

[If amended, insert amendment date and purpose, beginning with most recent.]

DEPARTMENT OF HEALTH AND HUMAN SERVICES
ADMINISTRATION FOR CHILDREN AND FAMILIES
ADMINISTRATION ON CHILDREN, YOUTH AND FAMILIES
CHILDREN'S BUREAU

WAIVER AUTHORITY

STATE: [insert State name]

[Specific sections being requested for waivers can be found (usually) in proposals. If not, the language below is usually standard.]

Waivers of the following provisions of the Social Security Act and Program Regulations are provided to the State/Tribe¹ to operate a child welfare demonstration project:

Section 472 (a): Expanded Eligibility: To allow the State to expend title IV-E funds for children and families who are not normally eligible under Part E of title IV of the Act as described in the Terms and Conditions.

Section 474(a)(1): Expanded Claiming: To allow the State to claim at the Federal medical assistance percentage any allowable expenditures of foster care maintenance payment cost savings.

Section 474(a)(3)(E) and 45 CFR 1356.60(c)(3): Expanded Services: To allow the State to make payments for services that will be provided that are not normally covered under Part E of title IV of the Act; and to allow the State to use title IV-E funds for these costs and services as described in the Terms and Conditions, Section 2.0.

All waivers are granted only to the extent necessary to accomplish the project as described in these Terms and Conditions.

¹ Throughout the remainder of this document the term "State" refers to both States and Indian tribes, tribal organizations, and tribal consortia that have been authorized to operate a title IV-E program.

DEMONSTRATION PROJECT TERMS AND CONDITIONS

[insert State name]

SECTION 1: GENERAL

- 1.0 The Department of Health and Human Services (hereinafter referred to as “the Department”) will grant waivers to the State of **[insert State name]** (hereinafter referred to as “the State”) under Section 1130 of the Social Security Act (hereinafter referred to as “the Act”) to operate a demonstration project (hereinafter referred to as “the demonstration”) as set forth in these Demonstration Project Terms and Conditions. The Department reserves the right, in its sole discretion, to withdraw approval of this demonstration project, including withdrawal of any and all waivers granted by the Department at such time(s) that the Department determines that the State has materially failed to meet the requirements as set forth in these Demonstration Project Terms and Conditions. The State also retains the right to terminate the demonstration.
- 1.1 Failure to operate the demonstration as approved and according to Federal and State statutes and regulations will result in withdrawal of approval of this demonstration project. The Federal statutes and regulations with which the State must comply in the operation of the demonstration include civil rights statutes and regulations that prohibit discrimination on the basis of race, color, national origin, disability, sex, age, and religion, including title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, title II of the Americans with Disabilities Act, the nondiscrimination provisions of the Omnibus Budget Reconciliation Act of 1981, and the Multiethnic Placement Act as amended. After the demonstration is approved, the Department reserves the right to withdraw approval if agreement cannot be reached on any item(s) cited in this document as needing approval by the Department. The State also has the same right.
- 1.2 The Department may terminate the State’s authority to conduct a demonstration project if, after the three-year period following approval of these Terms and Conditions, the State has not made significant progress in implementing the child welfare program improvement policies proposed by the State in its application to conduct a demonstration, and as described in section 1130(a)(3)(C) of the Act (see also Section 2.3).
- 1.3 If Federal or State statutes or regulations that would have a major effect on the design and impacts of this demonstration are enacted, or if any deficiencies or serious problems in implementation of these Terms and Conditions are noted by the Department, the Department and the State will reassess the overall demonstration and develop a mutually agreed-upon strategy for dealing with the demonstration in the context of such changes. If such a mutually agreed-upon strategy cannot be developed, the Department reserves the right, in its sole discretion, to withdraw approval at such time(s) as the Department determines.

