

**DEPARTMENT OF HEALTH AND HUMAN SERVICES****Administration for Children and Families****45 CFR Part 1356**

RIN 0970-AC21

**Chafee National Youth in Transition Database**

**AGENCY:** Administration on Children, Youth and Families (ACYF), Administration for Children and Families (ACF), Department of Health and Human Services (DHHS).

**ACTION:** Notice of proposed rulemaking.

**SUMMARY:** The Administration for Children and Families (ACF) is proposing to add regulations at 45 CFR part 1356 to require States to collect and report data to ACF on youth who are receiving independent living services and the outcomes of certain youth who are in foster care or who age out of foster care. This proposed rule implements the data collection requirements of the Foster Care Independence Act of 1999 (Public Law 106-169) as incorporated into the Social Security Act at section 477.

**DATES:** In order to be considered, we must receive written comments on this notice of proposed rulemaking on or before September 12, 2006.

**ADDRESSES:** Interested persons are invited to submit comments regarding this proposed rule to Kathleen McHugh, Director, Division of Policy, Children's Bureau, Administration on Children, Youth and Families, Administration for Children and Families, 1250 Maryland Avenue, SW., 8th Floor, Washington, DC 20024. You may also transmit comments via e-mail to

*CBcomments@acf.hhs.gov* or electronically via the Internet at <http://www.regulations.acf.hhs.gov>. We urge you to submit comments electronically to ensure that we receive them in a timely manner. To download an electronic version of the rule, you should access <http://www.regulations.gov/>. Comments will be available for public inspection Monday through Friday 8:30 a.m. to 5:00 p.m. at the above address by contacting Miranda Lynch at (202) 205-8138.

Comments that concern information collection requirements must be sent to the Office of Management and Budget at the address listed in the Paperwork Reduction Act section of this preamble. A copy of these comments also may be sent to the Department representative listed above.

**FOR FURTHER INFORMATION CONTACT:**

Kathleen McHugh, Director of Policy, Children's Bureau, Administration on Children, Youth and Families, 202/401-5789 or by e-mail at *kmchugh@acf.hhs.gov*. Do not e-mail comments on the Notice of Proposed Rulemaking to this address.

**SUPPLEMENTARY INFORMATION:** The preamble to this notice of proposed rulemaking is organized as follows:

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**VI. Impact Analysis****I. Background***A. Chafee Foster Care Independence Program Legislative History*

Each year thousands of young people are discharged from State foster care systems because they reach the age at which they are no longer eligible for out-of-home placement services. During the early 1980s, research and anecdotal evidence indicated that many young people who emancipated from foster care experienced numerous difficulties in their attempts to achieve self-sufficiency. Rather than making a successful transition to living on their own, a significant percentage of these youth experienced homelessness, unemployment, victimization, and dependence on various types of public assistance.

In response to this problem, President Reagan signed into law the Title IV-E Independent Living Initiative (Public Law 99-272) in 1986. The law provided States with funding to make available independent living services to youth in foster care between the ages of 16 and 21. Although Public Law 99-272 increased the availability of independent living services for some youth in foster care, many child welfare researchers, practitioners, youth advocates, and policy makers at the

Federal and State levels believed that more was necessary for youth to make a successful transition from foster care to self-sufficiency. To address these concerns, President Clinton signed the Foster Care Independence Act of 1999 (Pub. L. 106-169) into law on December 14, 1999, which established the John H. Chafee Foster Care Independence Program (CFCIP) at section 477 of the Social Security Act (the Act). Compared to Public Law 99-272, the Foster Care Independence Act provides States with greater funding and flexibility to carry out programs to assist youth in making the transition from foster care to self-sufficiency. The legislation provides States with funding to identify and provide independent living services to youth who are likely to remain in foster care until at least age 18—thus removing the minimum age requirements for the receipt of independent living services. Public Law 106-169 also requires States to provide assistance and services to youth who age out of foster care, until age 21, and allows States to use part of their funding to provide room and board assistance to these youth.

President Bush later signed the Promoting Safe and Stable Families Amendments of 2001 (Pub. L. 107-133) into law on January 17, 2002, which provides States with funding specifically for education and training vouchers for youth who are eligible for CFCIP services. Although the budget for the education and training vouchers is authorized and appropriated separately from the general CFCIP grants for independent living services, the education and training vouchers are integrated into the overall CFCIP program under section 477 of the Act.

*B. Statutory Requirement for a Data Collection System*

The Foster Care Independence Act of 1999 requires ACF to develop a data collection system, in consultation with various stakeholders, to perform two functions: (1) track the independent living services States provide to youth; and, (2) develop outcome measures that may be used to assess State performance in operating their independent living programs. With regard to services, the Act requires us to identify data elements to track the number and characteristics of children receiving services under section 477 of the Act and the type and quantity of services States provide. With regard to outcomes, section 477(f)(1) of the Act requires that we develop outcome measures, including measures of educational attainment, receipt of a high school diploma, employment, avoidance of dependency, homelessness, non-marital childbirth,

incarceration, and high-risk behaviors, and the data elements to track States' performance on the outcome measures.

The law also requires that ACF impose a penalty of between one and five percent of the State's annual allotment on any State that fails to comply with the reporting requirements. ACF must base a State's penalty amount on the degree of noncompliance (section 477(e)(2) and (3) of the Act).

## II. Consultation Process

To meet the statutory mandate, we consulted with a variety of stakeholders over several years and gathered useful information, helped frame this proposed rule for a data system which we are calling the National Youth in Transition Database (NYTD). ACF's consultation on the proposed NYTD had the following objectives: (1) To identify a range or variety of outcomes that demonstrate that youth are making a successful transition from foster care to living on their own; (2) to identify youth characteristics and the independent living services provided to youth; and (3) to identify data reporting methods and procedures. In addition, we invited several States to conduct a pilot test of draft data definitions and collection procedures suggested by the consultation groups.

### A. Development of Outcomes

The outcomes consultation process included national discussion groups on generally expected outcomes for youth leaving foster care and involved such participants as child welfare agency administrators and independent living coordinators at the State, Tribal, and local levels; public and private agency youth service providers; technical assistance providers; child welfare advocates; group home staff and administrators; and current and former foster youth and foster parents. The discussion groups took place in a variety of venues, mostly led by ACF, our contractors and resource centers, as well as the National Association of Public Child Welfare Administrators. We also sought information from a variety of stakeholders on specific outcomes and measures that could become a part of the NYTD.

### B. Identification of Youth Characteristics and Services

Independent of our outcomes consultation, we consulted widely to identify the characteristics of youth necessary to provide a clear picture of who is receiving independent living services from States, and the type and quantity of services they receive. We held conference calls with independent

living coordinators and information technology managers from several States to determine the types of data related to independent living services and characteristics of youth that States currently collect. We also requested information on what data State staff considered necessary to describe accurately the youth served and the services received, and the data that could most easily be obtained or reported by States.

In addition, we formed a data work group to analyze the results of a pilot test of the draft proposed data elements. The data work group consisted of child welfare directors, independent living coordinators, and information systems managers from seven States and one Tribe. Representatives of the American Public Human Services Association (APHSA) and three of the Children's Bureau's National Resource Centers for child welfare also participated in this data work group.

The pilot test, which was conducted in August 2001, served as a field test of the draft data elements, definitions, and procedures and provided valuable information for assessment of the data collection burden on the States. In each of the seven pilot States, caseworkers collected data about several older youth, identified any unclear definitions, and described any difficulties encountered while collecting data. Each pilot State also was asked to report the amount of effort required to collect the information. We used these responses to assess the burden for workers, and to learn if the capacity to report data varied significantly across agencies or States.

### C. Data Reporting Methods and Procedures

As a final step we consulted with various stakeholders on how to develop reporting methods and procedures for the proposed NYTD. We interviewed more than 25 system developers, managers, and users of the Adoption and Foster Care Analysis and Reporting System (AFCARS), the National Child Abuse and Neglect Data System (NCANDS), and the Runaway and Homeless Youth Management Information System (RHYMIS). This consultation focused on the reporting population, and how and when data should be collected at the State level and reported to ACF. These comments were important considerations in our proposals for reporting population, reporting frequency, and data content.

### D. Comments on Alternative or Future Approaches

As with all proposed rules, we are seeking to extend our consultation by requesting specific comments on what is proposed herein. However, throughout the preamble we have indicated some areas where we are interested in receiving comments on approaches that we have not proposed officially. We want to highlight those areas here to ensure that we receive sufficient comment on these issues:

- Conducting outcome data collection activities on young people ages 17, 19 and 21 years old (sections 1356.82 and 1356.83);
- Exploring how States can use Extensible Mark-Up Language (XML) to transmit data files to the NYTD (section 1356.83(h));
- Providing States with incentives to meet file submission and data standards in the form of a prospective penalty reduction for meeting certain data standards;
- Increasing the data standards for the State to obtain outcome information on youth over time (section 1356.85(b)(3)); and,
- Using 'cross-file checks' as a factor of compliance in the NYTD (section 1356.85(c)).

## III. Overview of the Proposed NYTD

### A. Summary of the NYTD

Please refer to the end of the preamble for a Chart 2 on the proposed NYTD that accompanies this section.

As discussed in the section-by-section analysis later in the preamble, we are proposing that States report to NYTD four types of information about youth: their services, characteristics, outcomes, and basic demographics. In terms of services, we are proposing that States identify the type of independent living services or financial assistance that the State provides to youth. The State also will identify the characteristics of each youth receiving independent living services, such as their education level and tribal membership.

In terms of outcomes, we are proposing that States gather and report information on youth who are or were in foster care that we can use to measure the collective outcomes of these youth and potentially assess the State's performance in this area. In particular, we are proposing that States survey young people for outcomes information who are or were previously in foster care, regardless of the independent living services they are receiving or received. States will collect information on these youth at three specific intervals: on or about the youth's 17th

birthday while the youth is in foster care; two years later on or about the youth's 19th birthday; and again on or about the youth's 21st birthday. States must report on 19- and 21-year-olds who participated in data collection at age 17 while in foster care, even if they are no longer in the State's foster care system or receiving independent living services at ages 19 and 21. States will collect outcome information on a new cohort of youth (17-year-olds in foster care) every three years.

We are proposing that the State survey youth regarding six outcomes that came out of our consultation and are consistent with the law's mandate. Those six outcomes focus on the youth's financial self-sufficiency, experience with homelessness, educational attainment, positive connections with adults, high-risk behavior, and access to health insurance. States will gather information on young people such as: whether the youth is employed; whether the youth is receiving public and/or other types of assistance; a youth's educational achievement levels; whether a youth has been incarcerated; and a youth's marital and parenting status. We will not use the data to assess the progress of individual youth; rather, we propose to use the information to assess the collective outcomes of youth and potentially evaluate State performance with regard to those outcomes.

Finally, we also are proposing that States identify basic demographic information, such as sex and race of each youth in the reporting population.

States will report all four types of information (services, characteristics, outcomes, and basic demographics) to the NYTD semi-annually, on a Federal fiscal year basis. ACF will evaluate a State's data file against file submission and data compliance standards designed to ensure that we have quality data on our target reporting populations. States that fail to achieve any of the compliance standards for a reporting period will be given an opportunity to submit corrected data to us. If a State's corrected data does not comply with the data standards, the State will be subject to a penalty of between one and five percent of the State's annual CFCIP funding, depending on the level of noncompliance.

Implementation of NYTD will be dependent on the issuance of a final rule. We anticipate giving States approximately one year from the publication of the final rule before we will require them to collect and report data. States may use their CFCIP funds to develop and support any changes to their information systems to collect and

report information to NYTD. States with a Statewide Automated Child Welfare Information System (SACWIS) may claim appropriate costs under title IV-E, if the changes to their SACWIS to meet NYTD requirements are consistent with an approved advanced planning document (APD) and cost allocation plan.

Finally, we would like to note that we are not proposing performance standards for States in this NPRM. Rather we are proposing outcome measures and the data elements that will track those outcomes. While we have not decided definitively to develop standards, we believe that we can only develop standards once States begin to report data to the NYTD, thus giving us a basis for establishing standards.

#### *B. The NYTD as a Separate Data Collection and Reporting Activity*

With this NPRM we are proposing a new Federal database of information on youth who are receiving independent living services and the outcomes of older youth who are in foster care and those that leave foster care. Although we considered the requests of some consultation participants to fold the data requirements for the CFCIP into one of ACF's existing child welfare national databases, we decided against doing so because: (1) The proposed NYTD reporting population is significantly different than the reporting populations of other databases; (2) we can link a youth's foster care experience with their independent living information between data systems without combining databases; (3) combining databases does not reduce the cost or burden on States or the Federal government; and (4) the different authorizing statutes and penalty structures do not lend themselves to combining the databases.

States currently send data to two central, child welfare databases that are maintained by the Children's Bureau: the National Child Abuse and Neglect Data System (NCANDS) and the Adoption and Foster Care Analysis and Reporting System (AFCARS). States report information voluntarily to NCANDS about reports of child abuse and neglect and the child protective services agency response to these allegations (see sections 103(c) and 106(d) of the Child Abuse Prevention and Treatment Act, as amended). A vast majority of children whom States report to NCANDS never enter foster care, or return home from foster care long before they are likely to age out of the foster care system. Because of the voluntary nature of NCANDS and the broader scope of the reporting population, we do

not believe it is an appropriate mechanism to capture information on youth receiving independent living services or their outcomes.

States are required by law and regulation to submit data to AFCARS on all children in foster care or adopted with the involvement of the State child welfare agency (see section 479 of the Act and 45 CFR 1355.40). Nearly all youth who will receive independent living services are or once were in a State's foster care system (with the exception of some youth who may be served through an Indian tribe or privately operated foster care program), so the AFCARS population more closely tracks that of the proposed NYTD than does the NCANDS population. However, the population of older youth ages 19 and 21 on whom we are seeking independent living outcome information are not often reported in AFCARS, because States are required to report on only children in foster care who are typically youth under 18. Further, while States do provide ACF with information about these youths' foster care experiences and demographic information as part of their AFCARS submissions, AFCARS currently does not collect any information on independent living services or outcomes specific to these youth.

Despite the disparate reporting populations, we considered whether adding an independent living component to AFCARS would prove beneficial to States and ACF. One purported benefit of a combined submission is that States would combine information on a youth's foster care experience, services and outcomes into a single report. However, we can achieve this goal with the separate database we propose here. This is because we are proposing that States identify youth reported to NYTD in the same way they do for AFCARS, so that we can associate information between the two databases. We expect, therefore, to lay the groundwork for analysis of a broader picture of the experiences that youth have in and after leaving foster care.

Another potential benefit of a combined submission pointed out during consultation is that States would not have to repeat some of the basic demographic information for youth who are or were previously in their foster care system. Some believed that avoiding this kind of duplication would reduce the cost for States of this new data collection effort. However, although some of the proposed NYTD elements at first glance may appear to be identical to AFCARS elements, they are

in fact defined differently so that we can achieve the law's purpose of understanding a youth's services and independent living outcomes versus their foster care experience. Therefore, only three demographic elements (race, sex and date of birth) are duplicates. Since we understand that States store this demographic information in their information systems, the only duplicated effort is in the State compiling it into another report to ACF.

Moreover, combining the reporting files does not substantially lower the amount of effort a State will expend to change its practices to gather the information we are proposing they collect. For example, requiring the State to send an additional file with information specific to independent living to AFCARS will not decrease the State's burden in changing its information systems to collect services information, training and requiring caseworkers or service providers to record information on youth services, and implementing a strategy to collect outcome information from older youth. Similarly, we do not believe that combining the databases saves the Federal government any costs to store or analyze the data, or conduct technical assistance and oversight activities.

Finally, the authorizing statutes for AFCARS and the proposed NYTD are very different, requiring different approaches to compliance and penalties. Section 474(f) of the Act mandates that we penalize States a portion of their title IV-E administrative funds spent on foster care for not complying with AFCARS requirements, and requires us to continue to penalize a State for the period of the noncompliance. Section 477 of the Act requires us to penalize States that do not comply with the data collection effort in the amount of one and five percent of their annual Chafee funds, depending on the extent of noncompliance. Therefore, to meet these separate requirements and penalty schemes, AFCARS information would have to remain distinguishable from the independent living information to an extent that renders combining the two databases meaningless.

We believe that keeping the information collected separate from AFCARS will help us highlight the experiences of youth transitioning into independent living and will not disrupt State and Federal efforts to improve the quality of AFCARS data. Furthermore, many State managers of the Statewide Automated Child Welfare Information System, those individuals who would be tasked with developing a system that adheres to NYTD and AFCARS

requirements in the State, preferred to send a separate data submission to ACF.

#### IV. Section-by-Section Discussion of NPrM

We propose to add new sections 1356.80 to 1356.86 as follows:

##### *Section 1356.80 Scope of the National Youth in Transition Database*

Under proposed section 1356.80, any State, the District of Columbia, or Territory that administers a Chafee Foster Care Independence Program (CFCIP) under section 477 of the Social Security Act must comply with the requirements for data collection and reporting as described in this proposed rule. Currently, all States, the District of Columbia and Puerto Rico operate CFCIP programs.

##### *Section 1356.81 Reporting Population*

The NYTD reporting population is comprised of three groups of youth: the served, baseline and follow-up populations. They are defined further below.

In paragraph (a), we identify the served population as those youth who have received any independent living services paid for or provided by the CFCIP agency during the reporting period. The CFCIP agency is the same agency as the title IV-B/IV-E agency in the State.

We have chosen to include in the served population youth who receive services that the CFCIP agency makes available, rather than just those that are paid for with CFCIP funds specifically. Also included in this definition are youth who may obtain an independent living service from a source other than the CFCIP agency directly, if that service was paid for by the CFCIP agency. For example, the served population includes tribal youth who receive services through a tribal child welfare agency under a contract or agreement with the State CFCIP agency to provide independent living services. We realize that this definition is more expansive than that suggested by the statute (see section 477(f)(1)(B) of the Act).

However, we believe that capturing information about all independent living services offered by the State's CFCIP agency gives a more complete picture of how each State supports youth transitioning into independent living. Moreover, we learned through consultations that while States may keep track of independent living services that are provided by the agency, many do not have systems in place to track a service back to a particular Federal funding source.

We considered proposing that the served population include only those youth who are in the State's foster care system, or who have previously been in foster care, and are currently receiving independent living services from that same State. While most youth who receive independent living services from a State have been in foster care in that State, some have not. We originally believed that the advantage of including only youth who had been in the State's foster care system is that the State already would have a case record on these youth that included demographic and perhaps, service information. Upon further review, however, we grew concerned that we would exclude information about the independent living services of youth who were not in this limited population. In particular, this definition would not include an Indian tribal youth who was never in a State's foster care system, but who was receiving independent living services provided by the State's CFCIP agency through a contract or agreement with his or her Tribe. Since section 477(b)(3)(G) of the Act requires States to serve Indian children on the same basis as other youth in the State, we believe it is important to include them in the served population. Additionally, a limited definition of the served population would exclude youth who may move to another State after their tenure in foster care. Therefore, we kept the definition broad to better reflect the characteristics and number of youth receiving independent living services.

We also considered requiring States to collect and report services information on any youth who is currently in a State's foster care system, regardless of whether he or she receives independent living services. In other words, States would report information that told us which youth are receiving services and what those services are as well as which youth are not receiving any services. We considered this option originally because it would give us information about the characteristics of those youth who were in foster care but were not receiving independent living services. Ultimately, we rejected this approach because the statute's mandates regarding service information are that States provide the number and characteristics of children receiving services only (section 477(f)(1)(B)(i) of the Act). As we refined the definition of the served population, we came to believe that requiring States to report services information on each youth in foster care went well beyond the statutory requirements and would pose an unnecessary burden on States.

We also considered establishing a minimum age of 14 for the served population. This option was particularly applicable when we considered having a served population that included all youth currently in the State's foster care system, regardless of whether the youth received independent living services. Without a minimum age, this broad definition would have encompassed all youth who were in foster care, including very young children. Therefore, establishing this minimum would help keep State's data collection burden down. Once we revised the definition of the served population to include only those youth who receive independent living services, a minimum age was not necessary. We also did not see a justification to regulate beyond the requirements of the statute, which does not include a minimum age for receipt of CFCIP services.

In paragraph (b), we identify the baseline population as all 17-year-old youth in foster care during a Federal fiscal year for the purpose of collecting outcome information. We are referring to these youth as the baseline population because we intend to look at cohorts of older youth over time, beginning at the point that a cohort turns age 17 while in foster care. As such, the 17-year-olds represent the starting point or "baseline" of our information on youth's independent living outcomes and experiences. When we collect additional information on these youth as they age (at 19 and 21), we refer to them as the follow-up population, which we will describe further below. We are requiring that States collect outcome information on the baseline population, along with the follow-up population in response to the statutory requirement that we develop data elements that are needed to track State performance on youth outcomes. The statute's provisions on outcomes are quite broad, leaving the decisions on how and on which youth we collect outcomes information up to ACF in consultation with stakeholders. After our consultation, we believed that surveying the same youth over time would best meet our needs of understanding trends in youth outcomes and potentially assessing the effect that a State's independent living services have on those youth outcomes.

We settled on proposing 17-year-olds in foster care for whom we would initially collect outcome information as the baseline population after considering a number of other proposals. We considered defining the initial outcome collection or baseline population as all youth who were discharged from foster care at age 16 or

older. The primary reason for considering 16-year-olds or older youth at the point of discharge as the baseline population was so we could have information on how prepared youth are for independent living at the time they leave foster care. However, participants in the consultation process noted several difficulties with using the point of discharge. First, States emancipate youth at varying ages, ranging from 18 to 23 depending on State policy and the circumstances of the youth. Consequently, using the point of discharge for youth age 16 and older as a basis for defining our baseline population would result in a group of youth who ranged in age from 16 to 23 across the States. We determined that because some of the outcomes, such as educational attainment, are strongly influenced by age and developmental status, it was important to establish consistency by defining a baseline population that included youth of the same age. An additional difficulty with defining the baseline population in terms of the point of discharge is that "discharge" is defined differently across States and it would be difficult to develop a single definition that would accommodate this variation. Also, some youth leave their placements before formal discharge, sometimes because they run away or are detained on delinquency charges, and thus are not available for discharge interviews. For these reasons, we decided to define the baseline population, in part, on a fixed age rather than a fluid measure such as the youth's exit from foster care.

We also considered a baseline population that would be fixed at the youth's 17th birthday but required that the youth have been in foster care for a specific length of time, such as six months or 12 months. We thought that establishing a minimum time in foster care would ensure that youth were in foster care long enough to receive independent living services. However, we decided not to require a minimum length of time in foster care because that approach overly complicated the data collection without a measurable benefit or clear basis of the appropriate minimum length of time.

Ultimately, we chose to look at the outcomes of all 17-year-old youth in foster care. We chose 17 as the age for our baseline population because it was close to the age when most youth leave foster care for independent living (between ages 17 and 19). We also chose to look at all 17-year-olds in foster care, as opposed to youth who actually had received independent living services. We are able to look at all 17-year-olds because the statute's provisions

regarding outcome information do not limit us to those youth who are receiving independent living services. Moreover, we believe it is important to capture information on both youth who receive services and those who do not in determining youth outcomes and assessing State performance.

