Title IV-E Spending by Child Welfare Agencies in SFY 2020

Child welfare agencies across the United States are charged with protecting and promoting the welfare of children and youth who are at risk of or have been victims of maltreatment. State and local child welfare agencies rely on multiple funding streams to administer programs and services. In state fiscal year (SFY) 2020, state and local child welfare agencies spent $31.4 billion of federal, state, local, and other funds. While many funding sources are available to child welfare agencies, each source has its own unique purposes, eligibility requirements, and limitations creating a complex financing structure that is challenging to understand and administer. Each state’s unique funding composition determines what services are available to children and families and the way in which child welfare agencies operate.

This document presents information about Title IV-E spending by child welfare agencies in SFY 2020 collected through Child Trends’ national survey of child welfare agency expenditures.1

Background

In SFY 2020, child welfare agencies reported spending $15.2 billion2 in federal funds. The largest federal source was Title IV-E of the Social Security Act, which covers the costs of the following:

- **Foster Care Program**: Covers costs related to providing foster care for eligible children, including administrative and training costs.

- **Adoption Assistance Program**: Covers costs related to providing adoption assistance for eligible children, including administrative and training costs.

- **Guardianship Assistance Program**: Covers costs related to providing kinship guardianship assistance for eligible children, including administrative and training costs.

- **Prevention Services Program**: Covers costs related to providing services approved as reimbursable through the Title IV-E Clearinghouse to prevent entry into foster care for eligible children and families, including administrative and training costs.

- **Kinship Navigator Program**: Covers costs for approved kinship navigator programs, including administrative and training costs.

- **Chafee Foster Care Program for Successful Transition to Adulthood/Education and Training Vouchers**: Assists youth transitioning out of foster care to adulthood.

Other available resources

This document is one of many child welfare financing resources available on the Child Trends website, including a summary of national findings and detailed information on the following funding sources used by child welfare agencies:

- Title IV-E
- Title IV-B
- Temporary Assistance for Needy Families
- Social Services Block Grant
- Medicaid
- Other federal funds
- State and local funds
• **Waiver demonstration projects:** Allows the federal government to waive specific Title IV-E requirements to promote innovation in designing and delivering child welfare services. Funds may be spent only in a way that is consistent with a state’s approved waiver.

• **Funding Certainty Grants:** Provides grants to jurisdictions that had a Title IV-E waiver demonstration project that operated through September 30, 2019, to help cover any negative fiscal impacts due to the end of the waiver.

Each of these programs is described in further detail in this document.  

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**Family First Prevention Services Act**
The federal Family First Prevention Services Act (Family First Act) was signed into law on February 9, 2018, and amends Title IV-E of the Social Security Act and other child welfare programs. The Family First Act allows states and eligible tribes with a prevention plan approved through the Administration for Children and Families (ACF) to seek Title IV-E reimbursement for preventive services provided to families with children at risk of entering foster care (“candidates for foster care”) or pregnant or parenting youth in foster care. These preventive services include evidence-based and approved mental health services, substance use treatment, and in-home parent skill-based programs. These services have no income eligibility requirements, and states have some flexibility to define “candidates for foster care,” thus enabling reimbursement for these services for more children than other Title IV-E programs. Additionally, for children and youth who do ultimately enter foster care, the Family First Act recommends that children be placed with families (kinship or foster) and limits the types of congregate care placement settings that are eligible for federal reimbursement. The law also allows Title IV-E funds to help reimburse foster care maintenance payments for children placed with their parent in a substance use treatment facility and to pay for eligible evidence-based kinship navigator programs. This landmark legislation was followed by the Family First Transition Act (Transition Act), passed in 2019, which provides $500 million in time-limited funding to give states additional flexibility and support to implement the Family First Act. The Transition Act also provides Funding Certainty Grants to jurisdictions that had a Title IV-E waiver demonstration project that operated through September 30, 2019, to help mitigate negative fiscal impacts due to the end of the waiver. The data presented in this resource capture SFY 2020 expenditures, which is the first fielding of this survey in which states could have received reimbursement for new programs authorized through the Family First Act and new funds through the Transition Act. The changes introduced by the Family First Act (and the Transition Act) have begun to directly impact child welfare financing and will continue to do so.

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**Overall Title IV-E spending**

$8.9 billion

In SFY 2020, child welfare agencies reported spending **$8.9 billion** in Title IV-E funds.  

