

ACF

Administration
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**U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
Administration on Children, Youth and Families**

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INFORMATION MEMORANDUM

TO: State Agencies Administering or Supervising the Administration of
Titles IV-B and IV-E of the Social Security Act

SUBJECT: AFCARS Assessment Reviews

PURPOSE

This Information Memorandum is to notify States of the Children's Bureau's implementation of the Adoption and Foster Care Analysis and Reporting System (AFCARS) assessment reviews and to transmit the *State Guide to an AFCARS Assessment Review*.

LEGAL and RELATED REFERENCES

Section 479 of the Social Security Act; 45 CFR Part 1355; Child Welfare Policy Manual, section 1, AFCARS; AFCARS Technical Bulletins

BACKGROUND

A. Data Collection

The Adoption and Foster Care Analysis and Reporting System (AFCARS) is designed to collect uniform, reliable information on children who are under the responsibility of the State title IV-B/IV-E agency for placement, care or supervision. The collection of adoption and foster care data is mandated by section 479 of the Social Security Act. The requirements for AFCARS are

codified in Federal regulation at 45 CFR 1355.40. As of October 1, 1994, States are required to collect and submit the AFCARS data semi-annually, in May and November.¹

AFCARS was established to provide data that would assist in policy development and program management at both the State and Federal levels. The data can assist policymakers in assessing the reasons why children are in foster care and developing strategies to prevent their placement into foster care. Specifically, the data include information about foster care placements, adoptive parents, and length of time in foster care, and make it possible to identify trends in particular geographic areas. Also, the data enable the Administration for Children and Families (ACF) to administer the Federal title IV-E foster care and adoption assistance programs more effectively. Prior to AFCARS, data on foster care and adoption from the States were collected on an annual and voluntary basis. However, the need for reliable and consistent data has always been a critical concern, especially for planning services and developing policy. ACF uses these data for a number of reasons, including:

- responding to congressional requests for current data on children in foster care or those who have been adopted;
- responding to questions and requests from other Federal departments and agencies, including the General Accounting Office (GAO), the Office of Management and Budget (OMB), the Department of Health and Human Services' (DHHS) Office of Inspector General (OIG), national advocacy organizations, States and other interested organizations;
- short and long-term budget projections;
- trend analyses and short and long-term planning;
- targeting areas for greater or potential technical assistance efforts, for discretionary services grants, research and evaluation, and regulatory change; and
- background and justification for policy changes and legislative proposals.

In addition to the broad areas listed above, DHHS uses the data:

- to allocate Chafee Foster Care Independence Program (CFCIP) funds to States;
- as a basis for determining States' performance when measuring outcomes;
- to identify the number of finalized adoptions for which a State may be awarded adoption incentive funds; and
- as the data source for samples drawn of case records for various program reviews conducted by ACF.

In order to ensure that consistent and reliable data are available to be used for the purposes outlined above, it is important periodically to assess the accuracy of the data being submitted to DHHS from the States. The Federal regulations at 45 CFR 1355.40 outline requirements that States must meet for AFCARS. One method used to assess accuracy of the data is the application of a limited number of edit checks to the submitted files (see 45 CFR 1355.40(b) and

¹ AFCARS report periods are based on the Federal fiscal year. Report periods are October 1 – March 31 (data are due by May 15) and April 1 – September 30 (data are due by November 14).

Appendix E to Part 1355). These edit checks are only able to determine substantial compliance for timely submission of the data files, the timeliness of data entry of certain data elements, and whether the data meet a 90 percent level of tolerance for missing data and internal consistency checks.

While substantial compliance informs us as to whether the State is able to meet the timeliness, missing data and internal consistency standards, it does not inform us as to whether the State meets all AFCARS requirements. For example, ACF cannot assess whether the State submitted data on the correct foster care population, for the correct time period required by the regulations. Also, the edit checking utility cannot determine if the State has correctly coded information to the AFCARS values. This explains why in the past a State may have submitted a penalty-free AFCARS report, despite the fact that the data may not have met all of the requirements in 45 CFR 1355.40, and the data may not be of good quality. Therefore, we have developed a method to conduct a more thorough analysis of the State's information system, including the program logic.

B. The Assessment Review Process

The Children's Bureau has developed an assessment review process for the purpose of more fully assessing and evaluating States' AFCARS. The AFCARS assessment review process is a "validation and verification" of an automated information system and, as such, it is ACF's intention to conduct an AFCARS assessment review in each State. The AFCARS assessment review encompasses assessing the ability of a State's automated information system to gather, extract and submit the correct AFCARS data accurately. The AFCARS review process is a rigorous evaluation of the State's system and allows the review team to identify problems, investigate the causes, and suggest solutions during the review.

Between August 1996 and December 2000, the Children's Bureau conducted eight pilots of the review process. States that volunteered and participated in the pilot reviews were North Dakota, Oklahoma, Virginia, Montana, Indiana, Arizona, Nebraska, and Kentucky. Additionally, Indiana participated in testing the review process via teleconferencing, and Nebraska's review was a combined AFCARS and Statewide Automated Child Welfare Information System (SACWIS) review. The core activities conducted in each of the States included a system documentation review, data definition mapping, data collection and extraction tests, staff interviews, and case record reviews.