In paragraph (c), we identify the follow-up population as young people who turn age 19 or 21 in a fiscal year and who participated in the State's data collection as part of the baseline population (i.e., at age 17). A youth is considered to have participated as part of the baseline population if the State collected and reported a valid response (i.e., a response other than "declined" and "not applicable") to any of the outcome-related elements (described later in 45 CFR 1356.83(g)(38) through (g)(60)). The follow-up population is not limited to youth who are still in foster care, or who are receiving independent living services in the State at those later ages.

In establishing a follow-up population in order to look at outcomes, we first wanted to ensure that the follow-up population would include at least some young people who are no longer in foster care. Including young people who have been discharged from foster care is important because we must look at some outcomes required by the law, such as homelessness, that cannot be assessed until after youth have been discharged. We learned through the consultation process that stakeholders are interested in whether youth who remain in foster care fare better than their counterparts who have left foster care. We considered restricting the follow-up population for outcome information to youth who had been discharged from foster care and who were continuing to receive independent living services. Based on information from participants in the consultation process, however, we determined that this restriction was not appropriate because it was too limited to assess adequately the performance of the States in operating independent living programs.

We then considered what would be reasonable points at which to evaluate how youth were progressing on the outcome measures that were most critical to a youth's successful transition to independent living, and also feasible for States to follow.

We chose age 21 as the upper boundary for outcomes collection primarily because the Chafee law requires that States provide independent living services up to that age. Even though we also are capturing information on youth who may not necessarily benefit from Federal Chafee

funds, we expect that the Chafee funding will guide many of the services that States provide. Also, although age 18 is considered the age of majority in most States, many stakeholders pointed out that mainstream society often does not expect youth to be fully self-sufficient until age 21 or later. We thought, therefore, that looking at youth at age 21 was a reasonable point to focus on final outcomes for our purposes, although we acknowledge that reaching adulthood is a process rather than an event that we expect to occur by a specific age. We considered an even later age such as age 23, since the education and training vouchers authorized under section 477 of the Act allow a State to continue to provide vouchers to that age in certain circumstances. However, we believe that for those young people who are not receiving vouchers, it is even more likely that at age 23, they will decline to participate in data collection than youth at age 19 or 21 who are not receiving services. Furthermore, with the passage of time the State agency will have lost contact with the youth after the youth's emancipation or last receipt of independent living services.

After determining this upper boundary, we considered whether we needed another point in time to assess youth for outcomes. We believe that having an interim age for follow-up would allow States to preserve the sample by keeping in contact with youth who have aged out of foster care. More importantly, looking at outcomes at an interim age can give us further insight into youth's developmental pathways. In looking at youth outcomes at a variety of ages, we can better observe how youth are making the transition to adulthood and self-sufficiency. We chose age 19 in particular because it was halfway between the initial outcomes collection and the upper boundary, but also because it is an age when there are still some youth who are in foster care (there are over 10,000 youth age 19 and older according to AFCARS) or receiving independent living services from the State.

#### *Section 1356.82 Data Collection Requirements*

In this section, we detail the proposed data collection requirements. As used here, data collection refers to the State's process for obtaining information that meets the data requirements for each youth in the reporting population.

In paragraph (a)(1), we propose that a State collect information for the applicable data elements on each youth for each reporting period in which the

youth receives independent living services. In other words, we are requiring that States collect detailed, client-level data for as long as the youth receives independent living services.

We chose to propose that States collect client-level data on services, rather than aggregate data because of the utility of client-level data. Client-level data supports more sophisticated analysis of the services provided to youth and the characteristics of the youth who receive them. For example, with the client-level data proposed here we can analyze youth receiving employment services by age, gender and location. Aggregate- or program-level data provides only general totals of services and characteristics and descriptions of the States overall independent living program. While aggregate data often is less burdensome for States to collect, we do not believe that aggregate data will adequately assist us in meeting the law's objectives to develop outcome measures.

Unlike data collection for a youth in the State's baseline or follow-up population, which is conducted at specific times according to a youth's age, we propose that the State's data collection for a youth in the served population will continue for as long as the youth receives services. We are mindful that each State must coordinate with service providers in order to track and collect information about youth receiving independent living services accurately. During consultation we heard from State participants that they had anticipated tracking independent living services on an ongoing basis in response to the law and their own State needs, and that this approach would not pose a significant additional burden.

In paragraph (a)(2), we propose that the State collect outcomes information on the baseline population (17-year-olds in foster care) by surveying the youth. Again, we chose case-level data rather than aggregate data because case-level data better lends itself to analysis. We will require States to collect information on a new baseline population every three years. We chose this schedule, rather than annually in order to avoid imposing an unnecessary burden on States. Participants in the consultation process pointed out that youth outcomes generally do not change substantially from year to year, and collecting outcome data every three years should be sufficient to document trends and address the legislative requirements. We propose that States begin to collect outcomes data on the baseline population in the first fiscal year of implementation of the NYTD system in paragraph (a)(2)(i). As stated

in paragraph (a)(2)(ii), States will then collect outcomes on a new baseline population every three years thereafter.

We also are proposing that the State collect outcome information within 45 days following the youth's 17th birthday, but not before that birthday. We allow 45 days to collect the data, rather than requiring data collection on each youth's birthday, to reflect real-life tracking and scheduling constraints. We also want to impose this time frame to ensure that the youth are as close as possible to the same age—i.e., all have recently attained their 17th birthdays—to make them comparable on that characteristic. This is particularly important in understanding certain outcomes, such as the youth's highest educational certification level received which is age-sensitive. Finally, we want to make sure that States obtain outcome information on the greatest number of 17-year-olds in foster care possible, rather than leaving it until later in the year when the youth may leave foster care voluntarily or otherwise be engaged in a number of activities in preparation for discharge.

We want to note that by giving States 45 days to collect information on 17-year-olds, we realize that States may not collect information on youth whose birthdays fall at the end of any given fiscal year (i.e., in September) at the same rates as youth with other birth dates. We acknowledge that this is not an ideal situation, but we believe that giving States a sufficient window of opportunity to collect information on youth is preferable to ensure that all 17-year-old youth are captured.

In paragraph (a)(2)(iii), we direct States to the survey in Appendix B of the proposed regulation that States are to administer to youth in the baseline population. We chose to regulate this survey to ensure that each youth is provided with standard questions and response options, which will improve the consistency of the information collected nationwide. We are not, however, regulating the manner in which States administer the survey. Therefore, States are free to administer the survey questions to youth in person or over the phone, through the mail or email, using automated-surveys over the internet, or via any other suitable method.

In paragraph (a)(3), we propose that States collect information on each youth in the follow-up population during the reporting period that the youth turns ages 19 and 21. We chose the six-month reporting period time frame because we are interested in getting timely information on the older youth. We originally considered a 45-day time

frame for States to collect outcomes information on these older youth as well, but do not believe that education information collected on older youth is as time-sensitive as it is for 17-year-olds. Moreover, we believe that for those 19- and 21-year-olds who are no longer in foster care, we are likely to get more complete outcome information if we

allow States adequate time to locate these youth. States will need to institute appropriate procedures to contact youth who may turn 19 and 21 near the end of a reporting period early enough to ensure that the State is able to collect the outcomes information in the required time frame.

Since the State collects information on a new baseline population every three years rather than every year, data collection on follow-up populations will occur only in years with no data collection on baseline populations. That is, in any given year, data collection for outcomes will occur on only one group of youth, as shown in the table below.

| Implementation year | Reporting population |              |              |
|---------------------|----------------------|--------------|--------------|
|                     | Baseline             | Follow-up    |              |
|                     |                      | 17-year-olds | 19-year-olds |
| 1 .....             | ✓                    | .....        | .....        |
| 2 .....             | .....                | ✓            | .....        |
| 3 .....             | ✓                    | .....        | .....        |
| 4 .....             | .....                | ✓            | .....        |
| 5 .....             | .....                | .....        | ✓            |
| 6 .....             | ✓                    | .....        | .....        |
| 7 .....             | .....                | ✓            | .....        |
| 8 .....             | .....                | .....        | ✓            |

As stated earlier, we considered a number of different options for collecting information on outcomes for older youth before proposing here that States gather outcome information on a wide range of youth, some of whom may no longer be in foster care or even receiving independent living services. We understand that this approach requires States to keep contact information on a youth before leaving foster care and develop various systems to track a youth's whereabouts once the youth no longer has regular contact with the child welfare/CFCIP agency. We expect that for many States this type of follow-up with youth who have left the system will be new and challenging. We are, therefore, publishing a draft technical assistance document on the Children's Bureau's Web site (<http://www.acf.hhs.gov/programs/cb>). We hope that this document will provide commenters with an understanding of the various methods that States can use to track youth and a sense of the effort that doing so entails. Further, we anticipate providing States with technical assistance to help them develop their tracking methods during implementation of the proposed NYTD.

In paragraph (b), we propose to allow the State to select a sample of youth from the baseline population of 17-year-olds who participated in outcome data collection to track over time. The youth selected for the sample will then comprise the follow-up population of 19- and 21-year-olds. The sampling procedures are discussed in section 1356.84. This proposal is in direct response to feedback during the consultation process that requested that any survey of outcomes for youth who

had left foster care utilize sampling to mitigate the burden of tracking youth for most States.

We welcome comments on the feasibility of collecting data on 17-, 19- and 21-year old young people as outlined in this section.

#### *Section 1356.83 Reporting Requirements and Data Elements*

*Reporting periods and deadlines.* In paragraph (a), we propose that each State must submit a data file containing a record for each youth in the reporting population on a semi-annual basis. The term "data file" refers to the entire package of information that a State reports to ACF each reporting period.

We had considered a 12-month reporting period, but felt that a longer period may increase the risk of inaccurate or missing data. Further, since we want to preserve our ability to analyze NYTD data along with AFCARS data, we wanted comparable reporting periods. Finally, during consultation, States informed us that semi-annual reporting does not impose an undue burden on their resources, since the majority of the burden is in collecting services and outcomes information which remains an ongoing activity regardless of the length of the reporting period.

In paragraph (a) we also propose that the NYTD reporting periods extend from October 1 to March 31 and from April 1 to September 30 of each Federal fiscal year. These periods are the same as the AFCARS reporting periods. We propose that a State must submit its NYTD file within 45 days of the end of the reporting period. We believe that 45 days will give a State sufficient time to

compile NYTD data for submission based on our experience with AFCARS which also has a 45-day submission period.

*Data elements for all youth.* In paragraph (b), we propose that a State report 13 data elements (see paragraphs (g)(1) through (13)) for each youth in the reporting population, regardless of their status in the served, baseline, or follow-up subpopulations. These elements require States to gather information that identify the State, the youth, and provide basic youth demographics. Most of these data elements need only be collected once from a youth or extracted from the State's case management information system (e.g., date of birth, sex, race), but we propose that a State report these data to us in every reporting period during which the youth appears in the reporting population to ensure accurate records.

*Data elements for served youth.* In paragraph (c), we propose that a State report 19 elements (see paragraphs (g)(14) through (g)(33)) for each youth in the served population. These elements are in addition to the basic demographic elements required in paragraph (b). The majority of these data elements relate to the actual services and assistance that the State provides to the youth. Some of these data elements, however, require a State to record additional characteristics of the youth who are receiving services, including the youth's special education status and educational level, and whether or not the youth has been adjudicated delinquent or belongs to an Indian tribe. We believe these additional characteristics will allow us to analyze any service or outcome differences for particular groups of youth.

*Data elements for baseline and follow-up youth.* In paragraph (d), we propose to require the State to report the outcome-related data elements (see paragraphs (g)(34) through (g)(60)) on each youth in the baseline population. These elements are in addition to the basic demographic elements required in paragraph (b). These data elements pertain to the six outcomes that we have made the focus of this data collection activity. Similarly in paragraph (e), we propose these same outcome-related elements for each youth in the follow-up population.

*Single youth record.* In paragraph (f), we propose that a State report to us all applicable data elements for a youth in a single record per reporting period. The term "record" is used to represent all the data associated with a single youth that is submitted in the State's data file. The file will contain one record for each youth who is in at least one of the three NYTD subpopulations: served, baseline, or follow-up population. For example, if a youth is in the served population in a reporting period, then the State's data file would contain a record for this youth that reports the basic demographic, characteristics and service data elements (i.e., the record would contain valid responses for the elements described in paragraphs (g)(1) through (g)(33) and contain no responses for the elements described in paragraphs (g)(34) through (60)). In the next reporting period, if the same youth is still in the served population, but now is also in the baseline population, the State's file would contain one record for this youth that reports all data elements (paragraphs (g)(1) through (g)(60)).

*Data element descriptions.* Paragraph (g) describes all of the data elements. The definitions of each element include the acceptable values or valid response options.

*State.* In paragraph (g)(1), we request information on the State that is reporting the youth to the NYTD. The State must use the numeric Federal Information Processing Standards (FIPS) code to identify itself. We use the FIPS code because it is a standard issued by the National Institute of Standards and Technology (NIST) to ensure uniform identification of geographic entities through all Federal government agencies. The State is also required to use this standard for AFCARS reporting purposes.

*Report Date.* In paragraph (g)(2), we propose that a State indicate the reporting period date. Specifically, States are to report to us the last day of the month that corresponds with the end of the reporting period, which will always be either March 31 or September

30 of any given year. This information allows us to identify all youth records for the same reporting period.

*Record Number.* In paragraph (g)(3), we propose that a State report the youth's record number, which is a unique, encrypted person identification number. The State must apply and retain the same encryption routine or method for the person identification number across all reporting periods. The State's encryption methodology will need to meet any ACF specifications we prescribe through policy.

Encryption will ensure that the youth's identity is kept confidential. Although encryption is one of a number of methodologies that a State can use to code confidential information, we are requiring encryption as opposed to other methods of ensuring the confidentiality of the identity of the children, such as sequential numbering, because it is secure and easier than other methods for States to cross-reference records for identification at a later date. For example, encryption protects a child's sensitive information by masking the State or local agency's person identification number from Federal staff, researchers or other persons who may come into contact with the data the State submits to ACF. In practice, a State encrypts a record number by applying a mathematical formula known as an algorithm to code the numbers. The State reveals the original person identification number by applying the reverse mathematical formula, a process known as decryption. The State ensures confidentiality by keeping the mathematical formula secure and limiting access to the formula to authorized persons only.

Encryption also is more efficient than some other methods because the State need only safeguard the decryption key, not a whole list of numbers which cross walk between the masked identification number and the real record number. In addition, the vast majority of States use encryption methods already in reporting information to AFCARS. The few States that do not use encryption currently have indicated to ACF that they intend to use encryption in the near future. We believe, therefore, that requiring an encryption method will involve a minimal burden to States.

In subparagraph (g)(3)(i), we require States to use the same person identification number for NYTD that they use for AFCARS when a youth has been in the State's foster care system. As discussed earlier, we believe that by requiring States to use the same person identification number for youth in foster care and those receiving independent living services, we will lay the

groundwork for associating information between AFCARS and NYTD. We believe that States share our interest in having the capacity to analyze a youth's additional demographic information and placement history in AFCARS, where it exists, for the purposes of further understanding independent living services and outcomes.

For these associations to be made, however, States must also use the same person identification number for youth regardless of whether or where the child is in foster care or receiving independent living services in the State and use the same number for every episode of foster care or service receipt. The consistency in assigning person identification numbers and the encryption method will allow States and ACF to make associations between a youth's experiences over time and will allow us to develop annual files from the two six-month reporting periods and perform case-level longitudinal cohort analyses.

Although we are not requiring so here, we strongly encourage States to also use the same person identification number in the NYTD (and AFCARS) that they may use for NCANDS reporting purposes. Again, we believe that States will find that making associations across the various child welfare databases will increase their ability to analyze the data for program and policy purposes.

In subparagraph (g)(3)(ii), we specify that for youth who were never in the State's foster care system, the State must assign a person identification number for the youth and use it consistently for as long as the youth receives independent living services. This would be the case for a youth who is in the served population currently, but who is (or was previously) in tribal or private foster care, or for a youth who moves across State lines after leaving foster care. We are not requiring States to seek out the original record number of a youth who was in foster care or received independent living services in another State or who was in the placement and care responsibility of a private or tribal foster care system. We believe that the burden and cost to States of finding this information and working through the inconsistencies between States' number assignment, confidentiality policies and encryption methods is prohibitive and outweighs the usefulness of the data. As a result, States and the Department will be unable to associate information on youth's entire foster care and independent living experience when the child is served by more than one State or tribal child welfare agency.

*Date of birth.* In paragraph (g)(4), we ask the State to report the youth's date of birth. This information will allow us to capture the youth's age and also determine whether the State collects outcome information for a youth within the required time frame (see section 1356.85 on compliance for more information).

*Sex.* In paragraph (g)(5), we ask States to report the gender of the youth. This information will help us analyze the services and outcomes for youth by gender.

*Race.* Paragraphs (g)(6) through (g)(12) request information on the youth's race. The racial categories of American Indian or Alaska Native, Asian, Black or African American, Native Hawaiian or Other Pacific Islander, and White listed in paragraphs (g)(6) through (g)(10) are consistent with the Office of Management and Budget's (OMB) standards for collecting information on race (see OMB's Provisional Guidance on the Implementation of the 1997 Standards for Federal Data on Race and Ethnicity, at [http://www.whitehouse.gov/omb/infreg/re\\_guidance2000update.pdf](http://www.whitehouse.gov/omb/infreg/re_guidance2000update.pdf) for more information). Each racial category is a separate data element to represent the fact that the State is required to allow the youth to identify with more than one race. Consistent with the OMB standards, self-reporting or self-identification is the preferred method for collecting data on race and ethnicity. This means that States are to allow a youth or his/her parent(s) to determine the youth's race.

If the youth's race is unknown, the State is to indicate so as outlined in paragraph (g)(11). It is acceptable for the youth or parent to indicate that the youth identifies with more than one race, but does not know one of those races. In such cases, the State must indicate the racial categories that apply and also indicate that a race is unknown. Finally, if the youth or parent declines to identify the youth's race, the State must indicate that this information was declined as outlined in paragraph (g)(12).

*Ethnicity.* In paragraph (g)(13), we propose that a State report the Hispanic or Latino ethnicity of the youth. Similar to race, these definitions are consistent with the OMB race and ethnicity standards. Also, the State may report whether the youth's ethnicity is unknown or whether the youth has declined to provide this information.

In the group of data elements in paragraphs (g)(14) through (g)(33), we propose that a State report information on the characteristics of youth and services provided by the State for the

served subpopulation (as defined in section 1356.81).

*Foster care status—services.* In paragraph (g)(14) we propose that a State indicate whether a youth receiving services was in foster care at any point during the reporting period, consistent with our programmatic definition of foster care in the regulations at 45 CFR 1355.20. For the purposes of this element, a youth is in foster care if the State title IV-B/IV-E agency had placement and care responsibility for the youth and the youth was in 24-hour substitute care away from his or her parents or guardians at any point during the reporting period. This element will aid our analysis of how States provide youth in foster care with services versus those that have left foster care.

*Local agency.* In paragraph (g)(15), we propose that a State report the data element local agency. For youth in foster care, States must report the county or equivalent jurisdictional unit that has primary responsibility for the youth's placement and care. If the youth is not in foster care, a State must report the county with primary responsibility for providing services to the youth. A State may report multiple local agencies if more than one agency meets this element description. If a centralized unit is responsible for the youth's services rather than a local agency, then the State must report this information. This element does not apply to youth who are being surveyed for outcome information only.

This element is only relevant for youth who are in the served population because our primary goal is to determine which local jurisdiction has responsibility for providing the youth with independent living services. We hope to be able to use this information to analyze whether there are any particular geographical strengths or barriers to a youth receiving independent living services in the State. We struggled with how to describe this data element given the variety of venues in which youth receive services. The youth's county of residence may not correspond with the jurisdiction that is providing services. For example, a youth may have emancipated from State A and have an education and training voucher from State A which the youth is using to attend college in State B. Or, a youth may have moved from one county to another within the State during a reporting period and have received independent living services from both counties. We determined that for the purposes of this data collection effort, where the youth is receiving services is secondary to the jurisdiction that is providing the services.

*Tribal membership.* In paragraph (g)(16), we propose that a State report whether a youth receiving independent living services is enrolled in or eligible for membership in a federally recognized Tribe. The State already may have this information if the youth was in foster care in the State, or the State can ask the youth whether or not he/she belongs to a federally recognized Tribe.

We consider a youth's tribal membership important because section 477(b)(3)(G) of the Act specifically requires each State to certify that "benefits and services under the programs will be made available to Indian children in the State on the same basis as to other children in the State." The statute's explicit inclusion of tribal youth extends services not only to those Indian youth who are in a State's foster care system, but to all youth who may be in tribal custody or are otherwise eligible for services under this program.

The definition of this element uses the same definition of Indian tribe in the Indian Self-Determination Act and regulations published by the Bureau of Indian Affairs (BIA) within the Department of Interior. States may consult the BIA's list of federally recognized tribes published in the **Federal Register** most recently on November 25, 2005 (70 FR 71193) or contact the BIA to determine whether a Tribe is federally recognized.

During the consultation process, child welfare experts and advocates for Indian children emphasized that identifying Indian youth will help us learn about characteristics and services specific to this subpopulation. Experts and advocates also pointed out that requiring States to report tribal membership would help raise State agencies' awareness about the importance of identifying tribal youth.

We considered various ways of reporting this information, including asking States to report the name of the Indian Tribe of which the youth is a member. During the work group discussions and pilot test, it became clear that such detail was impractical and yielded results of little value. We found it was difficult for respondents in our pilot test to identify the appropriate Tribe out of the more than 560 federally recognized Tribes. Identifying the specific Indian Tribe was further complicated because in many instances the youth must self-identify his or her tribal affiliation. Even in the small pilot test we conducted, some youth affirmed they were in a Tribe but were unable to provide the name of the Tribe. Ultimately, we decided that reporting whether a youth is enrolled in or eligible for membership in a Tribe

would give us critical information without introducing the complications associated with specifying which Tribe.

**Adjudicated delinquent.** In paragraph (g)(17), we propose that a State report whether a youth receiving services was ever adjudicated delinquent, which means that a Federal or State court has adjudicated the youth as a juvenile delinquent. During consultation, several participants noted that identifying this population is important because youth who have been adjudicated delinquent may receive different services than other youth.

Although this data element is primarily intended to identify those youth who have been involved in the juvenile justice system, during the pilot test we asked participating States to answer a broader question that identified the youth's point of entry into foster care. That original data element included response options to differentiate youth who entered foster care through (1) child protective services (CPS); (2) State programs for children or persons in need of supervision (typically called CHINS or PINS); (3) juvenile justice; (4) mental health; (5) tribal agency; or (6) other arrangements. We included this broader element in the pilot test because we believed that this information would help us to better understand and analyze the characteristics of youth who are served. However, we recognized later that this broader element had several problems:

- Not all youth who receive independent living services are in foster care currently or were in foster care in the State, and so collecting information about how a youth entered foster care would not be relevant or readily obtainable for all youth in the NYTD reporting population.

- It is difficult to create response options that can be applied consistently across all States because States differ in their organizational structures and definitions of CHINS/PINS, mental health, CPS, and juvenile justice.

- The difficulty of defining precise response options is further compounded by the fact that many of the youth may be, or have been, involved in multiple systems. States may not be able to clearly identify the appropriate response option for a youth with a complicated history.

In the end, we were not sure that specific information was essential for the NYTD. We therefore decided to simplify the proposed data element to capture the most essential information. We consider youth adjudicated delinquent as the most important data element to propose for our purposes.

