

Program: Forecasted Programs

Activity: MFIP Diversionary Work Program

<https://mn.gov/dhs/people-we-serve/children-and-families/economic-assistance/income/programs-and-services/>

AT A GLANCE

- About 70 percent of people served through the Minnesota Family Investment Program (MFIP) and Diversionary Work Program (DWP) are children.
- In an average month, the programs serve about 68,000 children and their parents or caretakers in almost 26,000 households.
- Families receive an average of \$1,047 a month of a combined cash assistance and food support through MFIP and \$481 a month of cash assistance through the Diversionary Work Program.
- All funds spending for the MFIP/DWP activity for FY 2021 was \$376 million. This represented 1.9 percent of the Department of Human Services overall budget.

PURPOSE AND CONTEXT

MFIP and DWP provide temporary financial support to help meet the basic needs of low-income families with children and low-income pregnant women.

Most parents enrolling in MFIP or DWP were employed in the three months before they turned to the program for assistance. The majority are workers in one of four industries: hotel/restaurant, retail, temp agencies, and health care. Another significant portion of families receiving assistance have many barriers to stable employment including serious mental illness, chronic and incapacitating illness, or intellectual or developmental disabilities.

The goal of these programs is to stabilize families and improve economic outcomes through employment. Without these benefits, families have little or no other resources available to help meet their basic needs.

These programs are funded with a combination of state and federal Supplemental Nutrition Assistance Program (SNAP) funds and federal Temporary Assistance for Needy Families (TANF) funds. Counties and Tribal Nations administer the MFIP and DWP programs.

SERVICES PROVIDED

The Minnesota Family Investment Program provides job counseling, cash assistance, and food assistance. Families cannot receive assistance for more than 60 months in their lifetime, unless a significant impairment identified in state law qualifies them for extended assistance. The amount of assistance is based on family size and other sources of income. A family of three with no other income can receive \$641 in cash assistance and \$548 in SNAP benefits per month. The benefits are structured to reward families who work and are gradually reduced as income rises. Parents are required to participate in employment services. Families may also be eligible for childcare assistance and for health care coverage under Medical Assistance. Most families are also eligible for the MFIP housing assistance grant of \$110 per month if they do not already receive a rental subsidy through the federal Department of Housing and Urban Development.

The Diversionary Work Program is a four-month long program for families who are applying for cash assistance who have not received cash assistance in the last 12 months and who meet other eligibility criteria. The program includes intensive, up-front job search services. A family receives cash benefits based on its housing, utility costs, and personal needs up to the same maximum as the Minnesota Family Investment Program, based on the number of people in the family. Housing and utility costs are paid directly to the landlord or utility company. The maximum that a family of three, a parent with two children, can receive is \$641 in financial assistance. Most families are also eligible for SNAP benefits, childcare assistance, and health care coverage under Medical Assistance.

RESULTS

The two key measures in MFIP are:

- The **Self-Support Index** is a results measure. The Self-Support Index gives the percentage of adults eligible for MFIP or DWP during a given quarter who have left assistance or are working at least 30 hours per week three years later. Customized targets are set for each county or tribe using characteristics of the people served and local economic conditions. State law requires the Department of Human Services to use the Self-Support Index to allocate performance bonus funds. The following chart shows that about two-thirds of participants have left MFIP and/or are working at least 30 hours per week three years after a baseline period.

<i>Year ending in March of:</i>	<i>S-SI</i>
2010	67.0%
2011	65.2%
2012	65.3%
2013	66.9%
2014	68.5%
2015	68.8%
2016	68.0%
2017	65.9%
2018	64.6%
2019	64.4%
2020	65.7%
2021	64.6%

- The federal **Work Participation Rate** (WPR) is a process measure and counts the number of parents engaging in a minimum number of hours of federally recognized work activities. The measure does NOT count households who discontinue assistance when getting a job.

<i>Federal Fiscal Year</i>	<i>WPR</i>
2010	40.2%
2011	43.9%
2012	45.3%
2013	45.1%
2014	46.2%
2015	37.9%
2016	39.4%
2017	38.9%
2018	37.2%
2019	35.7%
2020	22.3%

The state legal authority for the Minnesota Family Investment Program (MFIP) and Diversionary Work Program (DWP) is under M.S. chapter 256J (<https://www.revisor.mn.gov/statutes/?id=256J>).

MFIP Diversionary Work Program

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base	
					FY24	FY25
<u>Expenditures by Fund</u>						
1000 - General	91,486	144,678	164,694	80,605	84,092	85,530
2000 - Restrict Misc Special Revenue				750	750	750
3000 - Federal	118,640	187,733	169,718	109,497	109,497	109,497
3001 - Federal TANF	59,873	43,547	13,899	99,245	114,075	113,431
Total	269,999	375,959	348,312	290,097	308,414	309,208
Biennial Change				(7,549)		(20,787)
Biennial % Change				(1)		(3)

Expenditures by Category

Grants, Aids and Subsidies	269,593	375,492	347,854	289,297	307,614	308,408
Other Financial Transaction	407	467	457	800	800	800
Total	269,999	375,959	348,312	290,097	308,414	309,208

MFIP Diversionary Work Program

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base	
					FY24	FY25
1000 - General						
Direct Appropriation	91,486	144,678	164,694	80,605	84,092	85,530
Expenditures	91,486	144,678	164,694	80,605	84,092	85,530
Biennial Change in Expenditures				9,135		(75,677)
Biennial % Change in Expenditures				4		(31)

2000 - Restrict Misc Special Revenue

Balance Forward In		147	386	600	600	600
Receipts	145	239	213	750	750	750
Balance Forward Out	145	386	600	600	600	600
Expenditures				750	750	750
Biennial Change in Expenditures				750		750
Biennial % Change in Expenditures						

3000 - Federal

Balance Forward In		574	680			
Receipts	118,647	187,839	169,038	109,497	109,497	109,497
Balance Forward Out	7	680				
Expenditures	118,640	187,733	169,718	109,497	109,497	109,497
Biennial Change in Expenditures				(27,158)		(60,221)
Biennial % Change in Expenditures				(9)		(22)

3001 - Federal TANF

Balance Forward In	54,372	97,476	138,262	230,094	214,482	190,807
Receipts	98,271	85,076	96,115	83,633	90,400	90,400
Balance Forward Out	92,769	139,004	220,478	214,482	190,807	167,776
Expenditures	59,873	43,547	13,899	99,245	114,075	113,431
Biennial Change in Expenditures				9,724		114,362
Biennial % Change in Expenditures				9		101

Program: Forecasted Programs

Activity: MFIP Child Care Assistance

<https://mn.gov/dhs/people-we-serve/children-and-families/economic-assistance/child-care/programs-and-services/child-care-assistance.jsp>

AT A GLANCE

- In 2021 MFIP Child Care Assistance paid childcare for 10,815 children in 5,173 families during an average month.
- The average monthly assistance per family was \$1,754.
- All funds spending for the MFIP Child Care Assistance activity for FY 2021 was \$114 million. This represented 0.6 percent of the Department of Human Services overall budget.

