

# Greenbook

## LBO Analysis of Enacted Budget

### Department of Job and Family Services

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Attachment:

    Appropriation Spreadsheet

# LBO Greenbook

## Department of Job and Family Services

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### Quick look...

- The Ohio Department of Job and Family Services (ODJFS) administers programs that provide public assistance, protect child welfare, ensure payment of child support, provide benefits to the unemployed, assist individuals prepare for work, and administer Medicaid at the local level.
- ODJFS is divided into 15 offices that are managed by a director appointed by the Governor.
- The Department is responsible for administering the Temporary Assistance for Needy Families (TANF) Block Grant, the Child Care Development Fund (CCDF) grants, and the Workforce Innovation and Opportunity (WIOA) grants, among many others.

Fund Group	FY 2018 Actual	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
General Revenue	\$750,693,273	\$753,891,798	\$916,880,385	\$907,616,562
Dedicated Purpose/ Internal Service	\$60,902,083	\$69,710,371	\$105,287,509	\$96,408,000
Fiduciary/Holding Account	\$106,584,205	\$104,884,190	\$117,500,000	\$117,500,000
Federal	\$2,073,590,102	\$2,178,549,227	\$2,573,821,896	\$2,637,744,430
Total	\$2,991,769,663	\$3,107,035,586	\$3,713,489,790	\$3,759,268,992
% change	--	3.9%	19.5%	1.2%
GRF % change	--	0.4%	21.6%	-1.0%

## Overview

### Agency overview

The Ohio Department of Job and Family Services' (ODJFS) mission is to improve the well-being of Ohio's workforce and families by promoting economic self-sufficiency and ensuring the safety of Ohio's most vulnerable citizens. ODJFS develops and oversees programs that provide employment, economic assistance, and services to families and children through public assistance programs (cash assistance, noncash supports, and food assistance), child welfare services, child support, workforce development programs, and unemployment compensation.

The administration and funding of ODJFS's programs represent a cooperative partnership between federal, state, and local government. The federal government contributes funds in the form of reimbursements and grants for most programs operated by ODJFS and sets guidelines for program operations. ODJFS supervises the administration of these programs, channels funds to local agencies, and provides technical support to ensure federal and state compliance. The direct delivery of services is administered by ODJFS and a combination of county offices, which includes county departments of job and family services (CDJFSs) as well as joint CDJFSs.

The enacted budget (H.B. 166) provides a total appropriation of \$3.71 billion in FY 2020 and \$3.76 billion in FY 2021. Table 1 shows the enacted budget by program category.

<b>Program Category</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>Biennial Total</b>	<b>% of Total</b>
Family Stability	\$1,874,809,515	\$1,921,937,430	\$3,796,746,945	50.8%
Families and Children	\$780,507,929	\$779,122,830	\$1,559,630,759	20.9%
Child Support	\$334,470,770	\$334,990,941	\$669,461,711	9.0%
Unemployment Compensation	\$93,136,024	\$91,136,024	\$184,272,048	2.5%
Workforce Development	\$199,061,018	\$199,750,000	\$398,811,018	5.3%
Healthcare	\$268,514,029	\$268,890,719	\$537,404,748	7.2%
Program Management	\$162,990,505	\$163,441,048	\$326,431,553	4.4%
<b>Total</b>	<b>\$3,713,489,790</b>	<b>\$3,759,268,992</b>	<b>\$7,472,758,782</b>	<b>100.0%</b>

# Analysis of FY 2020-FY 2021 budget

## Introduction

This section provides an analysis of the enacted budget funding for each appropriation line item (ALI) in ODJFS's budget. For organizational purposes, these ALIs are grouped into seven major categories based on their funding purposes. The analysis for an ALI with a lower category or subcategory designation will appear before that for an ALI with a higher category or subcategory designation. That is, the analysis for an ALI with a category designation of C1:8 will appear before the analysis for an ALI with a category designation of C2:1 and the analysis for an ALI with a category designation of C1:3 will appear before the analysis for an ALI with a category designation of C1:8.

To aid the reader in locating each ALI in the analysis, the following table shows the category in which each ALI has been placed, listing the ALIs in order within their respective fund groups and funds. This is the same order the ALIs appear in the JFS section of the budget bill.

In the analysis, each appropriation item's actual expenditures for FY 2019 and enacted appropriations for FY 2020 and FY 2021 are listed in a table. Following the table, a narrative describes how the appropriation is used and any changes affecting the appropriation that are included in the enacted budget. If the appropriation is earmarked, the earmarks are listed and described. H.B. 166 permanent law provisions are included in the appropriate category's section.

### Categorization of ODJFS's Appropriation Line Items for Analysis of FY 2020-FY 2021 Enacted Budget

Fund	ALI	ALI Name	Category
<b>General Revenue Fund Group</b>			
GRF	600410	TANF State/Maintenance of Effort	1 Family Stability
GRF	600413	Child Care State/Maintenance of Effort	1 Family Stability
GRF	600450	Program Operations	7 Program Management
GRF	600502	Child Support – Local	3 Child Support
GRF	600504	Healthier Buckeye Grant Program	1 Family Stability
GRF	600511	Disability Financial Assistance	1 Family Stability
GRF	600521	Family Assistance – Local	1 Family Stability
GRF	600523	Family and Children Services	2 Families and Children
GRF	600528	Adoption Services	2 Families and Children
GRF	600533	Child, Family, and Community Protection Services	2 Families and Children
GRF	600534	Adult Protective Services	2 Families and Children
GRF	600535	Early Care and Education	1 Family Stability
GRF	600541	Kinship Permanency Incentive Program	2 Families and Children

## Categorization of ODJFS's Appropriation Line Items for Analysis of FY 2020-FY 2021 Enacted Budget

Fund	ALI	ALI Name	Category
GRF	600546	Healthy Food Financing Initiative	1 Family Stability
GRF	600551	Job and Family Services Program Support	2 Families and Children
GRF	600552	Gracehaven Pilot Program	2 Families and Children
GRF	600553	Court Appointed Special Advocates	2 Families and Children
GRF	600555	Quality Infrastructure Grants	1 Family Stability
GRF	655425	Medicaid Program Support	6 Medicaid
GRF	655522	Medicaid Program Support – Local	6 Medicaid
GRF	655523	Medicaid Program Support – Local Transportation	6 Medicaid
<b>Dedicated Purpose Fund Group</b>			
1980	600647	Children's Trust Fund	2 Families and Children
4A80	600658	Public Assistance Activities	1 Family Stability
4A90	600607	Unemployment Compensation Administration Fund	4 Unemployment Compensation
4E70	600604	Family and Children Services Putative Father Registry	2 Families and Children
4F10	600609	Family and Children Activities	2 Families and Children
5DM0	600633	Audit Settlements and Contingency	7 Program Management
5ES0	600630	Food Bank Assistance	1 Family Stability
5HC0	600695	Unemployment Compensation Interest	4 Unemployment Compensation
5KT0	600696	Early Childhood Education	1 Family Stability
5NG0	600660	Victims of Human Trafficking	2 Families and Children
5RX0	600699	Workforce Development Projects	5 Workforce Development
5RY0	600698	Human Services Project	7 Program Management
5TZ0	600674	Children's Crisis Care	2 Families and Children
5U60	600663	Family and Children Support	2 Families and Children
5VJ0	600600	Ohio Governor's Imagination Library	1 Family Stability
<b>Internal Service Activity Fund Group</b>			
5HL0	600602	State and County Shared Services	7 Program Management
<b>Fiduciary Fund Group</b>			
1920	600646	Child Support Intercept – Federal	3 Child Support
5830	600642	Child Support Intercept – State	3 Child Support
5B60	600601	Food Assistance Intercept	1 Family Stability



## Categorization of ODJFS's Appropriation Line Items for Analysis of FY 2020-FY 2021 Enacted Budget

Fund	ALI	ALI Name	Category
<b>Holding Account Fund Group</b>			
R012	600643	Refunds and Audit Settlements	7 Program Management
<b>Federal Fund Group</b>			
3270	600606	Child Welfare	2 Families and Children
3310	600615	Veterans Programs	5 Workforce Development
3310	600624	Employment Services	5 Workforce Development
3310	600686	Workforce Programs	5 Workforce Development
3840	600610	Food Assistance Programs	1 Family Stability
3850	600614	Refugee Services	1 Family Stability
3950	600616	Federal Discretionary Grants	2 Families and Children
3960	600620	Social Services Block Grant	2 Families and Children
3970	600626	Child Support – Federal	3 Child Support
3980	600627	Adoption Program – Federal	2 Families and Children
3A20	600641	Emergency Food Distribution	1 Family Stability
3AW0	600675	Faith Based Initiatives	1 Family Stability
3D30	600648	Children's Trust Fund – Federal	2 Families and Children
3F01	655624	Medicaid Program Support – Federal	6 Medicaid
3H70	600617	Child Care – Federal	1 Family Stability
3N00	600628	Foster Care Program – Federal	2 Families and Children
3S50	600622	Child Support Projects	3 Child Support
3V00	600688	Workforce Innovation and Opportunity Act Programs	5 Workforce Development
3V40	600632	Trade Programs	5 Workforce Development
3V40	600678	Federal Unemployment Programs	4 Unemployment Compensation
3V40	600679	Unemployment Compensation Review Commission – Federal	4 Unemployment Compensation
3V60	600689	TANF Block Grant	1 Family Stability

## Category 1: Family Stability

### Overview

The Office of Family Assistance (OFA) administers programs that deliver cash assistance, noncash supports, and food assistance to low-income families with the goal of equipping those families to achieve self-sufficiency. Many programs may limit enrollment based on available funding, which is often affected by the economy or by federal or state changes to eligibility criteria. Programs are funded with a combination of federal and state funds. Ohioans can apply for Temporary Assistance for Needy Families (TANF) and the Supplemental Nutrition Assistance Program (SNAP), along with Medicaid, through Ohio Benefits.<sup>1</sup> The website additionally provides links to apply for other assistance programs.

The operations of Family Assistance programs represent a cooperative partnership between state and local governments. ODJFS supervises the administration of those programs, channels federal and state funds to local agencies, and provides technical support to ensure compliance with federal and state regulations. The direct delivery of services is administered by a combination of county offices, which includes county departments of job and family services (CDJFSs).

The Family Stability Category includes four subprograms: C1:1, Temporary Assistance for Needy Families (TANF); C1:2, Child Care; C1:3, Food Assistance; and C1:4, Other Assistance and Administration. A description of each follows.

Fund Group	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
GRF	\$416,555,541	\$423,913,074	\$413,913,074
State non-GRF	\$45,998,582	\$61,500,000	\$56,500,000
Federal	\$1,116,643,337	\$1,389,396,441	\$1,451,524,356
Program funding total	\$1,579,197,460	\$1,874,809,515	\$1,921,937,430
% change	--	18.7%	2.5%
Program share of ODJFS budget total	50.8%	50.5%	51.1%

Actual spending for FY 2019 includes spending from GRF appropriation item 600421, Family Assistance Programs (\$2,898,228) and Federal Fund (Fund 3AW0) appropriation item 600675, Fatherhood Commission (\$151,336). Administrative costs previously appropriated to ALI 600421, Family Assistance Programs, are appropriated to ALI 600450, Program Operations, in FY 2020 and FY 2021 (see C7:1 for more information).

<sup>1</sup> <https://benefits.ohio.gov/>.

## **C1:1: Temporary Assistance for Needy Families**

The Temporary Assistance for Needy Families (TANF) Program provides grant funds to states to provide families with financial assistance and related support services. Each state decides the benefits it will provide and establishes the specific eligibility criteria that must be met to receive financial assistance payments or other types of benefits and services. TANF resources are used to provide cash assistance payments, administered as the Ohio Works First (OWF) Program. TANF funds may also be used to provide short-term benefits and other types of services to TANF-eligible families, mainly families with incomes under 200% of the federal poverty level (FPL). Most TANF expenditures are made toward OWF, publicly funded child care, and allocations to counties to administer supportive services.

The federal TANF Program was implemented by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA). Under TANF, states receive federal funding through an annual block grant. The block grant amount is based on the amount of federal funds expended in federal fiscal year (FFY) 1994 for the Aid to Families with Dependent Children (AFDC) Program, the Job Opportunity and Basic Skills (JOBS) Program, and the Family Emergency Assistance (FEA) Program, which are the three programs that were eliminated with enactment of PRWORA.

In order to receive the block grant, states must meet a Maintenance of Effort (MOE) requirement equal to 80% of what they spent in FFY 1994 on the three eliminated programs. (The MOE may be lowered to 75% if the state meets its work participation requirements.) After cash benefits are paid from these sources, the remaining funds may be used to fund other programs that meet at least one of the four purposes of TANF. The four purposes are:

1. Assisting needy families so that children can be cared for in their own homes;
2. Reducing the dependency of needy parents by promoting job preparation, work, and marriage;
3. Preventing out-of-wedlock pregnancies; and
4. Encouraging the formation and maintenance of two-parent families.

The federal block grant and the state MOE total about \$1.14 billion in TANF resources each year. Ohio's annual federal TANF Block Grant award is about \$725.7 million, which is deposited in quarterly installments into the TANF Block Grant Fund (Fund 3V60). Ohio's MOE at the 80% level is \$416.8 million. If the state fails to meet the MOE, the block grant amount for the next federal fiscal year will be reduced by the amount of the shortage, and the state will be required to increase its TANF spending by an amount equal to the penalty.

### **Ohio Works First**

The OWF Program provides time-limited cash assistance to help needy families with children to care for those children in their own homes, and to eliminate the barriers to work that lead to reliance on government assistance. In addition to cash assistance, OWF provides job placement services, child care services, and transportation. The program also promotes preparation for work, job search, and early entry into employment.

## ***Eligibility***

To be eligible for OWF cash assistance, applicants must have a minor child or pregnant woman (at least six months pregnant) in the assistance group. Families must also have incomes of no more than 50% of the FPL (about \$10,000 annually for a family of three in 2019).

Adults or minor heads-of-household must sign a self-sufficiency contract that specifies work requirements for the assistance group to receive cash assistance. Ohio law limits participation in OWF to a maximum of 36 months (federal TANF law limits participation in cash assistance to a lifetime maximum of 60 months). However, after this 36-month limit, assistance groups may apply for limited extensions in certain cases such as economic hardship.

In contrast, the “child only” eligibility category for OWF is not limited by income levels, work requirements, or time limits. These cases are typically instances when a child is living with a specified relative caregiver instead of a parent or when the adults in the household are recipients in other public assistance programs such as Supplemental Security Income (SSI). Such children remain eligible until age 18. Adults who receive the OWF benefit on behalf of the child are not subject to adult work participation requirements. The child is the only person counted in the assistance group, so most child-only cases receive a benefit for one person, which was \$289 per month as of December 2018. Income limits only apply to the child (not to the adult caretakers), so the countable income for the assistance group is typically \$0.

## ***Benefits***

OWF benefits increase each year in accordance with state law based on a mandated cost-of-living adjustment (COLA) as determined by the federal Social Security Administration. The COLA used by the Social Security Administration is based on the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W). Table 3 shows OWF benefits by assistance group size in 2018.

<b>Assistance Group Size</b>	<b>OWF Payment</b>
1	\$289
2	\$395
3	\$483
4	\$596
5	\$698

## ***Work requirements***

Adults<sup>2</sup> are required to begin a qualified work activity as soon as possible after applying for OWF; some counties may require that adult members of an assistance group participate in

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<sup>2</sup> Except for adults in an assistance group that is a child-only group.

work activities before processing the application. A single parent in an assistance group is required to work 30 hours per week (with exceptions for a parent with young children), and two parents in an assistance group are required to work 35 hours per week; two-parent assistance groups that receive federal child care assistance are required to work 55 hours per week.<sup>3</sup> Allowable work includes regular employment as well as other activities that fit into the following categories:

- Work experience – work without payment in order to gain work experience;
- Subsidized employment – work for payment and the state pays subsidies to the employer for a specified time period;
- On-the-job training – combination of classroom instruction and paid or unpaid work experience;
- Job search and job readiness activities – programs that assist individuals in obtaining employment;
- Vocational education – college, technical, vocational, or other course work leading to a degree, certificate, or license;
- Job skills training – vocational education and structured programs such as rehabilitation services, counseling, etc.;
- Education related to employment – any education program for individuals without a high school diploma or GED; and
- Basic education activities – high school or equivalent education and adult literacy education.

