

CHILD WELFARE DEMONSTRATION PROJECT DEVELOPMENTAL COST PLANS – GUIDELINES

A. Parameters

- Developmental costs are those amounts a State incurs to establish the demonstration project (hereinafter project) prior to implementation of the project anywhere in the State.
- Developmental costs for newly established projects (not those approved for an extension) may be claimed for title IV-E reimbursement as demonstration project administrative costs at the 50% rate of Federal financial participation (FFP) without application of any additional cost allocation methodology and outside of any cost neutrality limitation established for the demonstration project under the following conditions:
 - A developmental cost plan (see further details on plan content below) must be submitted to the Children's Bureau within 30 days of the State's acceptance of the project terms and conditions.
 - The State's developmental cost plan is subject to approval by the Children's Bureau.
 - The costs are for expenditures made no earlier than the date when the State's project proposal was prepared and no later than the initial implementation of that project.
- Project developmental costs include:
 - Preparation of the State's project proposal including any needed revisions (proposal)
 - Modification or enhancements to an automated information system or the addition of personal computer applications to accommodate the implementation of the project (automated systems)
 - Development of specific policies or procedures for the project including this developmental cost plan and any needed revisions to cost allocation or fiscal processes (agency administration)
 - Development of staff and stakeholder orientation and training required to prepare for project implementation (orientation and training)
 - Preparation for the evaluation of the project (evaluation)

B. Suggested Plan Content

- Specify each activity that will be treated as a project developmental cost within the following categories:
 - Proposal
 - Automated Systems
 - Agency Administration
 - Orientation & Training
 - Evaluation
- For each listed activity identify:
 - The types of cost (e.g. personnel (salaries and benefits), supplies, overhead, indirect costs, travel, materials, postage, communications, etc.), number of agency staff or contractors involved and the involved timeframes

- How and to what extent the activity is related to the development of the project
- How the costs will be identified, measured and allocated (if not directly identified)
- An estimate of total developmental costs by activity