

SUPPORTING STATEMENT

2015

Form CB-496

Title IV-E Programs Quarterly Financial Report

(Foster Care, Adoption Assistance and Guardianship Assistance Programs)

A. Justification

1. Circumstances Making the Collection of Information Necessary

The authorities to collect and report the information requested on these forms are found in the following sections of the Social Security Act (Act): 471(a)(6), 471(a)(7), 471(a)(13) and 474(a) and (b).

State and Tribal agencies administering Plans approved under title IV-E of the Act are required to maintain complete records and a system to report: the amounts expended to administer and operate the program, and the disbursement of maintenance assistance payments.

2. Purpose and Use of the Information Collection

The information collected through the use of these forms is used to:

- Monitor program operations and prepare technical assistance and guidance as needed;
- Compute the quarterly grant awards pursuant to section 474(b)(2) of the Act;
- Account for the calculation and expenditure of adoption savings achieved through the use of revised title IV-E Adoption Assistance eligibility criteria with respect to applicable children.

3. Use of Improved Information Technology and Burden Reduction

ACF maintains and operates an "On-Line Data Collection" (OLDC) system which is available to every State and Tribe through an Internet connection. Both ACF and OMB are currently drafting new requirements that all grantees use online data reporting. ACF currently requests every State and Tribe to enter its financial reports in this manner. This information is compatible with the "Grants Administration Tracking and Evaluation System" (GATES) and with GrantSolutions used within ACF to compute quarterly grant awards to each State and Tribe.

4. Efforts to Identify Duplication and Use of Similar Information

Information collected in these reports is not available through any other Federal source.

5. Impact on Small Businesses and Other Small Entities

This form applies only to State and Tribal governments. Small businesses are not involved.

6. Consequences of Collecting the Information Less Frequently

This data is used quarterly to compute grant awards. Failure to collect expenditure, estimate and collection data on a quarterly basis would preclude the Department from accurately calculating these quarterly awards. The new Part 4 is limited to an annual submission since that is the statutory reporting period for adoption savings purposes.

7. Special Circumstances Relating to the Guidelines of 5 CFR 1320.5

Collection of State financial data is consistent with guidelines. The information requested is necessary to satisfy statutory requirements.

8. Comments in Response to the Federal Register Notice and Efforts to Consult Outside the Agency

Comments were solicited through the publication of a Federal Register notice, published March 30, 2015 (80 FR 16683 et. seq.), copy attached. Copies of this notice and of the proposed forms were distributed to each ACF Regional Office and, through them and through an Internet listserv, to all State IV-E agencies and interested Tribes.

A compilation of the comments received and the responses from the Children’s Bureau of the Administration for Children, Youth and Families, the agency within ACF that administers this program, is included as Attachment A.

9. Explanation of Any Payment or Gift to Respondents

No respondent to our requests for comments received any remuneration for their participation.

10. Assurance of Confidentiality Provided to Respondents

There are no data collected that require confidentiality.

11. Justification for Sensitive Questions

Data collected are not of a sensitive nature.

12. Estimates of Annualized Burden Hours and Costs

Number of Respondents	67
Responses per Respondent	4
Average Burden Hours per Response	21
Total Burden Hours	5,628

This burden hour estimate represents an increase of approximately 13.3 percent (668 hours) since 2013. This increase is primarily the result of the additional reporting required for the completion of the new Part 4 on an annual basis and the anticipated inclusion of several additional Tribal grantees.

Assuming the average value of respondents' time at \$30.00 per hour, the estimated annual cost to the States is \$168,840 (5,628 hours @ \$30).

13. Estimates of Other Total Annual Cost Burden to Respondents and Record Keepers

We estimate that this request will impose no additional financial cost burden on the respondents.

14. Annualized Cost to the Federal Government

We estimate that this request will impose no additional financial cost on the Federal government.

Insofar as baseline financial costs are concerned, this office simultaneously awards, administers and monitors hundreds of current-year and prior-year Federal mandatory and discretionary awards for dozens of separate programs. Although many use different reporting forms, since these programs all function within the same computerized reporting system, it is impossible to isolate baseline costs unique to this reporting form or to these programs.

15. Explanation for Program Changes or Adjustments

We are proposing a burden increase of 668 hours based on program changes.

Legislation enacted in 2014 through Public Law 113–183, the “Preventing Sex Trafficking and Strengthening Families Act” added a requirement at section 473(a)(8)(B) of the Act for title IV-E agencies to report annually on the methodology used to calculate adoption savings due to the application of differing title IV–E Adoption Assistance eligibility criteria for children designated as an “applicable child” under section 473(e) along with an accounting of the amount of and the expenditure of any such savings. The new Form CB-496 Part 4 “Annual Adoption Savings Calculation and Accounting Report” addresses this requirement.