The organization of a State's child welfare and juvenile justice systems contributes to the proportion of that State's juvenile justice population who are also receiving independent living services. This data element may help to inform how we interpret data on independent living services.

With the proposed simplified definition and response options, we realize we may lose some precision about the extent to which the reporting population may be involved in juvenile justice systems. We also recognize that youth who are adjudicated delinquent are not a homogenous group. The courts have a range of sanctions available to them once a youth is adjudicated delinquent, which could include ordering confinement in a wide-range of institutions or out-of-home placements, probation, fines, or treatment. Therefore, we understand that youth who are adjudicated delinquent may be a part of States' foster care systems in a number of different ways, for different reasons, and have varying outcomes. We believe, however, that "adjudicated delinquent" is the most specific and consistently applied term relating to a youth's involvement in the juvenile justice system. We further believe that any differences in services for youth who have been involved in juvenile justice systems will be adequately identifiable by categorizing those youth who have been adjudicated delinquent.

**Education data elements.** In paragraphs (g)(18) and (g)(19), we propose that a State report information on the youth's highest education level and whether the youth receives or received special education instruction during the reporting period. We propose to collect this information to help us interpret the information on services. We believe that gathering information on how a youth progresses in school over time is a key piece of information in understanding the types of services the youth receives.

In the course of developing the educational level element described in paragraph (g)(18), we analyzed several ways of capturing information about a youth's education. In the pilot test, we asked States to report three data elements related to education: current school enrollment status, educational level (last grade completed), and highest education certificate received. As we refined the instrument, we wanted to limit the number of data elements that would have to be updated frequently by caseworkers. We believe the proposed element captures the fundamental information intended by the three data elements pilot tested.

We included a special education element as an additional educational characteristic in paragraph (g)(19), in response to consultation participants' concern that a significant number of youth in foster care also have special education needs. Unfortunately, youth with special education needs may encounter more obstacles in reaching self-sufficiency than other youth. We believe that it is important to identify these youth in the reporting population because they may require a different service array or intensity of services than youth who are not receiving special education. Our definition of special education for the purposes of this element is consistent with the definition in 20 U.S.C. 1401(25).

**Discussion on all data elements related to services.** In paragraphs (g)(19) through (g)(33), we propose to capture the range of services and financial assistance States provide to youth through their independent living programs.

First, we will discuss general issues relevant to all services and assistance provided, followed by a discussion of issues germane to the individual data elements. Four major issues dominated our consideration of how States should report the type and quantity of services, as is required by the law: what types of services to include; how to measure the quantity of services; whether to reflect the manner in which States deliver services; and, whether States should report why a youth did not receive services. Each issue is discussed below.

The Act provides States with the flexibility to fund services for a broad range of independent living needs. During conference calls with State staff, we learned that in general, States are tracking the services that they pay for in their information systems. However, States often do not keep detailed data on the types of services provided to youth. Many States believed that a requirement to collect such detailed data would overburden caseworkers unnecessarily. Therefore, we believe that for States to report the information accurately to us, we must attempt to define the categories of services broadly and keep them relatively few in number compared to the variety of services States provide. We are, therefore, proposing 11 comprehensive data elements related to services and supports: independent living needs assessment; academic support; post-secondary educational support; career preparation; employment programs or vocational training; budget and financial management; housing education and home management training; health education and risk prevention; family

support and healthy marriage education; mentoring; and supervised independent living.

Because these definitions are broad, we acknowledge that a particular service may not fit neatly into one of the 11 categories. For example, if a youth attends a class that spends an equal time on home management and health education then the State should report that the youth received services under both service categories. If a youth attends a class that primarily covers budgeting and financial management but also briefly discusses housing education, then we expect that the State will report this service only in the home management category. We do not intend to regulate how much time spent on a particular topic qualifies as a service, but expect that States will choose the appropriate service category keeping in mind the relative benefit to the youth.

Section 477(f)(1)(B)(ii) of the Act requires ACF to identify data elements to track both the type and quantity of services provided by States. We propose to measure quantity of services in its broadest sense by keeping track of the different categories of services that youth receive during a reporting period. For example, we will know from the NYTD that a youth received three different independent living services in a given reporting period, such as educational financial aid, post-secondary educational support and mentoring. However, under this proposal we will not know the exact quantities of each service. For example, we are not asking States to report to us whether a youth met with his mentor once a week or just once during the reporting period, whether he attended one or five two-hour long SAT preparation classes, or whether the State provided \$500 or \$5000 in educational financial aid.

In developing our proposal, we considered how States could report the quantity of services consistently, accurately and meaningfully, given the variation in how States provide independent living services. One of the options we considered for measuring the quantity of services was the hours of service. In the pilot test, we asked respondents to record the number of hours of formal services a youth received. The caseworkers and supervisors who participated in the pilot test reported spending enormous amounts of time trying to locate information about hours of service, and many respondents reported estimating or guessing the hours of service. Services provided informally were not easily quantifiable, and even services provided formally were difficult for

pilot respondents to measure by the hour. Caseworkers reported not being able to verify whether a youth actually received all components of a scheduled service (e.g., whether the youth actually attended all sessions of a budgeting class). Although we encourage workers to follow youth closely to ensure that young people are receiving the services necessary to prepare them for independent living, the substantial burden on workers and questionable accuracy and validity of the reported data on service hours defeated the purpose of trying to achieve such a high level of precision in this data collection.

After determining how States will quantify services, we considered whether requiring States to inform us how the services were delivered would inform our understanding of service types or quantity. As discussed earlier, some independent living services are delivered in formal units or are planned and structured services, while others are delivered on a more spontaneous basis. Both work group members and pilot test respondents emphasized that effective services may be delivered informally and noted that some States train and rely on foster parents to deliver services in that manner. Also, caseworkers who responded in the pilot test reported that they often rely on "teachable moments" to deliver important support and skill-building services to youth. These respondents expressed concern that it could appear as if they were not providing adequate services if only planned, formal services were reported.

Based on this feedback we initially considered developing response options of "planned," "spontaneous" or "both" to indicate the manner in which the State provides a service to the youth. However, we chose not to propose these response options in this NPRM because we did not believe that this information was central to the statutory requirement to collect information on type and quantity of service. We would like to note however, that the elements are defined broadly so that States must send us information on services regardless of whether they are delivered to youth formally or informally.

We also considered adding response options to the services elements that would include reasons why a youth had not received a particular service. This option was most relevant when we were contemplating a reporting population that included all youth in foster care, regardless of whether the youth were receiving services. This consideration was based on comments we received from the pilot respondents who reported that simply responding that a youth did not receive the service does not tell us

why it was not received. For example, we would not know whether a youth did not receive a service because it is unavailable in the State or locality, unallowable according to State policy or eligibility criteria, or unsuitable given the youth's age and/or needs. Feasibly, a State may offer a youth an appropriate service and the youth may decline the service. We then considered expanding the response options so that States could indicate that services were not needed, services were not available or not offered, and services were offered but declined.

Ultimately, we decided not to propose any expanded response options because the statute requires data elements to track services provided to youth, and does not require the reasons that services are not provided. We also determined that gathering services information on youth who were not currently receiving services went beyond the law's mandate as discussed earlier. Moreover, this proposal required caseworkers to make decisions about why a youth did not receive a particular service, when the response options may not be mutually exclusive. We concluded, therefore, that even if this information was desirable it was likely to be inaccurate.

*Independent living needs assessment.* In paragraph (g)(20), we propose that a State report information on whether a youth received an independent living needs assessment during the reporting period. The Act does not require that States provide independent living needs assessments; however, we understand that most do and believe that States can only provide youth with adequate services once they have thoroughly assessed the youth's strengths and needs in transitioning into self-sufficiency. During the consultation process some States and national organizations indicated that this item was one of the most essential services a State could provide.

*Academic support.* In paragraph (g)(21), we propose that a State indicate whether the youth is receiving services that can help him/her complete high school or obtain a general equivalency degree (GED). Support for post-secondary schooling and employment are included in other data elements. We included this element because we believe that academic support, beginning several years before high school, can help a youth obtain a high school diploma, or GED, which can lead to other positive outcomes such as entry into post-secondary education, vocational training, and employment. We also understand that most States provide this type of educational

support. The law also requires that we track a youth's receipt of a high school diploma as an outcome measure, so we felt it important to capture to what extent States are providing youth with services that support this outcome.

*Post-secondary educational support.* In paragraph (g)(22), we propose that a State report the data element post-secondary educational support, which includes those services that help a youth enter or complete college. Section 477(a)(3) of the Act identifies a purpose of the CFCIP as helping "children who are likely to remain in foster care until 18 years of age prepare for and enter postsecondary training and educational institutions." Section 477(a)(5) of the Act also specifies that funding is available to provide education services to former foster care recipients between 18 and 21 years of age. Also, since the law directs us to measure a youth's educational attainment as an outcome measure, we wanted to collect information on the services that States provide to assist youth in furthering their education.

*Career preparation and employment data elements.* In paragraph (g)(23), we propose that a State report whether the youth receives career preparation services which focus on developing a youth's readiness to find or hold a job. In paragraph (g)(24), we propose that a State report another data element about employment, employment programs and vocational training, which includes those services intended to build skills for a specific trade, vocation, or career. We included these services because the law encourages States to use their CFCIP funds to assist youth in obtaining employment. In particular, section 477(a)(2) of the Act states that one purpose of the Act is "to help children who are likely to remain in foster care until 18 years of age receive the education, training, and services necessary to obtain employment." Section 477(a)(1) of the Act also specifies that States may use the funding to provide services such as assistance in "career exploration, vocational training and job placement and retention." Both of these elements also help us identify the services that States provide to youth in support of their attaining employment, which is an outcome measure specified in the law.

The basic distinction between the two employment-related data elements described above is that career preparation refers to general skills that help a youth obtain and retain employment, while employment programs or vocational training refers to programs that help a youth gain expertise and skill in a specific field or

profession. During our consultation process, we learned that employment programs or vocational training are usually administered as planned activities which require that a youth enroll in a class or schedule an activity while career preparation may be offered on a more ad-hoc basis.

*Budget and financial management.* In paragraph (g)(25), we propose that a State indicate whether the youth is receiving training in budget and financial management. We consider budget and financial management to include education and practice in areas such as budgeting, banking, consumer awareness, information about credit, loans, and taxes. We included this element because budgeting is a common feature in States' independent living services and is an essential life skill. Section 477(a)(1) of the Act highlights training in budgeting and financial management skills as an example of assistance that helps youth make the transition to self-sufficiency.

*Housing education and home management training.* In paragraph (g)(26), we propose that States report whether the youth is receiving housing education and home management training, which refers to instruction and support services to locate and maintain housing, understand tenant and landlord responsibilities, and acquire home management skills. We believe this information is important to capture as one of the purposes of the law is for States to provide housing and other appropriate support to former foster care recipients between the ages of 18 and 21 (section 477(a)(5) of the Act). Moreover, these support services may affect a youth's experiences with homelessness, which is an outcome measure specified in section 477(f)(1)(A) of the Act.

*Health education and risk prevention.* In paragraph (g)(27) we propose that a State report information on the health education and risk prevention information the youth receives. This information includes health-related educational topics such as the benefits of preventive care, fitness, and nutrition, but does not include receipt of direct medical and mental health services, dental services, or substance abuse treatment services. We also have included risk prevention topics in this element, including information on topics such as sexually transmitted diseases, abstinence, smoking avoidance and substance abuse prevention. This element reflects our interest in gathering information on the services the State CFCIP agency provides to youth to help them live healthy lives and avoid risky behaviors, particularly since the law directs us to develop outcome measures

on youth engagement in high-risk behaviors.

*Family Support and Healthy Marriage Education.* In paragraph (g)(28), we ask States to report the family support and healthy marriage education that a youth receives, if it is paid for or provided by the CFCIP agency. This element includes education on maintaining healthy families such as parenting and childcare skills, spousal communication, family violence prevention, and responsible fatherhood. We have included this element because we believe that educating youth about maintaining strong families and healthy marriages is an essential element of responsible adulthood.

*Mentoring.* In paragraph (g)(29), we propose that a State report whether the youth is being mentored. By mentoring, we mean programs or services in which a youth regularly meets with a screened trained adult on a one-on-one basis. Section 477(a)(4) of the Act specifies that one purpose of CFCIP funding is "to provide personal and emotional support to children aging out of foster care, through mentors and the promotion of interactions with dedicated adults." Some participants during our consultation believed that mentoring was an essential service for youth as they transition into independent living. We also understand from reviewing States' CFCIP plans that many States support mentoring for older youth, so we want to be sure to capture this service.

Because we desire to collect information on true mentoring programs, rather than interactions with adults on an informal basis or for non-mentoring reasons, we have limited this element to capturing established mentoring programs which involves matching youth with screened and trained adults. For the purposes of this data collection, we are interested only in mentoring relationships that are established as a result of the CFCIP agency's work with the youth, and not relationships that may be facilitated or funded solely by other parties.

*Supervised Independent Living.* In paragraph (g)(30), we propose that a State report whether the youth is in a supervised independent living setting. These settings are formal living arrangements under the supervision of an agency, but where youth are not supervised 24-hours a day. During consultation, some participants considered this one of the more essential pieces of information to capture because it can give the agency insight into a youth's self-sufficiency while there is still an opportunity to provide supportive services.

Furthermore, the law specifically authorizes States to spend up to 30 percent of their Chafee allocation on room and board for youth between the ages of 18 and 21. Congress authorized funds for this purpose based on States' feedback that housing support is one of the greatest needs of young adults (see H. Report 106-182, June 10, 1999).

**Discussion related to all financial assistance elements.** In the group of data elements in paragraphs (g)(31) through (g)(33) we propose that a State report information that addresses different types of financial assistance provided to youth to support their transition to independent living. We decided to include information about financial assistance in addition to data elements about specific services to give a more complete picture of how States are supporting youth. All three of these data elements were included in the original pilot test in some form. Participants of the pilot test found financial information relatively easy to locate because those States require close tracking and accountability of funds.

**Room and Board Financial Assistance.** In paragraph (g)(31), we propose that a State report whether the CFCIP agency is providing the youth with financial assistance for room and board. The proposed definition for this element gives a State some flexibility in establishing its own definition of room and board assistance with some examples such as rent deposits and utilities, as the CFCIP legislation provides States with this latitude. We expect that many youth will receive this type of financial assistance, since section 477(b)(3)(B) of the Act allows a State to spend up to 30 percent of its allotment for room and board for youth between the ages of 18 and 21. Furthermore, we understand from reviewing States' CFCIP plans that many States support room and board for older youth.

**Education financial assistance.** In paragraph (g)(32), we propose that a State report whether the youth received financial assistance for education during the reporting period. This type of aid includes financial assistance for school books and materials, tuition assistance, examination and application fees, and educational vouchers for college tuition or vocational education. The inclusion of vouchers results from the Promoting Safe and Stable Families Amendments of 2001, which provides education vouchers to pay for college or vocational education. The vouchers are designed to increase the prospects of older youth in foster care of becoming self-sufficient and living independently.

**Other financial assistance.** In paragraph (g)(33), we propose that a State report any other type of financial assistance that the CFCIP agency provides to a youth in order to help the transition from foster care to self sufficiency. The definition in the regulation is minimal because we do not believe we could provide an exhaustive list of financial assistance. Nonetheless, such assistance may include payments for household expenses, subsidized transportation or payments for business attire for job or college interviews.

**Discussion on all elements related to youth outcomes.** In the group of data elements in paragraphs (g)(34) through (g)(60), we propose the outcome information that States must report to us for each youth in the baseline and follow-up populations. Some of the outcomes we are interested in capturing are relevant for youth only once they have left foster care (e.g., dependence on public assistance), so they will not apply to youth in the baseline population or those in the follow-up population still in foster care.

In general, we refined these elements after gathering information from stakeholders about which outcomes they considered most important to measure for youth aging out of foster care, the outcomes for which the State CFCIP agency should be held accountable and outcomes which could be easily measured in a data collection system. Stakeholders suggested a number of outcomes that we rejected in the end because we did not agree that they could meet this test. Some of the proposed outcomes that we rejected included a youth's: access to essential documents; ethnic, cultural, and personal identity; social isolation; health care utilization (including mental health); leadership qualities; and general well-being, such as hopefulness, optimism, and resiliency. While the foregoing outcomes are important, we believe they are best measured through program evaluation. To that end ACF has funded a project to conduct an initial assessment and a five-year evaluation of selected programs funded through the John Chafee Foster Care Independence Program. The goal of the assessment is to identify programs that can be rigorously evaluated and to develop evaluation designs that will meet the requirements of the law. For more information see ACF's Office of Planning, Research and Evaluation Web site at: <http://www.acf.hhs.gov/programs/oper/>

We believe instead, that the following six outcomes are widely accepted as the responsibility of the State's CFCIP

agency and straightforward for States to measure:

- Outcome 1: Increase young people's financial self-sufficiency.
- Outcome 2: Improve young people's educational (academic or vocational) attainment.
- Outcome 3: Increase young people's positive connections with adults.
- Outcome 4: Reduce homelessness among young people.
- Outcome 5: Reduce high-risk behavior among young people.
- Outcome 6: Improve young people's access to health insurance.

The data elements below all relate to these six outcomes and how the State collects the outcome information. The data elements are listed by outcome in Chart 1 at the end of the preamble.

**Outcomes Reporting Status.** In paragraph (g)(34), we propose that the State indicate whether the State is reporting any outcome information for the youth, and if not, the reason why the State was unable to obtain outcome information. This element is essential to our ability to understand why the State was unable to obtain outcome information from a youth, either initially at age 17 or later on at ages 19 or 21. We also expect that this information will increase our ability to target technical assistance activities to the States that are designed to improve either their procedures to track youth over time or their efforts to encourage youth participation.

In addition to declined participation, we have allowed States to indicate that the State is unable to report outcome information on the youth because he or she was incapacitated, on runaway status, incarcerated, died or the State is otherwise unable to invite the youth's participation. States may use these response options when a youth's participation clearly is not possible; for example, using the response option of "incapacitated" when a youth has a significant cognitive disability. However, we expect that States will attempt to invite the participation of all youth's when appropriate. For instance, a youth may be incarcerated but his incarceration alone may not prevent him from participating in the survey. Similarly, just because a youth may be temporarily incapacitated due to a hospitalization on the State's desired date of outcome collection, the State could attempt to collect outcomes information at a later time. We expect that a State's use of the incapacitated response option to be judicious and appropriate to the specific circumstances of the youth, particularly since a State must still meet the youth

participation rates discussed in section 1356.85(b).

In defining the response options, we were careful to try and distinguish between the various reasons why a State is unable to obtain outcome information. Nonetheless, we realize that it may be difficult for a State to pinpoint the exact reason for the youth's nonparticipation. For example, we have defined "youth declined" as the State inviting the youth's participation but the youth declining and "unable to locate/invite" as the State being unable to contact the youth successfully. If the State attempts to contact the youth several times at his last known address and does not receive any reply from the youth, it may not be clear whether the youth has chosen to ignore the solicitation or the State had the wrong address for the youth.

Finally, this element is meant to capture only the reason why the State was unsuccessful in getting any outcome information from the youth. Although we expect that a State will use all appropriate methods to encourage a youth to complete the outcome survey, a youth may decline to answer one or several of the individual survey questions for whatever reason. States will be required to capture and report these partial responses to us. We believe that even partial information will provide us and the States with information on youth outcomes and/or help us determine which outcomes questions are problematic for youth.

*Date of outcome data collection.* In paragraph (g)(35), we propose that the State report the last date that the outcome information is collected from the youth. If the information is collected on more than one date, the final date must be reported here. The purpose of requiring the State to report the date of outcome data collection is to allow ACF to assess whether the State collected the outcomes data within 45 days of the youth's 17th birthday and within the reporting period of the youth's 19th and 21st birthday, as required in section 1356.82. States must report the date of data collection and not when the information was entered into the State's information system.

*Foster care status—outcomes.* In paragraph (g)(36), we propose to capture the youth's foster care status at the time of the outcomes data collection. This element will enable us to identify whether outcome survey questions are applicable to the youth's situation (e.g., youth in foster care do not need food assistance because the child welfare agency is taking care of these needs, so this question is not applicable) and determine how a State is complying

with the outcomes participation standards discussed in further detail in section 1356.85. We also want to note that this foster care status element uses a different time frame than that described in paragraph (g)(14). The foster care status-outcomes element focuses on whether the youth is in foster care at the time of data collection versus at any point during the six-month reporting period. This is because knowing whether a youth was in foster care at any point in the reporting period does not help us determine whether the outcome survey questions are applicable or whether the State is in compliance with the participation standards.

*Sampling status.* In paragraph (g)(37), we propose that the State indicate whether or not the 17-year-old youth in the baseline population will be a part of the follow-up population at ages 19 and 21. This is especially germane for States that choose to sample. We have included this element so that we can track whether States are reporting information on youth in the later years (see discussion of section 1356.85(b)(3)). We do not necessarily need the State to report all outcome information on each youth in the follow-up population, but we need to know whether the State is reporting the information or why the State was unable to report the information. This element will be applicable only every three years when the State has selected a new baseline population of 17-year-olds for outcomes data collection. During the years when the State is collecting information on the follow-up populations only, the State must indicate that this element is not applicable.

*Current full-time employment.* In paragraph (g)(38), we propose that a State report whether a youth is employed full-time, using a common definition of at least 35 hours per week. This data element is one measure for Outcome 1, pertaining to young people's financial self-sufficiency, which addresses the statutory requirement that ACF develop outcome measures related to employment. Youth with full-time jobs are more likely to be able to avoid dependency and achieve self-sufficiency.

Full-time employment and some of the following data elements require information on the youth's current status, which means the youth's experience as of the date the information is collected on the youth. Since our primary goal is to gather information that will help us understand the experience of youth as a whole and the State's performance, rather than assessing the outcomes for individual youth, we believe that the

current status of the youth in most cases is sufficient.

*Current part-time employment.* In paragraph (g)(39), we propose that a State report whether a youth is employed part-time. This data element also addresses Outcome 1 pertaining to young people's financial self-sufficiency. Youth with part-time jobs may still be in school or training, in transition to full-time employment, or able to reduce or avoid dependency on public assistance better than those youth who are not employed. We also note that the elements for full-time employment and part-time employment are not mutually exclusive. A youth may have a full-time and part-time job concurrently.

*Employment related skills.* In paragraph (g)(40), we propose that a State report whether a youth completed an apprenticeship, internship, or other type of on-the-job training in the past year. This data element addresses an important aspect of employability and is a measure for Outcome 1 pertaining to financial self-sufficiency, which is whether a youth has acquired skills necessary to enter the labor market. Even if a youth currently is unemployed, the completion of an apprenticeship, internship, or other type of on-the-job training is an important achievement and an indication that the youth has some labor market skills. This data element measures past-year completion, rather than current participation, in order to ensure that the data collection captures completion of these training experiences.

*Social Security.* In paragraph (g)(41), we propose that a State report whether a youth is receiving Social Security Income (SSI) or Social Security Disability Insurance (SSDI), either directly or as a dependent beneficiary. Both SSI and SSDI provide financial assistance to eligible persons who are unable to work due to a disability (see sections 223 and 1611 of the Social Security Act). This data element measures youth access to one type of financial resource to help meet their living expenses and is a measure for Outcome 1 pertaining to financial self-sufficiency.

