

Income Maintenance Quarterly Expense Report (DHS-2550) Instructions

Part I. Reporting Sections

The DHS-2550 collects the administrative expenses for the Income Maintenance programs administered by counties. This report has been revised so that format consistencies exist across programs. The new design promotes user flexibility when navigating from program to program and has reduced the report length to four pages. The reporting process follows a format similar to the way costs were reported on the previous DHS-2550. The sections of the report are as follows:

- Section A: – IMRMS Time Study Expenditures
- Section B: – Child Support Expenditures
- Section C: – Fraud Control Expenditures
- Section D: – Fraud Prevention Investigation (FPI) Expenditures
- Section E: – Income Maintenance Administrative Overhead Expenditures
- Section F: – Eligible Direct Charges for Specific Federal Program Administration
- Section G: - Other Direct Charges Not Eligible for Federal Financial Participation
- Section H: – Miscellaneous
- Section I: – 2550) Report Certification

Instructions for completing the revised DHS-2550

Section A: IMRMS Time Study Expenditures

Costs reported in this section are the direct costs associated with staff that are required to participate in the random moment time study (IMRMS). Staff who are paid from the Income Maintenance Fund and have one of the following job classifications must be in the time study: financial assistant specialist, financial worker, case aide, collections officer and child care workers who are located in the Income Maintenance Division and who are paid from the Income Maintenance Fund. (Note: in some County Human Service Agencies, child care workers are located in Social Services and paid from the Social Service Fund).

Revenue you received that reduces any portion of the expenses must be reported on this revenue offset line. The revenue will be subtracted from total expenses to arrive at the net eligible costs. Net eligible costs will be allocated to the various programs based on time study results.

Section B: Child Support Expenditures

This section is for reporting total county expenditures to administer the Child Support Program. Expenditures entered in this section must be 100% attributable to the Child Support Program.

The first part of Section B is where you list the eligible costs for administering child support. In addition to the usual COFARS accounts, there is a specific requirement to detail co-operative agreements under the services and charges lines for the Child Support Program. Non-PRISM revenue received that reduces any portion of those costs must be listed on the non-PRISM revenue offset line. The revenue will be subtracted from the reported expenditures to arrive at the net eligible costs.

The second part of Section B is where you list the eligible Child Support state approved Genetic Determination costs. Expenditures and any revenue received that reduces these costs must be listed. The revenue will be subtracted to arrive at the net eligible costs.

DHS will import Child Support revenues collected and reported in the PRISM system as well as incentives paid to counties during the quarter. This revenue and the quarterly incentives will further reduce the net eligible costs for the Child Support Program.

The final part of Section B is where you must list any child support costs that were incurred but were not eligible for federal reimbursement. Ineligible costs within each COFARS category are listed in Part II of these instructions.

Section C: Fraud Control Expenditures

This section is for reporting costs associated with the investigation and/or prosecution of welfare fraud. These costs will be allocated to the various federal, state and county programs based on DHS statewide statistical summaries of completed criminal investigations. Expenditures and any revenue received that reduces these costs must be reported. The revenue will be subtracted to arrive at the net eligible costs.

Section D: Fraud Prevention Investigation (FPI) Expenditures

Expenditures reported in this section must be pre-approved by the DHS Program Assessment and Integrity Division as part of an FPI Plan and Grant Application. FPI costs qualify for state reimbursement up to the limits approved in the FPI Plan and Grant Application. Program allocations are based on statewide DHS statistical summaries of completed FPI investigations. Expenditures and any revenue received that reduces these costs must be reported. The revenue will be subtracted to arrive at the net eligible costs.

Section E: Income Maintenance Administrative Overhead Expenditures

This section should be used to report expenses paid by the county for the operation and administration of county Income Maintenance activity. Some examples include rent, utilities, salaries and benefits of support staff in accounting, the director and supervisor salaries, repair and maintenance of buildings and equipment, and Merit System costs applicable to the Income Maintenance Division.

The first part of Section E is where you report administrative overhead expenses eligible for federal reimbursement. You must also report any revenue received that reduces these costs. The revenue will be subtracted to arrive at the net eligible costs.

The second part of Section E is where you must list Income Maintenance Administrative Overhead costs that were incurred but were not eligible for federal reimbursement. Ineligible costs within each COFARS category is described in Part II of these instructions.

Section F: Direct Charges for Specific Federal Program Administration

In this section report eligible expenses that are 100% attributable to a specific federal program. These expenses must not be included in any other section of this report. Payroll and related costs

listed as direct charges can only be for staff who dedicate all of their time to a specific federal program.

Each program area that could potentially have direct charges is listed in this section; they are: Medical Assistance (MA), Prepaid Medical Assistance (PMAP), County Based Purchasing (CBP), TANF (MFIP) Administration, Food Support (SNAP), and Refugee Assistance. Please ensure that you are in the correct program when reporting expenditures in Section F.

Section G: Other Direct Charges Not Eligible for Federal Financial Participation

Report in this section any direct charge expenditures incurred for the administration of state and non-federal programs not addressed in previous sections. Examples include GA, MSA, Group Residential Housing, GAMC, etc.

Section H: Miscellaneous

This section is for reporting miscellaneous expenditures which DHS collects for other purposes.

MFIP Consolidated Fund

Report salaries and fringe benefits of Income Maintenance staff who are working on MFIP Consolidated Fund activity. Only counties who have been approved by DHS can report expenses on this line. These costs will be combined with MFIP Social Service costs reported on the DHS-2902 for reimbursement back to county Social Services.

