



DEPARTMENT OF HEALTH AND HUMAN SERVICES

Office of Inspector General

Office of Audit Services, Region V
233 North Michigan Avenue
Suite 1360
Chicago, IL 60601

October 19, 2011

Report Number: A-05-11-00039

Michael B. Colbert
Director
Ohio Department of Job and Family Services
30 East Broad St.
Columbus, OH 43215

Dear Mr. Colbert:

Enclosed is the U.S. Department of Health and Human Services (HHS), Office of Inspector General (OIG), final report entitled *Review of the Ohio Department of Job and Family Services' Title IV-E Foster Care and Adoption Assistance Training Costs*. We will forward a copy of this report to the HHS action official noted below.

Section 8L of the Inspector General Act, 5 U.S.C. App., requires that OIG post its publicly available reports on the OIG Web site. Accordingly, this report will be posted at <http://oig.hhs.gov>.

If you have any questions or comments about this report, please direct them to the HHS action official. Please refer to report number A-05-11-00039 in all correspondence.

Sincerely,

/Sheri L. Fulcer/
Regional Inspector General
for Audit Services

Enclosure

HHS Action Official:

Mr. Kent Wilcox
Regional Administrator
Administration for Children and Families
U.S. Department of Health and Human Services, Region V
233 North Michigan Avenue, Suite 400
Chicago, IL 60601

Department of Health and Human Services

**OFFICE OF
INSPECTOR GENERAL**

**REVIEW OF THE OHIO
DEPARTMENT OF JOB AND
FAMILY SERVICES' TITLE IV-E
FOSTER CARE AND ADOPTION
ASSISTANCE TRAINING COSTS**



Daniel R. Levinson
Inspector General

October 2011
A-05-11-00039

Office of Inspector General

<http://oig.hhs.gov>

The mission of the Office of Inspector General (OIG), as mandated by Public Law 95-452, as amended, is to protect the integrity of the Department of Health and Human Services (HHS) programs, as well as the health and welfare of beneficiaries served by those programs. This statutory mission is carried out through a nationwide network of audits, investigations, and inspections conducted by the following operating components:

Office of Audit Services

The Office of Audit Services (OAS) provides auditing services for HHS, either by conducting audits with its own audit resources or by overseeing audit work done by others. Audits examine the performance of HHS programs and/or its grantees and contractors in carrying out their respective responsibilities and are intended to provide independent assessments of HHS programs and operations. These assessments help reduce waste, abuse, and mismanagement and promote economy and efficiency throughout HHS.

Office of Evaluation and Inspections

The Office of Evaluation and Inspections (OEI) conducts national evaluations to provide HHS, Congress, and the public with timely, useful, and reliable information on significant issues. These evaluations focus on preventing fraud, waste, or abuse and promoting economy, efficiency, and effectiveness of departmental programs. To promote impact, OEI reports also present practical recommendations for improving program operations.

Office of Investigations

The Office of Investigations (OI) conducts criminal, civil, and administrative investigations of fraud and misconduct related to HHS programs, operations, and beneficiaries. With investigators working in all 50 States and the District of Columbia, OI utilizes its resources by actively coordinating with the Department of Justice and other Federal, State, and local law enforcement authorities. The investigative efforts of OI often lead to criminal convictions, administrative sanctions, and/or civil monetary penalties.

Office of Counsel to the Inspector General

The Office of Counsel to the Inspector General (OCIG) provides general legal services to OIG, rendering advice and opinions on HHS programs and operations and providing all legal support for OIG's internal operations. OCIG represents OIG in all civil and administrative fraud and abuse cases involving HHS programs, including False Claims Act, program exclusion, and civil monetary penalty cases. In connection with these cases, OCIG also negotiates and monitors corporate integrity agreements. OCIG renders advisory opinions, issues compliance program guidance, publishes fraud alerts, and provides other guidance to the health care industry concerning the anti-kickback statute and other OIG enforcement authorities.

Notices

THIS REPORT IS AVAILABLE TO THE PUBLIC
at <http://oig.hhs.gov>

Section 8L of the Inspector General Act, 5 U.S.C. App., requires that
OIG post its publicly available reports on the OIG Web site.

OFFICE OF AUDIT SERVICES FINDINGS AND OPINIONS

The designation of financial or management practices as
questionable, a recommendation for the disallowance of costs
incurred or claimed, and any other conclusions and
recommendations in this report represent the findings and
opinions of OAS. Authorized officials of the HHS operating
divisions will make final determination on these matters.

