

OHIO AUDITOR OF STATE
KEITH FABER

AGA Conference: Job and Family Services Program Costs: The Breakdown and Allocation

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Who is the Ohio Department of Job and Family Services (ODJFS)?

The Ohio Department of Job and Family Services supervises the state of Ohio's public assistance, employment services, unemployment insurance, child and adult protective services, adoption, child care, and child support programs.

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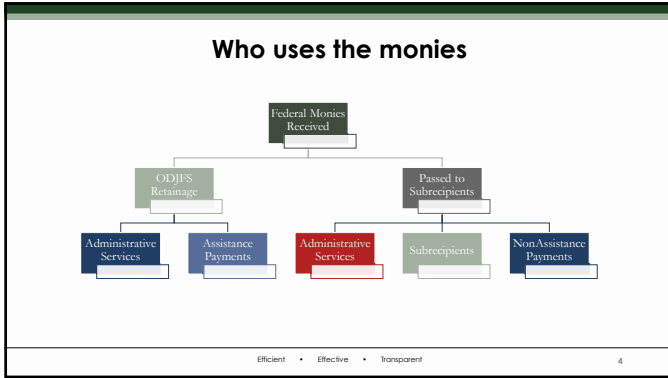
Where does their Federal money come from?

US Department of Health and Human Services US Department of Agriculture US Department of Labor

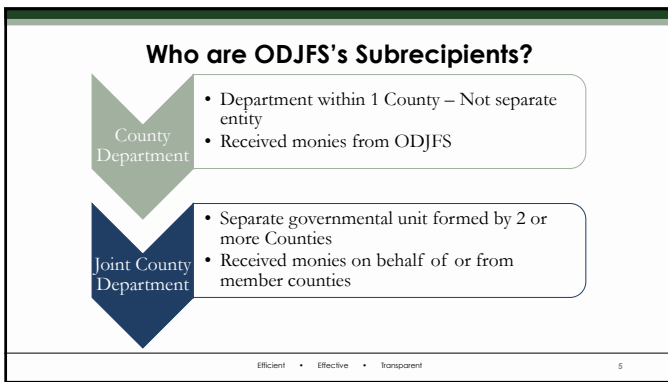
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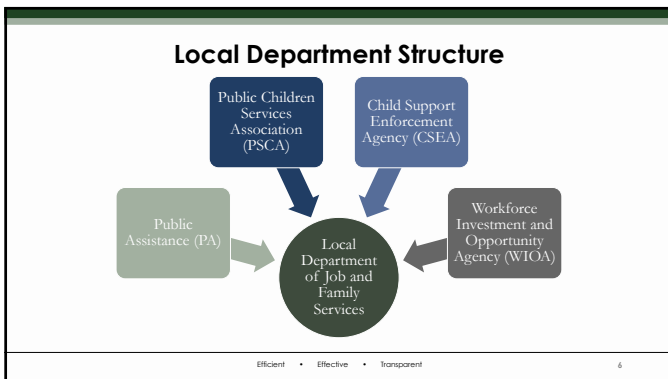
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Most Common ODJFS Programs by Department

- Public Assistance Agency (PA)**
 - 93.775, 93.777; 93.778 Medicaid
 - 93.767 Child Health Insurance Program (CHIP)
 - 10.551; 10.561 Supplemental Nutrition Assistance Program (SNAP)
 - 93.558 Temporary Assistance for Needy Families (TANF)
 - 93.667 Social Services Block Grant (SSBG)
 - 93.575; 93.596 Childcare Development Block Grant (CCDBG)
- Public Children Services Association (PCSA)**
 - 93.658 Foster Care
 - 93.659 Adoption
- Child Support Enforcement Agency**
 - 93.563 Child Support Enforcement Agency
- Workforce Investment Opportunity Act (WIOA)**
 - 17.258; 17.259; 17.278 Workforce Investment Opportunity Act

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Operating, Accounting, and Client Systems

