

§ 1355.47 Penalties.

(a) *Federal funds subject to a penalty.* The funds that are subject to a penalty are the title IV-E agency's claims for title IV-E foster care administration and training for the quarter in which the title IV-E agency is required to submit the data files. For data files due on May 15, ACF will assess the penalty based on the title IV-E agency's claims for the third quarter of the Federal fiscal year. For data files due on November 14, ACF will assess the penalty based on the title IV-E agency's claims for the first quarter of the Federal fiscal year.

(b) *Penalty amounts.* ACF will assess penalties in the following amounts:

(1) *First six month period.* ACF will assess a penalty in the amount of one sixth of one percent (1/6 of 1%) of the funds described in paragraph (a) of this section for the first six month period in which the title IV-E agency's submitted corrected data file does not comply with § 1355.46.

(2) *Subsequent six month periods.* ACF will assess a penalty in the amount of one fourth of one percent (1/4 of 1%) of the funds described in paragraph (a) of this section for each subsequent six month period in which the title IV-E agency continues to be out of compliance.

(c) *Penalty reduction from grant.* ACF will offset the title IV-E agency's title IV-E foster care grant award in the amount of the penalty from the title IV-E agency's claims following the title IV-E agency notification of ACF's final determination of noncompliance.

(d) *Appeals.* The title IV-E agency may appeal ACF's final determination of noncompliance to the HHS Departmental Appeals Board pursuant to 45 CFR part 16.

[81 FR 90569, Dec. 14, 2016]