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	4. Key Words: Independent Living Initiatives	

PROGRAM INSTRUCTION

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

SUBJECT: Independent Living Initiatives Program for Fiscal Years 1990 through 1992

LEGAL AND RELATED REFERENCES: Sections 472, 477, 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; [ACYF-PI-88-08](#), issued December 23, 1988.

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) amended section 477 to continue the authorization through fiscal year 1989; authorized States to elect to serve non-title IV-E eligible children, and to serve children up to six months after discharge from foster care; prohibited payments for room and board; and made certain other technical changes.

The Independent Living (IL) Program was reauthorized most recently by the Omnibus Budget Reconciliation Act of 1989 (Public Law 101-239) for the Federal fiscal years 1990 through 1992. This Act also authorized, and the Congress has provided, an increase in IL funds from \$45 million for FY 1989 to \$50 million for FY 1990. For FY 1991, \$60 million is authorized and, for FY 1992, \$70 million.

PURPOSE: The purposes of this Program Instruction are to provide information about the reauthorization of the Independent Living Initiatives Program for three years; to specify the

application procedures for States to use in applying for funds for fiscal years 1990, 1991, and 1992; 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 the amount appropriated for Independent Living 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.

For FY 1990 the amount appropriated is \$50 million. As appropriations are made for fiscal years 1991 and 1992, State allocation tables will be issued as Information Memoranda. States need not provide any match to the Federal funds for FY 1990, 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 at Attachment B provides the tentative allotment for FY 1990 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: Persons eligible for services under the title IV-E-IL program are children for whom foster care maintenance payments are being made under title IV-E and, at the option of the State, any other children who are in foster care (non-title IV-E eligible) under the responsibility of the State. In either case the children must have attained age 16 in order to be eligible.

Under title IV-E (section 472), 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 for independent living 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)).

States which elect to serve non-title IV-E eligible children, including children who are no longer IV-E eligible by virtue of age, may provide IL services to all children who are in foster care under the responsibility of the State and who remain "children" under the definition of the State (i.e., have not reached the State's age of majority).

The State may also, at its option, provide IL services to any child (whether IV-E eligible or not) for 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 services are provided 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(1); 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. 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, for each fiscal year, submit an application that meets the requirements of section 477 and this Program Instruction. There is no fiscal form or other fiscal application. The application 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 funds in the fiscal year covered by the application; how the State will build on activities and expenditures from prior fiscal years; 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 independent living program for the year covered by the application; and current and projected expenditures for independent living programs, including title IV-E-IL funds (section 477(c)).
3. **Assurances.** The State must assure that:
 - a. (Maintenance of Effort) 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 (section 477(e)(3));
 - b. the program will be operated in an effective and efficient manner (section 477(c));
 - c. funds shall be used only for the specific purposes described in this Program Instruction;
 - d. 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));
 - e. 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(1);

- f. 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));
- g. grant funds will supplement and not replace any other funds which may be available for the same general purposes (section 477(e)(3));
- h. 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; and
- i. grant funds will not be used for the provision of room and board.

Elections. The State should indicate explicitly whether it has (a) elected to provide independent living services for non-title IV-E eligible children, and/or (b) elected to provide services to children for any period up to six months after they have been discharged from foster care.

Trust Funds. If a State chooses to establish trust funds for youth leaving foster care, the State's application must indicate clearly how the trust funds will be financed, how they will be integrated into the overall individual independent living plan, the rules that will govern the use of and disbursement from such funds, and the safeguards that will be employed to ensure that no Federal Independent Living funds are used by the State for the provision of room and board.

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 the January 31 which falls within the year for which funds are requested. For FY 1990, applications shall be considered if they are either:

1. received on or before the closing date of January 31, 1990, or
2. sent on or before the closing date of January 31, 1990 (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.

Similarly, for fiscal years 1991 and 1992, applications will be considered timely if they are received or appropriately postmarked or receipted by the due date.

Reallotment of Funds: Some States may not use the title IV-E-IL funds allotted to them for a particular fiscal year, either because they do not choose to Apply for funds or because their applications do 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 Independent Living funds or to meet

the application requirements will mean that the funds will not be available to the State during that fiscal year. These funds will then be available for reallocation 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 1990 allotment for each State is displayed in Attachment B. There will be no further opportunity to apply for these funds during FY 1990. Allotments for fiscal years 1991 and 1992 will be issued when the appropriations for those years are known.

The funds awarded in FY 1990 must be obligated and expended by September 30, 1991. This is a two-year appropriation, which enables a State to obligate and expend the FY 1990 funds after September 30, 1990, so long as it expends them by September 30, 1991. Funds awarded for fiscal years 1991 and 1992 must be expended by the last day (September 30) of the fiscal year following the fiscal year for which the funds were awarded (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. The Program Report covering FY 1990 funds is due not later than January 1, 1991. Program reports for FY 1991 are due by January 1, 1992 and for FY 1992, by January 1, 1993. The reports should also include information about prior year activities not covered in the State's prior year reports.

