



**Colorado Evaluation & Action Lab**  
UNIVERSITY OF DENVER

Using data to drive action

# Family First Maintenance of Effort

## Background & Opportunities for Colorado

### RECOMMENDATIONS:

- Document and implement processes for ongoing monitoring and correcting potential inaccuracies in Trails. Continue to develop and offer targeted training and guidance to county departments around accurate data entry.
- Annually, review the Clearinghouse to note any additional rated services and add them to Trails if appropriate so they can be factored in to MOE calculation.
- Use one or two services as test cases to map the funding sources that can be used to meet MOE as non-eligible expenses.
- Ensure that all eligible expenditures are claimed rather than applied to MOE.
- Explore other strategies related to maximizing IV-E drawdown in conjunction with efforts to meet the MOE requirement.

### AUTHORS:

**Yumiko Dougherty**

External Researcher, Ignite the Change Advisors, LLC

**Courtney L. Everson, PhD**

Sr. Project Director, Colorado Evaluation and Action Lab

**Elysia Versen, PhD**

Deputy Director/COO, Colorado Evaluation and Action Lab

**For inquiries contact:** Elysia Versen | [admin@coloradolab.org](mailto:admin@coloradolab.org) | [www.ColoradoLab.org](http://www.ColoradoLab.org)

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## What is Maintenance of Effort?

The Family First Maintenance of Effort (MOE) requirement ensures that states continue to dedicate a consistent level of their own funding to foster care prevention services, rather than solely relying on federal funds and "supplanting" their own financial contribution.

States are required to maintain at least the same level of "foster care prevention expenditures" each federal fiscal year (FFY) as the amount spent in FFY 2014 (baseline).

This amount only needs to be calculated once, so Colorado's MOE will remain constant and carry over from one 5-year prevention plan to the next.

### Colorado's MOE

Colorado's MOE is \$710,282. This is the amount spent in the base year (FFY 2014) on prevention services that were rated by the Title IV-E Clearinghouse at the time of Colorado's initial prevention plan submission, regardless of whether they were named in Colorado's Plan.

## Why Does It Matter?

Each year, Colorado must spend \$710,282 on foster care prevention services before any federal reimbursement for Title IV-E-eligible prevention expenses can be claimed.

**The goal is to fully meet the MOE requirement using expenditures that are NOT currently eligible for federal IV-E reimbursement.** This ensures that all eligible Family First expenses can be claimed and is one key strategy in maximizing Colorado's Title IV-E drawdown.

## What Expenditures Can Be Used to Meet the MOE Requirement?

Expenditures used to meet the MOE requirement have program/service, population, and funding source requirements. However, the requirements are broad and offer multiple pathways for Colorado to reach its MOE threshold.

## Program/Service and Population Requirements

Based on language from [statute](#) and the associated [Program Instruction](#), as well as additional interpretation and confirmation from Casey Family Programs, "state foster care prevention services and activities" include the following:

- Those services that are **currently** approved and rated by the Title IV-E Prevention Services Clearinghouse,<sup>i</sup> and

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<sup>i</sup> This means that as new services/programs are reviewed and rated by the Clearinghouse, additional services delivered in Colorado can be used to meet MOE requirements.

- Serve populations who are candidates for foster care, pregnant or parenting youths in foster care, or their parents and kin caregivers (i.e., meet Colorado’s candidacy definition).

**The MOE requirement can be met with ANY service currently approved and rated by the Clearinghouse. Services do NOT need to be included in Colorado’s prevention plan to be used in meeting MOE expenditure requirements.**

## Funding Source Requirements

“State foster care prevention expenditures” can come from multiple sources:

- State expenditures and federal matching funds provided to the state for Title IV-B, Temporary Assistance for Needy Families (TANF), and Social Services Block Grant (SSBG).
- State expenditures for foster care prevention services and activities under any other state program (except Title IV-E). This includes all state or local funds that are expended by the state or a local agency, including funds that are matched or reimbursed by the federal government. In Colorado, some examples include Core Services Program, Collaborative Management Program, and other state general funds.

Note that the state's total spending on foster care prevention services across programs can be leveraged to meet the MOE requirement, not just the Title IV-E agency's budget.

### State Requirements

[ACYF-CB-PI-24-07](#) provides guidance to states regarding the Title IV-E Prevention Program, including MOE requirements and definitions. As of May 2025, there has been no additional guidance from the federal government regarding MOE.

