

Concepts to Keep in Mind for Review of Title IV-E Contract Documentation  
Appendix A- Foster Family Home Providers

**General Questions:**

	Review Concept:	Comments:
1	<p>Have all the required Contract Documentation worksheets been completed in the appropriate workbook?</p> <p><i>Reviewer Tip:</i> <u>County-run</u> foster family home programs will most likely not submit an Indirect Administrative Expense sheet or a cost allocation methodology supporting the indirect administrative costs.</p>	
2	<p>Is the CEO/President's Name on the contract documentation coversheet?</p> <p><i>Reviewer Tip:</i> This is needed in order to send the provider the letter informing them of their maximum level of state and federal financial participation.</p> <p>Is the name of the person who completed the forms along with their phone/email address on the contract documentation coversheet?</p> <p><i>Reviewer Tip:</i> This person will be cc on the letter to the provider.</p>	
3	<p>Multiple Location Submissions-when there are identical classes of service for foster family homes and all classes of service have exactly the same per diem rate (maintenance, admin &amp; total rates are all exactly for each class of service for each location)- Are the certificate of compliance numbers listed at the bottom of the coversheet?</p> <p><i>Reviewer Tip:</i> The information reported within the packet must include the combined costs of all the certificate numbers for which the packet is being completed.</p>	

**Current Foster Family Service Description:**

1	<p>Is there a per diem rate for all three FY's?</p> <p><i>Reviewer Tip:</i> The three boxes labeled [Foster Family Per Diem] should be completed for each fiscal year and list the rate paid to the foster family in that class of service, not the Total Per Diem paid to the service provider.</p>	
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2	Are the Populations Served clearly defined? If age groups overlap, is there an additional criteria that separates the populations served?	
3	Does the "Foster Family Per Diem Includes" box have only Title IV-E Maintenance items listed? Are there any unallowable Title IV-E Maintenance items listed? If so, does the provider explain this unallowable portion (amount and activity) in the Cost Allocation Plan or in the Narrative box on the Local Service Provider Job Classification form? <i>Reviewer Tip:</i> The portion or total amount covered by other funding sources (MA, D&A, etc) should not be listed here as instructed on page 20, number 4 of the 3170-09-01 Bulletin.	
4	Incidentals Not Included in the Per Diem - Are these items listed Maintenance items? Allowable Title IV-E? Allowable for Act 148?	

### Local Service Provider Staff Roster & Local Service Provider by Job Classification Sheets:

	Review Concept:	Comments:
1	Are there any red error messages on the sheet?	
2	Are Staff Names or Staff Identifiers on the Staff Roster?  Are Position/job titles listed on the Staff Roster sheet? <i>Reviewer Tip:</i> Title IV-E allowability should be based on Title IV-E allowable job activities not just the employees' position title of the job.	
3	If any Local Service Provider Staff appear to split their work functions among more than one job category, is there an explanation as to how staff time is split among multiple job categories? <i>Reviewer Tip:</i> The explanation can be in the CAP or at the bottom of the Local Service Provider by Job Classification Sheet.	
4	If any Local Service Provider Staff appear to share work functions at another site, has the provider submitted a cost allocation methodology? <i>Reviewer Tip:</i> The explanation can be in the CAP or at the bottom of the Local Service Provider by Job Classification Sheet.	
5	Are staff wages inserted in the appropriate columns by function? i.e. nurse that performs medical treatment is inserted in the Clinical/Treatment column. <i>Reviewer Tip:</i> You will need to look at all employees listed on the Staff Roster. May need to ask for job descriptions to evaluate allowable activities.	

