

# Calculating the Federal, State, and Local Shares for Adoption Assistance Subsidies



**Knowledge Base Article**

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## Calculating the Federal, State, and Local Shares for Adoption Assistance Subsidies

### Overview

The purpose of this article is to provide assistance when calculating Federal, State, and Local Shares for Adoption Assistance Subsidies.

### Calculating the Federal, State, and Local Shares for Adoption Assistance Subsidies

**Any amount over the Monthly Cost of Care for that child becomes the PCSA's responsibility.**

**The first month is prorated and all months following, including the last month, are for the full month.**

**Note:** The calculation below is based on a full month. If you are calculating a prorated month, divide the Subsidy Amount by the number of days in the first month. Then, multiple this amount with the number of days between the Subsidy Effective Date and the last day of the month (including the Effective Date). Use this amount as the Subsidy Amount in the calculations below.

**Example:** Subsidy Effective Date = 1/16/2020  
Subsidy Amount = \$300  
Number of days paid = 16  
Prorated Subsidy Amount = \$154.88:

- $[\$300 / 31 \text{ (days in the month)} = \$9.68 * 16 = \$154.88]$

### Calculating the Federal/State Share

**If the Subsidy Amount is greater than or equal to the Maximum Monthly Statewide Ceiling, the Federal Financial Participation (FFP) is applied to this ceiling to create the federal share.**

**Example:** Subsidy Amount = \$300  
As of 1/1/2020, FFP = 63.02%  
As of 1/1/2020, Maximum Monthly Statewide Ceiling = \$250  
Federal share is  $\$250 * 63.02\% = \$157.55$

## Calculating the Federal, State, and Local Shares for Adoption Assistance Subsidies

The non FFP amount is the state share.

**Example:** State share is  $\$250 - \$157.55 = \$92.45$

### Calculating the Federal/Local Share

If the Subsidy Amount is greater than or equal to the Maximum Monthly Statewide Ceiling, the Federal Financial Participation (FFP) is applied to the amount over the ceiling to create the federal portion of the Federal / Local share.

**Example:** Subsidy Amount minus the ceiling = \$50

- $\$300 - \$250 = \$50$

Federal share = \$31.51

- $\$50 * 63.02\% = \$31.51$

The Local Share is the amount leftover.

**Example:** Subsidy Amount minus the ceiling = \$50

Federal share = \$31.51

Local share = \$18.49

- $\$50 - \$31.51 = \$18.49$