In addition to these work activities, the federal government allows certain individuals to engage in alternative work activities in cases where individuals have difficulty participating in federally allowable work assignments. Alternative work activities include parenting classes, counseling, life-skills training, or other activities deemed to help families achieve self-sufficiency. H.B. 166 requires the ODJFS Director to seek federal approval to operate a two-year demonstration project under which an Ohio Works First participant satisfies federal work requirements through on-the-job training, education directly related to employment, or a course of study leading to a certificate of general equivalence.

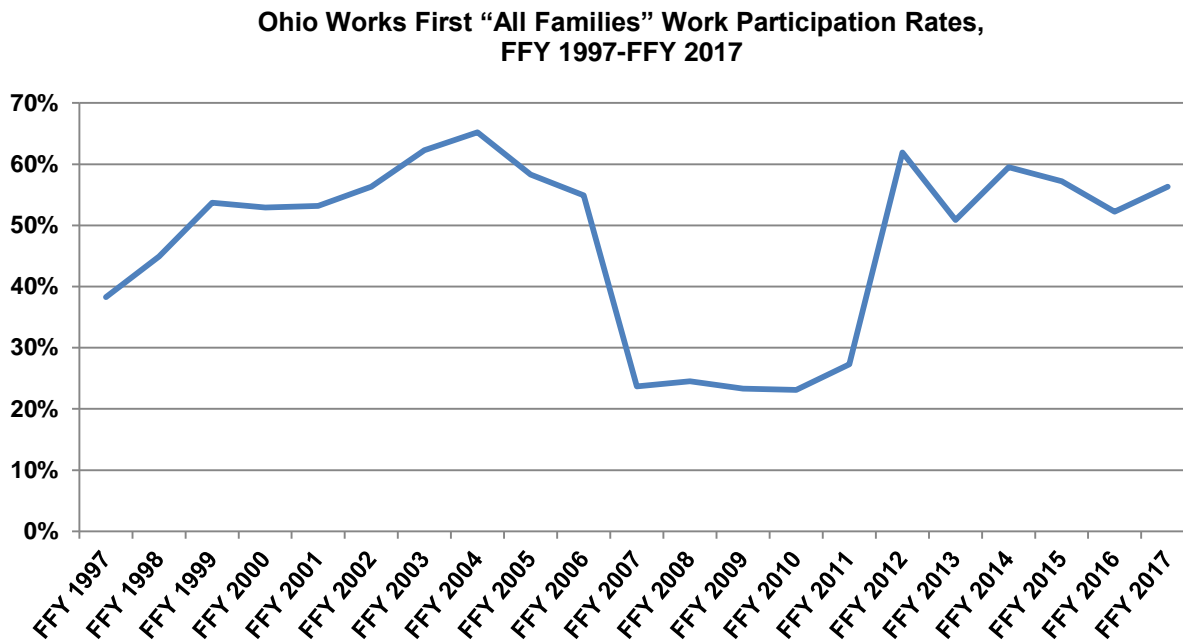
### ***Work participation rates***

All states are required to ensure that 50% of all assistance groups (i.e., “all families”) and 90% of two-parent assistance groups are meeting the work requirements. However, these “target” rates can be reduced if a state receives certain credits from the federal government (e.g., credits may be received if there is a decline in a state’s cash assistance caseload compared to FFY 2005). Ohio failed to meet the “all families” work requirement in FFY 2007 through FFY 2011 and was assessed penalties against the state’s TANF Block Grant (which was assessed by raising the state’s MOE requirement from 75% to 80%). Since FFY 2012, however, Ohio’s “all

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<sup>3</sup> Ohio Administrative Code (O.A.C.) 5101:1-3-12.

families” work participation rate has been consistently above 50%, and averaged 56.3% in FFY 2017. The chart below shows the participation rates for the last several FFYs.



### **County allocation**

Each CDJFS receives an allocation of TANF dollars each year from the TANF Block Grant. Most of these funds are used for administrative purposes associated with the TANF Program. County case managers determine eligibility for OWF; publicly funded child care; the Prevention, Retention, and Contingency (PRC) Program; as well as other smaller local programs funded with TANF dollars. Counties are also responsible for transitioning OWF recipients into work activities in order to fulfill federal work participation requirements.

### ***Prevention, Retention, and Contingency***

Counties use a portion of their allocation to fund PRC activities. PRC is a county-administered “noncash” support program that is designed to divert families from cash assistance by providing short-term, customized assistance to overcome immediate problems or barriers that could result in the families applying for cash assistance. PRC provides short-term assistance for shelter, job-required clothing, household necessities, home repair, and transportation, among others.

To participate in the PRC Program, an assistance group must include at least one minor child. Additional PRC Program eligibility criteria based on family income are established by counties in partnership agreements with ODJFS. In addition to setting income eligibility criteria, counties have considerable latitude in determining the types, amounts, and duration of benefits to provide to eligible families, consistent with state and federal law.

***Title XX***

The federal government allows states to use up to 10% of their TANF Block Grant (\$72.8 million per year for Ohio) to fund social services, which are eligible for funding under Title XX. Under Title XX of the Social Security Act, each state receives the federal Social Services Block Grant (SSBG) on a quarterly basis each year. Ohio usually receives about \$63 million per year. There is no maintenance of effort requirement or matching requirement to receive this grant. The state uses block grant funds for adoption, residential treatment services, child and adult day care and protective services, home-based services, job training, counseling, and legal services.

This category of appropriations includes the sources of funding for TANF. The tables below show the line items included in this category and the appropriated funding.

**TANF Block Grant and Maintenance (ALIs 600410, 600658, and 600689)**

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
GRF ALI 600410, TANF State/Maintenance of Effort	\$148,624,021	\$144,267,326	\$144,267,326
% change	--	-2.9%	0.0%
4A80 ALI 600658, Public Assistance Activities	\$22,609,678	\$32,000,000	\$32,000,000
% change	--	41.5%	0.0%
3V60 ALI 600689, TANF Block Grant	\$663,070,797	\$873,602,794	\$935,000,000
% change	--	31.8%	7.0%
<b>TANF Block Grant and Maintenance</b>	<b>\$834,304,496</b>	<b>\$1,049,870,120</b>	<b>\$1,111,267,326</b>
% change	--	<b>25.8%</b>	<b>5.9%</b>

GRF line item 600410 is used to fund the OWF cash assistance program in conjunction with the other two line items in this category. DPF line item 600658, Public Assistance Activities, is used in conjunction with GRF line item 600410, TANF State/Maintenance of Effort, and a portion of federal line item 600689, TANF Block Grant, to cover OWF cash benefits, and is funded from the nonfederal share of county OWF child support collections; the federal share is returned to the federal government. Persons receiving child support and OWF cash assistance are required to assign their child support payments to ODJFS to cover part of their cash assistance benefits.

Expenditures from GRF ALI 600410 and Fund 4A80 ALI 600658 count toward the state's MOE for TANF. Fund 4A80 derives its revenue from the nonfederal share of county OWF child support collections; the federal share is returned to the federal government. Persons receiving child support and OWF cash assistance are required to assign their child support payments to ODJFS to cover part of their cash assistance benefits.

Federal funded appropriation item 600689, TANF Block Grant, is used for OWF, PRC, publicly funded child care, ODJFS operating and management information system development, Title XX services, and the Governor’s Office of Faith-Based and Community Initiatives. Table 4 shows the earmarks included in H.B. 166 from the TANF Block Grant.

<b>Table 4. Earmarks from ALI 600689, TANF Block Grant in H.B. 166*</b>		
<b>Earmarks</b>	<b>FY 2020</b>	<b>FY 2021</b>
Governor’s Office of Faith-Based and Community Initiatives	\$13,285,000	\$13,285,000
Independent Living	\$2,000,000	\$2,000,000
Commission on Fatherhood	\$2,200,000	\$2,200,000
Kinship Caregiver Program	\$15,000,000	\$15,000,000
Ohio Alliance of Boys and Girls Clubs	\$2,000,000	\$2,000,000
Big Brothers Big Sisters of Central Ohio	\$500,000	\$500,000
Open Doors Academy	\$2,200,000	\$2,200,000
Children’s Hunger Alliance	\$1,175,000	\$1,175,000
Waterford Institute	\$1,000,000	\$1,000,000
Ohio Council of YWCAs	\$500,000	\$500,000
Star House Drop-In Center	\$900,000	\$900,000
Parenting and Pregnancy Program	\$3,750,000	\$3,750,000
Unaffiliated Food Banks	\$500,000	\$500,000
Siemer Institute	\$1,000,000	\$1,000,000
Produce Perks Midwest, Inc.	\$250,000	\$250,000
Ohio Children’s Trust Fund	\$1,000,000	\$1,000,000
Connect Our Kids	\$1,000,000	\$1,000,000
Communities in Schools	\$200,000	\$200,000
Marriage Works!	\$200,000	\$200,000
YWCA of Greater Cleveland	\$200,000	\$200,000
University Settlement	\$100,000	\$100,000
Moms2B	\$50,000	\$50,000
<b>TANF Earmark Totals</b>	<b>\$49,010,000</b>	<b>\$49,010,000</b>

\*These earmarks are related to C1:1, TANF. Other TANF earmarks exist, but are described in subsequent sections.



***Earmark 1: Governor's Office of Faith-Based Community Initiatives***

The Governor's Office of Faith-Based and Community Initiatives serves as a clearinghouse of information on federal, state, and local funding for charitable services performed by organizations and advises the Governor, General Assembly, and the Advisory Board of the Governor's Office of Faith-Based and Community Initiatives on the barriers that exist to collaboration between organizations and governmental entities and on ways to remove those barriers. Of the amount earmarked, \$250,000 in each fiscal year must be provided to Think Tank, Inc. to support a project that provides a sustainable, scalable system to support and keep families together.

***Earmark 2: Independent Living Initiative***

The goal of this program is to help youth between 16 and 18 successfully transition from substitute care to adulthood self-sufficiency; individuals 18 to 21 years old, who have aged out from substitute care, are also eligible to receive independent living services upon request. The TANF dollars earmarked for this program supplement other federal dollars for adoption assistance. The Independent Living Initiative is explained in more detail in C2:3.

***Earmark 3: Ohio Commission on Fatherhood***

The Ohio Commission on Fatherhood is part of ODJFS and seeks to strengthen families by funding community-based programs that serve low-income fathers. The Commission issues grants to local fatherhood programs, organizes state summits on fatherhood, and prepares an annual report on issues related to fatherhood.

***Earmark 4: Kinship Caregiver Program***

The Kinship Caregiver Program provides kinship caregivers access to assistance paying for childcare. Counties are required to incorporate this program into its PRC Program. This program is explained in more detail in C2:3.

***Earmark 5: Ohio Alliance of Boys and Girls Clubs***

This earmark provides after-school and summer programs that protect at-risk children and enable youth to become responsible adults. Of the amount earmarked, \$75,000 in each fiscal year is directed to the Boys & Girls Club of Massillon.

***Earmark 6: Big Brothers Big Sisters of Central Ohio***

This earmark is used to support Big Brothers Big Sisters of Central Ohio to provide mentoring services to children throughout the state who have experienced trauma in their lives, including parental incarceration.

***Earmark 7: Open Doors Academy***

This earmark supports the Seven Year Promise Program, operated by the Open Doors Academy. Funding is used for a program in Northeast Ohio and four additional sites in the state.

***Earmark 8: Children's Hunger Alliance***

The Children's Hunger Alliance is a statewide nonprofit with a mission to end childhood hunger. The earmark is used to assist with meal sponsorship, consultations and nutrition

education, school district nutrition programs, after school nutrition programs, and summer nutrition programs.

***Earmark 9: Waterford Institute***

This earmark is provided to the Waterford Institute to implement a pilot program for pre-kindergarten children.

***Earmark 10: Ohio Council of YWCAs***

This earmark is used to support programs that prevent domestic violence, support victims of domestic violence, provide trauma-informed support for survivors, and support educational opportunities for at-risk youth.

***Earmark 11: Star House Drop-In Center***

This earmark is used to support the Star House Drop-In Center to provide services for homeless youth.

***Earmark 12: Parenting and Pregnancy Program***

The Ohio Parenting and Pregnancy Program provides services for pregnant women and parents or other relatives caring for children 12 months of age or younger that promote childbirth, parenting, and alternatives to abortion.

***Earmark 13: Unaffiliated Food Banks***

This earmark allocates funds to food banks and pantries that are not affiliated with the Ohio Association of Foodbanks, thus excluding Ohio's 12 Feeding America food banks from receiving funds from this earmark.

***Earmark 14: Siemer Institute***

This earmark provides up to \$1.0 million in each fiscal year to the Siemer Institute to support Family Stability programs in collaboration with United Way affiliates in order to help provide services and early intervention focused on improving family housing stability, increasing household income, reducing school mobility, and supporting two-generation programming to stabilize family units. The Siemer Institute must show that it has collected matching private sector dollars in order to receive reimbursements from ODJFS, not to exceed \$1.0 million in each fiscal year.

***Earmark 15: Produce Perks Midwest, Inc.***

This earmark supports the work of Produce Perks Midwest, Inc. to expand Ohio's nutrition incentive program, which provides SNAP recipients with a dollar-for-dollar match to buy fresh, healthy produce from Ohio farmers and retailers.

***Earmark 16: Ohio Children's Trust Fund***

This earmark is used to support the efforts of the Ohio Children's Trust Fund, which is explained in more detail in C2:1.

***Earmark 17: Connect Our Kids***

This earmark supports the completion of the Connect Our Kids Family Connections technology tool and to implement a pilot program for the tool across multiple Ohio counties. The Family Connection technology tool shall be made available to child welfare professionals in all counties after completion of the pilot program.

***Earmark 18: Communities in Schools***

This earmark is provided to Communities In Schools of Central Ohio to provide supports for at-risk youth for wraparound services, which directly impact chronic absenteeism and dropout rates.

***Earmark 19: Marriage Works!***

This earmark supports Marriage Works! in Dayton.

***Earmark 20: YWCA of Greater Cleveland***

This earmark supports the YWCA of Greater Cleveland's Early Learning Center trauma-informed preschool for homeless, low-income, and at-risk preschool children.

***Earmark 21: University Settlement***

This earmark is used to support University Settlement family assistance programs in the Broadway-Slavic Village neighborhood of Cleveland.

***Earmark 22: Moms2B***

This earmark supports the Moms2B Program in Franklin County.

**C1:2: Child Care**

This category of appropriations includes the sources of funding for subsidized child care as well as child care licensing and administration. ODJFS licenses Ohio Early Learning and Development programs and helps parents who are working or in school pay for child care through the Publicly Funded Child Care (PFCC) Program. In addition to these recommended appropriations for these programs, a portion of federally funded line item 600689, TANF Block Grant, is used for subsidized child care.

**Subsidized child care**

PFCC is funded through a combination of the federal Child Care and Development Fund (CCDF) grants, TANF, and state spending. TANF dollars may be used to provide child care subsidies to families receiving OWF as well as to other low-income families that meet eligibility requirements.

***Eligibility***

Families enrolled in OWF are guaranteed to receive child care subsidies. In addition, subsidies are guaranteed to families that are within the lesser of a 12-month period following the last month of eligibility for OWF or until income exceeds 150% FPL (about \$32,000 annually for a family of three in 2019).

Non-OWF families may be eligible for nonguaranteed child care with incomes up to 130% FPL (about \$28,000 for a family of three in 2019). Families may remain eligible until their incomes exceed 300% FPL (\$64,000 for a family of three in 2019). Families are required to contribute to the costs of child care in the form of copayments, which are established based on a sliding scale of family incomes.<sup>4</sup> H.B. 166 also extends the time a child with special needs can receive day care services until age 18.