Reports shall be mailed to:

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

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));

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;

a complete record of the purposes for which the funds were spent (section 477(g)(1)(A));

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

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 from which decisions can be made with respect to the future of such programs, and in providing information and recommendations to the Congress (section 477(g)(2)). This information must include:

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;

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

recommendations for program modifications and other recommendations.

Application Approval and Changes: Approvals of the original applications will be issued in the form of grant award documents. However, if a Regional Administrator wishes additional information prior to grant award, that information will be requested in writing; and if any application appears to be unapprovable, a letter to that effect will be issued by the Commissioner, ACYF, and the State will be given up to 30 days to provide an approvable application.

If, after the original application submission, a State wishes to make significant changes in the application submitted for any fiscal year, the State should submit an Independent Living Application Amendment to the appropriate HDS Regional Administrator.

States should be aware that, under the requirements of 45 CFR Part 92 (section 3) and OMB Circular A-87 (Attachment B, section C.3), any use of Federal independent living funds for the purchase of equipment having a unit cost in excess of \$5,000 requires prior approval of the granting agency. Requests for approval of any such purchase should be directed to the appropriate Regional Administrator. In the case of a purchase requiring prior approval, the Regional Administrator will reply in writing.

INQUIRIES: Regional Administrators, OHDS
Regions I - X
Children's Bureau, ACYF
Program Operations Division
(202) 245-0820
Wade F. Horn, Ph.D.
Commissioner

ATTACHMENTS:

[Attachment A:](#) Section 477 of the Social Security Act
[Attachment B:](#) Tentative Allotments - FY 1990
[Attachment C:](#) HDS Regional Administrators

Attachment A

INDEPENDENT LIVING INITIATIVES

Sec. 477 [42 U.S.C. 677] (a)(1)

Payments shall be made in accordance with this section for the purpose of assisting States and localities in establishing and carrying out programs designed to assist children described in paragraph (2) who have attained age 16 in making the transition from foster care to independent living. Any State which provides for the establishment and carrying out of one or more such programs in accordance with this section for a fiscal year shall be entitled to receive payments under this section for such fiscal year, in an amount determined under subsection (e). Such payments shall be made only for the fiscal years 1987 through 1992.

(2) A program established and carried out under Paragraph (1)--

- A. shall be designed to assist children with respect to whom foster care maintenance payments are being made by the State under this part,
- B. may at the option of the State also include any or all other children in foster care under the responsibility of the State, and
- C. may at the option of the State also include any child to whom foster care maintenance payments were previously made by a State under this part and whose payments were

discontinued on or after the date such child attained age 16, and any child who previously was in foster care described in subparagraph (B) and for whom such care was discontinued on or after the date such child attained age 16, but such child may not be so included after the end of the 6-month period beginning on the date of discontinuance of such payments or care; and a written transitional independent living plan of the type described in subsection (d)(6) shall be developed for such child as a part of such program.

(b) The State agency administering or supervising the administration of the State's programs under this part shall be responsible for administering or supervising the administration of the State's programs described in subsection (a). Payment under this section shall be made to the State, and shall be used for the purpose of conducting and providing in accordance with this section (directly or under contracts with local governmental entities or private nonprofit organizations) the activities and services required to carry out the program or programs involved.

(c) In order for a State to receive payments under this section for any fiscal year, the State agency must submit to the Secretary, in such manner and form as the Secretary may prescribe, a description of the program together with satisfactory assurances that the program will be operated in an effective and efficient manner and will otherwise meet the requirements of this section.

In the case of payments for fiscal year 1987, such description and assurances must be submitted within 90 days after the Secretary promulgates regulations as required under subsection (i), and in the case of payments for any of the fiscal years 1988 through 1992, such description and assurances must be submitted prior to February 1 of such fiscal year.

Foster Care and Adoption Assistance (12-29-89)

(d) In carrying out the purpose described in subsection (a), it shall be the objective of each program established under this section to help the individuals participating in such program to prepare to live independently upon leaving foster care. Such programs may include (subject to the availability of funds) 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 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(1); and
7. provide participants with other services and assistance designed to improve their transition to independent living.

(e) (1)(A) The basic amount to which a State shall be entitled under section 474(a)(4) for each of the fiscal years 1987 through 1992 shall be an amount which bears the same ratio to the basic ceiling for such fiscal year as such State's average number of children receiving foster care maintenance payments under this part in fiscal year 1984 bears to the total of the average number of children receiving such payments under this part for all States for fiscal year 1984.

