made. Once procurement reaches the solicitation stage, establish a record, or file. It must contain as a minimum, as applicable, the description of requirements, sources solicited, cancellation notices, the method of evaluation and award, a signed copy of the contract or purchase order, contractor performance reports, modifications or change orders, cure letters, and any other actions relating to the procurement transaction or interaction with the vendor.

2. Retention of Procurement Files:
   The Library of Virginia, under the authority of the Virginia Public Records Act, is responsible for establishing records retention and disposition schedules. Find the retention schedules for procurement and accounts payable documents at the Library of Virginia's website http://www.lva.virginia.gov/agencies/records/retention.asp under General Schedules for Virginia Localities, General Schedule No. 2 – Fiscal Records.

Also, refer to the Library of Virginia website for information on Case Record retention.

3. Vendor Files
   Each LDSS shall maintain a separate file record for each vendor except those for which an Internal Authorization POS Order is used. The file shall contain, at a minimum the following information:

   a. The vendor's and any subcontractor's compliance with applicable standards;
   b. Any subcontracting arrangements;
   c. Documentation of the rate(s) to be paid to the vendor; and
   d. Program specific required documentation.

032-02-0128-03-eng

VENDOR INVOICE

Print Form

VENDOR NUMBER	CATEGORY	MAIL INVOICE TO:	POSO NUMBER	CASE NUMBER
VENDOR NAME & ADDRESS			CASE NAME	
		CASE WORKER NAME	FINAL VENDOR INVOICE FOR THIS PURCHASE ORDER? ☐ YES ☐ NO	SERVICE DELIVERY PERIOD BEGINNING DATE
CLIENT NAME		☐ ADULT ☐ CHILD	**VENDOR:** ALL CORRESPONDENCE AND VENDOR INVOICES SUBMITTED MUST REFERENCE THE NUMBER OF THE PURCHASE OF SERVICES ORDER ISSUED FOR THE IDENTIFIED CLIENT AND/OR SERVICES.	ENDING DATE

SERVICE DELIVERED	MAXIMUM AUTHORIZED UNITS	UNIT TYPE	UNIT PRICE	NUMBER OF UNITS DELIVERED	NET SERVICE BILLINGS

THE SERVICES SPECIFIED ON THIS VENDOR INVOICE HAVE BEEN DELIVERED AND ARE AUTHORIZED CHARGES FOR AUTHORIZED SERVICES. IN ADDITION, SIGNATURE BELOW SHALL CONSTITUTE ACCEPTANCE OF THE PURCHASE OF SERVICES ORDER REFERENCED ABOVE IF SUCH ACCEPTANCE HAS NOT BEEN PREVIOUSLY CONVEYED.

SUB-TOTAL	
LESS FEE PAID BY CLIENT	
NET VENDOR INVOICE	

DATE CONTROL	
SENT TO DSS	SENT TO FISCAL OFFICE
RECEIVED BY DSS	RECEIVED BY FISCAL OFFICE
RECEIVED BY CASE WORKER	PAYMENT SENT TO VENDOR

RECEIPT OF THE NET VENDOR INVOICE AMOUNT SHOWN CONSTITUTES PAYMENT IN FULL FOR ALL SERVICES DELIVERED TO THIS CLIENT THROUGH:

DATE:

SIGNATURE OF AUTHORIZED REPRESENTATIVE OF VENDOR

☐ SEE ADDITIONAL SHEET

DATE: _____

SERVICE DELIVERY SCHEDULE

INDICATE THE NUMBER OF UNITS OF SERVICE PER DAY (OR IF NOT APPLICABLE CHECK THE DAYS ON WHICH SERVICE WAS DELIVERED)

DATE →	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31

PURCHASE OF SERVICES ORDER

VENDOR NUMBER:	VENDOR TAX ID NUMBER:	TYPE	PURCHASE OF SERVICE ORDER NUMBER	CASE NUMBER:
VENDOR NAME:		☐ INDIVIDUAL ☐ GROUP ☐ REIMBURSEMENT		CASE NAME:
ADDRESS:		☐ INTERNAL AUTHORIZATION	FUNDING SOURCE	**ACTIONS**
CITY, STATE, ZIP		MAIL INVOICES TO:		☐ NEW PURCHASE OF SERVICE ORDER
CLIENT NAME:	☐ ADULT ☐ CHILD			☐ NON-MONETARY CHANGE OF POSO # _____
ADDRESS:				☐ PREMATURE TERMINATION OF POSO # _____
CITY, STATE, ZIP				☐ UNENCUMBER NOW ☐ AWAIT FINAL VENDOR INVOICE ← COMPLETE IF PREMATURE TERMINATION IS CHECKED
TELEPHONE:				

SERVICE NAME	UNIT TYPE	EFFECTIVE DATE	TERMINATION DATE	UNIT PRICE	TOTAL UNITS AUTHORIZED	AUTHORIZED SERVICE BILLINGS
					TOTAL AUTHORIZED BILLINGS	

CASE WORKER NAME:	PHONE NUMBER
SIGNATURE OF CASE WORKER:	DATE APPROVED
SIGNATURE OF FISCAL OFFICER:	DATE APPROVED
SIGNATURE OF CASE SUPERVISOR:	DATE APPROVED

VENDOR: INDICATE ACCEPTANCE OR REFUSAL AND RETURN APPROPRIATE COPY TO THE LOCAL SOCIAL SERVICES AGENCY IMMEDIATELY.

☐ I HEREBY AGREE TO PROVIDE THE SERVICES REQUESTED ABOVE IN ACCORDANCE WITH OUR AGREEMENT FOR PURCHASE OF SERVICES OR INDIVIDUAL VENDOR AGREEMENT.

☐ I HEREBY REFUSE THIS PURCHASE OF SERVICES ORDER

I WILL PROVIDE THE SERVICES AS LISTED AND WILL SUBMIT THE VENDOR INVOICE WITHIN _____ WORK DAYS OF THE CLOSE OF THE MONTH IN WHICH SERVICES WERE PROVIDED.

SIGNATURE OF AUTHORIZED REPRESENTATIVE OF VENDOR:	DATE:

032-02-0126-04-eng

☐ SEE ADDITIONAL SHEET

LOCAL DEPARTMENT OF SOCIAL SERVICES (2 COPIES)
VENDOR (1 COPY)

AUTHORIZED VENDOR INVOICE SCHEDULE

SERVICE NAME	REQUIREMENTS FIRST SIX MONTHS						1ST SIX MONTHS AUTHORIZED BILLINGS
	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	
	UNIT	UNIT	UNIT	UNIT	UNIT	UNIT	$
	$	$	$	$	$	$	
	UNIT	UNIT	UNIT	UNIT	UNIT	UNIT	$
	$	$	$	$	$	$	
	UNIT	UNIT	UNIT	UNIT	UNIT	UNIT	$
	$	$	$	$	$	$	
	UNIT	UNIT	UNIT	UNIT	UNIT	UNIT	$
	$	$	$	$	$	$	
MAXIMUM VENDOR INVOICE SCHEDULE TOTAL	$	$	$	$	$	$	$
ACTUAL VENDOR INVOICE TOTAL (A)	$	$	$	$	$	$	$
DIFFERENCE	$	$	$	$	$	$	$

SERVICE NAME	REQUIREMENTS SECOND SIX MONTHS						2ND SIX MONTHS AUTHORIZED BILLINGS
	DECEMBER	JANUARY	FEBRUARY	MARCH	APRIL	MAY	
	UNIT	UNIT	UNIT	UNIT	UNIT	UNIT	$
	$	$	$	$	$	$	
	UNIT	UNIT	UNIT	UNIT	UNIT	UNIT	$
	$	$	$	$	$	$	
	UNIT	UNIT	UNIT	UNIT	UNIT	UNIT	$
	$	$	$	$	$	$	
	UNIT	UNIT	UNIT	UNIT	UNIT	UNIT	$
	$	$	$	$	$	$	
MAXIMUM VENDOR INVOICE SCHEDULE TOTAL	$	$	$	$	$	$	$
ACTUAL VENDOR INVOICE TOTAL (B)	$	$	$	$	$	$	$
DIFFERENCE	$	$	$	$	$	$	$

NOTE: MONTHLY INVOICE AMOUNTS MAY NOT EXCEED THE UNIT AND/OR DOLLAR AMOUNT AS SPECIFIED UNDER EACH MONTHLY COLUMN.

ACTUAL TOTAL VENDOR INVOICE AMOUNT FOR YEAR (A + B) $

INSTRUCTIONS FOR PURCHASE OF SERVICES ORDER

Form Number 032-02-0126-04-eng

PURPOSE - This form is used to order services from vendors. If the vendor accepts a POS Order, it enters into a contract for a specific purchase. This form is also used for unscheduled termination of, or change to, and existing POS Order.

USE - This form is prepared by the case worker, and the fiscal officer as noted, and sent to the primary vendor. The form is never sent directly to a subcontractor.

NUMBER OF COPIES - This form is prepared with an original and two copies. It should be printed as a two-sided form; the front is the Purchase of Services Order and the back is the Authorized Vendor Invoice Schedule.

DISPOSITION - The case worker completes the back side of the form and the appropriate portion of the front side. The form is then sent to the fiscal officer for approval, additional completion, and signature on the front side. If not approved, the form will be returned unsigned to the case worker who will terminate or revise the POS Order. If approved, the case worker will be notified and the signed original and a copy will be sent to the vendor for acceptance. The local department of social services (LDSS) will retain a copy. If not accepted by the vendor, the original and copy will be returned to the case worker who will terminate or revise the POS Order. If accepted, the copy will be retained by the vendor while the signed original will be returned to the LDSS.

Instructions For Preparation Of The Front Of The Purchase Of Services Order

VENDOR NUMBER: This is an optional field. Some LDSS assign a unique vendor number to each vendor. If used, enter the Vendor Number of the primary contract vendor who is to provide the service.

VENDOR TAX ID NUMBER: Enter the federal tax ID number of the primary contract vendor.

VENDOR NAME - Write the name of the primary contract vendor who is to provide the service. Do not write the name of the subcontractor.

ADDRESS - Write the vendor's business address. This will be the address to which the POS Orders must be sent. It will not necessarily be the address at which the service will be provided in case of multiple vendor addresses.

CLIENT NAME

Child Care Services: If the form is being completed for child care services, write the parent's name under "Client Name" and the children's name(s) under the heading "Service Name"

Non-Child Care Services: If the form is being completed for a specific individual client, write the client's full name. Leave blank if issued for a single case family unit.

ADULT/CHILD CHECK BOX

ADULT - If the form is being completed for a specific individual client, and the client is 18 years of age or older, put a check mark in this box.

CHILD - If the form is being completed for a specific individual client, and the client is 17 years of age or less, put a check mark in this box.

RESIDENCE ADDRESS, CITY, STATE, ZIP -If the form is being completed for a specific individual client, write theaddress of the client.

TELEPHONE - If the form is being completed for a specific individual client, write the telephone number of the client, or the telephone number at which the client may be reached with notation indicating whose phone number it is. If there is no telephone number at which the client may be reached, write "none."

TYPE - Put a check mark in the box that indicates the type of POS Order being issued.

PURCHASE OF SERVICE ORDER (POSO) NUMBER - The purchase of service order number is assigned by the LDSS and is unique to each individual order form.

FUNDING SOURCE - Write the funding source to be used to purchase this service.

CASE NUMBER - If the form is being completed for a specific individual client, write the case number assigned by the LDSS.

CASE NAME - If the form is being completed for a specific individual client, write the name assigned to the client's case by the LDSS.

MAIL INVOICES TO - Write or stamp the name and address to be used by the vendor in mailing Vendor Invoices to the LDSS.

ACTIONS: Check the appropriate box as follows:

NEW PURCHASE OF SERVICES ORDER - If the form is being completed for a new transaction.

NON-MONETARY CHANGE - If the form is being completed to indicate a change to a previous POS Order that does not affect the amount of money authorized, check this box. Examples are: new phone number, new address, change from child to adult, etc. Enter the POSO Number from the Purchase of Services (POS) order that initiated the transaction and is now being changed.

PREMATURE TERMINATION - If the form is being completed to indicate termination of the authorization given by another POS order before that authorizatiion is terminated by its own termination dates, then check this box. The NEW PURCHASE OF SERVICES ORDER box should also be checked if an old POS Order is being both terminated and replaced with this form. Enter the POSO Number of the POS Order that initiated the transaction and is now being terminated.

UNENCUMBER NOW - If Premature Termination is checked and all Vendor Invoices have been processed, then check this box.

AWAIT FINAL VENDOR INVOICE - If Premature Termination is checked and not all Vendor invoices have been processed, then check this box.

SERVICE NAME - Write the name of the service being purchased. If the POS Order is issued for a family unit, write the name of each family member on the line where his service is written.

UNIT TYPE - Enter the unit by which the service is sold (i.e. hour, day, week, month, each, mileage, etc.).

EFFECTIVE DATE - Enter the date upon which the service provision is authorized to begin.

TERMINATION DATE - Enter the date the service provision is authorized to terminate.