### ***Payments***

Child care subsidies are paid by ODJFS directly to child care providers. ODJFS provides families with a card and providers with card-swipe machines to register hours in attendance. ODJFS pays providers weekly, based on rates set in the Ohio Administrative Code (O.A.C.)<sup>5</sup> Actual rates vary considerably for each child based on a number of factors: the child's age, the type of provider, the amount of time the child receives child care services, and the location of the provider. As younger children require more care, services, and a higher ratio of care workers per child than older children, payment rates are highest for infants and lowest for school-age children. Payment rates are generally higher for licensed centers and Type A providers as these facilities can serve many children and must meet state licensing requirements; other certified home providers serve no more than six children and are usually in personal residences.

H.B. 166 increases spending on subsidized child care to bring all providers up to the 25<sup>th</sup> percentile for reimbursements. Further, the bill requires the reimbursement rates for each PFCC rating tier be at least as high as the reimbursement rate for the corresponding rating tier in effect on January 1, 2019, and that no county move to a rating tier with a reimbursement rate lower than those in effect on January 1, 2019.

### ***Market rate survey***

H.B. 166 removes from statute a requirement that ODJFS contract with a third party to conduct a child care market rate survey for use in establishing child care provider reimbursement ceilings and payments.

### **Licensed child care providers**

The federal Child Care and Development Grants are also used to administer child care licensing and quality programs. The Department licenses the following care centers and home types:

- Child Care Centers: care for seven or more children at one time;
- Family Child Care Type A Homes: care for seven to 12 children (or four to 12 children if four children are under two years of age) cared for in the provider's home. The provider's own children under six years of age must be included in the total count;

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<sup>4</sup> Child Care Weekly Copayment Desk Aide. <http://emanuals.jfs.ohio.gov/pdf/pdf-forms/CCMPL120Attach.pdf>.

<sup>5</sup> O.A.C. 5101:2-16-41 Appendix. [http://codes.ohio.gov/pdf/oh/admin/2019/5101\\$2-16-41\\_ph\\_ff\\_a\\_app1\\_20181206\\_0909.pdf](http://codes.ohio.gov/pdf/oh/admin/2019/5101$2-16-41_ph_ff_a_app1_20181206_0909.pdf).

- Family Child Care Type B Homes serving children through the publicly funded child care program: care for one to six children cared for in the provider's personal home. No more than three children may be under the age of two. The provider's own children under six years of age must be included in the total count. Anyone can provide care for no more than six children or no more than three children under the age of two years in their home without a license, however, in order to receive payment for serving families eligible for PFCC, the Type B Home provider must be licensed by ODJFS;
- Child day camps: programs which care for only school age children and operate for less than seven hours each day during the time school is not in session, and conducts at least 50% of its program outdoors. Child day camps must register with ODJFS each year. To receive payment for serving children in publicly funded child care, the child day camp must be accredited.
  - Under current law, in order to provide publicly funded child care, a child day camp must be approved by the ODJFS Director. To be eligible for approval, H.B. 166 adds requirements that ODJFS must inspect the day camp and determine if it meets standards established in rules and the camp must be accredited by the American Camping Association *or* a nationally recognized organization with comparable standards.

Additionally, the Ohio Department of Education (ODE) licenses early care and education programs, including licensed preschool programs and licensed school-age child programs which are operated by a school district board of education, an eligible nonpublic school, a county board of developmental disabilities, or a community school.

### ***Licensed child care provider staff***

H.B. 166 eliminates statutory requirements concerning child care administrator and staff eligibility and instead requires the ODJFS Director to establish in rule the minimum qualifications for these individuals.

The bill also requires the Director of ODJFS to request from the Attorney General's Bureau of Criminal Investigation records checks, run checks in the Uniform Statewide Automated Child Welfare Information System, and inspect the state registry of sex offenders for all of the following prior to employment and every five years thereafter: child daycare center owners or licensees, family daycare home owners or licensees, approved child day camp owners, directors of preschool programs and school child programs providing publicly funded child care, in-home aides, and their applicants and employees. These entities are also barred from conditionally employing an individual while awaiting the results of the background check.

Additionally, the bill adds family daycare homes, approved child day camps, and employees to current law that prohibits discrimination in the enrollment of children on the basis of race, color, religion, sex, national origin, or disability.

In-home aides provide publicly funded child care in a child's own home. The bill increases the certification period from one year to two years and specifies certain individuals that cannot be certified due to having a different child care license revoked.

## Step Up to Quality

Step Up To Quality (SUTQ) is a five-star quality rating and improvement system administered by ODE and ODJFS. SUTQ recognizes and promotes learning and development programs that meet quality program standards that exceed licensing health and safety regulations. The program standards are based on national research identifying standards which lead to improved outcomes for children. ODJFS is responsible for ensuring that early learning and development programs, with the exception of Type B Homes, that provide PFCC become rated in SUTQ. Licensed child care providers are eligible to receive higher rates of reimbursement for providing subsidized child care depending on their SUTQ rating.

Under current law, beginning July 1, 2020, publicly funded child care may be provided only by a child care provider that is rated through SUTQ. Existing law also requires ODJFS to ensure that the following percentages of early learning and development programs that provide publicly funded child care are rated in the third highest tier or above in SUTQ:

- By June 30, 2019, 40%;
- By June 30, 2021, 60%;
- By June 30, 2023, 80%;
- By June 30, 2025, 100%.

H.B. 166 makes several changes to these requirements. First, it exempts certain providers from the requirement to be rated through SUTQ by July 1, 2020, including programs operating only during the summer, programs providing overnight care of children, and programs that are located in states bordering Ohio, among others. Second, the bill also provides that these programs are exempt from the percentages of early learning and development programs that must be rated in the third highest tier or above for SUTQ.

### Child Care State/Maintenance of Effort (ALI 600413)

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
GRF ALI 600413, Child Care State/Maintenance of Effort	\$83,370,733	\$83,461,739	\$83,461,739
% change	--	0.1%	0.0%

This GRF line item is used to provide payments for publicly funded child care services. Expenditures from this line item are used to draw down two federal Child Care and Development Fund (CCDF) grants. For one CCDF grant, the state must meet a MOE of \$45.4 million; this amount may be double-counted as MOE for the TANF Block Grant as long as dollars are used to meet the purposes of both programs. For the other CCDF grant, the state must provide a match to draw down federal reimbursement based on the Federal Medical Assistance Percentage (FMAP) rate.

**Early Care and Education (ALI 600535)**

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
GRF ALI 600535, Early Care and Education	\$141,089,259	\$141,285,241	\$141,285,241
% change	--	0.1%	0.0%

This line item is used to provide payments for publicly funded child care services.

**Quality Infrastructure Grants (ALI 600555)**

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
GRF ALI 600555, Quality Infrastructure Grants	\$0	\$10,000,000	\$0
% change	--	--	-100.0%

This new line item is used by the ODJFS Director to administer an early learning and development quality infrastructure grant program in collaboration with the Early Childhood Advisory Council.

**Early Childhood Education (ALI 600696)**

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
5KT0 ALI 600696, Early Childhood Education	\$19,581,383	\$20,000,000	\$20,000,000
% change	--	2.1%	0.0%

This line item is used to support early learning and development programs that are either operating in smaller communities or are rated in the Step Up to Quality Program at the third highest tier or higher, or both. The bill earmarks up to \$20.0 million in each fiscal year to support early learning and development programs in smaller communities and/or programs rated in the Step Up to Quality Program at the third highest tier or higher.

**Child Care Federal (ALI 600617)**

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
3H70 ALI 600617, Child Care Federal	\$295,200,962	\$331,249,291	\$331,980,000
% change	--	12.2%	0.2%

This federally funded line item is used to expend the CCDF mandatory and discretionary grant for publicly funded child care and for child care regulation activities. This line item is also used for information technology that supports the child care information system.

### C1:3: Food Assistance

This category of appropriations includes the sources of funding for food assistance programs, including distributing resources through food banks and administrative costs for the Supplemental Nutrition Assistance Program (SNAP). While the state shares in the cost of administering SNAP at a 50% rate for administration, benefits are fully funded by the federal government and are not appropriated by the General Assembly.

The tables below show the line items included in this category and the appropriated funding.

#### Family Assistance – Local (ALI 600521)

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
GRF ALI 600521, Family Assistance – Local	\$40,473,300	\$44,748,768	\$44,748,768
% change	--	10.6%	0.0%

This GRF line item is used by ODJFS to advance to CDJFSs the state's share of county administration for public assistance programs, mainly for Medicaid and SNAP.

#### Healthy Food Financing Initiative (ALI 600546)

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
GRF ALI 600546, Healthy Food Financing Initiative	\$100,000	\$150,000	\$150,000
% change	--	50.0%	0.0%

This line item is used to support healthy food access in underserved communities in urban and rural low- and moderate-income areas. H.B. 166 earmarks these funds for a contract with the Finance Fund Capital Corporation to administer the program.

#### Food Assistance Programs (ALI 600610)

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
3840 ALI 600610, Food Assistance Programs	\$144,921,632	\$165,544,356	\$165,544,356
% change	--	14.2%	0.0%

This federally funded line item is used to reimburse ODJFS and CDJFS's costs of administering SNAP. For most activities, the federal government reimburses states 50% for managing the program. The appropriated amounts are the federal reimbursement for state and local expenditures to administer the program (appropriation item 600521, Family Assistance – Local, is used to send CDJFSs the nonfederal share). The goal of SNAP is to increase nutritional intake of low-income persons by supplementing their income with food benefits. Benefits are fully funded by the federal government and are not appropriated in the state's budget.



### Emergency Food Distribution (ALI 600641)

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
3A20 ALI 600641, Emergency Food Distribution	\$6,631,233	\$7,000,000	\$7,000,000
% change	--	5.6%	0.0%

This federally funded line item appropriates funds received from The Emergency Food Assistance Program (TEFAP) Grant and the Commodity Supplemental Food Program (CSFP) Grant. TEFAP funds are used by ODJFS and local organizations for administrative expenses related to processing, storage, and distribution of food commodities in local storage centers. ODJFS passes most of these funds to emergency feeding organizations and retains a small amount for state administrative costs. All CSFP funds are distributed by the state to local food banks for administrative costs associated with distributing food items. Food items distributed under CSFP are provided separately by the federal government. State allotments are established by the federal government based on funds available, the number of individuals with incomes under the poverty level, and the number of unemployed in each state.

### Food Bank Assistance (ALI 600630)

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
5ES0 ALI 600630, Food Bank Assistance	\$500,000	\$500,000	\$500,000
% change	--	0.0%	0.0%

This line item is used to provide funds to the Ohio Association of Food Banks. The budget provides additional funds for food bank assistance or funds directly to the Association.

H.B. 166 includes a provision that permits the Office of Budget and Management (OBM) Director to transfer \$1.0 million in cash from the Food Stamps State Administration Fund (Fund 3840) to the Food Assistance Fund (Fund 5ES0), which supports line item 600630.

The bill also specifies that ODJFS provide to the Association, a total of \$22.1 million in each fiscal year from appropriation items 600410, TANF State Maintenance of Effort, 600658, Public Assistance Activities, and 600689, TANF Block Grant. ODJFS must provide a total of \$24.6 million in each fiscal year, with the remaining portion provided from unspecified funds. These funds can be used to purchase and distribute food products, to support Innovative Summer Meals programs for children, provide SNAP outreach and free tax filing services, and provide capacity building equipment for food pantries and soup kitchens.

### Food Assistance Intercept (ALI 600601)

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
5B60 ALI 600601, Food Assistance Intercept	\$3,307,521	\$4,000,000	\$4,000,000
% change	--	20.9%	0.0%

This line item receives the collections the Internal Revenue Service makes through the Food Stamp Intercept Program. The moneys from this line item are sent back to the U.S. Department of Agriculture for reimbursement for fraudulent food stamp payments. A small portion of the collection is sent back to the county where the fraudulent benefits were issued as an incentive payment for participation in this program.

### C1:4: Other Assistance

This category of appropriations includes the sources of funding for other public assistance programs. The tables below show the line items included in this category and the appropriated funding.

#### Refugee Services (ALI 600614)

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
3850 ALI 600614, Refugee Services	\$6,667,377	\$12,000,000	\$12,000,000
% change	--	80.0%	0.0%

This federally funded line item supports Ohio's Refugee Services programs. Refugee programs are designed to temporarily provide refugees with cash assistance, medical assistance, and social services in order to help their transition to living in the U.S. Refugees are eligible for cash assistance and medical assistance (these are separate from OWF and Medicaid) for up to eight months after arriving in the country (as opposed to eight months after applying for benefits). Refugees are eligible to receive social services for five years after entering the country. Social services include citizenship classes, acculturation assistance, English language training, employment training, job placement, transportation, and child care.

#### Ohio Governor's Imagination Library (ALI 600600)

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
5VJ0 ALI 600600, Ohio Governor's Imagination Library	\$0	\$5,000,000	\$0
% change	--	--	-100.0%

This new line item is used to support childhood literacy efforts in the state. The ODJFS Director is permitted to work with nonprofit entities or foundations established to support childhood literacy. This item is funded through a transfer from the GRF from surplus funds at the end of FY 2019. Amounts not expended in FY 2020 can be used for the same purpose in FY 2021.

## Category 2: Families and Children

### Overview

The Office of Families and Children (OFC) is responsible for administration and oversight of programs preventing child abuse and neglect, providing services to abused/neglected children and their families (birth, foster, and adoptive), licensing foster homes and residential facilities, and investigating allegations of adult abuse, neglect, and exploitation. Ohio operates in a state-supervised, county-administered system where each county is responsible for creating, operating, and financing a welfare program within the context of state and federal laws, regulations, and policies.

Child welfare programs are administered by county public children services agencies (PCSAs). ODJFS provides support to PCSAs by providing training programs for county workers and foster parents, information systems, and fiscal mechanisms for claiming federal reimbursement for allowable expenses. PCSAs are generally housed within CDJFSs, but can also be under a board appointed by county commissioners or directly under a county administrator or executive. OFC also supervises the Adult Protective Services Program by supporting CDJFSs, which administer these activities locally. Adult Protective Services help individuals age 60 and older who are in danger of harm or are unable to protect themselves.

Fund Group	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
GRF	\$128,551,140	\$235,124,830	\$235,414,830
State non-GRF	\$7,858,621	\$15,200,060	\$13,208,000
Federal	\$480,323,492	\$530,183,039	\$530,500,000
Program funding total	\$616,733,253	\$780,507,929	\$779,122,830
% change	--	26.6%	-0.2%
Program share of ODJFS budget total	19.8%	21.0%	20.7%

Actual spending for FY 2019 includes spending from GRF appropriation item 600423, Families and Children Programs (\$11,223,897). In FY 2020 and FY 2021, administrative costs for the Office of Families and Children is appropriated through GRF appropriation item 600450, Program Operations (see C7:1 for more information).

### Title IV-E funding

Title IV-E of the Social Security Act (SSA) addresses major components of child welfare. Its focus is on providing safe and stable out-of-home care for children who are in out-of-home care due to child maltreatment or other circumstances until they are able to achieve permanency in their placement by being safely returned home, placed permanently with adoptive families, or placed in other planned arrangements. Title IV-E funds can be used for:

- Monthly maintenance payments for the daily care and supervision of eligible children;

- Administrative costs to manage the program;
- Training of staff and foster care providers;
- Recruitment of foster and adoptive parents; and
- Adoption assistance implementation and operation of a Statewide Automated Child Welfare Information System (SACWIS).

A portion of the Title IV-E funds are provided through the Chafee Foster Care Independence Program (CFCIP), which offers assistance to help current and former foster care youths achieve self-sufficiency. These funds can be used to help with education, employment, financial management, housing, emotional support, and assured connections to caring adults for older youth in foster care. The program is intended to serve youth who are likely to remain in foster care until age 18; youth who, after attaining 16 years of age, have left foster care for kinship guardianship or adoption; and young adults ages 18 to 21 who have “aged out” of the foster care system.

