

Report to Congress on State Child Welfare Expenditures

2023

Children's Bureau
Administration on Children, Youth and Families
Administration for Children and Families
U.S. Department of Health and Human Services



ADMINISTRATION FOR
CHILDREN & FAMILIES

Introduction

Each year, states are required to submit information on their planned and actual expenditures for several child welfare programs to the U.S. Department of Health and Human Services (HHS). Section 432(c) of the Social Security Act (the Act) requires HHS to compile and submit copies of the state expenditure forms to the Committee on Ways and Means of the United States House of Representatives and the Committee on Finance of the United States Senate. The law also requires HHS to synthesize the information from the state reports by providing the national totals of planned spending by service category for the Stephanie Tubbs Jones Child Welfare Services Program (title IV-B, subpart 1 of the Act), as well as planned and actual spending by service category for the MaryLee Allen Promoting Safe and Stable Families Program (PSSF) (title IV-B, subpart 2 of the Act).

This report is prepared in response to this requirement. Attachment A of the report contains a copy of the required financial reports (known as the CFS-101 Parts I, II, and III) and the instructions for completing the forms. Copies of completed forms from each of the 50 states, the District of Columbia, Puerto Rico, and the Virgin Islands are provided as Attachment B of this report.

Title IV-B, Subpart 1 - Stephanie Tubbs Jones Child Welfare Services

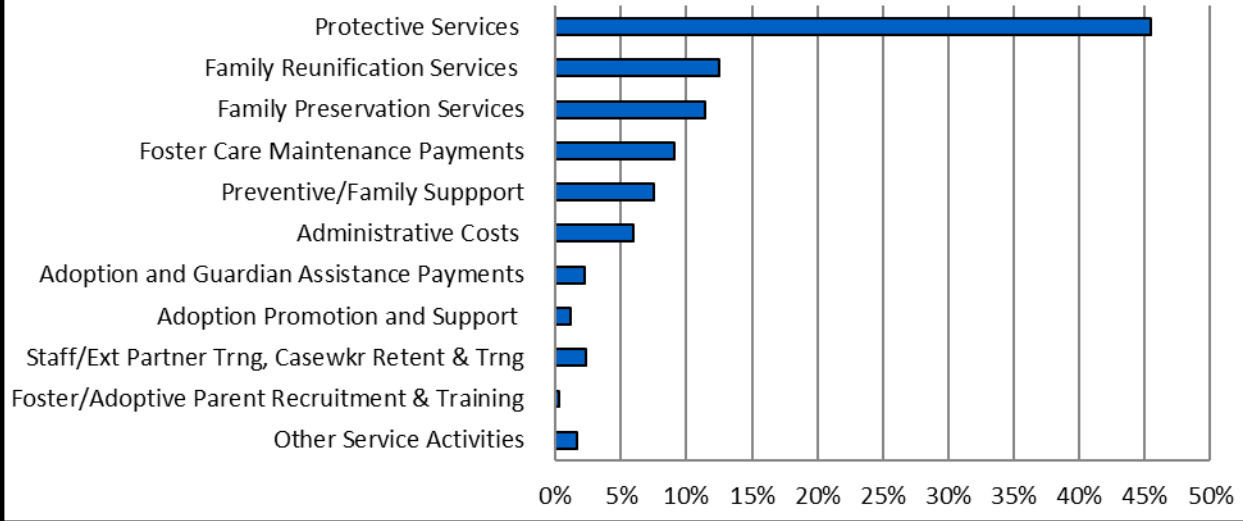
The title IV-B, subpart 1, the Stephanie Tubbs Jones Child Welfare Services program is designed to promote flexibility in the development and expansion of a coordinated child and family services program (section 421 of the Act). Funds may be used to support and expand services to children and families to:

- Protect and promote the welfare of all children.
- Prevent child abuse and neglect.
- Support at-risk families through services that permit children to remain in their own homes, or to return to those homes in a timely manner whenever it is safe and appropriate.
- Promote safety, permanency, and well-being for children in foster care or those in adoptive families.
- Provide training, professional development, and support to ensure a well-qualified child welfare workforce.

States have broad flexibility to spend title IV-B, subpart 1 funds on services and activities that support these purposes.