*Educational Aid.* In paragraph (g)(42), we propose that a State report whether a youth is receiving a scholarship, education or training voucher, grant, stipend, student loan, or other type of educational financial aid. Educational aid includes a Chafee education and training voucher provided under section 477(i) of the Social Security Act. The definition of a student loan is consistent with that under the Federal Family Education Loan Program (20 U.S.C.

1071). Many young people who are in school receive this type of assistance to help them gain an education. Such assistance can be an important financial resource, and is a measure for Outcome 1 pertaining to financial self-sufficiency.

**Public Financial Assistance.** In paragraph (g)(43), we propose that a State report whether a youth is receiving cash payments as part of the State's Temporary Assistance for Needy Families (TANF) program (title IV-A of the Social Security Act). This data element addresses the statutory requirement to develop outcome measures pertaining to avoidance of dependency (Outcome 1 on financial self-sufficiency). This element does not include other types of TANF assistance, such as child care subsidies or job training, because they do not involve cash payments or direct financial support to the youth.

**Food Assistance.** In paragraph (g)(44), we propose that a State report whether a youth is receiving food assistance. We consider food assistance to include assistance through the federally supported Food Stamp program that provides assistance to low-income people to buy groceries (authorized at 7 U.S.C. 2014) and the Women, Infants and Children (WIC) program, which is nutrition assistance specifically for pregnant women and women with young children.

**Housing Assistance.** In paragraph (g)(45), we propose that a State report whether a youth is receiving government-funded housing assistance, excluding CFCIP room and board payments.

**Other Support.** In paragraph (g)(46), we propose that a State report whether a youth is receiving any other ongoing financial resources or support not measured in the previous financial elements. For example, a youth may include financial support through a spouse, child support that the youth receives or funds from a legal settlement in this element. However, this element does not include child care subsidies, child support for a youth's child, or other financial help that does not benefit the youth directly in supporting himself or herself.

**Highest Educational Certification Received.** In paragraph (g)(47), we propose that a State report a youth's highest educational certification. This data element addresses the statutory requirement to develop measures related to educational attainment and is a measure of Outcome 2, improving young people's educational attainment. Receiving a high school diploma or GED is particularly important since the lack of that diploma makes it extremely

difficult to transition successfully from foster care to self-sufficiency.

**Current Enrollment and Attendance.** In paragraph (g)(48), we propose that a State report whether a youth is enrolled in and attending school. A youth is still considered to be attending school if the youth remains enrolled while the school is currently on a break, such as Spring break, or out of session. Youth who are currently attending school or training may not yet have an educational degree, and may not have the time available to hold a full-time job. Some participants in the consultation process believed that this data element would be critical in assessing the employment and educational outcomes of youth.

**Connection to Adult.** In paragraph (g)(49), we propose that a State report whether a youth has a positive connection to an adult who can serve in a mentor or substitute parent capacity. The adult can be a relative, former foster parent, birth parent, or other older member of the community, but cannot be a peer such as a boyfriend, girlfriend, best friend, partner, or spouse. This definition also excludes current caseworkers. This data element, which relates to Outcome 3, increasing young people's positive connection with adults is not a statutory requirement. However, the measure is consistent with the statute's emphasis on mentoring as an important service for older youth in foster care. We developed this element in response to comments from many participants in the consultation process who believed that having a positive relationship with at least one adult was a critical component in youths' success in living on their own.

**Homelessness.** In paragraph (g)(50), we propose that a State report whether a youth was homeless. This data element is relevant to Outcome 4 which pertains to reducing homelessness and is included in the statutory requirements. Many participants in the consultation process noted that it is important to measure how long youth were homeless, since there is a significant difference between not having a home for a few nights and being homeless for a good part of a year. However, we decided not to include a data element about the length of a young person's experience with homelessness in order to mitigate the data collection burden.

The homelessness data element and several following data elements (*i.e.*, substance abuse referral, incarceration, and children) refer to experiences over a long period of time rather than only the youth's current experience. This is because these elements pertain to events that may happen sporadically or briefly

over any given period as opposed to other experiences, such as employment or education which often require a more long-term commitment. Also, a youth's brief experience with substance abuse, incarceration or homelessness often has a significant impact on his/her life and ability to be self-sufficient in a way that other experiences do not. We want to be sure to capture these events.

Specifically, we are proposing two different time frames for these elements, depending on whether the youth is in the baseline or follow-up population. For 17-year-olds in the baseline population we are interested in the youth's lifetime experience up to that point. For 19- and 21-year-olds in the follow-up population we are interested in the youth's experience in the past two years. We chose this approach so that we can capture the youths' entire experiences up to age 21, should they choose to answer these questions. This information will aid us in analyzing the outcomes data.

**Substance Abuse Referral.** In paragraph (g)(51), we propose that a State report whether a youth was referred or self-referred for alcohol or drug abuse assessment or counseling. This data element addresses the statutory requirement to develop outcome measures pertaining to high-risk behaviors, which is Outcome 5. To offset the potential limitations of self-reported data and privacy concerns, this data element requests information on referrals and not for the youth's actual alcohol and drug use.

**Incarceration.** In paragraph (g)(52), we propose that a State report whether a youth was arrested or incarcerated. This data element addresses the statutory requirement to develop outcome measures pertaining to incarceration and high-risk behaviors. The definition is broad to capture any type of incarceration or detention episode that the youth may experience in relation to an alleged crime.

**Children.** In paragraph (g)(53), we propose that a State report whether a youth gave birth to, or fathered, any children. This data element in combination with the subsequent element addresses the statutory requirement to develop outcome measures pertaining to nonmarital childbearing. We are looking at this element in relation to Outcome 5, reducing high-risk behaviors among young people.

**Marriage at Child's Birth.** In paragraph (g)(54), we propose that a State report whether a youth was married to the child's other biological parent at the time of the birth of any children reported in paragraph (g)(53).

Although “nonmarital childbearing” is identified in the statute, participants in the consultation process recommended that we measure whether a youth has any children separately from the youth’s marital status. Participants objected to the child-bearing and marriage elements because they believed it was too intrusive to ask youth whether they were married at the time of their children’s births. However, we decided to use the direct measure because we believe it more clearly addresses the statutory requirement.

*Medicaid.* In paragraph (g)(55) we propose that a State report whether a youth is participating in the State’s Medicaid program. Although this data element is not a statutory requirement, it is consistent with the authority granted in the Foster Care Independence Act for States to offer Medicaid coverage to 18-, 19-, and 20-year old youth who age out of foster care. The element was developed in response to comments from participants in the consultation process that ACF should measure how many youth are able to benefit from Medicaid coverage. We are considering this element relevant to Outcome 6, improving young people’s access to health insurance, although we acknowledge that some may view reliance on Medicaid as a measure of a youth’s dependence on public assistance.

*Other Health Insurance Coverage.* In paragraph (g)(56), we propose that a State report whether a youth has health insurance other than Medicaid. This data element was recommended by many participants in the consultation process and also is relevant to Outcome 6, a youth’s access to health insurance. Participants in the consultation process believed that health insurance is a critical factor in ensuring a youth’s well-being and self-sufficiency.

*Health Insurance Type.* In paragraphs (g)(57) through (g)(60), we are proposing that the State capture the type of health insurance coverage that a youth has indicated in the previous element. Paragraph (g)(57) will capture whether the youth has insurance coverage for medical health only and paragraph (g)(58) will capture whether the youth has insurance coverage for both medical health and mental health. Paragraph (g)(59) will capture whether the youth has insurance coverage for both medical health and prescription drugs, and paragraph (g)(60) will capture whether the youth has insurance coverage for all three.

We are interested in determining to what extent a youth’s major health insurance coverage needs are being met in evaluating their access to health care

so we are asking that the youth distinguish between medical, mental health and prescription drug coverage. During the authorization of the Chafee program, Congress reviewed research and testimony that indicated that adolescents leaving foster care have significantly more health needs than other adolescents and that former foster youth were in particular need of mental health services (see House Rpt. 106-182, June 10, 1999). Given this information, we believe it important to capture the extent of a youth’s access to health insurance. Participants in the consultation process were particularly interested in capturing whether youth had access to ongoing medication for maintenance of their physical or mental health, so we were mindful to ask separately about a youth’s insurance for prescription drug coverage. We opted not to require States to report information on a youth’s coverage for dental or vision benefits because these benefits are not typically covered in health insurance plans. We also are limiting this element to capture true health insurance and not plans that offer discounts on medical care or prescription drugs only, which cannot be classified as insurance.

*Electronic Reporting.* Finally, in paragraph (h), we propose that a State must submit NYTD data electronically to us in accordance with Appendix A of the proposed regulation and any other ACF specifications. We are not proposing to regulate the technical requirements for formatting or transmitting the NYTD data file. Instead, we will issue technical requirements and specifications through official ACF policy. We have learned through our experience with AFCARS that it is more prudent not to regulate the technical specifications for formatting and receiving data. As technology changes, we must be able to keep pace with the most current, practical and efficient transmission methods that will suit State and Federal needs.

We are particularly interested in exploring new technologies due to the enactment of the E-Government Act of 2002 (Public Law 107-347). This law focuses the Federal government on using improved internet-based technology to make it easier for State or local governments and citizens to interact with the Federal government. One internet-based technology that we are exploring for the NYTD is the use of Extensible Mark-Up Language (XML). XML is a text-based format that allows entities to describe, deliver and exchange data among a range of applications provided that the sender and receiver have agreed in advance on

the data definitions. We believe that XML has several benefits to States and ACF, including:

- Enabling the integration and collation of any data and information irrespective of storage environment or document type;
- Facilitating data interchange independent of the operating system and hardware; and,
- Allowing new data elements to be added readily with minimal changes to the data file format.

We recognize that some States have already implemented the use of XML to transfer data, while others may have encountered some barriers to doing so. Therefore, we welcome comments from States on the potential use of XML for NYTD.

#### Section 1356.84 Sampling

This section describes the requirements and procedures for a State that opts to select a random sample of youth from the baseline population to follow over time.

In paragraph (a), we propose to allow States the option of taking a sample of 17-year-old youth who participated in the outcome data collection and following and collecting subsequent outcome information on that sample of youth at ages 19 and 21. As stated earlier, consultation participants requested this option to mitigate the burden of collecting information on older youth in the follow-up population, many of whom have left foster care.

In paragraph (b), we are proposing that States use simple random sampling procedures that are computer-generated, unless we approve another sampling procedure. A sample selected in a random manner, following standard sampling procedures, will be representative of all 19- and 21-year-olds in the follow-up population and will allow us to make inferences about that population based on the outcomes experienced by the youth in the sample. We are proposing that States use a random number generator to ensure that the sample is truly random and thus representative of the follow-up population. We believe that this provision will also help achieve uniformity in sampling procedures across the States.

We are proposing that the sampling universe consist of the total number of youth in the baseline population that participated in data collection at age 17. In practice, States may need to wait until the end of each reporting period in the fiscal year in which the State collects the outcomes data on the baseline population before determining the sampling universe and actually

selecting a sample. Once the State has chosen the youth who will comprise the sample at age 19, the State must keep track of these youth so that they can collect information from them at ages 19 and 21.

In paragraph (c) we outline the procedures for selecting the sample size. The statistical formula that is referred to in paragraph (c) and detailed in the proposed regulatory text at Appendix C of the proposed regulation is a standard formula used for making inferences about a population (*i.e.*, for drawing conclusions about the State's outcomes).

In paragraph (c)(1), we require States with a sampling frame of 5,000 youth or less to use the Finite Population Correction (FPC), because the sample size will constitute a large proportion of the population. The FPC is used when sampling from a small population (*i.e.*, where the sample is five percent or more of the population), and will reduce the sampling error at the given level of confidence from the value calculated with the standard sampling error formula. In paragraph (c)(2), we require States with a sampling frame of more than 5,000 youth to use the standard sample size formula without the FPC shown, because the adjustment is unnecessary.

Regardless of the size of the State's sampling universe, the State must increase the resulting number by 30 percent to allow for attrition. Allowing for 30 percent attrition reflects the experience of many studies involving hard-to-track populations. However, the sample size must not exceed the total number of youth in the baseline population who participated in data collection at age 17. ACF acknowledges that, depending on the number of 17-year-olds in foster care in the State, the resulting sample may not be lower than the entire baseline population. Based on our example in Table 1 that appears at the end of the preamble, the vast majority of States can benefit from using sampling. We estimate that the sample sizes for all States will range from approximately 79 to 341 youth.

We believe that this approach will yield a statistically valid sample of 19 and 21 year olds that receive or have received Independent Living Services. We would expect that at least 25 percent of the sample either currently receives Independent Living Services or received these services in the past. We are interested in public comments on whether we have achieved this outcome.

#### Section 1356.85 Compliance

In this section we define the standards ACF will use to determine a

State's compliance with NYTD standards and our process for determining whether the State is in compliance with the standards.

*File Submission Standards.* In paragraph (a) we propose a set of file submission standards. These standards are minimal standards for timeliness, formatting and quality information that the State must achieve in order for us to process the State's data appropriately.

In paragraph (a)(1), we propose that the State must submit a data file according to the reporting periods and timeline (*i.e.*, within 45 days of the end of each six-month reporting period) as described in 45 CFR 1356.83(a) to be in compliance with the NYTD.

In paragraph (a)(2), we propose that a State send us its data file in a format that meets our specifications. At this time we cannot outline the exact transmission method and/or formatting requirements for the NYTD data as explained in the discussion on 45 CFR 1356.83(h). However, we anticipate that we will design the Federal NYTD system so that we will be able to process files that are submitted according to our specifications only. This is to eliminate any inefficiencies and additional costs associated with building and maintaining a Federal system that can read and/or process multiple file formats.

In paragraph (a)(3), we propose that the State submit 100 percent error-free data for the basic demographic elements described in 45 CFR 1356.83(g)(1) through (g)(5), (g)(14) and (g)(36) for every youth in the reporting population. These elements describe the State, reporting period, youth's record number, youth's date of birth, youth's gender, and whether the youth is in foster care. Errors are defined in paragraph (c) of this section and in general refer to elements that have missing or blank data, data that are outside the acceptable response options, or illogical or inconsistent responses.

We are requiring that States have no errors at all for these seven elements because they contain information that is readily available to the State and are essential to our capacity to analyze the data and determine whether the State is in compliance with the remaining data standards. For example, the youth's date of birth and foster care status is information that all States collect on the youth whom they serve and would typically have in their information system. These elements also allow us to determine whether the youth should be surveyed for outcomes as part of the baseline population because the youth is 17 years old and in foster care and whether the State has achieved the

foster care participation standard, which is discussed later in paragraph (b) below. Finally, based on our experience with AFCARS, we have found that problems in general elements such as these are often the result of minor errors at the State level that can be rectified easily. We therefore believe that a 100 percent compliance standard for these elements is appropriate.

*Data Standards.* In paragraph (b), we propose a set of data standards for the State to be in compliance with the NYTD requirements. These standards focus on the quality of the data that a State provides to us regarding a youth's demographic information, characteristics, services and outcomes. The data standards also are designed to ensure that a State is making significant efforts to collect and report outcome information for older youth.

In paragraph (b)(1), we propose to set a standard of 90 percent error-free data for the remaining data elements (45 CFR 1356.83(g)(6) through (g)(13), (g)(15) through (g)(35), and (g)(37) through (g)(60)). These elements are the remaining demographic, characteristics, services and outcome elements with the exception of those elements already described in paragraph (a). We are proposing a 90 percent error-free standard for these elements to ensure that we have an acceptable confidence level in the quality of information States submit to us.

We chose the 90 percent level for these remaining elements because it is consistent with the quality standard we have established for error data in AFCARS. Nonetheless, we considered setting different compliance levels for these elements so that select elements would have a lower error-free standard. Alternatively, we also considered allowing a certain number of elements (*e.g.*, 10 percent, or 5, of the remaining 53 elements) to fail the 90 percent standard before we considered a State out of compliance. We ultimately rejected these approaches because we have been careful to propose only those NYTD elements that we believe will provide us with the most essential information to meet the requirements in law and our program goals. Since we value each of these elements of equal importance we were compelled to require States to provide the same level of quality information in each element.

In paragraph (b)(2), we are requiring that States ensure that all youth whom the State reported to ACF as participating in the outcomes data collection at age 17 (or all 17-year-olds who participated and are sampled to be part of the follow-up population) are reported for their outcomes again in the

State's subsequent data submissions when the youth turns 19- and 21-years old. A youth is considered to have participated if the State collected and reported some information on one of the outcomes-related elements (see 45 CFR 1356.83(g)(38) through (60)). We are calling this the outcomes universe standard.

We are not requiring that the State obtain full outcomes information on the 19- and 21-year-olds if the youth declines or is otherwise unavailable, but rather that the State send us a record on these older youth that provides us with some outcome information or why the State was unable to collect outcome information on the youth.

This compliance standard is necessary so that we can determine accurately whether the State is meeting the outcomes participation standards (see discussion on paragraph (b)(3) below). Unless we hold States accountable for either providing outcome information for each young person or indicating why the State was unable to get this information, we would create a loophole in calculating the outcomes participation standard. For example, in the absence of this standard if a State were initially to report complete or partial outcome information on 100 17-year-old youth but only provide us with outcomes information for the 50 youth who the State was able to collect some outcomes information on in the follow-up sample at age 19, the State would appear to have met the outcomes participation standards (at a rate of 100%) when in fact the State did not. This is because we could only calculate the participation standard based on the information provided in the present year if we did not look back to the State's data file from two years prior.

In paragraph (b)(3) we propose that the State must meet two youth participation rate standards for the outcomes data collection. Again, a youth is considered to have participated in the outcomes data collection if the State has provided a valid response (i.e., a response other than "declined" or "not applicable") for at least one of the outcome-related data elements in 45 CFR 1356.83(g)(38) through (g)(60).

The first youth participation rate standard, which we are calling the foster care youth participation rate, relates to the State collecting and reporting to ACF outcome information on 19- and 21-year-old youth in the follow-up population that are in foster care at the time of outcomes collection. We are requiring that States report full or partial outcome information on 80 percent of these youth in foster care as

described in paragraph (b)(2)(i). The second youth participation rate standard, which we are calling the discharged youth participation rate, relates to the State collecting and reporting outcome information on 19- and 21-year-old youth in the follow-up population that are no longer in foster care at the time of outcomes collection. We are requiring that States report full or partial outcome information on 60 percent of these youth no longer in foster care as described in paragraph (b)(2)(ii). All youth who participated in the data collection at age 17 are considered part of the denominator and youth who participate at age 19 or 21 are part of the numerator in calculating the participation rates.

We are proposing a participation rate standard to encourage States to make significant efforts to track, locate, and obtain outcome information from youth. We acknowledge that the outcomes portion of the proposed NYTD is one of the more challenging for States to implement. Nonetheless, it is critical to our ability to understand how States are performing in operating independent living services programs and determine how youth who emancipate from foster care are faring.

We initially considered setting a standard based on the State making a successful contact with the youth rather than the youth's actual participation in the outcome survey. This approach seemed to work in favor of a State that was successful in tracking the youth and asking the youth to participate, but ultimately the youth chose not to respond to the survey. This approach would have given the State credit for its efforts to solicit the youth's participation. However, we were unsure how we could define or measure an appropriate contact in establishing a contact standard. In particular, we were uncertain how we could distinguish between States that made active and personal efforts to contact a youth by following up with individuals several times, versus those that engaged in more passive activities such as sending out mass e-mails or letters and awaiting a response.

After deciding on a participation rate, we were faced with how we could establish an appropriate standard. We chose to differentiate between youth in foster care versus those who have left foster care because we believed doing so would acknowledge the challenges in achieving youth's participation. For instance, we considered setting a single participation rate standard regardless of the youth's foster care status. However, we believe that those States with a larger number of older youth in foster

care would perform better in relation to a single standard than those States where most youth leave foster care at age 18 because those youth still in foster care are easier to locate. We also considered setting a participation standard based solely on the youth's age, but believe that this approach would have the same flaw as a single standard. Setting a higher standard for youth in foster care versus those who have left foster care best takes into account the fact that the State has to expend more effort to locate youth who have left foster care and that these youth may be less interested in discussing how they are faring with an agency that no longer has active involvement in their day-to-day care. States will already know where youth in foster care are located and should be engaging them on an ongoing basis in developing their case plans and preparing the youth for emancipation, so we believe that States should be more accountable for obtaining a youth in foster care's participation in the outcomes survey.

Next, we considered the level for the participation rates. To determine the appropriate level, we reviewed the response rates for outcome surveys of data collection on former foster youth and on similar hard-to-serve populations. We learned from that review that some researchers and program evaluators had obtained close to 90 percent participation from foster and former foster youth or hard-to-serve populations, while others have achieved only a 50 to 70 percent response rate. Furthermore, these response rates were often obtained with the help of a highly skilled and dedicated team of locators and interviewers who did not have other child welfare responsibilities. Since we expect that many States will incorporate the responsibility to track youth and engage youth in responding to the outcome survey into the work of caseworkers and service providers, we wanted to set a reasonable expectation for compliance. In balancing these interests, we determined that a rate of 80 percent for youth in foster care and 60 percent for those youth no longer in foster care was appropriately in line with the survey research but also met our need to have some confidence in the outcome information that States report to us.

Finally, we considered establishing initial participation rates that would rise as time passed and States became more adept at locating and engaging youth in participating in the outcome survey. Although we do not propose to have participation rates that increase over time in this NPRM, we are interested in comments on such an approach.

In paragraph (b)(3)(iii), we clarify how we will apply the outcomes youth participation rates to those States that choose to sample. We propose to apply the participation rates to the minimum sample size rather than on all 19- and 21-year-old youth from whom State attempts to collect outcome data. We believe this is a reasonable approach since we do not want to penalize States that chose to sample when we are offering sampling as an alternative.

For example, a State has 1,500 youth in its total follow-up population of 21-year-olds, none of whom is in foster care. The State's sample size is 300 (for the sake of this example only). The State reports full or partial outcomes information on 250 21-year-olds and reports that the remaining 50 youth in the sample could not be located, had declined, or were incapacitated. The State has surpassed the participation rate standard for discharged youth because the State was successful in reporting full or partial outcome information on more than 60 percent of the youth no longer in foster care based on its sample size, rather than its total possible follow-up population.

A State can only be determined out of compliance on either of the participation rates if the State has met the compliance standard for the outcomes universe. As stated above in the discussion on paragraph (b)(2), this is because we can determine the participation rates accurately only when the State has provided us with information on every youth in the outcomes universe. We welcome comments on the participation rates chosen.

**Errors.** In paragraph (c), we define further the concept of data in error. Error data is both a factor in the file submission standards described in paragraph (a) and data standards described in paragraph (b) above.

In paragraph (c)(1), we identify blank or missing responses as one component of error data. The elements as described in 45 CFR 1356.83(g) indicate when blank responses are acceptable. Blank responses should not be confused with an acceptable response that indicates that a youth has declined to respond to an outcomes-related element.

In general, blank responses are never acceptable in the general elements in 45 CFR 1356.83(g)(1) through (g)(5), which are the State, report date, record number, date of birth and gender of the youth. Blank responses are acceptable in the data elements that are collected on the served population if the State is reporting the youth in the baseline or follow-up population only. Similarly, blank responses are acceptable in the

data elements pertaining to the baseline and follow-up populations if the State is reporting the youth in the served population only (see Appendix A of the proposed regulation). Otherwise, a blank response indicates that the State has not provided a required response and will be subject to the compliance standards.