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Title IV-E expenditures have increased by 6 percent over the decade (among states with sufficient data in SFYs 2010 and 2020). This following graph shows the trend line over the decade.

To enable comparisons, all dollar amounts from previous years have been inflated to 2020 levels. The figures presented in this graph reflect an analysis of 44 states with sufficient data across all six surveys conducted between 2010 and 2020 (surveys conducted every two years). Therefore, the total amount of SFY 2020 Title IV-E expenditures presented in this graph ($8.2 billion) differs from the total amount presented in the text ($8.9 billion).

Between SFYs 2018 and 2020, more states reported an increase than a decrease in the use of Title IV-E funds by child welfare agencies. Changes in Title IV-E expenditures ranged from -34 percent to 201 percent, depending on the state.

States experiencing changes in the use of Title IV-E funds

<table>
<thead>
<tr>
<th>Decrease</th>
<th>Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>12</td>
<td>34</td>
</tr>
</tbody>
</table>

Title IV-E as a share of all federal funds

Title IV-E funds comprised more than half of federal funds spent by child welfare agencies in SFY 2020. This proportion increased slightly since SFY 2010.
Title IV-E funds accounted for 30 percent to 95 percent of federal dollars spent by child welfare agencies in SFY 2020, depending on the state.

**Percent of federal expenditures**

- 30% or less: 1 state
- 31 to 40%: 5
- 41 to 50%: 11
- 51 to 60%: 10
- 61 to 70%: 5
- 71% or more: 11

In SFY 2020, nearly all Title IV-E spending ($8.86 billion out of $8.93 billion) was spent by child welfare agencies on child welfare-related services/activities (as opposed to being spent on other allowable services/activities administered by child welfare agencies or other entities, such as juvenile justice, early childhood, behavioral health, or developmental disabilities programs). The remainder of this resource focuses specifically on child-welfare related services/activities.

**Title IV-E for child welfare services and activities**

More than three-quarters of Title IV-E spending on child welfare services/activities was for Adoption and Foster Care programs.³

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Foster Care</td>
<td>46%</td>
</tr>
<tr>
<td>Adoption</td>
<td>37%</td>
</tr>
<tr>
<td>Waivers</td>
<td>9%</td>
</tr>
<tr>
<td>Other</td>
<td>4%</td>
</tr>
<tr>
<td>Guardianship</td>
<td>3%</td>
</tr>
<tr>
<td>Chafee/ETVs</td>
<td>2%</td>
</tr>
<tr>
<td>Prevention</td>
<td>&lt;1%</td>
</tr>
</tbody>
</table>

*Other includes spending on the Kinship Navigator Program and Funding Certainty Grants.*

**Title IV-E Foster Care Program**

The Title IV-E Foster Care Program is an entitlement program¹⁰ that reimburses states for a portion of costs associated with the following services for eligible children:

a) maintenance payments that cover the costs of shelter, food, and clothing¹¹

b) child placement services and other administrative costs, including case planning and review activities on behalf of children in foster care; costs associated with children determined by the state to be a candidate for foster care (i.e., those at imminent risk of entering care and for whom
efforts are being made to prevent entry into care or pursue removal); information technology costs; and legal representation related to foster care.  

c) expenses related to training staff and foster parents.

Children eligible for the Title IV-E Foster Care Program include those in out-of-home placements who would have been considered financially “needy” in the home from which they were removed based on state-level measures in place in 1996 under the former Aid to Families with Dependent Children (AFDC) program. This income requirement is referred to as the “lookback” and is controversial in part since the poverty measures are not adjusted for inflation each year, which effectively reduces the pool of Title IV-E eligible children over time. To be eligible for Title IV-E foster care, children must also have entered care through a judicial determination or voluntary placement and be in a licensed or approved foster care placement.

More than a third of Foster Care Program expenditures were for foster care maintenance payments. Out of the total $4.2 billion, $1.6 billion was used for foster care maintenance payments (a 54% increase since SFY 2018), and $2.6 billion was used for administrative costs, including caseworker activities on behalf of children, training, and Statewide Automated Child Welfare Information System (SACWIS)/Comprehensive Child Welfare Information System (CCWIS) costs (a 45% increase since SFY 2018).