6	<p>Are there any additional questionable staff costs identified on the Local Service Provider Staff Roster or Local Service Provider by Job Classification Sheet?</p> <p><i>Reviewer Tip:</i> The Local Service Provider by Job Classification Sheet is for 3 FY's. You will need to look staff job categories for all three FY's.</p>	
7	<p>Are there any additional staff position(s) added on the Local Service Provider by Job Classification Sheet other than those originally listed which include Program Staff, Managers/Supervisors, Support, and Clinical/Treatment?</p> <p><i>Reviewer Tip:</i> The Job Classification Sheet is for 3 FY's. You will need to look staff job categories for all three FY's.</p>	
8	<p>Local Service Provider by Job Classification Sheet- Has a new job title been added or deleted from the base year staff roster?</p> <p><i>Reviewer Tip:</i> The Job Classification Sheet is for 3 FY's. You will need to look staff job categories for all three.</p>	
9	<p>Has the provider identified any Program Staff performing unallowable activities such as social services? Has this been accounted for and explained in the Narrative Box? Does the explanation correlate with the financial data?</p> <p><i>Reviewer Tip:</i> The unallowable portion of the program staff's salary should be moved to the Clinical job category. The amount/percentage of the salary separated to Clinical must be explained by the service provider in the narrative section.</p>	
10	<p>If any Clinical/Treatment staff are included in Prior Actual Audited FY, are the same type of staff included in Current Estimated Actual FY and Projected Budget FY columns on the Local Service Provider by Job Classification Sheet?</p>	
11	<p>Are Clinical/Treatment staff costs identified as 100% Title IV-E <u>unallowable</u>?</p> <p><i>Reviewer Tip:</i> A portion of Clinical/Treatment staff costs maybe Title IV-E allowable depending upon the activity of the worker.</p>	
12	<p>If any Clinical/Treatment staff work at the local service site for any of the three FY's, are Managers/Supervisors or Support staff 100% Title IV-E Allowable?</p> <p><i>Reviewer Tip:</i> The provider will need to explain why a portion of managers/supervisory or support staff perform no tasks related to the management or support of Clinical/Treatment staff activities.</p>	

13	<p>Do the FTE counts accurately reflect the number of staff that should be working at the local service provider site?</p> <p><i>Reviewer Tip:</i> May need to speak with Program staff or Provider to gain an understanding of the programmatic needs of the clients. Can also use program descriptions for assistance.</p>	
14	<p>Did the provider fill out the Narrative at the bottom of the Local Service Provider by Job Classification Sheet or attach an Allocation Plan to appropriately reflect:</p> <ul style="list-style-type: none"> <li>➤ The allocation of staff time between sites/programs?</li> <li>➤ Explanation of any changes in FTE counts from year to year?</li> <li>➤ How Title IV-E allowable amounts were developed?</li> <li>➤ The allocation of staff time related to Allowable and Non-allowable Title IV-E activities?</li> <li>➤ Changes in staff salaries?</li> </ul>	

**Direct Administrative Expenditure:**

	Review Concept:	Comments:
1	<p>If any Clinical/Treatment (or other Title IV-E unallowable staff/activities) work at the facility for any of the three FY's, are Allowable Title IV-E employee benefits proportionately adjusted to Allowable Title IV-E staff salaries?</p> <p><i>Reviewer Tip:</i> Staff Salaries have a direct relationship with employee benefits. The allowable Title IV-E employee benefits may not have a direct relationship with the allowable Title IV-E staff salaries. Please adjust allowable Title IV-E benefits or explain why there is not a direct relationship.</p>	
2	<p>Please review if training costs are identified on the Direct Administrative Expenditures sheet: If so, are they 100% Title IV-E allowable?</p> <p><i>Reviewer Tip:</i> Training costs should reflect costs for allowable and unallowable staff.</p>	
3	<p>For any of the three FY's- If Clinical/Treatment (or other Title IV-E unallowable staff/activities) personnel costs were identified on the Local Service Provider Staff and the Local Service Provider by Job Classification Sheet sheets, have the Title IV-E allowable amounts been reduced from the operational costs on the Direct Administrative Expenditure worksheet?</p>	