We want to note that for those readers who are familiar with the term "missing data" in AFCARS that the definition of blank or missing data is more limited here. AFCARS currently uses the term "missing data" to refer to blank responses and out-of-range responses (discussed below). We chose not to use a similar definition here to avoid the common confusion that only blank data is problematic.

In paragraph (c)(2), we identify out-of-range responses as another component of data in error. Out-of-range responses are those responses where the data provided does not match one of the valid responses or the response exceeds the possible range of responses. For example, we will consider that a State reporting that a youth has a date of birth that indicates that the youth is either 10 or 100 as out-of-range, as they both far exceed the credible ages of youth receiving services or being reported for outcomes. Also, if "yes," "no," or "not applicable," for a particular element are the only valid responses for an element, a response of "none" would be considered out-of-range.

In paragraph (c)(3) we identify inconsistent data as another component of data in error. Inconsistent data are those elements that fail internal consistency checks that are designed to evaluate the logical relationships between two or more elements within a single youth's record. We have chosen not to regulate the internal consistency checks so as to provide maximum flexibility to change them as needed. We will, however, notify States officially of the internal consistency checks.

We would like to note that based on our experience with AFCARS, we have found it useful to perform additional logical checks across the State's entire file, known as cross-file checks. For example, a State's data file that indicates that all youth for whom the State provided information in a reporting period are male, or all have the same date of birth, is likely to be erroneous. Although we have not proposed such cross-file checks as a factor of compliance in the NYTD, we welcome comments on incorporating cross-file checks into the error standard.

**Review for compliance.** In paragraph (d), we describe our process for reviewing a State's data file for

compliance with the aforementioned standards. Although we anticipate having an automated system that will assess a State's compliance and quickly identify the errors in a State's data file, we are not confining ourselves to any particular system at this point.

In subparagraph (d)(1)(i), we propose that as long as the State is in compliance with the file submission standards, ACF will continue to assess the remaining file for compliance with the data standards. In subparagraph (d)(1)(ii), we propose to notify the State if the State has not met the file submission standards so that the State can submit corrected data (described further in the next section). As mentioned in the discussion on paragraph (a), a State must meet the file submission standards for us to make an accurate determination of compliance with the data standards. We will also notify the State if the State has not met the data standards.

In paragraph (d)(2), we propose that ACF may use other monitoring tools that are not explicitly mentioned in regulation to determine whether the State meets all requirements of the NYTD. For example, we may in the future wish to conduct onsite reviews to ensure proper data mapping or provide other technical assistance to ensure valid NYTD data. We have used this approach in AFCARS by conducting onsite assessment reviews of a State's process to submit AFCARS data.

Through these assessment reviews we have found that States may be in compliance with the AFCARS data standards, but not in compliance with all the AFCARS requirements. For example, through the automated AFCARS, we cannot determine whether the State is submitting the entire or the correct reporting population. But through the assessment reviews, we have been able to provide States with technical assistance on how to meet all aspects of the AFCARS requirements. Regarding the AFCARS review process, we have often heard from States that the onsite activities are beneficial and provide the State with valuable technical assistance. Therefore, we want to reserve our ability to conduct other monitoring activities for NYTD.

**Submitting corrected data and noncompliance.** In paragraph (e), we outline a State's opportunity to correct any data that does not meet the compliance standard. We are proposing that States have an opportunity to correct their data file prior to our making a final determination on whether the State is in compliance with the standards. Providing this opportunity is consistent with our

current policy in implementing existing child and family services programs under titles IV–B and IV–E of the Social Security Act. The Department is encouraging continuous improvement in those programs by allowing noncompliant States a period of corrective action prior to taking penalties. We also have taken this approach in AFCARS even though we are not taking AFCARS penalties currently.

States have responded well to this strategy by refocusing their efforts on addressing the problems that affect noncompliance. The Department believes that this strategy of continuous improvement also is essential to promoting strong State–Federal partnerships while ensuring accountability in meeting Federal requirements. Finally, we anticipate making technical assistance available to States, to the extent possible, during the period of corrective action.

In paragraph (e)(1), we propose that a State will have until the end of the subsequent reporting period to submit a corrected data file. Expressed another way, a State will have four and a half months to correct their data file from the reporting period deadline in which the State's data did not meet the standards. We believe this period is sufficient because the type of problems that cause noncompliance typically do not require extensive and time-consuming efforts for States to correct. Also, we want to ensure that the information that States submit is recent and do not wish to encourage delays in providing the NYTD information.

The State need not develop an actual corrective action plan that outlines how the State plans to comply with the data standards, as is required in other program improvement efforts in child welfare (i.e., Child and Family Service Reviews and Title IV–E Eligibility Reviews). We believe that an actual plan is not necessary in this case as we anticipate that the Federal system will identify the errors that caused the State to be in noncompliance. Furthermore, because the period in which a State may submit data is relatively short, we believe that engaging in a process to develop an action plan and seek ACF approval will only reduce the amount of time the State has to make actual improvements that may bring the State into compliance with the standards.

In paragraph (e)(2) we propose to make a final determination that a State is out of compliance if a State's corrected data file does not meet the compliance standards. Similarly, we will determine that a State that chooses not to submit a corrected data file or

submits a corrected data file late is out of compliance. This final determination of noncompliance means that the State will be subject to the penalties described in section 1356.86. Although States that submit their corrected data late will be subject to penalties we are interested in receiving this information. However, we believe that even late data will help shape the national picture of independent living services and youth outcomes.

#### *Section 1356.86 Penalties for Noncompliance*

In this section we propose a penalty structure for those States that are out of compliance with the NYTD standards following an opportunity to submit corrected data. We are proposing a penalty structure consistent with section 477(e)(2) of the Act, which requires the Secretary to assess a penalty against a State that fails to comply with the NYTD data requirements.

*Definition of Federal funds subject to a penalty.* In paragraph (a), we define which funds will be subject to a penalty for a State that ACF determines is out of compliance with the data standards.

We propose that the funds subject to a penalty are the State's annual allotment of CFCIP funds for the fiscal year that corresponds with the reporting period in which the State was required originally to submit the data. The State's total CFCIP funds include any allotted or re-allotted funds for the general CFCIP program and the education and training voucher program.

Section 477(e)(2) of the Act is ambiguous as to which fiscal year should be penalized due to a State's noncompliance. We chose to penalize the year in which the State's original submission was required because we believed it was simpler for States and ACF to estimate the potential penalty amount should the State not achieve compliance. The penalty amount actually will be withheld from the current fiscal year award of the general CFCIP and education and training voucher program funds.

For example, a State submits data for the second reporting period in FY 2008 by November 14, 2008 that does not meet the compliance standards. The State submits a corrected data file by the end of the subsequent reporting period, March 31, 2009 that does not meet the compliance standards either. ACF makes a final determination that the corrected data file is out of compliance with the data standards and notifies the State in April 2009. The funds that will be subject to a penalty are the State's allotment of FY 2008 funds. As can be

seen from this example, the date that the State submits a corrected but non-compliant data file and the date of ACF's final determination that the State is not in compliance are irrelevant for the purposes of determining which Federal fiscal year of funds are subject to a penalty.

*Assessed Penalty Amounts.* In paragraph (b), we propose the specific penalty structure for States that fail the file submission and data standards. The statute at section 477(e)(3) of the Act requires that we implement a penalty structure that ranges between one and five percent of the State's annual CFCIP allotment. The law also requires us to take into account the degree of a State's noncompliance with the NYTD requirements. In meeting these requirements, we are proposing to base penalties on how a State performs with regard to the compliance standards for each six-month reporting period at penalty levels that reflect the relative importance of each compliance standard to the objectives of the NYTD. The discussion on paragraph (d) below goes into more detail on how we calculate a State's penalty amount.

In paragraph (b)(1), we propose a 2.5 percent penalty against the State's CFCIP annual funds for a State that does not meet the file submission standards per reporting period. We are assessing the largest possible penalty (for the reporting period) for not achieving any one of the file submission standards because we will not have useable information in a timely fashion for the reporting period. As noted in the previous section on compliance, if a State's data does not comply with file submission standards we will not process the State's data file any further to determine if the State is in compliance with the data standards. In large part, this is because we cannot trust the reliability of this data. We believe that assigning the largest possible penalty amount for not meeting the file submission standards is an appropriate incentive for States to submit data to us each reporting period.

We are proposing 2.5 percent because we are constrained by the statute to keep the penalty level between one and five percent of the State's annual CFCIP funds (see section 477(e)(2) of the Act). If the State fails to achieve the file submission standards for both reporting periods in a year, then the State will receive the maximum allowed penalty by law, five percent of their annual CFCIP allotment. We considered assessing the maximum five percent penalty for a State's failure to meet the file submission standards in one reporting period in the year because of

the importance that we attach to receiving useable data. However, we did not want to create a disincentive for States to submit information in the subsequent reporting period. For example, if we were to set the penalty at five percent for a State not achieving the file submission standard in the first reporting period, the State could opt to not submit data at all for the subsequent reporting period in the year with no consequences.

In paragraph (b)(2), we propose penalty amounts for a State's noncompliance with the data standards. Unlike the file submission standards, where failure on any one of the three standards for timely data, format and error-free information results in a single large penalty, we are proposing to assess penalties for the data standards for each specific compliance issue. This is in large part because some of the data standards are inapplicable in certain years, so assessing a single penalty amount for any failure to comply with a single data standard may not take into account the extent of noncompliance as is required by law. For example, if we were to have a single penalty for failure to comply with any data standard, a State that failed to comply with the error-free standard only in year two of implementation when we require only services information would be penalized for the same amount as a State that failed to comply with the error-free, foster care youth and discharged youth participation rate standards in year three of implementation.

In subparagraph (b)(2)(i), we propose a 1.25 percent penalty should a State fail to achieve the standard for error-free data in 45 CFR 1356.85(b)(1). Since States submit at least some of the data elements (i.e., demographics, characteristics and services) that are assessed for compliance with the error-free data standard every reporting period each year, a State that fails to comply with this standard may be assessed a penalty each reporting period.

We have assigned a significant penalty amount to the error-free compliance standard because we believe that quality data is very important. In many cases, a State will be out of compliance with this standard because of simple data entry errors. These errors can often be avoided or overcome by thoroughly training State staff who input data and closely adhering to the data element descriptions and response options proposed in this regulation. Moreover, we have provided States with 45 days between the end of the reporting period and the time when the

data file is due to us to review their data for these errors. We believe, therefore, that a relatively high penalty is warranted to encourage States to take all necessary steps to provide quality data.

In paragraph (b)(2)(ii), we propose a 1.25 percent penalty for a State's noncompliance with the outcomes universe standard. As this compliance standard is only applicable in years when a State must submit data on the follow-up population of 19- and 21-year-olds, this penalty can be assessed only in those years.

We determined that a relatively high penalty amount for noncompliance with the outcomes universe standard was appropriate because it is assessed when a State has failed to provide a minimal amount of information on the 19- and 21-year-olds that we are requiring States to follow. As stated earlier in the discussion on this compliance standard (45 CFR 1356.85(b)(2)), we are simply requiring here that a State indicate whether the State is reporting full or partial outcome information on the youth, or why the State was unable to obtain the information. Since providing this information for all youth in the follow-up population requires a modicum of effort on the part of the State in comparison to the other outcome-related compliance standards, we believe a large penalty is warranted.

We are also limited by the statutory maximum penalty of five percent in proposing an appropriate penalty level for a State's failure to comply with the outcomes universe. Since a State may be out of compliance with the outcomes universe standard as well as the error-free standard (1.25 percent), the maximum penalty level we could choose in accordance with the law is 1.25 percent for the reporting period.

In paragraph (b)(2)(iii), we propose a 0.5 percent penalty for a State's noncompliance with the foster care youth participation rate. We could assess this penalty in any year in which the State is required to submit outcome data on the baseline population and may assess the penalty in a year in which the State is required to submit outcome data on the follow-up population, depending on whether there are 19- and 21-year-olds in foster care.

In paragraph (b)(2)(iv), we propose a 0.5 percent penalty for a State's noncompliance with the discharged youth participation rate. We can assess this penalty only in a year in which the State is required to submit outcome data on the follow-up population of 19- and 21-year-olds.

The penalties for noncompliance with either the discharged youth or foster care youth participation rates can only

be assessed when the State meets the outcomes compliance standard, as explained in the discussion on 45 CFR 1356.85(b)(3).

We chose a 0.5 percent penalty, which we consider to be a relatively small penalty amount, for both participation rates for a number of reasons. First, we acknowledge that collecting outcome data directly from youth is the most challenging aspect of the proposed NYTD. Specifically, since collecting outcome data entails keeping track of youth over time (at least for the follow-up population) and soliciting the voluntary participation of the youth, we do not want to penalize States harshly given these challenges. At the same time we want to encourage States to collect outcomes information diligently, so we considered a modest penalty—rather than no penalty—appropriate.

Second, the amount of the penalty had to be small enough so that in combination with other potential penalties, the maximum penalty would not be exceeded for the Federal fiscal year (5 percent). Since a State could be in noncompliance with the error-free data (1.25 percent), foster care youth participation (0.5 percent) and discharged youth participation standards (0.5 percent), the maximum penalty for each reporting period for a State in noncompliance on all three would be 2.25 percent. We considered assigning penalty levels for the participation rates that would total 2.5 percent for the reporting period if a State was out of compliance with all the data standards, but chose not to avoid having penalty amounts that were less than 0.5 percent.

Third, we wanted to ensure that we did not create a disincentive for a State to obtain youth outcome information in light of the other penalties related to outcomes. That is, we wanted to ensure that the penalties for failing to meet the participation rates did not exceed the penalties for a State failing to submit data on the outcomes universe. For example, a State that does not report outcome information or why the State did not obtain outcome data for each youth in the follow-up population will receive a larger penalty (1.25 percent) per reporting period, than a State that provides information on all youth in the follow-up population but fails to achieve both participation rates (1.0 percent) in a reporting period.

We thought of proposing incentives to States to meet file submission and data standards in the form of a prospective penalty reduction for meeting certain data standards. This would further encourage States to comply with the data requirements. Since we understand

that collecting data in accordance with the proposed requirements will represent a challenge to States, we wanted to explore avenues to encourage States to comply. Although participants in the consultation process did not mention incentives specifically, our experience with AFCARS and other Child and Family Services Programs indicate that States are very interested in incentives that encourage desired behavior. Our initial thinking had been to propose a one percent prospective penalty reduction for a State that complies with all of the file submission and data standards in 45 CFR 1356.85 in a single fiscal year. We also contemplated proposing a prospective penalty reduction of 0.5 percent for a State that meets the file submission standards and the data submission standard for error-free data as defined in 45 CFR 1356.85(b)(1) in a single fiscal year. We ultimately decided that the penalty amounts are rather small given the size of the Chafee allotments. Furthermore, it would be too complex to implement an "incentive" that would also be rather small in amount at the same time we were implementing a complicated penalty scheme. However, we are interested in comments on the idea.

*Calculation of the Penalty Amount.* In paragraph (c), we explain how we will take into account the assessed penalties in determining a final amount of a State's penalty for noncompliance with the file submission or data standards. We propose to add all applicable assessed penalties in calculating the State's penalty amount for the reporting period. In the event that a State is in noncompliance in any reporting period in a Federal fiscal year and the total penalty amount would be less than one percent of the State's annual CFCIP funds, we propose to penalize the State one percent for the year.

We have set this minimum penalty of one percent for the year in accordance with the statutory minimum in section 477(e)(2) of the Act, which requires that the penalty structure range from one to five percent of the State's annual CFCIP funds. Since we have chosen to base penalties on a State's level of compliance for each reporting period, there may be situations in which the State's assessed penalty is less than one percent for the first reporting period. In that situation, we will determine that the State's penalty amount is one percent of the State's annual CFCIP for that first reporting period. Should the State also be in noncompliance with any standard in the subsequent reporting period in the Federal fiscal year, we will not penalize the State more than the

actual calculated penalty amount for the fiscal year.

For example, a State is out of compliance with the discharged youth participation rate only in the first reporting period of a fiscal year, which carries a 0.5 percent penalty for the reporting period. ACF will notify the State that the State's penalty for the first reporting period is one percent given the minimum penalty exception. In the second reporting period of the same fiscal year, the State is out of compliance with the error-free data standard only, which carries a 1.25 percent penalty for the reporting period. ACF will notify the State that the State's penalty is 0.75 percent for the second reporting period. This is because the State's total assessed penalty for the fiscal year is 1.75 percent, of which the State's allocation has already been reduced by one percent for the first reporting period. If the same State was in compliance with all standards in the second reporting period, the one percent minimum that the State's allocation was reduced by in the first reporting period would stand.

*Notification of penalty amount.* In paragraph (d), we propose to notify States officially of our final determination that the State is out of compliance with the file submission or data standards following an opportunity for corrective action. This notification will contain the calculated penalty amount for noncompliance.

*Interest.* In paragraph (e), we propose that a State be liable for applicable interest on the amount of funds we penalize, in accordance with the regulations at 45 CFR 30.13. This proposal to collect interest is consistent with Department-wide regulations and policy on collecting on debts owed to the Federal government.

*Appeals.* In paragraph (f), we propose to provide the State with an opportunity to appeal a final determination that the State is out of compliance and any resulting penalties to the HHS Departmental Appeals Board (DAB). Since the law does not require any unique appeal rights or time frames regarding NYTD requirements, all appeals must follow the DAB regulations in 45 CFR part 16.

#### Appendix A to Part 1356

The table in Appendix A of the proposed regulation outlines all of the data elements described in 45 CFR 1356.83(g) and the response options. The numbering of data elements in Appendix A corresponds with the paragraph numbers of each data element identified in section 1356.83(g). As is discussed in 45 CFR 1356.83(h), ACF

will provide details of the acceptable format requirements at a later date.

#### Appendix B to Part 1356

The table in Appendix B of the proposed regulation presents the questions the State must use in collecting outcome information on youth in the baseline and follow-up populations. The table shows the data element (reflecting the element name in Appendix A of the proposed regulation), the question to elicit the information, and the definition of the data element and terms used in the question. The table is divided into two parts; the first part, subtitled "Information to Collect from All Youth Surveyed for Outcomes, Whether in Foster Care or Not," contains questions for all youth in the baseline and follow-up populations. The second part, subtitled "Additional Information to Collect from Youth Out Of Foster Care," contains questions that are not applicable for youth still in foster care, and should only be asked of young people in the follow-up population who are no longer in foster care.

As was discussed earlier in the discussion on the data elements in 45 CFR 1356.83(g), there are several questions that are phrased in two different ways; one way to elicit responses from 17-year-olds on their lifetime experiences, and another to elicit responses from 19- and 21-year-olds, on their experiences in the past two years. The State may find it easier to design several different surveys that are specific to the youth's age and foster care status that contain the applicable questions only.

Finally, we designed the questions to be understood easily by both the interviewer and/or the youth interviewed. Many of these questions were pilot tested with both caseworkers and youth. In the tests, the interviews were brief and the young people responded favorably to the questions.

#### Appendix C to Part 1356

Appendix C of the proposed regulation presents the formulas the State must use in calculating the number of youth to select into a random sample for the purposes of collecting information from the follow-up population. These formulas are standard and commonly used for this purpose. Two formulas are presented, one for a State where the number of interviewed 17-year-olds is 5,000 or less and one for a State where the number of interviewed 17-year-olds is more than 5,000. The formula for the smaller population requires the Finite Population Correction (FPC) to reduce the sampling

error. The formula for the larger population does not require the FPC because the sampling error does not need to be reduced.

For example, a large State has approximately 6,500 17-year-old youth in foster care according to their

AFCARS data on September 30, 2003. This State will not need to apply the FPC in determining their sample size because they have a sampling frame of over 5,000 youth. The State's sample size is 339. Alternatively, a State with a smaller youth population of 1,200 17-

year-olds in foster care will use the FPC to determine their sample size, because the State has a sampling frame of less than 5,000 youth. This State's sample size is 288.

#### V. Charts and Tables

CHART 1.—OUTCOMES AND RELEVANT DATA ELEMENTS

| Outcome measure  | Relevant data elements   |
|--|--|
| Outcome 1: Increase young people's financial self-sufficiency .....                | Current full-time employment, Current part-time employment, Employment-related skills, Social Security, Education financial assistance, Public financial assistance, Food assistance, Housing assistance, Other support. |
| Outcome 2: Improve young people's educational (academic or vocational) attainment. | Highest educational certification received, Current enrollment/attendance.   |
| Outcome 3: Increase young people's positive connections with adults ..             | Connection to adult.   |
| Outcome 4: Reduce homelessness among young people .....                            | Homelessness.  |
| Outcome 5: Reduce high-risk behavior among young people .....                      | Substance abuse referral, Incarceration, Children, Marriage at child's birth.  |
| Outcome 6: Improve young people's access to health insurance .....                 | Medicaid, Other health insurance coverage, Health insurance type.  |

TABLE 1.—EXAMPLE OF STATE SAMPLE SIZES

| State             | Number of 17-year-olds | Minimum sample size |
|-------------------|------------------------|---------------------|
| Alabama .....     | 466                    | 223                 |
| Alaska .....      | 96                     | 92                  |
| Arizona .....     | 581                    | 241                 |
| Arkansas .....    | 266                    | 175                 |
| California .....  | 7,678                  | 341                 |
| Colorado .....    | 787                    | 263                 |
| Connecticut ..... | 501                    | 229                 |
| Delaware .....    | 79                     | 79                  |
| Dist of Col ..... | 157                    | 130                 |
| Florida .....     | 1,465                  | 298                 |
| Georgia .....     | 833                    | 267                 |
| Hawaii .....      | 181                    | 142                 |
| Idaho .....       | 103                    | 97                  |
| Illinois .....    | 1,189                  | 288                 |
| Indiana .....     | 573                    | 240                 |
| Iowa .....        | 669                    | 251                 |
| Kansas .....      | 503                    | 230                 |
| Kentucky .....    | 717                    | 256                 |
| Louisiana .....   | 380                    | 206                 |
| Maine .....       | 238                    | 165                 |
| Maryland .....    | 794                    | 263                 |
| Massachusetts ..  | 1,237                  | 290                 |

TABLE 1.—EXAMPLE OF STATE SAMPLE SIZES—Continued

| State                | Number of 17-year-olds | Minimum sample size |
|----------------------|------------------------|---------------------|
| Michigan .....       | 1,725                  | 305                 |
| Minnesota .....      | 813                    | 265                 |
| Mississippi .....    | 179                    | 141                 |
| Missouri .....       | 843                    | 267                 |
| Montana .....        | 117                    | 107                 |
| Nebraska .....       | 755                    | 260                 |
| Nevada .....         | 159                    | 131                 |
| New Hampshire .....  | 104                    | 98                  |
| New Jersey .....     | 789                    | 263                 |
| New Mexico .....     | 111                    | 103                 |
| New York .....       | 2,824                  | 322                 |
| North Carolina ..... | 640                    | 248                 |
| North Dakota .....   | 122                    | 110                 |
| Ohio .....           | 1,608                  | 302                 |
| Oklahoma .....       | 476                    | 225                 |
| Oregon .....         | 466                    | 223                 |
| Pennsylvania .....   | 2,063                  | 312                 |
| Rhode Island .....   | 269                    | 176                 |
| South Carolina ..... | 420                    | 215                 |
| South Dakota .....   | 92                     | 90                  |
| Tennessee .....      | 1,107                  | 284                 |
| Texas .....          | 1,411                  | 296                 |

TABLE 1.—EXAMPLE OF STATE SAMPLE SIZES—Continued

| State              | Number of 17-year-olds | Minimum sample size |
|--------------------|------------------------|---------------------|
| Utah .....         | 224                    | 160                 |
| Vermont .....      | 198                    | 149                 |
| Virginia .....     | 835                    | 267                 |
| Washington .....   | 457                    | 222                 |
| West Virginia .... | 439                    | 218                 |
| Wisconsin .....    | 590                    | 242                 |
| Wyoming .....      | 153                    | 128                 |
| Puerto Rico .....  | 329                    | 194                 |
| Totals .....       | 39,811                 | 11,088              |

This table shows potential sample sizes based on the number of 17-year-olds in foster care. We calculated the total number of 17-year-olds from AFCARS data by summing: (1) the number of 17-year-olds who were in foster care as of September 30, 2004; and, (2) the number of 17-year-olds who had exited foster care during the previous six months.

