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Local Commissioners Memorandum

Transmittal:	03-OCFS-LCM-18
To:	Local District Commissioners
Issuing Division/Office:	Strategic Planning and Policy Development
Date:	November 4, 2003
Subject:	Federal Fiscal Year 2003 Education and Training Voucher Program
Contact Person(s):	See Below
Attachments:	ATTACHMENT A: Education and Training Voucher Program Assurances (Available on-line) ATTACHMENT B: Title II, Section 201 Educational and Training Vouchers for Youths Aging Out of Foster Care (Available on-line) ATTACHMENT C: Eligible Participant List (Available on-line)
Attachment Available On – Line:	Yes

I. Purpose

The purpose of this memorandum is to inform social services districts of the newly established Federal Education and Training Voucher program to help youth aging out of foster care to make the transition to self-sufficiency and receive the education, training and services necessary to obtain employment. Under this program, eligible youth may receive up to \$5,000 per year to attend a post-secondary education or vocational training program. The Education and Training Voucher program funds are subject to a twenty percent (20%) local match requirement. For Federal Fiscal Year 2003-2004, \$3,471,874 is available for this purpose. As these funds must be expended by the State by September 30, 2004, districts must make and report expenditures by August 15, 2004.

This LCM also describes the process for applying to OCFS for Federal Fiscal Year 2003-2004 Education and Training Voucher program funds for particular eligible youth.

Social services districts are advised that to be eligible for reimbursement from Education and Training Voucher program funds, the districts must be in compliance with the required Federal assurances for these funds. A list of these assurances is included as ATTACHMENT A of this memorandum.

II. Background

The Promoting Safe and Stable Families Amendments of 2001, Public Law 107-133 was signed into law on January 17, 2002. Title II, Section 201 of the Amendments, entitled "Educational and Training Vouchers for Youths Aging Out Of Foster Care," amends section 477 of Title IV-E of the Social Security Act, targeting additional resources specifically to meet the education and training needs of youth aging out of foster care.

Section 477 (i) of the Social Security Act identifies several categories of individuals who may be eligible to receive vouchers under the Education and Training Voucher program: (1) youth otherwise eligible for services under the Chafee Foster Care Independence Program (CFCIP); (2) youth adopted from foster care after attaining age 16; and (3) youth participating in the voucher program on their 21st birthday, until they turn 23 years old, as long as they are enrolled in a post-secondary education or vocational training program and are making satisfactory progress toward completion of that program.

In accordance with section 477 (d)(2) of the Social Security Act, funds awarded under the Education and Training Voucher program must be used to supplement and not supplant any other State funds previously expended for the same general purposes in the State. For example, if a district is providing financial support for post-secondary education or vocational training, the district must continue the same level of financial support. This continued financial support may be counted in the funds match amount discussed in Section VI. of the LCM.

III. Eligible Expenditures

The purpose of the Education and Training Voucher program is to help youth aging out of foster care to make the transition to self-sufficiency and receive the education, training and services necessary to obtain employment. Eligible youth may receive up to \$5,000 during Federal Fiscal Year 2003-2004. Although the Education and Training Voucher program is integrated into the overall purpose and framework of CFCIP, these program funds are in addition to the general CFCIP funds.

The Education and Training Voucher program funds are to be used to assist eligible youth with expenses once they are enrolled in a post-secondary education or vocational training program. A post-secondary education or vocational training program includes an educational institution that:

- awards a bachelor's degree or provides not less than a two-year program that provides full credit toward such a degree; admits only students with a high school diploma or the recognized equivalent; is a public or nonprofit institution; and is accredited or pre-accredited;
- provides not less than one year of training to prepare students for gainful employment in a recognized occupation; admits only students with a high school diploma or the recognized equivalent, or who are beyond the age of compulsory school attendance in New York; is legally authorized to provide a program beyond secondary education; is a public or nonprofit institution; and is accredited or pre-accredited;

- provides a program of training to prepare students for gainful employment in a recognized occupation; admits only students with a high school diploma or the recognized equivalent, or who are beyond the age of compulsory school attendance in New York; is legally authorized to provide a program beyond secondary education; is accredited; has been in existence for at least two years; and has at least 10 percent of revenues from sources other than Federal student assistance or Federal work-study programs; or
- provides a program of training to prepare students for gainful employment in a recognized occupation; admits only students with a high school diploma or the recognized equivalent; is legally authorized to provide a program beyond secondary education; is a public or nonprofit institution; is accredited or pre-accredited; and has been in existence for at least two years.

