

**Memorandum**

Date **AUG 29 1994**

From June Gibbs Brown
Inspector General *June G. Brown*

Subject Opportunities for Improved Foster Care Eligibility Determinations
(A-12-93-00022)

To Mary Jo Bane
Assistant Secretary for
Children and Families

Attached are two copies of the Department of Health and Human Services, Office of Inspector General's (OIG) report entitled, "Opportunities for Improved Foster Care Eligibility Determinations." This report is an analysis of findings identified in our audit reports issued between March 1990 and October 1992 relating to the Federal Foster Care program. It also includes information from two recently issued reports. This report demonstrates the need to evaluate the merits of certain statutory requirements that States must meet to participate in the Federal Foster Care program. A concurrent OIG report by the Office of Evaluation and Inspections looks more broadly at the Administration for Children and Families' (ACF) oversight of child welfare programs. These reports are two of several related reports being issued by OIG on the subject of foster care and child welfare services.

Our audits, covering various States, identified confusion regarding the adequacy of documentation needed to support reimbursements for foster care maintenance payments. This confusion results in States not qualifying for Federal funds because of deviations from full compliance with requirements established by the Adoption Assistance and Child Welfare Act of 1980 (Act). As we gained more experience as to how the Act was implemented, we noted areas that need to be evaluated.

One of the areas noted is the requirement for courts to determine whether "reasonable efforts" have been made to retain children in, or return children to, their natural homes. We found instances where these actions may have been performed but were not well documented. Adequate documentation of the required determination would consist of items such as court orders confirming that a judicial determination had been made. It would not include items such as petitions to the court. Although the

petitions may indicate that actions were taken, they are often prepared and submitted to the courts by the caseworkers. Unless the required judicial determinations are made and documented in the files, the State does not qualify for Federal funding for foster care payments.

Our analysis showed that almost 42 percent of the errors in our reviews were related to the judicial determinations requirements. We believe that the high error rate surrounding the judicial determinations requirement may be a direct result of the rigid statutory requirements. This report seeks to analyze this seemingly inflexible position and to offer recommendations on how to better emphasize the substance of actions taken rather than the precision of their technical reporting.

The ACF over the years has issued directives, interpretations, and other instructions in its attempt to clarify the intent of the Act. Despite this effort by ACF, our audits, performed in compliance with the statute and these guidelines, have continued to identify and recommend for disallowance a total of \$185.6 million in costs over the 3 fiscal years covered by this report. We have presented options to consider for new and better ways of "doing business with the States" in their administration of the Federal Foster Care program.

You have concurred with the issues and options presented in this report. We would appreciate your views and the status of any further action taken or contemplated on our options.

If you have any questions, please contact me or have your staff contact John A. Ferris, Assistant Inspector General for Administrations of Children, Family, and Aging Audits, at (202) 619-1175.

To facilitate identification, please refer to Common Identification Number A-12-93-00022 in all correspondence relating to this report.

Attachment

Department of Health and Human Services

**OFFICE OF
INSPECTOR GENERAL**

**OPPORTUNITIES FOR IMPROVED
FOSTER CARE ELIGIBILITY
DETERMINATIONS**



JUNE GIBBS BROWN
Inspector General

AUGUST 1994
A-12-93-00022

SUMMARY

This is an analysis of findings identified in our audit reports issued over the last 3 fiscal years relating to the Federal Foster Care program established under title IV-E of the Social Security Act. Our objective was to determine if there is a need to evaluate the merits of the statutory requirements for Federal funding that States find difficult to meet. Specifically, we noted problems in complying with requirements for licensing, Aid to Families With Dependent Children (AFDC) eligibility, and the more complex requirements relating to voluntary placements and judicial determinations. Results of our audits show that the States were often unsuccessful in implementing the many requirements imposed by the Adoption Assistance and Child Welfare Act of 1980, P.L. 96-272 (Act). Consequently, our reports have recommended disallowances from selected States for foster care funds totaling \$185.6 million (See Appendix A). This report presents options to consider for new and better ways of "doing business with the States" in their administration of the Foster Care program. We believe that, if the inflexible statutory rules are modified, the States have the potential to substantially enrich the goals and objectives of the Foster Care program.

The proliferation of rules accompanying the Act's implementation, when tied with the penalties for noncompliance, has hampered the States in their administration of the Federal Foster Care program. Prior to P.L. 96-272, States had to comply with only four eligibility requirements. However, the passage of the Act added five requirements for the States to qualify for Federal financial participation (FFP). Additionally, the Administration for Children and Families (ACF) issued about 245 policy interpretations, announcements, and directives designed to further clarify the new statutory requirements (See Appendix B). While the initial intent of these additional requirements was to help ensure the proper care and treatment of children, those same requirements now appear to be viewed by some Members of Congress, State officials, and child welfare advocates as overburdening the process, rather than assisting States in providing quality services in a cost-effective manner.

Although audits conducted by the Office of Inspector General (OIG) cover States with varying characteristics, we have identified essentially the same findings in each audit of the Foster Care program. The following chart depicts the types of findings identified.

Types of Findings

- *Voluntary placements:*
 - *agreements were missing*
 - *no provision in the State plan*
- *Removal from Specified Relative*
- *Ineligible for AFDC*
- *Unlicensed facilities*
- *Inaccurate and/or excessive payments*
- *Judicial determinations:*
 - *were missing*
 - *untimely*
 - *no "contrary to welfare" statement*
 - *no indication of reasonable efforts*
- *Missing or Incomplete files*
- *Adopted/released from foster care*

As we gained more experience as to how the Act was being implemented by the States, we noted areas that need to be evaluated. Almost 50 percent of our past findings pertained to voluntary placements and judicial determinations. Findings relating to the contents of a judicial determination appear to be more technical in nature. That is, in order for FFP to be available for the foster care maintenance payment, the court orders must include a judicial determination that continuance in the home was "contrary to the welfare" of the child, or that "reasonable efforts" had been made to prevent or eliminate the need for the removal. Unless the required judicial determinations are made and documented in the files, the State would not be able to obtain Federal funding for foster care payments made on behalf of the child. Adequate documentation would consist of items such as court orders confirming the judicial determination. Adequate documentation would not include items such as petitions to the court. Although the petitions may indicate that these actions were taken, they are often prepared and submitted by the caseworkers, rather than by the court, as is required by the statute.

State agencies administering the Foster Care program have encountered some problems that appear to be within their immediate control, such as the licensing of facilities, while other problems appear to be beyond their control. An example of problems not within the immediate control of the State agency would be the role of the courts and the content of judicial determinations as described above. This information, which is necessary to determine the child's eligibility for the title IV-E Foster Care program, was not always properly documented. We believe that court personnel need to work with the caseworkers to ensure that the court's actions and intent are adequately documented. Congress has recognized the need for a greater

degree of cooperation between the courts and State agencies. The Omnibus Budget Reconciliation Act of 1993 (OBRA) contained a provision to establish a funding mechanism for State courts to assess and improve the handling of foster care proceedings. Without this cooperation, Federal statute requires the denial of FRP in those cases involving incomplete or incorrectly completed court orders.

Over the years, ACF has attempted to assist the States by issuing interpretations, instructions, and other guidance. The consequences of these efforts by ACF have not been fully successful. The same types of errors are still found in our eligibility determination reviews. One alternative often recommended is to allow for substantial rather than total compliance with the eligibility requirements. Currently, the States must comply with all mandated legislative requirements or suffer the loss of Federal reimbursement. There is no allowance for or definition of "substantial compliance." The statute provides no authority for ACF to waive these or any other requirements, or to consider whether a State has substantially complied with the eligibility requirements. The children in need of foster care services may be deprived of Federal support because of the State's difficulty in meeting the precise statutory requirements prescribed for the use of Federal funds.

We believe that ACF should continue to pursue ways to improve its partnership with State and local governments. We are presenting the following options to assist in this effort:

- *The process could be streamlined.* The ACF should consult with legislative committees to determine the feasibility of redesigning some of the statutory requirements for determining eligibility to participate in the Foster Care program.
- *Advocate a legislative change to determine a method to measure "substantial compliance" with the eligibility requirements.* Rather than the current disallowance practices, a notion of "substantial compliance" with the eligibility requirements could allow ACF to assess the States' Foster Care programs and the degree to which the requirements are being met.

