

## **Federal Requirements for Adoption Assistance Maintenance of Effort**

Report to the Child Welfare Legislative Oversight Committee

Division of Child and Family Services

January 11, 2012

### ***What is the Adoption Assistance Program?***

The Adoption Assistance Program provides support to families adopting children with special needs from foster care who were not able to return safely to their families and whose needs have created a barrier to successful adoption. A monthly subsidy is available to assist with these children's present and long term treatment and care needs. Monthly subsidies are currently funded by both the Federal government and by the State.

### ***What is Maintenance of Effort (MOE)?***

The term "maintenance of effort" or MOE refers to a State's level of financial commitment that must be maintained in order to receive Federal funding for a specific program or purpose.

### ***What changes were made to the Federal law?***

- Federal funding is available for monthly subsidies for children adopted from foster care who would not have qualified before.
- This change is being phased in for new adoptions over a 10-year period of time.
- The law change requires states to "reinvest" state funds that would have been spent for monthly subsidies, to be used to strengthen child welfare services.
- This reinvestment amount is the maintenance of effort.
- This means that for the same state general funds investment that would have been provided for state-funded monthly subsidies, the Division will be able to reinvest these funds to improve child welfare services where needs are greatest.
- This will not affect any children with existing monthly subsidies.

### ***What does this mean for Utah?***

On an annual basis, DCFS will:

- Calculate the amount of state funds that must be reinvested due to the Federal change.
- Target use of these funds for child welfare program areas that need to be strengthened (such as in-home services);
- Specify the MOE amount with the annual budget request to the legislature so that sufficient state general funds may continue to be appropriated to meet this requirement;
- Request flexibility so that MOE funds may be utilized in target program areas; and
- Request non-lapsing authority, as needed, for use of MOE funds.
- Report to the Federal government annually how the reinvested funds were spent.

### **Legal References**

- Public Law 110-351, Fostering Connections to Success and Increasing Adoptions Act of 2008.
- Public Law 112-34, Child and Family Services Improvement and Innovation Act.
- Utah Code 62A-4a-901 to 62A-4a-907