### **Title IV-B**

Title IV-B of SSA addresses the provision of child welfare services that can be used for prevention of and response to child abuse and neglect. A portion of the Title IV-B funds are provided through the Every Student Succeeds Act (ESSA). Title IV-B funds can be used to:

- Protect and promote the welfare of all children;
- Prevent the neglect, abuse, or exploitation of children;
- Support at-risk families through services which allow children, where appropriate, to remain with their families or return to their families in a timely manner;
- Promote the national goals of safety, permanence, and well-being of children in foster care and adoptive families;
- Provide training, professional development, and support to ensure a well-qualified workforce; and
- Promote and support adoption.

### **C2:1: Child Protective Services**

PCSAs are required to receive reports of child abuse and neglect, and to investigate those reports in a timely manner. When necessary, PCSAs work with families to identify services and develop case plans that reduce the risk of future abuse or neglect. In most cases, the PCSA provides services to the child and family while the child remains in the home. However, there are instances when the child cannot safely remain in the home and it becomes necessary for the PCSA to work with the local court system to remove the child from the home. When the child is placed outside of the home, the PCSA must develop a plan detailing the activities that must occur to ensure that the child is able to return home safely. If that is not possible, the plan will identify an alternative safe, stable, and permanent living situation that promotes the child’s health, growth, and development. Alternative living arrangements include: kinship care, foster care, and adoption.

ODJFS has a systematic process to monitor and provide oversight of the PCSA's compliance with state law and administrative rules. The monitoring and oversight process, called Child Protection Oversight and Evaluation, occurs at least every 18 months for each PCSA and is conducted by ODJFS staff. Following an onsite review, ODJFS prepares a final report that is shared with the PCSA. The PCSA is then required to submit a quality improvement plan (QIP) to ODJFS that will be implemented to correct findings of noncompliance.

The onsite review consists of data validation as well as identification of systemic, policy, or practice areas of strength, weakness, and concern for each core indicator. The onsite review also consists of development of strategies that affect positive improvement of the outcome indicators. Case records are reviewed for rule compliance and quality improvement plans are prepared for areas needing improvement.

H.B. 166 requires the Director of ODJFS to run checks in the Uniform Statewide Automated Child Welfare Information System, the System for Award Management, the Findings for Recovery, and the U.S. Department of Justice National Sex Offender website for certain prospective child welfare officers and administrators.

### Ohio Children's Trust Fund

The Ohio Children's Trust Fund (OCTF) was created in 1984 and is the state's primary funding agent for programs designed to prevent child abuse and neglect. OCTF is governed by a 15-member board which consists of state agency administrators, gubernatorial appointees, and legislators. Board members are responsible for overall child abuse and neglect prevention policy, program direction, and monitoring expenditures from OCTF. ODJFS staff provide administrative support to the board, which includes budgeting, procurement, accounting, and other management functions. As required by state law, OCTF funding focuses exclusively on support for primary and secondary prevention activities. Primary prevention services available to the community are designed to prevent child abuse and neglect before they occur, and include advocacy efforts, public awareness campaigns, and training of professionals. Secondary prevention services include those that target populations at risk for child abuse and neglect, such as parent education and support services.

This category of appropriations includes the sources of funding for the Families and Children category. The tables below show the line items included in this category and the appropriated funding.

### Family and Children Services (ALI 600523)

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
GRF ALI 600523, Family and Children Services	\$75,090,794	\$186,107,628	\$186,397,628
% change	--	147.8%	0.2%

This GRF line item provides the State Child Protection Allocation, which is distributed to each PCSA to partially reimburse costs incurred by the PCSA in performing its duties, the State Operating Allocation, which directs state funds to supplement the Title XX funds a county receives, and funding to implement the Feisal Case Review recommendations. H.B. 166 makes

several earmarks from this appropriation item. In addition to the earmarks for both fiscal years, the bill allows \$3.2 million from this appropriation item to match eligible federal Title IV-B ESSA funds and federal Title IV-E Chafee funds allocated to PCSAs.

<b>Earmarks</b>	<b>FY 2020</b>	<b>FY 2021</b>
Multi-System Youth	\$25,000,000	\$25,000,000
PCSAs	\$125,040,010	\$125,040,010
Kinship Care Navigator Program	\$8,500,000	\$8,500,000
Cleveland State University	\$0	\$290,000
<b>ALI 600523 Earmark Totals</b>	<b>\$158,540,010</b>	<b>\$158,830,010</b>

In collaboration with the county family and children first council, a CDJFS or PCSA that receives an allocation from ODJFS from GRF appropriation items 600523, Family and Children Services, or 600533, Child, Family, and Community Protective Services, is permitted to transfer a portion of either or both allocations to a flexible funding pool.

In addition to these earmarks, H.B. 166 requires the Ohio Family and Children First (OFCF) Cabinet Council to develop a comprehensive multi-system youth action plan that implements the Joint Legislative Committee for Multi-System Youth recommendations with the purpose of preventing custody relinquishment of multi-system children and youth to obtain services.

### ***Earmark 1: Multi-System Youth***

The bill requires this earmark be used to assist with children either in the custody of PCSAs that require services from multiple systems or to prevent children from entering the custody of a PCSA. Many youth that require these services receive them in a residential care setting, which costs significantly more than placing a child with a kinship provider or foster care provider.

### ***Earmark 2: PCSAs***

The bill specifies that not less than \$125.0 million in each fiscal year be used for PCSAs, including \$17.6 million to provide an initial allocation of \$200,000 to each county. After the initial allocation, ODJFS will be required to distribute \$5.0 million in each fiscal year via formula for staffing for foster parent recruitment, engagement, and support and \$10.0 million in each fiscal year via formula to strengthen best practices. The remaining amount will be distributed among the counties via formula.

Related to the increased spending, H.B. 166 requires counties contributing local funds to the county children services fund continue to contribute to the county children services fund if the state child protective services allocation in FY 2020 and FY 2021 exceeds the amount provided in FY 2019. The ODJFS Director will develop rules to specify how much each county must contribute.

### ***Earmark 3: Kinship Care Navigator Program***

This earmark is used to fund the Kinship Care Navigator Program to provide information and referral services and assistance in obtaining support services for kinship caregivers within established regions. These funds may be used to match eligible federal Title IV-E funds. This program is explained in more detail in C2:3.

### ***Earmark 4: Cleveland State University***

This earmark is used to support the Cleveland State University Sullivan-Deckard and Helen Packer Scholars Program to provide tuition and wrap-around services to young adults who have aged out of foster care.

### **Child, Family, and Community Protection Services (ALI 600533)**

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
GRF ALI 600533, Child, Family, and Community Protection Services	\$13,601,201	\$13,500,000	\$13,500,000
% change	--	-0.7%	0.0%

This GRF line item is used to distribute funds to counties for community and protective services programs. Funds are distributed to each CDJFS using the formula ODJFS uses when distributing Title XX funds. H.B. 166 includes provisions that allow county family and children first councils to establish and operate a flexible funding pool; allocations from this line item are eligible to be deposited into a flexible funding pool.

Services offered with funding from this line item include:

- Helping individuals maintain self-sufficiency;
- Responding to reports of abuse, neglect, and exploitation of children and adults;
- Providing outreach and referral services regarding home and community-based services to individuals at risk of placement in a group home or institution; and
- Providing outreach, referral, application assistance, and other services to assist individuals in receiving assistance, benefits, or services from public assistance programs.

### Children's Trust Fund (ALIs 600647 and 600648)

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
1980 ALI 600647, Children's Trust Fund	\$4,241,471	\$7,992,060	\$6,000,000
% change	--	88.4%	-24.9%
3D30 ALI 600648, Children's Trust Fund Federal	\$951,573	\$2,000,000	\$2,000,000
% change	--	110.2%	0.0%
<b>Children's Trust Fund Total</b>	<b>\$5,193,044</b>	<b>\$9,992,060</b>	<b>\$8,000,000</b>
% change	--	<b>92.4%</b>	<b>-19.9%</b>

Appropriation item 600647, Children's Trust Fund, provides state funding for the expenditures related to the Ohio Children's Trust Fund (OCTF). Revenues are generated from fees collected on divorce and dissolution filings, and nominal surcharges on birth and death certificates. These funds are earmarked for each county through a formula based on the number of children living in each county.

Federally funded line item 600648, Children's Trust Fund Federal, provides Community-Based Child Abuse Prevention (CBCAP) grant dollars to support statewide investment in child abuse and neglect prevention programming. OCTF is awarded these grant funds.

In addition to this funding, H.B. 166 includes an earmark of \$1.0 million in each fiscal year from the TANF Block Grant to support OCTF (see C1:1 for the earmark).

### Children's Crisis Care (ALI 600674)

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
5TZO ALI 600674, Children's Crisis Care	\$147,871	\$750,000	\$750,000
% change	--	407.2%	0.0%

This line item is allocated to children's crisis care facilities based on the total length of stay or days of care for each child residing in the facility. The facilities provide residential and other care to either preteens voluntarily placed in the facility who are facing a crisis either by a caretaker or a PCSA or private child placing agency. Facility operators have the option to decline this funding.

Current law states a PCSA can only place a preteen child in a crisis facility for up to 72 hours unless it receives a waiver from the ODJFS Director; the waiver can allow for a placement that lasts up to 14 consecutive days. H.B. 166 changes the placement limit to 14 days and eliminates the waiver option.

### C2:2: Adoption

ODJFS provides support to local agencies in their efforts to decrease the number of children waiting for permanent homes, to prevent discrimination in the placement of children,



to identify and recruit permanent families who can meet each child's needs, and to provide support to families to ensure the stability and well-being of children in their care. To assure permanency is maintained, ODJFS provides a variety of services to birth parents, adoptive parents, and children (particularly those who have been in foster care). These services are largely provided by PCSAs, private child placing agencies, and private noncustodial agencies in collaboration with ODJFS. ODJFS provides maintenance payments and subsidies to help offset associated costs.

There are four types of adoption subsidies: the Title IV-E Adoption Assistance Subsidy, State Adoption Maintenance Subsidy (SAMS), the Non-Recurring Adoption Payment, and the Post Adoption Special Services Subsidy (PASSS).<sup>6</sup>

### **Title IV-E Adoption Assistance Subsidy**

This subsidy is provided for children who meet eligibility guidelines. The program provides a monthly subsidy to eligible families that adopt children with special needs or circumstances. The subsidy is paid for with a combination of federal, state, and local funds.

H.B. 166 makes changes to the laws regarding children who are adopted and then turn 18 by requiring the adoption assistance agreement to be effective/entered into after the child's 16<sup>th</sup> birthday, instead of providing the option that the parent simply entered into such an agreement, designating a child as an "adopted young adult" and prohibiting the child from receiving Title IV-E foster care payments.

### **Adoption Assistance Connections**

Adoption Assistance Connections (AAC), funded through Title IV-E adoption activities, provides financial assistance to eligible families who adopt children at ages 16 or 17 and then continue to support them as they transition to adulthood. Families may receive a monthly payment and/or Medicaid coverage, and support may continue until the young adult reaches age 21, as long as other eligibility criteria are met.

### **State Adoption Maintenance Subsidy (SAMS)**

This subsidy is provided to parents who have adopted children with special needs who are not Title IV-E eligible.

### **Non-Recurring Adoption Payment**

This subsidy provides a one-time reimbursement for out-of-pocket costs incurred by families that adopt special needs children. Such costs include attorney fees, court costs, medical evaluations, and travel. The state will reimburse up to \$1,000 per child adopted. The federal government reimburses about half of the costs for these payments.

### **Post Adoption Special Services Subsidy (PASSS)**

PASSS provides reimbursement for some post adoption services needed for special needs children. The maximum benefit amount is \$10,000 per child per year, but may be

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<sup>6</sup> Ohio Department of Job and Family Services. *Adoption Subsidies Guide*. <http://www.odjfs.state.oh.us/forms/num/JFS%2001985/pdf/>.

increased to \$15,000 in extraordinary circumstances. The child's adoptive parents are expected to share in the cost of services through a 5% copayment requirement. However, PCSAs may waive the copay requirement if the gross annual income of the child's adoptive family is not more than 200% of the FPL.

This category of appropriations includes the sources of funding for adoption services. The tables below show the line items included in this category and the appropriated funding.

### Adoption Programs (ALIs 600528 and 600627)

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
GRF ALI 600528, Adoption Services	\$25,002,471	\$28,922,517	\$28,922,517
% change	--	15.7%	0.0%
3980 ALI 600627, Adoption Program – Federal	\$164,077,454	\$175,000,000	\$175,000,000
% change	--	6.7%	0.0%
<b>Adoption Services</b>	<b>\$189,079,925</b>	<b>\$203,922,517</b>	<b>\$203,922,517</b>
% change	--	<b>7.8%</b>	<b>0.0%</b>

GRF line item 600528, Adoption Services, is used to provide state funds for four different adoption subsidies that provide maintenance payments to families who adopt children with special needs. Many of the children available for adoption are considered to have special needs because they are of an older age; part of a siblings group; have special physical, mental, or emotional health needs; or have developmental delays. Some special needs children have behavioral and attachment disorders that can present financial challenges for adopting families. ODJFS provides maintenance payments and subsidies to help offset some of these costs.

Federal line item 600627, Adoption Program – Federal, is used to pass federal funds through to the counties for the administrative costs of placing children in public or private institutions and family foster homes. Counties are reimbursed for 50% of allowable administrative costs incurred on behalf of eligible children. This line item is also used to pass the federal share of the Title IV-E Adoption Assistance Subsidy over the state maximum to the counties. In addition, this line item provides Independent Living grants to assist in establishing and carrying out programs designed to assist foster care children in making the transition from foster care to independent living.

### Family and Children Services Collections (ALI 600604)

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
4E70 ALI 600604, Family and Children Services Collections	\$181,649	\$650,000	\$650,000
% change	--	257.8%	0.0%

This line item funds the Putative Father Registry. This registry is designed to allow a man who believes he has fathered a child to register his interests in the child. By registering, the father will be notified if his child is placed for adoption, which may decrease the possibility for adoption disruption. Revenue to support Fund 4E70 comes from a portion (\$30) of the \$50 filing fee assessed to adoptive parents.

### **C2:3: Foster and Substitute Care**

ODJFS develops rules and guidelines to aid counties in implementing programs for children who cannot safely remain in their own homes. Foster or substitute care for children is one of the major program components of Ohio's child welfare system and is provided through public and private agencies. The program's main purpose is to reunify children with their families or find other permanent living arrangements when children cannot safely return home. Foster or substitute care includes foster care, kinship care, residential substitute care in group homes and treatment facilities, independent living, and placement through the Interstate Compact for the Placement of Children.

When it is determined that a child must be removed from the home, and a court grants temporary custody of the child to the PCSA, the caseworker attempts to find a placement with a suitable relative to help maintain familial bonds. When a suitable relative is not available, the worker attempts to find a placement with a suitable nonrelative with whom the child or family has a relationship. If the agency is unable to place the child with a relative or a nonrelative who has a relationship with the family, the child is placed into a licensed foster care setting. Once a child enters foster care, the state must ensure that the child is safe and treated well through the duration of the placement. This is accomplished by the enforcement of provider licensing standards.

H.B. 166 adds foster caregivers to the list of mandatory reporters of child abuse and neglect and requires that a recommending agency screen foster providers, along with all persons 18 years or older residing in the foster home, through a search of the U.S. Department of Justice national sex offender website.

In addition, the bill makes changes to the eligibility requirements for Title IV-E foster care assistance for a child who reaches the age of 18 while receiving care. These changes permit the child to be in either a planned permanent living arrangement (PPLA) or in the Title IV-E-eligible care and placement responsibility of a juvenile court or other governmental agency providing Title IV-E reimbursable placement services instead of just in the temporary or permanent custody of a public children services agency. The bill further provides that the PPLA or the care and placement by the juvenile court terminate on or after the child's 18<sup>th</sup> birthday and designates a child that meets the new eligibility requirements as an emancipated young adult.