The Foster Care Program experienced a large increase because of the end of the waiver projects in September 2019. In many states, Foster Care Program expenditures were considered waiver expenditures previously, but with the end of the waiver, foster care expenditures that are Title IV-E allowable without the waiver are now being claimed under the Foster Care Program. The increase can also be partially explained by higher Federal Medical Assistance Percentage (FMAP) rates during the pandemic, meaning the federal government paid a larger share of eligible costs.

States claimed IV-E for foster care maintenance payments for 41 percent of children in foster care and for 45 percent of the days children spent in foster care (i.e., “care day”). We refer to these percentages as “coverage rates.”

We asked for the coverage rate in two ways because calculating a Title IV-E foster care coverage rate based on the number of children masks the fact that some children were in care longer than other children. By examining the coverage rate in units of care days, we can more fully understand the extent to which Title IV-E was used to reimburse costs for foster care maintenance payments.

States varied greatly in terms of their individual foster care coverage rates by both the number of children (ranging from 18% in Nebraska to 76% in Ohio) and by care days (ranging from 16% in Delaware to 66% in Arizona and the District of Columbia).
Title IV-E Adoption Assistance Program

Like the Foster Care Program, the Title IV-E Adoption Assistance Program is an entitlement program in which the federal government reimburses each state for a set percentage of eligible costs in the following categories:

- adoption assistance payments on behalf of eligible children
- placement services, non-recurring adoption assistance payments, and administrative costs related to adoptions of eligible children
- expenses related to training staff and adoptive parents for eligible children

Children are eligible for the Title IV-E Adoption Assistance Program if they have “special needs” as determined by the state. In the context of child welfare, special needs can refer to characteristics that make it more difficult to find an adoptive family for a child. Such factors include, but are not limited to, membership in a sibling group; age; ethnic or racial background; medical, physical, or emotional disabilities; or risk of physical, mental, or emotional disability based on family history. Originally, children must also have met one of the following criteria to be eligible for Title IV-E adoption assistance: (1) they would have been considered financially “needy” in the homes from which they were removed based on measures in place in 1996 under the Aid to Families with Dependent Children (AFDC) program (the “lookback”); (2) they are eligible for Supplemental Security Income (SSI); (3) they are children whose costs in a foster care setting are included in the Title IV-E foster care maintenance payment being made on behalf of their minor parents; or (4) they were eligible for Title IV-E adoption assistance in a previous adoption, but their adoptive parents died or the parents’ rights to the children were dissolved.

The Fostering Connections to Success and Increasing Adoptions Act of 2008 contained a provision that phased out the criteria above (starting with older children in care), so that by FFY 2018, all children with special needs entering an adoption (with some additional eligibility criteria) would be eligible for recurring Title IV-E adoption assistance payments. However, the Family First Act of 2018 paused this phase-in process until July 1, 2024. Therefore, in FFY 2020, the expanded eligibility applied to those with special needs. 

Total in SFY 2020: $3,220,890,120
Change from SFY 2018: 13%
needs who (1) were age 2 or older; (2) had been in care for 60 continuous months; or (3) were a sibling of a child who met the age or length-of-stay requirement and were being placed in the same adoptive family as that sibling. This expansion of eligibility criteria increased the number of children qualifying for the Title IV-E Adoption Assistance Program. Given this increased federal support, states were required to calculate the amount of state funds they saved and use those savings for child welfare purposes.

More than three quarters of Adoption Assistance Program funds were used for adoption assistance payments. Out of the total $3.2 billion, $2.7 billion was used for adoption assistance payments (a 16% increase since SFY 2018), and $487 million was used for administrative costs and training (a 1% increase since SFY 2018).

Nationally, more than three quarters of children receiving an adoption assistance payment were supported by Title IV-E (i.e., the adoption assistance coverage rate).

However, states varied greatly in terms of their individual adoption assistance coverage rates, ranging from 43 percent in Wyoming to 95 percent in Ohio.

Adoption assistance coverage rate range

<table>
<thead>
<tr>
<th>Range</th>
<th>Number of States</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 to 60%</td>
<td>3 states</td>
</tr>
<tr>
<td>61 to 70%</td>
<td>3</td>
</tr>
<tr>
<td>71 to 80%</td>
<td>11</td>
</tr>
<tr>
<td>81% or more</td>
<td>27</td>
</tr>
</tbody>
</table>

**Title IV-E Guardianship Assistance Program**

The Fostering Connections to Success and Increasing Adoptions Act of 2008 gives states the option to operate a Title IV-E Guardianship Assistance Program (also referred to as “GAP” or “KinGAP”). As with the Foster Care and Adoption Assistance programs, GAP is an entitlement program in which the federal government reimburses each state for a percentage of eligible costs in the following categories:

