

**HANDBOOK  
FOR THE  
CHILD CARE FUND**

**FAMILY INDEPENDENCE AGENCY  
CHILD AND FAMILY SERVICES ADMINISTRATION  
APRIL 2003**

# CHILD CARE FUND HANDBOOK

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## **PART I: STATUTORY AND REGULATORY AUTHORITY**

### **A. Statutory Authority**

1. The county treasurer is the custodian of any and all monies provided for the use of the County Family Independence Agency and the Circuit Court Family Division. The county must create and maintain, separate from other county funds, a Child Care Fund which may have two sub-accounts: a Circuit Court Family Division account and a County Family Independence Agency account.

MCLA 400.117c states at subsection (1)

The county treasurer shall create and maintain a child care fund. The following money shall be deposited into the child care fund:

- (a) All money raised by the county for the use of the county family independence agency for the foster care of children with respect to whom the family division of circuit court has not taken jurisdiction.
- (b) Money for the foster care of children under the jurisdiction of the family division of circuit court raised by the county with the view of receiving supplementary funds for this purpose from the state government as provide in section 117a.
- (c) All funds made available by the state government for foster care of children.
- (d) All payments made in respect to support orders issued by the family division of circuit court for the reimbursement of government for expenditures made or to be made from the child care fund for the foster care of children.
- (e) All prepayments and refunds for reimbursement of county family independence agencies for the foster care of children.
- (f) All funds made available to the county for the foster care of children from any other source, except gifts that are conditioned on a different disposition or reimbursements of the general funds.
- (g) Money for the foster care of children under the jurisdiction of the court of general criminal jurisdiction committed to a county facility or court facility for juveniles in the county in which the court of general criminal jurisdiction is located.
- (h) All payments made in respect to support orders issued by the court of general criminal jurisdiction for the reimbursement of government for expenditures made or to be made from the child care fund for the foster care of children.

The County Board of Commissioners is to distinguish in their appropriations for this Child Care Fund the sums of money to be used by Circuit Court Family Division from those to be used by the County Family Independence Agency.

MCLA 400.117a states at subsection (3):

- 3) The department shall promulgate rules under the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to MCL 24.328, to monitor juvenile justice services money and to prescribe child care fund accounting, reporting, and authorization controls and procedures

and child care fund expenditures classifications. For counties required to have a child care fund, the department shall fund services that conform to the child care rules promulgated under this act.

2. The accounting manual, Uniform Accounting Procedures Manual for County Probate Court Child Care Funds (Department of Treasury, Local Government Audit Division), details instructions and procedures for accounting practices, controls and reporting on the Monthly Report on Foster Care Under the Family Division of the Family Court (FIA-207).
3. The FIA Accounting Manual (FIA Manual 33) provides accounting and control instructions on the Monthly Report on Child Care Fund Administered by the County Family Independence Agency (FIA-206B).

## **B. Regulatory Factors**

The Child Care Fund is a collaborative effort between state and county governments, including Native American Tribes, which fund programs to serve neglected, abused and delinquent youth in Michigan. The Child Care Fund originated in 1955 with five bills (Acts 104, 106, 112, 113, and 114, P.A. 1955) which came to be known as the Foster Care Bills and were designated by the Legislature to improve child care in the state by state participation in costs.

The legal basis for operating and regulating the child care funding system is the Social Welfare Law MCL 400.117a, and the Child Care Organization Licensing Law MCL 722.111. The basis for regulating the Child Care Fund is the Family Independence Agency Administrative Rules for Licensing for Child Care Institutions and Child Placing Agencies, R400.2001 – 400.2049.

1. The Social Welfare Law Act 280 Public Acts 1939 as amended (revised 4/2000) creates a Juvenile Justice Funding System and provides the Agency shall
  - . . . monitor juvenile justice services monies, . . . prescribe Child Care Fund accounting, reporting and authorization controls and procedures, and Child Care Fund expenditure classifications . . .
  - provide for the distribution of monies appropriated by the Legislature to counties for the foster care of children. The amount distributed to each county shall equal 50% of the annual expenditures from the Child Care Fund of the county established in section 400.117a(c), except that expenditures made pursuant to section 400.117a(c)(3) not expenditures that exceed the amount of the budget approved under Section 400.117c shall be included. A distribution shall not be made to a county which does not comply with the requirements of the act.
2. The Child Care Organization Licensing Law, Act 116 of 1973, as amended, makes any "governmental organization . . . having as its principal function the receiving the minor children under 18 years of age for care, maintenance, training and supervision" subject to regulation.
  - Act 116 further provides:

. . . Local and state government child care organizations similar to those nongovernmental organizations required to be licensed pursuant to this act shall be evaluated and approved at least once every two years, using this act and rules promulgated thereunder for similar nongovernmental organizations licensed under this act. A report of the evaluation shall be furnished to the funding body for each child care organization. Unless child care organizations are approved, or provisionally approved, as meeting the appropriate administrative rules, state funds shall not be appropriated for their continued operation.<sup>1</sup>

3. Department of Social Services, Office of Children and Youth Services, Child Care Fund R400.2001 - R400.2049
  - a. define what services can be reimbursed by the state Child Care funding system,
  - b. mandate monthly reporting to the state of expenses for which counties expect Child Care Fund reimbursement,
  - c. define conditions under which foster care rates greater than state established rates are reimbursable,
  - d. define types of foster care to be paid from the Family Independence Agency sub-account,
  - e. establish quality of care standards for County FIA financed foster care, including personnel, equity of service, medical care, placement planning and records,
  - f. mandate written purchase of service agreements when non-governmental agencies are used,
  - g. mandate prompt adoption planning,
  - h. mandate effort to obtain reimbursement from governmental sources and relatives, and
  - i. establish inter-county placement and payment procedures.

## **PART II: FISCAL FACTORS**

### **A. Reimbursement Formula**

The state reimburses the county:

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<sup>1</sup>Based on court of Appeals Decision #57273 (March 18, 1982), Act 116, P.A. of 1973, does not apply to Probate Court certification of foster homes for licensure and Court placement of children in foster care.

1. 50% for all approved expenditures of eligible child care services for out of home care (This reimbursement ratio was upheld by the Michigan Supreme Court in July 1997<sup>2</sup>.)
2. up to 75% for all approved expenditures of eligible In Home Care services.
3. 100% for foster care during the period of appeal after parental release and approved Basic Grant Services.

## **B. Accounting Procedures for Child Care Fund**

Accounting procedures for the Child Care Fund are contained in the Uniform Accounting Procedures Manual for County Probate Court Child Care Funds issued by the Department of Treasury, Local Government Audit Division.

The FIA Accounting Manual (FIA Manual 33) provides instructions for accounting procedures applicable to the FIA sub-account.

## **C. Program and Budget Revisions**

1. Budget revisions made to the County Child Care Budget Summary page (FIA-2091) require new authorizing signatures only if on the revised budget the expenditures exceed the authorized budget amount.
2. All program and budget revisions which alter In-Home Care component target populations, goals, objectives, types of services or anticipated expenditures are to be submitted to the Child Care Fund for review and approval. At the discretion of the Community Support Services Division, new county authorizing signatures may be required in some instances.
3. All Basic Grant program and budget revisions that alter Basic Grant component target populations, goals, objectives, types of services or anticipated expenditures are to be submitted to the Community Support Services Division for review and approval.
4. Program revisions for In-Home Care or Basic Grant program components may occur at any time throughout the fiscal year after the annual plan and budget is approved. For program revisions the court or the FIA must submit a revised report/request and a budget detail.
5. Line item transfers that do not affect the total Child Care Fund Budget may be completed on the Child Care Fund Transfer Form.

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<sup>2</sup> Based on Supreme Court Decision in the Oakland County vs. State of Michigan, the 1980 Amendment to the Social Welfare Act which limited the State reimbursement to the amount appropriated by the legislature was found to be in violation of the Headlee amendment. The State reimbursement from the Child Care Fund was returned to 50% without cap.

### **PART III: ELIGIBILITY OF EXPENDITURES**

To be eligible for state Child Care Fund reimbursement a county shall submit an Annual Plan and Budget which conforms to the requirements established in published policies and procedures.