The Education and Training Voucher program funds are to be used to assist eligible youth with expenses once they are enrolled in a post-secondary education or vocational training program. In addition to tuition costs, funds may be used for discretionary costs associated with attending a post-secondary educational or vocational training program. These costs may include, but are not limited to, the following: (1) academic support services such as mentoring, career assessment and counseling, tutorial services, remedial instruction, and examination preparation; (2) books, supplies and other non-tuition costs such as computers, fees, clothing, and transportation costs; (3) room and board services during school and school breaks, including furnishings; and (4) child care costs at reasonable cost for the community in which the youth resides, based upon the number and age of the children of the eligible youth, and for a period that includes, but is not limited to, class-time, study-time, field work, internships, and commuting time.

The amount of the Education and Training voucher must be disregarded for purposes of determining the recipient's eligibility for, or the amount of, any other Federal or federally-supported assistance, except that the total amount of educational assistance to a youth must not exceed the total cost of attendance, as defined in section 472 of the Higher Education Act of 1965. The total cost of attendance includes tuition and fees; books; supplies; transportation; miscellaneous personal expenses, including the rental or purchase of a personal computer; room and board; and child care under certain circumstances.

Local social services districts must require that the total amount of educational assistance provided to a youth under the Education and Training Voucher program does not exceed the lesser of \$5,000 per year or the total cost of attendance and avoids duplication of benefits under this and any other Federal or federally-assisted benefit program.

IV. Selection of Program Participants

Each social services district must review its records to identify any youth eligible for the Education and Training Voucher program. A social services district is required by **November 28, 2003**, to submit to its OCFS Regional Office the names of eligible participants for the Education and Training Voucher program, the name of the college or certified vocational training program the youth is enrolled in, the highest of the priorities listed below that apply to the youth, and the amount of funds being requested for each participant for costs of attendance at a post-secondary education or vocational training program. The funds requested must not exceed \$5,000 for each participant up to the total cost of

attendance. Social services districts are advised to provide this information on ATTACHMENT C: Eligible Participant List.

Youth eligible for vouchers under this program are foster care youth and former foster care youth who have not yet attained the age of 21 years, and eligible for services under the CFCIP, and youth adopted from foster care after the age of 16. A youth participating in the Education and Training Voucher program when he or she attains 21 years of age may remain eligible until the youth attains 23 years of age.

The priorities for selecting eligible participants for the Education and Training Voucher program for FFY 2003-2004 will be as follows:

- Priority will be given to youth who are 20 years of age and will be 21 by September 30, 2004 and who are enrolled in and attending a post-secondary education or vocational training program and making satisfactory progress toward completion of the program. Future eligibility will continue up to the age of 23 for youth who begin participating in the Education and Training Voucher program before their 21st birthday.
- Second priority will be given to youth who are 18 and 19 years of age and who are enrolled in and attending a post-secondary education and vocational training program and making satisfactory progress toward completion of the program.
- Third priority will be given to youth over the age of 18 who have been accepted and enrolled in a post-secondary education or vocational training program but who are not yet attending the program.
- The final priority will be given to youth between 17 and 18 years of age who meet the Federal eligibility criteria and are accepted and enrolled in a post-secondary education or vocational training program.

In determining whether to support a youth's interest in attending a particular vocational training program, a social services district is advised to visit the program, talk to graduates of the program and consult with the district's local training and employment office.

The process of selecting eligible participants will be as follows:

1. OCFS will make the final selections based on the districts' nominees submitted to the Regional Offices.
2. Funding for all youth eligible for the Education and Training Voucher program under priority #1 is to be exhausted before moving to the second priority, and so on. If there are not enough Education and Training Voucher program funds for all eligible listed youth, OCFS will prorate funds within the priority reached at that time.
3. OCFS will notify the social services district of the youth selected, and the social services district will notify the youth in writing of the selection.