## Colorado’s Current Approach to MOE

Colorado posts non-eligible prevention expenses against the MOE requirement first. Eligible prevention expenditures are then reduced by the amount (if any) of the remaining "unmet" MOE. Initially, the Colorado Department of Human Services’ Division of Child Welfare (DCW) tracked expenditures against the MOE on a quarterly basis, utilizing a Trails report that included all cases with the following:

- Service authorization for an eligible Evidence-Based Practice (EBP),
- Paid for by general fund dollars, and
- Flagged as “not eligible” for drawdown.

For FFY 2024, this resulted in \$669,295 in total non-eligible expenses applied to the MOE. Therefore \$40,986 in eligible expenses had to be applied to the MOE and could not be claimed.

### Eligibility Definitions

**Non-Eligible Prevention Expenses:** Expenses that can be used to meet the MOE requirement, but do not meet all the requirements necessary to claim IV-E reimbursement at this time. Non-eligible expenses are associated with an IV-E Clearinghouse-approved service provided to an individual/family who meets Colorado’s candidacy definition and paid for using an approved funding source. There may be several reasons why these criteria are met, but the expense is not eligible for claiming at this time; for example:

- There is not an open child welfare case, or
- The service is not on Colorado’s prevention plan.

Note that the eligibility of expenses will change over time as Colorado continues to phase in operationalization of its broad candidacy definition and expand the list of services on its prevention plan.

**Eligible Prevention Expenses:** Expenses that meet all requirements to claim Title IV-E reimbursement:

1. There is a service authorization for an approved EBP on Colorado’s Plan,
2. Candidacy has been determined,
3. There is an open in-home case and risk of out-of-home placement, and
4. There is an associated prevention plan for the candidate.

## Quick Turnaround: Low-Lift Opportunities to Meet MOE

The following lower-effort recommendations offer promising short-term solutions to help Colorado meet its MOE requirement using non-eligible expenses. Implementing these actions collectively would allow DCW to maintain its current methodology while improving data accuracy across a broader set of EBPs. The primary objective is to enhance the tracking and accuracy of data to better reflect current EBP utilization across counties, while also capturing service expenditures beyond the nine EBPs currently included in Colorado’s state plan.

### Validate Service Types in Trails

In practice, the vast majority of foster care prevention service expenditures counted toward Colorado’s MOE are funded through the Core Services Program. To better understand how these services are documented, DCW reviewed the SFY 24–25 Core Services contracts and service authorizations in Trails for all 64 counties. This review revealed inconsistencies in how county staff documented EBPs. In several instances, eligible EBPs were not identified in the designated *Service Type* field, but were instead referenced in the Comments section using phrases like “evidence-based home visiting program,” suggesting that an EBP may have been delivered. In other cases,

EBPs were noted in the Comments section, but omitted from the appropriate fields, resulting in their exclusion from the report used to calculate MOE.

In response to these findings, DCW staff have initiated the following actions:

- Issued [Memo OM-OCYF-2025-0001](#), emphasizing the importance of accurately entering Core Services contracts and service authorizations.
- Initiated outreach to county departments to review Core Services delivered in SFY 24–25 that may qualify as EBPs, but were not properly identified in the *Service Type* field.
- Began developing job aids to support staff in entering contracts and services in Trails and to assist with onboarding new county personnel.
- Began developing and offering targeted training to county departments related to these issues.

While DCW’s prompt actions are likely to generate sufficient expenditures to meet the current year’s MOE requirement, this should not be viewed as a one-time solution. Sustained efforts to monitor Trails data and provide ongoing guidance and training to county departments will be essential to consistently meeting MOE requirements in future years, especially as non-eligible and eligible expenses change over time.

**Recommendation: Document and implement processes for ongoing monitoring and correcting potential inaccuracies in Trails to ensure that all non-eligible prevention expenditures are applied to the MOE. Continue to offer targeted training and guidance to county departments around accurate data entry.**

## Include Additional Services on the Clearinghouse to Meet MOE

As of March 2025, **93 services** have been approved and rated as “promising,” “supported,” or “well-supported” by the Title IV-E Clearinghouse. Currently, Colorado has nine services approved on its state prevention plan. For the purposes of meeting the MOE requirement:

- Colorado can pull from the much broader set of 93 Clearinghouse services, not just the nine services on Colorado’s Plan.
- Expenditures must still come from an eligible funding source and service recipients must meet Colorado’s candidacy definition.
- However, beginning with a larger set of potential services may open up additional opportunities for meeting the MOE requirement with non-eligible expenses.

As a result of this finding, the Office of Information and Technology (OIT) expanded the options available to counties in the Service Type field to include more than 30 EBPs that are in use in Colorado. Core Service contracts and service authorizations now must include selection of the EBP in Trails. While this important step may help meet MOE requirements in the short term, ongoing efforts will be needed to regularly review the Clearinghouse for newly rated services, add these to

the list of EBPs in the Service Type field, and to provide updated guidance and training to county departments.