- County Finance Information System (CFISweb)**
 - State and County Finance system that collects, tracks, calculates and analyses financial data.
 - Provides real-time data to enhance decision making
 - Interfaces with OAKS, CFIS WIOA, and the RMS systems
- General Ledger**
 - Financial Data General Ledger
 - Not required and could be another financial software
- Stateside Automated Child Welfare Information System (SACWIS)**
 - Case Management System

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Cost Breakdown: Types of Expenditures

- Direct
- Indirect

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Direct Expenditures

2 CFR 200.413 states...

Direct costs are those costs that can be identified specifically with a particular final cost objective, such as a Federal award, or other internally or externally funded activity, or that can be directly assigned to such activities relatively easily with a high degree of accuracy.

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Indirect Expenditures

Indirect costs are those costs that are applicable to more than one Federal award and may be allocated as such using an approved method.

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Indirect Cost Breakdown

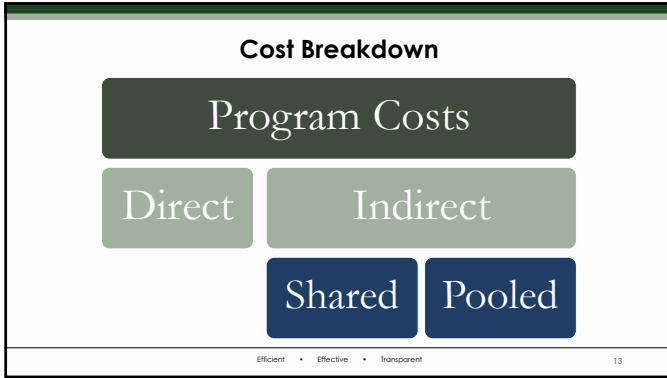
Cost Pools

Shared Costs

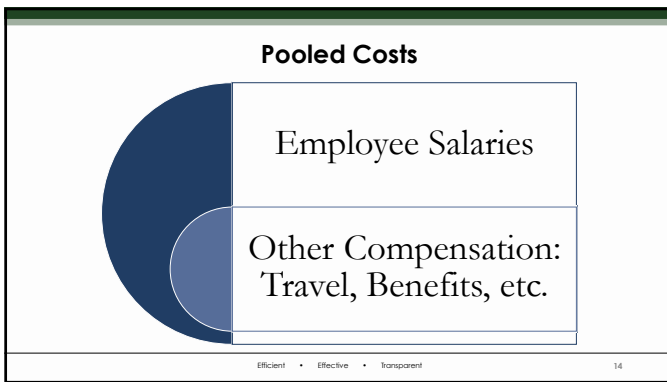
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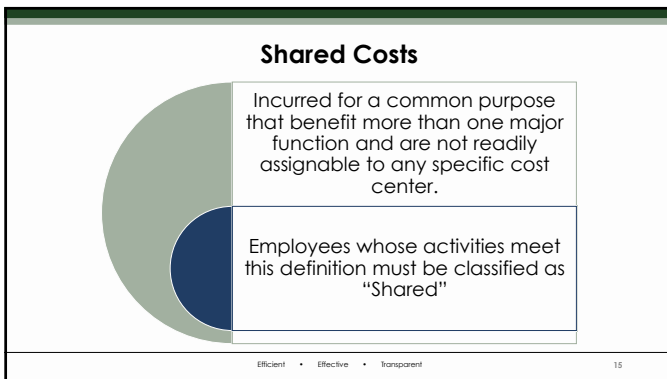
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Cost Allocations

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Shared Cost Allocations

Allocated to the Cost Pools via FTE's → Further allocated to Programs by RMS

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Program Cost Pools/Codes

010 • Shared	020 • Income Maintenance	030 • Social Services
040 • Workforce Investment and Opportunity Act	050 • Child Support	Others • Direct Costs associated with specific grants

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010 Shared Cost Pool

- Salaries and related compensation for employees assigned to indirect agency functions
- Operational costs (i.e. leases, utilities, supplies, etc) for indirect agency functions
- Administrative contracts such as human resource services, building maintenance, or any service that indirectly benefits all major program areas
- Equipment that benefits all major program areas