Each year, states must provide estimated annual expenditures for the Stephanie Tubbs Jones Child Welfare Services program within 17 broad service categories. This information can be found on each state's CFS-101 Part II. Attachment C of this report provides the compiled summary information of each state's planned expenditures of federal fiscal year (FY) 2023 grant funds under the Stephanie Tubbs Jones Child Welfare Services program. Figure 1 presents the aggregated planned spending by category for the program to provide the national picture.

Figure 1: Stephanie Tubbs Jones Child Welfare Services Funding: FY 2023
Percentage of Planned Expenditures



As shown in Figure 1, states planned to spend approximately 45 percent of their grant funds on protective services. The next largest categories of planned expenditures were for family reunification services and family preservation services at approximately 13 and 11 percent respectively. About 8 percent of funds are planned to be spent on prevention and family support services, and 9 percent in foster care maintenance payments. Consistent with the statutory requirement to spend no more than 10 percent of the federal grant award on administrative costs (section 422(b)(14) of the Act), states reported planning to spend 6 percent on administrative costs.

Table 1 provides a historical comparison of states’ planned expenditures for the five categories with the highest allocation of funding each year from FY 2019 to FY 2023. Over the 5-year period, there has been little change in any category, however FY 2023 data reported by states indicates a small decrease in planned expenditures for protective services and small increase in planned use of funds for family reunification services.

Table 1. Planned Spending in the Top Five Categories for Stephanie Tubbs Jones Child Welfare Services Program

<i>Service Area</i>	<i>FY19</i>	<i>FY20</i>	<i>FY21</i>	<i>FY22</i>	<i>FY 23</i>
Protective Services	48%	47%	47%	47%	45%
Family Preservation	11%	11%	11%	11%	11%
Preventive/Family Support	8%	8%	8%	8%	8%
Family Reunification Services	10%	11%	11%	11%	13%
Foster Care Maintenance	7%	7%	8%	8%	9%
Total of Top Five Expenditure Areas:	84%	84%	85%	85%	86%

Title IV-B, Subpart 2 – MaryLee Allen Promoting Safe and Stable Families

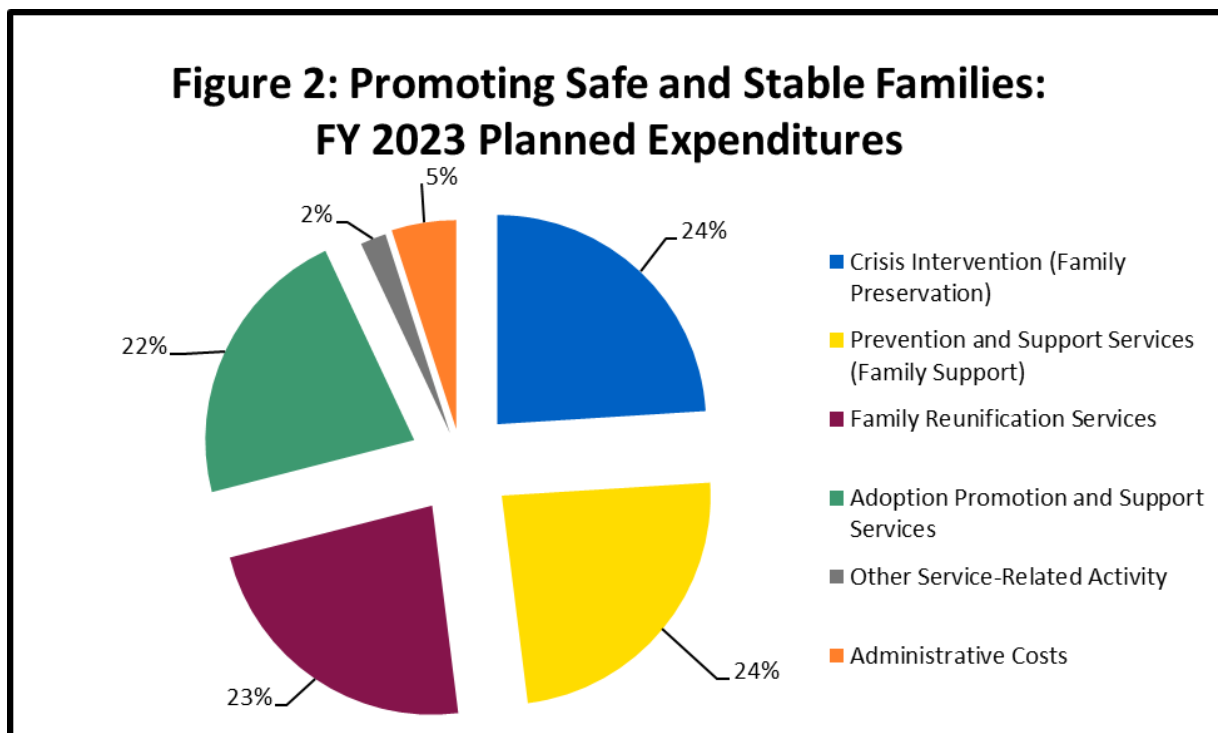
The purpose of the title IV-B, subpart 2, PSSF grant program is to enable states to develop and operate coordinated programs of community-based family support services, family preservation services, family reunification services, and adoption promotion and support services (section 430 of the Act).