To be eligible for state Child Care Fund reimbursement the expenditures made from the court or Family Independence Agency sub-account must meet the following criteria:

- The care is voluntary and all the following provisions apply:
  - (1) The child is under eighteen,
  - (2) The child's parents, legal guardian or custodian signs a written agreement,
  - (3) Expenditures shall not be for a judicial cost, and
  - (4) The Child Care Fund expenditure cannot be for a service covered by other public dollars, or
- The supervision of the child in an out-of-home placement is conducted by personnel from an approved child care placing agency, **or**
- The care must be part of an approved In-Home care component, **or**
- The care must be part of an approved Basic Grant component.

#### **A. Reimbursable Expenditures**

Expenditures by the Court and/or the County FIA which may be reimbursable include but are not limited to:

1. County Child Care Fund expenditures made for needed care or services for youth whose primary funding source is Title IVe if Title IVe funding does not cover the specific need.
2. County Child Care Fund expenditures for care and services under foster care and institutional care 50% reimbursable.
3. County Child Care Fund expenditures for care and services under In Home Care programs are up to 75% reimbursable.
4. Foster care costs during the appeal period following parental release to a voluntary child placement agency are 100% reimbursable. Private agency administrative costs are not included. Payment must be authorized by written court order.
5. Approved Basic Grant services costs are 100% reimbursable.
6. Expenditures from the FIA sub-account for voluntary foster care are 50% reimbursable.
7. Operating costs of county-operated child care facilities are reimbursable when directly related to child care.
8. All property or equipment having a unit cost of less than \$500 is reimbursable. A unit is determined by common catalog definition. If an item is commonly displayed in supply catalogs as a functional whole, the functional whole will be considered the unit even though component parts may be displayed in the same catalog.

9. Indirect costs for Child Care Funded personnel are reimbursable provided the county has submitted to the Child Care Fund a copy of the county's cost allocation plan or indirect cost rate plan. The plan must demonstrate that these indirect costs are equitably and reasonably shared among all county departments.
10. Equipment charged for on the basis of use, i.e., phone service by number of calls or lines used, duplicating equipment by the copy, transportation by the mile, etc., is reimbursable, provided the costs do not exceed \$500 or the average use or lease costs for similar equipment within the locality.
11. Costs for depreciation or amortization for equipment (which is not a permanent part of or necessary for the use of the building) may be reimbursable. The costs must be part of the user fee, and not exceed the average use or lease costs for similar equipment within the locality.
12. For residential and institutional programs, transportation costs relating directly to the operation of a facility and the provision of service to youth in placement. This may include the cost of transporting youth for purpose of judicial proceedings.
13. Medical, dental, psychological, and psychiatric services which are not covered by Medical Assistance, Crippled Children's Fund, or insurance.
14. Salaries and fringes of personnel who devote 100% of their time to the operation of the facility and facility personnel who continue to provide services to a youth during the 90-day transition period after the youth has left the institutional placement for other out-of-institution placement. Prorated salaries and fringes for facility support staff in areas such as clerical and maintenance and other support activities, provided a clear audit trail is maintained to document and verify the prorated amount.
15. Costs of providing education when it is documented that the service is not available through the public school system.
16. Costs of normal staff training and in-service education as part of an In-Home Care component or court operated facility (excluding tuition grants or scholarships for college credit).
17. Cost of meals furnished to staff who are on duty and assigned responsibilities for the supervision and care of the youth during facility meal time.
18. Drug screens, for both child and parents, if the testing is part of the child's treatment plan and it is authorized in an approved In-Home Care component.
19. The costs of required birth certificates for court wards.
20. Expenditures made from the Child Care Fund for children committed to the Family Independence Agency under Public Act 150 and Public Act 220 for approved In-Home Care components are reimbursable.
21. Room and board costs for attendance at a private or parochial school that has a state established rate.

## **B. Non-reimbursable Expenditures**

Expenditures by the court and the county FIA which are not reimbursable from the state Child Care Fund and which should not be reported on the FIA-207 or FIA-206B include, but are not limited to:

1. Cost of caring for children determined to be mentally retarded or mentally ill under the court's probate powers (but not wards of the Family Division of the Court) and placed in foster care while awaiting admission to a state institution.
2. Expenditures from the court sub-account made by request of the Friend of the Court for children of divorced parents ordered into the custody of a third party by the Circuit Court.
3. Expenditures of federal funds.
4. Expenditures made from the Child Care Fund for children committed to the Family Independence Agency under Public Act 150 or Public Act 220 for foster care, institutional care, Arbor Heights, Regional Detention, Community Justice centers, shelter homes, residential care centers, training schools, youth camps and/or independent living.
5. Expenditures from the county general fund.
6. Expenditures in excess of the FIA established rate for family foster care, unless an exception has been properly approved by the Family Court Judge or the County Family Independence Agency Director.
7. Court expenses for adjudication (ad litem costs, attorney fees, legal advertisement costs, psychological evaluations for the child and/or family, transportation, etc.) are considered court administrative costs.
8. Any property, buildings or equipment having a unit cost of \$500 or more. Exceptions are made for short-life items, i.e., mattresses, springs, linen, and for materials, such as paper, which is depleted through distribution. The purchased items must be directly related to the provision of child care.
9. Rentals or leases of property and buildings.
10. Direct rental or lease costs of individual equipment items of \$500 or more annually.
11. Depreciation or amortization for property, building, or permanent/fixed equipment, i.e., heating, cooling, plumbing, etc., whether charged direct or as a part of a use fee.
12. Repairs costing \$500 and over are not reimbursable. Repair, construction, or remodeling involving a building that have a combined materials and labor cost of \$500 or more are not reimbursable.
13. Cost of care in a county jail or other places of detention as defined in MCL 712A.16.
14. Salaries, fringes, and administrative expenses of court personnel that are not included in an approved In-Home Care component or county operated facilities.

15. Judicial expenditures, including court costs and attorney fees.
16. Gifts, plaques, and/or recognition dinners for staff, foster parents and/or volunteers.
17. Supplement to County Juvenile Officer salary.
18. Supplement to Regional Detention Support Services (RDSS) rates.
19. Funds used to meet staff to youth population standards of 1 to 6000.
20. Tuition at a private or parochial school.

## **PART IV: IN-HOME CARE**

### **A. Policy**

#### Purpose of the In-Home Care Option

The In-Home Care option is intended to: a) provide for early intervention to treat youth at risk for out of home placement within the child's home problems of delinquency and neglect; and b) to effect a child's early return to his or her home from family foster care or institutional care. Authorizations for state reimbursement for In-Home Expenditures are subject to the determination of the Child Care Fund that the programs or services are intended to reduce the time children are placed in foster care, or provide an alternative for those children in jeopardy of out-of-home placement due to reasons of delinquency or neglect.

### **B. Eligibility for the Use of the In-Home Care Option**

Children under the jurisdiction of the court are eligible for In-Home Care services:

1. Such care is an alternative to detention or other out of home care and:
  - a written complaint has been received and accepted by the court,
  - the expenditures are not for judicial costs,
  - the caseload size or services are intensive, i.e., not more than a 1 to 20 caseload, weekly face-to-face contacts by the In-Home Care funded personnel as approved in the Annual Plan and Budget
  - non-scheduled payments are not made to pay for basic family needs otherwise available through other funding sources
  - the parent(s) and the youth have agreed in writing to receive In-Home Care services, or a temporary order has been entered placing the child in In-Home Care pending an adjudication hearing; or
2. Such care is provided to children who at the dispositional hearing are ordered in In-Home Care as an alternative to foster care or other out-of-home care, and:
  - the expenditures are not for judicial costs
  - The services are intensive and do not duplicate existing services
  - Non-scheduled payments are not made to pay for basic family needs otherwise available through public assistance programs
3. The In-Home Care early return option may be used to accelerate the early return of youth from family foster care, institutional care, or other out-of-home care.
  - the case plan identifies an early return goal

- the services are provided to members of the child's family
  - In-Home Care services may be provided to the family during the time that the youth is in placement
  - Services may be continued after the family is reunited
4. The county Family Independence Agency may provide In-Home Care services from its sub-account for delinquency and Category I and II Children's Protective Services cases, provided that:
    - The In-Home Care service is ordered at the dispositional hearing as an alternative to out of home care
    - In-Home Care services prevent the need to petition the juvenile court for removal or prevent placement in voluntary foster care
    - Services shall accelerate an early return home and services are directed at the family or parents
    - Non-scheduled payments are not made to cover basic family needs otherwise available through public assistance programs
  5. In-Home care funds shall not be used to meet the court staff-to-youth population ratio of 1 to 6,000, as specified in the Juvenile Court Standards and Administrative Guidelines for the Care of Children.
  6. Court staff hired after 10-1-80, who are responsible for case plan development and monitoring must meet the qualifications established in the Juvenile Court Standards and Administrative Guidelines for the Care of Children. The following positions are included:
    - Supervisory Personnel
    - Probation Officers
    - Counselors
  7. In-Home Care reimbursements for program and administrative office space, county purchased supplies, salaries and wages for county employees who provide direct services or support for these services are subject to the same restrictions as reimbursements in county-operated institutions.