4. Another selection may be needed if not all FFY 2003-2004 Education and Training Voucher program funds are expended initially.
5. If the social services district notifies OCFS that the district cannot use the funds awarded, OCFS reserves the right to increase the award to selected participants up to the \$5,000 limit, select other nominees for the award, or request the submission of additional nominees from social services districts.

V. Record Requirements

Social services districts must identify and determine the eligibility of youth for the Education and Training Voucher program. Social services districts must document a youth's eligibility for the Education and Training Voucher program in accordance with Federal and State requirements. Social services districts must document that a youth participating in the voucher program is making satisfactory progress toward completion of the educational or vocational program.

A social services district must comply with all applicable Uniform Case Record (UCR) requirements. Participation of all eligible youth in the Education and Training Voucher program shall be documented under the case recording requirements of 18 NYCRR 430.12(4)(ii).

A social services district must retain all records related to the Education and Training Voucher program for a period of three (3) years (i) from the date of the end of the Federal fiscal year for which the funds are granted (September 30, 2004, is the end of the Federal fiscal year for which these funds are provided) or, (ii) for records concerning an individual youth, from the date of the last activity covered by the youth's voucher, whichever is later. Any extension of time to expend funds for a particular Federal fiscal year shall extend the period for retention of records.

VI. Funds Match Requirements

The Federal statute and a Federal Program Instruction provide that the Education and Training Voucher program funds are available for only 80 percent of a State's Education and Training Voucher program expenditures up to the amount of the Education and Training Voucher program State allotment.

Social services districts are advised that matching contributions may be in cash or in-kind contributions of services, equipment, or property, and may originate with a third party. No Federal funds may be used for the match.

Social services districts are also advised that the 20 percent match requirement is not eligible for State reimbursement. If a district is providing financial support for post-secondary education or vocational training, the district must continue the same level of financial support. This continued financial support may be counted in the funds match amount.

VII. Claims and Reporting Procedures

The Federal Education and Training Voucher funding provided for post-secondary education and training assistance to youth otherwise eligible for services under the CFCIP is subject to Federal

reporting rules for program costs. Claims to meet the local match requirement may include expenditures subject to the non-supplantation rule, as referenced in Section VI above.

The Education and Training Voucher program funds are to be used to assist eligible youth with expenses once they are enrolled in a post-secondary education or vocational training program. In addition to tuition costs, funds may be used for discretionary costs associated with attending a post-secondary educational or vocational training program. These costs may include, but are not limited to, the following: (1) academic support services such as mentoring, career assessment and counseling, tutorial services, remedial instruction, and examination preparation; (2) books, supplies and other non-tuition costs such as computers, fees, clothing, and transportation costs; (3) room and board services during school and school breaks, including furnishings; and (4) child care costs at reasonable cost for the community in which the youth resides, based upon the number and age of the children of the eligible youth, and for a period that includes, but is not limited to, class-time, study-time, field work, internships, and commuting time. These funds are not to be used to purchase vehicles for students or local districts.

Program costs are reported on an LDSS-3922 (Revision date 12/00), Reimbursement Claim for Special Projects, with "ETV 2002-2003" indicated in the project name box. Purchase of service costs should be reported in the LDSS-3922, Client Related Cash section, columns 1 and 3 Non-Administrative. Contracts or Memoranda of Understanding (MOU) with private or public entities can be constructed to provide post-secondary education and training assistance using funds from this award. An acceptable method of cost allocation and other sources of funding will be necessary if the contract includes services for other purposes or populations. Social services districts must be careful not to duplicate other client-specific funding with these funds. Expenditures may begin any time after the district awards are published and must be claimed by August 15, 2004, unless it becomes possible to extend the use of these funds for an additional year. Local districts will be notified if the time period for the use of these funds is extended.

The costs of this program are reimbursed at 80 percent Federal share up to the limit of the district's award. Costs in excess of the award are not eligible for State reimbursement. When payments from these funds are made, districts receive a claims listing showing claims, awards and payments made.