PURPOSE AND CONTEXT

In order to work, families need safe and reliable childcare. The annual cost of full-time care for one child ranges from \$9,000 to \$19,000 per year, depending on the age of the child, location, and type of provider attended. Many low-income families struggle to find affordable childcare that fits their needs. Minnesota Family Investment Program (MFIP) Child Care Assistance provides financial subsidies to help low-income families pay for childcare. To support quality childcare experiences and school readiness, the program can pay a higher subsidy rate when a child is being cared for in a setting that meets quality standards.

SERVICES PROVIDED

The program provides support to help improve outcomes for the most at-risk children and their families by increasing access to high quality childcare.

The following families are eligible to receive MFIP childcare assistance or Transition Year childcare assistance once they leave MFIP:

- MFIP and Divisionary Work Program (DWP) families who are employed, pursuing employment, or participating in employment, training or social services activities authorized in approved employment plans
- Employed families who are in their first year off MFIP or DWP (this is known as the “transition year”)
- Families in counties with a Basic Sliding Fee (BSF) childcare waiting list who have had their transition year extended
- Parents under age 21 who are pursuing a high school or general equivalency diploma (GED), do not receive MFIP benefits, and reside in a county that has a BSF waiting list that includes parents under age 21

When family income increases, the amount of childcare expenses paid by the family in the form of copayments also increases. All families receiving childcare assistance and earning 75 percent or more of the federal poverty guideline make copayments based on family income. A family of three leaving MFIP and earning 115 percent of the federal poverty level (\$24,978) would have a total biweekly childcare provider payment of \$25 for all children in childcare.

The MFIP childcare assistance activity is part of the state’s Child Care Assistance Program. Maximum rates in the Child Care Assistance Program are set in state law. Maximum rates are set for each type of care: childcare centers, family childcare, and legal non-licensed childcare. Providers are paid at the rate they charge private pay families up to the maximum rate. The program pays a higher rate to providers who meet quality standards through Parent Aware, are accredited, or hold certain educational credentials.

Childcare must be provided by a legal childcare provider over the age of 18 years. Allowable providers include legal non-licensed family childcare, license-exempt centers, licensed family childcare, and licensed childcare centers. Families choose their providers in the private childcare market. Counties administer the Child Care Assistance Program.

All families who meet eligibility requirements may receive this help. MFIP childcare assistance is funded with state and federal funds that include the federal Child Care and Development Fund and the Temporary Assistance for Needy Families (TANF) fund.

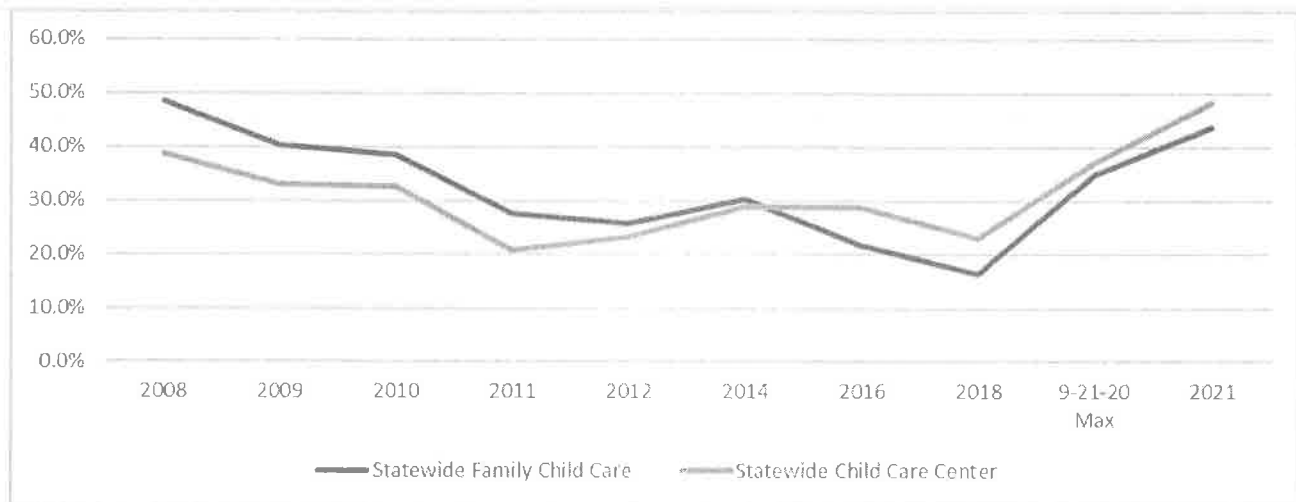
Various measures were taken during the Governor's Peacetime Emergency Declaration to address the impact of the coronavirus (COVID-19) pandemic. For example, the Commissioner approved a waiver temporarily allowing payments to closed childcare providers for up to one month. Another waiver allowed childcare assistance payments to a second childcare provider when a child's regular program temporarily closed or was unavailable.

RESULTS

Percent of provider prices fully covered by childcare - Maximum rates paid to providers under the Child Care Assistance Program may not cover the full cost of childcare. This may be a barrier for some families, if the family cannot find a provider in their community whose prices are covered by the maximum allowed under the program. The percent of childcare provider prices that are fully covered by the Child Care Assistance Program increased when the maximum rates were raised in the 2021 legislative session, but the maximum rate paid remains low compared to prices in the market.

This quality measure shows approximately 43 percent of family childcare providers and approximately 48 percent of childcare centers charge prices that are fully covered by the Child Care Assistance Program maximum rates.

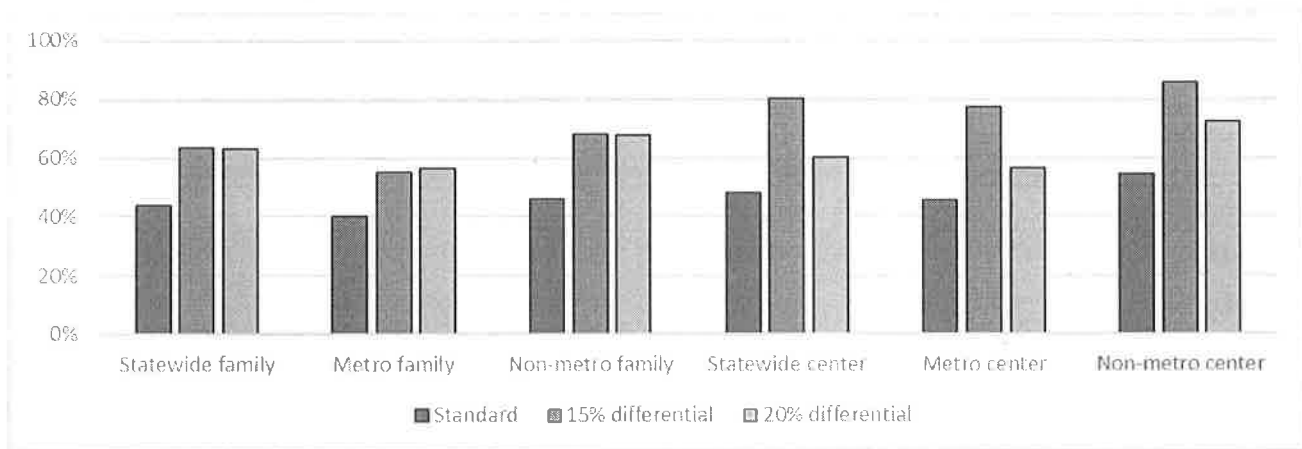
Provider prices fully covered by Standard Maximum Rates statewide, by percent



Quality Differential Impact- Parent Aware is Minnesota's rating tool for helping parents select high quality childcare and early education programs. The Child Care Assistance Program allows for a maximum rate up to 15 percent higher for providers with a Parent Aware 3-star rating, or who hold certain accreditation or education standards established in statute. An up to 20 percent higher maximum rate can be paid to providers with a 4-star Parent Aware rating.

