



Interagency Rates Committee (IRC) Residential Child Care/Child Placement Agency FY2023 Budget Application Tip Sheet

What's New

- DO NOT submit compact disks (CDs). Use flash drives to submit the electronic budget workbooks.
- DHS licensed programs should upload approval documents into the CJAMS Provider Portal.
- All approved FY 2022 Quality Residential Treatment Programs (QRTPs) must submit an FY 2023 renewal application. An approved QRTP designation is required for QRTP rate consideration.

The following budget application forms are due to Licensing Agencies by January 14, 2022:

- [Levels of Intensity Score Sheet](#)
- [Levels of Intensity Checklist](#)
- [Personnel Cost Detail Forms \(Budget Forms E2-E6\)](#)
- Narrative justifying any staffing related changes, if applicable
- [Staffing Pattern Grid](#)
- [Difficulty of Care Computation Form](#) (TFC, TFC-MF, TMP-TFC Providers Only)
- [Board Rate Computation Form](#) (TFC, TFC-MF, TMP-TFC Providers Only)

Fillable Templates:

- | | |
|---|---|
| ○ Rate Application Checklist | ○ Lease Mortgage Summary |
| ○ Non-Residential Checklist | ○ Staffing Pattern Grid |
| ○ Budget Identification Form | ○ Difficulty of Care Computation Form |
| ○ Levels of Intensity Score Sheet | ○ Board Rate Computation Form |
| ○ Program Description Form | |

COMPLETED BUDGET APPLICATIONS MUST BE POSTMARKED TO MSDE NO LATER THAN FEBRUARY 15, 2022

NOTE: REQUIRED DOCUMENTS **MUST** BE MAILED AND **MAY NOT** BE HAND DELIVERED

All required documents on flash drive with electronic Budget Workbook Forms are to be filed with:

**The Maryland State Department of Education
Division of Early Intervention/Special Education Services
Interagency Collaboration Branch/Interagency Initiatives & Rates Section
200 West Baltimore Street, 9th floor
Baltimore, Maryland 21201
ATTN: Karen M. Powell**

Required Rate Application Documents to submit to MSDE

- [FY 2023 Rate Application Checklist](#)
- [FY 2023 Non-Residential Checklist](#) (NR Providers Only)
- [FY 2023 Budget Workbook Forms](#)
- [FY 2023 Budget Identification Form](#)
- APPROVED [FY 2023 Staffing Pattern Grid](#)
- APPROVED [FY 2023 Levels of Intensity Score Sheet](#)
- APPROVED [Staffing Forms \(Personnel Cost Detail Budget Forms E2 through E6\)](#)
- Copy of the Current Child Care License, Accreditation or Certification for Residential or Non-Residential Education Program(s)
- Copy of appropriate most current state contract page(s)
 - Child Placement Agencies
 - Non-Residential Programs

INCLUDE CONTRACT COVER PAGE & ATTACHMENT A OR EBP CERTIFICATE.

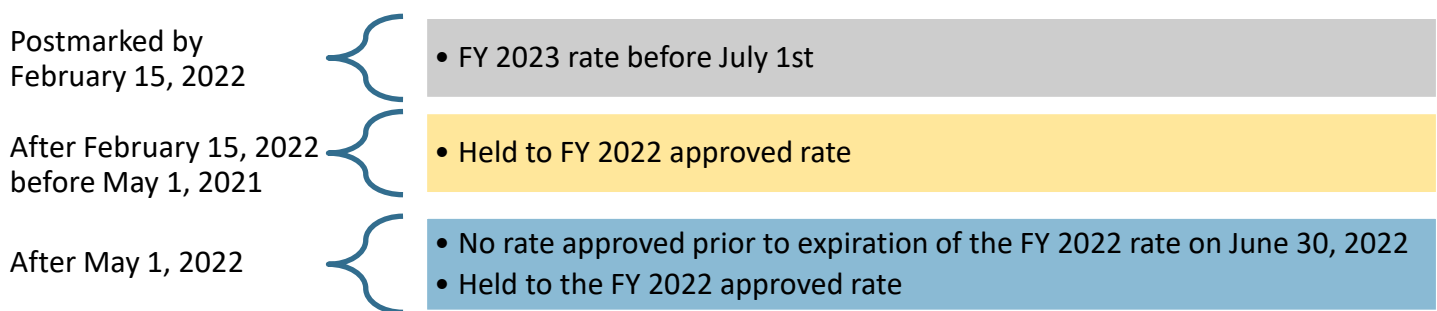
- [FY 2023 Lease/Mortgage Summary](#) and Supporting Documentation
- [FY 2023 Program Description Form](#)
- 2021 Audited Financial Statement
- APPROVED [FY 2023 Difficulty of Care Computation Form](#) (TFC, TFC-MF, TMP-TFC Providers Only)
- APPROVED [FY 2023 Board Rate Computation Form](#) (TFC, TFC-MF, TMP-TFC Providers Only)
- Written narrative as separate Word document to explain staffing changes and budget line item variances, if applicable