Instructions for claiming program expenditures can be found in the Fiscal Reference Manual, Volume 2, Chapter 3.

The local district must sign the LDSS-3922 certification and submit the LDSS-3922 claim to:

Bureau of Financial Services
Office of Temporary and Disability Assistance
40 North Pearl Street, Claims Unit, 14th Floor, Section A
Albany, New York 12243

VIII. Contact Information

Questions pertaining to the Education and Training Voucher program should be directed to the appropriate Regional Office, Division of Development and Prevention Services:

BRO - Linda Brown (716) 847-3145
USER ID: Linda.Brown@dfa.state.ny.us
RRO - Linda Kurtz (716) 238-8201
USER ID: Linda.Kurtz@dfa.state.ny.us
SRO - Jack Klump (315) 423-1200
USER ID: Jack.Klump@dfa.state.ny.us
ARO - Bill McLaughlin (518) 486-7078
USER ID: William.McLaughlin@dfa.state.ny.us
NYCRO - Fred Levitan (212) 383-1788
USER ID: Fred.Levitan@dfa.state.ny.us
YRO - Pat Sheehy (914) 377-2080
USER ID: Pat.Sheehy@dfa.state.ny.us

Questions pertaining to claiming may be directed to the Office of Temporary and Disability Assistance, Bureau of Financial Services:

Marian Borenstein, Region VI - New York City, 212-383-1735,
User ID: Marian.Borenstein@dfa.state.ny.us

Michael Borenstein, Region V, 631-854-9704,
User ID: Michael.Borenstein@dfa.state.ny.us

Patricia Humphrey, Regions I-IV - Upstate Office, 1-800-343-8859, extension 4-7549, or 518-474-7549,
User ID: Patricia.Humphrey@dfa.state.ny.us

Nancy W. Martinez s/s

Issued By

Name: Nancy W. Martinez

Title: Acting Director

Division/Office: Strategic Planning and Policy Development

ATTACHMENT A

EDUCATION AND TRAINING VOUCHER PROGRAM
Chafee Foster Care Independence Program

The following certifications and assurances have been made by OCFS regarding the Education and Training Voucher Program implementation in New York State and are applicable to all local districts using Education and Training Voucher Program funds for foster care youth and former foster care youth.

- (1) The State will comply with the conditions specified in subsection 477(i) of the Social Security Act*.
- (2) The State has described methods it will use to:
 - Ensure that the total amount of educational assistance to a youth under this and any other Federal assistance program does not exceed the total cost of attendance; and
 - avoid duplication of benefits under this and any other Federal assistance program, as defined in section 477(3)(b)(J) of the Social Security Act.

*** The conditions specified in subsection 477(i) of the Social Security Act (42 U.S.C. 677) are:**

- `(1) Vouchers under the program may be available to youths otherwise eligible for services under the State program under this section.**
- `(2) For purposes of the voucher program, youths adopted from foster care after attaining age 16 may be considered to be youths otherwise eligible for services under the State program under this section.**
- `(3) The State may allow youths participating in the voucher program on the date they attain 21 years of age to remain eligible until they attain 23 years of age, as long as they are enrolled in a postsecondary education or training program and are making satisfactory progress toward completion of that program.**
- `(4) The voucher or vouchers provided for an individual under this section--**
 - `(A) may be available for the cost of attendance at an institution of higher education, as defined in section 102 of the Higher Education Act of 1965; and**
 - `(B) shall not exceed the lesser of \$5,000 per year or the total cost of attendance, as defined in section 472 of that Act.**
- `(5) The amount of a voucher under this section may be disregarded for purposes of determining the recipient's eligibility for, or the amount of, any other Federal or Federally supported assistance, except that the total amount of educational assistance to a youth under this section and under other Federal and Federally supported programs shall not exceed the total cost of attendance, as defined in section 472 of the Higher Education Act of 1965, and except that the State agency shall take appropriate steps to prevent duplication of benefits under this and other Federal or Federally supported programs.**

(6) The program is coordinated with other appropriate education and training programs.'