The law requires states to spend a “significant portion” of PSSF funds on each of the four categories of services. Therefore, HHS instructs states that spending in each of the four service categories must approximate 20 percent, unless the state provides a rationale for spending less than this proportion. No more than 10 percent of federal funds can be used for administrative costs (section 432(a)(4) of the Act).

FY 2023 Planned Use

Each year, states are required to provide estimated annual expenditures for each PSSF program category on the CFS-101 Part I. Attachment D of this report provides the compiled summary information of each state’s planned expenditures of FY 2023 PSSF grant funds by category.

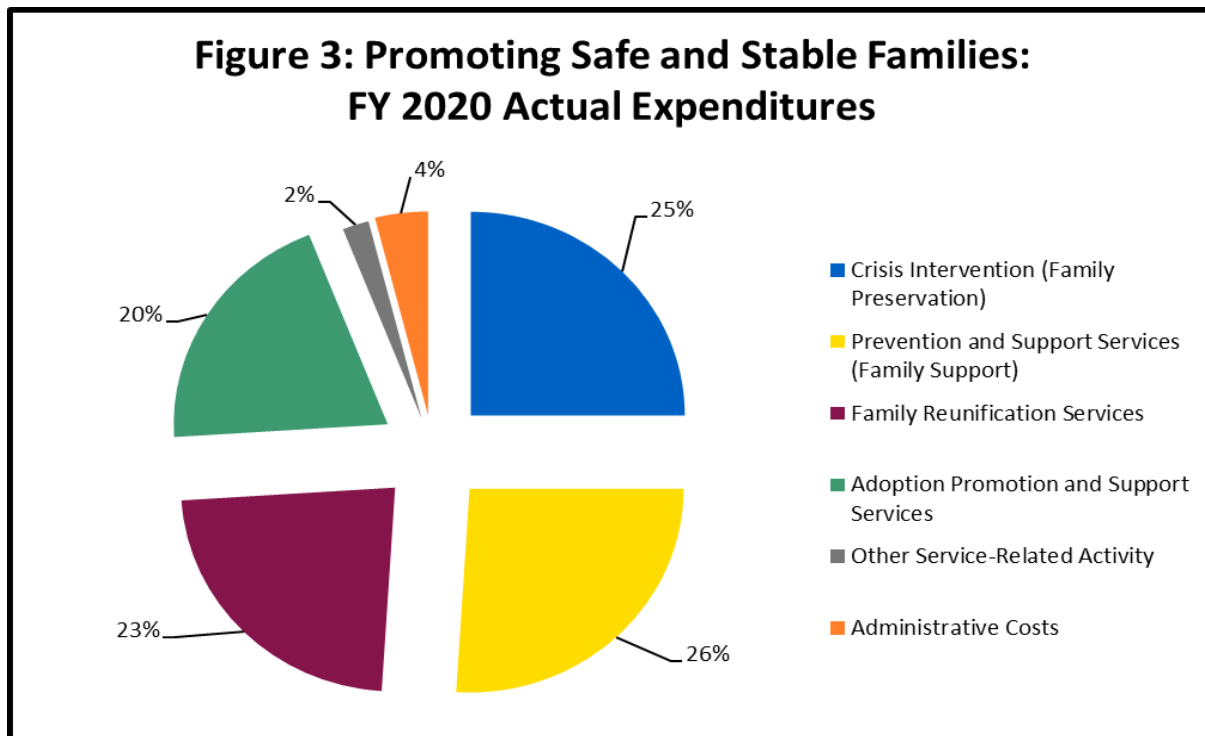
Figure 2 shows the percentage of funds that states planned to spend by program category. The largest categories of planned expenditures were prevention and support services (family support) and crisis intervention (family preservation) with states planning to spend approximately 24 percent of funding in each of these categories. States planned to spend approximately 23 percent of their funding on family reunification services and about 22 percent for adoption promotion and support services. Around 5 percent was planned to be spent on administrative costs, and finally, 2 percent was categorized as other service-related activities.



