

HUMAN SERVICES DEPARTMENT [441]

Notice of Intended Action

Pursuant to the authority of Iowa Code section 232.142(4), the Department of Human Services proposes to amend Chapter 167, “Juvenile Detention Home Reimbursement,” Iowa Administrative Code.

The proposed amendments more clearly define standards for costs eligible for reimbursement and update the process to claim reimbursement to reflect current forms and procedures.

- “Eligible costs” are defined as costs that are directly attributable to the function of detaining youth in the home, from the initiation of activities related to and including intake through the activities related to and including discharge from the home. Costs for alternatives to detention in the home, such as community tracking, monitoring, and outreach, would not be eligible for reimbursement under this program.

- Detention facilities will be required to submit detailed income and expense ledgers and a certified financial audit as evidence that expenses were allocated properly. Capital expenses will have to be depreciated over the useful life of the item, and only the annual depreciation amount for an eligible cost may be claimed for reimbursement.

- The proposed deadline for submission of cost data is May 15 of the year following the end of the state fiscal year for which reimbursement will be made, with an August 10 deadline for submitting the actual claim. The Department will review the fiscal information to

determine the eligible costs and will determine the percentage of eligible costs to be reimbursed.

These amendments do not provide for waivers in specified situations. Requests for the waiver of any rule may be submitted under the Department's general rule on exceptions at 441—1.8(17A,217).

Any interested person may make written comments on the proposed amendments on or before March 2, 2010. Comments should be directed to Mary Ellen Imlau, Bureau of Policy Analysis and Appeals, Department of Human Services, Hoover State Office Building, 1305 East Walnut Street, Des Moines, Iowa 50319-0114. Comments may be sent by fax to (515)281-4980 or by E-mail to policyanalysis@dhs.state.ia.us.

The Department will also hold a public hearing for the purpose of receiving comments on these proposed rules on Friday, March 5, 2010, from 10 to 11 a.m. at the Wallace Building Auditorium., 502 East Ninth Street, Des Moines, Iowa. Persons with disabilities requiring assistive services or devices to observe or participate should contact the Bureau of Policy Analysis and Appeals at (515) 281-8440 in advance of the scheduled date to request that appropriate arrangements be made.

These amendments are intended to implement Iowa Code section 232.142.

The following amendments are proposed.

ITEM 1. Adopt the following **new** definition of “Eligible costs” in rule **441—167.1(232)**:

“Eligible costs” are those allowable costs that are directly attributable to the function of detaining youth in the home, from the initiation of activities related to and including intake through the activities related to and including discharge from the home, as further defined in subrule 167.3(3).

ITEM 2. Amend subrules **167.3(2)** and **167.3(3)** as follows:

167.3(2) ~~The home submits Form 07-350, Purchase Order/Payment Voucher, within the time frames of 441—167.5(232)~~ the following by May 15 of the year following the conclusion of the state fiscal year for which reimbursement will be made:

a. A written statement delivered in printed form or via electronic mail identifying the eligible total net cost that will be claimed under rule 441—167.5(232);

b. An accompanying printed or electronic version of an income and expense ledger detailed by line item following the format provided by the department; and,

c. A printed or electronic copy of the home's certified audit containing financial information for the period for which reimbursement is being claimed.

167.3(3) ~~Rescinded IAB 9/30/92, effective 10/1/92.~~ The department has reviewed the information submitted and determined that the costs to be claimed meet eligibility requirements. Eligible costs shall be determined by using a cost allocation methodology based on the portions of the allowable costs that are directly attributable to the function of detaining youth in the home.

a. Costs are not eligible for reimbursement if a supplemental funding, reimbursement, or refund source is available to the home. Such costs include, but are not limited to:

(1) Refundable deposits.

(2) Services funded by sources other than the juvenile detention reimbursement program.

(3) Operational activities such as the food and nutrition program that is funded by the Iowa department of education.

b. Costs attributed to portions of the home not directly used for detaining children are not eligible for reimbursement.

c. Costs of alternatives to detaining youth in the approved detention home are not eligible for reimbursement. Services ineligible for reimbursement include, but are not limited to:

(1) Community tracking and monitoring activities.

(2) Transportation not related to detention.

(3) Outreach services.

(4) In-home detention.

d. Capital expenses shall be depreciated over the useful life of the item following generally accepted accounting principles. The annual depreciated amount for items that are eligible costs may be claimed for reimbursement.

(1) Capital expenses shall include items costing more than \$1,000 that have a useful life of over two years.

(2) Depreciation schedules shall be filed annually as needed.

ITEM 3. Amend rule **441—167.5(232)** as follows:

441—167.5(232) Submission of voucher. Eligible facilities shall submit ~~Form 07-350, Purchase Order/Payment Voucher~~, for the legislatively authorized percentage of their allowable costs for the year ending June 30 to the Department of Human Services, Division of Fiscal Management, First Floor, Hoover State Office Building, Des Moines, Iowa 50319-0114, by August 10, a complete signed and dated Form GAX, General Accounting Expenditure, that includes the eligible total net cost incurred between July 1 and June 30 of the year covered by the reimbursement. The available funds shall be allocated among eligible detention homes, prorated on the basis of an eligible detention home's proportion of the costs of all eligible detention homes. Only facilities ~~which that~~ submit ~~Form 07-350, Purchase Order/Payment Voucher~~, Form GAX, General Accounting Expenditure, by August 10 shall receive reimbursement.