- *Determine whether the requirements concerning the content of judicial determinations could be changed to a State plan compliance issue rather than remain as an eligibility issue.*

Advocating a change to the requirements surrounding the content of the judicial determinations could allow reviews of the Foster Care program to focus on the judicial determinations as an important safeguard against inappropriate agency actions rather than whether the actions were documented. If the requirement were changed to a State plan requirement, payments would be withheld or reduced only if:

- (1) a State plan no longer complies with State plan requirements, or
- (2) in the State's administration of the plan, there was substantial failure to comply with its provisions. By changing the requirement, the eligibility of children to the Federal Foster Care program would not depend on whether certain actions were adequately documented.

The ACF has concurred with the issues and options presented in this report. A copy of ACF's response is provided in Appendix C.

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INTRODUCTION

The OIG has issued several reports identifying problems that States are having in meeting the statutory requirements used to determine eligibility of children participating in the Foster Care program under title IV-E of the Social Security Act. In 1984, we identified 28 States that were having difficulties in satisfying the program requirements. Subsequent audits over the past 3 fiscal years at five States and the District of Columbia identified the same or similar problems meeting the eligibility determination rules. Specifically, we noted problems relating to voluntary placements, judicial determinations, unlicensed facilities, and children ineligible for AFDC. Continuous deviations from Federal rules can be attributed in part to those compliance requirements, such as those relating to the contents of court orders, which are often beyond the immediate control of the State agency responsible for administering the program.

From March 1990 through October 1992, our foster care eligibility determination audits have resulted in the identification of \$185.6 million in recommended financial disallowances from selected States. The States often appealed these recommendations to the Departmental Appeals Board, and, in most instances, our position was upheld. The reports generally contained recommendations providing opportunities for improvement, with the primary focus on States' compliance with specific eligibility requirements necessary to qualify for Federal reimbursement for foster care children.

In recent months some of these eligibility requirements have been viewed as "technical" in nature by Members of Congress and State officials. The concerns being raised relate to whether the Federal Foster Care program's focus should be on the quality of care and the provision of service rather than on whether all requirements are met. We believe there is a need for ACF to meet with congressional staff to evaluate the merits of some of the statutory requirements for Federal funding that have continued to be difficult for States to meet. This report focuses on the changes brought about by P.L. 96-272 to the Foster Care program. In conjunction with an OIG report by the Office of Evaluation and Inspections, which looks more broadly at ACF's oversight of child welfare programs, options are provided for ACF to consider in its efforts to improve its partnership with State and local governments.

BACKGROUND

The Adoption Assistance and Child Welfare Act of 1980 amended the Social Security Act by transferring the Foster Care program from title IV-A to a newly created title IV-E. Under the title IV-E Foster Care program, the Federal and State governments share in the cost of providing care and maintenance payments on behalf of eligible children in licensed or approved foster care homes, nonprofit private and qualified public institutions.

A major objective of this legislation was to reduce the need for foster care through early intervention, reassessment of continuing such care, and reunification. However, the number of children receiving foster care generally increased in the years since the enactment. Although during 1982 and 1983, the number of children in foster care decreased, since then the number of children has more than doubled, from 102,051 in 1984 to an estimated 232,995 in 1993. One reason is the number of children

with special needs entering foster care. This category includes the medically needy, handicapped, or severely emotionally disturbed as well as crack babies and those with acquired immunodeficiency syndrome. The increase in reports of child abuse and neglect, parental substance abuse, and the decline in economic conditions have also contributed to the larger number of children in foster care. Moreover, the length of stay for children in foster care has also increased. The children, or in the situations involving parental substance abuse, the parents, often require lengthy and intensive treatment before the children can be returned home. In a recent report on the Foster Care program, the General Accounting Office (GAO) found that, in California, the average length of stay increased from 15.2 months in 1987 to 20.2 months in 1990.

While the reasons for the dramatic increases in foster care rolls can be debated, the increases have generated new interest in ways to prevent the need for foster care and to preserve families. The provisions for a new

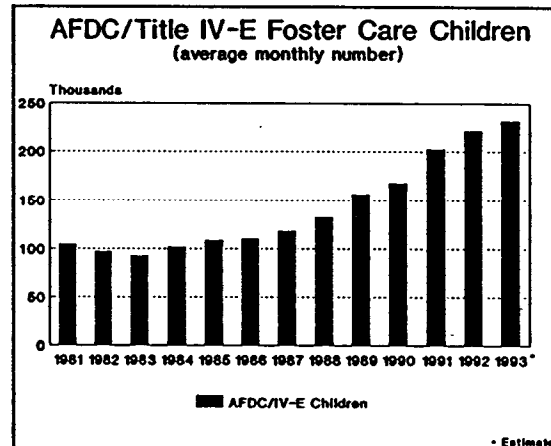


Figure 1. The number of AFDC/IV-E foster care children decreased in 1982 and 1983. Since then, the numbers have steadily increased.

entitlement program included in OBRA for community-based family support and family preservation services will allow States to use these types of funds to improve the quality of service to the children. However, ACF still needs to evaluate and assess the rules and regulations imposed on the States to ensure that children in need of foster care are qualified for the services.

The following chart provides a simplified overview of the complex process involved when children are removed from their home.

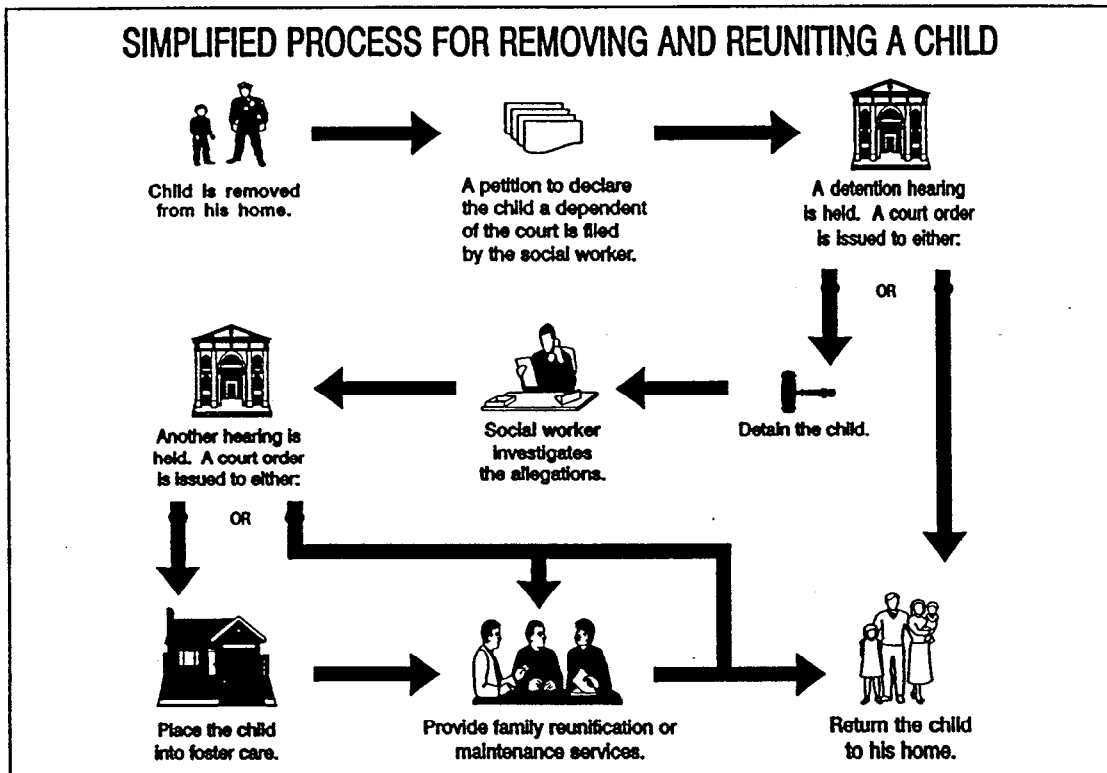


Figure 2. This represents a simplified overview of the process for removing and reuniting a child.