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020 Income Maintenance, 030 Social Services, 040 Child Support, 050 Workforce Investment Opportunity Act (WIOA) Cost Pools

- Salaries and related compensation for employees assigned to a respective cost pool program functions
- Operational costs (i.e. leases, utilities, supplies, etc) that benefit all respective cost pool programs
- Administrative contracts that indirectly benefits one or more respective cost pool programs
- Equipment that benefits all of each of the respective cost pool programs

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Full-Time Equivalents (FTE)

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Full Time Equivalent (FTE)

FTE is position information provided by county family service agencies and Workforce Investment Opportunity Act (WIOA) areas to ODJFS for two purposes:

- Respond to federal FTE position information reporting requirements for all agency types
- Distribute shared costs in county department of job & family service agencies and combined county family service agencies

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FTE Paid Hours

Regular Hours Worked + Comp Time and Paid Leave = Paid Hours

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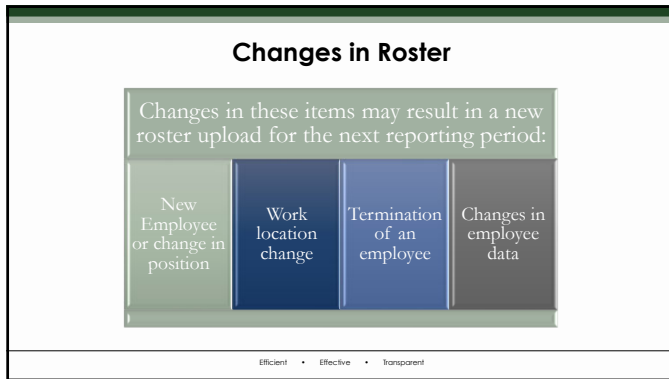
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Individual FTE Calculation

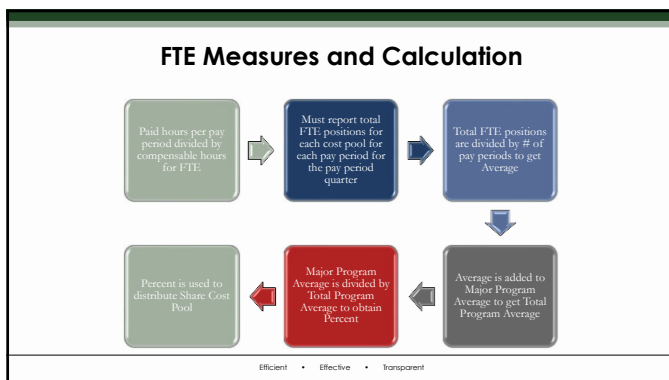
$\frac{\text{Paid Hours per pay period}}{\text{Compensable hours}}$

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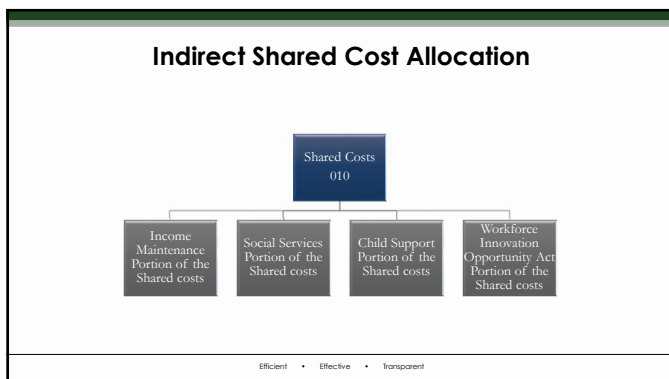
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CR 404 Quarterly Report (CR 402 Monthly Report)

Program/Activity	Percent	Statistic	January	February	March	Total
Quarterly Full Time Equivalent						
Income Maintenance (IM)(28)	57.27	132,694	35,695.28	41,681.75	35,373.28	112,751.32
Social Services (SS)(35)	24.90	57,000	15,320.79	17,904.80	15,194.93	48,420.52
Child Support (CS)(55)	16.13	42,000	11,289.03	13,169.05	11,106.30	35,678.38
Total		231,694	62,276.10	72,770.61	61,764.51	196,832.22

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Random Moment Sampling (RMS)

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How are monies distributed to the individual grants?