**C.** In-Home Care programs use nonscheduled payments in support of probation services, which can be shown by the county, to have a relationship between those payments and the days of out-of-home care in the county. These nonscheduled payments are not to be made to pay for basic family needs otherwise available through public assistance programs.

## **D. Case Record Documentation Requirements**

Individual case record documentation is required for all In-Home Care clients. A caseload list is required for every In-Home Care component. Case records must include the following:

- Face Sheet/Fact Sheet
  - Family case assessment which identifies, by service component, the problems and need for In-Home Care services
  - Date of intake
  - Type of complaint/allegation, supported as follows:
    - (1) Delinquency - a copy of the written complaint or court order, when applicable, placing the child in In-Home Care as part of a formal disposition or signed Agreement by parent & youth.
    - (2) Abuse/neglect – Category I or II
  - Treatment plan which identifies the treatment objectives and the action steps which will be used to reach the objectives
  - Case plan changes as a result of supervisor/case worker or contractee/contractor case reviews
  - Semi-annual progress reports
  - Dates, type and purpose of service contacts made with the client
- Note: Weekly face-to-face contact by In-Home Care personnel is required
- School reports, progress reports, psychological reports and psychiatric reports
  - Family financial report
  - Correspondence
  - A closing summary or report which identifies the living arrangement of the youth at termination of In-Home Care services

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## **PART V: ENHANCED IN-HOME CARE PROGRAM**

The Enhanced In-Home Care option is intended to provide service for youth who face the risk of out-of-home placement or need community services to hasten an early return home as determined by the Family Independence Agency.

In Home Care Enhanced programs will be funded at a rate of 75% for communities that have a Family Independence Agency sub account, adhere to the eligibility criteria of the Child Care Fund policy, and incorporate the Child Care Fund In Home Care requirements. The reimbursement formula is contingent upon the availability of funds. In the event that there is not sufficient appropriation or the community fails to achieve stated outcomes, reimbursement may be reduced to 50%. Actual reimbursement rate will be determined on approval of the Annual Plan and Budget on the legislative date of February 15.

There are two levels of eligibility that need to be met: 1. Youth must meet the eligibility requirements and 2. The program must meet the eligibility requirements.

### **Youth Eligibility for In Home Care programs**

Youth must be at risk of out of home placement or the youth must be in placement and need community based programs to hasten a return home.

For youth to be eligible, the referring agency must indicate verify that the youth meets four of the following factors with 2 from the Family category and 2 factors from a combination of the any other categories. Exceptions can be made with consultation with program administrator and the Community Support Division Office.

Factors\* that may place a youth at risk for out of home placement may include:

#### **I. Family Factors**

- Domestic Violence
- History of Abuse/Neglect
- Child Protective Services cases Category 1,2,3, or 4
- Environmental Neglect
- Family Conflict
- Parental Substance Abuse
- Parental Illegal Behavior
- Single Parent Family
- Lack of adequate pre-natal care
- Ineffective or inconsistent parenting

#### **II. School Factors**

- School drop out
- Substance abuse
- Violent or destructive behavior
- History of school truancy
- School suspension
- School expulsion
- Failing Grades

#### **III. Individual/Peer Factors**

- Negative peer relationships
- Delinquent behavior



Substance Abuse  
Violent or destructive behavior  
Teen Pregnancy  
Runaway

- IV. Community Factors
- Lack of recreational programs
  - Drug availability
  - Gangs
  - High unemployment for youth
  - Infant mortality

Authorizations for state reimbursement for In-Home Care expenditures are subject to the determination of the Community Support Services Division and approved on the Annual Plan and Budget.

\*\* Factors adapted from Communities That Care Promising Approaches, Developmental Research and Programs, Inc., Seattle, Washington *Promising Approaches Training*, Patricia J. Chappell, Rick Cady, Richard F. Catalano, Ph.D., J. David Hawkins, Ph.D., and Sherry C. Wong.

### **Program Eligibility for In-Home Care**

The In Home Care program must meet certain criteria to be eligible for 75% reimbursement.

In Home Care programs are based on the premise that to prevent out of home placement, the community must provide a continuum of community-based programs that encourage the formation and maintenance of families. To keep families safely intact, communities must have available resources to meet their families needs. The In Home Care option increases the local decision-making and control of services to families and the community.

For programs to be eligible:

There must be specific, measurable, and time-based outcomes defined by the local community and meet the Family Independence Agency criteria.

Program measurements will include:

1. Outcome measures will be designed on an individual county/tribal basis. All methods of measurement are subject to Community Support Services Division approval in the County Annual Plan and Budget.  
Examples include
  - a. Child safety factors
  - b. Number of families that remain intact
  - c. Improved family functioning
  - d. Number of school suspensions t
  - e. teen pregnancy
  - f. high school dropout rates
  - g. reported drug use

- h. youth achieving independence
  - i. permanency for children.
2. Days of Care and number of children in Foster Care (Data source: Child Care Fund Statistics and the MIR report)\*
  3. Days of Care or number of children in Secure Detention (Data Source: Child Care Fund Statistics)\*
  4. Days of Institutional Care and number of children (Data Source: Child Care Fund Statistics and the MIR report.)\*
  5. Number of Youth Adjudicated and Number of Child Protective Services petitions filed (Data Source: the State Court Administrator Year End Report)\*
  6. Number of Child Protective Services Referrals (Data source: the MIR report.)\*
  7. Number of Child Protective Services re-referrals (as measured by the MIR report.)\*
  8. Number of families that remained intact at the conclusion of the service (quarterly collection by the agency)

\*A three-year pattern will be reviewed. Baseline Year is FY 2000.

An Annual Plan and Budget must be submitted and approved by the Community Support Division of the Family Independence Agency by December 15 of each calander year.

- Court staff hired after 10-1-80, who are responsible for case plan development and monitoring must meet the qualifications established in the Juvenile Court Standards and Administrative Guidelines for the Care of Children. The following positions are included:
  - Supervisory Personnel
  - Probation Officers
  - Counselors
- In-Home Care reimbursements for program and administrative office space, county purchased supplies, salaries and wages for county employees who provide direct services or support for these services are subject Child Care Fund Rule and Policy.
- In-Home Care programs may use nonscheduled payments in support of probation services, which can be shown by the county, to have a relationship between those payments and the days of out-of-home care in the county. These non-scheduled payments are not to be made to pay for basic family needs otherwise available through public assistance programs.

### **Case Record Documentation Requirements**

Individual case record documentation is required for all In-Home Care clients. A caseload list is required for every In-Home Care component. Case records must include the following:

1. Face Sheet/Fact Sheet,

2. Family case assessment which identifies, by service component, the problems and need for In-Home Care services,
3. Date of Intake,
4. Type of complaint/allegation, supported as follows:
  - (a) Delinquency - a copy of the written complaint or court order, when applicable, placing the child in In-Home Care as part of a formal disposition or signed Agreement by parent and youth, or
  - (b) Abuse/neglect – Category I or II.
5. Treatment plan which identifies the treatment objectives and the action steps which will be used to reach the objectives,
6. Case plan changes as a result of supervisor/case worker or contractee/contractor case reviews,
7. Semi-annual progress reports,
8. Dates, type and purpose of service contacts made with the client,  
  
Note: Weekly face-to-face contact by In-Home Care funded personnel is required.
9. School reports, progress reports, psychological reports and psychiatric reports,
10. Family financial report,
11. Correspondence,
12. A closing summary or report which identifies the living arrangement of the youth at termination of In-Home Care services.