CHART 2.—OVERVIEW OF THE PROPOSED NYTD

|   | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|---|--------|--------|--------|--------|--------|
| A State will report semi-annually on all youth receiving independent living services (the served population) and the demographic characteristics of those youth. This includes youth in foster care and those who have aged out of foster care and are still receiving services ..... | X      | X      | X      | X      | X      |
| In Year One and every three years, the State will collect and report on the outcomes of all 17 year olds in foster care who complete a survey (the baseline population) .....   | X      | .....  | .....  | X      | .....  |
| In Year Four, the State will collect outcomes on a new cohort of 17 year olds in foster care  | .....  | .....  | X      | .....  | .....  |
| In Year Three, the State will again collect and report on the outcomes of the first cohort of youth from Year One at age 19 (the follow up population) .....  | .....  | .....  | .....  | .....  | .....  |
| In Year Six (not shown) the State will collect and report on the outcomes for the second cohort of 17 year old youth who are 19   | .....  | .....  | .....  | .....  | .....  |
| In Year Five, the State will collect and report on the outcomes of the Year One cohort of 17 year old youth who are now 21 years old (the follow up population) .....   | .....  | .....  | .....  | .....  | X      |
| In Year Eight (not shown) the State will collect and report outcomes data for the second cohort of youth who are now 21 years old   | .....  | .....  | .....  | .....  | .....  |

## VI. IMPACT ANALYSIS

### Executive Order 12866

Executive Order 12866 requires that regulations be drafted to ensure that they are consistent with the priorities and principles set forth in the Executive Order. The Department has determined that this proposed rule is consistent with these priorities and principles. In particular, we have determined that a regulation is the best and most cost-effective way to implement the statutory mandate for a data collection system to track the independent living services States provide to youth and develop outcome measures that may be used to assess State performance.

We have determined that the costs to the States as a result of this rule will be minor. Many of the costs that States incur as a result of NYTD may be eligible for Federal financial participation at the 50% rate depending on whether the costs to develop and implement the NYTD are allowable costs under a State's approved planning document for SACWIS. States may also use their allotment of Federal Chafee funds to implement NYTD. Additional

costs to the Federal government to develop and implement a system to collect NYTD data are expected to be minimal.

#### Regulatory Flexibility Analysis

The Secretary certifies under 5 U.S.C. 605(b), as enacted by the Regulatory Flexibility Act (Pub. L. 96-354), that this rule will not result in a significant impact on a substantial number of small entities. This proposed rule does not affect small entities because it is applicable only to State agencies that administer child and family services programs and the title IV-E CFCIP program.

#### Unfunded Mandates Reform Act

The Unfunded Mandates Reform Act (Pub. L. 104-4) requires agencies to prepare an assessment of anticipated costs and benefits before proposing any rule that may result in an annual expenditure by State, local, and tribal governments, in the aggregate, or by the private sector, of \$100,000,000 or more (adjusted annually for inflation). This proposed rule does not impose any mandates on State, local or tribal governments, or the private sector that

will result in an annual expenditure of \$100,000,000 or more.

#### Paperwork Reduction Act

Under the Paperwork Reduction Act (Pub. L. 104-13), all Departments are required to submit to OMB for review and approval any reporting or record-keeping requirements inherent in a proposed or final rule. This NPRM contains information collection requirements in sections 1356.82 and 1356.83 that the Department has submitted to OMB for its review. The respondents to the information collection in this proposed rule are State agencies.

The Department requires this collection of information to address the data collection requirements of the John H. Chafee Foster Care Independence Program. Specifically, the law requires the Secretary to track youths' demographic characteristics and independent living services provided and to develop outcome measures that can be used to assess the performance of States in operating independent living programs.

The following are estimates:

| Instruments:                       | Number of respondents | Number of responses per respondent | Average burden per response | Total burden hours |
|------------------------------------|-----------------------|------------------------------------|-----------------------------|--------------------|
| 1. NYTD .....                      | 52                    | 2                                  | 1,580 hours                 | 164,360            |
| 2. NYTD Youth Outcome Survey ..... | 23,903                | 1                                  | 0.25 hours                  | 5,976              |
| <b>TOTAL .....</b>                 | .....                 | .....                              | .....                       | <b>170,336</b>     |

This information collection will be comprised of:

(1) The State's submission to ACF of two-semi-annual data files that contain information on all data elements regarding youth services, demographics, characteristics and outcomes. A State will collect this information on an ongoing basis. The total annual burden will vary from year to year; the burden will be lower in years in which States do not have to collect information on youth outcomes. Years in which a State must expend effort to track or maintain contacts with youth as they age from 17 years old through 21 will have the highest total burden hours; and,

(2) A survey composed of up to 19 questions on youth outcomes (that correspond with 19 data elements in the first instrument) to be completed by youth in the baseline and/or follow-up populations.

#### Determining Burden Estimates for the NYTD

Using AFCARS data and interviews with States, we estimated that the

average number of youth per State who receive independent living services annually is 2,518. This figure is based on estimates that include only children 14 and above (because it was determined unlikely that younger children would be receiving independent living services); an estimate that 50% of children ages 14-15 will be served based on interviews with States; and an estimate that 90% of youth in foster care ages 16 and higher will be served, again based on interviews with States. This number also includes estimates of the number of youth formerly in a State's foster care system who received or are receiving independent living services as well as eligible youth who were never in the State's foster care system (these youth may have been in foster care in another State).

Based on these and other sources, we estimate that the average amount of staff time per youth to collect and record services, demographic and characteristics data will be 30 minutes

per youth per reporting period. This estimate is based on a pilot test, and on experience with AFCARS and other data systems.

States will collect and report outcomes information on the youth at three specific intervals: on or about the youth's 17th birthday while the youth is in foster care; on or about the youth's 19th birthday; and again on or about the youth's 21st birthday. The data collection for 19 and 21-year-olds will include only those youth who participated in data collection at age 17 while in foster care, even if they are no longer in the State's foster care system or receiving independent living services at age 19 and 21.

We used AFCARS data to determine that there will be, on average, approximately 766 youth annually per State in the baseline population of 17-year-olds in foster care. We expect it will take a State worker approximately one quarter hour to collect and report outcome data. We expect that States will collect and report outcome data on approximately 80% of the 19- and 21-

year-olds in the follow-up population (on average 613 youth per State).

In order to determine the total burden hours per respondent, we include the number of hours it will take States to track the whereabouts of these youth at age 19. We do not build into the calculation the burden of tracking the 17-year-olds because we expect States to know the whereabouts of the 17-year-olds since they will still be in foster care. We estimate it will take approximately a total of two hours of staff time per youth to keep track of the youth's whereabouts over the two-year period.

In order to determine the average State burden (hours) per response we added the number of hours it would take for the State to collect and report on each youth expected to receive services in each of the first three years, the number of hours it would take for the State to survey each youth for outcomes over the same three year period and the number of hours it would take for the State to track the whereabouts of the young people for outcomes during the same time-period. We averaged the result, 4,563 hours, over the three years to conclude an estimated average burden per response of 1,521 hours.

*Determining burden estimates for the NYTD Youth Outcomes Survey*

Using AFCARS information and interviews with States, we estimated

there will be approximately 766 17-year-olds in the baseline population in each State who will respond to the NYTD Youth Outcomes Survey. We expect States will survey approximately 80% of these youth again at age 19 (approximately 613 youth per State). There are a total of 19 questions on the survey that elicit information from a youth on his/her outcomes. All of the information needed to complete the survey is readily accessible to the youth, because it primarily covers the youth's own experiences and current situation. For the most part these questions have simple yes or no answers. A State may present the survey to youth in several different ways *i.e.*; via the internet, by phone, via the mail or in person at the youth's home or the agency's offices. We estimate however it is presented, it will take no more than one quarter hour to complete the survey based on the number of questions involved and the accessibility to the youth of the answers. We estimate the total number of respondents in Year 1 will be 39,832 ( $766 \times 52$ ). We estimate the total burden hours will be 9,958 in Year 1 when youth in the baseline population complete the survey ( $39,832 \times 0.25$ ). We estimate the total number of respondents in Year 3 will be 31,876 ( $613 \times 52$ ) when 19 year-old members of the follow-up population complete the survey. We estimate the total burden hours will be 7,969 in Year 3. This is an over-estimate given the fact that many

States may choose to survey a sample of 19-year-olds. These States will have fewer young people who must complete the survey at age 19.

*NYTD Three-Year Timeline*

Year One—A State will report on all youth receiving independent living services and the demographic characteristics of those youth. All 17-year-olds in foster care (the baseline population) who opt to will complete the NYTD Youth Outcome Survey. A State will collect and report the outcomes data from the survey for the baseline population.

Year Two—A State will report on all youth receiving independent living services and the demographic characteristics of those youth. There will not be any information collected or reported on outcomes in this year.

Year Three—A State will report on all youth receiving independent living services and the demographic characteristics of those youth. Youth in the State who were in the cohort of 17-year-olds who are now 19 years old (the follow-up population) will complete the NYTD Youth Outcomes Survey. A State will collect and report the outcomes data.

The following table summarizes the phase-in period and the reporting that will be required in each fiscal year of the first five years that NYTD is operational:

| Required reporting | All youth receiving services and their characteristics | 17-year-olds in foster care for outcomes | 19-year-olds for outcomes | 21-year-olds for outcomes |
|--------------------|--|--|---------------------------|---------------------------|
| Year 1 .....       | A. X   | B. X                                     |                           |                           |
| Year 2 .....       | C. X   |  |                           |                           |
| Year 3 .....       | D. X   |  |                           |                           |
| Year 4 .....       | F. X   |  | E. X                      |                           |
| Year 5 .....       | H. X   | G. X                                     |                           | I. X                      |

The Administration for Children and Families is particularly interested in comments by the public on this proposed collection of information in the following areas:

- Evaluating whether the proposed collection(s) is [are] necessary for the proper performance of the functions of ACF, including whether the information will have practical utility;
- Evaluating the accuracy of the ACF's estimate of the burden of the proposed collection[s] of information, including the validity of the methodology and assumptions used;
- Enhancing the quality, usefulness, and clarity of the information to be collected; and

- Minimizing the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technology, *e.g.*, permitting electronic submission of responses.

- Estimates or examples of actual State costs for the collection of information, particularly as it relates to conducting youth outcome surveys, tracking youth who will and have left foster care, and collecting data on services.

OMB is required to make a decision concerning the collection of information contained in these proposed regulations between 30 and 60 days after

publication of this document in the **Federal Register**. Therefore, a comment is best assured of having its full effect if OMB receives it within 30 days of publication. This does not affect the deadline for the public to comment to the Department on the proposed regulations. Written comments to OMB for the proposed information collection should be sent directly to the following: Office of Management and Budget, Paperwork Reduction Project, 725 17th Street, NW., Washington DC 20503, Attention: Desk Officer for the Administration for Children and Families.

### Congressional Review

This regulation is not a major rule as defined in 5 U.S.C. Chapter 8.

### Assessment of Federal Regulations on Policies and Families

Section 654 of the Treasury and General Government Appropriations Act of 1999 requires Federal agencies to determine whether a proposed policy or regulation may affect family well-being. If the agency's determination is affirmative, then the agency must prepare an impact assessment addressing criteria specified in the law. These proposed regulations will have an impact on family well-being as defined in the legislation by tracking independent living services provided to youth, developing outcome measures, and assessing a State's performance in operating an independent living program. We expect that States will be able to improve their programs for youth in foster care based on an understanding of how their services affect youth outcomes through this data, which will lead to positive influences on the behavior and personal responsibility of youth.

### Executive Order 13132

Executive Order 13132 on Federalism requires that Federal agencies consult with State and local government officials in the development of regulatory policies with Federalism implications. Consistent with Executive Order 13132, we specifically solicit comment from State and local government officials on this proposed rule.

### List of Subjects in 45 CFR Part 1356

Adoption and Foster Care.

(Catalog of Federal Domestic Assistance Program Number 93,658, Foster Care Maintenance)

Dated: October 25, 2005.

**Wade F. Horn,**  
Assistant Secretary for Children and Families.

Approved: March 24, 2006.

**Michael O. Leavitt,**  
Secretary.

**Editorial Note:** This document was received in the Office of the Federal Register June 30, 2006.

For the reasons set forth in the preamble, 45 CFR part 1356 is proposed to be amended as follows:

## PART 1356—REQUIREMENTS APPLICABLE TO TITLE IV-E

1. The authority citation for part 1356 continues to read as follows:

**Authority:** 42 U.S.C. 620 *et seq.*, 42 U.S.C. 670 *et seq.*; 42 U.S.C. 1302.

2. Sections 1356.80 through 1356.86 and Appendix A to Part 1356 are added to read as follows:

### § 1356.80 Scope of the National Youth in Transition Database.

The requirements of the National Youth in Transition Database (NYTD) §§ 1356.81 through 1356.86 of this part apply to the agency in any State, the District of Columbia, or Territory, that administers the Chafee Foster Care Independence Program (CFCIP) under section 477 of the Social Security Act (the Act).

### § 1356.81 Reporting population.

The reporting population is comprised of all youth in the following categories:

(a) *Served population:* Each youth who received independent living services paid for or provided by the State agency during the reporting period.

(b) *Baseline population:* Each youth who is in foster care as defined in section 1355.20 of this part and reaches his or her 17th birthday during a specified Federal fiscal year.

(c) *Follow-up population:* Each youth who reaches his or her 19th or 21st birthday in a Federal fiscal year and had participated in data collection as part of the baseline population, as specified in § 1356.82(a)(2) of this part. A youth has participated in the outcomes data collection if the State agency reports to ACF a valid response (*i.e.*, a response option other than “declined” and “not applicable”) to any of the outcomes-related elements described in § 1356.83(g)(38) through (g)(60) of this part.

### § 1356.82 Data Collection Requirements.

(a) The State agency must collect applicable information as specified in section 1356.83 of this part on the reporting population defined in section 1356.81 of this part in accordance with the following:

(1) For each youth in the served population, the State agency must collect information for the data elements specified in § 1356.83(b) and (c) of this part on an ongoing basis, for as long as the youth receives services.

(2) For each youth in the baseline population, the State agency must collect information for the data elements specified in § 1356.83(b) and (d) of this part. The State agency must collect this information on a new baseline population every three years.

(i) For each youth in foster care who turns age 17 in the first Federal fiscal year of implementation, the State agency must collect this information

within 45 days following the youth's 17th birthday, but not before that birthday.

(ii) Every third Federal fiscal year thereafter, the State agency must collect this information on each youth in foster care who turns age 17 during the year within 45 days following the youth's 17th birthday, but not before that birthday.

(iii) The State agency must collect this information using the survey questions in Appendix B of this part entitled “Information to collect from all youth surveyed for outcomes, whether in foster care or not.”

(3) For each youth in the follow-up population, the State agency must collect information on the data elements specified in § 1356.83(b) and (e) of this part within the reporting period of the youth's 19th and 21st birthday. The State agency must collect the information using the appropriate survey questions in Appendix B of this part, depending upon whether the youth is in foster care.

(b) The State agency may select a sample of the 17-year-olds in the baseline population to follow over time consistent with the sampling requirements described in § 1356.84 of this part to satisfy the data collection requirements in paragraph (a)(3) of this section for the follow-up population.

### § 1356.83 Reporting Requirements and Data Elements.

(a) *Reporting periods and deadlines.* The six-month reporting periods are from October 1 to March 31 and April 1 to September 30. The State agency must submit data files that include the information specified in this section to ACF on a semi-annual basis, within 45 days of the end of the reporting period (*i.e.*, by May 15 and November 14).

(b) *Data elements for all youth.* The State agency must report the data elements described in paragraphs (g)(1) through (g)(13) of this section for each youth in the entire reporting population defined in § 1356.81 of this part.

(c) *Data elements for served youth.* The State agency must report the data elements described in paragraphs (g)(14) through (g)(33) of this section for each youth in the served population defined in § 1356.81(a) of this part.

(d) *Data elements for baseline youth.* The State agency must report the data elements described in paragraphs (g)(34) through (g)(60) of this section for each youth in the baseline population defined in § 1356.81(b) of this part.

(e) *Data elements for follow-up youth.* The State agency must report the data elements described in paragraphs (g)(34) through (g)(60) of this section for each

youth in the follow-up population defined in § 1356.81(c) of this part or alternatively, for each youth selected in accordance with the sampling procedures in § 1356.84 of this part.

(f) *Single youth record.* The State agency must report all applicable data elements for a youth in one record per reporting period.

(g) *Data element descriptions.* For each element described in paragraphs (1) through (60), the State agency must indicate the applicable response as instructed.

(1) *State.* State means the State responsible for reporting on the youth. Indicate the first two digits of the State's Federal Information Processing Standard (FIPS) code for the State submitting the report to ACF.

(2) *Report date.* The report date corresponds with the end of the current reporting period. Indicate the last month and the year of the reporting period.

(3) *Record number.* The record number is the encrypted, unique person identification number for the youth. The State agency must apply and retain the same encryption routine or method for the person identification number across all reporting periods. The record number must be encrypted in accordance with ACF standards. Indicate the record number for the youth.

(i) If the youth is in foster care during the current reporting period or was in foster care under the placement and care responsibility of the State agency during a previous reporting period, the State agency must use and report to the NYTD the same person identification number for the youth the State agency reports to AFCARS. The person identification number must remain the same for the youth wherever the youth is living and in any subsequent NYTD reports.

(ii) If the youth was never in the State's foster care system, the State agency must assign a person identification number that must remain the same for the youth wherever the youth is living and in any subsequent reports to NYTD.

(4) *Date of birth.* The youth's date of birth. Indicate the year, month, and day of the youth's birth.

(5) *Sex.* The youth's gender. Indicate whether the youth is male or female as appropriate.

(6) *Race: American Indian or Alaska Native.* In general, a youth's race is determined by the youth or the youth's parent(s). A youth has origins in any of the original peoples of North or South America (including Central America), and maintains tribal affiliation or community attachment. Indicate

whether this racial category applies for the youth, with a "yes" or "no."

(7) *Race: Asian.* In general, a youth's race is determined by the youth or the youth's parent(s). A youth has origins in any of the original peoples of the Far East, Southeast Asia, or the Indian subcontinent including, for example, Cambodia, China, India, Japan, Korea, Malaysia, Pakistan, the Philippine Islands, Thailand, and Vietnam. Indicate whether this racial category applies for the youth, with a "yes" or "no."

(8) *Race: Black or African American.* In general, a youth's race is determined by the youth or the youth's parent(s). A youth has origins in any of the black racial groups of Africa. Indicate whether this racial category applies for the youth, with a "yes" or "no."

(9) *Race: Native Hawaiian or Other Pacific Islander.* In general, a youth's race is determined by the youth or the youth's parent(s). A youth has origins in any of the original peoples of Hawaii, Guam, Samoa, or other Pacific Islands. Indicate whether this racial category applies for the youth, with a "yes" or "no."

(10) *Race: White.* In general, a youth's race is determined by the youth or the youth's parent(s). A youth has origins in any of the original peoples of Europe, the Middle East, or North Africa. Indicate whether this racial category applies for the youth, with a "yes" or "no."

(11) *Race: Unknown/Unable to Determine.* The race, or at least one race of the youth is unknown, or the youth or parent is unable to communicate (due to age, disability or abandonment) the youth's race. Indicate whether this category applies for the youth, with a "yes" or "no."

(12) *Race: Declined.* The youth or parent has declined to identify a race. Indicate whether this category applies for the youth, with a "yes" or "no".

(13) *Hispanic or Latino Ethnicity.* In general, a youth's ethnicity is determined by the youth or the youth's parent(s). A youth is of Hispanic or Latino ethnicity if the youth is a person of Cuban, Mexican, Puerto Rican, South or Central American, or other Spanish culture or origin, regardless of race. Indicate which category applies, with "yes," "no," "unknown/unable to determine," or "declined," as appropriate. "Unknown/unable to determine" means that the youth or parent is unable to communicate (due to age, disability or abandonment) the youth's ethnicity. "Declined" means that the youth or parent has declined to identify the youth's ethnicity.

(14) *Foster care status—services.* The youth receiving services is or was in foster care during the reporting period if the youth is or was in the placement and care responsibility of the State title IV-B/IV-E agency in accordance with the definition of foster care in section 1355.20 of this part. Indicate whether the youth is or was in foster care at any point during the reporting period, with a "yes" or "no" as appropriate. If the youth is not in the served population this element must be left blank.

(15) *Local agency.* The local agency is the county or equivalent jurisdictional unit that has primary responsibility for the youth's placement and care if the youth is in foster care, or that has primary responsibility for providing services to the youth if the youth is not in foster care. Indicate the five-digit Federal Information Processing Standard (FIPS) code(s) that corresponds to the identity of the county or equivalent unit jurisdiction(s) that meets these criteria during the reporting period. If a youth who is not in foster care is provided services by a centralized unit only, rather than a county agency, indicate "centralized unit." If the youth is not in the served population this element must be left blank.

(16) *Tribal membership.* The youth is a tribal member if the youth is enrolled in or eligible for membership in a federally recognized tribe. The term "federally recognized tribe," means any Indian tribe, band, nation, or other organized group or community of Indians, including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act (43 U.S.C 1601 *et seq.*), that is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians pursuant to the Indian Self-Determination and Educational Assistance Act (25 U.S.C. 450 *et seq.*). Indicate "yes" or "no" as appropriate. If the youth is not in the served population this element must be left blank.

(17) *Adjudicated delinquent.* Adjudicated delinquent means that a State or Federal court of competent jurisdiction has adjudicated a youth as a delinquent. Indicate "yes," or "no" as appropriate. If the youth is not in the served population this element must be left blank.

(18) *Educational level.* Educational level means the highest educational level completed by the youth. For example, for a youth currently in 11th grade, "10th grade" is the highest educational level completed. Post-

secondary education or training refers to any other post-secondary education or training, other than an education pursued at a college or university. College refers to completing at least a semester of study at a college or university. Indicate the highest educational level completed by the youth during the reporting period. If the youth is not in the served population this element must be left blank.

(19) *Special education.* The term “special education,” means specifically designed instruction, at no cost to parents, to meet the unique needs of a child with a disability. Indicate whether the youth has received special education instruction during the reporting period, with a “yes” or “no,” as appropriate. If the youth is not in the served population this element must be left blank.