Public Law 113-183 also requires title IV-E agencies to develop and implement policies and procedures to identify, document, and determine appropriate services for any child or youth in the placement, care or supervision of the title IV-E agency who is at-risk of becoming a sex trafficking victim or who is determined as a sex trafficking victim as per section 471(a)(9) of the Act. The Form CB-496 Parts 1 and 2 are being revised to include a reporting lines to report expenditures made and children assisted as per this requirement.

Note: There are currently 54 respondents – 52 States and 2 Tribes. The burden hour estimate anticipates an additional 13 Tribal respondents, for a total of 67 respondents, by the end of the next 3-year period.

16. Plans for Tabulation and Publication and Project Time Schedule

In past years, information on these forms was published in aggregate and State-by-State formats and in combination with other data collected by this agency. The data has been

published following each fiscal year as received from the States in an annual report available to the general public. No complex analytical techniques are required. We anticipate similar data collection and publication in the future to include data from the additional title IV-E program and the Tribal grantees. In accordance with section 473(a)(8)(C) of the Act the "Annual Adoption Savings Calculation and Accounting Report" data will be made available to the public on the ACF website.

17. Reason(s) Display of OMB Expiration Date is Inappropriate

The expiration date will be shown as needed.

18. Exceptions to Certification for Paperwork Reduction Act Submissions

None.

B. Statistical Methods (used for collection of information employing statistical methods)

Statistical methods are not used in collecting this financial information. The information supplied by the States and Tribes must be auditable and in conformance with generally accepted accounting principles and cannot be reported using sampling, estimating or other statistical methodologies

ATTACHMENT A

Comments On Proposed Changes to Form CB 496

- IDENTIFIED COMMENTS RECEIVED AND RESPONSES PROVIDED LISTED BELOW:

Committer #1:

1. Is it possible for us to identify children who would not have been IV-E eligible under the “old rules” who are IV-E eligible under the new rules?

Doing this precisely would be problematic. It is not possible to simply use the child’s IV-E eligibility status, as the rules for adoption assistance are not identical (e.g. a reasonable efforts finding is required for foster care, but not adoption assistance.) This would mean that we would have to determine whether the child would have IV-E eligible for adoption assistance under the old rules, in addition to their eligibility under the current rules. This would require (a) changes to our IT system to capture data and report it out and (b) staff time for every adoption to review eligibility under 2 separate sets of rules (old and current). This is a substantial burden, and adds no value to the work.

We could provide a reasonable estimate based on a comparison of the child’s IV-E foster care eligibility, their IV-E adoption assistance eligibility and their age.

2. Is it possible for us to calculate the “savings”?

That would be contingent upon accomplishing #1, above. If so, yes, we could calculate this figure.

3. Could we track where the “savings” are being spent?

It is not possible to track a dollar saved to a dollar spent in any kind of precise way. We understand that we are directed to spend 30% of the savings on “post-adoption services, post guardianship services, and services to support and sustain positive permanent outcomes for children who otherwise might enter into foster care under the responsibility of the state.” These services are provided in many different ways, directly by state staff and through contracted community providers. We could provide estimates.

You have asked four specific question:

(a) Is the proposed collection is necessary for the proper performance of the agency, including whether the information will have practical utility.

No.

(b) The accuracy of the agency’s estimate of the burden of the proposed collection of information;

Inaccurate, as it does not include the time and cost for IT changes, nor for the staff time described under #1 on page 1.

(c) The quality, utility and clarity of the information to be collected.
See #3.

(d) Ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology.

Unknown.

ACF Children's Bureau Response Provided:

Thank you for your comments on the proposed form CB-496 information collection activity. These comments were referred to my office for review and response.

We note that the proposed information collection is required by statute (section 473(a)(8) of the Social Security Act). The proposed revisions to the CB-496 form relating to the adoption savings provision stem from new requirements in the law (effective on October 1, 2014) and are intended to provide a standardized form to collect the statutorily mandated information.

In response to your specific comments,

Comments 1 & 2 - A separate issuance will be soon be sent to all title IV-E agencies identifying procedures for calculating adoption savings. In recognition of the need to limit the administrative burden on title IV-E agencies, the Administration for Children and Families Children's Bureau intends to offer agencies the option to obtain information through use of statistical sampling. Additionally, as provided for in statute, title IV-E agencies may propose and submit for approval by the Children's Bureau an alternate method for calculating savings.

Comment 3 – To comply with the law, the title IV-E agency will need to establish some form of an account for amounts identified as adoption savings. Expenditures associated with that account can then be tracked and reported.

Finally, we appreciate your input on the accuracy of our estimate of the burden.

Commenter #2:

The Utah Division of Child and Family Services appreciates the opportunity to submit comments in response to the Information Collection Activity for the CB-496: Title IV-E Programs Quarterly Financial Report, as listed in the Federal Register on March 30, 2015.