UNIT PRICE - Enter the dollar amount authorized as a charge for each unit of the service.

TOTAL UNITS AUTHORIZED - Enter the total number of units of the service authorized to be delivered from the Effective Date to the Termination Date for the service.

AUTHORIZED SERVICE BILLINGS - Enter the dollar amount that is the product of the Unit Price and Total Units Authorized entries on the form.

TOTAL AUTHORIZEDBILLINGS - Enter the dollar amount that is the sum of the Authorized Service Billings entries.

CASE WORKER NAME - Type or print clearly the name of the case worker to be consulted regarding this purchase.

TELEPHONE - Enter the telephone number where the specified case worker may be reached.

SIGNATURE OF CASE WORKER - A case worker who is authorized by the LDSS to authorize the purchase signs here.

DATE APPROVED - Enter the date upon which Signature of the service worker is completed. The date must be on or before the Effective Date of the POS Order except under backdating exceptions.

SIGNATURE OF FISCAL OFFICER - The fiscal officer must co-authorize the purchase by signing here.

DATE APPROVED - Enter the date upon which Signature of the Fiscal Officer is completed.

SIGNATURE OF CASE WORKER'S SUPERVISOR - The case worker's supervisor must co-authorize the purchase by signing here.

DATE APPROVED - Enter the date upon which Signature of the Supervisor is completed.

SEE ADDITIONAL SHEET - If more than four (4) services are authiorized or if a Group Type POS Order requires the attachment of an additional sheet, check this box. In the case of continuation on another POS Order form, write "See POSO Number" and enter the number of the form used for continuation.

VENDOR - The vendor's authorized representative must indicate acceptance or rejection of the POS Order by checking the appropriate box.

I WILL PROVIDE THE SERVICES ... AND SUBMIT... - From the end of the service delivery month the Case Worker or the Fiscal Officer **must** enter the number of days that the vendor has to submit the invoice.

SIGNATURE OF AUTHORIZED REPRESENTATIVE OF VENDOR - The authorized representative of the vendor agency signs here to indicate acceptance or refusal of the POS Order depending on which box is checked above the signature.

DATE - Enter the date upon which Signature of Authorized Representative of Vendor is completed.

INSTRUCTIONS FOR PREPARING THE BACK OF THE PURCHASE OF SERVICES ORDER - AUTHORIZED VENDOR INVOICE SCHEDULE

SERVICE NAME - Write each service name. Put the names in the same order as they appear on the front side of the form.

UNIT - Under each appropriate month enter the maximum number of units authorized for each service for that month.

$ - Under each appropriate month enter the dollar amount of authorized service billing of each service for that month.

1st SIX MONTHS AUTHORIZEDBILLINGS/2nd SIX MONTHS AUTHORIZEDBILLINGS - Total any entries for each service under Requirements First Six Months/Requirements Second Six Months and enter the resulting dollar amount.

MAXIMUM VENDOR INVOICE SCHEDULE TOTAL - Total the column of entries for each month and enter the resulting dollar amount.

ACTUAL VENDOR INVOICE TOTAL - After receipt of a vendor monthly invoice related to this POS Order, enter the total dollar amount of the invoice.

DIFFERENCE - Subtract the Actual Vendor Invoice Total from the Maximum Vendor Invoice Schedule Total and enter the resulting dollar amount.

ACTUAL TOTAL VENDOR INVOICE AMOUNT FOR YEAR (A + B) - Add the sum of the Actual Vendor Invoice Total for the first six months plus the sum of the Actual Vendor Invoice Total for the second six months and enter the resulting dollar amount.

VIRGINIA DEPARTMENT OF SOCIAL SERVICES
RANDOM MOMENT SAMPLE OBSERVATION FORM
CERTIFICATION PAGE

LOCALITY: _____ CENTER LOCATION: _____ CONTROL # _____

STATE POSITION # _____ DATE: _____ MOMENT: _____

LOCAL POSITION # _____ POSITION CLASS/ TITLE: _____

STEP 1: SUPPORT INFORMATION

IF A CASE IS BEING WORKED, ENTER CASE #: _____

AND/OR CLIENT'S NAME_____

IF WORKING, BUT NOT ON A CASE, DESCRIBE ACTIVITY_____

STEP 2: OBSERVATION DATA

PROCEED TO THE ATTACHED OBSERVATION FORM (THERE ARE TWO PAGES) AND MAKE APPROPRIATE SELECTION.

STEP 3: RECORDING OBSERVATION

FROM THE ATTACHED OBSERVATION FORM:

RECORD THE CIRCLED PROGRAM NUMBER: _____

RECORD THE CIRCLED ACTIVITY NUMBER: _____

STEP 4: CERTIFICATION

WORKER

I CERTIFY THE PROGRAM AND ACTIVITY SELECTED REPRESENTS A TRUE AND ACCURATE DESCRIPTION OF THE MOMENT IN TIME SPECIFIED ABOVE.

WORKER'S PRINTED NAME: _____

WORKER'S SIGNATURE: _____ DATE: _____* TIME: _____*

OBSERVER

I CERTIFY THE PROGRAM AND ACTIVITY SELECTED REPRESENTS A TRUE AND ACCURATE DESCRIPTION OF THE MOMENT IN TIME SPECIFIED ABOVE.
PLEASE CHECK ONE:

_____ WITH THE WORKER PRESENT, WE COMPLETED THE OBSERVATION FORM (WORKER AND OBSERVER SIGNS); OR

_____ THE WORKER WAS NOT PRESENT, I COMPLETED THE FORM (ONLY OBSERVER SIGNS)

OBSERVER'S SIGNATURE: _____ DATE: _____* TIME: _____*

* THIS IS THE ACTUAL DATE AND TIME WHEN THE RMS OBSERVATION FORM WAS COMPLETED. DO NOT BACK DATE TO THE MOMENT IN TIME SPECIFIED ABOVE.

***THIS PAGE MUST REMAIN ATTACHED TO THE RMS OBSERVATION FORM. ***

Random Moment Sampling Observation Form

REFER TO INSTRUCTIONS FOR GUIDANCE
ON THIS PAGE OR NEXT PAGE, PLEASE CIRCLE ONE PROGRAM AND ONE ACTIVITY

800 **Non-Program Specific / Non-Case Specific**
- 900 General Administration
- 910 Initial / Non-Program Specific Intake
- 950 On Break / Personal Business
- 995 On Leave (i.e.; Paid Time Off - Vacation, Sick, Emergency Closings, Holidays)
- 998 Not Scheduled to Work (i.e.; Unpaid Time Off, Flex Day, Unpaid Lunch)
- 999 Position Vacant / Invalid Response

810 Benefits Activities - Common to Several
- 920 Processing Application / Verifying Data
- 452 Training - Benefits Related

180 Medicaid/SCHIP - Family & Children
- 400 Intake / Eligibility Determination / Redeterm.
- 403 Fraud Investigation / Prevention
- 404 Develop, Review and Revise the Case Plan
- 407 Prepare / Participate in Court Proceedings
- 409 Nursing Home/Waiver Preadmission Screenings (PAS)
- 411 EPSDT Activities
- 412 Referral to Services
- 452 Training - Program Related

110 SNAP (Food Stamps)
- 400 Intake / Eligibility Determination / Redeterm.
- 401 Benefits Issuance
- 403 Fraud Investigation / Prevention
- 404 Develop, Review and Revise the Case Plan
- 405 Casework / Case Management / Supervision
- 407 Prepare / Participate in Court Proceedings
- 412 Referral to Services
- 452 Training - Program Related

130 TANF (Benefits)
- 400 Intake / Eligibility Determination / Redeterm.
- 401 Benefits Issuance
- 403 Fraud Investigation / Prevention
- 404 Develop, Review and Revise the Case Plan
- 405 Casework / Case Management / Supervision
- 407 Prepare / Participate in Court Proceedings
- 412 Referral to Services
- 452 Training - Program Related

150 Auxiliary Grants
- 400 Intake / Eligibility Determination / Redeterm.
- 405 Casework / Case Management / Supervision
- 412 Referral to Services
- 452 Training - Program Related

160 General Relief
- 400 Intake / Eligibility Determination / Redeterm.
- 405 Casework / Case Management / Supervision
- 412 Referral to Services

120 Title IV-E
- 400 Intake / Eligibility Determination / Redeterm.

100 Medicaid - Adult
- 400 Intake / Eligibility Determination / Redeterm.
- 403 Fraud Investigation / Prevention
- 404 Develop, Review and Revise the Case Plan
- 407 Prepare / Participate in Court Proceedings
- 409 Nursing Home/Waiver Preadmission Screenings (PAS)
- 412 Referral to Services
- 452 Training - Program Related

220 Child Care
- 400 Intake / Eligibility Determination / Redeterm.
- 403 Fraud Investigation / Prevention
- 404 Develop, Review and Revise the Case Plan
- 405 Casework / Case Management / Supervision
- 407 Prepare / Participate in Court Proceedings
- 412 Referral to Services
- 452 Training - Program Related
- 503 Quality Initiatives

170 State / Local Hospitalization
- 400 Intake / Eligibility Determination / Redeterm.
- 403 Fraud Investigation / Prevention
- 404 Develop, Review and Revise the Case Plan
- 407 Prepare / Participate in Court Proceedings
- 412 Referral to Services
- 452 Training - Program Related

140 Refugee
- 400 Intake / Eligibility Determination / Redeterm.
- 405 Casework / Case Management / Supervision
- 407 Prepare / Participate in Court Proceedings
- 412 Referral to Services

190 Energy Assistance
- 400 Intake / Eligibility Determination / Redeterm.
- 403 Fraud Investigation / Prevention
- 404 Develop, Review and Revise the Case Plan
- 405 Casework / Case Management / Supervision
- 452 Training - Program Related

Random Moment Sampling Observation Form

October 2010

REFER TO INSTRUCTIONS FOR GUIDANCE
ON THIS PAGE OR PREVIOUS PAGE, PLEASE CIRCLE ONE PROGRAM AND ONE ACTIVITY

200 Employment Services (VIEW)

400 Intake / Eligibility Determination / Redeterm.
403 Fraud Investigation / Prevention
404 Develop, Review and Revise the Case Plan
405 Casework / Case Management / Supervision
407 Prepare / Participate in Court Proceedings
412 Referral to Services
452 Training - Program Related

310 Foster Care

400 Intake / Eligibility Determination / Redeterm.
404 Develop, Review and Revise the Case Plan
405 Casework / Case Management / Supervision
406 Placement of Client
407 Prepare / Participate in Court Proceedings
412 Referral to Services
414 Time-Limited Family Reunification Services
415 Direct Provision of Treatment
418 Prep for Independent Living (14 to 18 year olds)
419 Prep for Independent Living (Young Adults)
425 CPS Investigations
451 State-to-State Home Studies
452 Training - Program Related
455 Parent Recruitment / Assessment
457 Family Partnership Mtgs/Family Engagement

320 Adoption

400 Intake / Eligibility Determination / Redeterm.
404 Develop, Review and Revise the Case Plan
405 Casework / Case Management / Supervision
406 Placement of Client
407 Prepare / Participate in Court Proceedings
412 Referral to Services
415 Direct Provision of Treatment
450 Independent Adoption Home Studies
451 State-to-State Home Studies
452 Training - Program Related
455 Parent Recruitment / Assessment
457 Family Partnership Mtgs/Family Engagement

210 SNAPET (Supplemental Nutrition Assist Prog Emp & Trng)

400 Intake / Eligibility Determination / Redeterm.
403 Fraud Investigation / Prevention
404 Develop, Review and Revise the Case Plan
405 Casework / Case Management / Supervision
407 Prepare / Participate in Court Proceedings
412 Referral to Services
452 Training - Program Related

340 Money Follows the Person (MFP) Program

460 Transition Coordination for MFP Enrollees
461 Transition Coordination for Medicaid Waiver Enrollees

350 Adult Services / Adult Protective Services (APS)

400 Intake / Eligibility Determination / Redeterm.
404 Develop, Review and Revise the Case Plan
405 Casework / Case Management / Supervision
407 Prepare / Participate in Court Proceedings
409 Nursing Home/Waiver Preadmission Screenings (PAS)
412 Referral to Services
415 Direct Provision of Treatment
425 APS Investigations
452 Training - Program Related

360 Other Child Welfare Services (Child Not Currently in Foster Care)

411 EPSDT Activities
420 Activities for a Reasonable Candidate of Foster Care
421 Activities for a Child Not Deemed a Reasonable Candidate
415 Direct Provision of Treatment
417 Court Ordered Custody Evaluations for Non-LDSS Clients
426 CPS Intake
424 CPS Family Assessments
425 CPS Investigations / Specialized Investigative Training
453 Training - Program Related; Non Investigative
457 Family Partnership Mtgs/Family Engagement

VIRGINIA DEPARTMENT OF SOCIAL SERVICES (VDSS)

Random Moment Sampling October 2010

Observers and Workers Instructions for Completing the Random Moment Sampling Observation Form

Purpose

Random Moment Sampling (RMS) is a substitute system relying on statistical sampling and the laws of probability to estimate total worker effort based on a limited number of worker observations. This system is less intrusive than timesheets. After worker effort is identified and accumulated quarterly, these RMS results are used to reimburse staff and operating costs of running federal and state programs. Each RMS Observation is a permanent record supporting claims against federal and state programs.