**Recommendation:** Annually, review the Clearinghouse to note any additional rated services; determine if they are being used in Colorado and can thus be added to Trails and factored in to MOE calculation. Provide ongoing guidance and training to county departments on accurate data entry and the expanded set of service options.

## Short/Medium-Term: Additional Opportunities to Ensure MOE is Consistently Met in Future Years

The following opportunities will require resources to pursue, but offer valuable potential to help Colorado consistently meet its MOE requirement using non-eligible expenses in the future, while also supporting efforts to maximize Title IV-E claiming.

### Include Other Funding Sources to Meet MOE

Although Colorado currently uses mostly expenditures from the Core Services Program to meet MOE, the law permits the use of multiple funding streams, including other state programs and federal sources. Additionally, qualifying expenditures are not limited to those paid solely by child welfare. This flexibility is particularly relevant given that several services included in Colorado's prevention plan are administered by the Colorado Department of Early Childhood (CDEC).

To leverage this opportunity, Colorado could choose one or two of these services to map the associated federal, state, and local funding streams and determine which expenditures could be applied to MOE. This approach would expand the range of funding sources contributing to MOE beyond the Core Services Program. With the recent approval of SafeCare Community Pathways, SafeCare presents a strong candidate for such an exercise.

**Recommendation:** Use one or two CDEC-administered services as test cases to map the federal, state, and local funding sources that could be used to meet MOE as non-eligible expenses.

### Continue to Validate Expenditures Flagged as Non-Eligible

Upon further inspection, several of the cases in Trails that had been flagged as non-reimbursable may in fact be eligible for IV-E drawdown with required data updates. For example, the following cases are currently marked as non-reimbursable/non-eligible in Trails:

- **EBP but no treatment plan/prevention plan:** If there is a service authorization for an EBP, there should be an associated plan. If a plan is added by the county, some of these expenditures would become eligible.



- **No EBP service authorization:** These appear to be cases where individuals/families are receiving an EBP, but the service authorization is not in Trails. If the service authorization is added, these cases would be eligible expenses. An [April 24, 2025 memorandum](#) advised counties of the need to correctly enter Core contracts and service authorizations, specifically in order to increase federal reimbursement for evidence-based services (EBS) and improve data collection on services to return or keep children and youth in their home.
- **Out-of-Home (OOH) removals:** If the service was provided while the child/youth was at home, but they subsequently entered OOH, the service could be reimbursable.

Due to staff vacancies, DCW has paused efforts to actively monitor these outliers in Trails and follow up with counties to ensure accurate data. If a portion of expenditures currently marked as “non-reimbursable” are actually eligible, this would increase the total amount eligible for Title IV-E drawdown, but also DECREASE the non-eligible amount going toward the MOE requirement. Thus, it is important to explore additional avenues to identify prevention expenditures for MOE.

**Recommendation: Document and implement a process for identifying and correcting potential inaccuracies in Trails to ensure that all eligible expenditures are claimed rather than applied to MOE.**

## Explore Other Strategies Related to Maximizing IV-E Drawdown

The following strategies have been identified to maximize Title IV-E drawdown and should be pursued in conjunction with efforts to meet the MOE requirement:

- Understand how other states are claiming 50% of administrative costs given new federal policy guidance ([summarized here by Chapin Hall](#) at the University of Chicago):
  - At the program administration level, and
  - At the child-specific level (even if service is paid from another source, like Medicaid).
- Support counties in using EBPs in the Family First Service Array to expand the eligible pool.
- Continue expanding programs/services approved in Colorado’s Plan.

## Conclusion

Colorado is committed to fully meeting the Family First MOE requirement in the most efficient and strategic manner possible – primarily by leveraging expenditures that are not eligible for federal IV-E reimbursement. This approach ensures that all eligible Family First expenses can be claimed, thereby maximizing the state’s Title IV-E drawdown. While the MOE requirements include several conditions, they are intentionally broad and offer Colorado multiple viable pathways. Early efforts, such as implementing low-lift improvements to data tracking, have already helped identify additional qualifying expenditures. Sustaining these efforts will be critical for consistently meeting MOE requirements in the years ahead.



To support long-term success, Colorado should continue exploring additional funding sources, enhancing Trails data accuracy, and actively seeking opportunities to increase IV-E claiming. Moreover, documenting the methodology for identifying and applying non-reimbursable expenses toward the MOE requirement will be essential to ensuring a consistent, transparent, and streamlined process year over year.