FY 2020 Actual Expenditures

States report their actual expenditures for PSSF for the most recently closed grant award on the CFS-101 Part III. The funds for the title IV-B programs may be spent over a 2-year period, ending on September 30 of the fiscal year following the year in which they were awarded. Therefore, the most recent submittal of actual expenditures for PSSF is for the FY 2020 grant award year. Attachment E provides the compiled summary information of each state's actual use of the FY 2020 PSSF grant by expenditure category.

Figure 3 displays the percentage of funding spent nationally in each category. Because of the requirement that a significant portion of funding must be spent in each service category, there is limited movement of spending among categories from year-to-year. Nationally, states spent between 20 percent and 26 percent of their FY 2020 funds on each of the four program purposes and 4 percent on administrative costs. The largest investment of PSSF funds was in prevention and family support services.



To look at changes in PSSF expenditures over time, Table 2 shows actual expenditure percentages in the four service categories for the past 5 grant years for all states. Overall, the expenditures have experienced limited fluctuations. The remaining 6 to 7 percent of the grant was expended on other service-related activities and administrative costs, with administrative expenditures averaging between 4 percent and 5 percent per year.

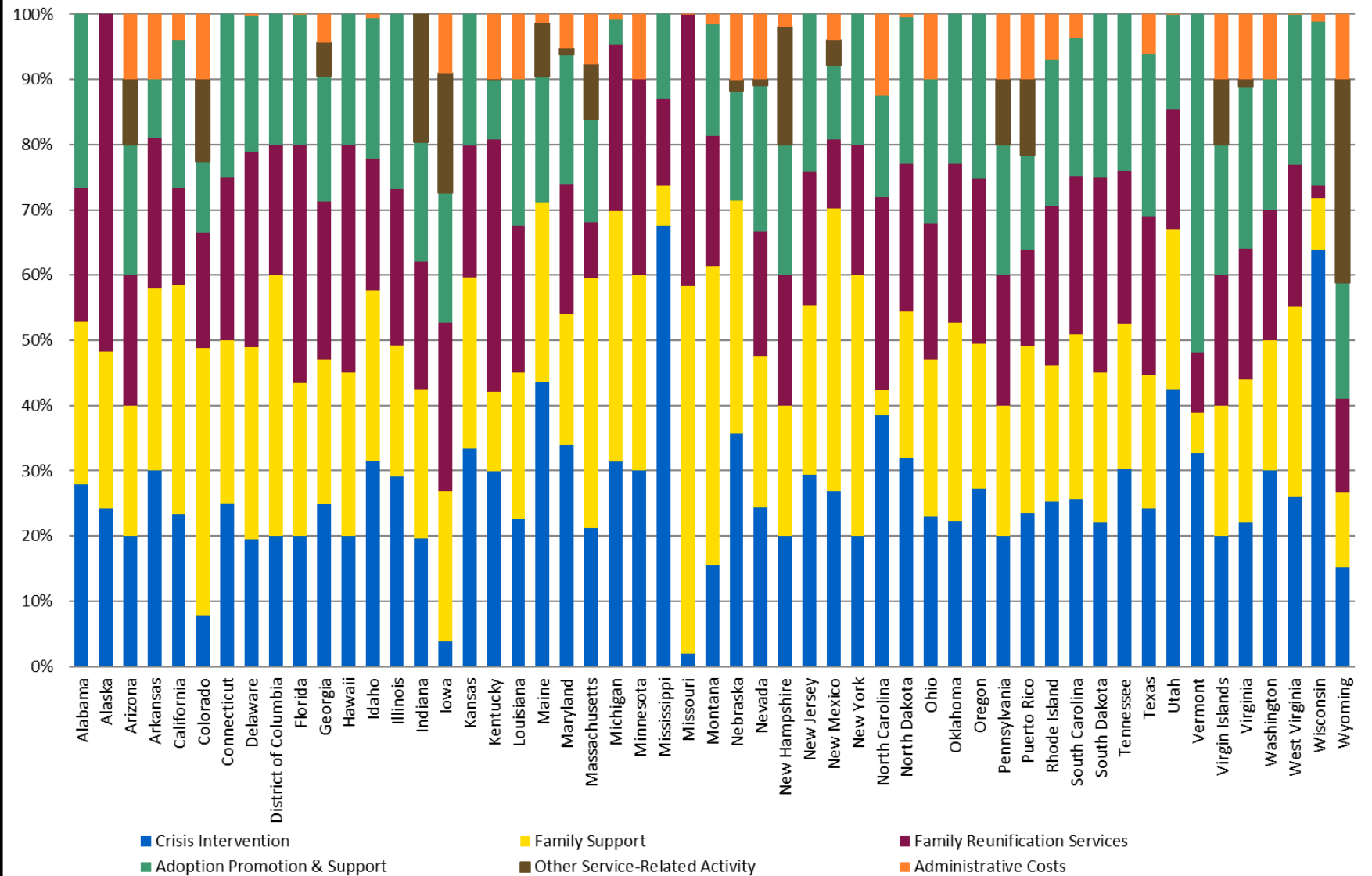
Table 2. Actual Expenditure Percentages Across the PSSF Service Categories