Results from a RMS system which are improperly implemented or where RMS participants are inadequately trained could adversely effect statewide RMS results and cost reimbursement. It is essential everyone follow the instructions closely.

Responsibilities of the Local RMS Coordinator

Each locality must designate at least one RMS Coordinator to administer the RMS process in the locality. At least one alternate must be identified to perform in the Coordinator's absence. Each locality determines how many additional alternates will be needed based on the location of the sample population, available staff time, or other pertinent factors. It is the responsibility of local senior management to ensure that the knowledge, skills, and abilities of the RMS Coordinator(s) are appropriate to effectively carry out the RMS process within the locality.
The responsibilities of the RMS Coordinator include, but are not limited to the following:

- Acts as the liaison for communications with the locality's staff and the VDSS RMS Administrator;

- Coordinates the receipt of RMS Observation Forms to be distributed to RMS Observer(s) for completion. Monitors and collects returned RMS Observation Forms. This specifically refers to the distribution and collection of randomly assigned forms and the retention of completed forms;

- Assures that selected individuals have been personally contacted to promote sampling accuracy, form completion and quality control for all forms distributed within the period;

- Assures that on a weekly basis the sample results, ***including case number and client's name where applicable***, have been entered into the computer system. RMS Observation Forms will be reviewed by VDSS and other cognizant federal agency staff to assure program/activity combinations documented on the RMS Observation Form were provided for an eligible client; and

- Coordinates with the LDSS Office Manager, LETS Coordinator or other staff to assure that employees are accurately recorded and reported for inclusion or exclusion in the RMS process.

Responsibilities of the Local RMS Observer

It is the responsibility of local senior management to ensure that the knowledge, skills, and abilities of the RMS Observer(s) are appropriate to effectively carry out the RMS process within the locality. The RMS Observer(s) needs to be knowledgeable about the program and activities that could be selected on the RMS Observation Form.

Each locality must designate a RMS Observer and an Alternate RMS Observer who is responsible for the actual completion of RMS Observation Forms for the selected sample moments. The Alternate RMS Observer will assure continuation of the RMS process in the RMS Observer's absence. Each locality determines how many additional Alternates are needed based on the location of the sample population, the size of the sample, available staff time, or other pertinent factors. In some localities, the RMS Coordinator and the RMS Observer may be the same person. Again, each locality must determine the most practical approach to administering RMS in its particular location.

The responsibilities of the RMS Observer include, but are not limited to the following:

- Acts as the liaison for communications with the locality's RMS Coordinator;
- Contacts the worker directly at the specified time to complete the randomly assigned RMS Observation Forms, then returns the completed form for data entry;
- Ensures sampling accuracy, observation completion, and prompt completion; and
- Ensures the RMS Observation Forms are completed and returned to the local RMS Coordinator.

The RMS Process

Periodically each participant in the RMS population will be approached by a RMS Observer. The LDSS-designated RMS Observer will ask the worker to identify his/her activity at that moment according to the program and activity definitions. To assist RMS Observers and RMS Participants in completing the RMS Observation Form, a descriptive list of program and activity areas is included towards the end of these RMS Instructions. The RMS Observer is to ensure and certify that the RMS Observation is conducted timely and that the RMS Observation Form is filled out completely and accurately. Below general guidance is provided to assist the RMS Observer.

Overview of the RMS Certification Page

The RMS Certification Page is divided into five major sections.

IDENTIFICATION DATA:

The top portion of the RMS Certification Page is preprinted by VDSS and does not need any data entry or selections. This portion of the form provides the RMS Coordinator/Observer with the position information and the date and time necessary to conduct the RMS observation.

No changes are to be made to the top part of the RMS Certification Page including;

- **do not select a different date to complete the observation;**
- **do not select a new moment to document the observation; and**
- **do not change the randomly selected position number.**

STEP 1: SUPPORT INFORMATION

If a case is being worked, record the case number and/or client's name (only the case number is required for CPS and APS cases due to the investigative and confidentiality nature of the files). All case information will remain confidential. The client's name and case number are needed to validate the activity, benefiting program, and existence of the client. For audit and review purposes, select the case number associated with the client wherever the documentation for the program and activity combination will reside. Without the client's case number included on the RMS Observation Form, it is nearly impossible for a third party to validate that the services were actually provided, or that the services were provided to an eligible beneficiary.

If the RMS Participant is working but not on a case, the worker is to briefly describe the activity being completed at the specified moment. This additional documentation is to help substantiate the program/activity combination's validity. Some examples include:

- training (provide name of course being trained);
- recruitment activities (provide the type of activity, i.e. making brochures for recruitment booth for the Home Schooling convention);
- observer missed moment- worker cannot confidently recall what she/he was doing at the specified time.

If at the moment of observation, the RMS Participant is not working, such as when the employee is on break, on leave, at lunch, or not scheduled to work, the Activity Code selected provides sufficient documentation for the RMS Observation. As such, no additional description is necessary to document on the RMS Observation Form. If the RMS Observation is under review, the documentation needed may include the employee's work schedule certified by the supervisor or human resources, a leave form for the date of observation, etc.

While this may not seem important at the time of observation, completing this part of the form provides a clearer picture of the activity being done at the moment of observation.

STEP 2: OBSERVATION DATA

At the specified moment of observation, use Pages 2 and 3 of the RMS Observation Form (and RMS Instructions as needed), identify the specific Program that is benefiting from the participant's efforts at the time of the observation and ***circle*** the corresponding Program Code. If the benefiting Program cannot be determined, then select 'Non Client Specific' (Program Code 800), utilizing the appropriate Activity Code or if the activity being completed benefits several programs, select Benefits Activities – Common to Several (Program Code 810). ***By selecting a program, the participant is identifying the appropriate program to allocate his/her time.*** Next, ***circle*** the ONE Activity Code listed under the already-circled benefiting Program that best describes the activity being done at the selected moment. If a change is made to the RMS Observation Form, the person making the change should cross out the original selection, initial and if not perfectly clear why the change is being made, briefly describe the reason for the change.

STEP 3: RECORDING THE OBSERVATION

The Program/Activity combination circled on either Page 2 or 3 of the RMS Observation Form is to be recorded under Step 3 on the Certification Page. Please ensure **only one Program Code and one Activity Code are circled**, also, please double check to ensure what is circled on Page 2 or 3 as the Program Code and Activity Code are correctly recorded on the Certification Page. The person keying in the RMS Observation data into the RMS system will be keying from the Certification Page so it is important that the Program and Activity codes are complete and accurately depicts selection made.

STEP 4: CERTIFICATION

This step requires the Worker and RMS Observer to review the Program/Activity combination selected and certify the process and selection. When the RMS Worker is present while the RMS Observation Form is being completed, both the worker and RMS Observer are to sign and they are to write the date and time at the exact moment they are certifying (look at the clock or watch). The RMS Observer is to write a check mark beside the first Observer's Certification statement (the worker was present) and both the observer and worker are to sign the form.

If the RMS participant cannot be located or reached at the specific moment, the RMS Observer is instructed to leave a note, phone message or e-mail at the worker's assigned work space. The RMS Observer should talk with the RMS participant and record what the RMS participant was doing at the specified moment when he/she was away from his/her normal work space. To help ensure the integrity of the data gathered, this conversation should take place as close to the RMS moment as possible following the worker's return. This procedure is also used when the individual is with a client and cannot be interrupted at the designed moment. If the conversation

takes place face-to-face, then both the worker and observer are to sign the RMS Observation Form and the RMS Observer is to write a check mark beside the first Observer's Certification statement (the worker was present). However if the conversation is completed over the phone or through e-mail, only the RMS Observer signs and dates the RMS Certification Page and writes a check mark beside the second Observer's Certification statement (worker was NOT present). In instances like this, the worker should not sign the form as the worker was not physically present to fill out the RMS Observation Form.

When the RMS Observer and/or participant signs and dates the RMS Certification Page, the date and time recorded by the signature(s) should be the actual date and time the observation was finalized (when the form is complete including case number where applicable). Please note the Observer is certifying the activity being performed by the worker at the pre-determined date and time selected by the RMS System. The date and time recorded by the signatures represents the date and time when the RMS observation was actually completed and finalized.

Getting the form keyed into the System

On a weekly basis, the RMS Observer should send the completed RMS Observation Forms to the locality's RMS Coordinator (or designated keyer) who will key the observation data into the RMS system within a week. After entering the completed observations into the computer system (including case number where applicable) the processed RMS Observation Forms are to be filed by quarter and Control Number order.

If an error is identified during a quality review (either by the locality or the state) and the quarter is still open, please update the RMS System to reflect the most accurate information. Prior to updating the RMS System, ensure that all three (3) pages of the RMS Observation Form correctly mirror all updates and the individual making the changes initials all changes and writes a brief explanation documenting the reason for the change. As an example, if an observer believes the worker is on Paid Time Off (Activity Code 995), however when the worker returns and notifies the observer she was on Unpaid Time Off (Activity Code 998), the observer should request the completed RMS Observation Form for this moment from the RMS Coordinator, update the RMS Observation Form and request the RMS Coordinator to update the RMS System. Making this change will help ensure that the support documentation will substantiate the combination selected.

Retention of forms and filing

Per 45 CFR 74.53(b) and Library of Virginia Records Retention and Disposition Schedule (General Schedule No. 2 - Series Number 10162, Financial Accounting Records) retain all RMS Observation Forms for a period of three years from the date of submission of the final expenditure report (13 quarters) or until any audit issue is resolved, whichever is later.

Completed RMS Observation Forms should be filed by quarter and in Control Number order.

Program Areas

On the RMS Observation Form locate the Program area that is benefiting by your Activity at the specified RMS observation time (see RMS Certification page for specific date and time). Definitions for the Program areas follow:

100 Medicaid - Adult: This program code is used for adult only cases. This program code includes activities that contribute to making the determination or the redetermination of eligibility or interim changes for Medicaid; preparing or processing forms; entering relevant information into the Medicaid Management Information System (MMIS), MedPend, ADAPT (Application Benefit Delivery Automation Project) and other automated systems; collecting information from the client, authorized representative or others which is used in the determination of eligibility, such as social security numbers, citizenship and identity documentation; providing information about Medicaid-related programs such as managed care to clients, verifying eligibility information; filling out and processing associated eligibility forms; querying systems, records and other staff for current placement status (e.g., adult care residence, nursing facility); preparing for and participating in fair hearings and appeals for Medicaid; providing eligibility related forms, referral to medical services and information to caretakers or caseworkers applying on behalf of others; participating in training and remaining current on changes in Medicaid eligibility policies; and traveling to locations (including transportation of clients) associated with the above activities. This program also includes all activities involved in finding an applicant "ineligible" for Medicaid, which may then lead to a decision to refer to other programs (i.e. SLH).

110 SNAP (Food Stamps): This program code includes activities contributing to making the determination or the redetermination of eligibility or interim changes for Supplemental Nutrition Assistance Program (SNAP); preparing or processing forms; collecting information from family or others; accessing IEVS (Income Eligibility Verification System) to verify case information; filling out and processing associated eligibility forms; entering relevant information into ADAPT and other automated systems; preparing for and participating in fraud investigations; preparing for and participating in fair hearings and appeals and; traveling to locations associated with the above activities; and all activities related to Electronic Benefits Tracking process.

120 Title IV-E: This program code includes activities contributing to making the determination or redetermination of a child's eligibility or interim changes for title IV-E, preparing or processing data; collecting information from family or others which is used in the determination of eligibility, such as social security numbers, birth certifications; verifying eligibility information and entering an automated system, querying systems, records and other staff (i.e. current placement status).

130 Temporary Assistance for Needy Families (TANF) - (Benefits): This program code includes activities contributing to making the determination or re-determination of eligibility or interim

changes for Temporary Assistance for Needy Families (this program replaced AFDC); determining the exemption(s) for employment programs; preparing or processing forms; collecting information from family or others which is used in the determination of resources, such as social security numbers, birth certifications; verifying eligibility information; filling out and processing associated eligibility forms; entering relevant information into automated systems; querying systems, records and other staff; preparing for and participating in fair hearings and appeals for TANF; preparing for and participating in fraud investigations; providing eligibility related forms and information to parent(s), caretakers or caseworkers applying on behalf of others; and traveling to locations associated with the above activities.

140 Refugee: This program code includes activities contributing to making the determination or redetermination of eligibility or interim changes for Refugee programs; preparing or processing forms; collecting information from family or others which is used in the determination of resources, such as social security numbers, birth certifications; verifying eligibility information; filling out and processing associated eligibility forms; entering relevant information into automated systems; querying systems, records and other staff; preparing for and participating in fair hearings and appeals for Refugee programs; providing eligibility related forms and information to parent(s), caretakers or caseworkers applying on behalf of others; and traveling to locations associated with the above activities.

