

Child Welfare Policy Manual

Questions & Answers

7.4 TITLE IV-B, Use of Funds

1. Question: May States use title IV-B funds to pay for adoptive parents to attend adoption conferences?

Answer: States may utilize title IV-B funds for purposes consistent with those specified in section 421 of the Social Security Act. This may include paying for the costs of adoptive parents' attendance at conferences which have training components or which include discussions of significant issues covering adoption and the needs of children.

Costs for adoptive parents to attend such conferences under title IV-B would be reimbursable at the 75% matching rate (section 424(a)).

The placement of children in adoptive homes when they cannot return to their biological family is an essential child welfare service. Today's emphasis on placing children with special needs in adoption poses many problems and needs for adoptive parents. By attending and participating in conferences which have training components related to adoption and discussions of adoption issues, adoptive parents may better learn how to deal with special problems and enhance their parenting skills by sharing experiences with others in similar circumstances. Active participation of adoptive parents in such conferences may result in improved adoption planning and policy development through their advisory relationships with public agencies, and thereby assist in extending and strengthening adoption services to children and adoptive parents.

- **Source/Date:** ACYF-CB-PA-82-03 (10/14/82)
- **Legal and Related References:** Social Security Act - sections 421 and 424(a).

2. Question: Is foster parent insurance allowable as an administrative cost under title IV-B?

Answer: This cost may be claimed under title IV-B, but is included in the limitation on maintenance expenditures described in section 424(c) of the Act because "liability insurance" is not considered to be a service and is primarily related to foster care maintenance. However, States may select Insurance protection for foster parents as an activity to be funded under the Social Services Block Grant (amended title XX). The State chooses the title of the Social Security Act under which it will claim Federal financial participation (FFP) in the costs of insurance.

Some States include payment for insurance coverage in the monthly foster care payment to foster parents; others provide the protection through a group insurance policy or through the State's self-insuring procedures. Using self-insurance, the State may be able to provide broad coverage at low cost.

- **Source/Date:** ACYF-CB-PIQ-82-04 (1/29/82)
- **Legal and Related References:** : Social Security Act - sections 424(a) and (c), 475 (4)

3. Question: There appears to be no agreement between insurers on the meaning of "liability insurance". Is the interpretation to include coverage of damages to the home or property of the foster parents as well as coverage for harm done by the child to another party, or accidental harm done by the foster parents to the child?

Answer: The terminology may be misleading, because foster parents are interested in more than "liability insurance". The correct interpretation includes coverage of damages to the home or property of the foster parents, as well as liability for harm done by the child to another party. In addition, protection against suit for possible malpractice or situations such as alienation of affection are often realistic concerns of persons who care for the children of others.

Several States have responded to these concerns by providing coverage for foster parents under a "pooled" liability program which provides in effect a self-insurance for departments of State government. Other States have legislated or otherwise defined foster parents as employees or as persons acting on behalf of the State, thus providing protection to those persons for claims made against them as agents of the State. Some States have purchased insurance coverage for foster parents, although the policies available often do not cover all of the risks incurred.

- **Source/Date:** ACYF-CB-PIQ-82-04 (1/29/82)
- **Legal and Related References:** Social Security Act - section 424(a)

4. Question: Are educational costs for foster children eligible for reimbursement under title IV-B?

Answer: Educational costs for foster children are not ordinarily considered social services and, therefore, are not eligible for reimbursement under title IV-B.

- **Source/Date:** ACYF-CB-PIQ-82-01 (1/19/82)
- **Legal and Related References:** Social Security Act - section 425

5. Question: Are medical and health care expenses an allowable cost under title IV-B?

Answer: In general, no, medical and health care expenses are not allowable. However, mental health services and substance abuse treatment services may be an allowable expense under section 431(a)(7)(B)(ii) and (iii) of the Act.

- **Source/Date:** ACYF-CB-PIQ-84-01 (2/10/84); updated 11/20/2025
- **Legal and Related References:** Social Security Act - section 431(a)(7)(B)(ii) and (iii)

6. Question: May a State use its title IV-B, subpart 1 funds to pay for services to children in interstate placements?

Answer: Yes, States may use title IV-B, subpart 1 funds to provide services to children who are in interstate placements. The title IV-B, subpart 1 services can be provided to 1) a child who is living in a State outside the State of jurisdiction, or 2) a child from a different State who is placed in the State.

- **Source/Date:** 7/7/2006
- **Legal and Related References:** 45 CFR 1357.10(b)

7. Question: Are laptop computers purchased for caseworkers allowable as a program cost under section 436(b)(4) of the Social Security Act (the Act)?

Answer: Yes. A State's expenditures under section 436(b)(4) of the Act for laptop computers (and associated costs for training staff and operating such computers) for caseworkers is a program cost to the extent that it is consistent with the purposes specified in section 436(b)(4)(B) of the Act. The 10 percent limit on administrative costs in section 434(d) of the Act does not apply to these purchases.

- **Source/Date:** 04/27/07
- **Legal and Related References:** Social Security Act, sections 436(b)(4) and 434(d)

8. Question: May title IV-B, subparts 1 and 2 funds, including State or Tribal Court Improvement Program (CIP) funds, be used to pay the per diem, travel expenses, childcare, and compensation for external partners, including those with lived experience with the child welfare system, who are engaged by the agency or courts in the development of the five-year Child and Family Services Plan (CFSP) and Annual Progress and Services Reports (APSR), the Child and Family Services Review (CFSR) and program improvement plan (PIP), CIP Self-Assessment and Strategic Plans, or similar assessments/planning for CIP?

Answer: Yes. These funds may be used consistent with the program purposes (see sections 421, 430, and 438 of the Social Security Act and 45 CFR 1357.15(l)(3)(iv)). This includes paying for those costs for external partners who are engaged by the agency in the development of the CFSP and APSRs, participating in the CFSR/PIPs, and planning related to CIP. This also includes the individual's participation in preparatory calls, webinars, or post-event activities. All costs must be consistent with the cost principles of 2 CFR Parts 200 and 300, including that the costs must be reasonable and documented. See 2 CFR 200.459.

Note: This answer previously referenced 45 CFR Part 75. However, 2 CFR Parts 200 and 300 supersede 45 CFR Part 75 effective October 1, 2025

- **Source/Date:** 11/29/2023 (revised 10/1/25, 89 FR 80055, Oct. 2, 2024)
- **Legal and Related References:** Social Security Act – Sections 421, 430, and 438; 45 CFR 1357.15(d)(1) and (l); CWPM 5.1 Q/A # 3, 8.1B Q/A #9, CWPM 3.3E Q/A # 4; 2 CFR 200.459