- 1.4 All provisions of the Act not waived remain in effect.
- 1.5 The demonstration provisions will be implemented no earlier than *[insert beginning date]* and no later than *[insert ending date]*. The implementation date of the demonstration shall be the first day on which the State offers services, subsidies, or other supports under the provisions of these Demonstration Project Terms and Conditions to participating children, caregivers, or other targeted individuals. For cost-neutrality purposes, the demonstration shall be deemed to begin on the first day of the calendar quarter (hereinafter "quarter"), which includes the implementation date, but for the purpose of calculating costs for the initial quarter of the demonstration, only costs incurred beginning with the month that includes the implementation date will be counted. The demonstration shall end no later than the last day of the *[insert 20th quarter for 5 year projects, otherwise calculate the quarter]* quarter ending after the deemed beginning date. The demonstration provisions shall be as specified in Sections 2 and 3. Waivers necessary for the demonstration are approved upon acceptance by the Department and the State of these Demonstration Project Terms and Conditions. They will become effective as of the implementation date and will remain in effect until the last day of the **20th [insert 20th quarter, or other number as appropriate]** quarter ending after the deemed beginning date, unless the demonstration is terminated earlier. The State's project demonstration period may not exceed a maximum of *[insert number of years]* total years under the provisions of the Act, unless in the judgment of the Secretary, the demonstration project shall be allowed to continue.
- 1.6 Federal approval of these Demonstration Project Terms and Conditions shall not be construed to establish any precedent that the Department will follow in the approval of any subsequent request for Terms and Conditions.
- 1.7 Nothing in these Terms and Conditions shall create eligibility for any child or family for any Federal program or entitlement for which that child or family would not otherwise be entitled, except that title IV-E funds may be expended, according to the provisions of these Terms and Conditions, for persons who would not be eligible for title IV-E funds in the absence of the demonstration. Receipt of services reimbursable under title XIX but provided under these Terms and Conditions for children and families who are not eligible under title IV-E does not constitute eligibility for Medicaid. Children under this demonstration who are determined to be eligible under title IV-E will retain that eligibility through the duration of the demonstration project, so that such children will remain eligible for Medicaid, title IV-E Adoption Assistance, title IV-E Foster Care, and title IV-E Guardianship Assistance Program, if applicable.

SECTION 2: IMPLEMENTATION

2.0 ***[First paragraph is specific to proposal: overall purpose, goals, objectives, and strategies.]*** Under these Demonstration Project Terms and Conditions, the State is authorized to implement a demonstration project **to accomplish the following** goal(s): ***[Insert whichever are applicable]***

- Increase permanency for all infants, children, and youth by reducing the time in foster placements when possible and promoting a successful transition to adulthood for older youth.
- Increase positive outcomes for infants, children, youth, and families in their homes and communities, including tribal communities, and improve the safety and well-being of infants, children, and youth.
- Prevent child abuse and neglect and the re-entry of infants, children, and youth into foster care.

[Second paragraph is specific to proposal: statewide or selected counties, target population, number that will be served/assigned and timing/phases of implementation, if any.] Under these Waiver Terms and Conditions, the State will operate a demonstration of the child welfare project. The demonstration will consist of...

2.1 ***[Also specific to proposal—list individual service components of demonstration.]***

2.2 ***[2.2 is boilerplate; note/add specifics as appropriate. Use c. if applicable.]*** The State shall comply with the following general provisions over the full term of the demonstration project. The State will, or where appropriate, will assure that ***[insert type(s) of service provider(s)]***:

- a. Work closely with the evaluator to maintain the integrity of the evaluation.
- b. Develop and deliver services to meet the individual needs of each child and family.
- c. Ensure that any services being provided to a child or family member at the time the demonstration ends will be completed.
- d. Ensure the confidentiality of the information collected on the children and families under the demonstration.
- e. Ensure that the rights of children and their families are protected, and that the safety of the children is a paramount concern of the demonstration project.
- f. Ensure that title IV-E eligibility determinations are made for all children who are involved in the demonstration project, throughout the life of the demonstration

project, to ensure that eligible children retain their eligibility after the demonstration ends.

- g. Bear any costs that exceed the amount of Federal funds provided for the demonstration.
- h. Ensure that the State is organizationally and legally prepared for all aspects of demonstration project implementation.
- i. Ensure that a conventional title IV-E program is maintained for those children and families that are not designated to receive demonstration services, and that these children and families continue to receive services that are consistent with the “traditional services” available to such children and families in the State at the time the demonstration begins.
- j. Ensure that all applicable provisions of the Act apply to all demonstration components except for those provisions that are explicitly waived above.
- k. Ensure that children who are eligible for the Medicaid program will retain their eligibility for a full range of Medicaid services under the demonstration.
- l. Ensure that any “savings” resulting from the demonstration, whether they are savings to the Federal government, to the State, or to a county or to another jurisdiction within the State, will be used for the further provision of child welfare services. For the purposes of this provision, “savings” means any amount that would have been expended for conventional title IV-E purposes in the absence of this demonstration, or that could have been expended under title IV-B of the Act.
- m. Ensure that the State annually will provide an accounting of any additional Federal, State, tribal, and local investments made, as well as any private investments made in coordination with the State, to provide the service intervention(s) that the applicant intends to undertake through the demonstration (see Section 5.6).
- n. Ensure that in each year throughout the duration of this demonstration the appropriate State official(s) and evaluators will attend and participate in an annual meeting of the Child Welfare Demonstration States in the Washington, D.C. area.
- o. For the duration of the demonstration project, assure that the State shall provide health insurance coverage to any child with special needs (as determined under Sec. 473(C) of the Act) for whom there is in effect an adoption assistance agreement between the State and an adoptive parent or parents.