This quality measure shows that higher maximum rates may increase families' access to high quality providers by allowing the maximum rate paid by the Child Care Assistance Program to fully cover more (or an equivalent proportion) of their prices as compared to the prices charged by all providers. This measure indicates the impact of quality differentials by type of care. It is first presented as a statewide total, and then broken out by metro and non-metro counties.

Prices fully covered by Standard and Quality Differential Maximum Rates, by percent (November 2021)



Specifically, the 20 percent differential allows the prices charged by center based four-star rated metro providers to be fully covered by the maximum subsidy at a higher proportion compared to the prices of all metro center providers. The higher maximum rates offer coverage of the prices charged by all other types of quality providers at higher levels than the standard maximum rates.

Use of High-Quality Care - Children who participate in high quality early care and education are more likely to experience school success and positive life-long outcomes. This quality measure shows that the percent of all children receiving childcare assistance through providers eligible for the higher subsidy rates for quality has increased from 37.5 percent in July of 2016 to 52 percent in July of 2021.

Percent of Children Receiving Child Care Assistance in Quality Settings

	2018	2019	2020	2021
Standard Care	57.7%	51.6%	46.6%	44.5%
Provider holds Accreditation*	3.2%	2.8%	2.4%	2.4%
Provider holds Parent Aware 1-2 Star	5.7%	6.3%	4.0%	3.5%
Provider holds Parent Aware 3-4 Star*	33.4%	39.3%	47%	49.6%

* These providers are eligible for CCAP higher rates for quality. Data representative of services provided in July of each year.

The data source for the prices charged by providers is a biennial survey of provider prices conducted by the Department. To assess the portion of provider prices fully covered, provider prices are compared to the applicable maximum subsidy rates. The data source for children in care with provider's eligible for the higher rates for quality is from MEC², Minnesota's childcare electronic eligibility and payment system.

The legal authority for the MFIP/TY Child Care Assistance program is in M.S. chapter 119B (<https://www.revisor.mn.gov/statutes/?id=119B>)

MFIP Child Care Assistance

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base	
					FY24	FY25
<u>Expenditures by Fund</u>						
1000 - General	73,445	39,156	0		25,442	90,655
3000 - Federal	73,465	74,889	100,395	148,838	257,907	243,765
Total	146,910	114,045	100,395	148,838	283,349	334,420
Biennial Change				(11,722)		368,536
Biennial % Change				(4)		148

Expenditures by Category

Operating Expenses		5,004				
Grants, Aids and Subsidies	146,910	109,041	100,395	148,838	283,349	334,420
Total	146,910	114,045	100,395	148,838	283,349	334,420

MFIP Child Care Assistance

Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base	
	FY20	FY21	FY22	FY23	FY24	FY25
1000 - General						
Balance Forward In		3,955				
Direct Appropriation	77,400	39,156		0	25,442	90,655
Cancellations	3,955	3,955				
Expenditures	73,445	39,156	0		25,442	90,655
Biennial Change in Expenditures				(112,601)		116,097
Biennial % Change in Expenditures				(100)		

3000 - Federal						
Balance Forward In	34,430	20,650	8,526	2,803	2,803	2,803
Receipts	59,685	62,764	94,672	148,838	257,907	243,765
Balance Forward Out	20,650	8,526	2,803	2,803	2,803	2,803
Expenditures	73,465	74,889	100,395	148,838	257,907	243,765
Biennial Change in Expenditures				100,879		252,439
Biennial % Change in Expenditures				68		101

Program: Forecasted Programs

Activity: Northstar Care for Children

<https://mn.gov/dhs/people-we-serve/children-and-families/services/foster-care/>

<https://mn.gov/dhs/people-we-serve/children-and-families/services/adoption/>

AT A GLANCE

- 12,312 children experienced an out-of-home placement in 2021.
- 1,719 children were either adopted or had a permanent transfer of legal custody to a relative in 2021.
- All fund spending for the North Star Care for Children activity for FY 2021 was \$158 million. This represented 0.8 percent of the Department of Human Services overall budget.

PURPOSE AND CONTEXT

Northstar Care for Children is designed to help children who are removed from their homes. It supports permanency through adoption or transfer of custody to a relative if the child cannot be safely reunified with parents. Financial support is provided to adoptive and foster parents to encourage permanent placement of children in safe homes. The benefit varies with the child's age but averages about \$12,000 annually per child. Northstar Care for Children consolidates and simplifies administration of three existing programs: Family Foster Care, Kinship Assistance (which replaced Relative Custody Assistance), and Adoption Assistance. Northstar Care for Children will help more children grow up in safe and permanent homes.

SERVICES PROVIDED

The Northstar Care for Children program:

- Combines three child welfare programs - Family Foster Care, Adoption Assistance, and Kinship Assistance - into a single program with uniform processes and unified benefits.
 - Northstar Foster Care is for family foster care, in which children might become permanent members of families. It is not used for group housing or residential treatment.
 - Northstar Kinship Assistance replaced the previous Relative Custody Assistance program, simplifying ongoing requirements for caregivers and using federal Title IV-E foster care funds.
 - Northstar Adoption Assistance allows more decision making by adoptive parents, rather than requiring detailed state review and approval.
- Provides a monthly basic benefit based on children's age.
- Uses a uniform assessment for all children to determine needs beyond the basic payment. The assessment results in one of 15 levels of monthly supplemental difficulty of care payments.
- Maintains the highest range of the current foster care benefits for children with the highest need.
- Grandfathers children in existing programs unless they specifically transition into Northstar Care for Children (The current programs are phased out as children exit them).
- Reduces barriers to permanency by eliminating disparities in benefits across existing programs.
- Reduces racial disparities among children who remain in long-term foster care.

Funding for Northstar Care for Children comes from state general fund appropriations, federal payments for foster care and adoption assistance, and county and tribal spending on foster care. Northstar Care for Children spending is eligible for the temporary 6.2 percent Federal Medical Assistance Percentage (FMAP) increase authorized by the Families First Coronavirus Response Act (FFCRA).¹

RESULTS

The Minnesota Department of Human Services monitors the performance of counties and tribes in delivering child welfare services, including services provided under Northstar Care for Children.