Federally Approved
Web-based Random
Moment Sampling
System known as Web
RMS

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Random Moment Sampling

Generates Random Moments to Perform a Time Study

Involves a Calculated Number of Random Moments each Quarter

Data Gathered determines the % of effort expended by the individual on a specific program

RMS Time Studies are Completed for each Cost Pool

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Random Moment Sampling Periods

Sample Period = Time when Observations are received and completed
Financial Period = Expenditure time frame when percentages generated by RMS are used for allocation
Quarter = State Fiscal Quarter

Sampling Period	Financial Period	Quarter
December – February	January – March	1
March – May	April – June	2
June – August	July – September	3
September – November	October – December	4

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RMS Time Studies

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Who Participates in RMS?



Participating employees provide direct services to the programs

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Selecting a Sample:

RMS System Selects the worker, date, and time of the observation.

↓

It Executes a predetermined # of observations

- To randomly selected workers
- On various days
- At different times of day

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How Many Observations are Done?

RMS Type	Agency Size or Type	Number of Observations
IM	Metro*	2,300 Total
IM	Suburban/Rural	354 Total
SS, CW, WF, CS	1 – 10 Participating Positions	Minimum of 33 Per Worker
SS, CW, WF, CS	11 – 74 Participating Positions	Minimum of 354
SS, CW	75 or more Participating Positions	Minimum of 2,400

Sample is selected based on the Cost Pool and number of District participating employees. Each agency has a separate population.

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When are they sent?

RMS Sampling period offsets reporting quarter by 1 month

Example: Observation period of December, January, February is used for the January through March reporting quarter. Data is collected December – February is used for distributing costs incurred January – March.

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Observation Completion

Observations must be completed in a specific time period

Observations must include a certain set of data

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Observation Data and Documentation

Supporting Documentation

Program Code

Activity Code

Comments

Case Number

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Supporting Documentation

Screen Print from the Case Mgt. System

Appointment Book/Calendar

Phone Log

Must show Date and Time

Must show the Case Identifier

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RMS Coordinator

Each County/District must assign a RMS Time Study Coordinator and an Alternative.

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RMS Coordinator Duties

Liaison to ODJFS

Assigns workers to a supervisor in webRMS

Create the Sample in webRMS

Complete observations for unavailable workers

Review and Accept Observations when completed

Maintaining Agency Calendar and Roster

ODJFS Quarterly Sample Reporting

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RMS Coordinator Responses:

<p>Accept</p> <ul style="list-style-type: none"> • Observation was properly completed and the response was acceptable. 	<p>Invalid</p> <ul style="list-style-type: none"> • Participant no longer employed or on a unscheduled holiday. Will be excluded. 	<p>No response</p> <ul style="list-style-type: none"> • Observation has expired and the participant did not respond.
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RMS Coordinator Responses:

<p>Resend E-mail</p> <ul style="list-style-type: none"> • Participant observation email will be resent if not expired. 	<p>Conversion of Observation Type</p> <ul style="list-style-type: none"> • Observation Type can be changed from electronic to Paper or Phone
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Quality Control

<p>County Assigns an RMS Observer</p>	<p>The RMS Observer will receive 10% of the observations moments to validate for quality control.</p>
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Record Retention

Counties must maintain all financial, programmatic, statistical, recipient records, and supporting documents for three years after the ODJFS acceptance of the final closeout expenditure report, or as otherwise provided by any minimum retention requirements specified by applicable state or federal law.

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RMS Percentage

The data from the observations is imported into CFIS and is used to calculate allocation percentages and show the percentage of employee time attributed to a particular program task during the observation period.