As a result of the pilot reviews, the Children's Bureau has refined and finalized a process for conducting the AFCARS assessment reviews. The attached *State Guide to an AFCARS Assessment Review* (the *Guide*) was developed to assist States to prepare for a review and provides more detailed information on the AFCARS Assessment Review process.

INFORMATION

This section provides a brief overview of the AFCARS Assessment Review procedures. For more detailed information refer to the *State Guide to an AFCARS Assessment Review*.

A. Selection and Scheduling Criteria

All States' AFCAR systems will be reviewed for accuracy in collecting and extracting the required data. In order for a State to be considered eligible for an AFCARS assessment review, two criteria must be met. These are:

- The State's SACWIS, or other automated information system, must be operational Statewide.
- The State must have submitted both a foster care and an adoption data file from its information system to ACF.

In order to establish a review schedule, the following factors will be taken into consideration. These factors will be used to prioritize the order in which States are reviewed.

- A SACWIS review has been conducted in the State.
- The SACWIS system will be transferred to another State.
- The State is scheduled for a Child and Family Services (CFS) review within the next two years.
- The State requested an AFCARS assessment review.
- AFCARS-related issues were identified during a SACWIS, CFS, or title IV-E review.
- AFCARS-related issues were identified by other sources, such as OMB, GAO, or OIG.
- The quality of the State's data.

While ACF will, in most cases, initiate the scheduling of an AFCARS assessment review, States may request an AFCARS assessment review if they meet the two eligibility criteria described above. The *Guide* outlines the process for a State to request an AFCARS assessment review. In addition, the *Guide* contains samples of the documentation that the State will need to provide for the review, a sample of some of the questions that are asked during a review (both general questions and questions about each data element), and a sample findings document.

B. On-Site Findings

At the end of the on-site review, three draft matrices (one each for foster care, adoption, and the AFCARS general requirements) will be left with the State agency. These matrices will include the on-site findings and the actions that the agency needs to take to improve the quality of its data.

During the post-site visit phase of the review, the on-site findings will be fully evaluated by incorporating information that was obtained during the site visit, but not yet assessed. The State may need to provide additional clarification or information to the Federal team during this time.

C. The Final Report and AFCARS Improvement Plans

A report will be issued to the State within 60 business days after the site visit. The report will contain an overview of the major findings from the on-site visit and the post-site visit evaluation, the final findings matrices, additional analysis reports (if necessary), and if applicable, an AFCARS Improvement Plan. The AFCARS Improvement Plan is based on the findings of the review for each of the AFCARS elements and the general population and technical requirements, and includes steps that the State needs to take to improve its data and meet the requirements of 45 CFR 1355.40.

Once the State receives the final report, it should contact the ACF Regional office within 30 days with proposed timeframes for implementing the AFCARS Improvement Plan. The *Guide* provides information on when and how the State should provide updated information to the ACF Regional Office. It is expected that States will provide information to the Regional Offices at least quarterly on actions that have been taken in accordance with the AFCARS Improvement Plan.

States found not to satisfy fully the AFCARS standards during an AFCARS assessment review will not incur penalties. Instead, the State is expected to use the AFCARS Improvement Plan as a means to identify technical assistance needs, implement the action steps, and improve the quality of its data. We encourage States to make the improvements in as timely a manner as possible as the quality of the State's data has implications for the State and Federal initiatives outlined above.

To the extent that the State takes action to correct its collection and submission of AFCARS data, it is possible that a resulting improvement will bring to light other weaknesses that have been masked. For example, if a State's program logic is written to ensure that there are no missing data by mapping missing information to a known AFCARS value (i.e., setting defaults), then once this is corrected the data element may not meet the ten percent standard for missing data. Consequently, the State will need to ensure that workers are actually entering the required information.

D. Role of the ACF Regional Offices

The ACF Regional Offices will participate in the AFCARS assessment review of each of the States in their regions. After the final report has been issued, the ACF Regional Office will follow up on implementation of the AFCARS Improvement Plan with the State. The ACF Regional Office (in coordination with the Children's Bureau) and the State will discuss the completion dates outlined by the State and negotiate the final due dates.

E. Technical Assistance

The ACF Regional Office will work with the States in identifying technical assistance (TA) needed to implement the AFCARS Improvement Plan. TA will be provided to the extent available. States may access technical assistance from the Children's Bureau's National Resource Center for Information Technology in Child Welfare (NRC-ITCW). The Resource

Center can be contacted at (877) NRC-ITCW (672-4892), or at its web page: <http://nrcitcw.org>. For on-site technical assistance from the NRC-ITCW, States are requested to contact their ACF Regional Office.

INQUIRIES TO: ACF Regional Offices

/s/

Joan E. Ohl
Commissioner
Administration on Children, Youth and Families

Attachments:

[State Guide to an AFCARS Assessment Review](#)

[Appendix A: Federal AFCARS Resources](#)

[Appendix B: Program and Information System Policy and Procedure Questions](#)

[Appendix C: AFCARS General Requirements](#)

[Appendix D: AFCARS Data Elements](#)

[Appendix E: State Activities Checklist](#)

[Appendix F: Samples of Technical Documents](#)

[Appendix G: Documentation Checklist](#)

[Appendix H: Instructions for Entering Test Case Scenarios](#)

[Appendix I: Sample Agendas/Schedules](#)

[Appendix J: Sample Case File Review Form](#)

[Appendix K: Sample Findings Documents](#)

[Appendix L: Sample AFCARS Improvement Plans](#)