

<b>ACF</b>  <b>Administration</b>  <b>for Children</b>  <b>and Families</b>	<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>  <b>Administration for Children, Youth and Families</b>	
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### **PROGRAM INSTRUCTION**

**TO:** State Administrators of State Public Welfare Agencies Administering Title IV-E of the Social Security Act

**SUBJECT:** FY 1989 Independent Living Initiatives Program

**LEGAL AND RELATED REFERENCES:** Section 477, Section 474(a)(1)-(4), and Section 475(1) of Title IV-E of the Social Security Act; ACYF-PI-87-01, Issued February 10, 1987; ACYF-PI-87-06, Issued October 30, 1987

**SUMMARY:** The Consolidated Omnibus Budget Reconciliation Act of 1985 (P.L. 99-272), through the addition of section 477 to title IV-E of the Social Security Act, authorized funds to States for fiscal years 1987 and 1988 for service programs and activities to assist eligible children in title IV-E foster care to make the transition from foster care to independent living.

The Technical and Miscellaneous Revenue Act of 1988 (P.L. 100-647) has amended section 477 to continue the authorization through fiscal year 1989, and makes certain other changes which are described in the Content and Legislative Changes Section of this Program Instruction.

**PURPOSE:** The purposes of this Program Instruction are to provide information about the changes in the Independent Living Initiatives Program; to specify the application procedures for States to use in applying for FY 1989 funds; and to restate the reporting requirements prescribed for States which receive these funds.

**CONTENT:** Availability of Funds: Under section 477(e)(1) of the Social Security Act (the Act), each State is allotted a share of \$45 million equal to the ratio of the State's average monthly number of children receiving title IV-E foster care maintenance payments in fiscal year 1984 to the average monthly number of children receiving such payments for all States in fiscal year 1984. States need not provide any match to the Federal funds, but States may not use Federal funds to replace already existing State efforts. Federal funds are to be used to supplement, not

replace, current State efforts. The table attached at Attachment B provides the tentative allotment for each State.

If any State does not apply for its share of the title IV-E Independent Living (IL) funds by the due date established in this Program Instruction, the funds will be reallocated to other States that have applied, using the same statutory formula for the distribution of the funds (Section 477(e)(2)).

**Definition of Eligible Participants:** For purposes of expending FY 1989 funds, persons eligible for services under the title IV-E-IL program are children to whom foster care maintenance payments are being made under title IV-E and may, at the option of the State, also include any other children who are in foster care (non-title IV-E eligible) under the responsibility of the State, but in either case the children must have attained age 16 in order to be eligible. Under title IV-E, the child's eligibility for the foster care program extends through age 17, ending when the child reaches age 18, unless a State has opted under its title IV-A plan to extend eligibility through age 18.

For those States which have selected this option, eligibility extends through age 18 (ending when the child is 19) for youth who are full time students in a secondary school or an equivalent technical program and who are expected to complete the program before reaching age 19 (Section 406(a)).

The State may also, at its option, include any child to whom foster care maintenance payments were made by a State and whose care or foster care payments were discontinued on or after the date the child became 16, so long as the child is included within six months of the date of discontinuance (Section 477(a)(2)(C)).

**Programs and Activities:**Expenditures must be related to the specific purposes of the Independent Living Initiatives.

As stated in section 477(d) of the Act, such purposes may include programs to:

1. enable participants to seek a high school diploma or its equivalent or to take part in appropriate vocational training;
2. provide training in daily living skills, budgeting, locating and maintaining housing, and career planning;
3. provide for individual and group counseling;
4. integrate and coordinate services otherwise available to participants;
5. provide for the establishment of outreach programs designed to attract individuals who are eligible to participate in the program;
6. provide each participant with a written transitional independent living plan which shall be based on an assessment of his needs, and which shall be incorporated into his case plan, as described in section 475(l); and
7. provide participants with other services and assistance designed to improve their transition to independent living.

States may use varying methods and strategies to achieve the objectives of the program. They may wish to include an assessment of existing programmatic and systemic barriers to the successful transition of a child in foster care into independent living. Training programs for agency staff may be a critical element. Specialized training and consultation for foster parents and other child care providers may assist in the development and improvement of an important link for the child between dependence and independence.