2.3 The State shall provide assurance of how the State has implemented, or plans to

implement within three years of the date on which it submits its application the following child welfare program improvement policies: ***[Insert information regarding the two or more child welfare program improvement policies specified in the State's application].***

2.4 ***[Section 2.4 is boilerplate; however, use specifics where appropriate. Insert any additional requirements for the Waiver demonstration.]*** The State will submit to the Department for approval an Initial Design and Implementation Report within 90 days following acceptance of these Terms and Conditions (see Section 5.2). This report will include information about program design and implementation. Report sections regarding implementation will include:

- A Final Work Plan, outlining the key tasks, reporting requirements, and timelines throughout the course of the demonstration;
- A phase-down plan for the demonstration so that case plans for children and their families can be adjusted, if necessary, for the post-demonstration portion of their placement (See Section 6.1);
- The detailed protocol or set of policies that will guide decisions about which families or children are to be selected to participate in the demonstration, how the selection will be made, and how the suitability of services will be determined;
- Standards of quality and safety and practice requirements identified by the State to be incorporated into any agreements with public and private providers that are expected to provide support and services; and
- The status of evaluation activities, including efforts to engage a third-party evaluator.

The demonstration project will be reviewed periodically by the Department to ensure that the demonstration activities are consistent with the purposes of titles IV-B and IV-E of the Act and these Terms and Conditions in providing child welfare services, including an assurance of the safety of the children and families involved. The review is intended to ensure that benefit eligibility will not be impaired and that improved outcomes for the children and families will result. Any proposed amendment to these Terms and Conditions is subject to prior approval by the Department.

SECTION 3: EVALUATION

- 3.0 The State will conduct an evaluation of the use of title IV-E funds to ... ***[provide description of overall purpose of the evaluation]***. The evaluation will consist of three components: A process evaluation, an outcome evaluation, and a cost analysis.

The State is required to engage a third party to conduct an evaluation of the demonstration program. The evaluator shall be an independent organization that is not affiliated with state or local government, except that state universities may be engaged to conduct the evaluation. The evaluator shall be responsible for the development of the final evaluation design within the basic evaluation parameters outlined below. The evaluator shall develop a research design and sampling plan; develop and execute the data collection and analysis plans; and prepare interim and final reports.

- 3.1 Evaluation Design: ***[Insert description of basic evaluation design, including whether it is based on random assignment, the use of comparison groups, an analysis of longitudinal data, or another methodology. Describe the estimated sample sizes and/or number of counties or other geographical units that will participate in the evaluation.]***

Cases will maintain their assigned status for the full period of the demonstration. Modifications to the sampling plan may be proposed to the Department for approval if the sample sizes for the experimental and **comparison** groups are such that the number of clients in each group will provide adequate statistical power to detect differences in outcomes of interest between the two groups.

Throughout the evaluation, the State will apprise the Department of any difficulties encountered in achieving the estimated sample sizes for the project, and in consultation with the outside evaluator will determine if such difficulties will affect the State's ability to identify statistically significant differences in key demonstration outcomes. The State will notify the Department as soon as any serious problems are noted. Semi-annual progress reports (see Section 5.4) will include an update on the sample sizes and progress toward meeting the targeted sizes.

[For States implementing an evaluation involving random assignment or comparison groups, add the following language:] Cases will maintain their assigned status for the full period of the demonstration.

Modifications to the sampling plan may be proposed to the Department for approval if the sample sizes for the experimental and control groups are such that the number of clients in each group will provide adequate statistical power to detect differences in outcomes of interest between the two groups.

