OVERVIEW

The Family Incentive Grant (FIG) is funding allocated by the legislature to support initial licensure of a foster home (recruitment) or licensure renewal for an existing foster family home (retention). Eligibility is limited to foster parents licensed by Division of Child Welfare Licensing (DCWL) and prospective foster parents enrolled by DCWL. Appropriate expenditures include home improvement purchases or services required to meet DCWL licensing standards, and physical exams required for foster family applicants.

FIG reimbursement is available to all public and private foster care child-placing agencies and their providers on a first-come, first-served basis and priority is given to relatives. Once FIG funds are exhausted, the reimbursement of payments to facilitate licensing will end.

ELIGIBLE PURCHASES AND SERVICES

FIG funds can only be used to assist with a home improvement purchase or service to facilitate the initial licensure of a foster home, to correct a non-compliance DCWL licensing standard (licensed homes only) or for payment for the required physical exam for the licensing applicant(s).

Examples of appropriate purchases or services from recent reimbursements include but are not limited to the following:

- Window egress installation.
- Insect extermination.
- Well repair.
- Doors.
- Plumbing.
- Electrical.
- Stairway hand rails.
- Carbon monoxide and smoke detectors.
- Beds.
- Mattresses.
- Gun safes ($250 maximum reimbursement).

Any approved home improvement request over $500 will require the prospective unrelated applicant or unrelated foster family to contribute a minimum of 50% of the total cost.
Beds, Mattresses, Cribs

Reimbursement for beds, mattresses, and cribs is limited to relatives in the licensing process and unrelated licensed foster parents if the purpose is to reunite sibling or take a sibling group. The reimbursement limit for beds, mattresses, and cribs remains at $300 per relative or foster family per fiscal year. If there are circumstances warranting an exception to this amount, use the exception process for the request.

Egress Windows

Reimbursement for egress windows is limited to requests for a bedroom in the basement. The exception request must support the need to have a bedroom for the foster child(ren) in the basement.

INELIGIBLE EXPENDITURES

FIG funds cannot be used for the following items:

- Portable cribs or play yards.
- Car seats.
- Bassinets.
- Animal licenses or vaccinations.
- Physical exams for other household members (other than the foster parent applicants).
- Security deposits, rent, or utilities.
- Interpreter fees.
- Transportation costs or vehicles.
- Items for a foster family’s biological child or other household member.
- Home improvements for a rental home.

**Note:** For rental homes, minor repairs (non-structural changes) that are not the responsibility of the property owner may be eligible; see exception request process in this item.
• Labor costs to an unlicensed service provider
• Pre-owned items, such as items purchased at a yard/garage sale or Craig’s List.
• Replacement of dirty or worn carpeting.
• Dressers or other furniture (other than the beds and mattresses as described above).
• File cabinets or fireproof boxes.
• Bedding (such as sheets, blankets, pillows, crib pads, and all other bed linens).
• Personal items.
• Common safety supplies including outlet covers, cabinet locks, and baby gates.
• Any other item that is not a home improvement required for licensing.

FIG provides reimbursement for eligible expenditures—it is not intended to provide emergency funding. Payment vouchers submitted for ineligible items will be denied reimbursement for the ineligible expenditure amount. Other funds should be pursued first before using FIG funds.

Note: Adoption and Foster Parent Recruitment and Retention funds (AFPRR) have the same eligibility requirements; therefore, if the family is not eligible for AFPRR the family will not be eligible for FIG.

FUNDING CAP

The cap on fund expenditures is $500 (except for beds) to support equity and availability among counties and agencies, however there is an exception process in place for home improvements over the $500 limit.

EXCEPTION REQUEST PROCESS

Approval through an exception process is required for all requests more than $300 for beds or the $500 cap. To ensure appropriate fund expenditure and reimbursement availability, exception
requests must be submitted in advance by email to MDHHS-FIG@michigan.gov, in an exception request memo.