Other activities under the title IV-E-IL program may include, but are not limited to, the following:

1. Counseling and other similar assistance related to educational and vocational training, preparation for a General Equivalency Diploma (GED) or for higher education, job readiness, job search assistance and placement programs;
2. Counseling and instruction in basic living skills, such as: money management, home management, consumer skills, parenting, health care, access to community resources, transportation, housing options and location;
3. Individual and group counseling, workshops and conferences for improved self esteem and self confidence, and interpersonal and social skills training and development;
4. Coordination with other components of the State's independent living program, e.g., supervised practice living, and establishment of linkages with Federal agencies and State and local organizations such as: the Department of Education, Special and Vocational Education programs and local education agencies; State and community colleges; Department of Labor, Employment and Training Administration programs including the Job Training Partnership Act (JTPA), which administers Private Industry Councils (PICs) and the Job Corps; Vocational Rehabilitation; volunteer programs (e.g., ACTION); medical and dental public and private providers; State and community mental health agencies and organizations; and local housing advisors;
5. Establishment of a system of outreach which would encourage youth currently in foster care to participate in independent living programs; and development of community organizational efforts and ongoing support networks for youth leaving foster care;
6. Where appropriate, development of a written transitional independent living plan, based upon an assessment of the needs of each child over age 16, which is incorporated into the child's case plan; and
7. Involvement of relatives and/or foster parents in the development of the child's independent living skills; and training youth in decision-making, planning, and time management.

**Prohibition:** IV-E-IL funds may not be used for the provision of room or board for youth receiving independent living services.

**INSTRUCTIONS:** Application Requirements: In order for a State to receive its allotment under section 477, the State agency must submit an application that meets the requirements of section 477 and this Program Instruction. There is no fiscal form or may be in the format of the State's choice; however, it must be signed by the administrator of the State title IV-E agency or his or her designee and contain the following descriptions and assurances:

1. **Responsible State Agency.** A statement that the State agency administering the title IV-E program will administer the Independent Living program under section 477 (Section 477(b)).
2. **Description.** An updated description of the services and activities that the State plans to carry out with the allotted FY 1989 funds; how the State will build on FY 1988 activities and expenditures; the number of children, age 16 or over, expected to be in care and the number expected to participate in the title IV-E-IL program during the year; the status of the State agency's current independent living program efforts; a summary of problems and barriers to successful independent living program implementation; expected results and outcomes of the FY 1989 program; and current and projected expenditures for independent living programs, including title IV-E-IL funds (Section 477(c)).
3. **Maintenance of Effort.** A description of how the title IV-E-IL funds will supplement IV-E foster care funds available for maintenance payments and administrative and training costs and other State funds available for independent living activities and services. This includes a description of planned shifts in staffing, resources and expenditures (Section 477(e)(3)).
4. **Assurances.** The State must assure that:
  - a. the program will be operated in an effective and efficient manner (Section 477(c));
  - b. funds shall be used only for the specific purposes described in section 477 (Section 477(f)(1));
  - c. payments made and services provided shall not be considered as income or resources for purposes of determining eligibility of participants for aid under the State's title IV-A or title IV-E plan or for determining the level of such aid (Section 477(h));
  - d. each participant will be provided a written transitional independent living plan which will be based on an assessment of his needs and which shall be incorporated into his case plan, as described in section 475(l);
  - e. payments to the State shall be used for conducting the activities and providing the services required to carry out the programs directly or under contracts with local governmental entities or private non-profit organizations (Section 477(b));
  - f. grant funds will supplement and not replace any other funds which may be available for the same general purposes (Section 477(e)(3)); and
  - g. the grants will be used in accordance with the requirements applicable to other Departmental grants to State and local agencies, including the regulations at 45 CFR Parts 92 and 74 and OMB Circulars A-87 and A-102.

**Application Submittal:** A State must submit an original and one copy of the application to:

Administration for Children, Youth and Families  
P. O. Box 1182  
Washington, D.C. 20013  
Attn: Program Operations Division Children's Bureau

Concurrently, a copy should be sent to the appropriate HDS Regional Administrator. A current listing of the HDS Regional Administrators and their addresses is attached. (Attachment C)

The closing date for receipt of all applications is January 31, 1989. Applications shall be considered if they are either:

1. received on or before the closing date of January 31, 1989, or
2. sent on or before the closing date of January 31, 1989 (as evidenced by a legibly dated U.S. Postal Service postmark or a legibly dated receipt from a commercial carrier or U.S. Postal Service), and received in time for the review and award process.

**Reallotment of Funds:** Some States may not use the title IV-E-IL funds allotted to them for FY 1989, either because they do not choose to apply for funds or because the application does not meet all of the requirements of section 477 of the Act or this Program Instruction. Failure of a State to apply for its share of the \$45 million or to meet the application requirements will be considered to mean that the funds will not be required by the State during FY 1989. These funds will then be available for reallotment to other States under the provisions of Section 477(e)(1)(2).

States which submit applications which are incomplete or defective will be notified in writing and will be given 30 days to complete or correct the application.

The tentative FY 1989 allotment for each State will be the same as the FY 1988 allotment (Attachment B). There will be no further opportunity to apply for these funds during FY 1989.

The funds awarded in FY 1989 must be obligated and expended by September 30, 1990. Thus, the State may obligate the funds after September 30, 1989, so long as it obligates and expends them by September 30, 1990 (Section 477(f)(3)).