150 Auxiliary Grants: This program code includes activities contributing to making the determination or redetermination of eligibility or interim changes for Auxiliary Grants (AG) to aged, disabled, or blind clients eligible for grant support; preparing or processing forms; entering relevant information into automated systems; collecting information from family or others which is used in the determination of resources, such as social security numbers, birth certifications; verifying eligibility information; filling out and processing associated eligibility forms; querying systems, records and other staff; preparing for and participating in fair hearings and appeals for Auxiliary Grants; providing eligibility related forms and information to parent(s),caretakers or caseworkers applying on behalf of others; and traveling to locations associated with the above activities.

160 General Relief: This program code includes activities contributing to making the determination or redetermination or interim changes of General Relief (GR) services and/or cash assistance to individuals or families eligible for General Relief; preparing or processing forms; collecting information from family or others which is used in the determination of resources, such as social security numbers, birth certifications; verifying eligibility information; filling out and processing associated eligibility forms; entering relevant information into automated systems; querying systems, records and other staff; providing eligibility related forms and information to parent(s), caretakers or caseworkers applying on behalf of others; traveling to locations associated with the above activities.

170 State/Local Hospitalization: This program code includes activities in making the determination of applicant's eligibility for reimbursement of State/Local funded hospitalization services; interim changes, and redetermination of eligibility; preparing or processing forms; collecting information from family or others which is used in the determination of resources, such as social security numbers, birth certifications; verifying eligibility information; filling out and

processing associated eligibility forms; entering relevant information into automated systems; querying systems, records and other staff; preparing for and participating in fair hearings and appeals for State/Local Hospitalization program; providing eligibility related forms and information to parent(s), caretakers or caseworkers applying on behalf of others; and traveling to locations associated with the above activities.

180 Medicaid/SCHIP Family & Children: This program code includes activities designed to enable low-income families whose children receive medical services under LIFC (Low Income Families with Children), FAMIS Plus (Medicaid for children), FAMIS (medical services for low-income families whose children are not recipients of Medicaid), FAMIS MOMS (pregnant women who receive medical services) and Medicaid covered pregnant women. If you are working with a family at the specified time of your observation, determine the primary client that you are working with in the family before selecting either Medicaid Family & Children (Program Code 180) or Medicaid - Adult (Program Code 100). Ensure that the case number and client name recorded on your RMS Observation Certification page corresponds with your determination. ***This program should only be used for a family-based case, Medicaid covered pregnant women and pregnant women being evaluated for FAMIS MOMS. All work with other adults should be charged to Medicaid-Adult (Program Code 100).***

This program code includes activities such as initial contact, interim changes, and subsequent reviews; preparing forms and collecting information from the parent, authorized representative, guardian or others to be used in the determination of LIFC Medicaid, FAMIS Plus, FAMIS and FAMIS MOMS eligibility; filling out and processing associated eligibility forms; entering relevant information into automated systems, as well as communicating information to the centralized FAMIS CPU Unit; querying systems, records and other staff; preparing for and participating in fair hearings and appeals, and providing eligibility-related forms and information to parent(s), caretakers, or caseworkers applying for benefits on behalf of others.

190 Energy Assistance: This program code includes activities contributing to making the determination of eligibility for Low Income Home Energy Assistance (LIHEAP) and fuel crisis assistance: preparing or processing forms; collecting information from family or others which is used in the determination of resources; filling out and processing associated eligibility forms; querying systems, records and other staff; providing eligibility related forms and information to individuals applying on behalf of others; working with vendors; and traveling to locations associated with the above activities.

200 Employment Services (VIEW): This program code includes activities to a Virginia Initiative for Employment Not Welfare (VIEW) participant. If the worker is providing a client administrative assistance with child care services when an RMS Observation is completed, use Program Code 220 – Child Care as the program for child care-related activities.

210 SNAPET (Supplemental Nutrition Assistance Program Employment & Training: This program code includes employment and training activities to a SNAP (formerly Food Stamp) client. If the worker is providing a client administrative assistance with child care services when an RMS Observation is completed, use Program Code 220 – Child Care as the program for child care-related activities.

220 Child Care: This program code includes activities for coordinating child care for a case when child care services are needed, except when it is related to child care for foster children. If the client is a foster parent, select Program Code 310 – Foster Care. This program code is used only when the client is not receiving child care services under the Foster Care program. This code is used for any activity associated with approving or monitoring a child care provider.

310 Foster Care: This program code includes activities provided to a child and family preparing for or in a foster family home, group home, emergency shelter, residential facility or any other foster care facility licensed or approved for a child. ***This program includes entering relevant information into automated systems and activities that contribute to making the determination of whether or not a child who was removed from his/her home is eligible, or continues to be eligible, for participating in the Title IV-E Foster Care program (Activity Code 400).*** This code is used for Interstate Compact for the Placement of Children (ICPC) activities related to agency foster care/adoption. This program also includes workers efforts while participating in CSA-related activities on behalf of foster or adopted children and includes activities related to preparing and participating in the FAPT, CPMT and other related team meetings. This code is not used for Adult Foster Care; refer to Program Code 350 – Adult Services/Adult Protective Services.

320 Adoption: This program code includes activities provided to children who need permanent families, birth parents who are unable to parent their children and adoptive parents who want to provide a home for a child not born to them. Activities are provided to children whose adoption has been finalized and whose adoption is in progress. This program includes entering relevant information into automated systems, negotiating and reviewing adoption assistance agreements. This code should be used whenever the worker is performing any activity that contributes to making the determination of whether or not a child who was removed from his/her home is eligible, or continues to be eligible for participating in the title IV-E Adoption Assistance program (Activity Code 400).

340 Money Follows the Person (MFP) Program: This program code includes activities related to individuals who have resided in a Nursing Facility, Intermediate Care Facility for Individuals with Intellectual Disabilities (Mental Retardation), or Long-Stay Hospitals for six months or more and who continue to require long - term care benefits from Medicaid are eligible for the MFP program. Individuals must transition to a "Qualified Residence" such as a home owned or leased by the individual or a family member, an apartment with an individual lease, lockable entry and exit, which includes living, sleeping, bathing and cooking areas over which the individual or the family has domain and control or a residence, in a community-based setting in which no more than four unrelated individuals reside. This Program Code should be used with Activity Code 460 Transition Coordination for MFP Enrollees or Activity Code 461 Transition coordination for Medicaid Wavier Enrollees.

350 Adult Services/Adult Protective Services (APS): This program code includes activities related to the investigation of reports that an adult was or is suspected of being abused, neglected or exploited (select Activity Code 425). It also includes activities where intervention is needed

primarily to maintain and monitor ongoing supportive services to promote self-sufficiency. Supportive services include, but are not limited to, home-based services, adult day care alternate living arrangements, adult foster homes and/or other adult program activities.

360 Other Child Welfare Services (Child Not Currently in Foster Care): This program code should be selected when performing activities for a child not currently in Foster Care. These administrative activities can be for children considered at imminent risk of foster care (Activities for a Reasonable Candidate of Foster Care – Activity Code 420) and Activities for a Child Not Deemed a Reasonable Candidate (Activity Code 421), direct services for children in the home to preserve the family's stability (Direct Provision of Treatment – Activity Code 415), and activities regarding various levels of child abuse and neglect (CPS Assessments – Activity Code 424 or CPS Investigations – Activity Code 425).

800 Non-Program Specific/Non-Case Specific: This program code should be selected when choosing General Administration/Staff Development – Activity Code 900; Initial/Non-Program Specific Intake – Activity Code 910; Employee on Break/Personal Business – Activity Code 950; Paid Time Off – Activity Code 995; Unpaid Time Off – Activity Code 998; or Position Vacant/Invalid Response – Activity Code 999.

810 Benefits Activities – Common to Several: This program code should be selected when using Application Benefit Delivery Automation Project (ADAPT) to compile sections of the Benefits Application that are common to several, Systems Partnering in a Demographic Repository (SPIDeR) or when Processing an Application/Verifying Data - Activity Code 920. When attending training such as Benefits Fraud Training, ADAPT System Orientation and Advanced ADAPT select Activity Code 452 Training – Benefits Related. If training relates to a specific program such as Medicaid Long Term Care New Worker Training, record this observation under that specific program as in this example select Program Code 100 Medicaid Adult. Only select Program Code 810 when the activity performed is common to several programs such as SNAP (formerly Food Stamps), TANF and Medicaid.

Activity Codes (Circle Only One)

Once the Program has been selected, review the activities under the Program Code and select the activity being performed by circling the number of the one (1) activity that best describes what is being done at the moment specified on the RMS Observation Form. If you need help in determining which activity to check, please refer to the following descriptions. If you are not working on a specific case, select Activity Code 900 – Non-Client Specific Administration/Staff Development.

400 Intake/Eligibility Determination/Redetermination: This activity code is used whenever the worker is performing any activity that contributes to making the determination of client eligibility. Following are some examples of activities related to **Intake/Eligibility Determination/ Redetermination:**

- Providing potential applicant with information/documents and orienting potential applicant to the process;

- Collecting and verifying information from applicant or others which is used in the determination (i.e. social security number, birth certificates, resources, income, etc.);
- Completing and processing associated eligibility forms;
- Preparation of notice of decision;
- Reviewing and updating file each time the client's circumstances change;
- Screening all individuals who meet the Health Insurance Premium Payment Program (HIPP) non-financial eligibility criteria to DMAS;
- Redetermining eligibility; or
- All planning, assessments and paperwork which contributes to the above activities.

FOR ALL WORKERS: This includes all efforts and research related to determining the amount of assistance for which the client is eligible.
FOR FOSTER CARE WORKERS: In addition, this includes verifying that the foster home placement is approved/licensed and that the placement is an IV-E reimbursable placement.

FOR ELIGIBILITY WORKERS: Select Activity Code 400 when the benefiting program can be identified. If the activity at the specific moment is not unique to one benefiting program, select Program Code 810 Benefits Activities – Common to Several and Activity Code 920 Processing Application/Verifying Data. This includes maintaining records of actions taken with respect to the applicant's/recipient's application and making the determination of continuing eligibility.

401 Benefits Issuance: This activity code includes client service and support tasks, data entry, data processing, and other activities related to the readiness, preparation, printing, issuance/reissuance, replacement, distribution/redistribution, delivery, recovery or recoupment other than fraud related, validation/voiding, accounting and reconciliation, reporting, storage, control/auditing and payment of benefit checks or coupons or Electronic Benefits Transfer (EBT) transactions.

403 Fraud Investigation/Prevention: This activity code includes all activities directly related to the investigation of a fraud case. This activity includes "up front" activities to prevent fraud. This activity also includes the recovery or recoupment of payments resulting from fraud investigation.

404 Develop, Review and Revise the Case Plan: This administrative activity code should be used when a worker spends time assessing the placement needs of a client, obtaining diagnostic information, when appropriate, and developing and revising the case plan as required by departmental regulations. Following are some examples of activities related to the **Develop, Review and Revise the Case Plan**:

- Home visits with the client and the client's family to discuss and explore their needs, strengths, resources and existing support systems;
- Contact with mental health, education or other professionals involved with the client/client's family to obtain information related to the psychological, developmental, behavioral and educational needs and goals;

- Compiling case assessment reports that might consider information regarding psychological, developmental, behavioral and educational factors;
- Time spent analyzing specialized assessments (psychiatric evaluations, medical or educational evaluations) to inform the case plan;
- Coding/Reviewing client specific provider invoices; or
- Travel allowable to the program on behalf of the client (not transportation of the client).

405 Casework/Case Management/Supervision: This administrative activity code should be used when a worker spends time arranging for the services and monitoring the implementation of case plans assuring services are provided as required by the plans, scheduling and conducting reviews of children in placement and revising case plans as required by reviews.

Arranging for services and assuring services are provided excludes participating in service delivery/provision or providing a service directly to the client. Following are some examples of activities related to **Casework/Case Management/Supervision:**

- Routine contacts, home visits, monitoring and/or communicating with others in relation to the status of the client, the case plan, goals for the client and family;
- Development of goals, case plans, written service agreements and routine supervisory activities;
- Updating case file to document client's progress with meeting goals of the case plan;
- Preparing for and attending case conferences and consultation meetings (including administrative panel reviews) where client progress is discussed with involved service providers and/or other agency staff;
- Supervisory Case Conferences;
- Contract negotiation, monitoring or voucher processing
- Arranging for and monitoring the provision of services identified in case plans;
- Arranging for any counseling necessary to prepare the client and family for placement;
- Arranging for the provision of pre and post adoption services;
- Arranging for permanency planning and pre-placement activities;
- Other employment related activities for TANF/VIEW or SNAPET clients; or
- Travel allowable to the program on behalf of the client and transportation of the client.

406 Placement of Client: This administrative activity code should be used when a worker spends time identifying appropriate placement resources, providing information to the placement resource and arranging for the placement of the client. Following are some examples of activities related to the **Placement of Client**:

- Working with foster parents to prepare them to receive a child;
- Contacts with placement providers on any issues related to the care of a specific client;
- Client specific recruitment;
- Selection of an approved adoptive family appropriate for the needs of the child;

- Adoptive home studies for a specific child; or
- Transporting client for pre-placement visits and for client placement.