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>2019</i>	<i>2021</i>
Quality	Rate of Relative Care: Of all days that children spent in family foster care settings during the given period, what percentage of days were spent with a relative?	60.9%	62.5%
Quality	Placement Stability: Of all children who enter foster care in the year, what is the number of placement moves per 1,000 days spent in foster care?	3.9 per 1,000	3.4 per 1,000
Quality	Permanency, 12-23 months: Of all children in foster care who had been in foster care between 12 and 23 months on the first day of the year, what percent discharged from foster care to permanency within 12 months of the first day of the year?	55.5%	54.3%
Quality	Permanency, 24 months: Of all children in foster care who had been in foster care for 24 months or more on the first day of the year, what percent discharged to permanency within 12 months of the first day of the year?	33.4%	37.7%

Performance Measures notes:

Measures provided by the Child Safety and Permanency Division at the Department of Human Services.

Also see the DHS Child Welfare Dashboard

(http://www.dhs.state.mn.us/main/idcplg?IdcService=GET_DYNAMIC_CONVERSION&RevisionSelectionMethod=LatestReleased&dDocName=dhs16_148137)

Northstar Care for Children is established in M.S. section 256N.20

(<https://www.revisor.mn.gov/statutes/?id=256N.20>).

¹ The Families First Coronavirus Response Act (FFCRA) (Pub. L. 116-127). Section 6008 of the FFCRA provides a temporary 6.2 percentage point increase to each qualifying state's Federal Medical Assistance Percentage (FMAP) beginning January 1, 2020, and through the last day of the calendar quarter in which the COVID-19 public health emergency declared by the Secretary of Health and Human Services terminates.

Northstar Care for Children

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base	
					FY24	FY25
<u>Expenditures by Fund</u>						
1000 - General	91,064	87,140	93,682	103,711	120,060	128,896
3000 - Federal	60,072	71,641	69,157	69,714	80,977	92,437
Total	151,136	158,781	162,839	173,425	201,037	221,333
Biennial Change				26,347		86,106
Biennial % Change				9		26

Expenditures by Category

Operating Expenses	2	1				
Grants, Aids and Subsidies	151,134	158,780	162,839	173,425	201,037	221,333
Total	151,136	158,781	162,839	173,425	201,037	221,333

Northstar Care for Children

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base	
					FY24	FY25
1000 - General						
Balance Forward In		3,759				
Direct Appropriation	94,647	95,625	100,970	103,711	120,060	128,896
Cancellations	3,583	12,244	7,288			
Expenditures	91,064	87,140	93,682	103,711	120,060	128,896
Biennial Change in Expenditures				19,189		51,563
Biennial % Change in Expenditures				11		26
3000 - Federal						
Balance Forward In	8	633	11	1,874	1,874	1,874
Receipts	60,065	71,007	71,020	69,714	80,977	92,437
Balance Forward Out			1,873	1,874	1,874	1,874
Expenditures	60,072	71,641	69,157	69,714	80,977	92,437
Biennial Change in Expenditures				7,158		34,543
Biennial % Change in Expenditures				5		25

Program: Grant Programs

Activity: Support Services Grants

<https://mn.gov/dhs/partners-and-providers/program-overviews/economic-supports-cash-food/>

<https://mn.gov/dhs/people-we-serve/children-and-families/economic-assistance/food-nutrition/programs-and-services/e-and-t.jsp>

AT A GLANCE

- Provides MFIP/DWP employment services to approximately 21,700 people per month.
- Provides Supplemental Nutrition Assistance Program employment services to approximately 700 people per month.
- All funds spending for the Support Services Grants activity for FY 2021 was \$104 million. This represented 0.59 percent of the Department of Human Services overall budget.

PURPOSE AND CONTEXT

The Minnesota Family Investment Program (MFIP) and Diversionary Work Program (DWP) primary focus is on self-sufficiency through employment.

Support Services Grants cover the cost of services to address barriers, help stabilize families and adults, and build skills that ensure participants are prepared to find and retain employment.

SERVICES PROVIDED

The Support Services Grants activity provides funding for the MFIP Consolidated Fund and for the SNAP Employment and Training Program:

- **MFIP Consolidated Fund:** Support Services Grants are allocated to counties and tribes, and are funded with a combination of state and federal funds, including from the federal Temporary Assistance for Needy Families (TANF) block grant. Counties and tribes use the MFIP Consolidated Fund to provide an array of employment services including job search, job placement, training, and education. The Consolidated Fund also provides other supports such as emergency needs for low-income families with children.

Workforce Centers, counties, Tribal Nations, and community agencies provide employment services. Service providers evaluate the needs of each participant and develop an individualized employment plan that builds on strengths and addresses areas of need. Services include:

- Referrals to housing, child care, and health care coverage, including any needed chemical and mental health services, to aid in stabilizing families
- Basic education, English proficiency training, skill building, and education programs to prepare participants for the labor market
- Job search assistance and job placement services to help participants locate employment that matches their skills and abilities
- Innovative programs to address special populations or needs such as: a single point of contact for teen parents that includes public health home visits, subsidized work experiences, integrated services for families with serious disabilities and support for the FastTRAC program, which links education and credentials to high demand careers

Support Services Grants also fund a portion of county and tribal costs to administer MFIP and DWP.

SNAP Employment and Training: Federal SNAP Employment and Training funds are allocated to counties and used to provide a basic foundation of employment services that, if enhanced with local or other state funds, can earn a 50 percent reimbursement to build greater capacity. Support Services Grants to SNAP Employment and Training programs are matched through federal reimbursement.

RESULTS

The two key measures in MFIP/DWP are:

- The **Self-Support Index** is a results measure. The Self-Support Index shows the percentage of adults eligible for MFIP or DWP in a quarter who have left assistance or are working at least 30 hours per week three years later. Customized targets are set for each county or tribe using characteristics of the people served and local economic conditions. State law requires the Department of Human Services to use the Self-Support Index to allocate performance bonus funds. The chart following shows that about two-thirds of participants have left MFIP or DWP and/or are working at least 30 hours per week three years after a baseline period.

<i>Year ending in March of:</i>	<i>S-SI</i>
2010	67.0%
2011	65.2%
2012	65.3%
2013	66.9%
2014	68.5%
2015	68.8%
2016	68.0%
2017	65.9%
2018	64.6%
2019	64.4%
2020	65.7%
2021	64.6%

- The federal Work Participation Rate (WPR) is a process measure and counts the number of parents engaging in a minimum number of hours of federally-recognized work activities. The measure does not count households who discontinue assistance when getting a job.

<i>Federal Fiscal Year</i>	<i>WPR</i>
2008	29.9%
2009	29.8%
2010	40.2%
2011	43.9%
2012	45.3%
2013	45.1%
2014	46.2%
2015	37.9%
2016	39.4%
2017	38.9%
2018	37.2%
2019	35.7%
2020	22.3%

Another employment-related, state-mandated performance measure tracked is:

- **MFIP/DWP Median Placement Wage**, a quality measure that reflects the number of people getting jobs and the median wage. The chart shows the statewide median hourly starting wage. NOTE: The Diversionary Work Program (DWP) was suspended due to COVID-19 during the state peacetime emergency from April 2020 to August 2021.