- 3.2 Process Evaluation: The evaluation will include interim and final process analyses that describe how the demonstration was implemented and that identify how demonstration services differ from services available prior to implementation of the demonstration, or

from services available to children and families that are not designated to receive demonstration services. The analysis will include a logic model that describes the demonstration's objectives, the services or other interventions provided, and the way the intervention is linked to measurable outcomes. In addition, the process analysis will examine at a minimum, the following:

- The planning process for the demonstration including whether any formal needs assessment, asset mapping, or assessment of community readiness was conducted;
- The organizational aspects of the demonstration, such as staff structure, funding committed, administrative structures, and project implementation, including ongoing monitoring, oversight, and problem resolution at various organization levels;
- The number and type of staff involved in implementation, including the training they received, as well as their experience, education and characteristics;
- The service delivery system, including procedures for determining eligibility, referring subjects for services, the array of services available, the number of children/families served and the type and duration of services provided;
- The role of the courts in the demonstration and the relationship between the child welfare agency and court system, including any efforts to jointly plan and implement the demonstration;
- Contextual factors, such as the social, economic and political forces that may have a bearing on the replicability of the intervention or influence the implementation or effectiveness of the demonstration. This discussion will note any possible confounding effects of changes in these systems, or changes resulting from other demonstrations or reforms that were implemented during the title IV-E demonstration;
- The degree to which demonstration programs and services are implemented with fidelity to their intended service models; and
- The barriers encountered during implementation, the steps taken to address these barriers, and any lessons learned during implementation.
- ***[Other factors as relevant based on the nature of the demonstration.]***

For each of the factors described above, the process analysis will note any differences, as appropriate for the State's evaluation design, in implementation before and after the start of the demonstration, among participating counties or other administrative units, or between the experimental and control/comparison groups.

3.3 Outcome Evaluation: ***[Insert goals or research questions and key measurable outcomes relating to safety, permanency, post-permanency, child well-being, and***

family functioning. Note any specific outcomes and analysis regarding special subpopulations (e.g., by race, age, gender, etc.).]

The State is free to propose additional research questions and outcome measures for inclusion in the evaluation.

The State will collect data to address these questions from the State's automated child welfare information systems, child welfare agency case records, and additional information sources as appropriate. The State will work with its evaluation contractor to identify other appropriate data sources to address the process and outcome measures described above.

3.4 Cost Study: The cost analysis will examine, at a minimum, the costs of the key elements of services received by children and families designated to receive demonstration services and will compare these costs with those of services available prior to the start of the demonstration, or that were received by the children and families that were not designated to receive demonstration services. The cost analysis will also include an examination of the use of key funding sources, including all relevant Federal sources such as titles IV-A, IV-B, IV-E and XIX of the Act, as well as State and local funds. The purpose of the analysis will be to compare the costs of services available through the demonstration with those of services traditionally provided to children and their families. Where feasible, a cost-effectiveness analysis will be conducted to estimate the costs of each successful outcome achieved through the demonstration. This analysis will be conducted using one or more of the key outcome measures for which a statistically significant difference is identified.

3.5 Evaluation Reporting Requirements: The following reports and documents shall be provided to the Department for review and approval (also noted in Section 5):

- The State will submit to the Department for approval a draft of the specifications or Request for Proposals (RFP) for the agreement to conduct an evaluation of the demonstration within ***[insert number of days]*** days after acceptance of these Terms and Conditions. The draft specifications must detail the objectives of the project, the evaluation design, the specific tasks to be conducted, the time frames for conducting those tasks, and a schedule and list of deliverables. The research questions, key variables, data collection methods, sample sizes and other aspects of the evaluation noted in these Terms and Conditions will be clearly described.
- The State and its evaluator will provide an evaluation plan to the Department for approval within 90 days after the evaluation contract is awarded. The evaluation plan must present the underlying logic linking interventions to expected outcomes, the research questions to be studied, the major variables to be measured, the final sampling plan, the data sources (including an assessment of the reliability and validity of each source), data collection procedures, and the major data analyses to be performed. The plan will describe the ... ***[for evaluations using random assignment, add: "procedures for randomly assigning cases to the experimental***

and control groups.” *For evaluations not using random assignment, add:* “the comparability of selected **comparison groups** on key variables.”].

