



North Carolina Department of Health and Human Services
Division of Social Services

325 North Salisbury Street • 2408 Mail Services Center
Raleigh, North Carolina 27699-2408
Courier # 56-20-25

Michael F. Easley Governor
Carmen Hooker Buell, Secretary

Pheon E. Beal, Director
(919) 733-3055

October 25, 2001

MEMORANDUM:

County Directors of Social Services
Adoption Options
Adoption Plus (BIABH)
Another Choice for Black Children, Inc.
Bethany Christian Services, Inc.
Catholic Social Services of the Diocese of
Charlotte
Children's Home Society, Inc.
Christian Adoption Services
Family Services, Inc.
Methodist Home for Children
New Life Christian Adoption
Yahweh Center

SUBJECT: SPECIAL CHILDREN ADOPTION FUND

We are pleased that the General Assembly has continued the Special Children Adoption Fund in the amount of \$3,911,687. Of this amount \$1,000,000 have been specifically reserved for payments to participating private agencies until March 31, 2002. If the funds designated for private agencies are not spent by that time, county DSS may participate in the balance. We now have 11 private agencies that have agreed to participate in the placement of special needs children. During fiscal year 2000-2001 we were able to provide funding to 41 county DSS agencies and 7 private agencies. We hope the number of agencies that participate this year will be even higher.

The Special Children Adoption Fund Committee that meets each year to evaluate the administration of the Fund has approved a significant change in the amount of the award for each Decree of Adoption when a county or private agency exceeds the baseline. The payment level will be \$9000 per child for children from 0-12 years; \$10,000 per child for 13-18 years, and \$10,000 per child for sibling groups of three or more who are placed together in an adoptive family. This change recognizes the additional challenges that agencies face in the placement of older children and sibling groups. As in previous years, payment from the Fund will be shared between agencies that work together on behalf of a child. Payments can only be made on behalf of children who have been determined eligible for cash payments. Payments from the Fund cannot be made on behalf of children who meet the "potential" category for cash assistance.

Memorandum on Special Children Adoption Fund
October 25, 2001

The Committee decided to keep the calculation of the baseline that was established last year. For SFY 01-02, each participating agency's baseline will be established based on the average, annual number of children who exited the foster care system by a Decree of Adoption during the last three state fiscal years. For those private agencies under contract with the state to provide special needs adoption services, their baselines are set at the point that they exhaust the funding in those contracts. These agencies are Another Choice for Black Children, Bringing It All Back Home's Adoption Plus, The Children's Home Society, and Methodist Home for Children. For all other private agencies participating in the Fund, the baseline will be an average of the number of special needs placements for the last three years.

Information for the baseline for county DSS agencies comes from the automated Adoption Information and Management System (AIMS) which contains the exact date of the Decree of Adoption. We are attaching baseline data for every county DSS and participating private adoption agency. Please review the data carefully and contact us if you believe that the information contains inaccuracies. If needed, we can provide you with a list of the foster children by county for whom a Decree of Adoption was issued during the fiscal year 2000-2001 based on information in AIMS. Last year the baseline was changed for several counties because Decrees of Adoption were entered in their counties but the children were placed by other counties. Remember that the baseline counts the county in which the child was in custody at the time of the placement, even though the petitioners may file the petition in another county. Information for the baseline for the participating private agencies that do not have other contracts with us comes from the average number of Decrees of Adoption for special needs children for whom funds were received during the last three years.

In order to receive a payment from the Special Children Adoption Fund, participating public or private agencies must provide the Division with the following information.

- First: Submit the name and 5095 SIS number of each eligible special needs child for whom a Decree of Adoption has been entered since July 1, 2001. This will enable us to identify the point at which the baseline is exceeded. **Do not submit this information until you have exceeded your baseline and become eligible for a payment.**
- Second: Complete the revised DSS-1571 Part IV (attached) to request a payment on behalf of those children for whom the Decree of Adoption enables you to exceed your baseline. Provide all of the information that is requested, including race, age, gender, 5095 identification number, agency partner sharing in placement, race of adoptive parent, amount of reimbursement and special needs of the child. **For the special needs, please do not use code numbers. It is important to write out the special needs, i.e. sibling group, teenager, etc.**
- Third: Fax or send the completed information as soon as possible. You may send as many completed DSS-1571 Part IV as needed. Do not include on the DSS-1571 Part IV the children for whom payment has already been received. Each request is for a new child or groups of children. **In order to satisfy the requirements of our controller's office, we will not be able to accept any requests after June 15, 2002.**