<i>Calendar Year</i>	<i>Median Placement Wage Per Hour for MFIP Clients</i>	<i>Median Placement Wage Per Hour for DWP Clients</i>
2008	\$9.00	\$9.39
2009	\$9.00	\$9.30
2010	\$9.50	\$9.50
2011	\$9.50	\$9.50
2012	\$9.95	\$10.00
2013	\$10.00	\$10.00
2014	\$10.29	\$10.00
2015	\$11.00	\$11.00
2016	\$11.50	\$11.50
2017	\$12.00	\$12.00
2018	\$12.50	\$13.00
2019	\$13.00	\$13.00
2020	\$14.00	-
2021	\$15.00	-

The legal authority for Support Services Grants is M.S. sections 256J.626 (<https://www.revisor.mn.gov/statutes/?id=256J.626>) and 256D.051 (<https://www.revisor.mn.gov/statutes/?id=256D.051>)

Support Services Grants

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base	
					FY24	FY25
<u>Expenditures by Fund</u>						
1000 - General	8,693	8,691	8,692	8,715	8,715	8,715
3000 - Federal	3,054	3,062	4,314	9,200	9,200	9,200
3001 - Federal TANF	94,701	92,238	88,460	96,311	96,311	96,311
Total	106,449	103,991	101,466	114,226	114,226	114,226
Biennial Change				5,252		12,760
Biennial % Change				3		6

Expenditures by Category

Operating Expenses	1,136	1,368	597			
Grants, Aids and Subsidies	105,312	102,624	100,869	114,226	114,226	114,226
Total	106,449	103,991	101,466	114,226	114,226	114,226

Support Services Grants

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base FY24 FY25	
1000 - General						
Direct Appropriation	8,715	8,715	8,715	8,715	8,715	8,715
Cancellations	22	24	23			
Expenditures	8,693	8,691	8,692	8,715	8,715	8,715
Biennial Change in Expenditures				22		23
Biennial % Change in Expenditures				0		0

2000 - Restrict Misc Special Revenue

Balance Forward In		114	114	114	114	114
Balance Forward Out		114	114	114	114	114

3000 - Federal

Balance Forward In		43				
Receipts	3,054	3,019	4,314	9,200	9,200	9,200
Expenditures	3,054	3,062	4,314	9,200	9,200	9,200
Biennial Change in Expenditures				7,398		4,886
Biennial % Change in Expenditures				121		36

3001 - Federal TANF

Balance Forward In		57	3,761			
Receipts	94,701	92,181	84,699	96,311	96,311	96,311
Expenditures	94,701	92,238	88,460	96,311	96,311	96,311
Biennial Change in Expenditures				(2,168)		7,851
Biennial % Change in Expenditures				(1)		4

Program: Grant Programs

Activity: Basic Sliding Fee Child Care Assistance Grants

<https://mn.gov/dhs/people-we-serve/children-and-families/economic-assistance/child-care/programs-and-services/basic-sliding-fee.jsp>

AT A GLANCE

- In SFY21 Basic Sliding Fee Child Care Assistance paid for childcare for 12,209 children in 6,186 families in an average month.
- As of May 2022, there was a waiting list of 445 families eligible for assistance but unable to be served at the current funding levels.
- The average monthly assistance per family was \$1,427.
- All funds spending for the BSF Child Care Assistance Grants activity for FY 2021 was \$125 million. This represented 0.6 percent of the Department of Human Services overall budget.

PURPOSE AND CONTEXT

In order to work, families need safe and reliable childcare. The annual cost of full-time care for one child ranges from \$9,000 to \$19,000 per year, depending on the age of the child, location, and type of provider attended. Many low-income families struggle to find affordable childcare that fits their needs. Basic Sliding Fee (BSF) Child Care Assistance provides financial subsidies to help low-income families pay for childcare through the Child Care Assistance Program. Families earning no more than 47 percent of the state median income (\$44,589 in 2022 for a family of three) are eligible to enter the Basic Sliding Fee program. Families leave the Child Care Assistance Program when their earnings are greater than 67 percent of state median income (\$63,564 in 2020 for a family of three) or when their copayment exceeds their cost of care.

SERVICES PROVIDED

BSF childcare assistance grants provide support to help improve outcomes for the most at-risk children and their families by increasing access to high quality childcare.

Families must be working, looking for work or attending school to be eligible for the Basic Sliding Fee Program. The program helps families pay childcare costs on a sliding fee basis. As family income increases, so does the amount of childcare expenses (copayment) paid by the family. All families receiving childcare assistance and earning 75 percent or more of the federal poverty guideline make copayments based on their income. A family of three earning 55 percent of the state median income (\$52,179) would have a total biweekly copayment of \$168 for all children in care.

The BSF childcare assistance grants activity is part of the state's Child Care Assistance Program. Maximum rates for provider payment in the Child Care Assistance Program are set in state law. Maximum rates are set for each type of care: childcare centers, family childcare, and legal non-licensed childcare. Providers are paid at the rate they charge in the private childcare market, up to this limit. The program pays a higher rate to providers who have met quality standards through Parent Aware, are accredited, or hold certain educational credentials.

Childcare must be provided by a legal childcare provider over the age of 18 years. Allowable providers include legal non-licensed family childcare, license-exempt centers, licensed family childcare, and licensed childcare centers. Families choose their providers in the private childcare market. Counties administer the Child Care Assistance Program.

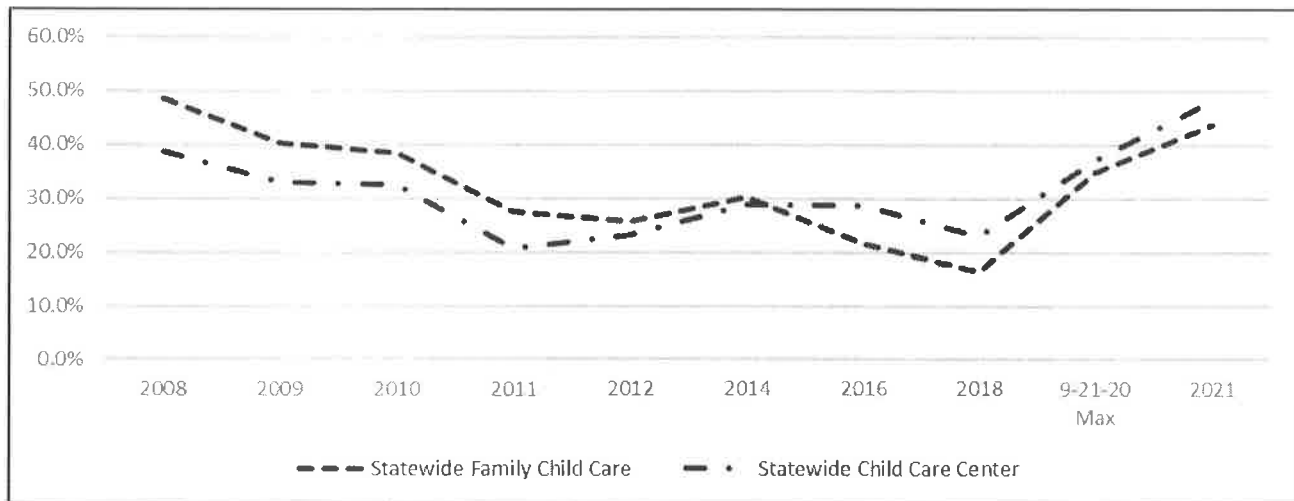
BSF funding is a capped allocation. It includes a combination of state funds and federal Child Care and Development and Temporary Assistance for Needy Families (TANF) funding. The agency allocates funding to counties, who administer the program. Because the funding is capped, not everyone who is eligible for the program may be served. As of May 2022, there was a waiting list for BSF childcare assistance of 445 families.

