

# Program Funding and Agency Budgeting

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WISCONSIN DEPARTMENT OF  
CHILDREN AND FAMILIES

# GPR – GENERAL PURPOSE REVENUE

In the current state budget:

**\$9.01 million per year**

❖ This amount is eligible for the  
66% federal match



# PERFORMANCE BASED INCENTIVES

❖ **Based on state's performance under the four federal performance measures.**

- ✓ **Court Order Establishment**
- ✓ **Paternity Establishment**
- ✓ **Collection of Current Support**
- ✓ **Arrears Collection**

❖ **Wisconsin receives over \$12 million per year.**

❖ **Expenses paid with these funds**

**ARE NOT**

**eligible for 66% federal match**

# ADMINISTRATIVE COST REIMBURSEMENT

❖ Also known as the **66% Federal Match**

❖ **Calculation:**      **CS Expenses**  
                                 - **Non-reimbursable revenues**  
                                 **x 66%**



❖ **Paid out based on quarterly SPARC reports**

# OTHER SOURCES OF FUNDING

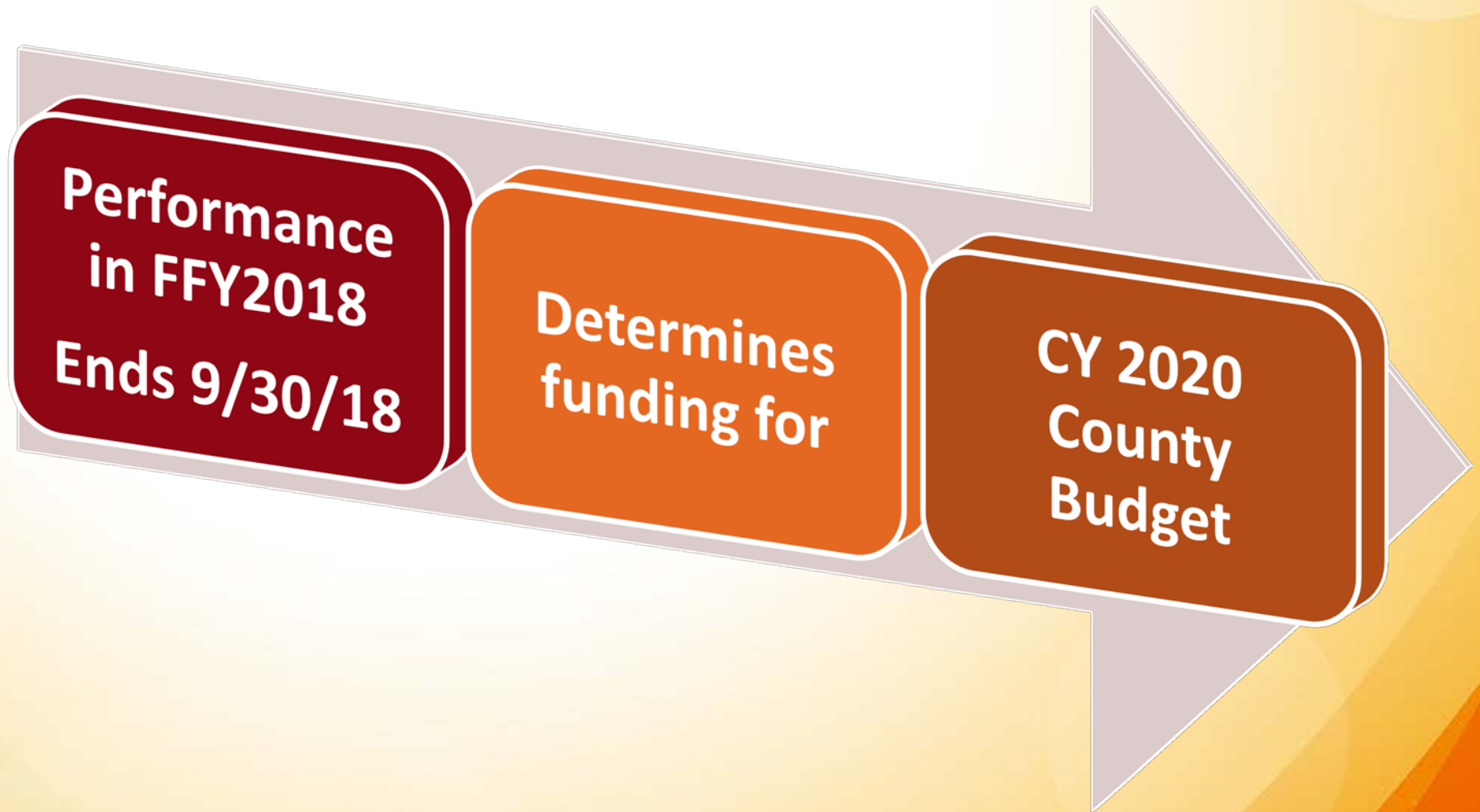
- ❖ **Medical Support Liability Incentives/Birth Cost Recovery (no longer federal match)**
- ❖ **Medical Support General Purpose Revenue**
- ❖ **Program Income**
- ❖ **NIVD Revenue**
- ❖ **County Levy**