Filing Instructions

- The postmark date will be used to confirm receipt of the rate application by the due date.
- Hand delivered budget applications WILL NOT be accepted at Maryland State Department of Education.
- If proof of receipt is needed, the program should send the budget via certified mail or delivery services that can provide proof of receipt.

**DO NOT INCLUDE ANY BINDER, PAPER CLIPS, OR FASTENED FOLDERS.
NO SECTION DIVIDERS OR SECTION TABS NEEDED.**

Application for Rate Determinations



Submission Requirements

DO NOT SEND PASSWORD PROTECTED DOCUMENTS.

- Download the rate application forms and instructions from the [IRC Website](#).
- The following documents must be signed and dated by the person authorized on behalf of the corporation for submission with the completed FY 2023 rate application:
 - [Rate Application Checklist](#)
 - [Budget Identification Form](#)
 - [Budget Application Form A](#)
- Use the Rate Application Checklist to verify submission of all the required documents.
- Include the email address and telephone number of the Budget Preparer or the appropriate authorized contact designated to discuss questions about the rate application package.
- Submit one (1) signed copy of the [Budget Workbook Forms](#). Include an electronic copy of the Budget Workbook Forms in Excel 2007 format on a flash drive in a PC readable format. The Parent Organization and Program Name must be printed on the flash drive. **DO NOT INCLUDE A COMPACT DISK (CD).**

Key Things You Need to Know

- Refer to the [FY 2023 Provider Instructions](#) for completing the rate application.
- A program must have a current rate prior to Contract Award with Maryland State Agencies and Local Management Boards.

Projected Average Daily Census (Minimum Requirements)

Residential Programs	90% licensed capacity
Shelters	85 % licensed capacity
Child Placement Agencies	90% current contract capacity
Non-Residential	85% current contract capacity unless otherwise instructed

NON-RESIDENTIAL PROGRAMS SHOULD CONSULT WITH DJS FOR GUIDANCE ABOUT PROGRAM OCCUPANCY.

- Refer to [DHS Policy SSA 19-16 CW Guidelines for Foster Care Board Rate and Expenditures](#), for guidance in completing the [Difficulty of Care Computation](#) and [Board Rate Computation Forms](#).
- The [Levels of Intensity \(LOI\)](#) and [Staffing Pattern Grid](#) must be approved by the program's state licensing agency. All documents requiring approval must be received by the appropriate licensing agency no later than **January 14, 2022**. The approval shall be in the form of the representative's dated signature on the page(s) of the budget.

BUDGET APPLICATIONS SHOULD BE SUBMITTED TO REFLECT THE ACTUAL ANTICIPATED COSTS.

Position Numbering Schedule

- Each person employed as a salaried staff or consultant/contractor must be listed on Forms E-2 through E-6 using the unique control number. Refer to the [Provider Instructions \(Pages 13-19\)](#).
- Ranges for same position title will not be accepted to ensure that budgets accurately reflect the number of staff necessary to operate the programs.
- Expanded Budget Workbook Forms are available if the program budget has more than 40 positions in any of the personnel categories. Contact the Rate Section to request the Expanded Budget Workbook Forms.
- Refer to [FY 2023 Cost Guidelines \(Pages 12-15\)](#) for recommended salaries for staff.

ONLY INCLUDE "S" OR "C" IN COLUMN 7 FOR FY 2023 EXPENSES.

Order to Complete Budget Forms



- **Form B-1 Column 3, Line 01a: Fees from Government Agencies**
 - Enter the amount from Form C, Line 5 Allowable Cost.
- **Form B-2: Approved FY 2022 Allowable Net Expenses:**
 - The approved FY 2022 annual rate times the projected FY 2023 census should match the total entered in Column 2.
 - Do not cut and paste the FY 2022 Column 3 projected expenses into the FY 2023 Column 2 approved expenses.
 - Column 2 should reflect the expenses based on the FY 2022 approved rate not the request.