These comments pertain to the solicitation for public comments on revising the CB-496 form to incorporate changes to title IV-E programs made in accordance with the September 2014 enactment of Public Law 113-183, the "Preventing Sex Trafficking and Strengthening Families Act," which includes the new requirement at section 473(a)(8)(B) of the Social Security Act to report annually on the methodology used to calculate the adoption savings due to the application of differing title IV-E eligibility criteria for children designated as an "applicable child" under section 473(e) along with an accounting of the amount of and the expenditure of such savings. Utah does not support the proposal to use the CB-496 form as the mechanism to meet the provisions of Federal law to report annually on the methodology used to calculate the adoption

savings due to the application of differing title IV-E eligibility criteria for children designated as an “applicable child” under section 473(e) along with an accounting of the amount of and the expenditure of such savings.:

This proposed change is not supported for the following reasons. First, the CB-496 report is a quarterly report utilized primarily for the purpose of reporting expenditures and claiming title IV-E funds. The Federal law requires annual accounting of the amount of savings and expenditures of savings. Incorporating this requirement into a quarterly report, rather than an annual report as is required in law, adds unnecessary burden to States through more frequent reporting.

Second, the CB-496 form is not designed for narrative reporting that would be necessary to meet the law’s requirement to “describe” methodology used to calculate adoption savings. Also, the CB-496 form is already very complex, and is challenging for many states to complete. Adding requirements to include more information, particularly narrative information, would unnecessarily add to the complexity of the form and would also increase State burden.

Third, the Children’s Bureau already has in place a mechanism for annual reporting by States through the Five Year Child and Family Services Plan (CFSP), with its accompanying Annual Progress and Services Report (APSR). Narrative text describing methodology used to calculate adoption savings could easily be incorporated into this report. Fiscal information could also be reported in the APSR or could be included as part of the CFS-101 report, which is required in conjunction with submission of the CFSP or APSR, and is submitted on an annual basis. This report could be expanded to capture the annual accounting of savings and expenditure of savings that is required by Federal law while minimizing unnecessary additional burden to States.

Your consideration of these comments is appreciated.

ACF Children’s Bureau Response Provided:

Thank you for taking the time to provide comments on the proposed form CB-496 information collection activity. We really appreciate the constructive feedback.

It appears that some of the points that you raise may be as a result of not having the full picture of how the Children’s Bureau intends to implement the statutory requirement that title IV-E agencies calculate and report annually on adoption savings. In accordance with the Paperwork Reduction Act, the Federal Register Notice announcing the intent to modify form CB-496 is a required first step to assure that reporting needs will be addressed. At the same time, however, we have been working on a separate strategy to inform title IV-E agencies regarding the policies and procedures for the calculation of annual adoption savings. This guidance will be issued through a Children’s Bureau Program Instruction (PI) in the near future.

The following is in response to your specific comments:

1. Use of Form CB-496 to Report on Annual Adoption Savings – We decided to propose the use of form CB-496 for purposes of collecting data on the annual calculation and expenditure of adoption savings since the savings are associated with title IV-E adoption assistance claims already reported on that form and to avoid creating an unneeded additional reporting mechanism. Although this reporting form is required to be submitted annually, we intend to propose that the new “Part 4” for Adoption Savings be submitted only once a year with the report for the 4th quarter of the federal fiscal year. There is a precedent for a particular section of the title IV-E programs quarterly financial report not being required with each submission. The prior form ACF-IV-E-1 report required bi-annual submission of a Part 3 for Semiannual Budget Projections.

2. Narrative Data on Adoption savings calculation Methodology – The proposed CB-496 Part 4 is intended to collect data on the calculation and expenditure of adoption savings regardless of the method used to make the calculation. As noted above, the specifics of the methodology used will be addressed separately by each title IV-E agency in accordance with instructions provided through a forthcoming Program Instruction. The reporting form will thus capture information based on whatever calculation methodology has been approved for the title UIV-E agency in accordance with the anticipated PI guidance.

3. Proposed Alternative Use of the Children and Family Services Plan (CFSP) submission to address Adoption Savings Reporting Requirements – We did consider the CFSP annual submission as a vehicle to address the adoption savings reporting requirements. This approach was deemed less favorable than use of form CB-496 since it is primarily narrative in nature and thus not facilitative with regard to producing national reports on calculations and reported expenditures. Additionally, the timing of the CFSP or the annual progress and services report (APSR) requires an annual submission on June 30th of each year. This is too early in the federal fiscal year (FFY) to request an annual calculation of adoption savings for the current FFY and somewhat late to be collecting the data for the previous FFY.

We hope that this response helps further explain the steps we are proposing to take to implement the cited statutory requirements. As indicated above, we expect to issue a PI shortly with detailed instructions regarding the adoption savings calculation procedures. We also expect to be sharing the full proposed revised form CB-496 after reviewing all comments received with respect to the March 30, 2015 Federal Register Notice.

Please let me know if you have any further questions. Thanks.