- Not later than 60 days after the conclusion of the 10th quarter of the demonstration [*for all new five-year demonstrations insert: following the demonstration’s implementation date;*; *for demonstration extensions insert: following the effective date of the demonstration’s extension period*] the State will submit an interim evaluation report (see Section 5). The report will include a process analysis of the evaluation to date and any outcome data available at that time. The report will also include a brief description of the outcome and cost components of the evaluation planned and note any issues or problems anticipated in completion of these components. If the findings are unclear or incomplete, the Department may request revisions and resubmission of the report.
- Not later than six months after the conclusion of the demonstration (20th quarter), a final report integrating the process, outcome and cost components of the evaluation will be submitted. If the findings are unclear or incomplete, the Department may request revisions and resubmission of the report.
- The State will post copies of the interim and final evaluation reports on the State’s child welfare agency Website (see Section 5.9).
- Not later than six months after the conclusion of the demonstration (20th quarter), the State will have the evaluation contractor produce and make available public-use data tapes, including documentation necessary to permit re-analysis of the data gathered during the course of the evaluation.

Public release of any evaluation or monitoring reports required under this agreement will be made only by the Department or the State. Prior to public release of such reports, the Department and the State will have at least a 30-day period for review and approval.

- 3.6 Program Changes: Additional program changes that are not applied equally to experimental and control/comparison groups, or that would substantially affect the evaluation of the demonstration, must be approved by the Department as an amendment to these Demonstration Project Terms and Conditions.

SECTION 4: COST NEUTRALITY

4.0 As required by section 1130(h) of the Act, the amount of Federal funds expended for this project may not exceed the amount of such funds that would be expended by the State under the State plans approved under parts B and E of title IV if the demonstration project were not conducted. Therefore, except for costs of evaluating and developing this project (as specified in Sections 4.4 and 4.5 below), starting with the deemed beginning date (see Section 1.5) the operation of this demonstration is to be cost-neutral to the Federal government with respect to maintenance and administrative costs for titles IV-B and IV-E of the Act.

4.1 Section 4 Terms:

Costs. All references made to costs (unless otherwise specifically noted) consist of the Federal share of costs.

Maintenance Costs. All references made to maintenance costs include title IV-E allowable foster care maintenance assistance payments (per Section 475(4)(A) of the Act), kinship guardianship assistance payments (per Section 473(d) of the Act), or title IV-E allowable adoption assistance (per Section 475(3) of the Act) and such other costs for [*experimental or demonstration group – adjust as needed*] cases deemed as title IV-E allowable through a waiver granted for this demonstration project. See Section 4.2 for a list of any waiver costs treated as maintenance for purposes of this Section.

Administrative Costs. All references made to administrative costs include title IV-E allowable administrative and training costs and other costs for experimental group cases deemed as title IV-E allowable through a waiver granted for this demonstration project. See Section 4.2, Step 4 for a list of any waiver costs treated as administrative for purposes of this Section.

SACWIS Costs. All references made to SACWIS costs include title IV-E allowable SACWIS costs (per 45 CFR 1355.57 and Part 95 Subpart F) for the development, maintenance, and operation of an automated system that is determined by ACF to meet the requirements to be designated as a Statewide Automated Child Welfare Information System (SACWIS). Title IV-E allowability of specific SACWIS costs is further subject to (in addition to these terms and conditions) ACF approval of an advance planning document (APD) or an operational advance planning document (OAPD), as applicable.

Training Costs. All references made to training costs include title IV-E allowable training costs (per 45 CFR 235.63 through 235.66(a), 1356.60(b), and Section 474(a)(3)(B) of the Act) for the development, delivery or participation in training by eligible IV-E agency staff and providers or professional partner individuals.

Cumulative. All references made to cumulative in the context of costs will indicate that costs are to be summed for all quarters from the deemed beginning date through the quarter in question.

Ever-Assigned Cases. All references to ever-assigned cases mean the cumulative number of cases that have been assigned to either the control group or the experimental group summed for all quarters from the deemed beginning date through the quarter in question. Once a case has been assigned to the control or experimental group, it retains that assignment for the life of the demonstration.

4.2 The amount of title IV-E funds the State may be reimbursed under the demonstration will be based on an analysis of the costs of cases within the **comparison** group and will be determined by application of the cost-neutrality formula in this Section. The calculation below will be performed separately for maintenance and administrative payments on a quarterly basis.