- ATTACHMENT B

H.R.2873

Promoting Safe and Stable Families Amendments of 2001 (Enrolled as Agreed to or Passed by Both House and Senate)

TITLE II--FOSTER CARE AND INDEPENDENT LIVING

SEC. 201. EDUCATIONAL AND TRAINING VOUCHERS FOR YOUTHS AGING OUT OF FOSTER CARE.

(a) PURPOSE- Section 477(a) (42 U.S.C. 677(a)) is amended--

(1) by striking `and' at the end of paragraph (4);

(2) by striking the period at the end of paragraph (5) and inserting `; and'; and

(3) by adding at the end the following new paragraph:

`(6) to make available vouchers for education and training, including postsecondary training and education, to youths who have aged out of foster care.'.

(b) EDUCATIONAL AND TRAINING VOUCHERS- Section 477 (42 U.S.C. 677) is amended by adding at the end the following:

`(i) EDUCATIONAL AND TRAINING VOUCHERS- The following conditions shall apply to a State educational and training voucher program under this section:

`(1) Vouchers under the program may be available to youths otherwise eligible for services under the State program under this section.

`(2) For purposes of the voucher program, youths adopted from foster care after attaining age 16 may be considered to be youths otherwise eligible for services under the State program under this section.

`(3) The State may allow youths participating in the voucher program on the date they attain 21 years of age to remain eligible until they attain 23 years of age, as long as they are enrolled in a postsecondary education or training program and are making satisfactory progress toward completion of that program.

`(4) The voucher or vouchers provided for an individual under this section--

`(A) may be available for the cost of attendance at an institution of higher education, as defined in section 102 of the Higher Education Act of 1965; and

`(B) shall not exceed the lesser of \$5,000 per year or the total cost of attendance, as defined in section 472 of that Act.

`(5) The amount of a voucher under this section may be disregarded for purposes of determining the recipient's eligibility for, or the amount of, any other Federal or Federally supported assistance, except that the total amount of educational assistance to a youth under this section and under other Federal and Federally supported programs shall not exceed the total cost of attendance, as defined in section 472 of the Higher Education Act of 1965, and except that the State agency shall take appropriate steps to prevent duplication of benefits under this and other Federal or Federally supported programs.

`(6) The program is coordinated with other appropriate education and training programs.'.

(c) CERTIFICATION- Section 477(b)(3) (42 U.S.C. 677(b)(3)) is amended by adding at the end the following:

`(J) A certification by the chief executive officer of the State that the State educational and training voucher program under this section is in compliance with the conditions specified in subsection (i), including a statement describing methods the State will use--

- `(i) to ensure that the total amount of educational assistance to a youth under this section and under other Federal and Federally supported programs does not exceed the limitation specified in subsection (i)(5); and
- `(ii) to avoid duplication of benefits under this and any other Federal or Federally assisted benefit program.'

(d) INCREASED AUTHORIZATIONS OF APPROPRIATIONS- Section 477(h) (42 U.S.C. 677(h)) is amended by striking 'there are authorized' and all that follows and inserting the following: 'there are authorized to be appropriated to the Secretary for each fiscal year--

- `(1) \$140,000,000, which shall be available for all purposes under this section; and
- `(2) an additional \$60,000,000, which are authorized to be available for payments to States for education and training vouchers for youths who age out of foster care, to assist the youths to develop skills necessary to lead independent and productive lives.'

(e) ALLOTMENTS TO STATES- Section 477(c) (42 U.S.C. 677(c)) is amended--

(1) in paragraph (1)--

(A) by striking '(1) IN GENERAL- From the amount specified in subsection (h)' and inserting '(1) GENERAL PROGRAM ALLOTMENT- From the amount specified in subsection (h)(1)';

(B) by striking 'which bears the same ratio' and inserting 'which bears the ratio'; and

(C) by striking 'as the number of children in foster care' and all that follows and inserting 'equal to the State foster care ratio, as adjusted in accordance with paragraph (2).'; and

(2) by adding at the end the following new paragraphs:

`(3) VOUCHER PROGRAM ALLOTMENT- From the amount, if any, appropriated pursuant to subsection (h)(2) for a fiscal year, the Secretary may allot to each State with an application approved under subsection (b) for the fiscal year an amount equal to the State foster care ratio multiplied by the amount so specified.