# STATE COUNTY CONTRACTS

- ❖ **Defines duties and responsibilities of state and counties in administering program.**
- ❖ **Allocates General Purpose Revenue (GPR) and Performance Based Incentive (PBI), and by extension, the 66% match on the GPR.**
- ❖ **Present allocation formula based on caseload and performance.**
- ❖ **Signed early in calendar year in DocuSign.**

# DATA SOURCE



# ALLOCATION BREAKDOWN

- ❖ **Court Order, Paternity, & Adjusted Caseload allocation is based on county's percentage share of statewide caseload.**

## **----- RACINE EXAMPLE -----**

**16,815 cases/356,532 cases statewide = 4.716%**



# COURT ORDER/PATERNITY ALLOCATIONS

## Court Order Establishment (20% of total State allocation)

Statewide Allocation \$7,894,482 (20%)

x 4.716% = \$372,325

## Paternity Establishment (25% of total State allocation)

Statewide Allocation \$9,868,100 (25%)

x 4.716% = \$465,406

# CURRENT SUPPORT ALLOCATIONS

## ❖ County % of statewide cases with CSUP order

-- RACINE EXAMPLE --

-- 8,765 cases/159,442 statewide = 5.5%

-- Statewide Allocation \$7,894,483 x 5.5% = \$433,983

## ❖ Multiply by the percentage corresponding to your performance using Federal Application % tables

-- 79% x \$433,983 = **\$342,847**  
(Performance = 69%)

Paternity/Support Orders		CUSP/Arrears	
63%	73.00%	63%	73.00%
64%	74.00%	64%	74.00%
65%	75.00%	65%	75.00%
66%	76.00%	66%	76.00%
67%	77.00%	67%	77.00%
68%	78.00%	68%	78.00%
69%	79.00%	69%	79.00%
70%	80.00%	70%	80.00%
71%	82.00%	71%	82.00%
72%	84.00%	72%	84.00%
73%	86.00%	73%	86.00%
74%	88.00%	74%	88.00%
75%	90.00%	75%	90.00%
76%	92.00%	76%	92.00%
77%	94.00%	77%	94.00%
78%	96.00%	78%	96.00%
79%	98.00%	79%	98.00%
80%	100.00%	80%	100.00%

# ARREARS ALLOCATIONS

## ❖ County % of statewide cases with ARREARS

-- RACINE EXAMPLE --

-- 14,246 cases/250,714 statewide = 5.7%

-- Statewide Allocation \$5,920,859 x 5.7% = \$336,443

## ❖ Multiply by the percentage corresponding to your performance using Federal Application % tables

-- 80% x \$336,443 = **\$269,146**  
(Performance = 70%)

Paternity/Support Orders		CUSP/Arrears	
63%	73.00%	63%	73.00%
64%	74.00%	64%	74.00%
65%	75.00%	65%	75.00%
66%	76.00%	66%	76.00%
67%	77.00%	67%	77.00%
68%	78.00%	68%	78.00%
69%	79.00%	69%	79.00%
70%	80.00%	70%	<u>80.00%</u>
71%	82.00%	71%	82.00%
72%	84.00%	72%	84.00%
73%	86.00%	73%	86.00%
74%	88.00%	74%	88.00%
75%	90.00%	75%	90.00%
76%	92.00%	76%	92.00%
77%	94.00%	77%	94.00%
78%	96.00%	78%	96.00%
79%	98.00%	79%	98.00%
80%	100.00%	80%	100.00%

# WHAT ABOUT THE UNEARNED FUNDS?

- ❖ Unearned funds result from counties that did not meet the 80% on Performance Measures 3 and 4. (CSUP and ARREARS)

Formula: (County earned divided by state earned)  
X state unearned  
= County share of unearned

-- RACINE EXAMPLE --

$\$1,822,049$  earned /  $\$37.4$  mil statewide = 4.87%  
 $\$2,096,373$  mil unearned statewide x 4.87%  
=  $\$102,196$

# PREPARING BUDGET

How do you prepare budget for next calendar year without knowing preliminary funding allocations?

- **ESTIMATE General Purpose Revenue (GPR) *and* Performance Based Incentive (PBI)**

# PROJECTING FEDERAL MATCH

How do you project revenue from FFP?