Memorandum on Special Children Adoption Fund
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Please recognize that the Special Children Adoption Fund operates on a “first come, first served” basis until depleted. Consequently, it is important for participating agencies to submit their requests for payment as soon as possible after the Decree of Adoption has taken place and the adoption assistance information has been entered into the Child Placement and Payment System. **Do not submit requests for payment if the child has not been entered into CPPS as it is impossible to check to see if this is a proper request for payment. In the past we have called the agencies when a number did not show up. We will no longer do this. If the number does not show up in the system, that child’s name will be eliminated from your payment request. We will also eliminate reimbursement requests that do not have a signature on the 1571 Part IV.** Payment requests may be faxed to expedite the processing. Funds will be electronically transferred to counties and checks will be sent to private agencies.

The General Assembly stipulated that these funds must be used to enhance your adoption program. Therefore, all agencies that received a payment from the Fund for SFY 00-01 must submit the following information with your first request:

- The total amount of money that was received; and
- A verification and description of how the money was used, or will be used in its entirety before the end of SFY 01-02 to improve adoption services.

In recognition of legislative intent for the Fund to have immediate impact on the state’s adoption program, payments from the Fund cannot be made until this information is received. The Division will contact you if there are questions about the information. We encourage you to keep clear and accurate records of the use of the funds for auditing purposes, if requested. **It is not necessary to submit this information if you do not exceed your baseline.**

The intent of the Fund is to recognize and reward strong performance in adoption services. It is our expectation that all participating agencies adhere to best practice standards in providing these services. No adoption should be finalized or families pressured to finalize an adoption just to receive this fund. We all know what happens to families and children when best practice is not followed in the adoption process. The goal of adoption is permanency for children in loving and stable families.

During this past fiscal year we received questions on how to use the money received from this Fund. Guidance has been provided in previous letters (see Dear County Director Letters dated September 28, 1999 and March 29, 2000). For your convenience, guidance is included in this letter (see attachment). We encourage the use of this money for post-adoption services. The General Assembly has specified that the funds can be used to provide post-adoption services for families whose income exceed 200% of the federal poverty level.

If you have questions regarding the Special Children Adoption Fund, please contact Esther High, Special Needs Adoption Coordinator, at (919) 733-4622, fax (919) 715-6714. Requests for payment, including all of the required documentation described in this letter, should be sent to Esther at the following address:

Memorandum on Special Children Adoption Fund
October 25, 2001

N. C. Division of Social Services
Children's Services Section, Policy & Initiative Team
2408 Mail Service Center
Raleigh, NC 27699-2408

The number of children who left foster care during SFY 00-01 as a result of a Decree of Adoption (1,379 children) exceeded the state record that was set in SFY 99-00 (1,231 children). We believe that the Special Children Adoption Fund is an important part of this story. We sincerely appreciate all of your efforts in providing safe, nurturing, and permanent homes for children in the foster care system. We look forward to this year as we expect to see an increase in the number of adoptive placements for teenagers and large sibling groups.

Sincerely,

A handwritten signature in cursive script, appearing to read "Charles C. Harris", followed by a horizontal line.

Charles C. Harris, Chief
Children's Services

cc: Pheon Beal
Paul LeSieur
Sherry Bradsher
Children's Services Team Leaders
Children's Services Program Representatives

CS-41-00

Attachment 1

GUIDANCE FOR THE USE OF THE SPECIAL CHILDREN ADOPTION FUND

Allowable uses of the fund include the direct provision or purchase by contract of services included in the definitions of Adoption Services (010), Adoption Recruitment (code 011), Adoption Case Management (code 012), Child-Specific Recruitment, Assessment and Training of Adoptive Parents (code 013), and Post Adoption Case Management (code 016). Examples of allowable uses are:

- Recruitment and training of prospective adoptive families for individual foster children or for foster children as a group;
- Preplacement assessments of prospective adoptive families, including assessments by private adoption agencies in other states;
- Preparing children for adoption (preparation support groups, life books, etc.);
- Legal or court-related services to expedite the adoption process;
- Post-adoption services for adoptive families;
- Adoption service staff to expedite the adoption process for foster children and assure a timely response to all families who indicate an interest in adopting a child in foster care;
- Child specific recruitment, assessment, and training of adoptive parents, including relatives and kin; and
- Cost-allocated share of equipment that will directly benefit the adoption program (note that the standard rules of purchasing equipment and vehicles apply.)