## **PART VI: BASIC GRANT**

The Basic Grant Program provides financial assistance to counties with a population of 75,000 or less as determined by the latest Department of Management and Budget (DMB) population projections. The money is to be used for juvenile justice programs according to the plan filed with and approved by the Child Care Fund Division.

The Basic Grant monies are limited to supplement added juvenile justice service costs and shall not be used to replace county money currently being expended.

Basic Grant Programs are limited to youth who are within or likely to come within the jurisdiction of the Family Court.

Basic Grant Programs must be submitted to the Child Care Fund Division in the Annual Plan and Budget.

### **A. Eligible Youth**

1. All youth who are under court jurisdiction or for whom a complaint or petition has been filed with the court.
2. Youth are considered to be at risk and likely to come within court jurisdiction if any two or more of the following risk factors apply to the youth and are documented:
  - a. Reported abuse and/or neglect of the youth.
  - b. History of School Truancy, suspensions or expulsions.
  - c. Runaway From Home
  - d. Use of alcohol or drugs.
  - e. Ineffective, inconsistent or nonexistent parental control.
  - f. Negative or delinquent peer relationship(s).

### **B. Limitations of Basic Grant Funds**

1. The Basic Grant cannot be used to supplant or duplicate existing service costs or to pay for any judicial functions that are the responsibility of the court.
2. Basic Grant funds shall not be used to pay for court case services personnel hired after 10-1-80 who do not meet the minimum standards of education and training as stated in the Juvenile Court Standards and Guidelines for the Care of Children. The following positions are included:
  - Supervisory Personnel
  - Probation Officers
  - Counselors
3. Non-scheduled payments are not made to pay for basic family needs otherwise available through other funding sources.

4. County Family Independence Agency staff responsible for individual case plan development and monitoring must meet the requirements for staff supervising children in foster care.
5. Family Independence Agency or Family Court contractual staff who develop and/or monitor case plans, must meet the requirements for staff supervising children in foster care, as established in the Juvenile Court Standards and Guidelines for the Care of Children. These services must be purchased on a unit cost basis.
6. Supplies, materials, rental and lease costs are limited to the definitions and amounts that are defined as reimbursable expenditures in the Child Care Fund Policy and Child Care Fund Handbook. (See Part V)

### **C. Amount of Basic Grant**

A county with a population of 75,000 people or less is eligible to receive a maximum annual Basic Grant in state reimbursement of \$15,000.

### **D. Fiscal Reporting**

Basic Grant expenditures are to be reported on a monthly basis on the Basic Grant Addendum and attached to the FIA-207 (Court) and FIA-206B (County FIA). The report should identify total expenditures for each approved Basic Grant service component and not individual line items within the component.

### **E. Case Record Documentation Requirements**

Individual case record documentation is required for all Basic Grant clients. A caseload list is required for every Basic Grant component. Case records must include the following:

1. Face Sheet/Fact Sheet,
2. Family case assessment,
3. Date of intake,
4. Type of complaint/allegation or signed agreement by parent and youth,
5. Treatment plan which identifies the treatment objectives and the action steps which will be used to reach the objectives,
6. Case plan changes as a result of supervisor/case worker or contractee/contractor case reviews,
7. Semi-annual progress reports,
8. Dates, type and purpose of service contacts made with the client,

9. Correspondence,
10. A closing summary or report which identifies the living arrangement of the youth at termination of Basic Grant services.

## **B. Reimbursement Formula**

The state reimburses the county:

4. 50% for all approved expenditures of eligible child care services for out of home care (This reimbursement ratio was upheld by the Michigan Supreme Court in July 1997<sup>3</sup>.)
5. up to 75% for all approved expenditures of eligible In Home Care services.
6. 100% for foster care during the period of appeal after parental release and approved Basic Grant Services.

## **B. Accounting Procedures for Child Care Fund**

Accounting procedures for the Child Care Fund are contained in the Uniform Accounting Procedures Manual for County Probate Court Child Care Funds issued by the Department of Treasury, Local Government Audit Division.

The FIA Accounting Manual (FIA Manual 33) provides instructions for accounting procedures applicable to the FIA sub-account.

## **C. Program and Budget Revisions**

1. Budget revisions made to the County Child Care Budget Summary page (FIA-2091) require new authorizing signatures only if on the revised budget the expenditures exceed the authorized budget amount.
3. All program and budget revisions which alter In-Home Care component target populations, goals, objectives, types of services or anticipated expenditures are to be submitted to the Child Care Fund for review and approval. At the discretion of the Community Support Services Division, new county authorizing signatures may be required in some instances.
3. All Basic Grant program and budget revisions that alter Basic Grant component target populations, goals, objectives, types of services or anticipated expenditures are to be submitted to the Community Support Services Division for review and approval.
4. Program revisions for In-Home Care or Basic Grant program components may occur at any time throughout the fiscal year after the annual plan and budget is approved. For program revisions the court or the FIA must submit a revised report/request and a budget detail.

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<sup>3</sup> Based on Supreme Court Decision in the Oakland County vs. State of Michigan, the 1980 Amendment to the Social Welfare Act which limited the State reimbursement to the amount appropriated by the legislature was found to be in violation of the Headlee amendment. The State reimbursement from the Child Care Fund was returned to 50% without cap.

5. Line item transfers that do not affect the total Child Care Fund Budget may be completed on the Child Care Fund Transfer Form.

## **PART VII: APPLICATION PROCESS**



To be eligible for reimbursement each county must submit an Annual Plan and Budget by December 15 and have their Annual Plan and Budget approved by the Child Care Fund Division no later than February 15.

Counties may submit their Annual Plan and Budget from September 1st to December 15th.

The budget document consists of eight forms:

County Child Care Budget Summary .....  
 In-Home Care Summary .....  
 In-Home Care/Basic Grant Budget Detail Report .....  
 Basic Grant Summary .....  
 In-Home Care/Basic Grant Program Component Request  
 In Home Care/Basic Grant Program Component Report.....  
 Child Care Fund Summary Report.....  
 In-Home Care Certification.....  
 Basic Grant Certification .....

#### **A. Form FIA-2091, County Child Care Budget Summary**

1. For both the court and FIA indicate the name of the person who has primary ongoing budgeting and program planning responsibility for this document.
2. For each type of care on the FIA-2091, the Anticipated Expenditure refers to what the county spends and does not reflect what the county receives as reimbursement. This is an anticipated expenditure for the State fiscal year running from October 1 through September 30.
3. Anticipated Revenue is the total dollar amount collected by the county from third-party sources. Anticipated revenue is the amount shown on the FIA-207 and FIA-206B during the course of the year and adjusted from Child Care Fund expenditures. This does not include collections for court ordered support for state wards.
4. Subtract the anticipated revenue, I.F., from the Subtotal, I.E. to get I.G., Net Expenditure. Please note that I.G. is the authorized budget amount. Reimbursement will be limited to 50% of the net expenditure for Line A, B, and D and up to 75% for Line C. A revised budget is required if expenditures exceed this amount.
5. Costs for Foster Care during the Release Appeal Period are 100% reimbursable. Expenditures for Basic Grant are 100% reimbursable up to a maximum of \$15,000.
6. The Child Care Fund Budget Summary (FIA-2091) is to be signed by the designated county officials.
7. County-Operated Institutions.

If a county operates an institutional facility (treatment, secure detention, group homes, multi-purpose facility, etc.) there must be a description of the services provided, the per diem cost, and the bed capacity of each.

If a county operates a facility that is used for Child Care Fund reimbursable and non-Child Care Fund reimbursable services, i.e., to house probation staff or court rooms describe the formula that is used to prorate the Child Care Fund costs for operating the facility, (i.e., fuel, electricity, maintenance).