### **Licensing adoption and substitute care providers**

PCSA's and private network foster care agencies are responsible for making recommendations for licensing adoption and substitute care providers. The goal of licensing adoption and substitute care providers is to determine the fitness of those providing foster care, residential care, adoption, and independent living services. Placement settings such as foster homes, group homes, and residential care centers are routinely monitored to assure

compliance with ODJFS rules. When it is necessary, technical assistance is provided to improve compliance with regulations; licenses may be revoked for noncompliance.

### **Kinship care**

This type of care refers to a temporary or permanent arrangement in which a relative or any nonrelative adult, who has a long-standing relationship or bond with the child and/or family, has taken over substitute care of a child. Kinship care includes those relationships established through an informal arrangement, legal custody or guardianship order, a relative foster care placement, or kinship adoption. Kinship care represents the most desirable out-of-home placement option for children who cannot live with their parents. It offers the greatest level of stability by allowing children to maintain their sense of belonging and enhances their ability to identify with their family's culture and traditions.

#### ***Kinship Navigator Program***

H.B. 166 requires the Department to establish the Statewide Kinship Care Navigator Program within one year (see C2:1 for the earmark); current law gives ODJFS permissive authority to operate the program. The federal Family First Prevention Services Act of 2018 allows states to use funds provided through Title IV-E of the SSA for preventative support, which allows the Department to draw down Title IV-E funds for this purpose. Additionally, ODJFS received a federal grant to assist with the start-up costs associated with the program. The ODJFS Director is required to:

- Create five to 12 program regions (factoring in the population size, estimated number of kinship caregivers, and other factors affecting the regions);
- Expand the list of individuals that can be considered a kinship caregiver to include any nonrelative adult that has a familiar and long-standing relationship or bond with the child;
- Seek Title IV-E funds for the program;
- Pay the nonfederal share of the program; and
- Specify that CDJFSs and PCSAs are not responsible for the program's cost.

#### ***Kinship Caregiver Program***

H.B. 166 requires funds (\$15.0 million in each fiscal year) earmarked from the TANF Block Grant (see C1:1 for the earmark) allocated in a specified manner and requires PCSAs, after entering into a memorandum of understanding with the CDJFS, to use funds to provide reasonable and necessary relief of child caring functions so kinship caregivers can provide and maintain a home for a child. The bill requires the program to have a family stabilization service and a caregiving service. PCSAs and CDJFSs are not responsible for payments if state funding is no longer available.

#### ***Kinship Permanency Incentive Program***

ODJFS supports the Kinship Permanency Incentive Program, which provides time-limited payments to kinship caregivers to offset some costs of caring for a child. A caregiver can receive up to eight payments per minor child.

## Temporary Child Hosting

H.B. 166 permits a child or single-family group to be hosted by a host family only on a temporary basis (generally not to exceed one year), under a host family agreement entered into with a qualified organization's authorization, and in appropriate circumstances. Host families are exempt from ODJFS certification or supervision and PCSAs are prohibited from filing a complaint that a hosted child is an unruly, abused, neglected, or dependent child, unless other factors warrant the complaint. The bill also makes employees of the qualified organization a mandatory reporter of child abuse and neglect. In addition, the host family is required to immediately report abuse or neglect to a qualified organization.

## Independent Living Program

County PCSAs are required to provide independent living services to youth at least 14 years old who are in substitute care. The goal of this program is to help these youth successfully transition into adulthood and become self-sufficient. Program services include life skills development training, education and vocational training, preventative health activities, financial assistance, housing, employment services, self-esteem counseling, and assistance with developing positive relationships and support systems. Individuals 18 to 21 years old, who have been emancipated from substitute care, are also eligible to receive independent living services upon request. PCSAs are also permitted to use a portion of their allocation to assist these individuals with rent and other costs.

## Interstate Compact for the Placement of Children

The Interstate Compact for the Placement of Children authorizes the placement of any child in Ohio from another state or placement of a child from Ohio in another state. Out-of-state and Ohio agencies must have placements approved before the child enters or leaves Ohio for placement with an adoptive family, in foster care, or in a group home or institutional setting.

This category of appropriations includes the sources of funding for foster and substitute care. The tables below show the line items included in this category and the appropriated funding.

### Kinship Permanency Incentive Program (ALI 600541)

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
GRF ALI 600541, Kinship Permanency Incentive Program	\$983,000	\$1,000,000	\$1,000,000
% change	--	1.7%	0.0%

This GRF line item is used to fund the Kinship Permanency Incentive (KPI) Program. The KPI Program provides time-limited incentive payments to kinship caregivers who meet eligibility criteria.

### Foster Care Program – Federal (ALI 600628)

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
3N00 ALI 600628, Foster Care Program – Federal	\$252,658,610	\$280,732,702	\$281,000,000
% change	--	11.1%	0.1%

This federally funded line item is used to issue monthly foster care payments to foster parents or institutions to support an out-of-home placement for a child, as well as for administration expenses. PCSAs pay a portion of the nonfederal share of foster care placement costs using state child protection allocations. Costs in excess of amounts provided from state and federal sources are paid by PCSAs.

### C2:4: Adult Protective Services (ALI 600534)

CDJFSs are required to investigate and evaluate all reports of suspected abuse, neglect, and exploitation of adults age 60 and over. Investigations of reports alleging abuse, neglect, and exploitation are mandated to be initiated within 24 hours if any emergency exists, or within three working days after a nonemergency report is received. Upon completion of an investigation, the county department must determine whether or not the person is in need of protective services. Adults who experience abuse, neglect, or exploitation are offered supportive services for protection in order to achieve self-sufficiency.

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
GRF ALI 600534, Adult Protective Services	\$2,649,777	\$4,230,000	\$4,230,000
% change	--	59.6%	0.0%

This GRF line item is used to provide supplemental funding to CDJFSs for adult protective services, which are provided to the elderly who are in danger of harm or are unable to protect themselves. H.B. 166 requires the funds to be divided equally among the counties.

### C2:5: Crossover Services

ODJFS administers programs that are designed to help more than one population served by OFC.

### Gracehaven Pilot Program (ALI 600552)

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
GRF ALI 600552, Gracehaven Pilot Program	\$0	\$259,685	\$259,685
% change	--	--	0.0%

This new appropriation item is used to finance the creation of Gracehaven centers to provide community-based services to women under 18 years of age that have been victims of human trafficking.

### Victims of Human Trafficking (ALI 600660)

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
SNGO ALI 600660, Victims of Human Trafficking	\$0	\$100,000	\$100,000
% change	--	--	0.0%

This line item is used to treat, care for, rehabilitate, educate, house, and provide assistance for victims of human trafficking. The fund consists of moneys seized during human trafficking law enforcement actions.

### Social Services Block Grant (ALI 600620)

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
3960 ALI 600620, Social Services Block Grant	\$37,110,565	\$42,000,000	\$42,000,000
% change	--	13.2%	0.0%

This federally funded line item is used to expend ODJFS's share of the federal Social Services Block Grant (SSBG). Title XX funds are received by ODJFS, which keeps 72.50% and distributes the remainder to the Department of Developmental Disabilities (14.57%) and to the Ohio Department of Mental Health and Addiction Services (12.93%).

The SSBG is federally appropriated under Title XX of the SSA. The grant provides funds for administration, training, and direct services. The services are for adults and children and include: adoption, day care, adult day care, physical protection, homemaker services, job training, counseling, and legal services.

By federal statute, the delivery of SSBG services must be directed toward the following five goals:

- To prevent, reduce, or eliminate dependence on public assistance;
- To maintain self-sufficiency once it is achieved;
- To prevent or remedy the neglect, abuse, or exploitation of children and vulnerable adults;

- To reduce inappropriate institutionalization by providing community-based care; and
- To provide quality institutional care when other forms of care are insufficient.

To address these national goals, ODJFS established 28 service categories that are designed to provide flexibility in targeting the populations to be served.<sup>7</sup> Some examples of the service definitions include adoption, family planning, employment services, prevention and intervention, home delivered meals, and legal services. All counties are required to provide services within the 28 categories. However, counties have discretion, flexibility, and autonomy in deciding specific services that will be offered. Therefore, the amount, duration, and scope of services vary from county to county.

## C2:6: Administration and Grants

### Job and Family Services Program Support (ALI 600551)

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
GRF ALI 600551, Job and Family Services Program Support	\$0	\$105,000	\$105,000
% change	--	--	0.0%

This new line item is used to provide \$75,000 in each fiscal year to the Mayerson Jewish Community Center to support summer camps, senior citizen socialization for Alzheimer's patients, and security services and to provide \$30,000 in each fiscal year to support Jewish Family Services, to provide aging and caregiver services, post-adoption counseling, domestic abuse counseling, and assistance with food pantry expansion.

### Court Appointed Special Advocates (ALI 600553)

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
GRF ALI 600553, Court Appointed Special Advocates	\$0	\$1,000,000	\$1,000,000
% change	--	--	0.0%

This new line item is used to provide \$333,333 in each fiscal year to support administrative costs associated with existing court-appointed special advocate programs and \$666,667 in each fiscal year to establish court-appointed special advocate programs in areas of the state that are not served by an existing program.

<sup>7</sup> Ohio Department of Job and Family Services. *State of Ohio Comprehensive Title XX Social Services Plan. October 1, 2018 – September 30, 2019. Page 38.* <http://emanuals.jfs.ohio.gov/pdf/pdf-forms/FINALTITLEXX.pdf>.



**Family and Children Activities (ALI 600609)**

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
4F10 ALI 600609, Family and Children Activities	\$221,610	\$708,000	\$708,000
% change	--	219.5%	0.0%

This line item is used to expend grants awarded to ODJFS by nonprofit or private philanthropic foundations for families and children. The expenditures funded by this line item support programs that enhance the health, safety, and well-being of children and families.

**Family and Children Support (ALI 600663)**

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
5U60 ALI 600663, Family and Children Support	\$3,066,020	\$5,000,000	\$5,000,000
% change	--	63.1%	0.0%

This line item funds the state share of the Ohio Child Welfare Training Program (OCWTP) for county personnel, child welfare-related administrative expenses, and tuition assistance for students. The state share of OCWTP's training and operations budget is funded through a hold-back imposed on Title IV-E payments.

OCWTP provides a comprehensive annual calendar of in-service child welfare training. Most of this training is mandated by law and ODJFS administrative rule. OCWTP activities include eight regional training centers.

**Child Welfare (ALI 600606)**

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
3270 ALI 600606, Child Welfare	\$23,969,119	\$28,950,337	\$29,000,000
% change	--	20.8%	0.2%

This federally funded line item provides funding for Federal Child Welfare Services Title IV-B, Parts 1 and 2, under Title IV of the SSA. The Title IV-B, Part 1 grant allows states to claim child welfare administrative costs and child welfare program costs. The administrative costs claimed to the grant are capped at 10% of Title IV-B, Part 1 expenses. The Title IV-B, Part 2 grant permits states to claim expenditures for family preservation, support services, caseworker visitation, and adoption promotion services at a 75% federal reimbursement rate. Funds from the Title IV-B, Part 2 grant are predominantly allocated to PCSAs.

### Federal Discretionary Grants (ALI 600616)

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
3950 ALI 600616, Federal Discretionary Grants	\$1,556,171	\$1,500,000	\$1,500,000
% change	--	-3.6%	0.0%

This federally funded line item provides funding from federal grants used for children and adult welfare activities. The Children’s Justice Act Grant funds the handling of child abuse and neglect cases, particularly the investigation of cases of child sexual abuse and exploitation. The Child Abuse and Neglect Grant is used for creating and improving the use of multi-disciplinary teams and interagency protocols to enhance investigations and improve legal preparation and representation. This includes procedures for appealing and responding to appeals of substantiated reports of abuse and neglect, and provisions for appointment of an individual to represent a child in judicial proceedings. The Adoption Incentive Grant is awarded to states that exceed the national foster child adoption, older child adoption, or special needs adoption baselines. All activities allowable under Title IV-B and Title IV-E, including post-adoption services, may be funded from this grant.

### Category 3: Child Support

The Office of Child Support (OCS) has the responsibility for providing program direction, overseeing local activity, and administering statewide contracts for some services. Local child support enforcement agencies (CSEAs) have the responsibility of direct administration and provision of services to all individuals in need of child support services, including location of an absent parent, paternity and support establishment, support collection, and enforcement of financial and medical obligations.

Title IV-D of the Social Security Act of 1975 designates ODJFS as the state’s Child Support Enforcement Agency. The Act requires ODJFS to be responsible for supervising local entities in the establishment and enforcement of support obligations owed by noncustodial parents. Child support obligations are collected and disbursed to recipients through a custodial fund that is separate from the state treasury and therefore not subject to appropriation.

The objective of the Child Support Program is to ensure children in Ohio receive the child support to which they are entitled from a noncustodial parent. The program is a cooperative venture between federal, state, and county governments. The program is administered locally by the county CSEAs providing services to the residents of that county. Most CSEAs are located within a county department of job and family services, with the remainder being an adjunct to a county prosecutor’s office or as a stand-alone local agency. In addition, three counties jointly utilize a multi-county organization: Hocking, Ross, and Vinton counties. The federal government provides program funding; sets program standards, policy, and regulations; evaluates and audits state and local programs; and provides technical assistance and training to states. ODJFS is the designated Title IV-D agency and OCS has the primary responsibility for the Child Support Program. Each county is required to establish a CSEA. Thus, responsibility for the Child Support Program is shared by the state and each of Ohio’s 88 counties.

<b>Fund Group</b>	<b>FY 2019 Actual</b>	<b>FY 2020 Appropriation</b>	<b>FY 2021 Appropriation</b>
GRF	\$29,272,301	\$23,456,891	\$23,456,891
State non-GRF	\$101,576,669	\$113,000,000	\$113,000,000
Federal	\$183,297,912	\$198,013,879	\$198,534,050
Program funding total	\$314,146,882	\$334,470,770	\$334,990,941
% change	--	6.5%	0.2%
Program share of ODJFS budget total	10.1%	9.0%	8.9%

Actual spending for FY 2019 includes spending from GRF appropriation item 600420, Child Support Programs (\$5,650,933). In FY 2020 and FY 2021, administrative costs for the Office of Child Support is appropriated through GRF appropriation item 600450, Program Operations (see C7:1 for more information).

### **Child Support Enforcement Activities**

The role of OCS is to provide the county CSEAs with resources to assist individuals that are owed support to obtain that support. OCS collects and distributes child support obligations through Child Support Payment Central and maintains the Support Enforcement Tracking System (SETS). In addition, OCS maintains statewide contracts for the New Hire Reporting Center, the Financial Institution Data Match, the Central Paternity Registry, and genetic testing.

CSEAs assist in the location of absent parents using several different databases including the New Hire Reporting Center, which fulfills state and federal requirements for employers to report all newly hired and rehired employees to ODJFS within 20 days of the date of hire. The New Hire Reporting Center speeds up the child support income withholding order process; expedites collection of child, spousal, and medical support from those who change jobs frequently; and locates noncustodial parents so that paternity orders can be established.

Local child support professionals use SETS for a variety of purposes including to:

- Initiate and maintain cases;
- Locate absent parents;
- Establish paternity and support;
- Adjust support obligations;
- Collect, allocate, and disburse support payments; and
- Increase inter-county access to data through a single statewide database.

CSEAs also enforce obligations owed by absent parents. The Financial Institution Data Match is used to identify accounts belonging to noncustodial parents who are delinquent in their child support payments and, if necessary, freeze and seize those accounts.

Child support enforcement activities include:

- Locating absent parents;
- Establishing paternity;
- Obtaining child, spousal, and medical support;
- Enforcing obligations owed by the absent parent; and
- Disbursement of support obligations.

To support these activities, ODJFS does the following:

- Operates the automated child support computer system (CSPC);
- Processes payments at a single centralized site (SETS);
- Maintains a registry of all child support cases in the state; and
- Maintains a database of all newly hired employees in the state.