Some examples of uses of funds from the Special Children Adoption Fund that are NOT allowable include:

- Services for foster children for whom the permanent plan is not adoption;
- Services not included in the above codes; and
- Direct charge of items that the agency otherwise cost allocates.

As you plan for the use of funds from the Special Children Adoption Fund, we encourage you to ask these questions, (1) “Will the planned use directly enhance our adoption services program?”; (2) “Will the planned use provide services to eligible families?”; and (3) “Will the planned use meet the timeliness criteria?”.

SPECIAL CHILDREN ADOPTION FUND

Purpose of Special Children Adoption Fund:

The purpose of the Special Children Adoption Fund is to secure safe, adoptive homes for hard-to-place children who are living in, or likely to be placed in foster homes or institutions. The fund is intended to secure adoptive homes for more children than would otherwise be possible within the limitations of existing financial resources and to enhance the adoption services program in this state. The Fund is performance-based in that payments are only made after a Decree of Adoption has been filed.

Definition of Special Child:

As described in G.S. 108A-50, these children whose needs (physical or mental handicap, age, or other condition) enable them to be eligible for adoption assistance payments at the time of the Decree of Adoption as determined by a county Department of Social Services.

Who Can Participate:

Participants in this program include all 100 county Departments of Social Services and any licensed, private adoption agency that has entered into a contract with the Division to provide these services. Eleven private agencies have contracts to participate, including Adoption Options, Adoption Plus (BIABH), Another Choice for Black Children, Bethany Christian Services, Catholic Social Services, Christian Adoption Services, Family Services of Winston-Salem, Methodist Home for Children, New Life Adoption Agency, The Children's Home Society and Yahweh Center.

Payment Levels:

The payment levels were established by agreement among the Division of Social Services, Association of County Directors of Social Services, and interested private agencies. The payment levels are:

\$9000 for each Decree of Adoption for children from 0-12 years by private or public agency when the agency recruits, prepares and supervises the placement. This amount is shared, \$4500 each, when the agencies work together to place a child. (Example, one agency recruits and trains the adoptive family and another agency supervises and completes the necessary paperwork to finalize the adoption.)

\$10,000 for each child from 13-18 years for each child in a sibling group of three when the children are placed together in a family. (You cannot claim payment for the child's age and a sibling group placement. Example, a 13 year older is placed with two siblings. You cannot claim \$10,000 for his age and \$10,000 for the fact that he has two siblings). This amount is shared, \$5000 each, when agencies work together for a placement.

\$4500 or \$5000 for each child for private agencies with whom the Division has a statewide contract for adoption services when the contract funds have been exhausted and the agency secures a Decree of Adoption for a child for whom they have already received financial support under the statewide contract for their placement activities or when they provide services that lead to an adoption that are not included in the performance based contract.

Baselines:

Baseline data have been established for each county Department of Social Services and private agency. Payments from the Fund will be made to an agency ONLY when their baseline has been exceeded. The baselines represent the average number of finalized adoptions of children for the last three years.

Timeframe for Implementation:

Requests for reimbursement from counties and private agencies will be submitted to the budget office on a monthly basis. Payments will be electronically transferred to counties and checks will be written to private agencies.

No requests will be accepted after June 15, 2002.

Attachment 3

**SPECIAL CHILDREN
ADOPTION FUND**

COUNTY/PRIVATE AGENCY _____

Ln. numb.	CHILD'S NAME	AGE	RACE	5095 ID#	CO.#	FOSTER FAMILY (A) (DSS)	RECRUITED FAMILY(RF) RELATIVE(R)	RACE... ADOPTIVE PARENT	DATE OF DECREE	AMT.	SPECIAL NEED
1											
2											
3											
4											
5											
6											
7											
8											
9											
10											
11											
12											
13											
									TOTAL		

CERTIFICATION: I certify that the above services were provided with our approved contract and have been documented as required by grantor policy.

_____/_____/_____
Signature of Authorized Official Date

Prepared by Telephone Number

DSS-1571 PART 1V
(Rev. 8-01)