METHODOLOGY

Our objective was to determine if there is a need to evaluate the merits of the legislative requirements for Federal funding that States find difficult to meet.

We compiled and performed an analysis of findings identified in audit reports we issued between March 1990 and October 1992 relating to the Foster Care program. These audits were performed in accordance with generally accepted government auditing standards. We included in our analysis the recently issued results of two major reviews and recent GAO reports on the Foster Care program. For the purpose of obtaining a benchmark to measure progress over the years, we reviewed a summary report issued on the results of reviews performed in 1984. Our review included discussions with program officials and child welfare advocates. We analyzed and summarized ACF's policy issuances that implemented and/or clarified the foster care rules. We analyzed the legislative history of P.L. 96-272 as well as subsequent legislation concerned with the Federal Foster Care program such as H.R. 11, Revenue Act of 1992 which was passed by both houses but vetoed by President Bush and S.1240, Medicaid Audits and Disallowance Reform Act of 1991. We also reviewed the legislative history concerning the child welfare services and foster care reforms in the OBRA 1993 and reviewed and obtained data from the 1992 Green Book, Overview of Entitlement Programs. Our analysis was performed in Washington, D.C. from July through September 1993.

RESULTS

Our audits have resulted in significant disallowances of expenditures for Federal reimbursement for the Foster Care program under title IV-E of the Social Security Act. During the past few years, we completed several reviews to verify that title IV-E foster care maintenance payments were made on behalf of eligible children. From March 1990 through October 1992, we recommended disallowances from selected States for foster care funds totaling about \$185.6 million. The disallowances were primarily based on compliance issues such as whether the children met the eligibility requirements and whether the foster care facilities were licensed by the State. Other issues addressed the appropriate removal of a child from the home in situations involving judicial determinations and "voluntary placement agreements." In some instances, we found that these necessary actions and processes may have been performed but were not well documented. Recoveries were recommended in these instances when required by Federal statute.

Need to Streamline the Process

As a result of P.L. 96-272, ACF developed and issued a number of rules for the States to follow in their administration of the Foster Care program under title IV-E. Our audits of the Foster Care program covered States with varying characteristics but many of the problems identified by these audits were essentially the same. We believe this is due to the difficulties States have had in implementing the many rules and requirements resulting from the Act. The table on the following page shows that, prior to P.L. 96-272, States only had to comply with four eligibility requirements. With the passage of the Act, an additional five requirements were placed upon the States to qualify for FFP, and for voluntarily placed children, seven other requirements were established to ensure safeguards. The initial intent of the additional requirements was to help ensure the proper care and treatment of children and improve State's level of compliance. However, as implemented by the States, those same requirements appear to place more value on the process rather than on the substance of the actions taken to protect the children.

State Requirements	Prior to P.L. 96-272	After P.L. 96-272
The child must receive or be eligible to receive AFDC benefits.	✓	✓
Children must be placed in licensed facilities.	✓	✓
Placement and care responsibility must be with State Agency.	✓	✓
Court-ordered placements must state that: <ul style="list-style-type: none"> · living at home is contrary to the welfare of the child, and · after 10/1/83, reasonable efforts were made to reunite the child with the family. 	✓	✓ ✓
Voluntary placements: <ul style="list-style-type: none"> · The State's title IV-E plan must contain a provision allowing for removal pursuant to a voluntary placement agreement. · A judicial determination: <ul style="list-style-type: none"> · is required within 180 days, and · must state removal was in the best interest of the child. · A signed voluntary placement agreement must be obtained. 		✓ ✓ ✓ ✓
For voluntarily placed children, States must establish: <ul style="list-style-type: none"> · One-time inventory of children in care more than 6 months. · Statewide information system of children in foster care. · Reunification program to return children to their original home. · Case review system of procedural safeguards which includes: <ul style="list-style-type: none"> · a case plan for each child in foster care; · a court or administrative review, every 6 months; and · a dispositional hearing within 18 months after placement. 		✓ ✓ ✓ ✓ ✓ ✓

Table 1. The Adoption Assistance and Child Welfare Act of 1980, P.L. 96-272, established rules to prevent children from being placed in foster care and forgotten.

We have found that the State agencies administering the title IV-E Foster Care program have encountered some problems that appear to be within their control (e.g., the licensing of facilities and the determination of AFDC eligibility), while others appear to be beyond their direct control. An example of a problem not within the immediate control of the State agencies is the role of the courts and the judicial determination requirements. The courts must make certain determinations such as whether "reasonable efforts" were made by the State agency to prevent placement or to reunite the child with the family. This information, which affects the child's eligibility for the title IV-E Foster Care program was not always properly documented. We believe that court personnel need to work with the caseworkers to ensure that the court's actions and intent are adequately

documented. Incomplete or incorrectly completed court orders would result in denial of FFP. The Congress also recognized a need for courts to improve certain proceedings. The OBRA allows a portion of the capped entitlement funds to be reserved for grants to State courts to assess and improve various procedures including foster care placements.

To assist the States, ACF issued about 245 policy interpretations, instructions, and other guidance designed to further clarify the rules. The policy issuances are the Department's interpretation of various rules and regulations. They can be issued to answer specific questions, provide instructions, or to promulgate policy. However, unlike Federal regulations, the opportunities for review and comment outside of ACF is nonexistent. We believe that the process could be strengthened if ACF would involve the States as well as other interested parties in the process prior to issuance of such documents.

In each State reviewed, we have seen the same types of errors repeated with specific types being more prevalent. While these error types were considered critical at the time of passage of P.L. 96-272, more recent experience raises the question of whether the statutory focus is still relevant. For example, one statutory requirement that has received a great deal of criticism for its apparently technical nature is the rule regarding the content of judicial determinations. If a child is placed pursuant to a judicial determination, rather than through a "voluntary placement agreement," the court order must include specific findings regarding whether "reasonable efforts" were made to return the child to the natural home and whether continuance in the home was "contrary to the welfare" of the child. Moreover, the statute requires that even if the foster care placement was entirely appropriate, the lack of such statements as part of the court order would require that no FFP be available for the foster care placement of the child. One can argue that the denial of FFP to the States could compel State courts to establish policies and procedures to ensure the judicial determinations are adequately documented. In theory, this may be true, but we have found that practical difficulties nonetheless arise in consistently applying the Federal requirements to the actions of State court judges. We thus believe that the merits of these requirements should be evaluated by Congress and ACF.

In light of these repetitious errors, consideration should be given to at least two approaches that focus on the voluntary placement and judicial deter-

minations requirements. One approach would be to allow States to be in substantial rather than total compliance with the eligibility requirements. Currently, unless each and every statutory requirement is satisfied in full, Federal funding is not available. The other approach would be to change the requirement regarding the content of the judicial determination from an eligibility issue to a State plan issue, for which the concept of "substantial compliance" already exists. A discussion of both of these approaches follows.

Substantial Compliance

Currently, States must be in full compliance with all the eligibility requirements in order to claim FFP for that child. The statute does not provide the authority for either OIG or ACF in conducting their audits and reviews to waive any requirements or to consider whether a State has substantially complied with the eligibility requirements. A determination of whether there is "substantial compliance" with the eligibility requirements would give ACF and the States some reasonable latitude in meeting these requirements for Federal reimbursement.

Almost 50 percent of the errors in our reviews were caused by States not complying with the judicial determinations and voluntary placement requirements; the remaining 50 percent were split over more than 9 other categories. An explanation of the requirements pertaining to voluntary placements as well as the two principal requirements pertaining to judicial determinations follows. The two requirements are those relating to whether "reasonable efforts" were made to prevent the need for the placement or to return the child to his home, and whether continuation in the home would be "contrary to the welfare" of such child.

