

5101:2-47-26.1 **Public children services agencies (PCSA), private child placing agencies (PCPA), private noncustodial agencies (PNA), residential care facilities, substance use disorder (SUD) residential facilities: Title IV-E cost report filing requirements, record retention requirements and related party disclosure requirements.**

(A) As a condition for receiving a Title IV-E foster care reimbursement ceiling amount, each ~~public children services agency (PCSA)~~PCSA, ~~private child placing agency (PCPA)~~PCPA, and ~~private noncustodial agency (PNA)~~PNA, residential care facility, and SUD residential facility, as defined in rule 5101:2-1-01 of the Administrative Code, shall file a Title IV-E JFS 02911 "Title IV-E Single Cost Report" (rev. ~~8/2014~~8/2018) including supplements and attachments as outlined in rule 5101:2-47.26.2 of the Administrative Code.

(B) To complete a JFS 02911 single cost report:

(1) A PCPA, ~~and PNA,~~ residential care facility, and SUD residential facility shall adhere to:

(a) The allowable and unallowable cost principles contained in the office of management and budget ~~2 CFR Part 230 (2005) (www.whitehouse.gov/sites/default/files/omb/fedreg/2005/083105\_a122.pdf).~~ 2 C.F.R. Part 200 (2014) (www.gpo.gov/fdsys/granule/CFR-2014-title2-vol1/CFR-2014-title2-vol1-part200/content-detail.html)

(b) Section 501(c)(3) of the Internal Revenue Code for non-profit organizations (www.irs.gov/publications/index).

(2) A PCSA shall adhere to allowable and unallowable cost principles contained in the ~~2 CFR Part 225 (2005) (www.whitehouse.gov/sites/default/files/omb/fedreg/2005/083105\_a87.pdf).~~ 2 C.F.R. Part 200 (2014) (www.gpo.gov/fdsys/granule/CFR-2014-title2-vol1/CFR-2014-title2-vol1-part200/content-detail.html).

(3) A PCSA, PCPA, ~~or PNA,~~ residential care facility, or SUD residential facility shall not use any costs specifically subsidized by other federal monies with the exception of federal funds authorized by federal law to be used to match other federal funds.

(4) A PCSA, PCPA, ~~or PNA,~~ residential care facility, or SUD residential facility shall use the straight line depreciation methodology to report depreciation.

- (C) The JFS 02911 shall be completed for each cost reporting period, which is July first through June thirtieth, and submitted by December thirty-first, following the cost reporting period.
- (D) For good cause and upon written request a PCSA, PCPA, ~~or PNA~~, residential care facility, or SUD residential facility may request an extension of the cost report filing deadline. The written request shall be filed prior to the deadline and must include information explaining the facts and circumstances giving rise to the need for a cost report extension, projected timeline for filing the cost report and any other information the PCSA, PCPA, ~~or PNA~~, residential care facility, or SUD residential facility would like to have considered.
- (E) A PCSA, PCPA, ~~or PNA~~, residential care facility, or SUD residential facility new to the Title IV-E program or an existing PCSA, PCPA, ~~or PNA~~, residential care facility, or SUD residential facility having established a new Title IV-E service shall submit a JFS 02911 for a minimum of three full calendar months of operations in order to receive a Title IV-E reimbursement ceiling amount.
- (F) Notwithstanding the three-year records retention period, a cost shall be supported by all relevant documentation related to the reported cost. Financial records, census records, client records and documentation of legal compliance with the administrative code requirements (all of which shall be made available upon request by ODJFS, the Ohio office of the auditor of the state or the U.S. department of health and human services) supporting the cost reports or claims for services rendered to recipients shall be retained for the greater of three years after the cost report is filed, or if an audit has begun within the three year period records shall be retained three years after all appeal rights relating to the audit report are exhausted.
- (G) When completing the JFS 02911 the PCSA, PCPA, ~~or PNA~~, residential care facility, or SUD residential facility shall comply with the following requirements pertaining to related party transactions:
- (1) Each PCSA, PCPA, ~~or PNA~~, residential care facility, or SUD residential facility shall have a conflict of interest policy, to include at a minimum that the PCSA, PCPA, ~~or PNA~~, residential care facility, or SUD residential facility shall not permit funds to be paid or committed to any corporation, firm, association, or business in which any of the members of the governing body of the agency, executive personnel or their immediate families have any direct or indirect financial interest, or which any of these persons serve as an officer or employee, unless the services or goods involved are provided at a competitive cost or under terms favorable to the PCSA, PCPA, ~~or PNA~~, residential care facility, or SUD residential facility.

- (2) Adherence to the internal control procedures established by the agency's governing body, for the procurement of goods and services, so long as those procedures are consistent with this rule.
- (3) Approval by the governing body of all transactions with any member of the governing body or relatives of the governing body.
- (4) Documentation in the board minutes of all transactions between the agency and any member of the governing body or their relatives.
- (5) All compensation paid to the board members or relatives of the board members shall be disclosed on the cost reports and is subject to a test of reasonableness.
- (6) On the cost report, the PCSA, PCPA, ~~or PNA~~, residential care facility, or SUD residential facility is required to disclose all party transactions as defined in paragraph  $\Theta(G)(1)$  of this rule and all loans to employees.

Effective: 5/1/2019

Five Year Review (FYR) Dates: 1/25/2019 and 05/01/2024

CERTIFIED ELECTRONICALLY

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Certification

04/02/2019

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Date

Promulgated Under: 119.03

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Rule Amplifies: 5101.141, 5101.145, 5103.03, 5153.166

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