The Family First Prevention Services Act of 2018 (Family First) has fundamentally changed how the federal government funds child welfare programs and for the first time, as of October 2019, states are now able to use federal Title IV-E funds for foster care prevention services and programs. The following guidance is intended to help states understand the associated maintenance of effort (MOE) requirement.

**What is the MOE requirement?**

The MOE requirement creates a minimum spending requirement that a state must meet each year before it can access Title IV-E funding for prevention services. The state must continue to spend at least the same amount on foster care prevention programs as it did in the baseline year of Federal Fiscal Year (FFY) 2014 (October 1, 2013 through September 30, 2014). If the state had a population of children less than 200,000 in FFY 2014 (as determined by the Bureau of the Census), it may elect to use FFY 2015 or 2016 instead.

**How is the MOE baseline amount calculated?**

The state will need to identify any expenditures from FFY 2014 for foster care prevention programs that have been approved by the Administration for Children and Families (ACF) and included in the Title IV-E Prevention Services Clearinghouse at the time the state submits the initial approvable five-year Title IV-E prevention program plan. PCG recommends that states include expenditures from FFY2014 for foster care prevention programs that are approved in the Title IV-E Prevention Services Clearinghouse on the first day of the quarter that the state submits its prevention plan.

**Which foster care prevention expenditures should states include in their MOE calculation?**

State foster care prevention expenditures that will count toward the MOE include expenditures on services and activities that would have met the evidence-based ranking standards under the new structure for the Title IV-E Prevention Program. These expenditures include:

- State expenditures and federal matching funds provided to the state for Title IV-B, Temporary Assistance for Needy Families (TANF), the Social Services Block Grant (SSBG); and
- State expenditures for foster care prevention services and activities under any other state program (except for Title IV-E).

**What should states leave out of their MOE calculation?**

- Expenditures from funding sources that are not indicated above, including federal funds and state match under Title IV-E, the Title IV-E waiver program, and Medicaid.
- Expenditures for any prevention programs NOT included in the Title IV-E Prevention Services Clearinghouse.

**When should states submit their baseline MOE report?**

Timing is important! While there is no deadline for submitting the five-year prevention program plan, states that submit their plan earlier will have less potential MOE to meet since the Title IV-E Prevention Services Clearinghouse will continue to grow over time. As more programs are added to the Title IV-E Clearinghouse, the more programs the state will need to consider when looking back to FFY 2014. Since the baseline amount will only be calculated once, states will not need to refresh their baseline MOE calculations as new programs are added to the Title IV-E Clearinghouse.

As of October 30, 2020, 21 programs have been approved as well-supported, supported, or promising in the Title IV-E Prevention Clearing House. Programs are added to the Clearinghouse on an ongoing basis. [https://preventionservices.abtsites.com/](https://preventionservices.abtsites.com/)

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If the state had a population of children less than 200,000 in FFY 2014 (as determined by the Bureau of the Census), it may elect to use FFY 2015 or 2016 instead.
Are there any tips states should consider for MOE reporting?

- Develop a communication plan with the state legislature to ensure there are adequate funding levels to meet the MOE requirement.
- Have a clear methodology for calculating the MOE each year and providing evidence as to how the MOE requirement has been met.
- Review the Title IV-E Clearinghouse programs that are in process of review to monitor if they need to be included in your MOE calculation based on the date the state expects to submit the five-year Title IV-E Prevention Plan.

Calculating baseline MOE

1. In FFY 2014, did your state fund any of the foster care prevention programs included in the Title IV-E Prevention Services Clearinghouse?
   - Y
   - N

2. Were these prevention programs used to prevent the placement of children into foster care?
   - Y
   - N

3. Identify a method for calculating the portion of funds that were used to prevent placement into foster care (e.g., traditional candidacy eligibility rate)
   - Y
   - N

4. Did these foster care prevention programs follow the evidence-based handbook requirements in FFY2014?
   - Y
   - N

5. Of these programs, in FFY 2014, were there state expenditures or federal matching funds provided to the state for Title IV-B, TANF, and SSBG (excluding Title IV-E and Medicaid) for programs in the Title IV-E Prevention Services Clearinghouse for the purpose of preventing entry into foster care?
   - Y
   - N

Remember, while the MOE baseline is only calculated one time the MOE requirement must be met each year in order to access additional funding under the Title IV-E Prevention Services Program. As your state develops a methodology for calculating the MOE requirement based on FFY2014 spending, also consider how you will establish a process to similarly calculate how the state is meeting the MOE requirement each year going forward.

To learn more about the Family First MOE requirement, or to discuss your specific Family First concerns, questions, and next steps, please email Heather Baker, Manager, at hbaker@pcgus.com. You can also access our collection of Family First resources and tools at http://bit.ly/familyfirstpcg.