8. Group and Shelter Home Programs in Licensed Family Homes

If a county wishes to establish a group or shelter home program in a licensed family foster home, the following elements must be described:

- a. How the family foster care licensed group/shelter home program fits into the total foster care delivery system.
- b. Intake and release criteria.
- c. Program description.
- d. Financing.
  - Per diem – detailed.
  - Subsidy – detailed.
  - Written assurance must be provided that the foster parents will be under contract with the county.

**B. Form FIA-2093, In-Home Care Summary**

1. In Item I list by title each service\_component which makes up the In-Home Care program. These service components must be consistent with those described on the FIA In Home Care program component request form.
2. In-Home Care and Basic Grant service components must have an identified administrative unit. The administrative unit has contract monitoring, management and coordination responsibility for the indicated component.
3. For each component enter the anticipated In-Home Care gross expenditure that will be charged against the Child Care Fund. This amount should be consistent with Item E on the In-Home Care/Basic Grant Budget Detail.

### C. Form FIA 2094, In-Home Care/Basic Grant Budget Detail Report

1. Identify the service component to which the budget detail relates. Complete a separate form for each service component listed in Item I, of the In-Home Care Summary form.
2. Identify the appropriate administrative unit.
3. Item A, Personnel, is to reflect salaries and fringe costs of court staff who provide direct or support service to the youth and/or family. Prorated salaries and fringes for either service staff or support staff require that a clear audit trail be maintained to document and verify the prorated amounts.
4. Identify the total cost to the service component for fringe benefits for employees listed in A.1. Specify what the fringe benefits are, i.e., retirement, hospitalization, dental, etc.
5. Item B, Program Support: Specify all associated support costs for the indicated personnel under Item A only. Item B is not to be used to identify support costs for service components which are delivered through Contractual Services (Item C) or Non-Scheduled Payments (Item D). Enter the total cost for program support on the designated line.

Indirect costs are the costs of supporting an employee. Centralized services provided in support of an approved and functional In-Home Care component may be reimbursable. Examples of central services include transportation, motor pools, computer centers, purchasing, general accounting, and personnel administration, insurance, maintenance, utilities, etc.

To be eligible for reimbursement, the county must submit to the Child Care Fund Division, a copy of the county's cost allocation plan or indirect cost rate plan.

The county must provide an established cost allocation plan which applies to all county offices and is certified annually. The cost allocation plan must be printed and itemized and cannot include rent or depreciation. This indirect cost applies only to personnel under child care funding.

6. Item C.1, Contractual Services, is used to identify individual consultants or service providers under contract to either the court or FIA. In the rate/unit column specify both the total number of units of service contracted for and the total cost.

If services are contracted from a service provider, use Item C.2. For closed-end contracts identify the name of the provider organization or agency, and the total cost of the contract.

Provide the total cost for contractual services on the designated line. Services purchased from a private or public provider require a contract unless the service has a known or advertised cost and is routinely purchased by the general public, i.e., regular medical, dental or optical services. All contracts must be approved through the county's formal process.

7. For Item D, Non-Scheduled Payments, identify separately type of service, number of units and the average cost of each unit.

8. Enter the total cost for the service component in Item E. This figure is the sum of the totals for Items A, B, C, and D.
9. Complete Item F, Public Revenue, if any portion of the service component is funded from public revenue. Include any Basic Grant funds applied to any In-Home Care component and In-Home Care funds applied to Basic Grant components. Public revenue is money from any governmental source, and includes county, state and federal funds. The county share of In-Home Care reimbursable expenditures is not to be shown here. Identify each governmental source separately. Provide the total public revenue on the designated line.
10. Item G, Net Anticipated Reimbursable Expenditure, is computed by subtracting total public revenue from total service component cost.

#### **D. Form FIA-2095, Basic Grant Summary**

1. The FIA-2095 is to be completed by eligible counties requesting Basic Grant monies.
2. In Item I list by title each service component which makes up the Basic Grant program. These service components must be consistent with those described in the program narrative.
3. Basic Grant service components must have an identified administrative unit. The administrative unit has contract monitoring, management and coordination responsibility for the indicated component.
4. For each component enter the anticipated Basic Grant gross expenditure that will be charged against the Child Care Fund. This amount should be consistent with Item G on the In-Home Care/Basic Grant Budget Detail.
5. Record the total Basic Grant cost on the designated line.

#### **E. Form FIA-4471, In-Home Care/Basic Grant Program Component Request**

The Report/Request forms are used to provide detail and summary information for new, continued, or revised Basic Grant or In-Home Care service components. A separate form must be completed for each Basic Grant or In-Home Care service component for which state reimbursement is requested.

1. Component Title - Indicate the title of the specific component.
2. In-Home Care/ Basic Grant – Indicate whether the component is In-Home care or Basic Grant.
3. Time Period Covered - For new/revised and continued components indicate the proposed time period the request is to cover. This cannot be more than the state's twelve-month fiscal year, 10/1 to 9/30.

4. Component Manager - Indicate the person directly responsible for the management of the component.
5. Administrative Unit - Indicate whether this is a court or FIA program.
5. Telephone - Indicate the telephone number of the Component Manager.

#### Section I. Program Specific Information

##### Item 1. Component Status

Continuing Component - A previously approved program with no change in program is being proposed for continuance.

Terminated Component - A previously approved program that will not be continued. Complete only information on form FIA-4471 relating to the previous fiscal year.

Revised Component - A previously approved program that is being changed.

New Component - A component being planned for the next fiscal year.

##### Item 2. Target Population Served

Indicate if the children to be served are under the jurisdiction of the court. If so, indicate whether they are neglect, delinquent or both.

If the children to be served are not under jurisdiction of the court, identify which applies: written complaint, Category I, II, or III Children's Protective Service referral; or for AN IN HOME CARE COMPONENT OR a Basic Grant component, if children are likely to come under the jurisdiction of the court.

##### Item 3. Areas of Intended Impact

Indicate by check mark the areas the component is intended to impact. The component is intended to reduce the:

Number of Youth Petitions. Youth on whom petitions have been filed during the time period specified.

Number of Adjudications. Number of youth who have been adjudicated.

Number of Days of Family Foster Care. Number of total days all youth were in family foster care.

Number of Days of Out-of-Home Detention. Number of total days all youth were in out-of-home detention.

Number of Days of Shelter Care. Number of total days all youth were in shelter care.

Number of Days of Residential Treatment Care. Number of total days all youth were in residential treatment care.

Number of State Wards Committed (Public Act 150 or Public Act 220). Total number of committed state wards.

#### Item 4. Service Focus

Identify whether the component is to focus on early intervention within the child's home or early return to the home from an out-of-home placement.

### Section II. Service and Cost Projections for the Next Fiscal Year.

Line A, Number of Youth/Family Served - (If cases are by family rather than youth, count the family). This line must be completed for all In-Home Care programs and Basic Grant programs that provide direct service to youth. In column 6 indicate the actual number of youth served during the past year and in column 7, the actual cost of the service. In column 8 and 9, indicate the projections for the next fiscal year.

Line B, Number of days or units In-Home Care or Basic Grant - This line must be completed for all In-Home or Basic Grant Service Components. Line B also indicates the actual and projected number of service units to be provided and a definition of the service unit.

The service unit should be defined by the Component Manager. A unit is most often a definable support contact sometimes measured in time, i.e., an hour of teaching, counseling, tutoring, evaluation or testing, a group meeting, a foster home contact, licensed home, etc. The purpose in identifying a unit of service is to establish a base and assess the cost benefit of the purchased service. If there are problems identifying the service unit, contact Child Care Fund staff. In column 6 provide the projected number of units.

Line C, Total Component Cost - In column 7 enter the actual total component cost for the past fiscal year. In column 9 indicate the projected cost for the next fiscal year. The totals from all components should correspond with the Child Care Fund Budget Summary.

Line D, Average Cost per Unit - In column 7 enter the actual per unit costs. In column 9 enter the projected per unit costs for the next fiscal year.

Line E, Average Cost Per Youth - In column 7 enter the actual cost per youth or per family if family is noted in Line A. In column 9 enter the projected cost for the next fiscal year.