Voluntary placement. For children removed from home pursuant to a "voluntary placement agreement," the State must provide in its title IV-E plan that payments will be made on behalf of such children. For example, in a recently completed review, we noted that a State did not include this provision in its State plan until January 1, 1993. Prior to that, foster care maintenance payments for voluntary placement cases in that State were paid entirely from State and local fund sources, and were not eligible for FFP. Judicial determinations for voluntarily placed children, required within 180 days after placement in foster care, should also state that such a placement is in the best interest of the child. A judicial determination made 181 days

after placement would be cause for disallowance of Federal funds for that child as would a court order that failed to include the "best interest" statement.

Reasonable efforts. In order for a State to be eligible for title IV-E funding, one of the requirements is that the removal from the home was the result of a judicial determination to the effect that continuation therein would be contrary to the welfare of such child and that "reasonable efforts" have been made prior to placement to prevent the need for foster care and to make it possible for the child to return home. Our review showed that in the State's petition to the courts for foster care placements, efforts performed by the social worker to prevent the placement were often summarized; however, a statement by the courts indicating that these efforts were reasonable was often missing from the court order. Absent this statement, a child who is otherwise eligible is not entitled to receive Federal support.

To add to the difficulty, the term "reasonable efforts" is not defined in the Federal statute, the regulations, or ACF's policy issuances. This creates the potential for confusion on the part of State judges as to whether they can, as required for purposes of Federal matching, make a finding for a particular child that "reasonable efforts" were made to prevent or eliminate the need for removal or to return the child to his or her home. In this situation, the definition has been left to the States. As a result, the interpretation of "reasonable efforts" varies substantially from State to State. The judicial system has defined this term based on individual cases, but in many States the issue of "reasonable efforts" has not been addressed.

Contrary to the welfare of the child. A judicial determination that the continuation of residence at home is "contrary to the welfare" of the child is also required. When a child is removed from the home, the removal must be either by a judicial determination (involuntary) or by a "voluntary placement agreement." For children removed from the home by a judicial determination, evidence of certain procedural safeguards must be documented. The removal order must be signed by a judge and contain a statement to the effect that continuation of residence at home is "contrary to the welfare" of the child. Our review results indicated that many court orders do not contain the "contrary to the welfare of the child" statement. Nor is there often evidence indicating whether this requirement was considered. Accordingly, reimbursement would be disallowed.

State Plan Requirement

We believe that, as presently written, some of the current requirements appear to stress "form over substance." We discussed above two illustrations of this problem, the failure to include "reasonable efforts" and "contrary to the welfare" statements in court orders. Based on our discussions with ACF officials, we believe that a State plan compliance approach would be one effective solution to this problem.

The concept of "substantial compliance" with State plan provisions is a principle feature of a State plan approach. The State agencies, through their State plan for the Foster Care program, provide assurances that they have systems and controls for ensuring that Federal foster care payments are made in accordance with the statutory requirements. Under this concept, the content of the judicial determination would be one of many items reviewed to determine whether, in the State's administration of the plan, they have substantially complied with its provisions.

Consequently, by moving the requirement concerning the content of the judicial determination from a legislative requirement to a State plan requirement, ACF program officials would have the flexibility to determine the degree to which a State has failed to comply with its plan provisions rather than having to take a financial disallowance because the State is in violation with the statutory requirements.

The legislative history for P.L. 96-272 provides the rationale of Congress in considering the need for judicial determinations. The congressional committee considering the legislation wanted to discourage inappropriate placements and ensure that children were not placed in foster care and forgotten. As an eligibility determination requirement, the errors have resulted in fiscal disallowances often based on deficiencies for actions that may have been performed but were not well documented. These disallowances serve little purpose in improving the delivery of services by the State. We believe that as a State plan requirement, the focus of this requirement would change from determining the adequacy of the documentation to whether inappropriate actions have occurred.

CONCLUSIONS

The OIG is concerned with the widespread problems State agencies encounter in administering the Federal Foster Care program. Our reviews have resulted in disallowances of tens of millions of dollars in FFP.

We believe that ACF should consider the following options on how to better emphasize the substance of actions taken rather than the precision of their technical reporting. The ACF and Congress should evaluate the effectiveness of the statutes and rules imposed on the States to ensure that children in need of foster care are receiving the needed services.

Specifically, ACF should consider the following options:

- (1) *The process could be streamlined.* Consult with legislative committees to determine the feasibility of redesigning some of the statutory requirements for determining eligibility to participate in the Foster Care program.
- (2) *Advocate a legislative change to determine a method to measure "substantial compliance" with all the requirements.* Rather than the current disallowance practices, a notion of "substantial compliance" with the eligibility requirements could allow ACF to assess the States' Foster Care programs and the degree to which the requirements are being met.
- (3) *Determine whether the content of judicial determinations requirements could be changed to a State plan compliance issue rather than remain an eligibility issue.* Advocating a change to the requirements surrounding the content of the judicial determinations could allow reviews of the Foster Care program to focus on the judicial determinations as an important safeguard against inappropriate agency actions rather than whether certain actions were documented.

ACF's Comments

The ACF has concurred with the issues and options presented in this report. Presently, the monitoring policies and procedures are being revised. A copy of ACF's response is provided in Appendix C.

APPENDICES

Recent Title IV-E Foster Care Maintenance Payment Reviews

Issue Date	Report Title	C.I.N.	Recommended (in millions)		Concurred (in millions)
			Total	FFP	
10-21-92	Title IV-E Foster Care Maintenance Payments - Illinois Department of Children and Family Services	A-05-92-00075	\$ 10.0	\$5.0	\$ 5.0
04-16-92	Foster Care Maintenance Payments Made by the Allegheny County Department of Children and Youth Services	A-03-91-00553	4.6	2.3	2.1 ¹
01-06-92	Foster Care Maintenance Payments Made by the Philadelphia County Department of Human Services	A-03-91-00551	13.6	6.8	6.8
08-08-90	Foster Care Maintenance Payments Claimed under Title IV-E of the Social Security Act by the District of Columbia	A-03-88-00551	11.8	5.9	0.0
06-20-90	Claims for Federal Financial Participation by the New York City Department of Social Services Under Title IV-E of the Social Security Act - AFDC Foster Care Program	A-02-87-02016	141.4	70.7	64.1
06-01-90	Audit of the Title IV-E Foster Care Program - Ohio	A-05-90-00071	2.4	1.4	0.8
03-30-90	Eligibility of Title IV-E Foster Care Maintenance Payments	A-06-90-00026	1.8	0.9	0.9
TOTALS			<u>\$185.6</u>	<u>\$93.0</u>	<u>\$ 79.7</u>

¹Based on additional documentation reviewed by ACF, the concurrence amount of \$2,140,899 was increased to \$4,955,795.

Description and Number of Errors Identified in the Reviews

Description of Errors	A-05-92-00075	A-03-91-00553	A-03-91-00551	A-03-88-00551	A-02-87-02016	A-05-90-00071	A-06-90-00026
SAMPLE SIZE	200	100	100	200	300	200	200
Voluntary Placement - Agreement Missing - No Plan Provision	- -	- 10	- 41	- -	4 -	- -	- -
Judicial Determination - Missing - Untimely	- -	- -	2 -	- 28	17 60	1 -	- -
Contents of Judicial Determination - Contrary to Welfare - Reasonable Efforts	34	10 31	3 10	1 33	14 39	- 1	- 19
Unlicensed Facilities	2	13	4	72		4	-
Ineligible for AFDC	-	4	3	4	63	-	5
Adoption/Released from Foster Care	-	-	-	21	14	1	-
Missing/Incomplete File	1	-	-	7	38	-	1
Inaccurate and/or Excessive Payments	-	-	-	-	-	34	-
Removal from Specified Relative	-	-	-	1	14	-	1
Responsibility for Care and Placement	-	-	-	-	15	-	-
Concurrent Benefit Payments	-	-	-	-	-	14	-
Other Errors	-	-	-	-	28	1	1

**Administration for Children, Youth and Families Policy Issuances
Title IV-B and Title IV-E of the Social Security Act**