	<p><i>Reviewer Tip:</i> The provider must identify the facility costs that are associated with Clinical/Treatment (or other Title IV-E unallowable staff/activities) personnel costs and reduce the Title IV-E allowable by the associated amount or the provider must explain why there are no operating costs associated with Clinical/Treatment(or other Title IV-E unallowable staff/activities) personnel activities.</p>	
4	<p>Are any additional costs inserted by the provider that were <u>not</u> clearly identified on the Direct Administrative Expenditure sheet?</p> <p><i>Reviewer Tip:</i> Vaguely defined line items such as Miscellaneous should be questioned. A detailed explanation for vague/ambiguous line items must be included in the contract documentation packet. Remember, you have to know what the activity/function/purpose of the expense is as it relates to maintaining the child in care or the reasonable administration of the program.</p>	
5	<p>If offsetting revenues are reported, are the sources identified and included in both the Total and the Title IV-E Allowable column?</p> <p><i>Reviewer Tip:</i> In some circumstances- Some line item expenditures may only be listed in the Total column because they are not Title IV-E allowable. In this case there may only be offsetting revenue listed in the Total column and not in the Title IV-E allowable column. Example: Teacher's salaries listed and \$0 in the Title IV-E allowable line and maybe offset by Title 1 revenue in the Total column and \$0 in the Title IV-E allowable column.</p>	
6	<p>Did the provider identify each revenue source consistently for each year?</p> <p><i>Reviewer Tip:</i> If Offsetting revenue changes from year to year (in the amount or type of revenue), an explanation why maybe necessary.</p>	
7	<p>If medical costs/educational costs are included anywhere on this sheet, are there related offsetting revenue line items (such as Medicaid, Health insurance, DOE, etc)?</p> <p><i>Reviewer Tip:</i> An explanation as to why the provider is not recovering medical costs, health insurance, or department of education revenue on the Institutional Facility Expense sheet maybe necessary.</p>	
8	<p>Calculations: Please confirm that the following calculations are correct for both the Total and Title IV-E Allowable costs for each Fiscal Year.</p> <p>Total Personnel Expenses; Total Office and Operational Expense; Offsetting Revenues; Net Total; Grand Total Direct Admin Expense.</p>	

	<p><i>Reviewer Tip:</i> The Indirect Administrative line item must be entered by the Service Provider. For the Projected Budget Year, the Total and Title IV-E amounts should be exactly the same for the Certificate of Compliance as listed on the Master List of All Agency Programs.</p>	
9	<p>On the Grand Total Direct Admin Expense line, is the corresponding Title IV-E allowable amount greater than the Current or Projected Budget?</p> <p><i>Reviewer Tip:</i> The Title IV-E allowable amount cannot exceed the Projected Budget. Please adjust the Title IV-E allowable calculations on the Direct Administrative Expenditure sheet.</p>	

### Indirect Administrative Staff Roster:

	Review Concept:	Comments:
1	<p>Are Staff Names or Staff Identifiers on the Staff Roster?</p> <p>Are Position/job titles listed on the Staff Roster sheet?</p> <p><i>Reviewer Tip:</i> Title IV-E allowability should be based on Title IV-E allowable job activities not just the employees' position title of the job.</p>	
2	<p>Are salary amounts listed in the column(s) for each staff member on the Staff Rosters?</p> <p><i>Reviewer Tip:</i> Did the provider enter numbers and not words (such as "yes" or "no")?</p>	
3	<p>Are staff wages inserted in the appropriate columns by function? i.e. nurse that performs medical treatment is inserted in the Clinical/Treatment column.</p> <p><i>Reviewer Tip:</i> You will need to look at all employees listed on the Staff Roster. May need to ask for job descriptions to evaluate allowable activities.</p>	
4	<p>Are there any additional questionable staff costs identified on the Indirect Administrative Staff Roster Sheet?</p> <p><i>Reviewer Tip:</i> The Indirect Administrative Staff Roster is for 3 FY's. You will need to look staff job titles/ job categories for all three FY's.</p>	
5	<p>Did the provider submit an explanation how Indirect Administrative Staff salary/wages are allocated across several facilities or among multiple job categories?</p> <p><i>Reviewer Tip:</i> The explanation can be in the CAP or at the bottom of the Indirect Administrative Staff Roster Sheet.</p>	

6	<p>Did the provider fill out the Narrative at the bottom of the Indirect Administrative Staff Roster or attach an Allocation Plan to appropriately reflect:</p> <ul style="list-style-type: none"> <li>➤ Explanation of any changes in Indirect Administrative (IA) staff?</li> <li>➤ Explanation of any changes in IA staff costs from year to year?</li> <li>➤ The allocation of IA staff time between units/facilities or multiple job categories.</li> </ul>	
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**Indirect Administrative Expense:**