RESULTS

Percent of Provider Prices Fully Covered by CCAP - Maximum rates paid to providers under the Child Care Assistance Program may not cover the full cost of childcare. This may be a barrier for some families if they cannot find a provider in their community whose prices are covered by the maximum allowed under the program. **The percent of childcare providers who charge prices that are fully covered by the Child Care Assistance Program increased when the maximum rates were raised in the 2021 legislative session, but the maximum rate paid remains low compared to prices in the market.**

This quality measure shows approximately 43 percent of family childcare providers and approximately 48 percent of childcare centers charge prices that are fully covered by the Child Care Assistance Program maximum rates.

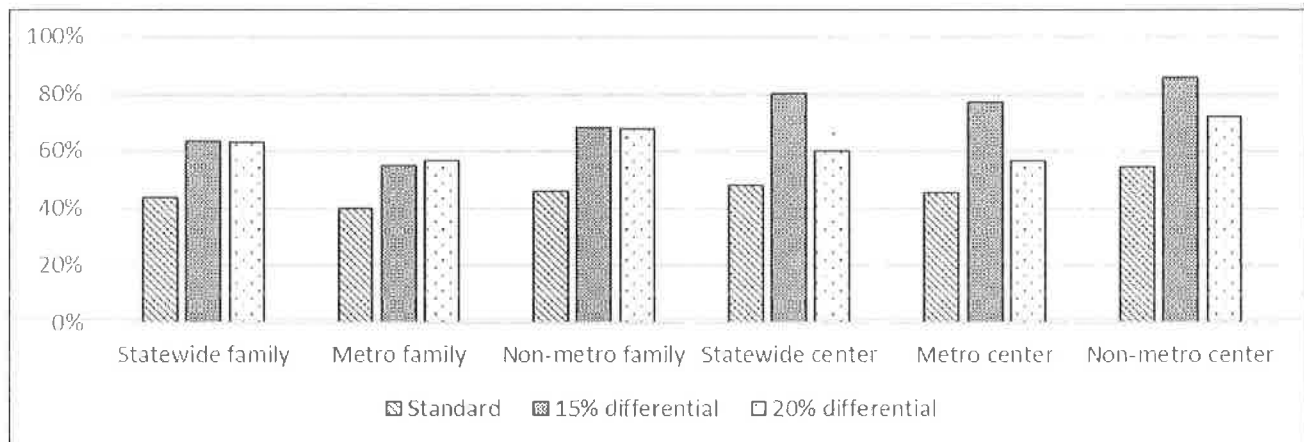
Provider prices fully covered by Standard Maximum Rates statewide, by percent



Quality Differential Impact - Parent Aware is Minnesota's rating tool for helping parents select high quality childcare and early education programs. The Child Care Assistance Program allows up to a 15 percent higher maximum rate to be paid to providers with a Parent Aware 3-star rating, or who hold certain accreditation or education standards established in statute. Up to a 20 percent higher maximum rate can be paid to providers with a 4-star Parent Aware rating.

This quality measure shows that higher maximum rates may increase families' access to high quality providers by allowing the maximum rate paid by the Child Care Assistance Program to fully cover more (or an equivalent proportion) of their prices as compared to the prices charged by all providers. This measure indicates the impact of quality differentials by type of care. It is first presented as a statewide total, and then broken out by metro and non-metro counties.

Prices fully covered by Standard and Quality Differential Maximum Rates (November 2021)



Specifically, the 20 percent differential allows the prices charged by center based four-star rated metro providers to be fully covered by the maximum subsidy at a higher proportion compared to the prices of all metro center providers. The higher maximum rates offer coverage of the prices charged by all other types of quality providers at higher levels than the standard maximum rates.

Use of High-Quality Care - Children who participate in high quality early care and education are more likely to experience school success and positive life-long outcomes. This quality measure shows that the percent of all children receiving childcare assistance through providers eligible for the higher subsidy rates for quality has increased from 37.5 percent in July of 2016 to 52 percent in July of 2021.

Percent of Children Receiving Child Care Assistance in Quality Settings

	2018	2019	2020	2021
Standard Care	57.7%	51.6%	46.6%	44.5%
Provider holds Accreditation*	3.2%	2.8%	2.4%	2.4%
Provider holds Parent Aware 1-2 Star	5.7%	6.3%	4.0%	3.5%
Provider holds Parent Aware 3-4 Star*	33.4%	39.3%	47%	49.6%

* These providers are eligible for CCAP higher rates for quality. Data representative of services provided in July of each year.

The data source for the prices charged by providers is a biennial survey of provider prices conducted by the Department. To assess the portion of provider prices fully covered, provider prices are compared to the applicable maximum subsidy rates. The data source for children in care with provider's eligible of the higher rates for quality is from MEC², Minnesota's childcare electronic eligibility and payment system.

The legal authority for the Basic Sliding Fee (BSF) Child Care Assistance program is in M.S. chapter 119B. (<https://www.revisor.mn.gov/statutes/?id=119B>)

Basic Sliding Fee Child Care Assistance Grants

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base	
					FY24	FY25
<u>Expenditures by Fund</u>						
1000 - General	44,655	53,616	53,350	53,362	53,366	53,366
3000 - Federal	63,364	54,324	59,524	82,200	94,976	65,768
3015 - ARP-State Fiscal Recovery				7,000		
Total	108,019	107,940	112,874	142,562	148,342	119,134
Biennial Change				39,477		12,040
Biennial % Change				18		5
<u>Expenditures by Category</u>						
Operating Expenses			8			
Grants, Aids and Subsidies	108,019	107,940	112,867	142,562	148,342	119,134
Total	108,019	107,940	112,874	142,562	148,342	119,134

Basic Sliding Fee Child Care Assistance Grants

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base	
					FY24	FY25
1000 - General						
Direct Appropriation	44,655	53,616	53,350	53,362	53,366	53,366
Expenditures	44,655	53,616	53,350	53,362	53,366	53,366
Biennial Change in Expenditures				8,441		20
Biennial % Change in Expenditures				9		0