- **Add up all expenses**
- **Subtract non-matchable revenues**
- **Multiply by 66%**

# BUDGETING WITH THE 66% MATCH

- ❖ Adding a \$60K position costs \$20K on levy
- ❖ Cutting a \$60K position saves \$20K on levy
- ❖ If a matchable revenue decreases by \$10K, you have \$30K less to spend on your program, BUT you can replace by adding \$10K to levy.

**BUDGET WORKSHEET**

<b>A. Federal Reimbursement Calculation</b>				
#	Description	Action	Amounts	INSTRUCTIONS
1	ALL CSA Expenditures (IVD, NIVDQ, & NIVDNQ)	(+)	2,259,604.00	Fill-in budget estimate.
2	Cooperating Agencies Expenditures & Indirect Costs	(+)		Include expenditures not included in Line 1. Expenditures on this line may be part of another department's budget but are reported with other child support expenditures in SPARC.
3	Less NIVDNQ Expenditures	(-)	(1,217.91)	Fill-in amounts from prior year's SPARC expenditure line 9993 & 9994.
4	Less IVD Program Income	(-)	(22,619.20)	Fill-in amounts from prior year's SPARC expenditure line 7482 & 9996. Do not include NIVD fees charged by the county - line #9.
5	Less Incentives (not matchable)	(-)	(633,929.00)	Fill-in amount from Contract allocation or Preliminary Funding Admin Memo, whichever is current.
6	Expenditures Eligible for FFP Match	(=)	1,601,837.89	Calculated field.
7	Federal Match %	(x)	66%	FFP %
8	FFP Reimbursement 66%	(=)	1,057,213.01	Calculated field.

**B. CS Revenue Available to Cover Expenditures (does not include county levy)**

#	Description	Action	Amounts	Instructions
9	NIVD Fees (if charged)	(+)	4,095.84	Fill-in estimated NIVD Program Income.
10	IVD Program Income	(+)	22,619.20	Fills in from line 4 above.
11	Incentives (not matchable)	(+)	633,929.00	Fills in from line 5 above.
12	State GPR-SPARC Line 7502 (matchable)	(+)	414,958.00	Fill-in amount from prior year's Contract allocation or Preliminary Funding Admin Memo, whichever is current.
13	Medical Support GPR Earned-SPARC Line 7606 (matchable)		9,211.00	
14	Medical Support Liability-SPARC Line 7332 (matchable)	(+)	99,000.00	Fill-in budget estimate.
15	Net FFP Reimbursement 66%	(+)	1,057,213.01	Fills in from line 8b above.
16	CS Revenue Available before Levy	(=)	2,241,026.05	Calculated field.

**C. County Levy/Contribution Calculation**

#	Description	Action	Amounts	Instructions
17	ALL Expenditures (IVD, NIVDQ, & NIVDNQ)	(+)	2,259,604.00	Fills in from line 1 above.
18	Cooperating Agencies Expenditures & Indirect Costs	(+)	0.00	Fills in from line 2 above.
20	Total Child Support Agency Costs	(=)	2,259,604.00	Calculated field.
21	Less CS Revenue Available before Levy	(-)	(2,241,026.05)	Fills in from line 16 above.
22	Levy from CSA, Cooperating Agencies, & Indirect Costs	(=)	18,577.95	Calculated field.
23	Federal Match in Other County Agency's Budget	(-)	0.00	CSA must calculate the Federal Match that is given to another County Agy.
24	Levy Needed for CSA Only	(=)	18,577.95	Calculated field.

**Hint: Fill-in only the shaded yellow cells.**

**Note: FPLS references have been removed because these costs will no longer be charged back to counties beginning CY2019, and thereafter.**



# NIVD ACTIVITY: Random Moment Sampling

- ❖ **Unreimbursed costs for Child Support Agencies are calculated using quarterly RMS Sampling data for the two agency groups. (A and B)**
- ❖ **Percentage is based on group average of recorded samplings of qualifying and non-qualifying NIVD activity.**



# ALLOWABLE IVD COSTS/EXPENDITURES

- ❖ **The 66% Federal match is only available for allowable costs**
- ❖ **All costs claimed must be reasonable and necessary and properly attributable to the child support program.**
- ❖ **Limitations on funding – 45 CFR 304.20-304.23**
- ❖ **Maintain bills & invoices for single audit**
- ❖ **Employees must certify IV-D time**
- ❖ **Capital expenditures – any item exceeding \$5K, needs prior approval from the BRO- Regional Child Support Coordinator**

# INDIRECT COSTS

- ❖ **Services provided to CSA by IT, HR, Finance, Building & Facilities (Central Service Departments), also building depreciation, pursuant to indirect cost allocation plan**
- ❖ **Eligible for federal match**
- ❖ **Indirect costs incurred by cooperative agency related to child support program must be listed in cooperative agreement.**



*Thank You!*