### **Support Enforcement Tracking System**

The Family Support Act of 1988 mandated that each state develop an automated system to manage child support enforcement by October 1, 1995. In Ohio, the automated system is called the Support Enforcement Tracking System (SETS). The system aids in the location of absent parents and in the establishment and enforcement of child support cases. Funding for SETS is federally reimbursed at a rate of 66%. SETS is designed to accomplish several things. One of its main functions is to aid frontline child support professionals in a number of tasks, including:

- Initiating and maintaining cases;
- Locating absent parents;
- Establishing paternity and support; and
- Adjusting support obligations.

SETS also tracks the collection, allocation, and disbursement of support payments. It increases inter-county access to data through a single statewide database.

### **Location of absent parents**

The Child Support Program helps locate the whereabouts of an absent noncustodial parent, their employer, or other sources of income and assets so that the CSEA may take steps to secure or enforce a child support order. CSEAs use database information from the Bureau of Motor Vehicles, the Bureau of Employment Services, the Internal Revenue Service, the Social Security Administration, and the New Hire Reporting Center to aid in the location of an absent parent.

### **New hire reporting**

The Ohio New Hire Employer Center fulfills the federal requirement established in the Personal Responsibility and Work Reconciliation Act (PRWRA) of 1996 for employers to report new hires and rehires to a state directory. State and federal law requires employers to report all

newly hired and rehired employees to ODJFS within 20 days of the date of hire. The information is kept for 12 months and is used for location purposes and identification of employment resources for noncustodial parents who may be delinquent on their child support payments.

### **Paternity and support establishment**

The PRWRA of 1996 requires each state to develop a methodology for establishment of paternity and support obligations. These are the first two steps in collecting child support. The state's portion of federal incentive dollars is based on performance measures related to paternity and support order establishment. The Child Support Program assists the counties in meeting performance measure goals through contracts and interagency agreements. In Ohio, licensed contractors provide DNA testing for the establishment of paternity. ODJFS contracts with several vendors so that all 88 counties have access to genetic testing procedures. Statewide contracts allow the state to negotiate a lower price per test. By utilizing the statewide contracts, CSEAs do not have to secure individual vendors.

For a paternity order to be established, it can be court determined, an acknowledgement of paternity affidavit can be signed, or the genetic test results must show at least a 99% probability of fatherhood. Once paternity is established, CSEAs proceed with support establishment and enforcement of support collections. In January 1998, OCS created the Central Paternity Registry (CPR). The purpose of the CPR is to collect and process all paternity documents initiated by CSEAs, hospitals, vital statistics registrars, and courts. The CPR extracts specific data elements from each source and within a few days the information is made available to CSEAs to allow them to move quickly in establishing support.

The Department claims a portion of the processing charge for establishing the support order. H.B. 166 increases the amount it collects by \$10 (from \$25 to \$35) if it collects at least \$550 (previously \$500) of child support from a person who never received Title IV-A assistance.

### **Medical support**

State and federal laws require the inclusion of healthcare coverage in child support orders when coverage is available and reasonable, or expected to become available. Health insurance coverage is considered available and reasonable if either parent, through the parent's employer or other group health insurance plan, can obtain it. CSEAs are responsible for establishing and enforcing health insurance orders. The objective of medical support orders is to increase the number of children with healthcare coverage when it has been ordered. Medical support can also include orders to pay cash medical support. These orders are treated as cash obligations and are enforced using income or bank account withholding, tax intercept, and other methods used in the enforcement of any cash obligation. H.B. 166 establishes new rules regarding providing health coverage in child support orders.

### **License suspension and passport denial**

Pursuant to the Revised Code, upon a finding that an individual is in default of a child support order or has failed to comply with a subpoena or warrant issued by a CSEA or a court regarding the enforcement of a child support order, the CSEA may initiate the suspension or stop the issuance of the obligor's license (professional or driver's) by an Ohio license issuing agency. States submit child support cases with past due amounts to the federal Office for Child

Support Enforcement. If the past due amount owed exceeds \$2,500, the federal office automatically forwards the case to the U.S. State Department for passport denial.

### **Disbursement**

PRWRA requires ODJFS to establish and operate a state disbursement unit for centralized collection and disbursement of child support payments. In addition to CSPC, ODJFS operates the Payment Analysis and Account Reconciliation Bureau to handle the state's responsibilities not covered by the CSPC contract, including handling payment and disbursement exceptions and financial oversight and reconciliation of the master account.

### **Financial Institution Data Match**

PRWRA established the Financial Institution Data Match (FIDM) in order to increase collection of delinquent child support, maintain the integrity and security of financial institution and child support data, and make use of technology to aid in the collection of child support. The FIDM is used to identify accounts belonging to noncustodial parents who are delinquent in their child support payments and, if necessary, freeze and seize the accounts of the delinquent obligor. Banks, savings and loans, federal and state credit unions, benefit associations, insurance companies, safe deposit companies, and money market mutual funds must participate in the FIDM.

ODJFS is required to enter into agreements with financial institutions doing business in Ohio for the purpose of performing quarterly data matches. These institutions may participate in the multi-state (MSFIDM) program or participate on a state-by-state basis (SSFIDM). The MSFIDM is operated and funded through the federal Office of Child Support Enforcement. The SSFIDM includes those institutions doing business in only one state and those multi-state institutions that do not participate in the MSFIDM.

### **Child Support Schedule Review**

H.B. 166 changes the review required every four years regarding the child support schedule, to include additional economic factors that must be considered, including the cost of raising a child, labor market data (including unemployment rates, hours worked, and earnings by occupation for the state and local job market, among others), the impact of custodial parents that earn less than 200% of the federal poverty level (FPL), and factors that influence the employment rate among noncustodial parents. For the purposes of the review, the following must be analyzed: case data on deviations from the child support schedule, rates of default, child support orders with imputed income, and orders that utilize low-income adjustments, a comparison of child support orders by case characteristics. Additionally, the review will include input from low-income custodial and noncustodial parents. These updated review requirements comply with the federal Family First Prevention Services Act of 2018.

### C3:1: Child Support Activities

#### Child Support (ALIs 600502 and 600626)

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
GRF ALI 600502, Child Support – Local	\$23,621,368	\$23,456,891	\$23,456,891
% change	--	-0.7%	0.0%
3970 ALI 600626, Child Support – Federal	\$182,952,346	\$197,479,829	\$198,000,000
% change	--	7.9%	0.3%
<b>Child Support Activities</b>	<b>\$206,573,714</b>	<b>\$220,936,720</b>	<b>\$221,456,891</b>
% change	--	<b>7.0%</b>	<b>0.2%</b>

GRF line item 600502, Child Support – Local, is used to provide state funds for operating expenses of the CSEAs. The federal government reimburses 66% of CSEA expenditures made for Title IV-D cases. This line item provides a portion of counties' nonfederal share of child support administrative expenditures.

Federal line item 600627, Child Support – Federal, provides the federal share of all county and state Title IV-D child support administrative expenditures. The major components of this line item are county administration, which provides monthly funding for the CSEAs based on current expenditures and county Actuals; state administration, which includes personal services, purchased personal services, maintenance, equipment, and the federal share of SETS; and federal child support incentive dollars. Incentive dollars are provided to CSEAs to support operations – ODJFS holds back a portion of these incentives for administrative expenses at OCS.

Administrative expenses for child support activities were previously appropriated through GRF appropriation item 600420, Child Support Programs, in order to provide the nonfederal share of state administrative expenses; in FY 2020 and FY 2021, administrative costs for OCS are appropriated through GRF appropriation item 600450, Program Operations (see C7:1 for more information).

### C3:2: Child Support Intercept

#### Child Support Intercept (ALIs 600646 and 600642)

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
1920 ALI 600646, Child Support Intercept – Federal	\$89,285,284	\$100,000,000	\$100,000,000
% change	--	12.0%	0.0%
5830 ALI 600642, Child Support Intercept – State	\$12,291,385	\$13,000,000	\$13,000,000
% change	--	5.8%	0.0%
<b>Child Support Intercept Total</b>	<b>\$101,576,669</b>	<b>\$113,000,000</b>	<b>\$113,000,000</b>
% change	--	<b>11.2%</b>	<b>0.0%</b>

The Child Support Intercept – Federal Fund (Fund 1920) and the Child Support Intercept – State Fund (Fund 5830) support line items 600646 and 600642, respectively. The funds are used to collect overdue child support payments from federal and state personal income tax returns. ODJFS partners with the Internal Revenue Service (IRS) and the Ohio Department of Taxation as part of a tax offset program for obligors who owe arrearages. Through this program, CSEAs are able to submit the names of noncustodial parents who owe arrearages, and their tax returns are offset and forwarded to ODJFS. Upon receipt, the collections are disbursed to Child Support Payment Central (CSPC) for processing and distributed to the custodial parent. The IRS retains a processing fee from the collections forwarded to ODJFS.

### **C3:3: Child Support Projects**

#### **Child Support Projects (ALI 600622)**

<b>Fund/ALI</b>	<b>FY 2019 Actual</b>	<b>FY 2020 Appropriation</b>	<b>FY 2021 Appropriation</b>
3S50 ALI 600622, Child Support Projects	\$345,566	\$534,050	\$534,050
% change	--	54.5%	0.0%

This federally funded line item is used to provide funding for the Access/Visitation Program. The program supports and facilitates the nonresidential parents' access to, and visitation of, their children and encourages the payment of child support obligations. These services include mediation centering on access and visitation, parenting education classes, and neutral drop-off and pick-up points. CSEAs apply for these funds from OCS.

## **Category 4: Unemployment Compensation Administration**

### **Overview**

The Office of Unemployment Insurance Operations (OUIO) administers programs and provides services related to unemployment insurance. OUIO is organized into four divisions: Benefits & Technology (B&T), Central Administration (CA), Integrity & Review (I&R), and Tax & Employer Services (T&ES). B&T has five Unemployment Insurance (UI) delivery centers and six adjudication centers across the state; the UI delivery centers provide a means for applying for unemployment insurance and adjudication centers provide judgements of UI claims. CA is responsible for all aspects of budget development, implementation and monitoring, grant management, Controlling Board requests, United States Department of Labor (USDOL) program workload reports, forecasting of UI revenues, and managing accounting, reporting, and reconciliation of the UI Fund activity. I&R protects Ohio's UI Program while ensuring federal performance standards are met. T&ES collects contributions, ensures employer compliance with state and federal law, gathers wage information, provides support to employers who need assistance with the Employer Resource Information Center (ERIC) system, processes all labor disputes and seasonal employer matters, and represents the agency in tax appeals.



Table 8. Unemployment Compensation Program Funding by Fund Group

Fund Group	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
GRF	\$21,008,762	\$0	\$0
State non-GRF	\$10,541,740	\$14,900,000	\$12,900,000
Federal	\$77,435,392	\$78,236,024	\$78,236,024
Program funding total	\$108,985,894	\$93,136,024	\$91,136,024
% change	--	-14.5%	-2.1%
Program share of ODJFS budget total	3.5%	2.5%	2.4%

Actual spending for FY 2019 includes spending from GRF appropriation item 600445, Unemployment Insurance Administration (\$21,008,762). Spending for administrative functions of OUIO is appropriated through GRF appropriation item 600450, Program Operations, in FY 2020 and FY 2021 (see C7:1 for more information). As a result, comparisons from FY 2019 to FY 2020 are difficult.

### Unemployment compensation overview

Unemployment insurance was created as a federal and state partnership for income maintenance during periods of involuntary unemployment by providing partial compensation for lost wages to eligible individuals. Benefits are paid through Ohio's Unemployment Compensation Fund (the UC Fund), a federal bank account which is funded through state insurance taxes on employers. ODJFS collects the taxes, deposits the revenue into a clearing account, and then transfers it to the UC Fund. Funds for administration of unemployment insurance are provided by USDOL from revenues collected from employers by the IRS. Unemployment benefits are not appropriated in the state budget, but are paid from Ohio's Unemployment Compensation Fund, which is a federal account.

### Employers

There are about 229,000 employers in the state that participate in the unemployment compensation system. State law classifies employers into one of two categories: "contributory" and "reimbursing" employers. Most nongovernment employers are contributory employers and most public employers and nonprofits are reimbursing. There are about 224,000 (98%) contributory employers and 5,000 (2%) reimbursing employers in the state; about 3,600 (72%) of reimbursing employers are government entities.

Contributory employers pay unemployment insurance taxes on a quarterly basis. If a contributory employer has a layoff, payment of the unemployment compensation benefit is paid from the employer's account in the UC Fund. When the system is operating normally, each employer should have sufficient funds in the employer's account to cover any charges against the employer. As the balance in an employer's account goes down, the future rate of contributions for the employer will increase to replenish those losses. Reimbursing employers are billed once a month, after the fact, for the amount of benefits paid to the employer's former employees from the UC Fund.

## **State taxes**

The state has various unemployment insurance tax rates for different employers that are applied to each employee's taxable wage; the wage base is \$9,000 under continuing law, but has been increased to \$9,500 for calendar years 2018 and 2019. In 2018, the average tax rate for Ohio employers is estimated to be 2.29%, which amounted to about \$218 per employee. In that year, contributions to Ohio's UC Fund totaled \$1.13 billion.

## **Experience rate**

The experience rate in 2019, which ranges from 0.3% to 9.2% (\$29 to \$874) per employee, is different for each employer. There are two components to the experience rate: the base rate and the minimum safe level tax.

The base rate ranges varies based on the employer's experience of unemployment claims paid from the employer's account. It factors employers' taxable wages, contributions paid, and benefits charged to their accounts. Generally, rates are lower for employers that have contributed over many years with few layoffs. Rates are generally higher for employers with frequent layoffs. For new employers, the rate is set at 2.7%, until the employer's account has been chargeable with benefits for four consecutive calendar quarters ending June 30; after that, the employer is eligible for a base rate based on experience. Construction industry employers pay a higher rate of 5.9%.

The minimum safe level (MSL) tax is charged to employers who qualify for an experience rate when the UC Fund balance is more than 60% below the MSL. The MSL, as defined by state law, is \$2.92 billion (as of July 2018). This tax is currently in effect, as the UC Fund has been well below this threshold. Half of the amount from this tax is credited to the employer's account and the other half is credited to the state's mutualized account (explained below).

## **Mutualized rate**

In addition to experience rates, some years employers must pay the mutualized rate. This rate can be charged to restore the state's mutualized account to a positive balance. (The mutualized rate will not be charged to employers in 2019, as the mutualized account has a positive balance.) The mutualized account is separate from employer accounts in the UC Fund and maintained for the primary purpose of recovering the costs of unemployment benefits that were paid and not chargeable to individual employers for a variety of reasons.

## **Federal tax**

The Federal Unemployment Tax Act (FUTA) rate is 6.0% on the first \$7,000 of each employee's taxable wage (\$420 per employee). However, employers in states that have an unemployment program that is approved by USDOL receive a credit of 5.4 percentage points resulting in an effective tax rate of 0.6% (\$42 per employee). USDOL approval requires adherence to federal requirements and regulations. Ohio is currently operating an approved program.

The FUTA tax is collected by the IRS and transferred to USDOL. Most of the FUTA tax is disbursed to state governments to administer unemployment compensation programs. Some of the tax is used to pay for extended UC benefits and some of it is loaned by the federal

government to states that do not have an adequate balance in the UC Fund to issue benefits. In 2017, Ohio employers paid about \$219.1 million in FUTA taxes.<sup>8</sup>

### Eligibility

To be eligible for unemployment benefits an individual must have worked at least 20 weeks in covered employment with sufficient wages during a base period. Covered employment is time spent working for an employer that participates in the UC system. Sufficient wages amount to at least 27.5% of the statewide average weekly wage, updated annually (\$261 on average per week for 2019, before taxes or other deductions).<sup>9</sup> The base period is the first four of the last five completed calendar quarters before the claim was filed. An alternative base period can be applied for those who did not have sufficient wages or who did not accumulate 20 weeks of work in the normal base period. The alternative base period is the last four completed calendar quarters before the claim was filed. To receive benefits, an individual must be able and available to work and seek work for every week while receiving benefits. Individuals must also be unemployed at the time of filing an unemployment claim.