- kinship guardianship assistance payments to relatives who become the legal guardians of eligible children for whom the relatives previously served as licensed foster parents
- placement services, non-recurring guardianship assistance payments, and administrative costs related to guardianships from foster care of eligible children
- expenses related to training staff and guardians of eligible children

In states with a GAP, children are eligible if they are exiting foster care to legal guardianship with relatives (the definition of relative, which can include fictive kin, is determined by each state) and meet the
following conditions: (1) the child has been eligible for Title IV-E foster care maintenance payments while residing in the home of a licensed prospective relative guardian for at least six consecutive months; (2) the state or tribe has determined that returning home or being placed for adoption are not appropriate for the child; (3) the child demonstrates a strong attachment to the prospective relative guardian, and the prospective guardian is committed to caring permanently for the child; and (4) for children age 14 and older, the child has been consulted regarding the kinship guardianship arrangement. Siblings of eligible children placed in the same kinship guardianship arrangement are also eligible even if they themselves do not meet the criteria above.33

The vast majority of Guardianship Assistance Program funds were used for guardianship assistance payments.34 Out of the total $221 million, $203 million was used for guardianship assistance payments (a 36% increase since SFY 2018), and $18 million was used for administrative costs and training (a 32% increase since SFY 2018).35

Nationally, 58 percent of children receiving a guardianship assistance payment were supported by Title IV-E (i.e., the guardianship assistance coverage rate).36

However, states that offer guardianship assistance varied greatly in terms of their individual guardianship assistance coverage rates, ranging from 0 percent in several states to 94 percent in Arkansas.

Guardianship assistance coverage rate range

<table>
<thead>
<tr>
<th>Coverage Rate Range</th>
<th>Number of States</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 to 20%</td>
<td>9</td>
</tr>
<tr>
<td>21 to 30%</td>
<td>4</td>
</tr>
<tr>
<td>31 to 40%</td>
<td>2</td>
</tr>
<tr>
<td>41 to 50%</td>
<td>5</td>
</tr>
<tr>
<td>51 to 60%</td>
<td>5</td>
</tr>
<tr>
<td>61 to 70%</td>
<td>8</td>
</tr>
<tr>
<td>71% or more</td>
<td>5</td>
</tr>
<tr>
<td>No GAP</td>
<td>5</td>
</tr>
</tbody>
</table>

Title IV-E Prevention Services Program

The Family First Act allows states to seek Title IV-E reimbursement for services approved as reimbursable through the Title IV-E Clearinghouse to prevent placement into foster care.37 Those eligible for these services include:

Total in SFY 2020: $5,412,522
Change from SFY 2018: N/A
children at imminent risk of being placed in foster care unless services are provided to help them stay safely at home or in a kinship placement (i.e., a “candidate for foster care” as determined by the state)

- pregnant or parenting children in foster care
- parents or kin caregivers of candidates for foster care

Eligibility for the Prevention Services Program is not dependent on income.

Only certain types of prevention services can be reimbursed by Title IV-E. Services eligible for reimbursement include mental health and substance use prevention and treatment services, and in-home parent skill-based programs. These programs must meet evidence standards prescribed in the Family First Act and by the Title IV-E Prevention Services Clearinghouse as promising, supported, or well-supported. The original Family First Act indicated that through October 1, 2026, all states with a prevention plan approved by the Administration for Children and Families could receive 50 percent reimbursement for allowable expenditures. After that time, the reimbursement would depend on each state’s FMAP. However, the Supporting Foster Youth and Families Through the Pandemic Act allowed for 100 percent reimbursement from April 1, 2020, through September 30, 2021. The Family First Act also required states to spend 50 percent of their prevention program spending on well-supported programs, but this rule was relaxed for FFYs 2020-2023 by the Family First Transition Act.

More than a third of Prevention Services Program funds were used for prevention services. Out of the total $5.4 million, $2.1 million was used for prevention services and $3.3 million was used for administrative costs such as training and evaluation. States reported using these funds to support programs like Functional Family Therapy, Multisystemic Therapy, Parent Child Interaction Therapy, Trauma-Focused Cognitive Behavioral Therapy, home visiting, and others.