	Review Concept:	Comments:
1	<p>Does the Indirect Administrative Expense sheet (IAE) appear to reflect the Total agency Indirect Administrative Expense for all programs within the agency?  <i>Reviewer Tip:</i> Might need to look at the CAP to verify all program expenses have been listed</p>	
	<p>Does the Title IV-E allowable amount of indirect administrative staff costs for each FY appear to generally reflect the distribution of Title IV-E allowable programs within the agency?  <i>Reviewer Tip:</i> If, for example, the program provides clinical services, some administrative and support staff may support clinical services, and their costs would <u>not</u> be 100% allowable. The provider should have cost allocation methodology to identify allowable Title IV-E indirect costs. Reviewer will need to compare information on the Indirect Administrative Staff Roster and information found on the Master List of All Agency Programs for further insight on Title IV-E allowable programs and staff titles/positions.</p>	
2	<p>For any of the three FY's, do the Allowable Title IV-E employee benefits appear to be proportionately adjusted to Allowable Title IV-E staff salaries?  <i>Reviewer Tip:</i> Will need to compare information on the Indirect Administrative Staff Roster and information found on the Master List of All Agency Programs for further insight on Title IV-E allowable programs and staff titles/positions. The provider should have cost allocation methodology to identify allowable Title IV-E indirect costs</p>	
3.	<p>In the Title IV-E allowable columns for each FY, Does the operational expenses appear to generally reflect the distribution of Title IV-E allowable staff /activities and Title IV-E unallowable staff/activities for the programs within the agency?  <i>Reviewer Tip:</i> The provider should have explained the cost distribution of Title IV-E allowable</p>	

	operational expenses at the bottom of the IAE sheet or the in CAP. Specifically, how the IV-E allowable amounts are calculated and what assumptions are used to distribute indirect operational expenses across program sites. The provider should have cost allocation methodology to identify allowable Title IV-E indirect costs.	
4	If there are offsetting revenues reported, Did the provider identify each revenue source consistently for each year? <i>Reviewer Tip:</i> If Offsetting revenue changes from year to year (in the amount or type of revenue), an explanation why maybe necessary.	
5	Are any additional costs inserted by the provider that were not clearly identified on the Indirect Administrative Expense Sheet? <i>Reviewer Tip:</i> Additional costs include anything aside from the line item forms and/or the originally distributed Contract Documentation.	
6	In the Narrative at the bottom of the Indirect Administrative Expense sheet: Did the provider give additional details about how Title IV-E allowable amounts were developed. Specifically, how the IV-E allowable amounts were calculated.	
7	Are the following calculation totals completed accurately? Total Personnel Expenses; Total Operational Expenses; Total Indirect Admin. Expense; Total Offsetting Revenue; Net Total of Agency Indirect Admin. Exp.	
8	Did the provider carry over to the Direct Administrative Expenditure sheet the portion of Indirect Administrative Expense that is attributed to the local service provider site? <i>Reviewer Tip:</i> This should be the same amount that is listed on the Master List of all Agency Programs for this specific site for which the packet is being completed.	

**Cost Allocation Description or CAP:**

	Review Concept:	Comments:
1	Are the details of the allocation plan sufficient in backing up the allowable amounts? <i>Reviewer Tip:</i> Did the provider report the allocation methodology and assumptions as to how state (Act 148) and federal (Title IV-E) allowable portion of the projected parent organization costs are calculated.	

2	<p>If there is a need, did the provider give enough details to describe the allocation of Indirect Administrative costs that appropriately reflect how the <u>total</u> Indirect Administrative costs are allocated across multiple facilities or units?</p> <p><i>Reviewer Tip:</i> Not all programs will receive the same amount of IAE from the parent organization. However an explanation on how the amounts were distributed to each program within the agency will be necessary.</p>	
3	<p>Is the CAP methodology consistent and does it result in an equitable distribution of costs to each program?</p>	
4	<p>If the agency has multiple levels of Indirect Administrative Expense, is there an explanation for how IAE costs are allocated across programs within the agency?</p> <p><i>Reviewer Tip:</i> A line item identified as "Management Fee" will not suffice. Additional detail is needed to support allowable (state and federal) costs.</p>	
5	<p>Does the organizational chart show the connection/relationship between programs/units?</p> <p><i>Reviewer Tip:</i> The organization chart does not need to have employee's names on it but rather show the relationship between the parent organization(s) and the programs/facilities within the agency.</p>	
6	<p>Does the CAP include the two elements needed for Foster Family Home Providers, Allocation of Indirect Administrative Expense to the Local Service Provider Site AND the Total Administrative Expense distribution to each Class of Service?</p> <p><i>Reviewer Tip:</i> Without either one of these components, the CAP is incomplete however the CAP can have more information than just the two components listed above (i.e. Allowable Cost distribution for local service provider site with explanation of the methodology...)</p>	

