

5101:2-47-26.1

**Public children services agencies (PCSA), private child placing agencies (PCPA), private noncustodial agencies (PNA): 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), private child placing agency (PCPA) and private noncustodial agency (PNA) shall file a Title IV-E JFS 02911 single cost report including supplements and attachments as outlined in rule 5101:2-47.26.2.

(B) When completing a JFS 02911 single cost report:

(1) PCPAs and PNAs shall adhere to:

(a) The allowable and unallowable cost principles contained in the office of management and budget (OMB) circulars A-122 ([www.whitehouse.gov/omb/circulars/](http://www.whitehouse.gov/omb/circulars/)); and

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

(2) PCSAs shall adhere to allowable and unallowable cost principles contained in the OMB circular A-87 ([www.whitehouse.gov/omb/circulars/](http://www.whitehouse.gov/omb/circulars/)).

(3) For PCSAs, PCPAs and PNAs, 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 are unallowable.

(4) For PCSAs, PCPAs, and PNAs, when reporting depreciation, the straight-line depreciation methodology shall be used.

(C) The JFS 02911 shall be completed for each cost reporting period, which is July 1 through June 30, and submitted by December 31, following the cost reporting period.

(D) Beginning with the cost reporting period ending June 30, 2004, ODJFS shall issue the cost report forms or appropriate software to the PCSAs, PCPAs, and PNAs no later than thirty days following the end of the cost reporting period.

(1) If ODJFS delays the release of the cost report form, then the deadline for the PCSA, PCPA, and PNA to file the cost report shall be extended accordingly; and

(2) ODJFS shall notify the providers, in writing, of the new filing deadline.

(E) For good cause and upon written request of the PCSA, PCPA, or PNA, ODJFS may grant an extension of the cost report filing deadline.

- (1) The written request must be filed prior to the deadline specified in paragraph (D) of this rule and must include information explaining the facts and circumstances giving rise to the need for a cost report extension, projected time line for filing the cost report and any other information which the PCSA, PCPA, or PNA would like to have considered.
  - (2) Upon reviewing the written request, ODJFS may at its sole discretion approve or deny the extension.
- (F) PCSAs, PCPAs, or PNAs new to the Title IV-E program or existing PCSAs, PCPAs, or PNAs that have established a new Title IV-E service must 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.
- (G) Notwithstanding the three-year records retention period, cost must 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.
- (H) When completing the JFS 02911 the PCSA, PCPA, or PNA shall comply with the following requirements pertaining to related party transactions:
  - (1) Each PCSA, PCPA, or PNA, shall have a conflict of interest policy, which shall include at a minimum that the PCSA, PCPA, or PNA 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;
  - (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 paragraph (H)(1) of 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;and
- (6) On the cost report, the PCSA, PCPA or PNA is required to disclose all party transactions as defined in paragraph (H)(1) of this rule and all loans to employees.

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CERTIFIED ELECTRONICALLY

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Certification

06/18/2004

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Date

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