3000 - Federal

Balance Forward In	16,141	12,496	12,988	7,300	7,300	7,300
Receipts	59,719	47,344	53,837	82,200	94,976	65,768
Balance Forward Out	12,496	5,515	7,300	7,300	7,300	7,300
Expenditures	63,364	54,324	59,524	82,200	94,976	65,768
Biennial Change in Expenditures				24,036		19,020
Biennial % Change in Expenditures				20		13

3015 - ARP-State Fiscal Recovery

Direct Appropriation			7,000		0	0
Expenditures			7,000			
Biennial Change in Expenditures			7,000			(7,000)
Biennial % Change in Expenditures						

Program: Grant Programs**Activity: Child Care Development Grants**<https://mn.gov/dhs/people-we-serve/children-and-families/services/child-care/>**AT A GLANCE**

- As of July 2021, 30% of eligible childcare and early education programs have a Parent Aware rating (n = 9,522)
- 2,501 family childcare providers and 10,093 childcare center direct care staff have listed their employment at their childcare program in Develop, Minnesota's Quality Improvement and Registry Tool.
- 2,461 unique individuals received coaching and support services to increase quality of care to children in SFY21.
- All funds spending for the Child Care Development Grants activity for FY21 was \$254 million. This represented 1.3 percent of the Department of Human Services overall budget.

PURPOSE AND CONTEXT

Child Care Development Grants provide a system of quality improvement supports for licensed childcare programs, professional development supports for the childcare workforce, and information and supports for prospective childcare business owners to improve the supply of childcare. They also support families to find care and education to meet their needs.

These grants are foundational to DHS' strategy for addressing Minnesota's childcare scarcity. The lack of quality childcare, especially in Greater Minnesota, has a tangible economic impact because communities with an adequate supply of childcare are better positioned to attract and retain employees.

In addition, there are too few individuals with the qualifications needed to work in childcare programs, which also contributes to the childcare shortage. These grants help new childcare workforce members gain needed qualifications, and provide grants, loans, training, coaching, and technical assistance that help retain and support the current childcare workforce.

SERVICES PROVIDED

The Department of Human Services (DHS) provides grants to public and private partners who specialize in providing services for childcare providers, families, and individuals working on starting new childcare businesses, to increase the supply and quality of childcare in Minnesota. Services include:

- Information for parents searching for quality childcare and early education for their children through Parent Aware, an online search tool (Parent Aware website, <http://www.parentaware.org/>) and other parent education services provided by Child Care Aware of Minnesota
- Grants, loans, financial supports and other incentives to encourage current and prospective childcare providers and teachers to enter the care and education field, stay in it, advance in their profession, and improve their programs through participation in the voluntary Parent Aware Quality Rating and Improvement System
- Training, coaching, professional development advising, and other workforce supports for early childhood and school-age care providers to increase their business skills, knowledge of child development, and instructional practices to meet the needs of individual children
- Reimbursement to childcare programs and providers to cover some of the fees charged to complete a nationally recognized childcare accreditation program

Child Care Development Grants are funded primarily with federal Child Care and Development Block Grant funds and some state general funds.

RESULTS

Part A: Performance Data (Required)

Use of Quality Child Care - Children who participate in quality childcare and early education are more likely to experience school success and positive life-long outcomes. This measure shows that the percent of all children receiving childcare assistance through providers with Parent Aware Ratings has increased from 50 percent in July 2017 to 65 percent in July 2021.

Number of Programs Rated by Parent Aware – Parent Aware improves children’s outcomes by improving families’ access to high quality childcare. This measure shows that the percentage of childcare and early education programs with a Parent Aware rating increased from 2019 to 2021.

Provider Education Levels – Childcare and early education professionals with degrees or credentials are needed to provide the kind of early learning opportunities that will make a difference for children’s outcomes. This measure shows that the education level of early childhood educators has continued to grow over time, as reported by those educators volunteering to verify their education level.

Searches for Quality Care through Parent Aware – The ParentAware.org website is an important resource for families searching for all types of early care and education settings, including childcare, school-based pre-kindergarten programs, and Head Start. The number of unique visitors on this website grew between 2019 to 2021.

Type of Measure	Description	Previous	Current	Dates
Result	Percent of children receiving childcare assistance in high quality settings	50%	65%	2017 & 2021
Quantity	Percent of childcare and early education programs with a Parent Aware rating	28%	30%	2019 & 2021
Quantity	Number of family childcare providers and teachers working directly with children with a Credential, CDA or Degree (AAS, BA/BS or higher)	5,267	6,070	2019 & 2021
Quantity	Number of unique visitors on Parent Aware.org	86,359	109,671	2019 & 2021

Part B: Evidence of Effectiveness (Optional)

Evidence-based Practice	Source of Evidence	FY 22-23 Expenditures (if known)
Parent Aware Quality Rating and Improvement System	Preschool & child care Quality Rating and Improvement Systems (QRIS) County Health Rankings & Roadmaps (https://www.countyhealthrankings.org/take-action-to-improve-health/what-works-for-health/strategies/preschool-child-care-quality-rating-and-improvement-systems-qris)	State Fiscal Year 2021 funding for this activity was \$11,302,971 in federal Child Care Development Block Grant funds, and \$1,242,000 in State General Funds. State Fiscal Year 2022 amount not yet available.

The legal authority for the Child Care Development Grant activities is M.S. chapter 119B (<https://www.revisor.mn.gov/statutes/?id=119B>).

Child Care Development Grants

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base	
					FY24	FY25
<u>Expenditures by Fund</u>						
1000 - General	32,917	2,948	2,937	2,962	2,962	2,962
2001 - Other Misc Special Revenue	413	1,521	2,518	3,237		
3000 - Federal	30,719	114,772	190,416	189,925	119,473	23,804
3010 - Coronavirus Relief		139,657				
3015 - ARP-State Fiscal Recovery			19,969			
Total	64,049	258,898	215,840	196,124	122,435	26,766
Biennial Change				89,016		(262,763)
Biennial % Change				28		(64)
<u>Expenditures by Category</u>						
Operating Expenses	899	946	548	1,824	100	100
Grants, Aids and Subsidies	63,150	257,953	215,291	194,300	122,335	26,666
Total	64,049	258,898	215,840	196,124	122,435	26,766
Total Agency Expenditures	64,049	258,898	215,840	196,124	122,435	26,766
Internal Billing Expenditures	(10)					
Expenditures Less Internal Billing	64,059	258,898	215,840	196,124	122,435	26,766

Child Care Development Grants

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base	
					FY24	FY25
1000 - General						
Balance Forward In	0	0				
Direct Appropriation	31,701	1,737	1,737	1,737	1,737	1,737
Transfers In	1,225	1,225	1,225	1,225	1,225	1,225
Cancellations	9	14	25			
Expenditures	32,917	2,948	2,937	2,962	2,962	2,962
Biennial Change in Expenditures				(29,966)		25
Biennial % Change in Expenditures				(84)		0