INTRODUCTION

BACKGROUND

Title IV-E Foster Care and Adoption Assistance Program

Pursuant to Title IV-E of the Social Security Act (the Act), the Department of Health and Human Services, Administration for Children and Families (ACF), Children's Bureau administers the foster care and adoption assistance program. The foster care program finds and supports temporary placements for children who cannot remain safely at home. The adoption assistance program finds and supports permanent placements for children who cannot return safely to their homes. The Federal Government and States share in the costs of administering, staffing, and training for these programs.

Federal Reimbursement Requirements

Title IV-E, section 474(a)(3)(A), of the Act authorizes Federal reimbursement to States at a 75-percent matching rate for training of personnel employed or preparing for employment by the State or local agency administering the Title IV-E program. Title IV-E regulations (45 CFR § 1356.60(b)) state that Federal reimbursement is available at 75-percent for the costs of short- and long-term training at educational institutions as well as for in-service training. Furthermore, the State agency may claim costs at the enhanced reimbursement rate for the training of foster care and adoptive parents. The regulations require that in-service training or training at educational institutions be provided pursuant to the provisions of 45 CFR §§ 235.63–235.66(a), which specify who may be trained, the types of expenses that are allowable, and the sources of funds for the State's share of expenditures.

Section 474(a)(3)(E) of the Act and 45 CFR § 1356.60(c) provide for a 50-percent Federal reimbursement rate for administrative expenditures. Training costs not allowable at the enhanced reimbursement rate may be claimed at this rate provided the costs are included in the State's cost allocation plan.

Ohio's Title IV-E Training Program

In Ohio, the Department of Job and Family Services (State agency) is responsible for Federal foster care and adoption assistance programs. It is the State agency's responsibility to provide services for children in its custody, including educational, developmental, health, mental health, social, and permanency needs.

The Ohio Child Welfare Training Program (OCWTP) is a comprehensive, competency-based, in-service training system for staff, managers, and resource families in Ohio's 88 county Public Children Services Agencies. Designed as a state/county, public/private collaboration, the OCWTP develops and provides training activities to promote the knowledge and skills needed to assure protection and permanence for Ohio's abused and neglected children. To accomplish this goal, the State agency contracts with several universities to offer training for all new child welfare professionals to provide knowledge of current social work precepts. In addition, the

State agency administers regional training sites as well as providing resources for the local counties' Public Children Services Agency to provide training.

OBJECTIVE, SCOPE, AND METHODOLOGY

Objective

Our objective was to determine whether Title IV-E Foster Care and Adoption Assistance training costs claimed at the enhanced 75-percent Federal Financial Participation (FFP) rate from July 1, 2008, through September 30, 2010, were allowable under Federal regulations and the approved State training plan.

Scope

From a random stratified sample, we reviewed the State agency's Title IV-E foster care and adoption assistance training costs claimed at the enhanced 75-percent FFP rate totaling \$589,145 (\$441,859 Federal share) for the period of July 2008 through September 2010. We limited our review of internal controls to obtaining an understanding of the State agency's procedures for claiming foster care and adoption assistance training costs for reimbursement under Title IV-E.

We performed fieldwork from December 2010 through June 2011 at the State agency in Columbus, Ohio.

Methodology

To accomplish our objective, we:

- reviewed applicable Federal laws and regulations, and ACF's *Child Welfare Policy Manual*;
- reviewed the State cost allocation plans;
- reconciled total foster care and adoption assistance training costs claimed on the quarterly Federal Title IV-E financial reports to supporting documentation for July 2008 through September 2010;
- selected a random stratified sample of 120 of the 6,592 training vouchers;
- reviewed supporting documentation to determine whether training costs claimed under Title IV-E were properly allocated between Federal and State programs;
- reviewed University Partnership Program contracts with the eight participating universities;
- reviewed course descriptions for training costs claimed for enhanced reimbursement; and

- discussed our results with State officials.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

RESULTS OF AUDIT

The State agency's claims for Title IV-E Foster Care and Adoption Assistance training costs totaling \$588,220 (\$441,165 Federal share) at the enhanced 75-percent FFP rate from July 1, 2008, through September 30, 2010 were generally allowable, supported, and allocated in accordance with Federal and State requirements.