### Section III. Impact Evaluation

Column 10 - Number of Youth, is used to identify the number of youth who were actually targeted for reduction during the year. The reduction of Number of Days, column 11, and Costs, column 12 should reflect the reduction and cost

savings experienced in the Area of Intended Impact, Section I, Part 3. The method of determining reduction may vary and will be reviewed at the time the Annual Plan and Budget is submitted.

#### Section IV. Program Assessment/Evaluation

This section must be completed for all components in effect during the year. Please account for all youth. For example, if twenty youth were served during the year the narrative may read, "of the twenty youth served ten successfully completed the program and remain at home, five continue to receive services and five youth were placed out-of-home care due to continued programs." Assess the intended impact areas and results. Explain the reason for the difference between the projected numbers and cost and the actual numbers and cost.

#### Section V. Program Description

This section must be completed for all components requested for the next fiscal year. Provide a brief description of the In-Home Care or Basic Grant Component. Include program purpose, service description, frequency of contacts, and other details that will provide a general understanding of the service. This section must be completed every year that the component is requested.

F. Form FIA- In-Home Care/Basic Grant Program Component Report

G. Form FIA-4472, Child Care Fund Summary Report

This form is intended to identify and track the yearly changes in Child Protective Services (CPS) cases and judicial activity. This summary data should provide a means to assess past patterns and trends and be useful for budget planning. This data will also be used to review and assess the impact of In-Home Care or Basic Grant programs on out-of-home care and costs.

Section A, for court use, is required as part of the Annual Plan and Budget from all courts.

Section B is required from all local FIA which have Child Care Fund sub-accounts or are authorized to make expenditures from a single county Child Care Fund.

A. Court-Judicial, Summary Data, Section A:.

Column 2. Prior year (twelve month period)

Prior year is the year preceding the most recent past twelve month period. The twelve month period can be the period most useful for county planning purposes, i.e., county fiscal year. The twelve month period the data represents must be identified.

Column 3. This year (most recent twelve months)

This is the most recent past twelve-month period the county has chosen as their reporting period. This column should start and end with the same months of the year as reported in column 2, prior year.

Column 4. Difference

Column 4 is the percentage increase or decrease in numbers from prior year to most recent year.

Judicial - This section is to identify all youth served by the court.

1. Number of Youth Having Petitions/Written Complaints Filed: Record the total number of youth who had petitions/written complaints filed with the court during the twelve-month period.
2. Number of Youth Having Petitions Authorized: Record the number of petitions/written complaints accepted and authorized by the court for adjudication.
3. Number of Youth Adjudicated : Record the total number of youth adjudicated.
4. Number of Court Wards supervised by court or FIA at Beginning of twelve-month Period. The number of court wards served at the start of the most recent year must be the same number as at the End of the Prior Year.
5. Number of Court Wards supervised by court or FIA at End of twelve-month Period. Number of State Ward Commitments (Public Act 150 and Public Act 220). Record the total number of all state wards.

B. FIA-Children's Protective Services (CPS) Summary Report

Section B is required for all County FIA which have Child Care Fund subaccounts.

CPS Petitions and Adjudications

1. The total number of CPS complaints investigated.
2. The total number of Category I and II CPS cases during year.
3. The total number of petitions filed with the Family Court during the year.



4. The total number of adjudications resulting from petitions on CPS cases.

**G. In-Home Care Certification and Basic Grant Certification**

These forms must be signed and dated by the presiding Judge of the Circuit Court, Family Division and the county Director of Family Independence Agency.

## PART VIII: REPORT PROCEDURE

### A. FIA-207 and FIA-206B

The form for reporting court expenditures is the FIA-207. This report must be submitted by the tenth day of the month following the report month. All counties are to report each month. Late reports will not be processed for payment until the following month.

The FIA-207 is to be sent to the Supervisor, Data Reporting Unit, Michigan Family Independence Agency, 235 South Grand Avenue, Suite 1108, Grand Tower, P.O. Box 30037, Lansing, Michigan 48909.

The form for reporting FIA expenditures is the FIA-206B. This report is to be submitted via the LASR.

### FIA-207: Account Classifications, Definitions, Line Instructions, and Column Instructions

The forms are divided into three sections and addendums:

Section A: Number of children in care, total days of care provided, and expenditures from the Child Care Fund.

Line 1: Family Foster Care is any 24-hour care provided in a private home that is licensed either as a foster family home or a foster family group home. The key element to this definition is the type of license, i.e., individual family, as opposed to a private agency or county operated child care facility. Family foster care may include care provided in an unlicensed home of a guardian of the child or the home of an unlicensed related person as defined in Public Act 116 of 1973. Reimbursement for per diem costs may include five days of runaway status or hospitalization if the placement is being maintained.

Line 2: Court Supervised includes all foster care provided in licensed foster family home or licensed foster family group homes, when the youth is under the direct supervision of an employee of the family court. This includes court wards supervised by FIA in counties that do not have a FIA sub-account. (Expenditures for children of divorced parents placed by the circuit court in the custody of a third party, if made from county funds under the direction of the Friend of the Court, are not reimbursable and are not to be reported on the FIA-207.) Reimbursement for per diem costs may include five days of runaway status or hospitalization if the placement is being maintained.

Line 3: Family Foster Care includes payments made directly to foster parents in the form of a per diem payment, including room and board, personal allowance, and normal clothing maintenance. **Child Care Fund reimbursement for per diem payment for foster care may include the day the child is placed but not the day the child is moved.** Reimbursement for per diem costs may include five days of runaway status or hospitalization if the placement is being maintained.

The three categories of foster family care payments are:

1. Regular Foster Care

These are rates established on an annual basis by the Family Independence Agency.

2. Intensive Foster Care

When special services or intensive care is purchased from the foster parent for the needs of a specific child and the rate paid is in excess of the state-established rates, the entire amount is to be reported in this column. The FIA-207 must include an attachment listing the intensive rate(s) paid and the number of days care at each rate.

The case plan or Difficulty of Care is to include the detail of the special needs (physical/emotional) requiring the intensive rate; rationale for the selection of the particular foster home, including the capability of the foster home to provide for the special needs; and an explanation of the special rate, the method of its determination is to be filed in the child's record. Review and reapproval is required every six months.

3. Non-Secure Detention

Line 4: Other (Non-scheduled) Payments - Child Specific. These are payments to licensed foster parents or payments to vendors for services provided to youth in family foster care which are not included in the per diem rate. These costs are generally not routine. Assurance must be made that all services under this category are not available through another public funding source. Examples of these expenditures may include:

a. Clothing

- (1) Initial clothing allowance - Maximum allowable initial clothing allowances for children entering care for the first time are established annually by the Family Independence Agency. This is not an automatic allowance and actual need must be documented. Payments are to be supported by receipts and are reimbursable only up to the established rate. The initial clothing allowance shall cover only clothing purchased within the first six months of placement.
- (2) Clothing maintenance - Direct payment for clothing maintenance to foster parents is encouraged. The county, however, may choose not to pay the foster parent for clothing maintenance, but supply clothing as needed through vendor payments.
- (3) Supplemental clothing allowance - Supplemental clothing allowance, not to exceed the established initial allowance, in cases of destruction, loss, or unusual rapid growth may be made. The unusual need must be identified and costs supported by a clothing checklist.
- (4) Bulk purchase of clothing for children in foster homes is not reimbursable.

b. Education Supplies and Services may include:

- (1) Tutoring provided by a certified teacher or recognized expert in academic or non-academic fields. The need is to be identified in a service plan.
- (2) Graduation expenses considered to be within normal costs in the given school district.
- (3) Special equipment or services required for education courses.
- c. Medical, Dental, Psychological and Psychiatric Services - All needed services and materials not covered by Medical Assistance, Crippled Children's Fund, insurance, etc. Both the need for the service and efforts to obtain other funding are to be described in the case record of the youth.

**Note:** Excluded are costs for psychological services applied directly to the judicial process.

- d. Transportation - the cost of unusual transportation provided by public carrier or foster parents for treatment and service as part of a service plan. The transportation costs incurred by a foster child's parent when the case plan documents that assistance is needed to assure contact between the parent and child. Payments to parents or foster parents may not exceed the state or county transportation rates, whichever is higher.

