

# ACF

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U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES

Administration for Children, Youth and Families

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## PROGRAM INSTRUCTION

**TO:** State Agencies Administering or Supervising the Administration of Title IV-E of the Social Security Act, Indian Tribes and Indian Tribal Organizations

**SUBJECT:** Expiration of 75 Percent Match for Certain Categories of Short-Term Training Expenditures Under the Title IV-E Program

**LEGAL AND RELATED REFERENCES:** Section 474(a)(3) of the Social Security Act, 45 CFR 1356.60(b) and (c), 45 CFR 95.507(a)(2), ACYF-IM-91-15, dated July 24, 1991, ACYF-PA-90-01, dated June 14, 1990, and ACYF-PIQ-82-17, dated October 14, 1982.

**PURPOSE:** The purposes of this Program Instruction are to announce the expiration of the 75 percent match, under title IV-E of the Social Security Act (the Act) as amended, for the short term training expenditures of current and prospective foster and adoptive parents and staff of State-licensed or State-approved institutions providing care to title IV-E foster and adoptive children; and to provide information on making appropriate adjustments on the Form IV-E-12.

**BACKGROUND:** Section 474(a)(3)(A) of the Act authorizes FFP at a 75 percent matching rate to States for training expenditures of personnel employed or preparing for employment by the State or local agency administering the title IV-E State plan. Public Law (P.L.) 101-239 amended title IV-E and added a provision under section 474(a)(3)(B) to reimburse States at a 75 percent matching rate for expenditures made in Federal fiscal years 1990, 1991 and 1992 for the short-term training of foster and adoptive parents and staff of State- licensed or State-approved child care institutions providing care to title IV-E foster and adoptive children.

Section 474(a)(3)(C) of the Act also provides that States with plans approved under title IV-E are entitled to Federal matching funds for the administration of the State plan at the rate of 50 percent for the proper and efficient administration of the State plan.

**INFORMATION:** Department regulations at 45 CFR 1356.60(c)(4) provide that expenditures made for short-term training for foster and adoptive parents and staff of licensed or approved child care institutions are reimbursable as administrative expenditures at a 50 percent match. This provision remains in effect.

The provision at section 474(a)(3)(B), extending the 75 percent match to a broader range of trainees is no longer in effect, having expired on September 30, 1992. Thus, States may not claim reimbursement at the 75 percent matching rate for training provided to foster and adoptive parents, or to staff of licensed or approved child care institutions for expenditures made after September 30, 1992. However, in accordance with the provisions of Section 474(a)(3)(C) and 45 CFR 1356.60(c)(4), such expenditures may continue to be claimed at the standard administrative cost rate of 50 percent.

States that have submitted claims at the 75 percent matching rate for these expenditures on Form IV-E-12 for the quarter ended December 31, 1992 must make adjustments to change these claims from training expenditures, available for reimbursement at 75 percent, to administrative expenditures, available for reimbursement at 50 percent. This should be accomplished on the next quarterly report submitted by States. On that report, States should report a negative adjustment for training expenditures made on or after October 1, 1992 in Parts I and II, column (b): on line A.3. for Non-Voluntary Foster Care; on line B.3. for Voluntary Foster Care; and line C.3. for Adoption Assistance. Positive adjustments for these expenditures that are allowable at the reimbursement rate of 50 percent should be reported in Parts I and II, column (b) on lines A.2.d., B.2. and C.2.a., respectively.

The provisions for submitting claims for Federal reimbursement at Section 1132 of the Social Security Act, and the implementing regulations at 45 CFR Part 95, Subpart A, apply to expenditures made for the short term training of current and prospective foster and adoptive parents and staff of State-licensed or State-approved institutions. 45 CFR Part 95.7 provides that the Federal government will pay for a claim that a "State files with us for that expenditure within 2 years after the calendar quarter in which the State agency made the expenditure." Thus, allowable training expenditures that were available for Federal reimbursement at 75 percent and which are claimed in accordance with the requirements of 45 CFR Part 95, Subpart A, may be matched at 75 percent. States should claim these previously unclaimed expenditures as positive adjustments on the Form IV-E-12.

The Congress passed legislation (H.R. 11) which would have extended this provision of P.L. 101-239, but the bill was not signed into law. However, it is possible that the Congress will again enact such a provision, and may establish an effective date retroactive to October 1, 1992. Therefore, States which have provided training after September 30, 1992, of the type covered by section 474(a)(3)(B), are advised to maintain documentation for possible reimbursement.

**INQUIRIES TO:** Regional Administrators, ACF  
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