Nationally, less than 1 percent of children receiving prevention services were supported by Title IV-E (i.e., the prevention services coverage rate). Among the six states that reported Title IV-E Prevention Services Program expenditures, their prevention coverage rates ranged from 0 percent (in the District of Columbia and Maryland, which spent prevention program funds on administration only) to 81 percent in Arkansas.

**Title IV-E Kinship Navigator Program**

The Family First Act allows states to seek Title IV-E reimbursement for 50 percent of approved Kinship Navigator Program expenditures. Kinship navigator programs help kinship caregivers access supports and services to meet the needs of children in their care and their own needs. States have the flexibility to determine which children and families are eligible for the Title IV-E Kinship Navigator Program, including how “kinship caregiver” is defined.

The Family First Act states that to receive reimbursement, kinship navigator programs must be considered promising, supported, or well-supported according to the Title IV-E Prevention Services Clearinghouse. However due to the lack of rated programs, the U.S. Department of Health and Human Services (DHHS) provided states with the option of receiving transitional payments for kinship navigator programs that were not yet rated but showed evidence of effectiveness. Due to the COVID-19 pandemic, the federal government provided additional temporary flexibilities to allow states to claim...
reimbursement for Kinship Navigator Program expenditures between April 1, 2020, and September 30, 2021. This period partially overlaps with SFY 2020 in some states. During this period, states could:

- receive 100 percent reimbursement of allowable expenditures (as opposed to 50%)
- receive reimbursement for kinship navigator programs that did not meet evidence standards (if the state assured the program will be evaluated)
- receive reimbursement for other purposes, such as evaluating kinship navigator programs; providing direct support to kinship caregivers during the COVID-19 emergency period; and providing information, resources, and technology to help kinship caregiver families weather the COVID-19 pandemic.

**Chafee Foster Care Program for Successful Transition to Adulthood/Education and Training Vouchers**

The John H. Chafee Foster Care Program for Successful Transition to Adulthood allocates funding to states for expenses related to independent living activities that prepare youth to successfully transition out of foster care. Funding can also be used for services for some young people who have already left foster care. The Education and Training Voucher (ETV) component of the program provides vouchers up to $5,000 per year for post-secondary education or vocational training.

Unlike the other Title IV-E programs, the Chafee Program operates as a capped entitlement, with only a designated amount of funds available. Funding for the ETV component is discretionary with the amount subject to annual appropriations, which can vary from year to year. A state must fund no less than 20 percent of Chafee Program costs with non-federal dollars to receive its full allotment of federal Chafee funding (i.e., it must provide $1 for every $4 in federal funding it receives through the Chafee Program).

The Supporting Foster Youth and Families through the Pandemic Act of 2020 expanded eligibility criteria and loosened rules for the Chafee and ETV programs. For example, the Act increased the age at which youth can remain eligible for support (starting in October 2019) and allowed states to use a greater proportion of Chafee funds on room and board than previously allowed (starting in April 2020).

**Title IV-E Waiver**

Legislation enacted in 1994 granted time-limited authority through the Social Security Act for the federal government to waive state compliance with specific Title IV-E eligibility requirements for states participating in approved child welfare demonstration projects. These cost-neutral demonstration projects (or “waiver projects”) were developed to promote innovation in designing and delivering child welfare services to support child safety, permanency, and well-being. While the goals of the demonstration projects varied among states, many of the waiver projects focused on preventing abuse or neglect, reducing the occurrence of re-entry into care, and supporting permanency. Waiver projects were required to be cost-neutral to the federal government (i.e., states did not receive more federal funds than they would have in the absence of the waiver) and were required to have an evaluation component. Even with a waiver, states were required to cover all activities they are obligated to provide as part of the Title IV-E program.
Currently, DHHS does not have the authority to approve new waiver projects—all waiver projects were required to end by September 2019. On the most recent survey, 20 states reported waiver expenditures for SFY 2020.49

Funds accessed through a waiver could be used to cover four different types of expenditures:

a) expenditures that would have been reimbursed without the waiver. These are the dollars spent on traditionally IV-E eligible children for traditionally IV-E allowable costs.

b) expenditures that would be reimbursable if the child was IV-E eligible

c) expenditures that were reimbursable only because of the waiver (i.e., non-IV-E allowable costs for any child)

d) project development and evaluation costs50 mandated by participation in the waiver projects

Breakdown of waiver expenditures

States reported that in SFY 2020, 12 percent of Title IV-E waiver funds were used for services and activities not traditionally allowable under Title IV-E.51 States reported paying for activities such as prevention services, evidence-based programs, and family engagement strategies with these funds. Of the 16 states that reported how they spent their waiver dollars, 56 percent of them spent some waiver dollars on services and activities not traditionally allowable under Title IV-E. Less than 1 percent of waiver funds were spent on project development and evaluation costs.