For activities relating to Interstate Compact on Placement of Children activity related to a specific child select Activity Code 451 State-to-State Home Studies.

407 Prepare/Participate in Court Proceedings: This administrative activity code should be used when the worker is spending time preparing or reviewing reports to the court/fair hearing panel, appearing at hearings and providing testimony. Following are some examples of **Prepare/Participate in Court Proceedings**:

- Participation in all fair hearings and appeals stemming from eligibility determinations;
- Participation in all fair hearings and appeals on closed or denied service cases;
- Participation in any court appearance where the local agency is seeking custody of a child;
- Participation in any court activity necessary for the adoptive placement of a child, other than independent adoptions;
- Participation in any court appearance related to obtaining child support for a child in placement or under the supervision of county agency; or
- Preparation of reports to the court/fair hearings panel for any of the judicial proceeding, subsequent follow up with court and all travel to and from.

409 Nursing Home/Waiver Preadmission Screenings (PAS): This code includes the required pre-admission screening processes including completing the Uniform Assessment Instrument (UAI) for either assisted living waiver services or nursing facility placements, writing the assessment and coordinating collateral contacts for nursing home, community-based care, home-based care waiver, home-based care pre-admission screening and Assisted Living Facility (ALF) services.

411 EPSDT Activities: This administrative activity code should be used when promoting Early and Periodic Screenings, Diagnosis, and Treatment (EPSDT) component of Medicaid to inform potential and actual Medicaid applicants and clients of the nature of the EPSDT program, advising them how to access EPSDT services, assisting them to participate in the EPSDT program and following up to make sure that needed services are secured.

412 Referral to Services: This administrative activity code should be used when the worker is providing information about needed or requested services. Following are some examples of **Referral to Services**:

- Referrals to community resources for additional supports such as referral to food banks, counseling and support groups;
- Referrals to services intended to enhance the possibility of a child's return to his/her home;
- Referrals to needed medical, behavioral health or health services; or
- Referrals to parenting classes.

414 Time-Limited Family Reunification Services: This activity code should be used when the worker is providing or coordinating a service or activities for a child that has been removed

from the child's home and placed in a foster family home or a child care institution and to the parents or primary caregiver of such a child, in order to facilitate the reunification of the child safely and appropriately within a timely fashion, but only during the fifteen month period that begins on the date that the child is considered to have entered foster care. Following are some examples of **Time-Limited Family Reunification Services:**

- Individual, group and family counseling;
- Inpatient, residential or outpatient substance abuse treatment services;
- Assistance to address domestic violence;
- Mental health services;
- Services designed to provide temporary child care and therapeutic services for families;
- Services to ameliorate or remedy personal problems, behaviors or home conditions; or
- Transportation of child and or family to or from a reunification service.

415 Direct Provision of Treatment: This activity code should be used when the worker is providing direct services such as treatment and counseling to a child, the child's family, or the child's substitute care provider to ameliorate or remedy personal problems, behaviors or home conditions. Following are some examples of **Direct Provision of Treatment**:

- Individual, group and family counseling;
- Inpatient, residential or outpatient substance abuse treatment services;
- Assistance to address domestic violence;
- Services designed to provide temporary child care and therapeutic services for families;
- Services to ameliorate or remedy personal problems, behaviors or home conditions;
- Writing educational or psychiatric evaluation reports;
- Services designed to improve parenting skills;
- Mentoring services; or
- Parent support groups designed to improve parenting skills, family budgeting, coping with stress, health, and nutrition.

For transportation to or from any of the services and activities described above select Activity Code 405 Casework/Case Management/Supervision.

417 Court Ordered Custody Evaluations for Non-LDSS Clients: This activity code is used for court-ordered custody evaluations, home studies, or supervised visits when the family is not known to the LDSS.

418 Preparation for Independent Living (14 to 18 year olds): This administrative activity code is used when working with a child up to the age of 18 (or up to age 19 if likely to complete high school or equivalent) that participates in the Independent Living program or lives independently upon leaving foster care, including enabling participant to seek a high school diploma or equivalent or to take part in vocational training, providing training in daily living skills, budgeting, locating and maintaining housing, and career planning, coordinating individual and group counseling; integrating and coordinating services otherwise unavailable to participants;

and writing independent living plans***. If services are rendered on behalf of this client, use Activity Code 419.***

419 Preparation for Independent Living (Young Adults): This activity code is to be used to help young adults between the ages of 18 to 21 participate in the Independent Living program or to otherwise live independently upon leaving foster care, including enabling participant to seek a high school diploma or equivalent or to take part in appropriate vocational training, providing training in daily living skills, budgeting, locating and maintaining housing, and career planning, coordinating individual and group counseling; integrating and coordinating services otherwise unavailable to participants; and writing transitional independent living plans. This activity code should also be used for all independent living services such as mentoring, substance abuse services, teen pregnancy prevention and financial management services.

420 Activities for a Reasonable Candidate of Foster Care: This activity code should be selected when the worker is performing an activity for a child who is at imminent risk of foster care. The two acceptable methods of documentation indicating that a child is a reasonable candidate for foster care are:

- A defined case plan which clearly indicates that absent effective preventive services, foster care is the planned arrangement, or
- Evidence of court proceedings in relation to the removal of the child from the home, in the form of a petition to the court, a court order or a transcript of the court's proceedings which indicates that absent effective preventative services, foster care is the planned arrangement for the child.

Documentation sources dated more than six months prior to or dated after the sample moment, do not support a documentation of candidacy. All activities for non-candidates should be categorized as Activities for a Child Not Deemed a Reasonable Candidate (Activity Code 421).

421 Activities for a Child Not Deemed a Reasonable Candidate: This activity code is to be used when the worker is working with a child that is not currently in foster care and the child's case plan or the family service plan does not document the child is a candidate for foster care.

424 CPS Family Assessments: This activity code should be selected for the formal information gathering process utilized by the local department in determining for child protective services (CPS) whether or not services are needed to ensure child safety and/or to prevent recurrence of child abuse or neglect. ***It does not include case management and other ongoing activities related to the client that occur after the Assessment process. If client is at risk of foster care, select Activity Code 420 (Activities for a Reasonable Candidate of Foster Care); otherwise if client is not at risk of foster care, select Activity Code 421 (Activities for a Child Not Deemed a Reasonable Candidate).***

425 Investigations/Specialized Investigative Training (CPS/APS Only): This activity code is selected for CPS and APS Investigation, which includes the formal information gathering process utilized by the local department in determining: for child protective services (CPS) whether or not abuse or neglect has occurred; for adult protective services (APS) also whether

or not the adult needs protective services. ***It does not include case management and other ongoing activities related to the client that occur after the investigation process, if client is at risk of foster care, select Activity Code 420 (Activities for a Reasonable Candidate of Foster Care); otherwise if client is not at risk of foster care, select Activity Code 421 (Activities for a Child Not Deemed a Reasonable Candidate).***

This activity code also includes training relating to specialized skills such as conducting child abuse and neglect investigations or how to address or treat child or family problems or behaviors. Use this code when training supports the delivery of social services rather than the administration of the title IV-E state plan.

426 CPS Intake: This activity code should be selected when the intake worker is gathering information, evaluating and requesting additional information regarding the specifics of the complaint/concern. This activity begins with the referral for services and ends with the decision that the request will be assigned to a worker for assessment or other actions or that no action will be taken. This activity includes screening and prioritizing valid complaints.

450 Independent Adoptive Home Studies: This activity code includes home studies when the birth parents and the adoptive parents make an agreement that the adoption should go forward and no Department of Social Services is involved. This is a non-allowable IV-E activity. ***This activity does not include state-to-state home studies (see Activity Code 451), or when the child is known to LDSS, select Activity Code 406 (Placement of the Client) or select Activity Code 455 (Parent Recruitment/ Assessment) for home studies where the child has not been identified and matched with foster/adoptive parents.***

451 State-to-State Home Studies: This activity code should be selected when the child welfare worker is compiling an out-of-state home study that has been requested by another state. ***When the child is known to LDSS, select Activity Code 406 (Placement of the Client) or select Activity Code 455 (Parent Recruitment/Assessment) for home studies where the child has not been identified and matched with foster/adoptive parents.***

452 Training-Program Related: This activity code should be selected when the worker is preparing for, attending and/or delivering training directly related to the worker's job function. Travel related to this training activity should be coded here as well. Following are some examples of activities related to **Training-Program Related:**

- Training on referrals to services;
- From Welfare to Work: A Framework for Practice;
- TANF New Worker Training Phase I;
- Medicaid Aged, Blind and Disabled New Worker Training Phase II;
- In-service training; or
- Contract negotiation, monitoring or voucher processing training.

Any training that is not directly related to the workers job function such as Motivational Training, CPR Training and Time Management should be captured under Program Code 800

Non-Program Specific/Non-Case Specific with an Activity Code of 900 General Admin/Staff Development.

453 Training-Program Related; Non Investigations: This activity code should be selected when the child welfare worker is attending and/or delivering training on any topic areas that are necessary for the proper and efficient administration of our title IV-E state plan. Following are some examples of allowable training:

- Social work practice, such as family centered practice and social work methods including interviewing and assessment;
- Child abuse and neglect issues, such as the impact of child abuse and neglect on a child, and general overviews of the issues involved in child abuse and neglect investigations, as long as the training is not related to how to conduct an investigation of child abuse and neglect;
- Cultural competency related to children and families;
- In-service training;
- Casework Process and Case Planning in Child Welfare;
- Activities designed to preserve, strengthen, and reunify the family, if the training is not related to providing treatment or services;
- Communication skills required to work with children and families; or
- General substance abuse, domestic violence and mental health issues related to children and families in the child welfare system as long as training is not related to providing treatment or services.

455 Parent Recruitment/Assessment: This activity code should be selected when speaking to prospective foster and adoptive home applicants; participating in local forums or public service programs to inform the public of need and assessing the potential foster or adoptive parent through a home study. Following are some examples of allowable **Parent Recruitment/Assessment** activities:

- Promotion of the program;
- Composing and distributing promotional brochures or flyers;
- Criminal background checks for prospective foster parents/kinship foster homes;
- General recruitment of potential adoptive and/or foster parents (notifying by websites, newspapers, flyers, etc.); or
- Home studies, preparation for site visits, travel to and from home, preparing written reports for prospective resource (foster and/or adoptive) parents ***when foster/adoptive child has not been identified***

457 Family Partnership Meetings/Family Engagement-this activity code should be selected when the worker is either planning for, driving to/from, attending/participating, or documenting in OASIS Family Partnership Meetings (FPMs). This activity code may also be used for search activities to locate and include family members in FPMs.

460 Transition Coordination for MFP Enrollees: This activity code should be selected when supporting the MFP enrollee and family, as appropriate, with the management and coordination

of the transition from the institution to the community. Examples of transition coordination activities include, but are not limited to:

- Development of a transition plan;
- Provision of information about services that may be needed prior to discharge date, during and after transition;
- Coordination of community-based services with the case manager, if case management is available;
- Linkage to services needed prior to transition such as housing, peer counseling, budget management training, transportation; or
- Provision of on-going support for up to 12 months after discharge date.

461 Transition Coordination for Medicaid Waiver Enrollees: This activity code should be selected when supporting the Medicaid Waiver enrollee and family, as appropriate, with the management and coordination of the transition from the institution to the community. Examples of transition coordination activities include, but are not limited to:

- Development of a transition plan;
- Provision of information about services that may be needed prior to discharge date, during and after transition;
- Coordination of community-based services with the case manager, if case management is available;
- Linkage to services needed prior to transition such as housing, peer counseling, budget management training, transportation; or
- Provision of on-going support for up to 12 months after discharge date.

503 Quality Initiatives: This activity code includes improving the quality or availability of child care services, consumer education, and parental choice. This includes improving the monitoring of compliance with, and enforcement of applicable State and Local requirements.

NOTE: Activity codes 900, 910, and 920 should be use only when another activity code cannot be selected. Also, as these are non-case specific activities, you must describe the activity in Step 1 of the RMS Observation Form.

900 General Administration: This activity code is selected when the worker is engaged in an activity directed at advancing the local agency program goals. Following are some examples of **General Administration**:

- Conduct/Participate in non-client related staff meetings;
- Public information activities and outreach;
- First aid, CPR, or facility security training;
- General administrative training (such as copier, computers and stress management);
- Reviewing payroll and leave activity;
- Organizing work area;
- Emergency preparedness; or
- Any training that is not directly related to the worker's job function (such as Motivational Training and Time Management Training).

910 Initial/Non-Program Specific Intake: This activity code should be selected when a worker is serving as the ***initial point of contact for applicants;*** provides information regarding various programs and benefits; general eligibility requirements for all programs; schedules and coordinates appointments for clients to meet with benefit, employment or services staff.

920 Processing Application/Verifying Data: This activity code should be selected when a worker is gathering information that is an integral part of determining eligibility for SNAP (formerly Food Stamps), TANF and Families and Children's Medicaid programs. These common activities occur most frequently in the initial eligibility determination; however it is not limited to only initial determinations. Following are some examples of **Processing Application/Verifying Data:**

- Recording client's name, address changes and occupational information;
- Verifying income, assets, addresses and birthdates; or
- Attending Benefits Fraud Training.

