

**CHILD AND FAMILY SERVICES REVIEW  
TECHNICAL BULLETIN #5**

**DATE: NOVEMBER 9, 2010**

Section I of this Technical Bulletin provides background information on Child and Family Services Review (CFSR) program improvement plan (PIP) content, termination of withholding of funds and continuation of penalties from one round through to the subsequent round's PIP implementation. Section II describes the Children's Bureau's (CB) approach for approving the termination of withholding of funds for a prior round's penalties based on successful completion of specific goals or actions steps in a subsequent PIP. Section III describes CB's approach for continuing the withholding of funds related to a round during a subsequent round's PIP implementation.

**Section I: BACKGROUND INFORMATION ON CFSR PIP REQUIRED  
CONTENT AND CB DETERMINATION OF THE TERMINATION OF  
WITHHOLDING OF FUNDS FOR PENALTIES**

In accordance with **45 CFR 1355.35(a)(1)** States must address in their PIPs each item or related data indicator that contributed to a determination of nonconformity for each outcome or systemic factor. These regulations also require that if a State is determined not to be in substantial conformity because the State's data did not meet the national standards, the State is required to develop a PIP that sets forth the amount of progress the State will make toward meeting the national standards for the statewide data indicator(s).

Federal regulations at **45 CFR 1355.36(b)(3)** require that a portion of the State's title IV-B and IV-E funds will be withheld by CB for the year under review and for each succeeding year until the State either successfully completes a program improvement plan or is found to be operating in substantial conformity.

In accordance with **45 CFR 1355.36(b)(7)** States determined not to be in substantial conformity that fail to correct the areas of nonconformity through the successful completion of a program improvement plan, and are determined to be in nonconformity on the second full review following the first full review in which a determination of nonconformity was made will be subject to increased withholding. The portion of the State's title IV-B and IV-E funds withheld will increase from one to two percent for each of the seven outcomes and each of the seven systemic factors that continues in nonconformity from the first to the second review. Increased withholding applies to the outcomes and systemic factors that continue in nonconformity from the first to the third and any subsequent full review per **45 CFR 1355.36(b)(8)**.

In accordance with **45 CFR 1355.36(e)(2)(iii)** the withholding of funds commensurate with the level of nonconformity at the end of program improvement plan will begin at the latest completion date specified in the program improvement plan and will continue until a subsequent full review determines the State to be in substantial conformity or the State successfully completes a program improvement plan developed as a result of that subsequent full review.

Federal regulations at **45 CFR 1355.36(d)** outline the termination of the withholding of funds. For States determined not to be in substantial conformity, CB will terminate the withholding of the State's title IV-B and title IV-E funds related to the nonconformity upon determination by the State and ACF that the State has achieved substantial conformity or has successfully completed a program improvement plan. CB will terminate the withholding of the portion of title IV-B and title IV-E funds related to specific goals or action steps as of the date at the end of the quarter in which they were determined to have been achieved.

In **ACF-CB-IM-02-04** we provide instructions regarding requirements of the PIP. We clarified that the PIP must include measurable goals of improvement, action steps, and timeframes for addressing each outcome or systemic factor that has been found not to be in substantial conformity. Specifically, for outcomes the PIP must address the onsite performance indicators (items) and statewide aggregate data that contributed to the low achievement level of that outcome, as noted in the final report. For systemic factors, The PIP must address the State plan requirements that contributed to a determination of nonconformity for each systemic factor, as noted in the final report.

Section I.B of **CFSR Technical Bulletin #3 Amended (TB#3A)** provides clarification for PIPs that areas needing improvement (ANIs) for the Safety Outcomes not in substantial conformity require quantifiable measurement in the PIP along with Permanency 1 (items 5,6,7,8,9 and 10) and Well Being 1 (items 17,18,19 and 20) when those outcomes are not in substantial conformity. Clarification is also provided that items that are measured by a national standard indicator in a PIP (items 2, 5, 6, 8, and 9) do not require additional specific measures for the items. Situations where an item was an ANI and the associated national standard indicator was met and therefore not included or measured in the PIP may require additional measurement based on individual State findings.

## **Section II. CB'S APPROACH TO DETERMINING THE TERMINATION OF WITHHOLDING OF FUNDS BASED ON SUCCESSFUL COMPLETION OF SPECIFIC GOALS OR ACTIONS STEPS IN A PIP**

For States that did not successfully complete a PIP and failed to achieve substantial conformity for the related outcome or systemic factor in the subsequent full review, CB will terminate the withholding of the portion of title IV-B and title IV-E funds related to the specific outcome or systemic factor as of the date at the end of the quarter in which:

- 1) any and all action steps related to the specific outcome or systemic factor were determined to be achieved;
- 2) any and all item-specific measurement goals (as defined in TB#3A) related to the specific outcome were determined to have been achieved; and,
- 3) any and all measurement goals (as defined in TB#3A) for national standard data indicators related to the specific outcome were determined to be achieved.

## **Section III. CB'S APPROACH FOR CONTINUING THE WITHHOLDING OF FUNDS RELATED TO NONCONFORMITY THAT CONTINUES INTO A SUBSEQUENT ROUND OF REVIEWS**

For States that did not successfully complete a PIP, CB will assess but suspend actual withholding of a penalty at the higher i.e., two or three percent, level for any affected outcome that remains in nonconformity while the State implements its subsequent PIP. The penalty associated with a final determination that a State is not in conformity following the unsuccessful completion of the PIP will continue to be withheld during the State's implementation of its subsequent PIP unless terminated according to section II above.