The remaining 88 percent of waiver funds were spent on activities (e.g., maintenance payments and case worker activities on behalf of children in care) that would have been permitted without a waiver. However, states spent 8 percent of total waiver expenditures on activities for children who, without the waiver, would not have been eligible for Title IV-E support due to income, placement type, or circumstances related to their entry into foster care.

Among the 20 states that had a waiver project and reported waiver expenditures, California, Hawai‘i, Indiana, and Nebraska were unable to detail how they spent their waiver dollars in SFY 2020. Since California is a large state, omitting its data is highly likely to skew results; therefore, we recommend exercising caution when interpreting these results.52
**Funding Certainty Grants**

For states operating under a Title IV-E waiver on September 30, 2019, the Family First Transition Act of 2019 provided Funding Certainty Grants for FFYs 2020 and 2021 to help ease the fiscal impact caused by the end of the waivers. States that received these grants can use the funds for any purpose authorized under Title IV-B of the Social Security Act, for activities associated with implementation of the Family First Act, and for activities previously funded under waivers. Only one state (California) reported Funding Certainty Grant expenditures in SFY 2020.

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1 See the main report (*Child Welfare Financing SFY 2020: A survey of federal, state, and local expenditures*) for more specific information about the methodology, interpretation of findings, and important caveats.

The survey has been adapted over time. Starting with the SFY 2018 survey instrument, we began including IV-E expenditures for non-child welfare services/activities. We included those expenditures in our calculations of SFY 2018 and 2020 expenditures. As a result, our expenditure data for SFY 2018 and 2020 are not directly comparable to data from earlier years. For all relevant analyses comparing SFY 2018 and 2020 data to prior year’s data, we conducted sensitivity analyses using more comparable data. For these sensitivity analyses, we excluded IV-E expenditures for non-child welfare services/activities and Title IV-E funds used as reimbursement or passed through to tribes. Unless otherwise stated, the sensitivity analyses supported the same substantive conclusions as the main analyses.

Each state reported data based on its SFY 2020, which for most states is July 1, 2019, to June 30, 2020. Of the 46 participating states, only five (Alabama, the District of Columbia, Michigan, New York, and Texas) reported a different SFY period.


2 See the main report (*Child Welfare Financing SFY 2020: A survey of federal, state, and local expenditures*) for more specific information on how this amount was calculated.

The following pieces of legislation are referenced in this resource:


3 Tribes were not individually contacted regarding their child welfare expenditures.
5 To enable comparisons, all dollar amounts from previous years have been inflated to 2020 levels using the gross domestic product deflator (accessed at www.measuringworth.com/uscompare/).

When making comparisons between expenditures or funding proportions between two or more years, we restricted the analysis to states with sufficient data in the years being compared. This is because some states provided incomplete information or did not respond to the survey in some years.

The percentage change between SFYs 2010 and 2020 is based on an analysis of 45 states with sufficient data.

The percentage change between SFYs 2018 and 2020 is based on an analysis of 46 states with sufficient data.

6 Based on an analysis of 46 states with sufficient data. We counted any positive change as an increase, and any negative change as a decrease regardless of magnitude.

7 This percentage is based on an analysis of 43 states with complete federal expenditure data in SFY 2020.

8 Based on an analysis of 38 states with sufficient data in all six surveys conducted between 2010 and 2020 (surveys conducted every two years).

9 Based on an analysis of 44 states that provided a breakdown of their Title IV-E spending.

10 Total reported amount in SFY 2020 is based on an analysis of 52 states with available data. Percentage change from SFY 2018 is based on an analysis of 46 states with sufficient data in SFYs 2018 and 2020.

Title IV-E Foster Care Program expenditures are heavily influenced by how many and which states have active IV-E waivers in place during the time period. Because of this, overall trends in funding amounts need to be considered in conjunction with waiver information.

Entitlement programs require payments to persons, state and local governments, or other entities if eligibility criteria established in law are met. Entitlement payments are legal obligations of the federal government and do not have a set funding ceiling.