The exception request memo must include:

- Full name (first and last) of foster family. If foster parents are a couple, include both foster parent names.
- For prospective foster parents provide the enrolled license number.
- Indication if the foster family is a relative family or a licensed foster family.
- Item or services required to complete the licensing process.
- Specific licensing rule currently in non-compliance, which will be rectified by the expenditure.
- Exact cost of the eligible home improvement item/service.
- Estimated time for completion of the improvement.
- Indicate if the family owns or rents the home.
- Each foster child’s name, DOB, gender, permanency goal, and progress to that goal.
- Attach two estimates for any exception request over $1,500.
- Requestor name, agency, phone number, and email address.

FIG exceptions requests, including all required documentation, must be submitted by email to MDHHS-FIG@michigan.gov with the following information in the subject line:

**FIG Exception Request**, [family last name], [MDHHS county office or placing agency name].

A response will be sent by return email within 7-10 business days.

**SUPERVISOR OVERSIGHT**

Oversight by foster care/licensing supervisors is required to ensure the appropriate use of funds, including verification that an expenditure is eligible for FIG reimbursement. It is important to
ensure that relatives being licensed will be caring for children over a time-period that warrants the expenditure.

RECEIPTS

Verifiable receipts with a legible date of purchase or service are required for reimbursement. Written estimates cannot be used as receipts. Receipts must reflect appropriate purchases or services within the current fiscal year. Items not essential to the home repair project on the receipts are excluded from the reimbursement total. All verifiable receipts must document the total cost for the expenditure or service has been paid in full and clearly indicate that the balance due is zero.

Physical/Medical Exams

For reimbursement for physical/medical exams, receipts from a physician’s office or medical clinic must include the full name of the foster care licensing applicant. In addition, documentation must be provided that states a physical/medical exam for each foster parent applicant was conducted at the physician’s office or medical clinic.

REQUESTS FOR REIMBURSEMENT

All requests for reimbursements must accompany a completed MDHHS-5602, Payment Voucher. The MDHHS-5602, Payment Voucher, must be completed according to the instructions attached to the form.

MDHHS Supervised Cases

The following supporting documentation must be included with the MDHHS-5602, Payment Voucher:

- Copy of receipt or billing statement indicating total cost.
- If an exception request is approved- copy of the approval Email.

Note: If an exception exists, only the approval email is required, caseworkers do not need to send the entire email chain.
Private Child Placing Agency Supervised Cases

Private child placing agencies are required to first reimburse the foster parent or service provider and then submit the payment documentation to the MDHHS-FIG@michigan.gov for reimbursement to their agency.

The following supporting documentation must be included with the MDHHS-5602, Payment Voucher:

- If an exception request is approved - copy of the approval email.
- Copy of the check reimbursing the foster parent or paying the service provider.
- Copy of receipt or billing statement indicating the total cost.

The agency invoice should be on agency letterhead billing MDHHS for the amount indicated on the receipt. The agency invoice must include:

- Full name of the foster parent(s).
- Item/service expenditure.
- Total dollar amount - must match receipt(s) and, if pre-approved, must be the same as the total amount approved.

SUBMITTING REIMBURSEMENT REQUESTS

Submit the MDHHS-5602, Payment Voucher, and supporting documentation, as soon as payment has been made to ensure prompt reimbursement and to assist with the timely monitoring and tracking of expenditures for the state. Incomplete or incorrect authorizations will be returned for correction. Foster Care Program Office will forward the MDHHS-5602, Payment Voucher, with the supporting payment documentation to the MDHHS Accounting Office for processing.

Reimbursement requests, including all required documentation, must be submitted by email to MDHHS-FIG@michigan.gov with the following information in the subject line:
FIG Reimbursement Request, [family last name], [MDHHS county office or placing agency name].

STATEWIDE INTEGRATED GOVERNMENTAL MANAGEMENT APPLICATION (SIGMA)

Payees/vendors must be enrolled on SIGMA Vendor Self Service (VSS). For Further Assistance regarding SIGMA visit www.Michigan.gov/SIGMAVSS or call 888-734-9749.

WHEN REIMBURSEMENT IS NO LONGER NEEDED

When FIG reimbursement requests have been approved but will not be used, caseworkers must send an email to MDHHS-FIG@michigan.gov to withdraw the request so the funds can be used by other families.

JOB AIDS

MDHHS-5602, Payment Voucher, MDHHS Example
MDHHS-5602, Payment Voucher, Private Agency Example

LEGAL AUTHORITY

2018 PA 207, Section 574(2)