**Reporting Requirements:** Fiscal Reports. Expenditures under the Independent Living Program shall be reported by States quarterly on a Standard Form 269, Financial Status Report, and mailed to:

Administration for Children, Youth and Families  
P. O. Box 1182  
Washington, D. C. 20013  
Attn: Formula Grants Branch Children's Bureau

A copy of the Standard Form 269 should also be sent to the appropriate HDS Regional Administrator.

**Program Reports.** Not later than January 1, 1989, the State must submit a Program Report covering its FY 1988 program and activities. This is a change from the provisions of Program Instruction 87-06, dated October 30, 1987, which announced the availability of FY 1988 IV-E-IL funds and specified a due date of March 1, 1989 for the FY 1988 Program Report. This change is required by statute.

The Program Report covering FY 1989 funds is due not later than January 1, 1990. The Reports should also include information about prior year activities not covered in the State's prior year Report(s). Reports shall be mailed to:

Administration for Children, Youth and Families  
P. O. Box 1182  
Washington, D. C. 20013  
Attn: Formula Grants Branch Children's Bureau

A copy of the Program Report should also be sent to the appropriate HDS Regional Administrator. The Report must contain the following information:

1. an accurate description of the independent living activities conducted and the services provided, including: programs modified or newly established and the current status of implementation, e.g., counseling, tutoring, basic living skills; and coordinating activities undertaken by the title IV-E agency with other community agencies and the services provided by such agencies in achieving the purposes of the independent living program (Section 477(g)(1)(A));
2. a statement, if appropriate, explaining how the title IV-E Independent Living funded programs have been incorporated into a comprehensive State program of services to this age group of children in foster care and what those services are;
3. a complete record of the purposes for which the funds were spent (Section 477(g)(1)(A));
4. a statement regarding the extent to which the funds assisted youth in making the transition from foster care to independent living (Section 477(g)(1)(A)); and
5. appropriate, additional information for use by the Secretary in assessing and evaluating the findings and measuring the achievements of the State's Independent Living programs, in developing comprehensive information and data on the basis of which decisions can be made with respect to the future of such programs, and in providing information and recommendations to Congress (Section 477(g)(2)). This information must include:
  - a. a detailed description of the number and specific characteristics of the eligible population, as of the beginning of the fiscal year being reported upon, and a description of the individuals served during that fiscal year, e.g., age, sex, race/ethnicity, current living arrangement, special needs status, marital and parental status, and duration of foster care;
  - b. a statement of results achieved 90 days after participants completed the program, e.g., number of youth who are employed; who have completed a high school or GED program; who have obtained housing and other community services; and who are living independently of agency maintenance programs; together with a description of the criteria employed to measure those achievements; and
  - c. recommendations for program modifications and other recommendations.

**LEGISLATIVE CHANGES:** The Technical and Miscellaneous Revenue Act of 1988 made a number of amendments to section 477 of the Social Security Act. Most of these amendments have already been reflected in this Program Instruction. They are:

The Independent Living Initiatives Program has been reauthorized through fiscal year 1989;

States are permitted to provide IV-E-IL services to non-title IV-E eligible children in foster care age 16 and over under the responsibility of the State;

States are permitted to provide IV-E-IL services during the six month period after a child is discharged from foster care, or foster care payments are discontinued;

States are required to report to the Department of Health and Human Services, on the programs carried out with IV-E-IL funds during a Federal fiscal year by January 1 of the following fiscal year;

The Secretary of the Department of Health and Human Services is required to submit the FY 1988 Report to the Congress on the States' use of IV-E-IL funds by March 1, 1989;

State applications for IV-E-IL funds must be submitted before February 1 of the fiscal year for which funds are available; and

States may not use IV-E-IL funds for the provision of room and board.

In addition, the Technical and Miscellaneous Revenue Act of 1988 permits those States which received FY 1987 IV-E-IL funds to expend any unobligated FY 1987 funds through the end of FY 1989, or September 30, 1989.

The Technical and Miscellaneous Revenue Act of 1988 established two different dates for the amendments listed above. Amendments effective on October 1, 1988 are those reauthorizing the Independent Living Initiatives Program, setting due dates for reports and applications, and extending the period in which unobligated FY 1987 funds may be expended.

Amendments effective on the date of enactment, November 10, 1988, are those extending Independent Living services to non-title IV-E eligible children, authorizing services during the six month period after discontinuance of foster care or payments, and prohibiting the use of IV-E-IL funds for the provision of room and board.

**INQUIRIES:** Regional Administrators, OHDS  
Regions I - X  
Children's Bureau, ACYF  
Program Operations Division  
(202) 755-7447

Dodie Truman Borup  
COMMISSIONER

**ATTACHMENTS:**

Attachment A: Section 477 of the Social Security Act (*Attachment not available*)

Attachment B: Tentative Allotments (*Attachment not available*)

[Attachment C](#): HDS Regional Administrators

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