11 Federal reimbursement is provided based on the state’s Federal Medical Assistance Percentage (FMAP), which varied from 50 percent to 76.98 percent in FFY 2020. These amounts do not reflect increased FMAP rates as a result of the Families First Coronavirus Response Act. The FMAP determines the amount the federal government reimburses states for eligible costs. The FMAP rates for all states are reassessed and updated annually and are higher for states with lower average per capita incomes.

12 These expenses are reimbursed by the federal government at a 50 percent rate.

13 Training expenses are reimbursed by the federal government at a 75 percent rate.

14 Based on 52 states that provided sufficient information.

15 Percentage change based on an analysis of 45 states with sufficient data in SFYs 2018 and 2020.

16 Percentage change based on an analysis of 46 states with sufficient data in SFYs 2018 and 2020.

17 Based on 46 states that provided a foster care coverage rate by child and 29 states that provided a foster care coverage rate by care day. See the main report (Child Welfare Financing SFY 2020: A survey of federal, state, and local expenditures) for the methodology used to calculate these rates.

18 Total reported amount in SFY 2020 is based on an analysis of 52 states with available data. Percentage change from SFY 2018 is based on an analysis of 46 states with sufficient data.

19 Federal reimbursement is provided based on the state’s FMAP rate.

20 These expenses are reimbursed by the federal government at a 50 percent rate.

21 Training expenses are reimbursed by the federal government at a 75 percent rate.


23 U.S. DHHS, 2010

24 We simplified the statutory language, which requires that the child be at least 2 years of age by the end of the FFY in which the Title IV-E adoption assistance agreement was entered into.


26 Based on 52 states that provided sufficient information.
Percentage change is based on an analysis of 46 states with sufficient data.

Based on 44 states that provided an adoption assistance coverage rate. See the main report (Child Welfare Financing SFY 2020: A survey of federal, state, and local expenditures) for the methodology used to calculate this rate.

Total reported amount in SFY 2020 is based on an analysis of 52 states with available data. Percentage change from SFY 2018 is based on an analysis of 46 states with sufficient data.

Federal reimbursement is provided based on the state’s FMAP.

These expenses are reimbursed by the federal government at a 50 percent rate.

Training expenses are reimbursed by the federal government at a 75 percent rate.

Additionally, the Fostering Connections to Success and Increasing Adoptions Act of 2008 states that children who were receiving guardianship payments or services under a Title IV-E demonstration waiver as of September 30, 2008, remain eligible for Title IV-E assistance or services under the same terms or conditions established previously in any terminated Title IV-E guardianship waiver.

Based on 52 states that provided sufficient information.

Percentage change is based on an analysis of 46 states with sufficient data.

Based on an analysis of 38 states. See the main report (Child Welfare Financing SFY 2020: A survey of federal, state, and local expenditures) for the methodology used to calculate this rate.

Total reported amount in SFY 2020 is based on an analysis of 51 states with available data.

Based on six states that reported Prevention Services Program expenditures.

Total reported amount in SFY 2020 is based on an analysis of 44 states with available data.


Total reported amount in SFY 2020 is based on an analysis of 52 states with available data. Percentage change from SFY 2018 is based on an analysis of 46 states with sufficient data.

Discretionary funding is approved at certain amounts each year through the appropriations process, the process by which Congress determines how much money to devote to different programs or activities, which is subject to change.

Total reported amount in SFY 2020 is based on an analysis of 51 states with available data. Percentage change from SFY 2018 is based on an analysis of 45 states with sufficient data.


Stoltzfus (2018)

We did not survey tribes, so this amount does not reflect waiver expenditures by the Port Gamble S’Klallam Tribe.

States were instructed to include program development and evaluation costs in their total reported waiver expenditures.

Based on an analysis of 16 states that could report how they spent waiver dollars.

In SFY 2014, the last year California was able to report how they spent their waiver, California reported that 51 percent of its waiver expenditures were spent on costs that would have been reimbursed without the waiver; 45 percent were spent on costs that would be reimbursable if the child was Title IV-E eligible, and 4 percent were spent on costs that were reimbursable only because of the waiver. If the state’s use of waiver dollars was the same in SFY 2020, including California in our calculations would drive the “costs that would have been reimbursed without the waiver” category down; drive the “costs that would be reimbursable if the child was IV-E eligible” category up; and drive the “costs that were reimbursable only because of the waiver” category down. However, we do not know if California’s use of waiver dollars has remained the same or changed.
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