<i>Service Category</i>	<i>FY16</i>	<i>FY17</i>	<i>FY18</i>	<i>FY19</i>	<i>FY20</i>
Family Preservation	25%	23%	25%	25%	25%
Family Support	25%	27%	26%	26%	26%
Family Reunification ¹	21%	21%	22%	22%	23%
Adoption Promotion and Support Services	23%	22%	21%	21%	20%
Total Spent in Service Categories	94%	93%	94%	94%	94%

While the national picture indicates that at least 20 percent of PSSF funds were spent on each of the four program purposes, there variation at the state level. Figure 4 (information from Attachment E) illustrates this variation across the states in the percentage of funds spent in each category. As previously noted, HHS guidance to states specifies that they may deviate from the requirement to spend approximately 20 percent in each service category if they provide a rationale for doing so in their state plan. Most often when a state spent less than 20 percent in a category, it was because other funds were available to support the purpose. Additionally, while total expenditures reflect 4 percent of funding is used for administrative costs, many states do not charge administrative costs to PSSF. In FY 2020, 32 states spent less than 5 percent of their PSSF grant on administrative costs; 24 of those states allocated no administrative costs to PSSF. (See Figure 4 and Attachment E.)

¹ The Family First Prevention Services Act revised and renamed the definition of “family reunification services” (formerly “time-limited family reunification services”) at section 431(a)(7)(A) effective October 1, 2018.

**Figure 4: Promoting Safe and Stable Families:
FFY 2020 Actual Expenditures by State**



Conclusion

The title IV-B programs provide important funding to assist states in providing child protective services to ensure children’s safety and community-based services to strengthen, support and preserve families. While the Act allows expenditures of up to 10 percent of the grants for administrative costs, many states opt to use 5 percent or less of this grant funding for administration, instead focusing their investment of these grant funds on direct services to help families. The flexibility afforded by the programs allows states the discretion to target funds in ways that meet the needs of their service populations, helping them to develop coordinated services that respond to the needs of diverse communities and help to promote better, more equitable outcomes for children and families.

Attachments

- Attachment A – CFS-101 Forms and Instructions for FFY 2023
- Attachment B – Compilation of State CFS-101 Submissions for FFY 2023 Funding
- Attachment C – Stephanie Tubbs Jones Child Welfare Services FFY 2023 Planned Use of Funding by State and Service Category
- Attachment D – MaryLee Allen Promoting Safe and Stable Families Program FFY 2023 Planned Use of Funding by State and Service Category
- Attachment E – MaryLee Allen Promoting Safe and Stable Families Program FFY 2020 State Expenditures by State and Service Category