Excluded is all transportation relating to service provided directly by the court, i.e., travel to and from the court for hearings, transportation between foster care locations, transportation included in the Difficulty of Care rate, return of runaways, transportation to and from placement, transportation to and from non-secure detention.

- e. Holiday Allowance - A once-a-year \$25.00 allowance for a gift at holiday time for each ward in foster care.

#### Other (Non-scheduled) Payments - Non-Child Specific

- a. Foster Parent Training - County payments directly to foster parents as reimbursement for expenses incurred in attending foster parent training classes are reimbursable. Expenses may include transportation, child care, tuition and supplies. Payment is to be reported as a non-scheduled family foster care expense.

Foster parent training provided by county staff or by persons under contract with the county is classified as an administrative expense and is not reimbursable expenditure. Training provided by private agency staff to foster parents under their agency supervision is considered an agency administrative cost and is included in the agency's administrative rate.

- b. Subsidy Payments to Foster Parents - These are payments which reimburse foster parents for making beds available for specified types of foster care services. Payment is to be reported as a non-scheduled family foster care expense.

- c. Respite/Relief Payments to Group Home Parents - These are payments to foster parents who have approved group or shelter home programs operating in their homes. Payments are made for substitute parents to work in the home while the parents are away. Payments may also be made for the youth placed temporarily in another home. Payments are to be reported as a non-scheduled family foster care expense. Respite care is only for group home parents as part of their signed contract.
- d. Recreational Payments to Group Parents - These are payments made to foster parents who have approved group or shelter home programs operating in their homes. The recreational expenses must be essential to the operation of the program, as opposed to individual child allowances. Recreational supplies are subject to the same inventory controls as other county property.
- e. Supply Payments to Group Parents - These are payments made to foster parents who have approved group or shelter home programs operating in their homes. These expenses are for miscellaneous personal items for children, i.e., small packages of personal hygiene items that are in readiness for shelter home placements.

Report on Line 4 of the FIA-207 the amount of other (non-scheduled) payments made during the month for children in court-supervised family foster homes.

Line 5: Private Agency is limited to care/service purchased from licensed private child placing agencies. Purchased care/service may be licensed foster family homes, licensed foster family group homes and adoption services.

Line 6: Family Foster Care Payments include all payments which reimburse the agency for per diem payment to foster homes or foster family group homes. Also included on this line is payment to the agency to reimburse state-approved administrative/service rates.

Line 7: Report on Line 7 of the FIA-207 the amount of other (non-scheduled) payments made during the month for children in private agency family foster homes. Refer to instructions for Line 4.

Line 8: Total Family Foster Care is the sum of Lines 3 and 6 for children and days care and the sum of Lines 3, 4, 6, and 7 for expenditures and adjustments.

Line 9: an Institutional Care payment includes cost of care in any staffed facility licensed or approved to operate as a child care institution. Care purchased from out-of-state institutions and private psychiatric hospitals is also reported in this section.

Line 10: Court Operated Facilities are facilities<sup>4</sup> open 24 hours a day, seven days a week and operated directly by the county.

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<sup>4</sup> Counties with multipurpose facilities are to report on each appropriate line for each purpose. For example, if the facility includes detention, group care, and shelter care, each line would be completed; the figures are not to be lumped together and reported on the detention line.

Line 11: Detention facilities provide temporary care in a physically restricting facility, pending legal disposition by a court, transfer to another jurisdiction or agency, or awaiting direct waiver to adult court.

Report on Line 11 of the FIA-207 the amount of court-operated detention facility expenditures during the month and the number of children and total days care provided.

Line 12: Group Care Facility is an institution or group home (not a foster family group home) which has the primary purpose of providing treatment for youth with identified behavioral or emotional problems.

Report on Line 12 of the FIA-207 the amount of court-operated group care facility expenditures during the month and the number of children and total days care provided.

Line 13: Shelter Care Facilities provide temporary care in a physically unrestricted facility pending legal disposition by a court or transfer to another jurisdiction or agency.

Report on Line 13 of the FIA-207 the amount of court-operated shelter care facility expenditure during the month and the number of children and total days care provided.

Line 14: Other Institutional Care includes facilities that cannot be classified as detention, group care or shelter care, i.e., day treatment. These may be facilities, which provide a combination of detention, group and shelter care, and it is not possible to make cost differentiations.

Report on Line 14 of the FIA-207 the amount of other court-operated facility expenditures during the month and the number of children and total days care provided. The type of court-operated facility should also be specified in the space provided.

Line 15: Another County's Institution includes detention, group care, shelter or other.

Line 16: Institutional Care includes per diem payments for care in another county's institution. Report on Line 16 of the FIA-207 the amount of payments for care in another county's institution made during the month and the number of children and total days of care for which the payments were made.

Line 17: Report on Line 17 of the FIA-207 the amount of other (non-scheduled) payments made during the month for children in another county's institution court or FIA.

Line 18: Private Institutions are licensed private child care institutions including out-of state institutions and private psychiatric hospitals.

Line 19: Institutional Care Payments are per diem payments and must not exceed the state established rate. For reimbursement a state established rate is required for in-state institutions. In cases of out-of state placement, it is the responsibility of

the court to assure that the agency and/or institution is properly licensed by the state for the type of care or services provided.

Report on Line 19 of the FIA-207 the amount of payments for care in private institutions made during the month and the number of children and total days of care for which the payments were made.

Line 20: Other (Non-Scheduled) Payments are payments to child care institutions or to vendors for services which are not included in the assigned per diem rate. The payment may include a once-a-year \$25.00 holiday allowance.

Report on Line 20 of the FIA-207 the amount of other (non-scheduled) payments made during the month for children in private institutions.

Line 21: Total Institutional Care is the sum of Lines 11, 12, 13, 14, 16, and 19 for children and days care and the sum of Lines 11, 12, 13, 14, 16, 17, 19, and 20 for expenditures and adjustments.

Line 22: In-Home Care includes payments for services which are alternatives to out-of-home care for at risk youth or reduce the length of time in out-of-home placement. Such services must be provided to an individual youth and/or his/her family.

All services reported in this section must be identified and approved in the County Annual Plan and Budget. The FIA-207 must include an attachment, FIA-2396, In-Home Care Addendum, listing the service component by title, total authorized amount, current month expenditures, fiscal year-to-date expenditures and balance.

Report on Line 22 of the FIA-207 the total amount of payments for In-Home Care made during the month and the number of children or families for whom the payments were made.

Line 23: Independent Living is care provided under the supervision of a public or private child placing agency to a youth in the youth's own residence or the unlicensed residence of an adult who has no supervisory responsibility for the child.

Line 24: Per Diem Payments are payments for independent living made during the month. Report on Line 24 the number of children and total days of care for which the payments were made.

Line 25: Other (non-scheduled) Payments are to be reported on Line 25 of the FIA-207. Report the amount of other (non-scheduled) payments made during the month for children in independent living.

Line 26: Total Independent Living is the amount on Line 24 for children and days care and the sum of Lines 24 and 25 for expenditures and adjustments.

Line 27: Total Adjusted Expenditures on Line 21 are subject to reimbursement at 50%. Total Adjusted Expenditures on Line 22 are subject to reimbursement up to 75%.