### Benefits

Regular UC benefits, which are issued from the state's UC Fund, are paid to individuals who lose employment through no fault of their own and who have worked at least 20 weeks. The benefit period equals the number of weeks worked, from a minimum of 20 weeks up to 26 weeks. In 2018, the average weekly benefit was about \$373, which was received for about 15 weeks for a full benefit of \$5,595. If received for the full 26 weeks, the benefit would total about \$9,698.

The weekly benefit amount an individual receives equals half of an individual's average weekly wage up to certain maximums based on the number of dependents an individual claims. The three dependency classifications and maximum weekly benefits for 2019<sup>10</sup> are:

- Class A (no dependents) \$443 per week;
- Class B (one to two dependents) \$537 per week; and
- Class C (three or more dependents) \$598 per week.

These maximum thresholds generally increase each year with the statewide average weekly wage in accordance with state law; however, the amounts for 2019 are currently frozen at the 2017 level in accordance with S.B. 235 of the 131<sup>st</sup> General Assembly and will increase based on the average weekly wage (AWW) in 2020 (see "**Unemployment compensation issues: Temporary wage base increase and benefit freeze**" section for more information).

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<sup>8</sup> U.S. Department of Labor. *Estimated FUTA Receipts vs. Amounts Returned*. [https://oui.doleta.gov/unemploy/futa\\_receipts.asp](https://oui.doleta.gov/unemploy/futa_receipts.asp).

<sup>9</sup> Ohio Bureau of Workers' Compensation. *Compensation Rates*. <https://www.bwc.ohio.gov/downloads/blankpdf/comprates.pdf>.

<sup>10</sup> Ohio Department of Job and Family Services. *Ohio Unemployment Insurance: Benefits Chart – 2019*. [https://unemployment.ohio.gov/PDF/Benefits\\_Estimator.pdf](https://unemployment.ohio.gov/PDF/Benefits_Estimator.pdf).

There are certain deductions that may reduce benefits, which include severance pay, vacation pay, pensions, company buy-out plans, and workers' compensation. However, Ohio law allows that 20% of such earnings can be exempt from deduction. Income that is not deducted from UC benefit payments include payments from the Social Security Administration, interest dividends, rental income, supplemental unemployment benefits, and U.S. National Guard and armed forces reserve pay for scheduled drills.

### ***SharedWork Ohio***

SharedWork Ohio is a layoff aversion program where participating employers reduce employees' normal weekly hours by 10% to 50% and eligible employees receive a proportional amount of UC that they would otherwise be entitled to receive if fully employed. H.B. 166 modifies the SharedWork Ohio Program to limit the normal weekly hours of work considered for the program to those hours of work covered under unemployment compensation law.

### ***Benefit overpayments and recovery***

Ohio is also a participant in the federal Treasury Offset Program (TOP). TOP is a centralized program through the U.S. Department of the Treasury by which tax refund payments are offset to collect delinquent debts owed to federal agencies and states. ODJFS also works with the Attorney General's Office to collect overpayments. Under continuing law, debt collected from the overpayment of unemployment benefits must be proportionally credited to the improperly charged employer's account before any payments are deposited in the actualized account. H.B. 166 exempts any debts collected by the Attorney General from this requirement.

Additionally, Ohio has built and implemented a weekly national incarceration cross match system that matches individuals applying for UC benefits with a database of individuals identified as being incarcerated either during the week of application or recertification.

## **Unemployment compensation issues**

### ***Fund solvency***

For the past eight consecutive years, unemployment revenue for Ohio's UC Fund has exceeded expenditures. The UC Fund however has not recovered from the last two recessions. During the years of shortfall, the state used the balance in the UC Fund to pay benefits, until January 2009, when the UC Fund was depleted. Ohio borrowed a total of \$3.39 billion from the federal government to cover benefit payments, an amount that has been repaid. Unemployment benefits are indexed to the state's average weekly wage, and therefore increase each year. Revenues are not indexed and fluctuate based on employers' experience rates.

### ***Temporary wage base increase and benefit freeze***

S.B. 235 of the 131<sup>st</sup> General Assembly temporarily increases the taxable wage base on contributory employers from \$9,000 to \$9,500 and freezes the maximum weekly benefit amount (MWBA) to claimants for calendar years 2018 and 2019 at the 2017 level. On January 1, 2020, the taxable wage base will decrease back to \$9,000 and the MWBA will be unfrozen.

**C4:1: Unemployment Compensation Interest (ALI 600695)**

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
5HC0 ALI 600695, Unemployment Compensation Interest	\$0	\$1,000,000	\$0
% change	--	100.0%	-100.0%

This line item is used to pay accrued interest owed to the federal government for amounts borrowed to issue regular unemployment benefits (for up to 26 weeks) from Ohio's Unemployment Compensation Fund. According to ODJFS, it is possible given the relatively low balance of the UC Fund that the state may have to borrow in the short term from the federal government in the next biennium. The state generally pays a higher proportion of benefits during the first two calendar quarters of the year due to layoffs in seasonal industries. Borrowed amounts are repaid from the UC Fund, but interest must be paid from state funds.

**C4:2: Unemployment Compensation Administration Fund (ALI 600607)**

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
4A90 ALI 600607, Unemployment Compensation Administration Fund	\$10,541,740	\$13,900,000	\$12,900,000
% change	--	31.9%	-7.2%

This line item is used to fund administrative activities related to unemployment compensation for which federal funds are not available. This line item supports the Treasury Offset Program, funds from which are deposited into Fund 4A90 and expended through this line item. This line item is also used for supplemental administrative costs related to the Unemployment Compensation Review Commission (UCRC) and reimbursements to the Ohio Attorney General's Office for expenses related to collection of fraudulent unemployment benefits. This line item is supported by Fund 4A90. Fund 4A90 receives revenues from the interest collected on delinquent employer contributions to the UC Fund plus all fines and forfeitures assessed on employers.

**C4:3: Federal Unemployment Programs (ALI 600678)**

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
3V40 ALI 600678, Federal Unemployment Programs	\$73,368,301	\$73,436,024	\$73,436,024
% change	--	0.1%	0.0%

This federally funded line item is used to support the functions of the OUIO, Office of Workforce Development, and the Office of Local Operations to administer federal unemployment programs. Funding for this line item is provided by the federal government in

the form of grants for administration of unemployment services, including federal unemployment taxes paid by employers to the IRS pursuant to FUTA.

#### **C4:4: UC Review Commission – Federal (ALI 600679)**

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
3V40 ALI 600679, UC Review Commission – Federal	\$4,067,091	\$4,800,000	\$4,800,000
% change	--	18.0%	0.0%

This line item funds the payroll costs for the UCRC. The Commission conducts reviews for applicants who wish to appeal a benefit determination. This line item is funded through a carve-out of FUTA grant funds.

### **Category 5: Workforce Development**

#### **Overview**

The Office of Workforce Development (OWD) partners with the Ohio Development Services Agency, Ohio Department of Higher Education, the Governor’s Office, USDOL, local workforce investment boards, and a variety of stakeholders, including business partners, to promote job creation and advance Ohio’s workforce. OWD develops and administers programs and services designed to support and enhance state and local workforce development initiatives that address the needs of workers, families, and employers throughout Ohio. OWD provides services to assist Ohio’s businesses with recruitment of skilled workers, technical assistance with identification of funds, and resources for skills training for new and incumbent workers; it also provides federally and state-required training programs and other support services tailored to meet specific business needs. One of OWD’s main responsibilities is to administer programs funded by the federal Workforce Innovation and Opportunity Act (WIOA) enacted in July 2014.

**Table 9. Workforce Development Program Funding by Fund Group\***

Fund Group	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
GRF	\$0	\$0	\$0
State non-GRF	\$312,536	\$300,000	\$300,000
Federal	\$136,799,226	\$198,761,018	\$199,450,000
Program funding total	\$137,111,762	\$199,061,018	\$199,750,000
% change	--	45.2%	0.3%
Program share of ODJFS budget total	4.4%	5.4%	5.3%

\*Some GRF is provided for program operations. This funding is captured in Category 7: Program Management.

## Workforce Innovation and Opportunity Act overview

The main source of funding for Workforce Development comes from USDOL pursuant to WIOA. The Act reauthorizes the Workforce Investment Act of 1998 (WIA), which repealed the Job Training Partnership Act and replaced it with a locally based employment and training service delivery system for youth, adults, and dislocated workers with an emphasis on flexibility in the use of program dollars. These three categories designate the three funding streams of WIOA. Based on the latest available data from the Census Bureau for disadvantaged youth and adults, the federal government allocates funds to each state for the program year that begins the following July 1. Upon receiving the allotment notice, states then suballocate funds to local workforce investment areas in accordance with federally prescribed allocation procedures. Local workforce investment boards have two years to expend grant funds.

WIOA maintains the WIA provision which allows states to retain 15% of the total allotment of each program for statewide use. The dollars retained for statewide use are often called the Governor's discretionary funds. Funds held for statewide use must be expended within three years. States have considerable flexibility in how these dollars may be used. For the Dislocated Worker Program, an additional 25% may be retained at the state level for Rapid Response activities. Rapid Response allows ODJFS to provide assistance to local areas experiencing workforce-related events that create substantial increases in the number of unemployed individuals.

### One-Stops

As stated above, most WIOA dollars are suballocated by ODJFS to local workforce investment areas. There are 20 workforce investment areas in the state. The federal government requires that states and local workforce investment areas deliver services through "One-Stops." One-Stops, known in Ohio as OhioMeansJobs Centers, are mandated to serve communities by functioning as the primary public resource for job and career counseling, training, job searching, employment services, and a range of other ancillary services. There are 88 OhioMeansJobs Centers in Ohio with one in each county. One-Stops can be housed in any number of facilities such as a CDJFS, a county workforce development agency, a community college, a community action organization, a joint vocational school, or a stand-alone One-Stop.

OhioMeansJobs Centers are divided into two categories: "Level 2" and "Level 1." Level 2 sites generally provide a wider array of services than Level 1 sites. There is at least one Level 2 site in each local workforce investment area. In total, there are currently 22 full-service Level 2 OhioMeansJobs Centers with 66 affiliate Level 1 sites.<sup>11</sup> Both Level 1 and Level 2 sites must have Americans with Disabilities Act access and accessible technology.

### Level 2 OhioMeansJobs Centers

Level 2 OhioMeansJobs Centers are full-service, comprehensive, integrated employment and training sites required by WIOA. This includes full partner participation in resources

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<sup>11</sup> Ohio Department of Job and Family Services. *OhioMeansJobs Centers*. <http://jfs.ohio.gov/owd/wioa/map.stm>.

(services and staff), which includes core and intensive services and training services. All Level 2 partners are required to participate in cost sharing of operational costs.

### ***Level 1 OhioMeansJobs Centers***

Level 1 OhioMeansJobs Centers must be affiliated with a Level 2 site within the local workforce area. In many local workforce areas, there are multiple Level 1 sites associated with a Level 2 site. The minimum Ohio requirement for a Level 1 site is the participation of three or more distinct partners providing, at a minimum, core services. All Level 1 sites must have a fully functional resource room. Many of the Level 1 sites provide more than the minimum services noted above.

### **Funding**

For FY 2019, Ohio's regular WIOA allocation was \$100.0 million. Of this amount, \$83.4 million (83%) was allocated to Ohio's 20 workforce investment areas, and the state retained about \$16.6 million (17%) for statewide activities and administration. Table 10 shows WIOA allocations for Ohio in FY 2019 by category. Since local WIOA funds may be expended over two years, and state WIA funds over three years, there are usually "carry-over" dollars each year.

<b>WIOA Category</b>	<b>Total Allocation</b>	<b>Workforce Investment Areas</b>	<b>Statewide Use</b>
Dislocated Worker*	\$29,799,322	\$23,806,559	\$5,992,763
Youth	\$36,354,942	\$30,901,701	\$5,453,241
Adult	\$33,816,486	\$28,713,682	\$5,102,804
<b>Total</b>	<b>\$99,970,750</b>	<b>\$83,421,942</b>	<b>\$16,548,808</b>

\*For this category 40% of the allocation may be retained for statewide use: 15% for administration and statewide activities and 25% for Rapid Response activities.

In addition to the amounts in Table 10, ODJFS received an additional dislocated worker award of \$9.9 million that was separate from the regular allocation. This amount came from a National Dislocated Worker Grant and Disaster Dislocated Worker Grant.<sup>12</sup>

Table 11 shows FY 2019 allocations to Ohio's workforce investment areas by category. One workforce investment area (area 7) is separated into 11 regional groups, which are listed in Table 12. Each regional group has a Level 2 One-Stop.

<sup>12</sup> More information about these additional dislocated worker grants: <http://jfs.ohio.gov/owd/WorkforceProf/Grants.stm>.



Table 11. Workforce Investment Areas and FY 2019 Allocation of New WIA Funds

Area	Counties	Dislocated Worker	Youth	Adult	Total
1	Adams, Brown, Pike, and Scioto*	\$891,395	\$793,605	\$812,585	\$2,497,585
2	Medina and Summit*	\$1,155,118	\$1,606,191	\$1,524,056	\$4,285,366
3	Cuyahoga*	\$3,069,854	\$4,680,761	\$4,478,787	\$12,229,402
4	Lorain*	\$977,235	\$1,275,807	\$1,208,894	\$3,461,936
5	Lake*	\$435,853	\$583,107	\$561,089	\$1,580,048
6	Stark* and Tuscarawas	\$944,362	\$1,270,517	\$1,228,796	\$3,443,675
7	Eleven Regional Groups**	\$5,778,681	\$7,182,443	\$6,451,448	\$19,412,572
8	Auglaize, Hardin, Mercer,* and Van Wert	\$188,842	\$230,180	\$214,977	\$633,999
9	Lucas*	\$1,125,335	\$1,412,531	\$1,322,504	\$3,860,370
10	Crawford and Richland*	\$358,953	\$498,335	\$504,351	\$1,361,640
11	Franklin*	\$1,527,026	\$2,245,545	\$1,926,417	\$5,698,988
12	Butler,* Clermont, and Warren	\$946,762	\$1,396,864	\$1,251,652	\$3,595,278
13	Hamilton*	\$984,686	\$1,599,885	\$1,494,084	\$4,078,655
14	Athens,* Meigs, and Perry	\$420,413	\$703,919	\$527,198	\$1,651,531
15	Monroe, Morgan, Noble, and Washington*	\$615,645	\$512,838	\$503,414	\$1,631,898
16	Belmont,* Carroll, Harrison, and Jefferson	\$898,058	\$880,266	\$847,136	\$2,625,460
17	Columbiana* and Mahoning	\$1,237,274	\$1,381,293	\$1,355,468	\$3,974,035
18	Trumbull*	\$914,623	\$923,756	\$897,598	\$2,735,977
19	Ashtabula,* Geauga, and Portage	\$707,570	\$1,083,652	\$918,515	\$2,709,736
20	Fairfield,* Hocking, Pickaway, Ross, and Vinton	\$628,873	\$640,204	\$684,713	\$1,953,790
	<b>Total</b>	<b>\$23,806,558</b>	<b>\$30,901,701</b>	<b>\$28,713,683</b>	<b>\$83,421,941</b>

\*Denotes location of a Level 2 One-Stop.

\*\*See Workforce Investment Area 7 Counties by Regional Group table immediately below.

<b>Table 12. Workforce Investment Area 7 Counties by Regional Group</b>	
<b>Level 2</b>	<b>Level 1</b>
Allen	Paulding and Putnam
Clark	Champaign, Logan, Madison, and Union
Hancock	Wood and Wyandot
Knox	Delaware, Marion, and Morrow
Lawrence	Gallia and Jackson
Licking	Coshocton, Guernsey, and Muskingum
Montgomery	Clinton, Fayette, Greene, and Highland
Sandusky	Erie, Huron, Ottawa, and Seneca
Shelby	Darke, Miami, and Preble
Wayne	Ashland and Holmes
Williams	Defiance, Fulton, and Henry

### **Performance measures**

States are required to track and report certain performance measures to the federal government. There are three common performance measures for each of the three WIA funding streams. For adults and dislocated workers, the three measures are the percentage that entered employment, the percentage that retained employment, and average earnings. For youth, the three measures are the percentages who were placed in employment or education, attained a degree or certificate, and improved in literacy and math skills. States negotiate goals based on these performance measures with the federal government. States can either exceed, meet, or not meet these goals.

