

Table 2. Key Federal Child Welfare Funding Sources (2000)

Funding Source	Eligible Population	Eligible Services	Funding Level
Title IV-B			
Part 1 (Child Welfare Services)	No eligibility criteria.	Services to prevent abuse and neglect, reduce foster care placements, reunite families, arrange adoption, and ensure adequate foster care.	Nonentitlement with 75 percent federal match capped at \$292 million in 2000. Expenditures in 2000 totaled \$259 million.
Part 2 (Promoting Safe and Stable Families)	No eligibility criteria.	Services to support families and avert foster care, and services to reunify families and promote adoption.	State entitlement with 75 percent federal match capped at \$295 million in 2000. Expenditures in 2000 totaled \$222 million.
Title IV-E Foster Care			
Maintenance Payments	Certain Aid to Families with Dependent Children (AFDC)-eligible children. ^a	Payments to foster care providers to cover basic maintenance, including children's food and shelter and parental visits. Funds may not be used for direct services.	Open-ended entitlement with federal match equal to state Medicaid matching rate. Expenditures in 2000 totaled \$1.7 billion.
Administration	Expenses associated with title IV-E-eligible children in foster care, and proportional administrative expenses for the ongoing protective services population.	Placement services, case management, eligibility determinations, licensing, foster care recruitment, and other administrative costs.	Open-ended entitlement with 50 percent federal match. Expenditures in 2000 totaled \$1.5 billion.
Training	Cost of training proportional to children eligible for title IV-E.	Training of agency staff and foster parents.	Open-ended entitlement with 75 percent federal match. Expenditures in 2000 totaled \$149 million.
Title IV-E Adoption Assistance			
Adoption Payments	Special needs children eligible for AFDC or Supplemental Security Income (SSI).	Payments to adoptive parents—not to exceed comparable foster care amounts—to cover basic maintenance costs, including food, shelter, daily supervision, school supplies, insurance, and incidentals.	Open-ended entitlement with federal match equal to state Medicaid matching rate. Expenditures in 2000 totaled \$675 million.
Administration	Expenses associated with children eligible for IV-E adoption assistance.	Child placement and other administrative activities.	Open-ended entitlement with 50 percent federal match. Expenditures in 2000 totaled \$193 million.
Training	Cost of training proportional to children eligible for title IV-E.	Training of agency staff and adoptive parents.	Open-ended entitlement with 75 percent federal match. Expenditures in 2000 totaled \$27 million.
Nonrecurring Expenses	Special needs children.	Reasonable and necessary adoption fees, court costs, attorney fees, and related expenses.	Open-ended entitlement with 50 percent federal match, up to \$2,000 per placement. Expenditures are included in adoption payments above.
Title IV-E Chafee Foster Care Independence Program	Youth (no minimum age) who are likely to remain in care until age 18; youth age 18 to 21 who were released from care.	Services include basic living skills training, education, employment initiatives, substance abuse prevention, and preventive health activities. No more than 30 percent of the funds may be used for housing for youth age 18 to 20.	A state entitlement capped at \$140 million. States are required to provide a 20 percent nonfederal match. Expenditures in 2000 totaled \$65 million.

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Table 2. Key Federal Child Welfare Funding Sources (2000) *Continued*

Funding Source	Eligible Population	Eligible Services	Funding Level
Title IV-E Statewide Automated Child Welfare Information System (SACWIS)	Not applicable.	Funds support state efforts to develop automated child-welfare information systems, including costs associated with planning, design, development, and installation.	Open-ended entitlement with ongoing operational costs matched at a rate of 50 percent. Expenditures in 2000 totaled \$118 million.
Temporary Assistance for Needy Families (TANF)	Needy families with children (as defined by the state). For those services that meet one of the last two purposes of the program, there is no requirement that families be needy.	Child welfare-related services must meet one of the four purposes of the program <i>or</i> have been in the state's AFDC plan on September 30, 1995, or August 21, 1996.	A state entitlement (no individual entitlements) capped at \$16.5 billion through FY 2002. No required state match, but states must spend 75 percent of what they spent in FFY 1994. Expenditures in 2000 for child welfare services totaled \$2.3 billion (including transfers to SSBG).
Social Services Block Grant (SSBG)	Varies by state.	States are given wide discretion in using funds for direct social services, as well as administration, training, and case management.	A state entitlement capped at \$2.38 billion in 2000. Of the \$1.775 billion that was appropriated in 2000, less than \$897 million (excluding TANF transfers) was spent on child welfare services.
Medicaid	Varies by state.	For child welfare purposes, targeted case management and rehabilitative services.	Open-ended entitlement with a variable federal matching rate inversely related to a state's per capita income; can range from 50 to 83 percent. Expenditures in 2000 for child welfare purposes totaled \$781 million.
Supplemental Security Income (SSI)	Low-income children and adults who are either aged (65 and over), blind, or disabled.	Payments are to cover food, clothing, and shelter, and to cover some nonmedical, disability-related costs.	Federally funded program with no required state match. Expenditures in 2000 for children in out-of-home placements totaled \$73 million.

a. Under welfare reform, eligibility for IV-E reimbursement is based on 1996 AFDC income-eligibility standards.