POLICY INTERPRETATION QUESTION (PIQ)		
SUBJECT	NUMBER	DATE ISSUED
Foster Care Case Review	PIQ-81-01	10/20/81
Duration of Adoption Assistance Payments	PIQ-81-02	12/08/81
Interstate Compact for Adoption Assistance	PIQ-81-03	10/20/81
Preplacement Preventive Services	PIQ-81-04	10/26/81
Seven Issues in Foster Care	PIQ-82-01	01/19/82
Adoption Assistance Program Means Test	PIQ-82-02	01/19/82
Foster Care Judicial Determination	PIQ-82-03	01/29/82
Foster Parent Insurance (Liability Insurance)	PIQ-82-04	01/29/82
Statewide Information Systems and Requirements for Additional Funding	PIQ-82-05	03/08/82
FFP and Voluntary Placement	PIQ-82-06	04/07/82
Reimbursement to States for Certain Administrative Functions in Private Child Placing Agencies	PIQ-82-07	08/25/82
Initial Responsibility for Placement and Care	PIQ-82-09	08/12/82
FFP: Delinquent and Status Offenders and Foster Care	PIQ-82-10	08/11/82
Dispositional Hearing: Foster Care	PIQ-82-11	10/28/82
Foster Care Inventory, Information, and Case Review Systems	PIQ-82-12	07/12/82
Title IV-A Eligibility Issues in Foster Care Under Title IV-E	PIQ-82-14	12/02/82
AFDC Requirements and Title IV-E Eligibility	PIQ-82-15	09/13/82
Adoption Assistance, Interlocutory Decree; Medicaid; Out of State Move	PIQ-82-16	06/21/82
Training; Foster Parents; Agency Staff; FFP Under Title IV-E	PIQ-82-17	10/14/82
Eligibility for Adoption Assistance Payments	PIQ-83-18	08/11/82
Applicability to Title IV-E of the Title IV-A Eligibility Requirements to Register for the Work Incentive Program and to Furnish a Social Security Number to the State	PIQ-83-02	05/19/83

POLICY INTERPRETATION QUESTION (PIQ)		
SUBJECT	NUMBER	DATE ISSUED
Interpretation of 45 CFR 1355.21 Regarding the "Fair Hearing" Requirement in Titles IV-E and IV-B	PIQ-83-04	10/26/83
Use of Title IV-E Funds for Independent Living Projects	PIQ-83-05	10/19/83
Clarification of the Definition of Original Foster Care Placement	PIQ-83-06	11/04/83
Title IV-E Eligibility for Unaccompanied Minor Refugee Children	PIQ-83-07	10/24/83
Periodic Review Panels for Indian Children, Section 427	PIQ-83-09	12/14/83
Request for Policy Interpretation Regarding Medical Expenses for Children in Foster Care	PIQ-84-01	02/10/84
Continuation of Adoption Assistance Payments for a Child Whose Adoptive Parents are Deceased	PIQ-84-04	06/25/84
Idaho Youth Rehabilitation Court Orders Judicial Determination Requirement - Title IV-E	PIQ-84-05	07/05/84
In-Kind Funds; Donated Funds	PIQ-84-06	10/22/84
Use of Title IV-E and IV-B Funds On Behalf of Illegal Aliens	PIQ-84-07	11/07/84
Availability of Closed Case Records for Review Under Section 427 of the Social Security Act	PIQ-84-08	12/27/84
Title IV-E Eligibility Determination Procedures	PIQ-85-01	01/29/85
Title IV-E Agreements with Other Public Agencies	PIQ-85-02	03/13/85
FFP for Children Voluntarily Relinquished	PIQ-85-03	03/19/85
Eligibility for Title IV-E Adoption Assistance of Children Placed for Adoption by Private Nonprofit Agencies	PIQ-85-04	04/16/85
FFP Under Title IV-E; Section 427; and Eligibility for Adoption Assistance	PIQ-85-05	04/12/85
Clarification of Title IV-E and Title IV-B Issues	PIQ-85-06	06/05/85
Relationship of Eligibility Under Title IV-E Foster Care to Title IV-A Requirements	PIQ-85-07	06/25/85
Dispositional Hearing	PIQ-85-08	08/22/85
Judicial Determination Requirement in voluntary Placement and FFP Under Title IV-E	PIQ-85-09	10/10/85
Relative Foster Home Licensure or Certification	PIQ-85-11	11/21/85
Continuing Eligibility for Title IV-E Adoption Assistance	PIQ-85-12	11/25/85
Exclusion of Adoption Assistance Payments from Gross Income for Federal Income Tax Purposes	PIQ-86-01	04/14/86

POLICY INTERPRETATION QUESTION (PIQ)		
SUBJECT	NUMBER	DATE ISSUED
Clarification of Required Format and Content of Court Orders Utilized to Establish Eligibility for Title IV-E Foster Care Reviews	PIQ-86-02	05/08/86
Eligibility Issues Under the Title IV-E Foster Care Maintenance Payments Program	PIQ-86-03	05/09/86
Allowability of Supplement to Basic Foster Care Rate for FFP Under the Title IV-E Program	PIQ-86-04	08/20/86
Allowable Payments in the Title IV-E Foster Care and Adoption Assistance Programs	PIQ-86-05	12/23/86
State-Tribal Agreements and Title IV-E Foster Care Maintenance Payments	PIQ-87-01	03/25/87
Allowability of FFP for the Costs of Recreational Activities in the Title IV-E Foster Care Maintenance Payments Program	PIQ-87-02	05/18/87
Eligibility for Title IV-E Foster Care Maintenance Payments for Children Where Responsibility for Placement and Care is Transferred to the Title IV-E State Agency from Another Agency Subsequent to Placement	PIQ-87-03	06/01/87
Title IV-E Foster Care Policy Interpretations Regarding Eligibility of a Child Not Physically Removed from Home of a Relative and Definition of Foster Family Home	PIQ-87-04	03/13/87
Request for Clarification of State Adoption Subsidy Requirements in Relation to Section 473(a)(2) of the Social Security Act	PIQ-87-05	12/17/87
Dispositional Hearing Requirement--Section 427 Reviews	PIQ-88-01	01/13/88
State and Tribal Responsibility for Foster Care and Child Welfare Services for Indian Children	PIQ-88-02	01/27/88
Title IV-E Eligibility and Adjudicated Delinquent Children - Clarification of ACYF-PIQ-82-10 (08/11/82)	PIQ-88-03	04/11/88
Public Institutions and Eligibility for Title IV-E Reimbursement	PIQ-88-04	07/19/88
Entitlement of Resident Alien Children to Receive Foster Care Maintenance and Adoption Assistance Payments Under Title IV-E	PIQ-88-05	09/07/88
Eligibility for Title IV-E Adoption Assistance	PIQ-88-06	12/02/88
Addendum to ACYF-PIQ-85-3; Availability of FFP Under Title IV-E for Children Voluntarily Relinquished to the State Agency	PIQ-89-01	02/09/89
Clarification of the Definition of a "Child With Special Needs" as it Relates to Ongoing Adoption Assistance and Nonrecurring Expenses of Adoption	PIQ-89-02	05/23/89
Availability of FFP for Children Who are Placed in Foster Care Through a Voluntary Placement Agreement	PIQ-89-03	07/24/89

POLICY INTERPRETATION QUESTION (PIQ)		
SUBJECT	NUMBER	DATE ISSUED
Allowability of Title IV-E Adoption Assistance or Foster Care Maintenance Payment for Children Who Are Adopted or Placed with Biological Parents Whose Parental Rights Have Been Terminated	PIQ-89-04	08/08/89
Early Review Demonstration Projects and Federal Periodic Review Requirements	PIQ-90-01	05/11/90
Title IV-E Adoption Assistance Agreements and the Use of a Means Test	PIQ-90-02	10/02/90
Title IV-E and Title IV-B Case Plan Requirements - Health and Educational Records	PIQ-90-03	12/06/90
Clarification of State and Tribal Responsibilities under a Title IV-E Agreement	PIQ-91-01	04/02/91
Mother/Infant Foster Care and Eligibility Under Title IV-E if the Infant Has Income	PIQ-91-02	04/02/91
Judicial Determination Requirement in Section 472(a)(1) Regarding "Contrary to the Welfare"	PIQ-91-03	04/03/91
Title IV-E Foster Care Maintenance Payments and Adoption Assistance Agreements in Interstate Placement Situations	PIQ-91-04	08/06/91
Concurrent Receipt of AFDC and Title IV-E Foster Care (Supersedes ACYF-PIQ-82-15, 09/13/82, Question/Answer #11)	PIQ-91-05	08/15/91
Use of Federal Independent Living Funds	PIQ-91-06	10/13/91
Clarification Regarding PIQ-88-06, 12/02/88, and Situations Which Would Constitute "Extenuating Circumstances" for a Fair Hearing for Denial of Title IV-E Adoption Assistance	PIQ-92-02	06/25/92
Reimbursement to State Title IV-B/IV-E Agencies for Certain Title IV-E Administrative Functions Performed by the Courts	PIQ-92-03	07/17/92
Clarification of the Definitions of Data Elements and Populations	PIQ-94-01	07/08/94