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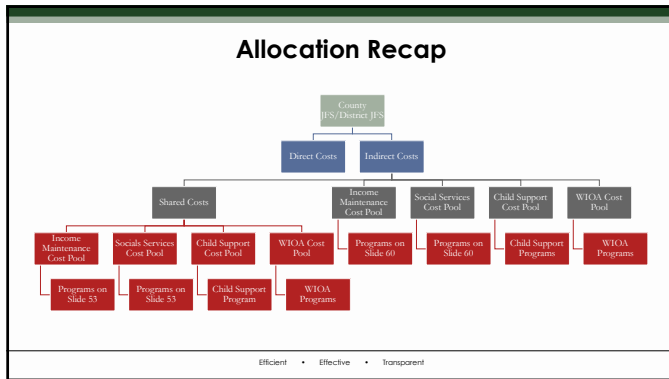
Know How Your County/JFS District is Structured!!

(Single, Double, or Triple Combined)

Single	Double	Triple
<ul style="list-style-type: none"> PA – IMRMS, SSRMS PCSA – CWRMS CSEA – CSRMS 	<ul style="list-style-type: none"> PA + PCSA – IMRMS, SSRMS PA + CSEA – IMRMS, SSRMS, CSRMS 	<ul style="list-style-type: none"> PA+PCSA+CSEA – IMRMS, SSRMS, CSRMS

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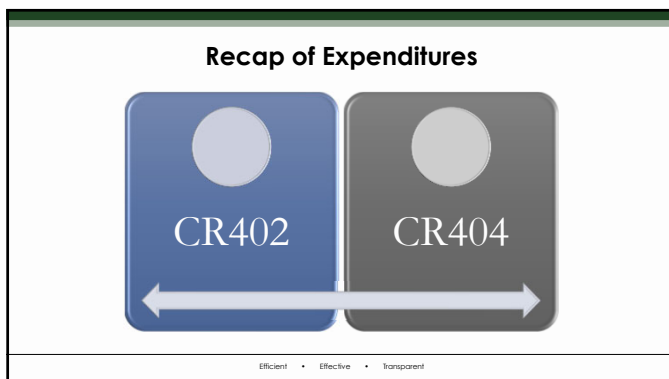


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**Procedures included
in this presentation are
examples ONLY!
Auditors should tailor/
perform procedures based
on their specific entity!**

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**CR404 Recap – JFS Lead Sheet
Shared and Pooled Cost Recap**

Recap CR404

Recaps Indirect Costs


Allows for Comparison of General Ledger

Basis for Indirect Cost Totals in Expenditure Population

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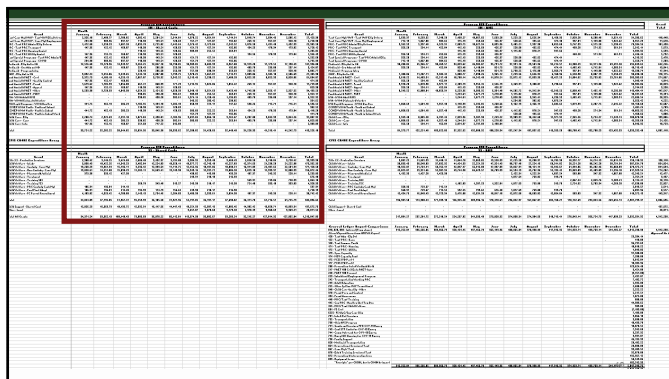
Example Time!!!



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The image shows a detailed financial spreadsheet with multiple columns and rows. A red rectangular box highlights a specific section of the data, likely representing a cost recap or expenditure population. The spreadsheet contains various numerical values and text labels, typical of a financial ledger or report.

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Additional Resources!

Handout: Examples for the entire Cost Recap Spreadsheet
Takeaways:

- ODJFS Grant Program Subrecipient Layout
- Recap of ODJFS Programs and Cost Pools
- Differences in Direct and Indirect Program Costs
- Allocation of Shared and Pooled Costs
 - FTE Percentages
 - RMS Percentages
- Recap of allocated costs by program line and comparison to general ledger data.

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