Step 1. Calculate the cumulative title IV-E costs for the control group. Any non-IV-E-eligible costs must be excluded from this calculation and from title IV-E claims.

Step 2. Calculate the average title IV-E cost per control group case by dividing the cumulative title IV-E costs for the control group (per Step 1) by the number of ever assigned control cases (including both title IV-E and non-title IV-E eligible cases).

Step 3. Multiply the average derived in Step 2 above by the number of ever assigned experimental cases (including both title IV-E and non-title IV-E eligible cases). The result is the cumulative cost-neutrality limit for the experimental cases.

Step 4. Calculate the cumulative costs for the experimental group, including *[separate waived experimental costs into maintenance and administrative categories and specify which costs to include, e.g. foster care, adoption assistance and guardianship payments and related administrative expenses for title IV-E eligible children OR e.g. foster care maintenance payments for title IV-E eligible children and supportive services to children at risk of removal, etc., as specified in Section 2.0)].*

Step 5. Compare the result of Step 3 with the result of Step 4. If the result of step 4 (cumulative experimental costs) is greater than the result of step 3 (cumulative cost neutrality limit), the difference represents costs in excess of the cost neutrality limit for which the State may be responsible. If the State chooses to file claims for such costs, reimbursement will be pended until a quarter in which cost neutrality is not exceeded or the completion of the project. If Step 4 is less than the cost-neutrality limit calculated in Step 3, then the difference represents savings that the State may claim for expenditures for any child welfare purposes allowable under titles IV-B or IV-E of the Act. Total savings available for expenditure (including amounts calculated for past periods) is subject to recalculation each quarter until the completion of the project.

Step 6. At the completion of the project, the State will notify the Administration for Children and Families (ACF) when a final claim for operational costs has been filed. Any experimental group claims in excess of cost neutrality or expenditures of savings beyond the amount calculated will be subject to adjustment. Any unspent savings will be available for claiming in accordance with Federal regulations at 45 CFR 95.7 for costs incurred during the project period.

- 4.3 Federal title IV-E payments to the State for this demonstration will be made quarterly based on State estimates of demonstration expenditures for the next quarter and the reconciliation of actual expenditures (as determined in Section 4.2 above) to the amount of funds the State has already received for the demonstration. If the State cost estimates are higher than actual expenditures, the State will reconcile to actual amounts on a quarterly basis.

Actual expenditures claimed for the demonstration project, and estimates in advance of each quarter, will be identified separately on the ACF quarterly claim form, CB-496. Summary fiscal information on the results of the project must be reported in Part 3 as well as other applicable parts of form CB-496. These estimates and claims relating to the demonstration will be subject to review and deferral or adjustment according to the normal procedures for reviewing title IV-E estimates and paying title IV-E claims. All other title IV-E claims that are not related to this demonstration will continue to be filed in accordance with current quarterly claiming requirements for payments for allowable cost. The State must examine its cost allocation plan to determine whether any of the components will affect the calculation of or claiming for any administrative costs under title IV-E, and if so the State must submit an amendment to the cost allocation plan prior to the implementation date to address any such effects appropriately.

- 4.4 Developmental Costs. Developmental costs are the expenses the State incurs to establish the demonstration prior to the project's implementation. These costs are excluded from the cost-neutrality calculation. For activities undertaken prior to the implementation date specified in Section 1.5 above, the Federal government will match the approved administrative costs related to development of the demonstration project (otherwise called developmental costs) at the applicable matching rate without application of cost allocation. Such costs can begin with the preparation of the State's proposal and may also include automated systems development and changes, policy or procedures development, and staff training. Developmental costs do not include costs for activities performed on or after the deemed start date of project operations. No later than 30 days after the State formally accepts these Terms and Conditions, the State will submit a plan, for approval by the Department, designating which administrative costs will be treated as developmental costs for purposes of this section (see Section 5.0). This section is not intended to supersede other requirements for Federal approval for administrative costs of the programs involved in the demonstration.

- 4.5 Evaluation Costs. Evaluation costs are expenses incurred by the external evaluator as well as those incurred by the State that are directly related to the evaluation effort.