(20) *Independent living needs assessment.* An independent living needs assessment is a systematic procedure to identify a youth’s basic skills, emotional and social capabilities, strengths, and weaknesses to match the youth with appropriate independent living services. An independent living needs assessment may address knowledge of basic living skills, job readiness, money management abilities, decision-making skills, goal setting, task completion, and transitional living needs. Indicate whether the youth received an independent living needs assessment during the reporting period, with a “yes” or “no,” as appropriate. If the youth is not in the served population this element must be left blank.

(21) *Academic support.* Academic supports are services designed to help a youth complete high school or obtain a General Equivalency Degree (GED). Such services include the following: academic counseling; preparation for a GED, including assistance in applying for or studying for a GED exam; tutoring; help with homework; study skills training; literacy training; and help accessing educational resources. Academic support does not include a youth’s general attendance in high school. Indicate whether the youth received academic supports during the reporting period with a “yes” or “no” as appropriate. If the youth is not in the served population this element must be left blank.

(22) *Post-secondary educational support.* Post-secondary educational support are services designed to help a youth enter or complete college, and include the following: classes for test preparation, such as the Scholastic Aptitude Test (SAT); counseling about college; information about financial aid

and scholarships; help completing college or loan applications; or tutoring while in college. Indicate whether the youth received post-secondary educational support during the reporting period with a “yes” or “no” as appropriate. If the youth is not in the served population this element must be left blank.

(23) *Career preparation.* Career preparation services focus on developing a youth’s ability to find, apply for, and retain appropriate employment. Career preparation includes the following types of instruction and support services: Vocational and career assessment, including career exploration and planning, guidance in setting and assessing vocational and career interests and skills, and help in matching interests and abilities with vocational goals; job seeking and job placement support, including identifying potential employers, writing resumes, completing job applications, developing interview skills, job shadowing, receiving job referrals, using career resource libraries, understanding employee benefits coverage, and securing work permits; retention support, including job coaching; learning how to work with employers and other employees; understanding workplace values such as timeliness and appearance; and understanding authority and customer relationships. Indicate whether the youth received career preparation services during the reporting period with a “yes” or “no” as appropriate. If the youth is not in the served population this element must be left blank.

(24) *Employment programs or vocational training.* Employment programs and vocational training are designed to build a youth’s skills for a specific trade, vocation, or career through classes or on-site training. Employment programs include a youth’s participation in an apprenticeship, internship, or summer employment program and do not include summer or after-school jobs secured by the youth alone. Vocational training includes a youth’s participation in vocational or trade programs in school or through nonprofit, commercial or private sectors and the receipt of training in occupational classes for such skills as cosmetology, auto mechanics, building trades, nursing, computer science, and other current or emerging employment sectors. Indicate whether the youth attended an employment program or received vocational training during the reporting period, with a “yes” or “no” as appropriate. If the youth is not in the

served population this element must be left blank.

(25) *Budget and financial management.* Budget and financial management assistance includes the following types of training and practice: living within a budget; opening and using a checking and savings account; balancing a checkbook; developing consumer awareness and smart shopping skills; accessing information about credit, loans and taxes; and filling out tax forms. Indicate whether the youth received budget and financial management assistance during the reporting period with a “yes” or “no” as appropriate. If the youth is not in the served population this element must be left blank.

(26) *Housing education and home management training.* Housing education includes assistance or training in: locating and maintaining housing, including filling out a rental application and acquiring a lease, handling security deposits and utilities, understanding practices for keeping a healthy and safe home; understanding tenants rights and responsibilities, and handling landlord complaints. Home management includes instruction in food preparation, laundry, housekeeping, living cooperatively, meal planning, grocery shopping and basic maintenance and repairs. Indicate whether the youth received housing education or home management training during the reporting period with a “yes” or “no” as appropriate. If the youth is not in the served population this element must be left blank.

(27) *Health education and risk prevention.* Health education and risk prevention includes providing information about: hygiene, nutrition, fitness and exercise, and first aid; medical and dental care benefits, health care resources and insurance, prenatal care and maintaining personal medical records; sex education, abstinence education, and HIV prevention, including education and information about sexual development and sexuality, pregnancy prevention and family planning, and sexually transmitted diseases and AIDS; substance abuse prevention and intervention, including education and information about the effects and consequences of substance use (alcohol, drugs, tobacco) and substance avoidance and intervention. Health education and risk prevention does not include the youth’s actual receipt of direct medical care or substance abuse treatment. Indicate whether the youth received these services during the reporting period with a “yes” or “no” as appropriate. If the youth is not in the

served population this element must be left blank.

(28) *Family support and healthy marriage education.* Such services include education and information about safe and stable families, healthy marriages, spousal communication, parenting, responsible fatherhood, childcare skills, teen parenting, and domestic and family violence prevention. Indicate whether the youth received these services during the reporting period with a "yes" or "no" as appropriate. If the youth is not in the served population this element must be left blank.

(29) *Mentoring.* Mentoring means that the youth has been matched with a screened and trained adult for a one-on-one relationship that involves the two meeting on a regular basis. Mentoring can be short-term but it may also support the development of a long-term relationship. While youth often are connected to adult role models through school, work, or family, this service category only includes a mentor relationship that has been facilitated or funded by the child welfare agency or its staff. Indicate whether the youth received mentoring services during the reporting period with a "yes" or "no" as appropriate. If the youth is not in the served population this element must be left blank.

(30) *Supervised independent living.* Supervised independent living means that the youth is living independently under a supervised arrangement that is sponsored, facilitated, or referred to by the child welfare agency. A youth in supervised independent living is not supervised 24-hours a day by an adult and often is provided with increased responsibilities, such as paying bills, assuming leases, and working with a landlord, while under the supervision of an adult. Indicate whether the youth was living in a supervised independent living setting during the reporting period with a "yes" or "no" as appropriate. If the youth is not in the served population this element must be left blank.

(31) *Room and board financial assistance.* Room and board financial assistance includes payments that the State agency makes or provides for room and board, including rent deposits, utilities, and other household start-up expenses. Indicate whether the youth received financial assistance with room and board during the reporting period with a "yes" or "no" as appropriate. If the youth is not in the served population this element must be left blank.

(32) *Education financial assistance.* Education financial assistance includes

payments for education or training, including allowances to purchase textbooks, uniforms, computers, and other educational supplies; tuition assistance; scholarships; payment for educational preparation and support services (i.e., tutoring), and payment for GED and other educational tests that are paid for or provided by the State agency. This financial assistance also includes vouchers for tuition or vocational education or tuition waiver programs paid for or provided by the State agency. Indicate whether the youth received education financial assistance during the reporting period with a "yes" or "no" as appropriate. If the youth is not in the served population this element must be left blank.

(33) *Other financial assistance.* Other financial assistance includes any other payments made or provided by the State agency to help the youth live independently. Indicate whether the youth received any other financial assistance during the reporting period, with a "yes" or "no" as appropriate. If the youth is not in the served population this element must be left blank.

(34) *Outcomes reporting status.* If the State agency collects and reports information on any of the data elements in paragraphs (g)(38) through (g)(60) for a youth in the baseline or follow-up population, indicate that the youth participated. If the State agency is unable to report any of these data elements for a youth in the baseline or follow-up populations, indicate the reason. If the youth is not in the baseline or follow-up population this element must be left blank.

(i) *Youth participated.* The youth participated in the outcome survey, either fully or partially.

(ii) *Youth declined.* The State agency located the youth successfully and invited the youth's participation, but the youth declined to participate in the data collection.

(iii) *Parent declined.* The State agency invited the youth's participation, but the youth's parent/guardian declined to grant permission. This response may be used only when the youth has not reached the age of majority in the State and State law or policy requires a parent/guardian's permission for the youth to participate in information collection activities.

(iv) *Incapacitated.* The youth has a permanent or temporary mental or physical condition that prevents him or her from participating in the outcomes data collection.

(v) *Incarcerated.* The youth is unable to participate in the outcomes data

collection because of his or her incarceration.

(vi) *Runaway/missing.* A youth in foster care is known to have run away or be missing from his or her foster care placement.

(vii) *Unable to locate/invite.* The State agency could not locate a youth who is not in foster care or otherwise invite such a youth's participation.

(viii) *Death.* The youth died prior to his participation in the outcomes data collection.

(35) *Date of outcome data collection.* The date of outcome data collection is the latest date that the agency collected data from a youth for the elements described in paragraphs (g)(38) through (g)(60) of this section. Indicate the month, day and year of the outcomes data collection. If the youth is not in the baseline or follow-up population this element must be left blank.

(36) *Foster care status—outcomes.* The youth is in foster care if the youth is under the placement and care responsibility of the State title IV-B/IV-E agency in accordance with the definition of foster care in section 1355.20 of this part. Indicate whether the youth is in foster care on the date of outcomes data collection, with a "yes" or "no" as appropriate. If the youth is not in the baseline or follow-up population this element must be left blank.

(37) *Sampling status.* Indicate whether a youth who has participated in the outcomes data collection as part of the baseline population currently (a 17-year-old in foster care) has been selected by the State agency to be surveyed for outcomes as part of the follow-up population (at ages 19 and 21). Indicate "yes" if the youth will be a part of the sample or the State agency will follow-up with all youth in the baseline population, "no" if the youth will not be a part of the follow-up population or sample, and "not applicable" if the State agency is not collecting information on the baseline population during the current reporting period. If the youth is not in the baseline or follow-up population this element must be left blank.

(38) *Current full-time employment.* A youth is employed full-time if employed at least 35 hours per week as of the date of the outcome data collection. Indicate whether the youth is employed full-time, with a "yes" or "no" as appropriate. If the youth does not answer this question indicate "declined." If the youth is not in the baseline or follow-up population this element must be left blank.

(39) *Current part-time employment.* A youth is employed part-time if

employed between one and 34 hours per week as of the date of the outcome data collection. Indicate whether the youth is employed part-time, with a "yes" or "no." If the youth does not answer this question, indicate "declined." If the youth is not in the baseline or follow-up population this element must be left blank.

(40) *Employment-related skills.* A youth has obtained employment-related skills if the youth completed an apprenticeship, internship, or other on-the-job training, either paid or unpaid, in the past year. The experience must help the youth acquire employment-related skills, such as specific trade skills such as carpentry or auto mechanics, or office skills such as word processing or use of office equipment. Indicate whether the youth has obtained employment-related skills, with a "yes" or "no" as appropriate. If the youth does not answer this question, indicate "declined." If the youth is not in the baseline or follow-up population this element must be left blank.

(41) *Social Security.* A youth is receiving some form of Social Security if receiving Supplemental Security Income (SSI) or Social Security Disability Insurance, either directly or as a dependent beneficiary as of the date of the outcome data collection. SSI payments are made to eligible low-income persons with disabilities. Social Security Disability Insurance payments are made to persons with a certain amount of work history who become disabled. A youth may receive Social Security Disability Insurance payments through a parent. Indicate whether the youth is receiving a form of Social Security payments, with a "yes" or "no" as appropriate. If the youth does not answer this question, indicate "declined." If the youth is not in the baseline or follow-up population this element must be left blank.

(42) *Educational aid.* A youth is receiving educational aid if using a scholarship, voucher (including Chafee education or training vouchers), grant, stipend, student loan, or other type of educational financial aid to cover any living or educational expenses as of the date of the outcome data collection. Scholarships, grants, and stipends are funds awarded for spending on expenses related to gaining an education. "Student loan" means a government-guaranteed, low-interest loan for students in post-secondary education. Indicate whether the youth is receiving educational aid, with a "yes" or "no" as appropriate. If the youth does not answer this question, indicate "declined." If the youth is not in the

baseline or follow-up population this element must be left blank.

(43) *Public financial assistance.* A youth is receiving public financial assistance if receiving cash payments under TANF or the State's title IV-A family assistance cash payment program (title IV-A of the Social Security Act), as of the date of the outcome data collection. Indicate whether the youth is receiving public financial assistance, with "yes," "no" as appropriate, or "not applicable" for a youth still in foster care. If the youth does not answer this question, indicate "declined." If the youth is not in the baseline or follow-up population this element must be left blank.

(44) *Food assistance.* A youth is receiving food assistance if receiving food stamps in any form (i.e., government-sponsored checks, coupons or debit cards) to buy eligible food at authorized stores as of the date of the outcome data collection. This definition includes receiving food assistance through the Women, Infants and Children (WIC) program. Indicate whether the youth is receiving some form of food assistance with "yes," "no" or "not applicable" for a youth still in foster care. If the youth does not answer this question, indicate "declined." If the youth is not in the baseline or follow-up population this element must be left blank.

(45) *Housing assistance.* A youth is receiving housing assistance if the youth is living in government-funded public housing, or receiving a government-funded housing voucher to pay for part of his/her housing costs as of the date of the outcome data collection. Chafee room and board payments are not included in this definition. Indicate whether the youth is receiving housing assistance with "yes," "no" or "not applicable" if a youth still in foster care. If the youth does not answer this question, indicate "declined." If the youth is not in the baseline or follow-up population this element must be left blank.

(46) *Other support.* A youth has other support if receiving any other ongoing financial resources or support from another source, such as from a spouse or members of the birth or foster family, as of the date of outcome data collection. This definition does not include occasional gifts, such as birthday or graduation checks or small donations of food or personal incidentals and excludes support from any sources listed in the elements described in paragraphs (g)(41) through (g)(45) of this section. Indicate whether the youth is receiving any other financial support with a "yes" or "no."

If the youth does not answer this question, indicate "declined." If the youth is not in the baseline or follow-up population this element must be left blank.

(47) *Highest educational certification received.* A youth has received an education certificate if the youth has a high school diploma or general equivalency degree (GED), vocational certificate, vocational license, associate's degree (A.A.), bachelor's degree (B.A. or B.S.), or a higher degree as of the date of the outcome data collection. Indicate the highest degree that the youth has received. If the youth does not answer this question, indicate "declined." If the youth is not in the baseline or follow-up population this element must be left blank.

(i) A vocational certificate is a document stating that a person has received education or training that qualifies him or her for a particular job, e.g., auto mechanics or cosmetology.

(ii) A vocational license is a document that indicates that the State or local government recognizes an individual as a qualified professional in a particular trade or business.

(iii) An associate's degree is generally a two-year degree from a community college.

(iv) A bachelor's degree is a four-year degree from a college or university.

(v) A higher degree indicates a graduate degree, such as a Master's Degree or a Juris Doctor (J.D.).

(vi) None of the above means that the youth has not received any of the above educational certifications.

(48) *Current enrollment and attendance.* Indicate whether the youth is enrolled in and attending high school, GED classes, or postsecondary vocational training or college, as of the date of the outcome data collection. A youth is still considered attending school if the youth is enrolled while the school is currently out of session. Indicate whether the youth is currently enrolled and attending school with a "yes" or "no." If the youth does not answer this question, indicate "declined." If the youth is not in the baseline or follow-up population this element must be left blank.

(49) *Connection to adult.* A youth has a connection to an adult if the youth knows as of the date of the outcome data collection, an adult who he or she can go to for advice or guidance when there is a decision to make or a problem to solve, or for companionship when celebrating personal achievements. The adult must be easily accessible to the youth, either by telephone or in person. This can include older relatives or foster parents, but excludes peers, spouses and

current caseworkers. Indicate whether the youth has such a connection with an adult, with a "yes" or "no." If the youth does not answer this question, indicate "declined." If the youth is not in the baseline or follow-up population this element must be left blank.

(50) *Homelessness*. A youth is considered to have experienced homelessness if the youth had no regular place to live of his own. For a 17-year-old youth in the baseline population, the data element relates to a youth's lifetime experiences. For a 19 or 21-year-old youth in the follow-up population, the data element relates to the youth's experience in the past two years. This definition includes situations where the youth is living in a car or on the street, staying temporarily with a friend, or staying in a shelter. Indicate if the youth has been homeless with a "yes" or "no." If the youth does not answer this question, indicate "declined." If the youth is not in the baseline or follow-up population this element must be left blank.

(51) *Substance abuse referral*. A youth has received a substance abuse referral if the youth was referred for an alcohol or drug abuse assessment or counseling. For a 17-year-old youth in the baseline population, the data element relates to a youth's lifetime experience. For a 19 or 21-year-old youth in the follow-up population, the data element relates to the youth's experience in the past two years. This definition includes either a self-referral or referral by a social worker, school staff, physician, mental health worker, foster parent, or other adult. Alcohol or drug abuse assessment is a process designed to determine if someone has a problem with alcohol or drug use. Indicate whether the youth had a substance abuse referral with a "yes" or "no." If the youth does not answer this question, indicate "declined." If the youth is not in the baseline or follow-up population this element must be left blank.

(52) *Incarceration*. A youth is considered to have been incarcerated if the youth was arrested, or was held or detained in a jail, prison, correctional facility, or juvenile or community detention facility in connection with allegedly committing a crime (misdemeanor or felony). For a 17-year-old youth in the baseline population, the data element relates to a youth's lifetime experience. For a 19- or 21-year-old youth in the follow-up population, the data element relates to the youth's experience in the past two years. Indicate whether the youth was incarcerated or arrested with a "yes" or "no" as appropriate. If the youth does not answer this question, indicate

"declined." If the youth is not in the baseline or follow-up population this element must be left blank.

(53) *Children*. A youth is considered to have a child if the youth has given birth herself, or the youth has fathered any children who were born. For a 17-year-old youth in the baseline population, the data element relates to a youth's lifetime experience. For a 19- or 21-year-old youth in the follow-up population, the data element refers to children born to the youth in the past two years only. This refers to biological parenthood. Indicate whether the youth had a child with a "yes" or "no." If males say they do not know, indicate "no." If the youth does not answer this question, indicate "declined." If the youth is not in the baseline or follow-up population this element must be left blank.

(54) *Marriage at child's birth*. A youth is married at the time of the child's birth if he or she was united in matrimony according to the laws of the State to the child's other parent. Indicate whether the youth was married at the time of the birth of any child reported in the element described in paragraph (g)(53) of this section, with a "yes" or "no" as appropriate. If the youth does not answer this question, indicate "declined." If the answer to the element described in paragraph (g)(53) is "no," indicate "not applicable." If the youth is not in the baseline or follow-up population this element must be left blank.

(55) *Medicaid*. A youth is receiving Medicaid if the youth is participating in a Medicaid-funded State program, which is a medical assistance program supported by the Federal and State government under title XIX of the Social Security Act as of the date of outcomes data collection. Indicate whether the youth receives Medicaid with "yes," "no" or "don't know" as appropriate. If the youth does not answer this question, indicate "declined." If the youth is not in the baseline or follow-up population this element must be left blank.

(56) *Other health insurance coverage*. A youth has other health insurance if the youth has a third party pay (other than Medicaid) for all or part of the costs of medical care, mental health care, and/or prescription drugs, as of the date of the outcome data collection. This definition includes group coverage offered by employers, schools or associations, an individual health plan, self-employed plans, or inclusion in a parent's insurance plan. This also could include access to free health care through a college, Indian Health Service, or other source. Medical or drug discount cards or plans are not

insurance. Indicate "yes", "no," or "don't know," as appropriate, or "not applicable" for youth participating solely in Medicaid. If the youth does not answer this question, indicate "declined." If the youth is not in the baseline or follow-up population this element must be left blank.

(57) *Health insurance type: medical only*. Indicate whether the youth has coverage for medical health care only if the youth has indicated that he or she has health insurance coverage in the element described in paragraph (g)(56) of this section. If a youth knows that he or she has one type of coverage and is not sure about the other types, indicate only the type he or she knows about. Indicate "not applicable" if the youth has no health insurance coverage or no coverage other than Medicaid. If the youth does not answer this question, indicate "declined." If the youth is not in the baseline or follow-up population this element must be left blank.

(58) *Health insurance type: medical and mental health*. Indicate whether the youth has insurance coverage for medical and mental health care only if the youth has indicated that he or she has health insurance coverage as described in paragraph (g)(56) of this section. If a youth knows that he or she has one type of coverage and is not sure about the other types, indicate only the type he or she knows about. Indicate "not applicable" if the youth has no health insurance coverage or no coverage other than Medicaid. If the youth does not answer this question, indicate "declined." If the youth is not in the baseline or follow-up population this element must be left blank.

(59) *Health insurance type: medical and prescription drugs*. Indicate whether the youth has insurance coverage for medical health care and prescription drugs only if the youth has indicated that he or she has health insurance coverage as described in paragraph (g)(56) of this section. If a youth knows that he or she has one type of coverage and is not sure about the other types, indicate only the type he or she knows about. Indicate "not applicable" if the youth has no health insurance coverage or no coverage other than Medicaid. If the youth does not answer this question, indicate "declined." If the youth is not in the baseline or follow-up population this element must be left blank.

(60) *Health insurance type: medical, mental health and prescription drugs*. Indicate whether the youth has insurance coverage for medical, mental health and prescription drugs, if the youth has indicated that he or she has health insurance coverage as described

in paragraph (g)(56) of this section. If a youth knows that he or she has one type of coverage and is not sure about the other types, indicate only the type he or she knows about. Indicate "not applicable" if the youth has no health insurance coverage or no coverage other than Medicaid. If the youth does not answer this question, indicate "declined." If the youth is not in the baseline or follow-up population this element must be left blank.

(h) *Electronic reporting.* The State agency must report all data to ACF electronically according to ACF's specifications and Appendix A of this part.

#### **§ 1356.84 Sampling.**

(a) The State agency may collect and report the information required in § 1356.83(e) of this part on a sample of the baseline population consistent with the sampling requirements described in paragraphs (b) and (c) of this section.

(b) The State agency must select the follow-up sample using simple random sampling procedures based on random numbers generated by a computer program, unless ACF approves another sampling procedure. The sampling universe consists of youth in the baseline population who participated in the State agency's data collection at age 17.

(c) The sample size is based on the number of youth in the baseline population who participated in the State agency's data collection at age 17.

(1) If the number of youth in the baseline population who participated in the outcome data collection at age 17 is 5,000 or less, the State agency must calculate the sample size using the formula in Appendix C of this part, with the Finite Population Correction (FPC). The State agency must increase the resulting number by 30 percent to allow for attrition, but the sample size may not be larger than the number of youth who participated in data collection at age 17.

(2) If the number of youth in the baseline population who participated in the outcome data collection at age 17 is greater than 5,000, the State agency must calculate the sample size using the formula in Appendix C of this part, without the FPC. The State agency must increase the resulting number by 30 percent to allow for attrition, but the sample size must not be larger than the number of youth who participated in data collection at age 17.

#### **§ 1356.85 Compliance.**

(a) *File submission standards.* A State agency must submit a data file in accordance with the following file submission standards:

(1) *Timely data.* The data file must be received in accordance with the reporting period and timeline described in § 1356.83(a) of this part;

(2) *Format.* The data file must be in a format that meets ACF's specifications; and,

(3) *Error-free information.* The file must contain data in the general and demographic elements described in § 1356.83(g)(1) through (g)(5), (g)(14) and (g)(36) of this part that is 100 percent error-free as defined in paragraph (c) of this section.

(b) *Data standards.* A State agency also must submit a file that meets the following data standards:

(1) *Error-free.* The data for the applicable demographic, service and outcomes elements defined in § 1356.83(g)(6) through (13), (g)(15) through (35) and (g)(37) through (60) of this part must be 90 percent error-free as described and assessed according to paragraph (c) of this section.