950 On Breaks/Personal Business: This activity code includes scheduled break time and time spent on activities of a personal nature. If your locality pays for the time it takes to consume lunch, record what the RMS Participant is doing while eating. Only select Activity Code 950 Employee on Break / Personal Business if your locality pays your workers for the time it takes to eat lunch and are not required to perform any other activity while eating (i.e. attending a meeting, providing case management, etc.).

995 On Leave: This activity code is used for ***all paid scheduled and unscheduled leave.*** Some examples include paid leave relating to: vacation, sick, holidays, military and emergency closings.

998 Not Scheduled to Work: This activity code is used when a worker is not scheduled to work during the RMS observation time designated for sampling or the worker is at lunch (and lunch is not a break that is paid for by the locality). ***This also includes Flex Days and furloughs.*** The RMS observation hours are 8:30 a.m. until noon and 1:00 p.m. to 4:30 p.m., Monday through Friday.

999 Position Vacant/Invalid Response: This activity code is used when a position has become vacant during the quarter - unless the position is filled by another employee. Incumbent employee should complete the RMS Observation Form if he/she fills the vacant position. The Incumbent and/or Observer should cross out the pre-recorded name under Step 4 of the Certification Page and replace with the name of the worker that currently fills the position. Do not complete the RMS Observation on the worker if the worker has been promoted or fills a different position. Remember RMS is position driven, not person driven. If the position is vacant at the specified moment, select this activity code but also under Step 1 record when this position came vacant.

Also use this category when the observer misses notifying the RMS Participant timely and when the RMS Participant is notified and can no longer recall specifically what he/she was doing at the specified moment.

All questions with regard to the appropriate use of the Random Moment Sampling system should be directed to the VDSS Division of Finance at (804) 726-7262.

Random Moment Sampling Exclusion Form

FIPS Code: _____ Locality: _____

Effective Date: _____ End Date (if known): _____

Exclusions: The following local employees should now be identified for exclusion from the RMS process:

Name	Position #	Reason for Exclusion

I certify to the best of my knowledge, that the employee(s) listed above has been properly identified for exclusion from the RMS observation process.

Print Name: _____ Title: _____

Signature: _____ Date: _____

NOTE: This initial certification must be submitted to the VDSS Division of Finance – RMS Team via the pouch system. Should any employee's positions/responsibilities change that would necessitate a change to his/her RMS status, a copy of this form should also be immediately submitted to the attention of the Division of Finance – RMS Team. Please call Kim Conner (804) 726-7262 for any additional questions relating to this form.

COMBINED LASER MONTHLY EXPENDITURE CERTIFICATION AND RECONCILIATION FORM

This form can only be used if both Part I and Part II are completed by the due date.

Due Date: The day LASER closes for the Month/Period.

CITY (COUNTY) OF: _____ **FIPS Code:** _____

LASER Period: _____ **Certification Date:** _____

PART I: LASER Monthly Expenditure Certification

The source documents used to prepare the LASER journal entries requesting reimbursement were used to compile the data reported on this certification.

TYPE OF EXPENDITURES	REIMBURSABLE EXPENDITURES	NON-REIMBURSABLE EXPENDITURES	TOTAL EXPENDITURES
Staff & Operations Expenditures			$ -
Maintenance & Assistance Payments			$ -
Purchase of Services Expenditures			$ -
Other Expenditures			$ -
TOTAL EXPENDITURES	$ -	$ -	$ -

I/We certify that reimbursable and non-reimbursable expenditure data, entered into LASER for the stated period are accurate, appropriate and allowable in accordance with all local, state, and federal requirements. I/We further certify that all expenditures submitted for reimbursement are fully supported and documented in accordance with the guidelines provided in the LASER Expenditure Reconciliation section of the Finance Guidelines Manual for Local Department of Social Services. This documentation is available and on file for review upon request. I/We certify that all expenditures were reasonable and necessary to provide services and financial assistance to social services clients. I/We acknowledge and accept that all reported expenditures, reimbursable and non-reimbursable, are subject to verification and audit.

Part I Completed By: Print Name _____ **Signature** _____

Part I Reviewed By: Signature _____

{The same LDSS staff can not sign both the Completed By and Reviewed By sections.}

PART II: LASER Monthly Expenditure Reimbursement Reconciliation

The source documents used to prepare the reconciliation of LASER expenditures reported for reimbursement as well as the LDSS' reconciliation tool (spreadsheet) were used to compile the data reported on this certification.

GENERAL/SUBSIDIARY LEDGER SYSTEM (System that generates the checks)	TYPE OF EXPENDITURES	GENERAL/SUBSIDIARY LEDGER TOTAL (system that generates the checks)	LASER TOTAL EXPENDITURES	DIFFERENCES (GL/Subsidiary minus LASER)
Payroll System	Staff Expenditures			$ -
Ledger System (Local system, Thomas Bros., Harmony, etc.)	Operations Expenditures			$ -
Maintenance & Assistance System (Local system, Thomas Bros., Harmony, etc.)	Maintenance & Assistance Payments			$ -
Purchase of Service System (Local system, Thomas Bros., Harmony, etc.)	Purchase of Services Expenditures			$ -
Other System(s)	Other Expenditures			$ -
TOTAL EXPENDITURES		$ -	$ -	$ -

I/We certify that reimbursable and non-reimbursable expenditure data entered into LASER have been fully and satisfactorily reconciled between the LDSS' system that generates checks and LASER. All reconciling differences have been identified and the appropriate adjustments have been made. Where applicable, explanations and supporting documentation for reconciling items are attached to this certification. I/We certify that all expenditures were reasonable and necessary to provide services and financial assistance to social services clients. I/We acknowledge and accept that all reported expenditures, reimbursable and non-reimbursable, are subject to verification and audit.

Part II Completed By (LDSS Office Manager): Signature _____

Part II Reviewed By (LDSS Director): Signature _____

{The same LDSS staff can not sign both the Completed By and Reviewed By sections.}

Personnel Activity Report (Weekly Time Sheet)

Employee Name: John Doe Locality: AAABBBCCCDDD FIPS: 999

Position Title: XXXXXXXXXXXXX Position # 11111

Begin and End Dates of the Week MM/DD/YYYY TO MM/DD/YYYY

Employee Signature *John Doe*

Supervisor Signature *Supervisor Signature*

Enter one of the program codes listed below in the corresponding block for each 15-minute increment worked during the work period.

	Mon	Tues	Wed	Thurs	Fri	Sat	Sun
7:00 AM							
7:15 AM							
7:30 AM							
7:45 AM							
8:00 AM	A	A	A	A	A		
8:15 AM	A	A	A	A	A		
8:30 AM	A	A	A	A	A		
8:45 AM	A	A	A	A	A		
9:00 AM	A	A	A	A	A		
9:15 AM	A	A	A	A	A		
9:30 AM	A	A	A	A	A		
9:45 AM	A	A	A	A	A		
10:00 AM	A-X	A-X	A-X	A-X	A-X		
10:15 AM	A	A	A	A	A		
10:30 AM	A	A	A	A	A		
10:45 AM	A	A	A	A	A		
11:00 AM	A	A	A	A	A		
11:15 AM	A	A	A	A	A		
11:30 AM	A	A	A	A	A		
11:45 AM	A	A	A	A	A		
12:00 PM	Z	Z	Z	Z	Z		
12:15 PM	Z	Z	Z	Z	Z		
12:30 PM	Z	Z	Z	Z	Z		
12:45 PM	Z	Z	Z	Z	Z		
1:00 PM	B	B	B	B	B		
1:15 PM	B	B	B	B	B		
1:30 PM	B	B	B	B	B		
1:45 PM	B	B	B	B	B		
2:00 PM	B	B	B	B	B		
2:15 PM	B	B	B	B	B		
2:30 PM	B	B	B	B	B		
2:45 PM	B	B	B	B	B		
3:00 PM	B-X	B-X	B-X	B-X	B-X		
3:15 PM	B	B	B	B	B		
3:30 PM	B	B	B	B	B		
3:45 PM	B	B	B	B	B		
4:00 PM	B	B	B	B	B		
4:14 PM	B	B	B	B	B		
4:30 PM	B	B	B	B	B		
4:45 PM	B	B	B	B	B		
5:00 PM							
5:15 PM							

Program	
A	RMS-Reportable Program Activities
A-X	Admin/Breaks/Leave (During Prog. A
B	NON-RMS Reportable Activities
B-X	Admin/Breaks/Leave (During Prog. B)
Z	Non-Paid Time (Lunch Break/LWOP)

Weekly Time Calculation		Hours
A	RMS-Reportable Program Activities	18.75
A-X	Admin/Breaks/Leave (During Prog. A	1.25
B	NON-RMS Reportable Activities	18.75
B-X	Admin/Breaks/Leave (During Prog. B)	1.25
Z	Lunch Break/LWOP	5.00
	Subtotal	45.00
	Less non-paid activities	(5.00)
	Total Reportable Hours	40.00

SAMPLE

JOINT COST SPLIT WORKSHEET OVERVIEW

The enclosed worksheets were developed with a two-fold purpose.
1) to provide a tool to determine the percentage split of Joint costs between Service and Eligibility to ensure funds available before reporting in LASER.
2) to provide local DSS staff a means of reference for the total Service, Eligibility, and Joint costs for a given month before LASER Cost Allocation.

"ENTER DATA" WORKSHEET

This worksheet requires the following data:

1. Month/Year and FIPS Code
2. Worker Counts for your FIPS (from LASER report titled "Worker Counts YTD for a FIPS")
3. Total Joint, Service and Eligibility costs (from local reports used to key LASER data)
4. Funds Available

"SUMMARY" WORKSHEET

This worksheet uses the data entered on the "Enter Data" worksheet to calculate the split of Joint costs by percentage and dollar amounts between Service and Eligibility. This information is used to determine if funds are available in the base budget lines 853 & 854 to report the total cost.

***This worksheet requires no data entry.

LASER Monthly Expenditure Certification

CITY (COUNTY) OF: _____ **FIPS Code:** _____

LASER Period: _____ **Certification Date:** _____

Due Date: The day LASER closes for the Month/Period.

Monthly Expenditures Reported for Reimbursement

The source documents used to prepare the LASER journal entries requesting reimbursement were used to compile the data reported on this certification.

TYPE OF EXPENDITURES	REIMBURSABLE EXPENDITURES	NON-REIMBURSABLE EXPENDITURES	TOTAL EXPENDITURES
ADMINISTRATIVE			$ -
ASSISTANCE			$ -
PURCHASED SERVICES			$ -
OTHER			$ -
TOTAL EXPENDITURES	$ -	$ -	$ -

I/We certify that reimbursable and non-reimbursable expenditure data, entered into LASER for the stated period are accurate, appropriate and allowable in accordance with all local, state, and federal requirements. I/We further certify that all expenditures submitted for reimbursement are fully supported and documented in accordance with the guidelines provided in the LASER Expenditure Reconciliation section of the Finance Guidelines Manual for Local Department of Social Services. This documentation is available and on file for review upon request. I/We certify that all expenditures were reasonable and necessary to provide services and financial assistance to social services clients. I/We acknowledge and accept that all reported expenditures, reimbursable and non-reimbursable, are subject to verification and audit.

Completed By: Print Name _____

Signature _____

Reviewed By: Print Name _____

Signature _____

{The same LDSS staff can not sign both the Completed By and Reviewed By sections.}

LASER Monthly Expenditure Reconciliation Certification

CITY (COUNTY) OF: _____ **FIPS Code:** _____

LASER Period: _____ **Certification Date:** _____

Due Date: The last day of the month.

[If the last day of the month falls on a weekend, the form is due the Friday before. If the last day of the month falls on a Holiday, the form is due the day before.]

The source documents used to prepare the LASER Monthly Expenditure Certification, LASER reports, and the Genderal/Subsidiary Ledger System were used to complete the reconciliaiton.

GENERAL/SUBSIDIARY LEDGER SYSTEM (system that generates the checks)	TYPE OF EXPENDITURES	GENERAL/SUBSIDIARY LEDGER TOTAL (system that generates the checks)	LASER TOTAL EXPENDITURES	DIFFERENCES (GL/Subsidiary minus LASER)
Payroll System	Staff Expenditures			$ -
General Ledger System (Local system, Thomas Bros., Harmony, etc.)	Operations Expenditures			$ -
Maintenance & Assistance System (Local system, Thomas Bros., Harmony, etc.)	Maintenance & Assistance Payments			$ -
Purchase of Service System (Local system, Thomas Bros., Harmony, etc.)	Purchase of Services Expenditures			$ -
Other System(s)	Other Expenditures			$ -
TOTAL EXPENDITURES		$ -	$ -	$ -

I/We certify that reimbursable and non-reimbursable expenditure data entered into LASER have been fully and satisfactorily reconciled between the LDSS' system that generates checks and LASER. All reconciling differences have been identified and the appropriate adjustments have been made. Where applicable, explanations and supporting documentation for reconciling items are attached to this certification. I/We certify that all expenditures were reasonable and necessary to provide services and financial assistance to social services clients. I/We acknowledge and accept that all reported expenditures, reimbursable and non-reimbursable, are subject to verification and audit.

