

**SEAGR REPORTING FOR COUNTY SOCIAL SERVICE AGENCIES
PARTICIPATING IN LOCAL COLLABORATIVES**

Overview

Most county social service agencies are currently involved in local collaboratives, referred to hereafter as simply collaborative(s), that are built around improved services to children and families. The concept behind these collaboratives is for local agencies (social services, schools, health, corrections, etc.) and other providers of services for children to form a long term, formal partnership to coordinate and/or provide services together, and administer an integrated fund. Collaboratives include three types:

- (1) Family Services Collaboratives that focus on prevention, education, and health; and,
- (2) Children's Mental Health Collaboratives that focus on children with emotional or behavioral disturbances; and,
- (3) Integrated Family Services and Children's Mental Health Collaboratives.

Many Family Service Collaboratives have integrated with Children's Mental Health Collaboratives resulting in one collaborative working towards both sets of goals. Implementation funding for each of these types of collaboratives may be provided by DHS and/or the Minnesota Department of Education (MDE).

What to Report in SEAGR

DHS defines what types of collaborative activity must be reported as part of the Social Service Fund. It is important to remember that both the Social Services Fund Report (DHS-2556) and SEAGR (DHS-2557) report this same Fund.

The primary idea is for county social services to report collaborative revenue and funding that flows through the agency enroute to the collaborative cost center for use as directed by the collaborative governance organization. Refer to the social services fund report bulletin no. 07-32-02 (March 1, 2007) Attachment D for a full discussion of accounting and reporting requirements. The actual revenues and expenses are outlined below and should provide clear reporting guidance.

Costs and revenues related to the collaborative must be reported as part of the Social Service Fund only as follows:

- (1) Report all DHS funding for the Children's Mental Health Collaboratives. This funding is received directly by county social services and must be reported as revenue when received and as an expense when transferred to the collaborative fiscal agent, or if retained by county social services, when expended for actual services.

(2) Report Local Collaborative Time Study (LCTS) reimbursements. The county social service agency is the recipient of these funds in their capacity as the LCTS fiscal reporting and payment agent. The same guidance applies, as per (1) above. Also, see a following section entitled Handling LCTS Funds.

(3) Report county social services funding, including county generated funds, categorical funds, and other traditional social service funds, as well as contributed social service worker time and attendant costs when expended for or transferred to the collaborative.

(4) Report revenues and associated costs where the activity is based upon receipt of funds from the collaborative or from another collaborative partner.

How to Report Collaborative Activity in SEAGR

It is recommended that all purchase of services or transfers (except as noted below) to the collaborative be placed under BRASS code *197x Local Collaborative Undifferentiated Services*. There are several reasons for this: (1) consistent tracking of expenditures by DHS, and (2) it will keep counties from having to guess the appropriate code especially when merely transferring funds, such as LCTS, to the collaborative integrated fund. If necessary, costs or transfers can be put in other BRASS codes if it better serves county social services. An example would be transferring a DHS grant to a collaborative that is earned by the county under specific BRASS codes. Since the collaborative is spending the funds as required by the original grant, the county may put the transfer under the affected BRASS code(s).

Administrative costs (staff provided services in SEAGR) can be allocated normally (see Attachment B) and need not be reported solely under 197x. The table below outlines the current SEAGR reporting requirements for collaborative activity.

<u>Funding Origin of Activity</u>	<u>SEAGR REVENUE ENTRY#</u>	<u>BRASS CODES Collaborative</u>
Local Collaborative Time Study reimbursements	F7	197x - purchased Allocate for staff/admin
Other County Social Services Funds:		
• federal and state categorical or block grants	normal state and federal SEAGR reporting	197x – purchased ** Allocate for staff/admin
• county generated social service funds	N/A	197x - purchased Allocate for staff/admin
Other partner Funds or funds from collaborative for county social services use for Children’s Mental Health Collaboratives (not already reported by county social services)	M15	197x - purchased Allocate for staff/admin

Other partner Funds or funds from collaborative for county social services use for Family Services Collaborative (not already reported by county social services)	M3	197x - purchased Allocate for staff/admin
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** This may be where other BRASS codes, that earn the federal or state grant/reimbursement, are more appropriate than using 197x.

Local Collaborative Time Study (LCTS) Requirements

County social service agencies must act as the LCTS fiscal reporting and payment agent for those collaboratives that participate in the Local Collaborative Time Study. The federal LCTS funds are paid directly from DHS to the agent. Proper reporting in SEAGR is described in preceding sections of this attachment. However, the LCTS fiscal reporting and payment agent must also be able to report on the expenditure of these funds for the collaborative. The LCTS Annual Spending Report is used for this purpose and will require more detailed reporting than in SEAGR. Questions concerning this report should be directed to Holly Emerson, Tribal & Collaborative Reimbursement Specialist, at (651) 431-3774 or holly.emerson@state.mn.us

Handling LCTS Funds

As previously explained, LCTS funds are paid to the county social service agency acting as the LCTS fiscal reporting and payment agent. These funds must be receipted and reported under SEAGR revenue code F07. Then, these funds are transferred or expensed under BRASS code #197 to the Collaborative Integrated Fund for use as directed by the collaborative. These transactions finish all normal Social Service Fund (SEAGR) reporting requirements. What follows is a discussion of reporting for a unique situation.

What if LCTS funds are transferred back from the integrated fund to county social services: If the collaborative sends LCTS funds back to the county social service agency, usually under a request for proposal (RFP), these funds can create some reporting problems in SEAGR. These returning funds must be excluded from the SEAGR Report (they were already reported upon initial receipt and upon transfer to the integrated fund). The easiest way to do this is to use a separate fund or accounting area. Use the funds as directed in the RFP, but do not report the receipt or expenditure of these funds in SEAGR – even in administration.

So what's the problem: Even if LCTS funds coming from the integrated fund are excluded from SEAGR, a problem will be created if your social service staff log hours (SSIS) in providing services to accomplish the RFP. Those hours being logged will draw more administrative costs into a BRASS code. Even though it doesn't show on the SEAGR Report, those inflated costs are being paid by the LCTS funds. If the inflated BRASS code(s) are used to earn other grants (i.e. Mental Health), then those inflated costs will result in excess earnings and possible overpayment of the grants.

What to do: County social services must submit a DHS-2895 (BRASS-Based Grant Fiscal Report) with the costs in each BRASS code attributable to the LCTS funds. Identifying the LCTS program hours of service, and reporting the portion of staff costs associated with the hours on the 2895 would do this. The formula is:

LCTS project staff hours in BRASS code (divided by) Total staff hours in BRASS code
(times) Staff cost in BRASS code (equals) Amount to report on 2895

DHS program accountants will use this information to decrease costs in these BRASS codes for other grant earning calculations.

Confused: Contact Julie Spurgeon at (651) 431-3782 or julie.spurgeon@state.mn.us

Reporting Staff Provided Services for a Collaborative

"Collaborative activity" as referred to previously can include staff-provided services. The key point to remember is that only county social service staff can be included. Staff costs can be allocated by the "default" method described in Attachment B or by any other method that is representative of county social service staff collaborative activity.

Please see the current social service fund report bulletin no. 07-32-07 (March 1, 2007) Attachment D for more discussion of collaborative staff costs.