- Line 28: Receipts Applicable to Child Care Fund Reimbursable Expenditures are all monies received for the care or service to individual children up to the amount expended from the Child Care Fund and reported on the FIA-207. It does not include Title IVe and state ward collections, county appropriations, state reimbursement and/or nonspecific donations, etc.
- Line 29: Net Family Court-Ordered Collections is 75% of the gross amount collected from the child, parent, guardian, or custodian for care provided from the Child Care Fund during the month. Examples include monies collected through court orders for care of the child, oversight fees, services rendered by staff funded through In-Home Care, and collections made on delinquent accounts or to pay a balance due on a reimbursement order after a child is released or discharged from care outside of the child's own home.
- Line 30: Government Benefit Collections is the amount collected in Social Security, Veterans' Benefits or other governmental benefits during the month for care provided from the Child Care Fund. If the benefit amount for an individual child exceeds the amount expended for care, the excess is to be placed in a trust for the child and excluded from the collection amount reported.
- Line 31: Other Receipts include any collections made during the month that cannot be classified as court-ordered or government benefits, such as refunds, returned checks, child-specific donations and payment for care provided in county-operated facilities, etc.
- Line 32: Total Receipts Available to Child Care Fund Reimbursement. Report on Line 32 of the FIA-207 the sum of Lines 29, 30, and 31 for receipts.
- Line 33: Net Expenditures Subject to Reimbursement.
- Report on Line 33 of the FIA-207 the amount on Line 27 less than amount on Line 32. This is the amount on which Child Care Fund reimbursement will be based.
- Line 34: Foster Care During Release Appeal Period (100% Reimbursable). This refers to foster care expenditures incurred for the care of a child during the appeal period following parental release of the child to a private child placing agency (Act 382, P.A. 1976). These foster care expenditures exclude private child care placing agency administrative costs and must be consistent with the regular foster care rates established on an annual basis by the Family Independence Agency. Attach a copy of the court order authorizing payment and list the amount of per diem payment. Report on Line 34 of the FIA 207 the amount of payment for foster care during the release appeal period for the month.
- Line 35: Total State Reimbursement Due.
- Report on Line 35 of the FIA-207 50% of the amount on Line 33 plus 100% the amount on Line 34.
- Line 37: Total State Reimbursement



Report on Line 37 of the FIA-207 the amount of Line 35.

Line 38: Number of Children in out of state placements

Report on Line 38 of the FIA-207 the number of children included under Family Foster Care (Line 3 and 6, Column 3) and Institutional Care (Line 19, Column 3) who are in placement outside the State of Michigan.

Column 3 - Number of Children, refers to the number of children receiving a given type of care. If, during the month, a youth was placed in detention and subsequently placed in family foster care, he/she would be included in the counts for Line 3 and 11. A child is included in as many counts as types of service he/she received.

Column 4 - Days Care Provided, refers to the sum of the number of days of care provided for each type of service. Do not include a count of the number of children or days care provided in a free (no cost) foster home for whom only non-scheduled payments were made. Also, for In-Home Care service components, report only the number children or families, as the number of days care is not applicable.

The days care reported in Column 4 are to relate to the month in which the expenditure for such days care was reported in Column 5.

The number of days may include the day the child is placed but not the day the child is removed. Thus, the first day of care is reimbursed while the last day is not.

Column 5 - Gross Expenditures, will show the total amount of expenditures for each type of care before adjusting for non-reimbursable expenses, debit correction transfers, and credit correction transfers.

Column 6 - Adjustments, will show non-reimbursable expenditures (i.e., unapproved expenditures in excess of established rates), credit correction transfers, and debit correction transfers. These amounts are to be entered as a lump sum on each line where they are reported.

Column 7 - Adjusted Reimbursable Expenditures, will show the difference between Column 5 (gross expenditures) less Column 6 (adjustments).

#### Section B: Basic Grant and In-Home Addendum Report

Column 3 - Total Grant Amount, refers to the approved budget amount for each of the line items.

Column 4 - Current Month Expenditures, are used to report the expenditures made during the report month.

Column 5 - Expenditures Fiscal Year to Date, reflects the amount of money spent from the beginning of the grant through the report month.

Column 6 - Balance, is used to report the amount of grant money left after the Fiscal Year to Date Expenditures are deducted from the Total Grant Amount.

#### Section C: Signatures and Certification

All FIA-207 reports must be signed by a Family Court Judge of the county. An unsigned report will not be processed for state Child Care Fund reimbursement. The signature of the Family Court Judge certifies that all data included in the report is correct to the best of the judge's knowledge and in accordance with the definitions established by the Family Independence Agency.

#### **B. FIA-211**

This form is used by the Family Independence Agency Data Reporting Section to compute the state reimbursement on Child Care Fund expenditures for care and services provided by the Family Court and county FIA. The net expenditures reported by the Family Court on form FIA-207, Line 33, and the county FIA on form FIA-206B, Line 33, are entered on form FIA-211, lines 2 and 3, respectively. The county's total (Family Court and FIA) Child Care Fund reimbursement is computed on Lines 4-12, and the county FIA share of state reimbursement is indicated in footnote 1 at the bottom of form FIA-211.

**Note:** Depending on the county procedure, the county treasurer may need to perform a transfer of funds between the Child Care Fund sub-accounts, if:

1. The amount of footnote 1 is negative (indicates that the county FIA has reported more collections than expenditures on form FIA-206B); or
2. The amount in footnote 1 is greater than the amount of Total State Reimbursement for Child Care Fund, Line 9, Column 4, FIA-211. This indicates that the Family Court has reported more collections than expenditures on form FIA-207).

Each of the above situations may result in a small authorized state reimbursement to the agency which did not report negative net expenditures.

**Note:** The actual amount of reimbursement may be less than the amount indicated on the FIA-211 due to FIA-2381, Monthly Offset Statement/Billing process.

Any questions concerning form FIA-211 should be directed to FIA Data Reporting Section.

## **REVIEW POLICY**

The Child Care Fund Division has the responsibility to:

- ◆ Provide county level assistance for Annual Plan and Budget development
- ◆ Monitor In-Home Care and Basic Grant programs
- ◆ Insure compliance with Child Care Fund rules and policy
- ◆ Insure that the In Home Care programs are meeting stated outcomes

### **A. Review**

#### **1. Program**

A program review consists of an on-site review of a designated number of program files of each In-Home Care and Basic Grant component. The reviewer will use applicable Child Care Fund laws, rules, and policies to insure compliance. The number of cases reviewed is based on the following grid:

\$0 – \$50,000

\$50,000 – \$500,000

\$500,000 & Over

Minimum of 5

Minimum of 10

Minimum of 15

Review will evaluate the outcomes as approved in the Annual Plan and Budget.

## 2. Fiscal

A fiscal review consists of an on-site review of a designated number of fiscal records of all Child Care Fund expenditures for which reimbursement was sought. The review sample will include a minimum of four reporting months which will be identified to the court or FIA prior to the scheduled visit. The reviewer will trace the reimbursements for the four month period to the FIA-207 or FIA-206B for proper authorization, appropriate supporting documentation and accurate posting and reporting by account classification.

The reviewer will verify that all monies collected on behalf of the youth for which the state reimburses via the Child Care Fund, Basic Grant, or state and federal government funds are reported properly on the FIA-207 and FIA-206B.

## 3. Report

- a) An exit meeting is conducted on site at the end of the review, and
- b) A written report of the findings prepared by the reviewer will be completed and forwarded to the appropriate county personnel.

## B. Correction Procedure

If non-compliance with rules or policy is identified, the non-compliance will be cited in the report and one or more of the following may occur:

- 1. The Child Care Fund personnel will make recommendations to correct or improve program and fiscal operation,
- 2. The Child Care Fund personnel will request that the County adjust the fiscal errors,
- 3. The Child Care Fund personnel will request a written corrective action plan from the County within thirty days,
- 4. The Child Care Fund personnel will conduct a follow-up review to insure implementation of the corrective action plan, and/or
- 5. The Child Care Fund Division will delay approval of the Annual Plan and Budget until compliance occurs.

## C. Consultation



In Home Care.....4, 5, 6, 7, 8, 10,  
11,  
13, 19, 20, 21, 24, 26, 27, 28, 29, 30, 34  
Independent Living.....19, 20, 24, 26  
Indirect Costs.....7, 25

## **L**

Lease.....25, 27, 32

## **N**

Non-Reimbursable.....21, 26  
Non-Scheduled Payments....7, 8, 21, 28, 29, 31

## **O**

Out of State Placement.....21

## **R**

Receipts.....15, 20

Regional Detention Support Services (RDSS)....  
27

Reimbursable.....3, 5, 6, 7, 8, 11, 15,  
16, 20, 24, 25, 26, 32

Rent.....7, 27, 32

Respite Care.....17

Revenue.....5, 8

## **S**

State established rates.....3, 15, 19, 26

## **T**

Transfers.....4, 21

Title IVe.....20, 24

Transportation.....7, 16, 25, 26

Tutoring.....10, 16