THE IRC WILL NOT RETURN A REVISED BUDGET TO REFLECT THE APPROVED FY 2022 RATE.
THE PROGRAM SHOULD UPDATE THE COLUMN TO REFLECT DIFFERENCE BETWEEN THE FY 2022 REQUEST & APPROVED RATE.

- **Form C: Census**
 - Enter the census on which the program budget is based on Line 6 Projected Average Daily Census FY 2023.
 - Enter the census on the program budget for the previous year was based on Line 10 Average Daily Census for Calendar Year 2021.
 - Line 6 should not be less than the Line 10 without a written explanation for the change.
- **Form C: Current Rates**
 - Please remember to refer to your current Rate Letter.

PROVIDERS DO NOT NEED TO INCLUDE COPY OF THE CURRENT RATE LETTER
REFER TO THE APPROVED RATE AND CATEGORY ON THE FY 2022 RATE LETTER

Form C: Billable Days:

- This does not mean calendar days. Use the combined total of the number of days each youth was in care and the subsequent number of days the agency billed for services.
- **Form A: Capacity:**
 - *Residential Programs* must enter the actual number of beds for which the program is licensed and attach one copy of the license issued to each facility/location.
 - *Child Placement Agency Programs & Non-Residential Programs* must enter the most current contract capacity and attach a copy of the contract rate appendices that show the current rate and capacity.
 - Capacity needs to be consistent on supplement rate application forms.

**THE "CAPACITY" ENTERED ON BUDGET FORM A, SECTION II: CENSUS INFORMATION
WILL BE THE "CAPACITY" THAT APPEARS ON THE RATE LETTER**

Budget Justification

- Include a Word document to explain any income (Form B-1) or expenses (Form B-2) that changes by \$1,000 (increase or decrease) and/or 4% (increase or decrease) from the FY 2022 Actual Budget and FY 2023 Projected Budget. DO NOT add a tab to the workbook or enter text in any of the cells to explain the variance.
- The omission of the budget justification for the variance is a common error returned for corrections. Attach a written explanation for any expense that changes by \$1,000 (increase or decrease) AND/OR 4% (increase or decrease) from the previous year.
- A written explanation for any staffing changes and lease mortgage special circumstances must also be outlined in this document.
- Form B-2, any expenses listed on Line 5 (Contracted Services) and/or Line 28 (Other), must include an itemized explanation.
- DO NOT add additional spreadsheets to explain the budget or add text to the cells within rate application workbook. This will cause validation errors when program budgets are uploaded into the rate setting methodology. Budget workbooks submitted with altered template formulas, cells, or spreadsheets will be returned for correction. Include written narrative to explain the variance for any expense items that change by \$1,000 and/or 4% (increase or decrease) from the previous year.
- Explain any expenses that are not self-explanatory and/or include multiple cost items (i.e., Contracted Services, Other, Depreciation, Travel, etc.).
- Describe the reason for any personnel changes (classification, salary increases, numbers of positions, hours worked, etc.).

**A DETAILED EXPLANATION OF THE VARIANCE PROVIDES A HISTORICAL SUMMARY OF THE REQUESTED PROGRAM EXPENSES
AND THE APPROVED IRC RATE TO INFORM THE ASSESSMENT DECISIONS FOR RATE REFORM**

Rate Application Review

- The Rate Section reviews all budget applications for completeness, accuracy, and consistency.
- Additional information on any aspect of the rate application may be requested.
- If the rate package is incomplete, program staff (Chief Administrative Officer, Chief Financial Officer, and/or Budget Preparer) will receive an email notification identifying the missing or incomplete items. The email notification will identify a due date for response.
- The Licensing Agency will be copied on this notification email.
- Programs with incomplete budget applications will be held to the FY 2022 rate.

Common Mistakes to Avoid

Incomplete submissions	No contact information & inconsistent program names	Not referencing the FY 2022 rate letter for current rate	Missing lease/mortgage supporting documentation	Missing CPA contract pages
Different capacity on budget and supplemental forms	Licensing approvals don't match budget Forms E2-E6	No budget justification	Label Excel files on flash drive to match program name on Form A	Use Word document for budget narrative
Incorrect proportion of staff hours & position numbers	Lack of timely response to follow-up inquiries	Lease mortgage doesn't match documentation or budget line item	Do not link or copy into cells into budget workbook	Do not add extra tabs to budget workbook

Additional Information

Contact the staff of the Interagency Rates Committee/MSDE Interagency Initiatives & Rates Section at irc.rates@maryland.gov.