POLICY ANNOUNCEMENTS (PA)		
SUBJECT	NUMBER	DATE ISSUED
Title IV-E Foster Care Maintenance Payments	PA-82-01	04/30/82
Allowable Costs Under Title IV-A for Foster Care Institutions	PA-82-02	09/13/82
FFP: Adoption Conferences	PA-82-03	10/14/82
Allowable Administrative Costs of the Adoption Assistance Program Under Title IV-E	PA-83-01	08/11/83
Use of Sampling in Reviews (Including Audits) as the Basis for Disallowance	PA-83-02	05/04/83
Concurrent Receipt of SSI and Title IV-E Payments	PA-83-05	12/14/83
The Requirements of Sections 471(a)(5) and 472(a)(1) Regarding Prevention and Reunification Services and the Judicial Determination Necessary for Eligibility Under Title IV-E (Reasonable Efforts)	PA-84-01	01/13/84
Use of Sampling in Reviews (Including Audits) as the Basis for Disallowance	PA-84-02	03/07/84
Preplacement and Postplacement Costs allowable for Federal Matching Under Title IV-E Foster Care	PA-85-01	11/18/85
Availability of Closed Case Records for Title IV-E Foster Care and Adoption Assistance Beneficiaries	PA-85-02	12/19/85
Title IV-E Eligibility Requirement - Social Security Number	PA-86-01	02/25/86
SSN - Eligibility for Medicaid for Title IV-E Recipients	PA-87-01	01/05/87
Children in Foster Care to be Included in Universe for Section 427 Review - Clarification of ACYF-PIQ-82-12	PA-87-02	06/01/87
Adoption Assistance Agreement Requirements for Adoption Assistance Payments Under Title IV-E	PA-87-03	07/23/87
Clarification of Dates for Obligation and Expenditure of Funds for the Independent Living Initiatives Under Title IV-E	PA-87-04	08/14/87
Allowable Administrative Costs of the Foster Care Program Under Title IV-E	PA-87-05	10/22/87
Mother/Infant Foster Care	PA-88-01	07/06/88
Applicability to Title IV-E of the Title IV-A Eligibility Requirement to Register for the Work Incentive Program	PA-89-01	02/14/89
FFP in the Costs of Training for Employees of the State Title IV-E Agency, Foster Parents, Adoptive Parents and Employees of Private Child Placing and Child Care Agencies	PA-90-01	06/14/90

POLICY ANNOUNCEMENTS (PA)		
SUBJECT	NUMBER	DATE ISSUED
Postponement of Collection of Certain Section 427 Funds to be Repaid by States	PA-91-01	02-21-91
Retroactive Title IV-E Adoption Assistance Eligibility for <u>Zebley</u> Class Members	PA-93-01	06-22-93
Moratorium on Collection of Funds Disallowed under Section 427	PA-94-01	01/14/94
Concurrent Eligibility for SSI and Title IV-E Foster Care Payments	PA-94-02	02/04/94

PROGRAM INSTRUCTIONS (PI)		
SUBJECT	NUMBER	DATE ISSUED
New Budget Request Forms for CWS Title IV-B and Tentative Allotment for FY 1981 Title IV-B Funds	PI-80-01	10/14/80
Amendment to Cost Allocation Plan	PI-80-02	10/27/80
Legislative Goals for Foster Care	PI-80-03	12/19/80
FY 1981 Allotments for Title IV-B	PI-81-01	01/07/81
Title IV-E State Plan	PI-81-02	03/23/81
Fiscal Report	PI-81-05	06/09/81
Title IV-A State Plan Amendments	PI-81-06	05/10/81
Section 427 Funds Request	PI-81-07	07/01/81
Fiscal Reports	PI-81-08	08/19/81
Title IV-E State Plan Submission	PI-82-01	01/11/82
Section 427 Certification for FY 1982	PI-82-04	04/16/82
Section 427 Validation Review	PI-82-06	06/03/82
FY 1982 Title IV-B Funds Allotments and Reallotments; Transfer From Title IV-A Foster Care and Title IV-E Foster Care to Title IV-B	PI-82-07	06/28/82
Deadline for FY 1983 Certification of Eligibility Under Section 427 of the SSA for States Not Previously Certifying Eligibility	PI-83-02	04/08/83
Application for and Issuance of Direct Grants to Eligible Indian Tribes and Indian Tribal Organizations: Section 428	PI-83-03	06/06/83

PROGRAM INSTRUCTIONS (PI)		
SUBJECT	NUMBER	DATE ISSUED
FY 1983 Allotments for Title IV-B, and Procedures for Applying for: (1) A State's Share of Funds Available Under Title IV-B in FY 83; (2) Reallotted IV-B Funds; and (3) Funds to be Transferred from Title IV-E Foster Care	PI-83-04	05/05/83
Amendment to Title IV-E State Plan	PI-83-06	07/29/83
Fiscal Reports for the Foster Care and Adoption Assistance Programs	PI-83-07	07/25/83
Adoption Assistance Agreements Entered Into, On or After October 1, 1983 in Which the Interests of the Child Must Be Adequately Protected, Regardless of the State of Residence of the Adoptive Parents at Any Given Time	PI-83-08	08/10/83
Placements Pursuant to Voluntary Placement Agreements	PI-84-02	01/11/84
Deadline for FY 1984 Certification of Eligibility Under Section 427 for States Not Previously Certifying Their Eligibility or Which Have Withdrawn Their Initial Year Certifications for FY 1983	PI-84-04	06/01/84
Final Date for FY 1984 Tribal Applications for Title IV-B Direct Grants to Eligible Indian Tribes and Indian Organizations: Section 428	PI-84-05	04/27/84
Deadline for FY 1984 Certification of Eligibility Under Section 427 for the Indian Tribes and Indian Organizations	PI-84-06	05/30/84
Amendments to Title IV-E State Plan	PI-85-01	01/01/85
Section 427 Compliance - Triennial Review	PI-85-02	01/29/85
Section 427 Reviews - Case Plan Requirements and Applicability of 45 CFR 1356.21(d) to Section 427 Compliance Reviews	PI-85-03	03/14/85
State Grants 4(b)(1) and (2); 4(c)(1) and (2); P.L. 93-247, as amended, Final Date for FY 1985 Tribal Applications for Title IV-B Direct Grants to Eligible Indian Tribes and Indian Tribal Organizations: Section 428	PI-85-05	05/09/85
Deadline for FY 1985 Certification of Eligibility: Section 427	PI-85-07	07/12/85
Costs Made Unallowable by P.L. 99-177, the "Balanced Budget and Emergency Deficit Control Act of 1985 ("Gramm-Rudman-Hollings")	PI-86-01	05/13/86
New Sampling Procedure for Triennial Reviews - Decision Table V	PI-86-03	08/19/86
Independent Living Initiatives	PI-87-01	02/10/87
FY 1988 Independent Living Initiatives Program	PI-87-06	10/30/87
Revised Title IV-E State Plans	PI-88-07	08/29/88