These costs are excluded from cost-neutrality calculation. Evaluation costs begin with the first evaluation planning activities and continue until the final evaluation report is submitted. Such costs will encompass all costs necessary to carry out the approved evaluation plan, including costs for evaluation activities carried out by State and local agencies as well as those carried out by the evaluation contractor. The costs of approved evaluation activities may be charged to title IV-E administrative costs without cost allocation so that the State may claim a full 50 percent of these costs as title IV-E administrative costs. The State shall address any changes needed to implement this provision through submission of appropriate amendments to its approved State cost allocation plans. Costs of evaluation that arise from the demonstration project(s) approved under these Terms and Conditions may be claimed for a reasonable period of time after the expiration of the period of this demonstration (Section 1.5) so long as the costs are for activities required by the evaluation plan(s) approved by the Department and are otherwise allowable and reasonable. Evaluation components not approved by the Department will not qualify for Federal matching funds.

SECTION 5: MONITORING

The State will send all reports required in this section to the Children's Bureau, the Regional ACF Office, and the evaluation technical assistance contractor for this initiative.

- 5.0 The State must submit a plan, for approval by the Department, designating which administrative costs will be treated as developmental costs (see Section 4.4) no later than 30 days after accepting these Terms and Conditions.
- 5.1 Within 60 days of acceptance of these Terms and Conditions, the State will submit to the Department a draft of the specifications or Request for Proposal (RFP) and evaluation specifications for approval (Section 3.5).
- 5.2 The State will submit an Initial Design and Implementation Report to the Department for approval within 90 days following acceptance of these Terms and Conditions (see Section 2.4 for detailed elements of the report).
- 5.3 The State shall submit quarterly progress reports beginning 90 days after the acceptance of these Terms and Conditions and continuing until implementation. The Initial Design and Implementation Report will serve as the first quarterly report. All subsequent reports are due no later than 30 days after the conclusion of each quarterly period and will include a basic update on the status of each activity or task identified in the Implementation Report. The report will also identify any problems encountered that may have an impact on the design or anticipated implementation schedule. Suggestions for resolving these problems will be provided for the Department's review and approval.
- 5.4 Once implementation has begun, semi-annual progress reports will be required throughout the project period summarizing project and evaluation activities and accomplishments during the reporting period as well as interim findings from the evaluation, if available. The semi-annual monitoring reports shall indicate issues or problems and resolutions regarding the implementation of the demonstration or evaluation as approved, including updates on the resolution of any significant problems identified in the implementation report. The state will address its progress toward implementing the Child Welfare Program Improvement Policies as described in Section 2.3. These reports are due no later than 30 days after the conclusion of each reporting period.
- 5.5 The State will submit an evaluation plan to the Department within 90 days after the evaluation contract is awarded for approval (Section 3.5). The evaluation plan must be approved by the Department prior to implementation.
- 5.6 The State will submit an annual accounting of the spending described in Section 2.2(m) for each year of the approved demonstration project period of all investments, public or private, made in coordination with the State to provide services under the proposed demonstration project.

- 5.7 The State will submit an Interim Evaluation Report 60 days after the conclusion of the **[for all new five-year demonstrations insert 10th quarter for all 5 year demonstrations, otherwise calculate midpoint of project duration]** quarter following the implementation date. Additional reports may be proposed by the State and, subject to approval by the Department, may be considered allowable components of the evaluation of the demonstration.
- 5.8 The State will submit a Final Evaluation Report six months after the project ends, integrating the process study, the outcomes study, and the cost analysis (Section 3.5).
- 5.9 The State will post copies of the interim and final evaluation reports on the State's child welfare agency Website (see Section 3.5).
- 5.10 The State will submit, or have the evaluation contractor produce and make available, public-use data tapes, including documentation necessary to permit re-analysis of the data gathered during the course of the evaluation, six months after the project ends (Section 3.5).

SECTION 6: TERMINATION PROCEDURES

- 6.0 Federal financial participation in demonstration activities requiring waivers will not be provided beyond the period approved by the Department.
- 6.1 As part of the Initial Design and Implementation Report (Section 2.4), the State will submit for the Department’s approval a plan to phase down and end the demonstration to ensure that there are no demonstration-related Federal costs incurred beyond the period approved by the Department. All activities requiring Department approval must cease on the date decided by the Department if the project is terminated prior to the end of the *[insert 20th quarter, or other end quarter as appropriate]* quarter after the **demonstration’s** deemed beginning date.

Approval:

Acceptance:

Bryan Samuels
Commissioner
Administration on Children, Youth
and Families

*[Insert name and title of
appropriate state official]*

Date

Date