



Federal Child Welfare Policy Manual Update

8.5 Guardianship Assistance Program

Question 6: Is a title IV-E agency obligated to reimburse the non-recurring expenses (NREs) (e.g. legal fees) if the legal guardianship is never finalized?

Answer: Yes. A title IV-E agency is obligated to reimburse NREs incurred pursuing legal guardianship, even if the guardianship is never finalized, pursuant to section 473(d)(1)(B)(iv) of the Social Security Act (the Act). A kinship guardianship assistance agreement must be in place with a prospective relative guardian prior to the establishment of the legal guardianship and must specify, among other things, that the title IV-E agency will pay the total cost of NREs associated with obtaining legal guardianship of the child, to the extent the total cost does not exceed \$2,000 (section 473(d)(1)(B)(iv) of the Act). A title IV-E agency may claim Federal financial participation at the 50 percent rate for NREs incurred pursuing legal guardianship per section 474(a)(5) of the Act.

Date: 10/14/2011

Legal and Related References: Social Security Act – sections 473(d)(1)(B)(iv) and 474(a)(5)

U.S.C. refers to the United States Code
C.F.R. refers to the Code of Federal Regulations