`(4) STATE FOSTER CARE RATIO- In this subsection, the term 'State foster care ratio' means the ratio of the number of children in foster care under a program of the State in the most recent fiscal year for which the information is available to the total number of children in foster care in all States for the most recent fiscal year.'

(f) PAYMENTS TO STATES-

(1) IN GENERAL- Section 474(a)(4) (42 U.S.C. 674(a)(4)) is amended to read as follows:

`(4) an amount equal to the amount (if any) by which--

`(A) the lesser of--

`(i) 80 percent of the amounts expended by the State during the fiscal year in which the quarter occurs to carry out programs in accordance with the State application approved under section 477(b) for the period in which the quarter occurs (including any amendment that meets the requirements of section 477(b)(5)); or

`(ii) the amount allotted to the State under section 477(c)(1) for the fiscal year in which the quarter occurs, reduced by the total of the amounts payable to the State under this paragraph for all prior quarters in the fiscal year; exceeds

`(B) the total amount of any penalties assessed against the State under section 477(e) during the fiscal year in which the quarter occurs.'

(2) DISCRETIONARY GRANTS- Section 474 (42 U.S.C. 674) is amended by adding at the end the following:

`(e) DISCRETIONARY GRANTS FOR EDUCATIONAL AND TRAINING VOUCHERS FOR YOUTHS AGING OUT OF FOSTER CARE- From amounts appropriated pursuant to section 477(h)(2), the Secretary may make a grant to a State with a plan approved under this part, for a calendar quarter, in an amount equal to the lesser of--

`(1) 80 percent of the amounts expended by the State during the quarter to carry out programs for the purposes described in section 477(a)(6); or

`(2) the amount, if any, allotted to the State under section 477(c)(3) for the fiscal year in which the quarter occurs, reduced by the total of the amounts payable to the State under this subsection for such purposes for all prior quarters in the fiscal year.'.

SEC. 202. REALLOCATION AND EXTENSION OF FUNDS.

(a) REALLOCATION OF UNUSED FUNDS- Section 477(d) (42 U.S.C. 677(d)) is amended by adding at the end the following:

`(4) REALLOCATION OF UNUSED FUNDS- If a State does not apply for funds under this section for a fiscal year within such time as may be provided by the Secretary, the funds to which the State would be entitled for the fiscal year shall be reallocated to 1 or more other States on the basis of their relative need for additional payments under this section, as determined by the Secretary.'.

(b) TEMPORARY EXTENSION OF AVAILABILITY OF INDEPENDENT LIVING FUNDS- Notwithstanding section 477(d)(3) of the Social Security Act, payments made to a State under section 477 of such Act for fiscal year 2000 shall remain available for expenditure by the State through fiscal year 2002.

ATTACHMENT C

Instructions: All youth listed on the sheet should be in the same priority. Use additional sheets as necessary

Education and Training Voucher Program Eligible Participant List

County: _____

Date: _____

Priority Number _____

Name of Participant: _____

Date of Birth: _____

Name of Program: _____

Type of Program: Four-year College Two-year College Vocational Training Graduate School

Amount of funds requested (not to exceed \$5,000): _____

Anticipated Use of Funding: Academic Support Services Non tuition costs Room and Board services Child Care Costs

Name of Participant: _____

Date of Birth: _____

Name of Program: _____

Type of Program: Four-year College Two-year College Vocational Training Graduate School

Amount of funds requested (not to exceed \$5,000): _____

Anticipated Use of Funding: Academic Support Services Non tuition costs Room and Board services Child Care Costs

Name of Participant: _____

Date of Birth: _____

Name of Program: _____

Type of Program: Four-year College Two-year College Vocational Training Graduate School

Amount of funds requested (not to exceed \$5,000): _____

Anticipated Use of Funding: Academic Support Services Non tuition costs Room and Board services Child Care Costs