(B) The maximum additional amount to which a State shall be entitled under section 474(a)(4) for fiscal years 1991 and 1992 shall be an amount which bears the same ratio to the additional ceiling for such fiscal year as the basic amount of such State bears to \$45,000,000.; and

(C) As used in this section:

- i. The term "basic ceiling" means -
 - I. for fiscal year 1990, \$50,000,000 and
 - II. for each fiscal year other than fiscal year 1990, \$45,000,000.
- ii. The term "additional ceiling" means -
 - I. for fiscal year 1991, \$15,000,000; and
 - II. for fiscal year 1992, \$25,000,000.

Foster Care and Adoption Assistance (12-29-89)

- 2. If any State does not apply for funds under this section for any fiscal year within the time provided in subsection (c), the funds to which such State would have been entitled for such fiscal year shall be reallocated to one or more other States on the basis of their relative need for additional payments under this section (as determined by the Secretary).
- 3. Any amounts payable to States under this section shall be in addition to amounts payable to States under subsections (a)(1), (a)(2), and (a)(3) of section 474, and shall supplement and not replace any other funds which may be available for the same general purposes in the localities involved. Amounts payable under this section may not be used for the provision of room or board.
 - f. Payments made to a State under this section for any fiscal year -
 - 1. shall be used only for the specific purposes described in this section;
 - 2. may be made on an estimated basis in advance of the determination of the exact amount, with appropriate subsequent adjustments to take account of any error in the estimates; and
 - 3. shall be expended by such State in such fiscal year or in the succeeding fiscal year. Notwithstanding paragraph (3), payments made to a State under this section for the fiscal year 1987 and unobligated may be expended by such State in the fiscal year 1989.
 - g. (1) Not later than the first January 1 following the end of each fiscal year, each State shall submit to the Secretary a report on the programs carried out during such fiscal year with the amounts received under this section. Such report -
 - A. shall be in such form and contain such information as may be necessary to provide an accurate description of such activities, to provide a complete record of the purposes for which the funds were spent, and to indicate the

extent to which the expenditure of such funds succeeded in accomplishing the purpose described in subsection (a); and

- B. shall specifically contain such information as the Secretary may require in order to carry out the evaluation under paragraph (2).

(2) (A) Not later than July 1, 1988, the Secretary shall submit an interim report on the activities carried out under this section.

Foster Care and Adoption Assistance (12-29-89)

- B. Not later than March 1, 1989, the Secretary, on the basis of the reports submitted by States under paragraph (1) for the fiscal years 1987 and 1988, and on the basis of such additional information as the Secretary may obtain or develop, shall evaluate the use by States of the payments made available under this section for such fiscal year with respect to the purpose of this section, with the objective of appraising the achievements of the programs for which such payments were made available, and developing comprehensive information and data on the basis of which decisions can be made with respect to the improvement of such programs and the necessity for providing further payments in subsequent years. The Secretary shall report such evaluation to the Congress. As a part of such evaluation, the Secretary shall include, at a minimum, a detailed overall description of the number and characteristics of the individuals served by the programs, the various kinds of activities conducted and services provided and the results achieved, and shall set forth in detail findings and comments with respect to the various State programs and a statement of plans and recommendations for the future.
- g. Notwithstanding any other provision of this title, payments made and services provided to participants in a program under this section, as a direct consequence of their participation in such program, shall not be considered as income or resources for purposes of determining eligibility (or the eligibility of any other persons) for aid under the State's plan approved under section 402 or 471, or for purposes of determining the level of such aid.
- h. The Secretary shall promulgate final regulations for implementing this section within 60 days after the date of the enactment of this section.

Attachment B

**Independent Living Initiative
FY 1990 Allotments**

Name of State	Allotment
Alabama	\$ 741,779
Alaska	9,309

Arizona	248,403
Arkansas	193,529
California	8,915,552
Colorado	589,895
Connecticut	538,941
Delaware	145,024
Dist. of Col.	779,995
Florida	705,033
Georgia	784,894
Hawaii	12,739
Idaho	76,432
Illinois	2,012,209
Indiana	728,550
Iowa	321,405
Kansas	512,484
Kentucky	565,398
Louisiana	970,094
Maine	404,206
Maryland	884,353
Massachusetts	454,180
Michigan	2,979,853
Minnesota	815,761
Mississippi	367,460
Missouri	925,019
Montana	174,421
Nebraska	311,116
Nevada	109,748
New Hampshire	228,805
New Jersey	1,641,320
New Mexico	147,964
New York	8,275,682
North Carolina	746,678
North Dakota	137,185
Ohio	2,043,566
Oklahoma	442,911

Oregon	664,857
Pennsylvania	3,313,017
Rhode Island	224,885
South Carolina	414,005
South Dakota	138,165
Tennessee	555,599
Texas	1,315,504
Utah	144,534
Vermont	211,167
Virginia	972,543
Washington	589,405
West Virginia	372,359
Wisconsin	1,110,218
Wyoming	31,847

Attachment C

REGIONAL ADMINISTRATORS OFFICE OF HUMAN DEVELOPMENT SERVICES

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