Electronic Benefit Transfer (EBT) Fees

Report on this line only Electronic Benefit Transfer fees collected by the county. The amount reported is billed to the county on the monthly invoice following the quarter end.

MAXIS Certified Mail Costs

Report county costs incurred for MAXIS certified mail. Counties will be reimbursed on a quarterly basis.

Section I: 2550 Report Certification

Fill in the name and title of the preparer, their phone number and the date the report was completed. Enter the name of the county Financial Official or Human Services Director, their title and the date the report was signed.

Counties must print and retain an original signed copy for three (3) years for state and federal auditing purposes. Your county may require a longer retention period, consult your county retention schedule.

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Part II: COFARS Accounts

The following is an overview of the applicable COFARS accounts that are used to complete the quarterly Income Maintenance Cost Report (DHS-2550). These standard COFARS accounts are applicable to all Income Maintenance programs.

Personnel Services (Salaries and Fringe Benefits) – Account numbers 6100-6199

Eligible costs:

Include regular and overtime salaries and employee fringe benefits for permanent, part-time and temporary staff.

Employee benefits include the county's share of insurance paid for the benefit of employees and contributions to various retirement funds. Also include Social Security and other employee contributions, unemployment, worker's compensation, as well as tuition and education expenses.

Ineligible costs:

- Salaries and benefits for independent contractors or self-employed individuals
- Salaries and benefits of employees engaged in advertising and public relations events unless specifically required by a Federal award.

Services and Charges – Account numbers 6200-6299 and 6300-6399

Services and charges rendered by vendors or individual contractors.

Eligible costs:

Office operational expenses:

- Staff recruitment
- Telephone, facsimile, internet and other communication services
- Postage and PO Box rental fees
- Freight, UPS and trucking charges
- Typing, photocopying, duplicating and binding
- Accounting and data processing

Building and travel costs:

- Utility, repair and maintenance services
- Travel costs (motor pool vehicle usage, employee automobile allowance or mileage, hotel, meals and other travel expenses)
- Rental and service agreements costs
- Insurance and other miscellaneous charges

Fees and services:

- Professional and Technical Fees for Services such as legal, court services, as well as consultation and data processing services necessary for the administration of federal programs

- Public Relations costs only if specifically required by a Federal award
- Costs of communicating with the public and press pertaining to specific activities or accomplishments which result from performance of Federal awards (these costs are considered necessary as part of the outreach effort for the Federal award)
- Costs of conducting general liaison activity with news media and government public relations officers, to the extent that such activities are limited to communication and liaison necessary to keep the public informed on matters of public concern, such as notices of Federal contract/grant awards, financial matters, etc.

Interdepartmental charges

- Costs that are covered under a contract with another county department or other departments within a county such as Child Support Cooperative Agreements with the county attorney and sheriff's departments
- Also report charges made by another department of the county to Income Maintenance for services performed by county employees under special arrangements not included in their salaries or wages

Miscellaneous charges:

- Maintenance
- Vehicle repairs
- Snowplowing and other services
- Advertising, membership and registration fees

Ineligible costs:

- Costs of client travel to medical appointments (these costs should be submitted to MMIS for payment)
- Costs of special events including the costs of displays, demonstrations, exhibits, meeting rooms, hospitality suites and other special facilities used for special events
- Costs of promotional items and memorabilia, including gifts and souvenirs
- Costs of advertising and public relations designed solely to promote the county unit
- Lobbying costs

Direct Materials and Supplies Account numbers 6400-6499

General guidelines identify any item or material which meets one or more of the following conditions: it is consumed in use, it is expendable, it is an item having characteristics of equipment whose small unit cost makes it inadvisable to capitalize or it loses its identity by fabricating or incorporating into a different or more complex item.

Eligible costs:

- Office and operating supplies
- Non-capitalized equipment such as small furniture, equipment or electronics

Debt Services Account numbers 6700-6799

Eligible costs:

- Financing costs (including interest) paid for the costs of building acquisition, construction, remodeling or equipment if the financing is provided by a bona fide third party external to the county and the space or equipment is used in direct support of Income Maintenance programs
- Bond issuance costs as amortized over the life of the bond, as long as the assets funded by the bond benefit Income Maintenance programs

Ineligible costs:

Any other financing costs (including interest) not listed above

Other Eligible Costs Account numbers 6800-6899

Eligible costs:

- Expenditures for goods and services not otherwise classified that are directly attributable to Income Maintenance programs such as:
 - Intergovernmental payments made by the county Income Maintenance to other governmental units
 - Depreciation expense other than examples excluded below

Ineligible costs:

- Bad Debt expense including fees for related collection and legal costs
- Depreciation expense for buildings and equipment borne by or donated by the Federal Government irrespective of where title was originally vested or presently resides, and costs of building and equipment contributed by or for the governmental unit, or a related donor organization, in satisfaction of a matching requirement .
- Fines, penalties, damages or other settlements resulting from violations or alleged violations including failure of the county unit to comply with Federal, State, Local or Indian Tribal laws and regulations
- Costs for entertainment including amusement, diversion, social activities, and associated costs such as tickets to shows or sports events, meals, lodging, rentals, transportation and gratuities

Revenue offset Account numbers 4000

Report revenue received by the county Income Maintenance Division to offset current or prior expenditures that were initially claimed for federal financial participation (FFP). Examples would include:

- Jury duty reimbursement
- Insurance rebates
- Selling of county human services assets where federal financial participation (FFP) was previously claimed
- New federal grant funds received that pay for expenses claimed on the DHS-2550 for reimbursement