**Master List of All Agency Programs:**

	Review Concept:	Comments:
1	Are all of the agency's programs listed on this sheet (child welfare as well as non-child welfare programs)?	
2	Is there a percentage <u>and</u> amount of indirect administrative costs allocated to each facility/unit/site within the agency.	

	<i>Reviewer Tip:</i> The CAP should include the allocation methodology and assumptions that supports how these costs are allocated to each program/facility/unit/site.	
3	Did the provider report Indirect Administrative Costs for each local service provider site? <i>Reviewer Tip:</i> A single line item identified as "foster family programs" will not suffice. The amount of IAE for each local service provider site is needed to support the equitable distribution of total agency IAE.	
4	Does the total Indirect Administrative Expense (IAE) for <u>all</u> of the programs within the agency equal the amount listed on the Net Total of Indirect Administrative Expense line for the Projected Budget FY?	
5	Is the distribution of Title IV-E allowable Indirect Administrative Expense distributed to only Title IV-E eligible programs?	
6	Does the total Title IV-E allowable amount of Indirect Administrative Expense (IAE) for <u>all</u> of the programs within the agency that are listed on this sheet equal the total Title IV-E allowable amount listed on the Net Total of Indirect Administrative Expense line for the Projected Budget FY?	

**Service Projection Chart:**

	Review Concept:	Comments:
1	All three FY's completed for each class of service?	
2	Final Total for Year should be the addition of all Days of Care for each month in the FY.	
3	Projected Budget year- is the final total for Each Class of Service filled in?	
4	Do the Percentages of Days of Care per Class added up to 100%?	

**Administrative Costs Per Child by Class of Service:**

	Review Concept:	Comments:
1	Did the provider complete the form for all three Fiscal years?	

2	<p>Did the appropriate data (Portion of Total Administrative Expense and Service Days) carry over?</p> <p><i>Reviewer Tip:</i> The portion of the Total Administrative Expense will not carry over until a percentage is entered for that Class of Service.</p>	
3	<p>Did the Provider put a percentage for each class of service? Do the Percentages add up to 100%?</p> <p><i>Reviewer Tip:</i> This review step is EXTREMELY IMPORTANT as nothing is built into the workbook to check this for you. If more than 100% is allotted, the numbers will result in an inflated Administrative rate and visa versa if less than 100% is reported.</p>	
4	<p>What distribution methodology was used to allocate the Total Administrative Expense to each Class of Service? (Even Distribution, Based on Usage Per Class, Other)</p> <p><i>Reviewer Tip:</i> Consult the CAP for an explanation of the distribution of Total Administrative Expense to each Class of Service. If the provider did not explain the distribution, the CAP is incomplete.</p>	
5	<p>Does the Percentage for each class of service match the explanation of the allocation methodology included in the CAP?</p>	

### Foster Family Per Diem Calculations Worksheet

	Review Concept:	Comments:
1	<p>If the Allowable Maintenance rate entered by the Service Provider is different than the Total Maintenance Per Diem (populates from the form Current Foster Family Service Descriptions), does the provider explain this on the Current Foster Family Service Descriptions and the Cost Allocation Plan?</p>	
2	<p>Did the Provider enter the Contracted rates for all three fiscal years?</p> <p><i>Reviewer Tip:</i> The Projected Budget Year should be blank during the Allowable Review process. The Projected Budget Year should not be completed until Contract Negotiation with each individual County is complete.</p>	
3	<p>Narrative Box – Does the provider explain any changes in rate from Fiscal Year to Fiscal Year? If there is a difference in rates, is the difference in the Maintenance Per Diem or Administrative Per Diem?</p>	