### **Other workforce programs**

#### **ApprenticeOhio**

The ApprenticeOhio Program offers outreach to employers, educational facilities, and military; technical support for interested employers; registration of apprenticeship programs that meet certain requirements; protection of the safety and well-being of apprentices; issuances of nationally recognized certification of completion; and ensuring that all registered programs provide high quality training standards.

#### **Labor Market Information**

The Labor Market Information Program collects, analyzes, publishes, and disseminates information about Ohio's industry, labor force, and economy. The program focuses on serving business initiatives and planning needs to support workforce and economic development activities and decisions. Delivery of this information is primarily via the internet. Program staff also provide data support and administrative reports and assist in federal reporting activities for the Unemployment Compensation Program. OWD prepares reports on employment levels,

unemployment levels, wages and earnings, employment outlook by industry and occupation, and other economic and industry-specific data.

### **Migrant Seasonal Farm Workers Program**

The Migrant Seasonal Farm Workers Program insures that workers receive appropriate information regarding employment, such as career guidance, housing, job development and referral, and training as needed. In addition, the program ensures that housing for these workers meets standards set by the Occupational Safety and Health Administration (known as OSHA), and agricultural growers receive the information and support to locate and employ the seasonal workers they need.

### **Foreign Labor Certification Program**

The Foreign Labor Certification Program insures that foreign workers who enter the U.S. on a temporary or permanent basis do not adversely affect the job opportunities, wages, and working conditions of naturalized workers. Through this program, OWD oversees the processes employers utilize when seeking foreign workers on a temporary or permanent basis. Foreign Labor Certification staff work with employers to identify naturalized citizens who are qualified, willing, and able to fill job vacancies.

### **Work Opportunity Tax Credit Program**

The Work Opportunity Tax Credit Program encourages employers to hire from nine target groups of disadvantaged individuals. The groups are:

- TANF recipients;
- Supplemental Nutrition Assistance Program (SNAP) recipients;
- Veterans;
- Ex-felons;
- Designated community residents (living in Empowerment Zones or Rural Renewal Counties);
- Vocational rehabilitation consumers;
- Summer youth employees;
- Social Security Income recipients; and
- Individuals who are a member of a family that received TANF or benefits under a successor program for at least 18 consecutive months.

Employers that hire such individuals receive federal tax credits that range from \$1,200 to \$9,600. Primary activities for this program involve marketing the tax credit to employers and processing certifications for the tax credit.

### **Comprehensive Case Management and Employment Program**

The Comprehensive Case Management and Employment Program (CCMEP) connects clients to resources and services across various assistance programs, standardizes eligibility, and combines resources to improve education and training outcomes and establish pathways

to employment for individuals aged 14 to 24. ODJFS began its initial implementation of CCMEP in FY 2016 and began enrolling participants in FY 2017, using a combination of WIOA Youth and TANF funds. CDJFSs or local workforce development agencies serve as the lead agencies for CCMEP; lead agencies are accountable for operating CCMEP and are evaluated against certain performance standards. H.B. 166 modifies CCMEP to make an assistance group ineligible to participate in the program if they received fraudulent assistance until the assistance has been repaid.

### **Labor Exchange Services Program**

As part of the One-Stop system, the Labor Exchange Services Program provides services to both job seekers and employers. OWD provides policy guidance and performance management measures while the Office of Local Operations provides services statewide that include job search assistance, referral and placement assistance to job seekers, reemployment services to unemployment insurance claimants, and recruitment services to employers with employment opportunities.

### **Reemployment Services and Eligibility Assessment**

The Reemployment Services and Eligibility Assessment (RESEA) Program connects unemployed and underemployed UC claimants with reemployment and training provided through OhioMeansJobs Centers. The program aids claimants in complying with UC eligibility requirements to continue receiving benefits.

## **C5:1: Workforce Innovation and Opportunity**

### **Employment Services (ALI 600624)**

<b>Fund/ALI</b>	<b>FY 2019 Actual</b>	<b>FY 2020 Appropriation</b>	<b>FY 2021 Appropriation</b>
3310 ALI 600624, Employment Services Programs	\$21,288,283	\$26,000,000	\$26,000,000
% change	--	22.1%	0.0%

As part of the One-Stop system, the Labor Exchange Services Program provides services to both job seekers and employers. OWD provides policy guidance and performance management measures while the Office of Local Operations provides services statewide that include job search assistance, referral and placement assistance to job seekers, reemployment services to unemployment insurance claimants, and recruitment services to employers with employment opportunities.

### **Workforce Innovation and Opportunity Act Programs (ALI 600688)**

<b>Fund/ALI</b>	<b>FY 2019 Actual</b>	<b>FY 2020 Appropriation</b>	<b>FY 2021 Appropriation</b>
3V00 ALI 600688, Workforce Innovation and Opportunity Act Programs	\$92,788,229	\$142,092,211	\$142,450,000
% change	--	53.1%	0.3%

This federally funded line item is used to distribute WIA dollars to local workforce investment boards to administer the Youth, Adult, and Dislocated Worker programs through local OhioMeansJobs Centers. ODJFS retains a portion of these dollars for statewide use, Rapid Response, and administration. This line item is also used to expend funds to be redirected toward the Comprehensive Case Management and Employment Program.

### Trade Programs (ALI 600632)

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
3V40 ALI 600632, Trade Programs	\$13,685,875	\$19,755,884	\$20,000,000
% change	--	44.4%	1.2%

This federally funded line item is used to support Trade Adjustment Assistance (TAA) programs. These programs help workers affected by trade (increased imports from, or shifts in production to, foreign countries) to quickly return to suitable employment. Depending on their situation, workers can receive training, trade readjustment allowances, reemployment services, job search allowances, relocation allowances, a health coverage tax credit, and alternative trade adjustment assistance services. Each program has its own eligibility criteria and compensation arrangement. TAA programs are fully federally funded and do not require a state match or maintenance of effort.

To obtain trade adjustment assistance, a petition must be filed with USDOL. USDOL then certifies eligibility. Those who may file petitions include a group of three or more workers, a union official, a company official, and state workforce agencies including One-Stops. USDOL generally determines eligibility within 40 days.

### C5:2: Veterans Programs (ALI 600615)

The Local Veterans Employment Representatives Program ensures veterans receive a range of workforce and employment services needed to meet their employment and training needs. Program staff do all of the following:

- Advocate on behalf of veterans for employment and training;
- Establish, maintain, and facilitate regular contact with employers to develop employment and training activities for veterans;
- Provide and facilitate employment and training services for veterans in the workforce development system;
- Assist transitioning military personnel to civilian jobs through Ohio Transitional Assistance Program workshops; and
- Report Ohio's compliance with state directives on services to veterans and progress toward meeting Ohio's performance standards on a quarterly basis.

The Disabled Veterans Outreach Program Specialist (DVOPS) Program provides intensive services to veterans that may include job-search coaching, vocational counseling, and specialized one-on-one job development assistance to meet veterans' needs. DVOPS services

target veterans who are economically or educationally disadvantaged, including homeless veterans and veterans with barriers to employment.

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
3310 ALI 600615, Veterans Programs	\$6,473,047	\$7,000,000	\$7,000,000
% change	--	8.1%	0.0%

This federally funded line item is used for the Local Veterans Employment Representatives Program and the Disabled Veterans Outreach Program.

### **C5:3: Workforce Programs Administration and Contracts**

#### **Workforce Development Projects (ALI 600699)**

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
5RX0 ALI 600699, Workforce Development Projects	\$312,536	\$300,000	\$300,000
% change	--	-4.0%	0.0%

This line item is used to support program and administrative expenses related to the implementation of workforce initiatives, typically involving external agency contracts.

#### **Workforce Programs (ALI 600686)**

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
3310 ALI 600686, Workforce Programs	\$2,563,792	\$3,912,923	\$4,000,000
% change	--	52.6%	2.2%

This federally funded line item is used to support the operations of OWD. Revenue to support this line item comes from Wagner-Peyser Act allocations to states through USDOL as well as various other federal grants for workforce development programs.

## Category 6: Medicaid

### Overview

ODJFS provides funding to CDJFSs to administer Medicaid at the local level and to provide certain transportation services to Medicaid enrollees. ODJFS passes through most of the funds; as a result, these programs are almost exclusively handled by the Office of Fiscal Monitoring Services. Local administrative activities mainly include caseworkers processing eligibility determinations. Transportation services are provided by CDJFSs under Medicaid to women with at-risk pregnancies, children in the Healthchek Program, as well as for certain nonemergency situations.

<b>Fund Group</b>	<b>FY 2019 Actual</b>	<b>FY 2020 Appropriation</b>	<b>FY 2021 Appropriation</b>
GRF	\$83,833,799	\$89,282,534	\$89,390,719
Federal	\$184,049,869	\$179,231,495	\$179,500,000
Program funding total	\$267,883,668	\$268,514,029	\$268,890,719
% change	--	0.2%	0.1%
Program share of ODJFS budget total	8.6%	7.2%	7.2%

### C6:1: Medicaid Program Support (ALI 655425)

<b>Fund/ALI</b>	<b>FY 2019 Actual</b>	<b>FY 2020 Appropriation</b>	<b>FY 2021 Appropriation</b>
GRF ALI 655425, Medicaid Program Support	\$7,770,222	\$13,412,603	\$13,520,788
% change	--	72.6%	0.8%

This appropriation item is used for Medicaid-related administrative expenses within ODJFS. The OBM Director is authorized to transfer up to \$500,000 between this appropriation item and appropriation item 651685, Medicaid Recoveries – Program Support, in the Ohio Department of Medicaid’s (ODM’s) budget. In the event of this transfer, the Director of OBM will be required to make adjustments to the federal share of appropriation item 655624, Medicaid Program Support – Federal. Any transfers provided to the Department must be used for the costs associated to transitioning to a new work requirement for Medicaid at the direction of the ODM Director.

**C6:2: Medicaid Program Support – Local (ALI 655522)**

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
GRF ALI 655522, Medicaid Program Support – Local	\$36,015,472	\$37,119,931	\$37,119,931
% change	--	3.1%	0.0%

This GRF line item is used to send to CDJFSs the state's share of Medicaid costs for providing local administrative services for Medicaid and the State Children's Health Insurance Program (SCHIP).

**C6:3: Medicaid Program Support – Local Transportation (ALI 655523)**

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
GRF ALI 655523, Medicaid Program Support – Local Transportation	\$40,048,105	\$38,750,000	\$38,750,000
% change	--	-3.2%	0.0%

This line item is used to send to CDJFSs the state's share of Medicaid costs for providing local transportation services for certain Medicaid enrollees.

**C6:4: Medicaid Program Support – Federal (ALI 655624)**

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
3F01 ALI 655624, Medicaid Program Support – Federal	\$184,049,869	\$179,231,495	\$179,500,000
% change	--	-2.6%	0.1%

This federally funded line item is used to send to CDJFSs the federal share of expenditures made for administration and transportation services from line items 655522, Medicaid Program Support – Local and 655523, Medicaid Program Support – Local Transportation. The appropriations in this line item may be adjusted if the OBM Director transfers appropriations between appropriation item 655425, Medicaid Program Support, and appropriation item 651685, Medicaid Recoveries – Program Support, in ODM's budget (see C6:1 for more information).



## Category 7: Program Management

### Overview

Program Management services to ODJFS program offices are provided by the Director's office and the offices of Communication, Employee and Business Services, Legal and Acquisition Services, Legislation, Chief Inspector, and Fiscal and Monitoring Services. The services provided by these offices include budget development, management, and monitoring; payroll projections; human resources processing; facilities management; responses to legislative, constituent, and media requests; performance management; contracting and acquisition procedures; accounting services, funding, and auditing of counties and service providers; financial reporting; legal services; mail processing; quality control; and internal audit compliance program implementation.

Through its Office of Information Services (OIS), ODJFS provides various computer systems to meet operational and managerial decision-making needs. OIS reviews and approves state and county data processing needs. It also designs, develops, implements, and provides technical support for computer systems for public assistance, social services, child support enforcement programs, employment services, and workforce development. OIS provides support services for information technology such as network and mainframe support, security, database maintenance, systems programming for all mainframe applications, client server support, standards, and configuration of applications and business functions.

**Table 14. Program Management Funding by Fund Group**

Fund Group	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
GRF	\$74,670,258	\$145,103,056	\$145,441,048
State non-GRF	\$8,306,413	\$17,887,449	\$18,000,000
Program funding total	\$82,976,671	\$162,990,505	\$163,441,048
% change	--	96.4%	0.3%
Program share of ODJFS budget total	2.7%	4.4%	4.3%

Actual spending for FY 2019 includes spending from GRF appropriation item 600321, Program Support (\$22,664,822) and GRF appropriation item 600416, Information Technology Projects (\$52,005,436). Spending on these administrative functions is appropriated through GRF appropriation item 600450, Program Operations, in FY 2020 and FY 2021. The increase from FY 2019 to FY 2020 is in large part due to line item restructuring. In FY 2020, some program expenses that would have likely been captured in other categories are now categorized under this program through new item 600450. Thus, comparisons to previous fiscal years are difficult.

**C7:1: Program Operations (ALI 600450)**

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
GRF ALI 600450, Program Operations	\$0	\$145,103,056	\$145,441,048
% change	--	N/A	0.2%

This new appropriation item is used for administrative functions and operating expenses for the Office of Family Stability, Office of Families and Children, Office of Child Support, Office of Unemployment Insurance Operations, and various information technology projects. This appropriation item supports activities previously appropriated to GRF appropriation items 600321, Program Support; 600416, Information Technology Projects; 600420, Child Support Programs; 600421, Family Assistance Programs; 600423, Family and Children Services; and 600445, Unemployment Insurance Administration.

**C7:2: Audit Settlements and Contingency (ALI 600633)**

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
5DM0 ALI 600633, Audit Settlements and Contingency	\$3,749,111	\$1,000,000	\$1,000,000
% change	--	-73.3%	0.0%

This line item is used to pay costs associated with state hearings, audit adjustments, and other related costs pertaining to grants.

**C7:3: Human Services Project (ALI 600698)**

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
5RY0 ALI 600698, Human Services Project	\$2,832,462	\$14,887,449	\$15,000,000
% change	--	425.6%	0.8%

This line item is used to support program and administrative expenses related to the implementation of human service initiatives within ODJFS.

**C7:4: State and County Shared Services (ALI 600602)**

Fund/ALI	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
5HL0 ALI 600602, State and County Shared Services	\$1,724,840	\$1,500,000	\$1,500,000
% change	--	-13.0%	0.0%

This line item is used to support the call center and mail transport services in the Shared Services Center (SSC). SSC is a division of OBM that provides administrative services to multiple state agencies. Services include accounts payable, travel and expense reimbursement, and

vendor fiscal services. OBM pays ODJFS to operate a call center and provide mail delivery services. This line item also supports computer-related purchases and services provided to CDJFSs. ODJFS purchases computer equipment (to ensure that technical specifications are met) and the counties reimburse ODJFS.

### **C7:5: Refunds and Audit Settlements (ALI 600643)**

<b>Fund/ALI</b>	<b>FY 2019 Actual</b>	<b>FY 2020 Appropriation</b>	<b>FY 2021 Appropriation</b>
R012 ALI 600643, Refunds and Audit Settlements	\$0	\$500,000	\$500,000
% change	--	N/A	0.0%

This line item is used to disburse funds that are held for checks whose disposition cannot be determined at the time of receipt. Upon determination of the appropriate fund into which the check should have been deposited, a disbursement is made from this line item to the appropriate fund.