Completed By LDSS Office Manager:

Print Name: _____

Signature: _____

Reviewed By LDSS Director:

Print Name: _____

Signature: _____

OFFICE SPACE QUESTIONNAIRE - OSQ Summary

{This spreadsheet will automatically fill in as the OSQ detail sheet is completed}

Total FTE 0

Space Category	Total SF	Circulation @ 30%	Total USF	%	USF Per FTE
Personnel	-	-	-	#DIV/0!	#DIV/0!
Support	-	-	-	#DIV/0!	#DIV/0!
Special	-	-	-	#DIV/0!	#DIV/0!
	-	-	-	#DIV/0!	#DIV/0!

Total USF per FTE excluding Special Needs Space #DIV/0!
(Must be below 210 USF/FTE unless approved by DRES)

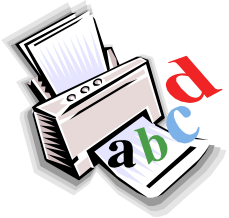
Technology Business Support Services

Instructions for completing the LASER/BRS Access Request Form

1

If completing manually, print a copy of the form, complete, date and sign, then move to step 2.

If completing electronically, complete form, print, date and sign, and move to step 2.



2

Original forms should be retained by requesting department. Submit the completed form by FAX to:
804-726-7360
OR

3

Mail a copy of the completed form to:
Department of Social Services, Division of Finance
Attention: Local Reimbursement Manager
7 North Eighth Street, Richmond, VA 23219-3301

LASER/BRS

(LOCALITY AUTOMATED SYSTEM for EXPENDITURE REIMBURSEMENT/BUDGET REQUEST SYSTEM)

Security Authorization Request Form

Instructions

Notes:

- Information can be obtained by calling 804-726-7251.
- The user will be notified via e-mail when the request has been completed.
- Only one user per form.

1. **User Information**
   - Indicate the LASER/BRS user's full name, locality or division/unit name, locality FIPS code, e-mail address and phone number.
   - System Usage – indicate if the user should have Inquiry or Update access.

2. **User Approval**
   - Indicate the name, e-mail address and locality or division/unit name and signature of the security officer or authorized designee.

3. **Access Requested**
   - Select the type of access the user should be granted.
   - LDSS options should be used when completing the form for users in a local office. Central Office options should be used when completing the form for staff in the central office.
   - Inquiry access allows the user to view LASER information.
   - Update access allows the user to enter data in LASER.
   - Central Office users must specify the budget lines and descriptions for BRS.

4. **Additional Comments**
   - Indicate changes requested for an existing LASER/BRS user.

5. **Division of Finance LASER Approval Authority:**
   - To be signed by designated Local Reimbursement staff.

6. **Established in LASER by:**
   - To be signed by designated Local Reimbursement staff.

7. **Division of Finance Budget Approval Authority:**
   - To be signed by designated Budget Office staff for central office BRS users.

8. **LDSS Director Approval Authority:**
   - To be signed by the user

LASER/BRS

(LOCALITY AUTOMATED SYSTEM for EXPENDITURE REIMBURSEMENT/BUDGET REQUEST SYSTEM)

Security Authorization Request Form

Date

Locality or Department Name & FIPS Code

Employee Name

USER ID (First initial, last name)

Phone Number

E-mail address:

USER APPROVAL:

Security Officer or Authorized Person:

Name (Printed)

Locality or Department Name & FIPS Code

Signature, Date

E-mail Address

- ☐ LDSS Specific Inquiry
- ☐ LDSS Specific Update/Data Entry
- ☐ LDSS Specific BRS
- ☐ Central Office All LDSS Expenditure & BRS Inquiry
- ☐ Central Office All LDSS Expenditure & BRS Update
- ☐ Remove User

CENTRAL OFFICE USERS, SPECIFY BUDGET LINES W/DESCRIPTION FOR BRS:

ADDITIONAL COMMENTS:

DOF LASER Approval Authority:

Signature, Date

DOF Budget Approval Authority:

Signature, Date

Established in LASER by:

Signature, Date

LDSS Director/Designee Approval Authority:

Signature, Date

CONTROL NO: FAQ13
CATEGORY: Budget
QUESTION: My agency submitted a budget request in FY07 that was approved, transferring funding from line 883 Non-VIEW Child Care, to line 884 Child Care Staff Allowance. When the funding for line 884 was rolled up to the new Services Staff & Operations budget line for FY08, did it include these transferred funds?

RESPONSE: Yes, the roll-up included these transferred funds if the transfer was approved prior to the budget consolidation calculations being made. If the LDSS is unsure whether transferred funds were included, they should contact the VDSS Budget Office for confirmation.

CONTROL NO: FAQ14
CATEGORY: Budget
QUESTION: I am concerned about the decrease in federal pass-thru funding for services from approximately 25% down to 15%. What is the reason for this?

RESPONSE: When VIEW and other block grant funded activities are added into the service pool, the percentage of effort chargeable to block grants will rise substantially, thereby decreasing the IV-E and FSET percentages which comprise most of the reimbursement in service pass-thru.
Another factor that impacts the pass-thru funding is the tightened federal IV-E rules regarding Pre-Placement Prevention (PPP) activities. Since less PPP activities qualify for IV-E reimbursement, the IV-E share of service pass-thru is significantly reduced.

CONTROL NO: FAQ23
CATEGORY: Budget
QUESTION: Why is it necessary to split out Eligibility costs from Direct Services costs?

RESPONSE: Per guidance developed by U.S. Department of Health and Human Services, Division of Cost Allocation, Income Maintenance (Eligibility) and Social Services are distinct organizational units because they perform different functions. The eligibility worker is responsible for determining program eligibility and related case management for financial assistance programs. The social services worker is responsible for providing for, or arranging for, a wide variety of social services.
To record activities performed by these two different functions, HHS recommends the use of a reporting system that can separately record the work efforts of Eligibility and Social Services workers. Random Moment Sampling (RMS) is a statistical methodology used for allocating applicable expenditures to benefiting federal and state programs. It is a federally approved (preferred) process for distributing costs, and nationally, it is the method used most frequently by states.

CONTROL NO: FAQ26
CATEGORY: LETS/RMS
QUESTION: This question concerns in-home services providers within the adult services and child care programs. For years, it has been understood that, per an agreement with the IRS, these providers are not to be considered employees of the LDSS. However, with all of the new guidance and training regarding contract employees, some could conclude that the in-home services providers should now be considered contract workers and, therefore, entered into LETS and also RMS. What is the final guidance concerning in-home services providers and should they be entered into both LETS and RMS?

RESPONSE: In the March 29, 2011 letter (see below), the IRS has affirmed the status of the 1994 agreement between VDSS and the IRS, which maintains VDSS or LDSSs do not have to file the Schedule R, with respect to wages paid for an in-home service provider (companion worker. The IRS considers the in-home services providers to technically be employed directly by the client and the LDSS serves as the payroll intermediary.

These service providers likely do not access the state or local computer systems and, therefore, they do not need to be in LETS or RMS for reimbursement purposes. In-home service providers are paid from purchased services funds, not Staff & Operations funds.

However, if there is a need for the position to have access to state and/or local systems, then the position must be in LETS and have a LETS Reimbursement Status Code of 'NER' (Not Eligible for Reimbursement). This will prevent the position from being sampled in the Random Moment Sampling process and will also clearly delineate that the position is not to be claimed in the Staff & Operations budget lines. If needed, please see the LETS Manual (or your locality's VDSS HR Consultant) on the correct entry of this position in LETS.

Internal Revenue Service

Department of the Treasury
Federal, State & Local Governments
11166 Fairfax Blvd. Suite 500
Fairfax, VA 22030

RECEIVED
MAR 2 2011
ADULT PROTECTIVE SERVICES

Date: 3/25/2011

Christina Chang
FSLG Specialist
Voice: 703-462-5971
Fax: 703-462-5901
Email:
Christina.Chang@IRS.GOV

Gail Nardi
Adult Services/Adult Protective Services
Virginia Department of Social Services
801 North Main Street
Richmond, VA 23219

Dear Ms. Nardi:

This letter responds to your recent inquiry on whether the Virginia Department of Social Services ("DSS"), or any local departments of social services ("LDSS"), are required to file Schedule R (Form 941), Allocation Schedule for Aggregate Form 941 Filers, and Schedule R (Form 940), Allocation Schedule for Aggregate Form 940 Filers, in connection with the administration of the social services programs Home Based Adult Services (HBAS), and Child Day Care Services (CDCS). Below is an explanation of why Schedule R (Form 941) and Schedule R (Form 940) are not required to be filed, and a brief summary of the federal employment tax obligations that may arise in relation to the administration of the HBAS and CDCS programs.

Generally, if an individual hires a worker to perform domestic services in a private home of the individual, the worker may be a household employee and the law may require the service recipient to withhold and pay federal employment taxes. See Publication 926, Household Employer's Tax Guide, available on www.irs.gov. Employment taxes include the Federal Insurance Contributions Act (FICA) tax, Federal Unemployment Tax Act (FUTA) tax, and federal income tax withholding. Domestic service in a private home of the service recipient is household work done in or around a home, such as by caretakers, health aides, and private nurses. The law treats a worker as an employee of the service recipient if the service recipient has the right to direct and control what work is done and how it is done. The service recipient does not have to actually direct or control the manner in which the worker performs the services, but must have the right to do so. A service recipient who has the right to direct and control the worker is commonly called the common law

employer of the employee and the employment relationship is termed a common law employment relationship. You have represented that DSS and LDSS are not the common law employers of the workers performing services in the HBAS and CDCS programs. Nevertheless, I am providing the following general summary of the employment tax rules.

Employment Taxes and Household Employer Reporting

If a common law employment relationship exists, the employer and the household employee are each subject to FICA tax equal to a percentage of the employee's wages, if the wages paid to the household employee exceed a threshold amount. For 2011, the threshold amount is $1,700. The employer and employee may be excepted from FICA tax if the household employee is:

- The employer's spouse
- The employer's child under the age 21
- The employer's parent, with an exception for certain household services provided by grandparents
- A person under the age of 18 if not the person's principal occupation

A household employer is also liable for FUTA taxes equal to a percentage of the employee's wages up to $7,000, if the employer paid aggregate wages of $1,000 or more for all household employees in any calendar quarter in the current or prior year. FUTA tax is not imposed on the employee. The amount of FUTA tax is subject to offsetting credits for state unemployment contributions. However, the employer will not owe FUTA tax if the household employee is:

- The employer's spouse
- The employer's child under the age of 21
- The employer's parent

The law does not require employers to withhold federal income tax from wages paid to household employees. However, if the employee requests withholding, and the employer agrees, the employer must withhold income tax from wages. To know how much income tax to withhold from employees' wages, the employer should have the employee complete Form W-4, Employee's Withholding Allowance Certificate. See Publication 15 (Circular E), Employer's Tax Guide, available on www.irs.gov, for guidance on withholding from employees wages.

Employers are generally required to use Schedule H (Form 1040), Household Employment Taxes, to report and pay employment taxes for household employees. The employer must also file Form W-2, Wage and Tax Statement, and furnish copies to the employee.

Employer Appointment of Agent and Employment Tax Reporting

Code section 3504 allows an employer to designate another party to act as its agent for employment tax purposes. An employer and its designated Section 3504 agent are required to execute and file Form 2678, Employer Appointment of Agent, with the Service to get approval for the agent to perform employment tax obligations on behalf of the employer.

Under section 3504, all provisions of law (including penalties) applicable with respect to employers are applicable to the agent and remain applicable to the employer. Accordingly, both the agent and employer are liable for the employment taxes and penalties associated with the employer's employment tax obligations undertaken by the agent.

A section 3504 agent may undertake the employment tax obligations of an employer with respect to income tax withholding and FICA taxes. The section 3504 agent is required to file only one return (i.e., Form 941) for each tax return period using the agent's own employer identification number (EIN) regardless of the number of employers for whom the agent acts. The section 3504 agent also files and furnishes Forms W-2 to employees on behalf of the employers.

Generally a section 3504 agent may not undertake the employment tax obligations of an employer with respect to FUTA tax. However, a section 3504 agent is permitted to act for FUTA tax purposes and file a single FUTA return (i.e., Form 940) with respect to wages paid for home care services rendered to a home care service recipient.

Schedule R (Form 941) is required to be filed by section 3504 agents when filing aggregate Forms 941 on behalf of common law employers. Schedule R (Form 940) is required to be filed by section 3504 agents who are acting on behalf of employers who are home care service recipients, when filing aggregate Forms 940.

Neither DSS nor any LDSS have filed Form 2678 with the Service. Therefore neither DSS nor any LDSS are acting as a section 3504 agent on behalf of social services recipients enrolled in the HBAS or CDCS programs. Accordingly, neither DSS nor any LDSS are required to file Schedule R (Form 941) and Schedule R (Form 940) with respect to wages paid under these programs. Thus, neither DSS nor any LDSS have a Schedule R filing requirement.