PROGRAM INSTRUCTIONS (PI)		
SUBJECT	NUMBER	DATE ISSUED
FY 1989 Independent Living Initiatives Program	PI-88-08	12/23/88
Title IV-E Foster Care Financial Review Procedures Regarding Redetermination of Eligibility	PI-89-05	06/01/89
Allowability of the Use of Affidavits for Section 427 Reviews and Title IV-E Financial Reviews	PI-89-07	07/18/89
Licensing or Approval of Foster Family Homes and Public or Private Child-Care Institutions	PI-89-09	10/31/89
Independent Living Initiatives Program for FY 1990-92	PI-90-01	01/12/90
Independent Living Initiative Title IV-E and IV-B Requirements	PI-90-09	04/19/90
Title IV-E and Title IV-B Case Plan Requirements - Health and Educational Records	PI-90-11	05/31/90
Requirement for State Match of Federal Independent Living Funds Over a Certain Amount	PI-90-16	10/02/90
Section 427 Quinquennial Compliance Reviews	PI-92-03	04/30/92
Allotment of Funds to States and Territories - FY 1992	PI-92-06	06/09/92
Allotment of Direct Grants to Eligible Tribes and Indian Tribal Organizations	PI-92-07	06/09/92
Title IV-E Financial Form IV-E-12	PI-92-11	08/21/92
Allotment of Funds to States and Territories - FY 1993	PI-92-13	12/03/92
Availability of FY 1993 Funds for the Independent Living Program	PI-93-01	01/15/93
Expiration of 75 Percent Match for Certain Categories of Short-Term Training Expenditures Under the Title IV-E Program	PI-93-02	02/25/93
Amendment to Program Instruction ACYF-PI-93-01 on the Availability of FY 1993 Funds for the Independent Living Program	PI-93-09	05/11/93
Allotment of Direct Grants to Eligible Indian Tribes and Indian Tribal Organizations: Section 428	PI-93-10	05/19/93
Planning Requirements for Receipt of Direct Title IV-B Child Welfare Services Grants by Indian Tribal Organizations	PI-93-13	06/24/93
Permanent Reauthorization of the Independent Living Program	PI-93-16	12/10/93
Implementation of New Legislation: Family Preservation and Support Services, Title IV-B, Subpart 2	PI-94-01	01/18/94
Family Preservation and Support Services - Insular Areas	PI-94-03	01/18/94

PROGRAM INSTRUCTIONS (PI)		
SUBJECT	NUMBER	DATE ISSUED
Implementation of New Legislation: Family Preservation and Support Services - Indian Tribes	PI-94-04	01/18/94
The Court Improvement Program; Funding for State Courts	PI-94-12	06/27/94

INFORMATION MEMORANDA (IM)		
SUBJECT	NUMBER	DATE ISSUED
Fiscal Materials for IV-A and IV-E State Plans	IM-81-01	01/02/81
State Foster Care Allotments for FY 1981	IM-81-02	02/24/81
Continuing Responsibilities Under Block Grants for Services	IM-81-03	04/30/81
FY 1982 Allotments for Title IV-B	IM-82-02	02/04/82
Cost Allocation Plans	IM-82-06	05/26/82
Joint Planning and Submission of Child Welfare Services Plans for Direct Title IV-B Grants to Eligible Indian Tribes Under Section 428	IM-83-04	06/06/83
Exclusion from Gross Income (for Federal Income Tax Purposes) of Certain Foster Care Maintenance Payments	IM-83-08	05/05/83
Emergency Food Programs	IM-83-14	07/15/83
Appointment of Direct Grants to Eligible Indian Tribes and Indian Tribal Organizations: Section 428	IM-84-02	02/01/84
FY 1984 Allotments for Title IV-B, and Procedures for Applying for: (1) A State's Share of Funds Available Under Title IV-B in FY 1984; (2) Reallotted IV-B Funds, and (3) Funds to Be Transferred from Title IV-E Foster Care	IM-84-09	05/23/84
Apportionment of Funds to States and Territories - Title IV-B FY 1985	IM-84-21	10/31/84
Joint Planning for Title IV-B, Child Welfare Services	IM-84-22	11/16/84
Notice of Proposed Rule Making (NPRM) Dated 09/19/84 From the Office of Child Support Enforcement and Implementation of Section 471(a)(17)	IM-84-27	12/12/84
Title IV-B Joint Planning and Adoption	IM-84-29	12/18/84
Interstate Compact on Adoption	IM-84-31	12/27/84

INFORMATION MEMORANDA (IM)		
SUBJECT	NUMBER	DATE ISSUED
Title IV-E Adoption Assistance and Use of Title XX Social Services Block Grant Funds for Post-Adoption Services and Title IV-E Funds for Training	IM-85-02	01/09/85
Title IV-E Foster Care - Financial Reviews	IM-85-04	01/25/85
Apportionment of Direct Grants to Eligible Indian Tribes and Indian Tribal Organizations: Section 428	IM-85-10	03/11/85
Title IV-B Allotment Percentages, FY 1986-87; Title IV-E Federal Medical Assistance Percentages, FY 1986-87	IM-85-11	03/18/85
FY 1985 Allotments for Title IV-B and Procedures for Applying for: (1) A State's Share of Funds Available Under Title IV-B in FY 1985; (2) Reallotted IV-B Funds; (3) Funds to be Transferred from Title IV-E - Foster Care	IM-85-15	05/01/85
Revised Fiscal Reports for Foster Care and Adoption Assistance	IM-85-24	08/01/85
Federal Financial Review of Title IV-E Foster Care Program	IM-85-25	08/14/85
Revision to ACYF IM-85-24 Regarding Fiscal Reports for Foster Care and Adoption Assistance	IM-85-34	10/24/85
Joint Planning for Title IV-B, Child Welfare Services (Correction)	IM-85-36	11/27/85
Apportionment of Funds to States and Territories - FY 1986	IM-86-09	03/20/86
Apportionment of direct Grants to Eligible Indian Tribes and Indian Tribal Organizations	IM-86-15	04/15/86
FY 1986 Allotments for Title IV-B and Procedures for Applying for: (1) A State's Share of Funds; (2) Reallotted IV-B Funds; and (3) Funds to be Transferred Title IV-E Foster Care	IM-86-19	05/29/86
Eligibility for Titles XIX and XX in the Title IV-E Foster Care and Adoption Assistance Programs	IM-86-24	07/30/86
Allotment Percentages Under the Foster Care and Adoption Assistance Programs (Title IV-E) for FY 1987	IM-86-26	08/11/86
Apportionment of Funds to States and Territories - FY 1987	IM-86-31	11/26/86
P.L. 99-177, the "Balanced Budget and Emergency Deficit Control Act of 1985" ("Gramm-Rudman-Hollings")	IM-87-04	01/28/87
Title IV-E Adoption Assistance Statutory Changes - Non-Recurring Expenses	IM-87-06	02/20/87
Apportionment of Funds to States and Territories - FY 1987 - Revised	IM-87-07	03/02/87
Allotment Percentages Under the CWS State Grant Program	IM-87-08	03/02/87