(2) *Outcomes universe.* In any Federal fiscal year for which the State agency is required to submit information on the follow-up population, the State agency must submit an outcomes data record on each youth for whom the State agency reported outcome information as part of the baseline population or, if the State agency has elected to conduct sampling in accordance with § 1356.84 of this part, on each youth in the sample as indicated in § 1356.83(g)(37) of this part.

(3) *Outcomes participation rate.* The State agency must report outcome information on each youth in the follow-up population at the rates described in paragraphs (b)(3)(i) through (iii) of this section. A youth has participated in the outcomes data collection if the State agency collected and reported a valid response (i.e., a response option other than "declined" or "not applicable") to any of the outcomes-related elements described in § 1356.83(g)(38) through (g)(60) of this part.

(i) *Foster care youth participation rate.* The State agency must report outcome information on at least 80 percent of youth in foster care on the date of outcomes data collection as indicated in § 1356.83(g)(35) and (g)(36) of this part.

(ii) *Discharged youth participation rate.* The State agency must report outcome information on at least 60 percent of youth who are not in foster care on the date of outcomes data collection as indicated in section 1356.83(g)(35) and (g)(36) of this part.

(iii) *Effect of sampling on participation rates.* For State agencies electing to sample in accordance with section 1356.84 and Appendix C of this

part, ACF will apply the outcome participation rates in paragraphs (b)(2)(i) and (ii) of this section to the minimum required sample size for the State.

(c) *Errors.* ACF will assess each State agency's data file for the following types of errors: missing data, out-of-range data or internally inconsistent data. The amount of errors acceptable for each reporting period is described in paragraphs (a) and (b) of this section.

(1) Missing data is any element that has a blank response, when a blank response is not a valid response option as described in § 1356.83(g) of this part;

(2) Out-of-range data is any element that contains a value that is outside the parameters of acceptable responses or exceeds, either positively or negatively, the acceptable range of response options as described in § 1356.83(g) of this part; and

(3) Internally inconsistent data is any element that fails an internal consistency check designed to evaluate the logical relationship between elements in each record. The evaluation will identify all elements involved in a particular check as in error.

(d) *Review for compliance.* (1) ACF will determine whether a State agency's data file for each reporting period is in compliance with the file submission standards and data standards in paragraphs (a) and (b) of this section.

(i) For State agencies that achieve the file submission standards, ACF will determine whether the State agency's data file meets the data standards.

(ii) For State agencies that do not achieve the file submission standards or data standards, ACF will notify the State agency that they have an opportunity to submit a corrected data file by the end of the subsequent reporting period in accordance with paragraph (e) of this section.

(2) ACF may use monitoring tools or assessment procedures to determine whether the State agency is meeting all the requirements of §§ 1356.81 through 1356.85 of this part.

(e) *Submitting corrected data and noncompliance.* A State agency that does not submit a data file that meets the standards in section 1356.85 of this part will have an opportunity to submit a corrected data file in accordance with paragraphs (e)(1) and (e)(2) of this section.

(1) A State agency must submit a corrected data file no later than the end of the subsequent reporting period as defined in section 1356.83(a) of this part (i.e., by September 30 or March 31).

(2) If a State agency fails to submit a corrected data file that meets the compliance standards in section 1356.85 of this part and the deadline in

paragraph (e)(1) of this section, ACF will make a final determination that the State is out of compliance, notify the State agency, and apply penalties as outlined defined in section 1356.86 of this part.

**§ 1356.86 Penalties for noncompliance.**

(a) *Definition of Federal funds subject to a penalty.* The funds that are subject to a penalty are the total CFCIP funds allocated to the State for the Federal fiscal year that corresponds with the reporting period for which the State agency was required originally to submit data according to § 1356.83(a) of this part. The total CFCIP funds include funds allocated or reallocated to the State agency under section 477(c)(1) or 477(c)(3) of the Act.

(b) *Assessed penalty amounts.* ACF will assess penalties in the following amounts, depending on the area of noncompliance:

(1) *Penalty for not meeting file submission standards.* ACF will assess a penalty in an amount equivalent to two and one half percent (2.5%) of the funds subject to a penalty for each reporting period in which ACF makes a final determination that the State agency's

data file does not comply with the file submission standards defined in § 1356.85(a) of this part.

(2) *Penalty for not meeting certain data standards.* ACF will assess a penalty in an amount equivalent to:

(i) One and one quarter percent (1.25%) of the funds subject to a penalty for each reporting period in which ACF makes a final determination that the State agency's data file does not comply with the data standard for error-free data as defined in § 1356.85(b)(1) of this part.

(ii) One and one quarter percent (1.25%) of the funds subject to a penalty for each reporting period in which ACF makes a final determination that the State agency's data file does not comply with the outcome universe standard defined in § 1356.85(b)(2) of this part.

(iii) One half of one percent (0.5%) of the funds subject to a penalty for each reporting period in which ACF makes a final determination that the State agency's data file does not comply with the participation rate for youth in foster care standard defined in § 1356.85(b)(3)(i) of this part.

(iv) One half of one percent (0.5%) of the funds subject to a penalty for each reporting period in which ACF makes a

final determination that the State agency's data file does not comply with the participation rate for discharged youth standard defined in § 1356.85(b)(3)(ii) of this part.

(c) *Calculation of the penalty amount.* ACF will add together any assessed penalty amounts described in paragraph (b)(1) or (b)(2) of this section. If the total calculated penalty result is less than one percent of the funds subject to a penalty, the State agency will be penalized in the amount of one percent.

(d) *Notification of penalty amount.*

ACF will advise the State agency in writing of a final determination of noncompliance and the amount of the total calculated penalty as determined in paragraph (c) of this section.

(e) *Interest.* The State agency will be liable for interest on the amount of funds penalized by the Department, in accordance with the provisions of § 30.13 of this part.

(f) *Appeals.* The State agency may appeal, pursuant to part 16 of this title, ACF's final determination and any subsequent withholding or reduction of funds to the HHS Departmental Grant Appeals Board.

**APPENDIX A TO PART 1356—NYTD DATA ELEMENTS**

| Element No. | Element name                                    | Responses options *   | Applicable population   |
|-------------|---|---|---|
| 1 .....     | State .....                                     | 2 digit FIPS code.  |   |
| 2 .....     | Report date .....                               | CCYYMM: CC = century year (i.e., 20); YY = decade year (00-99); MM = month (01-12).   |   |
| 3 .....     | Record number .....                             | Unique, encrypted person identification number.   |   |
| 4 .....     | Date of birth .....                             | CCYYMMDD: CC = century year (i.e., 20); YY = decade year (00-99); MM = month (01-12); DD = day (01-31).   |   |
| 5 .....     | Sex .....                                       | Male, Female.   |   |
| 6 .....     | Race—American Indian or Alaska Native.          | Yes, No .....   | All youth in reporting population (i.e., served, baseline and follow-up populations). |
| 7 .....     | Race—Asian .....                                | Yes, No.  |   |
| 8 .....     | Race—Black or African American .....            | Yes, No.  |   |
| 9 .....     | Race—Native Hawaiian or Other Pacific Islander. | Yes, No.  |   |
| 10 .....    | Race—White .....                                | Yes, No.  |   |
| 11 .....    | Race—Unknown/Unable to Determine ..             | Yes, No.  |   |
| 12 .....    | Race—Declined .....                             | Yes, No.  |   |
| 13 .....    | Hispanic or Latino Ethnicity .....              | Yes, No, Unknown/unable to determine, Declined.   |   |
| 14 .....    | Foster care status—services .....               | Yes, No .....   |   |
| 15 .....    | Local agency .....                              | FIPS code(s), Centralized unit.   |   |
| 16 .....    | Tribal membership .....                         | Yes, No.  |   |
| 17 .....    | Adjudicated delinquent .....                    | Yes, No.  |   |
| 18 .....    | Last grade completed .....                      | Less than 6th grade, 6th grade, 7th grade, 8th grade, 9th grade, 10th grade, 11th grade, 12th grade, Post-secondary education or training College, at least one semester. |   |
| 19 .....    | Special education status .....                  | Yes, No.  |   |
| 20 .....    | Independent living needs assessment ..          | Yes, No.  |   |
| 21 .....    | Academic support .....                          | Yes, No.  |   |
| 22 .....    | Post-secondary educational support ..           | Yes, No.  |   |
| 23 .....    | Career preparation .....                        | Yes, No.  |   |

Served population only.

## APPENDIX A TO PART 1356—NYTD DATA ELEMENTS—Continued

| Element No. | Element name   | Responses options*  | Applicable population               |
|-------------|--|---|-------------------------------------|
| 24 .....    | Employment programs or vocational training.                          | Yes, No .....   | Served population only.             |
| 25 .....    | Budget and financial management .....                                | Yes, No.  |                                     |
| 26 .....    | Housing education and home management training.                      | Yes, No.  |                                     |
| 27 .....    | Health education and risk prevention ....                            | Yes, No.  |                                     |
| 28 .....    | Family Support/Health Marriage Education.                            | Yes, No.  |                                     |
| 29 .....    | Mentoring .....  | Yes, No.  |                                     |
| 30 .....    | Supervised independent living .....                                  | Yes, No.  |                                     |
| 31 .....    | Room and board financial assistance ...                              | Yes, No.  |                                     |
| 32 .....    | Education financial assistance .....                                 | Yes, No.  |                                     |
| 33 .....    | Other financial assistance .....                                     | Yes, No.  |                                     |
| 34 .....    | Outcomes reporting status .....                                      | Youth Participated, Youth Declined, Parent Declined, Youth Incapacitated, Incarcerated, Runaway/Missing, Unable to locate/invite, Death.<br>CCYYMMDD: CC = century year (i.e., 20); YY = decade year (00–99); MM = month (01–12); DD = day (01–31). | Baseline and follow-up populations. |
| 35 .....    | Date of outcome data collection .....                                | CCYYMMDD: CC = century year (i.e., 20); YY = decade year (00–99); MM = month (01–12); DD = day (01–31).   |                                     |
| 36 .....    | Foster care status-outcomes .....                                    | Yes, No.  |                                     |
| 37 .....    | Sampling status .....  | Yes, No, Not applicable.  |                                     |
| 38 .....    | Current full-time employment .....                                   | Yes, No, Declined.  |                                     |
| 39 .....    | Current part-time employment .....                                   | Yes, No, Declined.  |                                     |
| 40 .....    | Employment-related skills .....                                      | Yes, No, Declined.  |                                     |
| 41 .....    | Social Security .....  | Yes, No, Declined.  |                                     |
| 42 .....    | Educational aid .....  | Yes, No, Declined.  |                                     |
| 43 .....    | Public financial assistance .....                                    | Yes, No, Not applicable, Declined.  |                                     |
| 44 .....    | Food assistance .....  | Yes, No, Not applicable, Declined.  |                                     |
| 45 .....    | Housing assistance .....   | Yes, No, Not applicable, Declined.  |                                     |
| 46 .....    | Other support .....  | Yes, No, Declined .....   |                                     |
| 47 .....    | Highest educational certification received.                          | High school diploma/GED, Vocational certificate, Vocational license, Associate's degree, Bachelor's degree, Higher, None of the above, Declined.  | Baseline and follow-up population.  |
| 48 .....    | Current enrollment and attendance .....                              | Yes, No, Declined.  |                                     |
| 49 .....    | Connection to adult .....  | Yes, No, Declined.  |                                     |
| 50 .....    | Homelessness .....   | Yes, No, Declined.  |                                     |
| 51 .....    | Substance abuse referral .....                                       | Yes, No, Declined.  |                                     |
| 52 .....    | Incarceration .....  | Yes, No, Declined.  |                                     |
| 53 .....    | Children .....   | Yes, No, Declined.  |                                     |
| 54 .....    | Marriage at child's birth .....                                      | Yes, No, Not applicable, Declined.  |                                     |
| 55 .....    | Medicaid .....   | Yes, No, Declined.  |                                     |
| 56 .....    | Other health insurance coverage .....                                | Yes, No, Not applicable, Declined.  |                                     |
| 57 .....    | Health insurance type—medical only ....                              | Yes, No, Not applicable, Declined.  |                                     |
| 58 .....    | Health insurance type—medical and mental health.                     | Yes, No, Not applicable, Declined .....   |                                     |
| 59 .....    | Health insurance type—medical and prescription drugs.                | Yes, No, Not applicable, Declined.  |                                     |
| 60 .....    | Health insurance type—medical, mental health and prescription drugs. | Yes, No, Not applicable, Declined.  | Baseline and follow-up population.  |

\* A blank response is acceptable in elements 14 through 60 only if the youth is not a part of the applicable reporting population. Blank responses are never acceptable in elements one—13.

## APPENDIX B TO PART 1356—NYTD YOUTH OUTCOME SURVEY

| Data element  | Question to youth and response options                  | Definition  |
|---|---|---|
| <b>INFORMATION TO COLLECT FROM ALL YOUTH SURVEYED FOR OUTCOMES, WHETHER IN FOSTER CARE OR NOT</b> |   |   |
| Current full-time employment.   | Currently are you employed full-time?<br>____ Yes ..... | “Full-time” means working at least 35 hours per week.   |
| Current part-time employment.   | Currently are you employed part-time?<br>____ Yes ..... | “Part-time” means working at least 1–34 hours per week. |

## APPENDIX B TO PART 1356—NYTD YOUTH OUTCOME SURVEY—Continued

| Data element                                | Question to youth and response options  | Definition  |
|---|---|---|
| Employment-related skills.                  | In the past year, did you complete an apprenticeship, internship, or other on-the-job training, either paid or unpaid?  | This means apprenticeships, internships, or other on-the-job trainings, either paid or unpaid, that helped the youth acquire employment-related skills (which can include specific trade skills such as carpentry or auto mechanics, or office skills such as word processing or use of office equipment).  |
|   | <input type="checkbox"/> Yes .....<br><input type="checkbox"/> No .....<br><input type="checkbox"/> Declined .....  |   |
| Social Security .....                       | Currently are you receiving social security payments (Supplemental Security Income or SSI, disability, or dependents' payments)?  | These are payments from the government to meet basic needs for food, clothing, and shelter of a person with a disability. A youth may be receiving these payments because of a parent or guardian's disability, rather than his/her own.  |
|   | <input type="checkbox"/> Yes .....<br><input type="checkbox"/> No .....<br><input type="checkbox"/> Declined .....  |   |
| Scholarship .....                           | Currently are you using a scholarship, grant, stipend, student loan, voucher, or other type of educational financial aid to cover any living or educational expenses?   | Scholarships, grants, and stipends are funds awarded for spending on expenses related to gaining an education. "Student loan" means a government-guaranteed, low-interest loan for students in post-secondary education.  |
|   | <input type="checkbox"/> Yes .....<br><input type="checkbox"/> No .....<br><input type="checkbox"/> Declined .....  |   |
| Other support .....                         | Currently are you receiving any ongoing financial resources or support from another source, excluding paid employment?  | This means ongoing support from a spouse or family member (either biological or foster family). This does not include occasional gifts, such as birthday or graduation checks or small donations of food or personal incidentals.   |
|   | <input type="checkbox"/> Yes .....<br><input type="checkbox"/> No .....<br><input type="checkbox"/> Declined .....  |   |
| Highest educational certification received. | What is the highest educational degree or certification that you have received?   |   |
|   | <input type="checkbox"/> High school diploma/GED .....<br><input type="checkbox"/> Vocational certificate .....<br><input type="checkbox"/> Vocational license .....<br><input type="checkbox"/> Associate's degree (A.A.) .....<br><input type="checkbox"/> Bachelor's degree (B.A. or B.S.) ....<br><input type="checkbox"/> Graduate Degree .....<br><input type="checkbox"/> None of the above .....<br><input type="checkbox"/> Declined ..... | "Vocational certificate" means a document stating that a person has received education or training that qualifies him or her for a particular job, e.g., auto mechanics or cosmetology. "Vocational license" means a document that indicates that the State or local government recognizes an individual as a qualified professional in a particular trade or business. An Associate's degree is generally a two-year degree from a community college, and a Bachelor's degree is a four-year degree from a college or university. "Graduate degree" indicates a graduate degree, such as a Masters or Doctorate degree. "None of the above" means that the youth has not received any of the above educational certifications. |
| Current enrollment and attendance.          | Currently are you enrolled in and attending high school, GED classes, post-high school vocational training, or college?   | This means both enrolled in <i>and attending</i> high school, GED classes, or post-secondary vocational training or college. A youth is still considered attending school if the youth is enrolled while the school is currently out of session (e.g., Spring break, summer vacation, etc.).  |
|   | <input type="checkbox"/> Yes .....<br><input type="checkbox"/> No .....<br><input type="checkbox"/> Declined .....  |   |
| Connection to adult                         | Currently is there at least one adult in your life, other than your caseworker, to whom you can go for advice or emotional support?   | This refers to an adult who the youth can go to for advice or guidance when there is a decision to make or a problem to solve, or for companionship to share personal achievements. The adult must be easily accessible to the youth, either by telephone or in person.   |
|   | <input type="checkbox"/> Yes .....<br><input type="checkbox"/> No .....<br><input type="checkbox"/> Declined .....  |   |
| Homelessness .....                          | Have you ever been homeless? OR In the past two years, were you homeless at any time?   | "Homeless" means that the youth had no place of his or her own to live on a regular basis. Examples include living in a car or on the street, staying temporarily with a friend, or staying in a shelter.   |
|   | <input type="checkbox"/> Yes .....<br><input type="checkbox"/> No .....<br><input type="checkbox"/> Declined .....  |   |

## APPENDIX B TO PART 1356—NYTD YOUTH OUTCOME SURVEY—Continued

| Data element              | Question to youth and response options   | Definition   |
|---------------------------|--|--|
| Substance abuse referral. | <p>Have you ever referred yourself or has someone else referred you for alcohol or drug abuse assessment or counseling? OR In the past two years, did you refer yourself, or had someone else referred you for alcohol or drug abuse assessment or counseling?</p> <p><input type="checkbox"/> Yes .....</p> <p><input type="checkbox"/> No .....</p> <p><input type="checkbox"/> Declined .....</p>   | <p>This includes either self-referring or being referred by a social worker, school staff, physician, mental health worker, foster parent, or other adult for alcohol or drug abuse assessment or counseling. Alcohol or drug abuse assessment is a process designed to determine if someone has a problem with alcohol or drug use.</p>   |
| Incarceration .....       | <p>Have you ever been arrested, incarcerated or detained in a jail, prison, correctional facility, or juvenile or community detention facility, because of an alleged crime? OR In the past two years, were you arrested, or were you incarcerated or detained in a jail, prison, correctional facility, or juvenile or community detention facility, because of an alleged crime?</p> <p><input type="checkbox"/> Yes .....</p> <p><input type="checkbox"/> No .....</p> <p><input type="checkbox"/> Declined .....</p> | <p>This means that youth was arrested, or was held or detained in a jail, prison, correctional facility, or juvenile or community detention facility in connection with an alleged crime (misdemeanor or felony) committed by the youth.</p>   |
| Children .....            | <p>Have you ever given birth or fathered any children that were born? OR In the past two years, did you give birth to or father any children that were born?</p> <p><input type="checkbox"/> Yes .....</p> <p><input type="checkbox"/> No .....</p> <p><input type="checkbox"/> Declined .....</p>   | <p>This means giving birth to or fathering at least one child that was born. If males do not know, answer "No."</p>  |
| Marriage .....            | <p>If you responded yes to the previous question, were you married to the child's other parent at the time each child was born?</p> <p><input type="checkbox"/> Yes .....</p> <p><input type="checkbox"/> No .....</p> <p><input type="checkbox"/> Declined .....</p>  | <p>This means that when every child was born in the past year, the youth was married to the other parent of the child.</p>   |
| Medicaid .....            | <p>Currently are you on Medicaid [or use the name of the State's medical assistance program under title XIX]?</p> <p><input type="checkbox"/> Yes .....</p> <p><input type="checkbox"/> No .....</p> <p><input type="checkbox"/> Don't know .....</p> <p><input type="checkbox"/> Declined .....</p>   | <p>Medicaid (or the State medical assistance program) is a health insurance program funded by the government.</p>  |
| Health insurance .....    | <p>Currently do you have health insurance, other than Medicaid?</p> <p><input type="checkbox"/> Yes .....</p> <p><input type="checkbox"/> No .....</p> <p><input type="checkbox"/> Don't know .....</p> <p><input type="checkbox"/> Declined .....</p>   | <p>"Health insurance" means having a third party pay for all or part of health care. Youth might have health insurance such as group coverage offered by employers or schools, or individual policies that cover medical and/or mental health care and/or prescription drugs, or youth might be covered under parents' insurance. This also could include access to free health care through a college, Indian Tribe, or other source.</p> |

## ADDITIONAL OUTCOMES INFORMATION TO COLLECT FROM YOUTH OUT OF FOSTER CARE

|                              |  |   |
|------------------------------|--|---|
| Public financial assistance. | <p>Currently are you receiving cash payments under TANF [or use the name of the State's family assistance cash payment program] to help support a child?</p> <p><input type="checkbox"/> Yes .....</p> <p><input type="checkbox"/> No .....</p> <p><input type="checkbox"/> Declined .....</p> | <p>This refers to receiving cash assistance under TANF (or the State's family assistance cash payment program).</p>   |
| Food assistance .....        | <p>Currently are you receiving food assistance?</p> <p><input type="checkbox"/> Yes .....</p> <p><input type="checkbox"/> No .....</p> <p><input type="checkbox"/> Declined .....</p>  | <p>Food assistance includes food stamps, which are coupons or debit cards that recipients can use to buy eligible food at authorized stores. Food assistance also includes assistance from the Women, Infants and Children (WIC) program.</p> |

## APPENDIX B TO PART 1356—NYTD YOUTH OUTCOME SURVEY—Continued

| Data element       | Question to youth and response options   | Definition   |
|--------------------|--|--|
| Housing assistance | Currently are you receiving any sort of housing assistance from the government, such as living in public housing or receiving a housing voucher?<br>____ Yes .....<br>____ No .....<br>____ Declined ..... | Public housing is rental housing provided by the government to keep rents affordable for eligible individuals and families, and a housing voucher allows participants to choose their own housing while the government pays part of the housing costs. This does not include payments from the child welfare agency for room and board payments. |

**Appendix C to Part 1356—Calculating Sample Size for NYTD Follow-Up Populations****1. Using Finite Population Correction**

The Finite Population Correction (FPC) is applied when the sample is drawn from a population of one to 5,000 youth, because the sample is more than five percent of the population.

- Sample size with FPC =

$$\frac{(\text{Py})(\text{Pn}) + \text{Std. error}^2}{\text{Std. error}^2 + \frac{(\text{Py})(\text{Pn})}{N}}$$

- $(\text{Py})(\text{Pn})$ , an estimate of the percent of responses to a dichotomous variable, is  $(.50)(.50)$  for the most conservative estimate.

- Standard error =

Acceptable level of error

## Z coefficient

- Acceptable level of error = .05 (results are plus or minus five percentage points from the actual score)

- $Z = 1.645$  (90 percent confidence interval)

- Standard error, 90 percent confidence interval =

$$\frac{.05}{1.645} = .0303951$$

- $N$  = number of youth from whom the sample is being drawn

**2. Not Using Finite Population Correction**

The FPC is not applied when the sample is drawn from a population of over 5,000 youth.

- Sample size without FPC, 90 percent confidence interval =

$$\frac{(\text{Py})(\text{Pn})}{\text{Std. error}^2} = \frac{(.50)(.50)}{(.0303951)^2} = 271$$

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