A code section 3401(d)(1) Employer

In other cases, a party who is not the common law employer may be an employer liable for any applicable employment taxes. A party who is not the common law employer may nevertheless be an employer under Code section 3401(d)(1) if the third party controls the payment of wages. A person who is an employer under section 3401(d)(1) is the employer for all employment tax purposes. Therefore a section 3401(d)(1) employer has the duty of filing

appropriate returns with respect to, and is liable for any FICA tax, FUTA tax, and income tax withholding.

You have represented that DSS and the LDSS' are employers who are in control of the payment of wages for purposes of these programs. Thus, DSS and the LDSS' have the withholding, reporting, and payment obligations of a section 3401(d)(1) employer. These obligations include the filing of a Form 941, Employer's QUARTERLY Federal Tax Return, and Form 940, Employer's Annual Federal Unemployment (FUTA) Tax Return, under the EIN of the filing entity. Each return should report an aggregate of all the taxable wages paid by the entity on behalf of service recipients in the HBAS and CDCS programs administered by that entity.

Please do not hesitate to contact me if you have any questions or comments about your employment tax obligations with regard to these programs.

Sincerely Yours,

Christina Chang

FSLG Specialist

Christina.chang@IRS.Gov

CONTROL NO: FAQ27
CATEGORY: LETS/RMS
QUESTION: Our local department contracts with various workers (e.g. Interpreters, CSA workers, Child Advocacy Center Worker, etc.) that are not in the LETS System. In fact, there are no approved position descriptions even if the local department wanted to enter them in LETS. However, it has been determined that such workers need to have access to VDSS' internet system and e-mail (via LDAP accounts) so our employees can communicate with these workers. In addition, our locality co-located into our office - 2 CSA workers and a Child Advocacy Center Worker who are not employed by the LDSS and are currently not in LETS. We also need to be able to communicate with these workers through our e-mail system. Is the LDSS' current classification within LETS (and RMS) correct?

RESPONSE: Any person who requires access to any VDSS automated system should be in LETS for security purposes, even if the person is not a LDSS employee. If the staffing costs for these workers are locally funded and paid outside of LASER, the positions should be excluded from RMS.

Consult with the Division of Human Resource Management for specifics on how to enter a person into LETS for security purposes only.

CONTROL NO: FAQ31
CATEGORY: RMS
QUESTION: What kind of documentation or "fingerprints" should case records contain to support an RMS observation?

RESPONSE: The case number/name that is recorded on the RMS form must contain the support of the observation being charged to the program selected. However, VDSS cannot possibly provide a standard requirement for RMS documentation because there will be hundreds of different scenarios due to the numbers of samples, programs, activities, etc. involved in RMS.
In general, a current application should be sufficient for eligibility programs since case narratives are not required. For service cases, the narrative should support the observation. For example, if a worker selects case management as the activity, then the narrative should indicate what they were doing for the case at the time of the observation.

Some localities have asked about putting a copy of the RMS observation form in the case record for documentation. This should not be done as it only serves to document that the RMS observation was completed – it does not document that the worker was working on that case.

CONTROL NO: FAQ10, Claiming Child Care QI Staffing Costs
CATEGORY: LASER – Reporting Costs & Use of Budget Lines and Cost Codes
QUESTION: There is some confusion on the use of Child Care Quality Initiative funds, line 890. Since line 890 is for purchased services which are traditionally client specific, where do we report the costs of goods or services purchased on behalf of child care providers? Where do we report Quality Initiative staffing costs?

RESPONSE: Although purchased services are, by definition, client specific, the Quality Initiative Grant funding is rather unique in that the LDSS is serving providers rather than clients. Therefore, goods or services purchased on behalf of child care providers would be considered purchased services and should be reported under line 890 Child Care Quality Initiative.

Quality Initiative staffing costs should be reported under line 854 Services S & O if the staff are hired by the LDSS or contracted and under the supervision of the LDSS. Contracted employees that are under the supervision of LDSS are to be keyed into LETS and are subject to RMS. If necessary, the LDSS may need to request to transfer funds from line 890 to line 854 to cover these staffing costs.

If the LDSS contracts for services on behalf of the child care providers, such as contracting for provider training, the costs of the contractual services should be reported as purchased services under line 890 unless the trainers are hired directly by LDSS or under the direct supervision of the LDSS.

CONTROL NO: FAQ8, Claiming Staff & Operations Costs for Federal Pass-Thru
CATEGORY: LASER – Reporting Costs & Use of Budget Lines and Cost Codes
QUESTION: My question concerns non-reimbursable expenditures. If I have expenditures that exceed my allocation amount in Eligibility S & O and Services S & O, can these expenditures be reported to Pass-Thru rather than reported as non-reimbursable? Can I report the salaries and fringes for employees whose salaries are on the non-reimbursable steps of the compensation schedule to Pass-Thru?

RESPONSE: Yes, these expenditures can be submitted to Eligibility or Services S & O Pass-Thru, lines 856 and 857, on the condition that the locality provides the necessary financial match and the expenses are allowable. These expenses will be reimbursed to the extent that federal funds are available.

Also, per the LASER Expenditure Guidelines Manual, LDSS Compensation Section: - *"Compensation for any LDSS (Local Department of Social Services) Director or other employee whose salary exceeds the maximum amount indicated in the VDSS Basic State Compensation Schedule, and approvals have been provided (see Local Compensation Plan and Accountability), shall be paid wholly from local funds. Although state general fund reimbursement is not permitted, these compensation costs may be reimbursed from applicable federal fund sources in addition to the use of local funds. If federal sources are to be utilized, local funds must be used to meet any federal financial match requirements."*

CONTROL NO: FAQ24
CATEGORY: LASER-Reporting Costs & Use of Budget Lines and Cost Codes
QUESTION: Our local attorney does not provide legal services to the LDSS so we contract with a private attorney for these services. Is this considered a contracted worker or a contractual purchased service and how should I charge the costs?

RESPONSE: Attorneys hired to represent the agency should be charged to the appropriate Staff and Operations budget line as Professional Services-Legal. They would not be considered contracted employees as they are providing a service that is administrative in nature and they are not under the supervision of the LDSS.
If the LDSS hires an attorney to represent a specific client in a civil matter, the costs can be charged to the Other Purchased Services budget line using cost code 82416, Legal Services.
NOTE: Attorneys hired to represent the permanency of a child are appropriate to charge line 854 Services S & O or line 857 Services S & O Pass-Thru.

CONTROL NO: FAQ22, Contracted Child Care QI Worker
CATEGORY: LASER-Reporting Costs & Use of Budget Lines and Cost Codes
QUESTION: We pay for a part-time position through a temporary service that works in a local elementary school to coordinate the use of a childhood resource room out of our Child Care Quality Initiative Grant. The LDSS child care supervisor oversees the position. Is this administrative or a purchased service?

RESPONSE: Since the contracted employee is under the supervision of the LDSS, the staffing costs should be charged to line 854 Services S & O. Remember that the position should be in LETS and the costs will be allocated based on RMS statistics.

If necessary, funds may be transferred from line 890 Child Care Quality Initiative to line 854 Services S & O to pay for QI staffing. Remember to include a justification in your request as the program manager will have to approve any requests to transfer funding.

CONTROL NO: FAQ19, Contracted FSET Worker
CATEGORY: LASER-Reporting Costs & Use of Budget Lines and Cost Codes
QUESTION: My locality contracts for a part-time FSET case manager and this case manager is supervised by our employment supervisor. Should I charge these costs to Services S & O or FSET Purchased Services?

RESPONSE: Since the contracted employee is providing direct services like that of an LDSS employment services worker and is under the supervision of LDSS, these costs should be treated as LDSS staffing costs. These costs should be charged to line 854 Services S & O or line 857 Services S & O Pass-Thru. Remember, the contracted employee must also be entered into LETS and is subject to RMS.

CONTROL NO: FAQ9, Employee Bonuses
CATEGORY: LASER – Reporting Costs & Use of Budget Lines and Cost Code
QUESTION: Can LDSSs provide bonuses to employees?

RESPONSE: Yes. Per Virginia State Code 15.2-1508 below, the locality may provide monetary bonuses; however, any bonuses are to be authorized by local ordinance. LDSSs are to maintain a copy of the local ordinance as part of the documentation of reimbursement claims for bonuses through LASER.

§ 15.2-1508. Bonuses for employees of local governments.

> *Notwithstanding any contrary provision of law, general or special, the governing body of any locality may provide for payment of monetary bonuses to its officers and employees. The payment of a bonus shall be authorized by ordinance.*
>
> *(1985, c. 142, § 15.1-7.4; 1997, c. 587; 2003, c. 204.)*

CONTROL NO: FAQ21, Local Attorney
CATEGORY: LASER-Reporting Costs & Use of Budget Lines and Cost Codes
QUESTION: My local attorney's office has hired a full-time attorney who is dedicated to Social Services and they direct bill the costs of the position to our department. Can I submit these costs through LASER for reimbursement?

RESPONSE: Yes. Legal representation costs for all departments of a local government can be treated as a direct cost and billed accordingly on a monthly basis, or treated as indirect costs through the CSCAP. However, the local government must treat costs incurred for the same purpose in a uniform manner across all departments. It cannot direct charge legal costs to the LDSS and indirectly charge legal costs to other departments through the CSCAP.

CONTROL NO: FAQ41
CATEGORY: LASER-Reporting Costs & Use of Budget Lines and Cost Codes
QUESTION: Are meals or refreshments reimbursable items?

RESPONSE: The costs of meals or refreshments served as part of meetings or conferences are reimbursable if the primary purpose of the meeting is to disseminate technical information. An example of such meetings would be training sessions on program policy. Documentation to support the claim would include the original itemized receipt, meeting date, agenda, and list of attendees. Such costs are to be allocated equitably among all attendees and only those costs related to attendees from Social Services may be claimed for reimbursement through LASER. For example: Locality has a meeting to discuss at-risk youth. Attendees include staff from Social Services, Juvenile Justice, and Mental Health. LDSS may only claim costs of meals for reimbursable staff from Social Services for reimbursement through LASER.

The costs of business meals are reimbursable if the primary purpose of the meal involves substantive and bona fide business discussions. An example of such a business meal would be a lunch meeting with other local social services directors to discuss coordination of social services policy in the region. Documentation to support the claim would include the original itemized receipt, a list of all persons involved in the meal, and the reason for the meal. Such costs are to be allocated equitably among all attendees and only those costs related to attendees from Social Services may be claimed for reimbursement through LASER.

The costs of meals or refreshments served as part of employee morale, health, or recognition events are not reimbursable. The federal government has indicated that meals are subject to strict scrutiny in view of the prohibition against paying for entertainment costs with federal funds. In HHS, Departmental Appeals Board (DAB) Decision No. 1961, dated February 1, 2005, the DAB indicated that meals were not covered by OMB A-87 under Employee Morale, Health and Welfare Costs. Meals served to employees may have some indirect benefits for the workplace, but they do not directly improve employee mental or physical health or disseminate employment-related information.[3]

The costs of meals or refreshments served as part of social or entertainment events that do not support the social services mission are not reimbursable. Examples would include amusement, diversion, and social activities such as retirement or going away parties, birthday celebrations, holiday parties, etc. Any costs associated with social or entertainment activities (such as tickets to shows or sporting events, meals, lodging, rentals, transportation, and gratuities) are unallowable.[2]

The costs of alcoholic beverages are not reimbursable under any circumstance.[1]

The costs of meals for employees on travel status are handled in accordance with the local departments of social services' travel policy. However, reimbursements are based upon the most restrictive travel policy, either the local policy or State Travel Regulations (CAPP 20335) issued by the Virginia Department of Accounts.

1. 2 CFR, Part 225 (OMB A-87)
2. Commonwealth Accounting Policies & Procedures (CAPP) Manual, Topic 20335
3. HHS, DAB Decision No. 1961

CONTROL NO: FAQ29, Quarterly or Annual Expenditure Reports
CATEGORY: LASER-Reporting Costs & Use of Budget Lines and Cost Codes
QUESTION: Do we need to track expenditures for programs that have been rolled up to Eligibility and Services Staffing & Operations such as Fraud FREE, Independent Living, Safe & Stable Families, VIEW, and FSET? In the past we had to send in quarterly and or annual expenditure information to VDSS program staff.

RESPONSE: Routine quarterly and annual program progress reports should not require more expenditure detail than what is captured in LASER. Under the budget consolidation process, staffing and operations costs for all programs are captured and allocated to the appropriate programs using quarterly statewide RMS statistics. Maintenance/assistance payments and purchased services are reported in program specific LASER cost codes and direct charged to the appropriate programs. These cost allocation methodologies satisfy federal and state expenditure reporting requirements; therefore, program staff will not need to ask for additional expenditures details from localities.

LDSSs should consult with their RAM prior to responding to any requests for more detailed expenditure data than what is captured in LASER. On occasion, special studies or surveys may necessitate that VDSS contact the localities for certain expenditure data.