INFORMATION MEMORANDA (IM)		
SUBJECT	NUMBER	DATE ISSUED
Reference Materials on Transition to Independent Living	IM-87-09	03/03/87
Allotment Percentages Under the Foster Care and Adoption Assistance Programs for FY 1988	IM-87-11	03/11/87
Apportionment of Direct Grants to Eligible Indian Tribes and Indian Tribal Organizations	IM-87-15	04/08/87
FY 1987 Allotments for Title IV-B and Procedures for Applying	IM-87-18	05/05/87
Use of <i>Nunc Pro Tunc</i> Orders to Satisfy the Judicial Determination Requirements of Section 472(a)(1)	IM-87-28	10/07/87
Interest and Late Payment Penalties Charged for Debts Owed to the Federal Government Resulting from Debts Arising Under Titles IV-B and IV-E	IM-87-31	10/22/87
Apportionment of Funds to States and Territories - FY 1988	IM-88-01	02/01/88
Apportionment of Direct Grants to Eligible Indian Tribes and Indian Tribal Organizations	IM-88-02	02/17/88
Amendments to Section 102 of P.L. 96-272 and Title IV-E	IM-88-12	04/26/88
Allotment Percentages Under the Foster Care and Adoption Assistance Programs	IM-88-13	04/26/88
FY 1988 Allotments for Title IV-B and Procedures for Applying	IM-88-15	05/26/88
Handbook for the Conduct of Title IV-B Section 427 Reviews	IM-88-22	08/18/88
FY 1989 Independent Living Initiatives	IM-88-24	11/25/88
Apportionment of Funds to States and Territories - FY 1989	IM-88-28	10/07/88
Apportionment of Direct Grants to Eligible Indian Tribes and Indian Tribal Organizations: Section 428	IM-88-32	12/02/88
Allotment Percentages Under the Child Welfare Services State Grant Program for FY 1990-91	IM-89-02	01/17/89
Allotment Percentages Under the Foster Care and Adoption Assistance Programs for FY 1990	IM-89-03	02/14/89
Use of <i>Nunc Pro Tunc</i> Orders to Satisfy the Judicial Determination Requirement of Section 472(a)(1)	IM-89-08	04/17/89
FY 1989 Allotments for Title IV-B and Procedures for Applying for: (1) State's Share of Funds Under Title IV-B in 1989; (2) Reallotted IV-B Funds and (3) Funds to be Transferred for Title IV-E Foster Care	IM-89-09	04/26/89
FY 1990 Independent Living Initiatives	IM-89-23	12/14/89

INFORMATION MEMORANDA (IM)		
SUBJECT	NUMBER	DATE ISSUED
Title IV-B child Welfare Services Apportionment of Funds - States and Territories - FY 1990	IM-90-07	02/23/90
Title IV-B Child Welfare Services Grants to Eligible ITOs - FY 1990	IM-90-08	02/27/90
The Abandoned Infants Assistance Act	IM-90-17	04/25/90
FY 1990 Allotments for Title IV-B	IM-90-18	06/26/90
Availability of FY 1991 Funds for the Independent Living Program	IM-90-26	12/12/90
Apportionment of Funds to States and Territories - FY 1991	IM-90-27	12/14/90
Apportionment of Direct Grants to Eligible Indian Tribes and Indian Tribal Organizations: Section 428	IM-90-28	12/14/90
Kinship Foster Care and the Requirements Under Title IV-B, Section 427	IM-91-11	05/10/91
Allocation of Costs for All Training Under the Title IV-E Program	IM-91-15	07/24/91
Data Collection for Foster Care and Adoption - Implementation Date	IM-91-19	09/04/91
Availability of FY 1992 Funds for the Independent Living Program	IM-91-25	11/29/91
Aid to Families With Dependent Children Expansion of the Definition of Specified Caretaker Relative as it Relates to Title IV-E Eligibility	IM-92-04	02/24/92
FY 1992 Allotments for Title IV-B and Procedures for Applying for: (1) Funds Representing the Difference Between What a State Has Been Awarded and Its Full Share of Funds Available Under Title IV-B in FY 1992; (2) Reallotted IV-B Funds; and (3) Funds to be Transferred from Title IV-E Foster Care	IM-92-16	08/03/92
Earned Income Tax Credit	IM-93-04	02/05/93
FY 1993 Allotments for Title IV-B and Procedures for Applying	IM-93-19	07/30/93
New Legislation: Family Preservation and Family Support Services Legislation (Omnibus Budget Reconciliation Act of 1993) and Other Changes to Titles IV-B and IV-E	IM-93-20	08/26/93
Reauthorization of the Federal Independent Living Program - Availability of FY 1993 Funds	IM-93-22	09/21/93
Final Rules for the Adoption and Foster Care Analysis and Reporting System (AFCARS) and the Statewide Automated Child Welfare Information System (SACWIS)	IM-93-27	12/28/93
Family Preservation and Family Support Services and the Department of Justice's Weed and Seed Program	IM-94-10	04/10/94

PROGRAM REGULATIONS		
SUBJECT	NUMBER	DATE ISSUED
Foster Care P.L. 96-272 Interim Final Section 427 NPRM - Titles IV-E and IV-B (Published in the <i>Federal Register</i> on 12/31/80)	PR-80-01	12/31/80
Time Limits for States to File Claims (Published in the <i>Federal Register</i> on 09/17/81)	PR-81-01	09/17/81
Time Limits for States to File Claims (Final Rules published in the <i>Federal Register</i> 01/15/81; Clarifying rules published 09/17/81)	PR-81-05	03/24/81
Second Notice of Proposed Rule Making (NPRM) for P.L. 96-272 (Published in the <i>Federal Register</i> 07/15/82)	PR-82-01	08/03/82
Final Fiscal Regulations P.L. 96-272 (Published in the <i>Federal Register</i> 07/15/82)	PR-82-02	08/13/82
Foster Care Maintenance Payments Adoption Assistance and Child Welfare Services; Final Rule (Published in the <i>Federal Register</i> 05/23/83)	PR-83-02	06/27/83
Notice of Proposed Rulemaking - Title IV-E Adoption Assistance Program: Nonrecurring Expenses	PR-88-01	05/03/88
Final Rule - Title IV-E Adoption assistance Program; Nonrecurring Expenses	PR-88-02	12/23/88

ACTION TRANSMITTALS (AT)		
SUBJECT	NUMBER	DATE ISSUED
Review of State Plans by Governor	AT-80-01	02/26/80
Costs for Participation in Foster Care Conferences	AT-80-02	04/04/80
Reallotment of FY 1980 CWS Funds	AT-80-03	04/21/80
P.L. 96-272	AT-80-04	06/17/80
Fiscal Information for FY 1980	AT-80-05	08/21/80
Newly Approved Annual Budget Request Form for Child Welfare Services	AT-81-01	10/14/80
Fiscal Reports for Foster Care and Adoption Assistance	AT-81-16	06/09/81
Implementation of Revised Financial Reporting Forms	AT-85-04	04/05/85

OTHER ACF ISSUANCES		
TYPE OF ISSUANCE AND SUBJECT	NUMBER	DATE ISSUED
PROGRAM GUIDE MEMORANDA (PGM)		
Guidelines for Development of Title IV-B State Plan	PGM-81-01	02/27/81
PROGRAM REGULATION GUIDE (PRG) - (No longer issued)		
AFDC - Foster Care Administrative Costs	PRG-81-01	06/24/81
STATE GRANTS DIVISION (SGD) - (No longer issued)		
Instructions for Processing Title IV-E State Plan	SGD-81-01	02/26/81
Title IV-B State Child Welfare Services Plan	SGD-81-02	03/04/81



DEPARTMENT OF HEALTH & HUMAN SERVICES

ADMINISTRATION FOR CHILDREN AND FAMILIES
Office of the Assistant Secretary, Suite 600
370 L'Enfant Promenade, S.W.
Washington, D.C. 20447

August 2, 1994

TO: June Gibbs Brown
Inspector General

FROM: Mary Jo Bane *MJBane*
Assistant Secretary
for Children and Families

SUBJECT: OIG Draft Report: "Opportunities For Improved Foster
Care Eligibility Determinations," A-12-93-00022

Thank you for the opportunity to comment on the draft report, "Opportunities For Improved Foster Care Eligibility Determinations." We appreciate the thoughtful document that your office has developed in its review of the Federal Stewardship process. We concur with the issues and recommendations that are outlined in the report.

The Administration for Children and Families (ACF) is presently involved in revising its monitoring policies and procedures, and this report is especially timely and helpful in that regard. It will also assist ACF in developing proposals for legislative change.

We look forward to the issuance of a final report and a continuing dialogue with you and your staff.

IG	<input checked="" type="checkbox"/>
SAIG	<input checked="" type="checkbox"/>
PDIG	<input type="checkbox"/>
DIG-AS	<input checked="" type="checkbox"/>
DIG-EI	<input type="checkbox"/>
DIG-OI	<input type="checkbox"/>
AIG-CFAA	<input type="checkbox"/>
AIG-MP	<input type="checkbox"/>
OGC/IG	<input checked="" type="checkbox"/>
EXSEC	<input checked="" type="checkbox"/>
DATE SENT	8/2

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