2001 - Other Misc Special Revenue

Balance Forward In		55				
Receipts	422	1,465	2,518	3,237		
Balance Forward Out	9					
Expenditures	413	1,521	2,518	3,237		
Biennial Change in Expenditures				3,821		(5,755)
Biennial % Change in Expenditures				198		(100)

3000 - Federal

Balance Forward In			71,053			
Receipts	30,719	185,825	119,363	189,925	119,473	23,804
Balance Forward Out		71,053				
Expenditures	30,719	114,772	190,416	189,925	119,473	23,804
Biennial Change in Expenditures				234,850		(237,064)
Biennial % Change in Expenditures				161		(62)

3010 - Coronavirus Relief

Direct Appropriation		139,671				
Cancellations		14				
Expenditures		139,657				
Biennial Change in Expenditures				(139,657)		0
Biennial % Change in Expenditures						

3015 - ARP-State Fiscal Recovery

Child Care Development Grants

Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base	
	FY20	FY21	FY22	FY23	FY24	FY25
Direct Appropriation			20,000			
Cancellations			31			
Expenditures			19,969			
Biennial Change in Expenditures				19,969		(19,969)
Biennial % Change in Expenditures						

Program: Grant Programs

Activity: Child Support Enforcement Grants

<https://mn.gov/dhs/people-we-serve/children-and-families/services/child-support/>

AT A GLANCE

- County and state child support offices provide services to more than 314,000 custodial and non-custodial parents and their 220,000 children.
- In FY 2021, the child support program collected and disbursed \$551 million in child support payments.
- Access and visitation funds served 1,070 children in 2021.
- All Funds spending for the Child Support Enforcement Grants Activity for FY 2021 was \$1.7 million. This represented less than 0.1 percent of the Department of Human Services overall budget.

PURPOSE AND CONTEXT

Every child needs financial and emotional support, and every child has the right to support from both parents. Minnesota's child support program benefits children by enforcing parental responsibility for their support.

The State of Minnesota collected \$551 million in child support payments in FY 2021. The MN child support program plays an active role in reducing the reliance on other state income maintenance programs given the significant amount of child support that is collected and sent directly to families.

Child support represents a high proportion of income for low income custodial parents. Ten percent of cases are currently on public assistance and 40.3 percent of cases were formerly on public assistance. Eighty-eight percent of custodial parents who are eligible for child support are women. The program disproportionately serves parents of color. African American parents account for 24 percent of the child support caseload and American Indian parents account for six percent even though African American and American Indian Minnesotans only account for seven and three percent of the general population.

Child Support Enforcement Grants help strengthen families by providing financial supports. Child support helps families become self-sufficient.

SERVICES PROVIDED

Under state direction and supervision, child support activities are administered by counties and tribes. Staff assist custodial parents in obtaining basic support, medical support, and childcare support for children, through locating parents and establishing paternity and support obligations. Without this assistance, many families would not have the financial resources to remain self-sufficient.

The following activities help to support and stabilize families:

- Establish paternity through genetic testing, Recognition of Parentage or other means;
- Establish and modify court orders for child support, medical support and child care support, based on statutory guidelines;
- Enforce court orders to assure payment through remedies established in federal regulation and state law, such as income withholding, driver's license suspension and passport denial; and
- Collect and process payments from employers, parents, counties and other states and issue support funds to families.

Additional grants provide federal funding to improve non-custodial parents' access to their children by using digital marketing to increase participation in the child support program. Funding is a mix of federal funds, state general funds, and fees.

RESULTS

The federal government funds state child support programs in part through performance incentives. These are calculated by measuring the state's performance in core activities: paternity establishment, order establishment, collection of current support, collection of arrears (past due support), and program cost effectiveness. States are ranked by their scores on the measures and earn higher incentives as performance increases. Each percentage measurement has a threshold of 80 percent to earn the maximum incentive for that measure. To maximize the incentive for cost-effectiveness, states must collect five dollars for every dollar spent on the child support program.

In 2019 Minnesota earned \$11.7 million dollars in federal incentives. The federal incentives are passed on to counties to help cover their administrative costs of the program.

<i>Type of Measure</i>	<i>Performance Measures¹</i>	<i>FFY² 2021</i>	<i>FFY 2020</i>	<i>FFY 2019</i>	<i>FFY 2018</i>	<i>FFY 2017</i>
Quantity	Paternities established: percent of children born outside marriage for whom paternity was established in open child support cases for the year	98%	100% ³	100%	101%	101%
Quantity	Orders established: percent of cases open at the end of the year with orders established	86%	87%	88%	88%	88%
Quantity	Collections on current support: percent of cases with current support due within the year that had a collection on current support	75%	75%	75%	74%	73%
Quantity	Collections on arrears: percent of cases with arrears due within the year that had a collection on arrears	72%	79%	72%	72%	72%
Quality	Cost effectiveness: dollars collected per dollar spent	\$3.09	\$3.26	\$3.14	\$3.26	\$3.30

<i>Evidence-based Practice</i>	<i>Source of Evidence</i>	<i>FY 22-23 Expenditures (if known)</i>
Driver's License Suspension Procedural Justice Project	Pilot that started in Fall 2021, ended in Spring 2022. MMB-MAD conducting an evaluation report that will be available in Spring 2023.	No current costs in regards to the evaluation report. Based upon finding(s) of the evaluation report there may be action steps taken to address the findings which may have future costs.

Notes on Performance Measures:

1. Federal performance measures are listed in the 2019 Minnesota Child Support Performance Report (<https://www.leg.state.mn.us/docs/2020/other/200610.pdf>)
<https://www.lrl.mn.gov/docs/2022/other/220351.pdf>.
 2. FFY = federal fiscal year
 3. Paternities established can be higher than 100 percent because the results include children born in prior years for whom paternity has been established in that year.
-

The legal authority for Child Support Enforcement Grants comes from federal and state laws.

Federal law 42 U.S.C. secs. 651-669b requires that states establish a child support program and gives general guidelines for administering the program. (Title 42 651; <https://www.govinfo.gov/content/pkg/USCODE-2011-title42/html/USCODE-2011-title42-chap7-subchapIV-partD.htm>).

State law:

Requires a person receiving public assistance to assign child support rights to the state and cooperate with child support services (M.S. sec. 256.741, <https://www.revisor.mn.gov/statutes/?id=256.741>)

Provides legal authority to establish child support (M.S. sec. 256.87, <https://www.revisor.mn.gov/statutes/?id=256.87>) and to establish paternity (M.S. sec. 257.57, <https://www.revisor.mn.gov/statutes/?id=257.57>)

Provides legal authority to set and collect fees for child support services (M.S. sec. 518A.51, <https://www.revisor.mn.gov/statutes/?id=518A.51>), and requires the state to establish a central collections unit (M.S. sec. 518A.56, <https://www.revisor.mn.gov/statutes/?id=518A.56>).

Child Support Enforcement Grants

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base	
					FY24	FY25
<u>Expenditures by Fund</u>						
2000 - Restrict Misc Special Revenue	1,663	1,569	1,429	1,509	1,509	1,509
2001 - Other Misc Special Revenue	(43)	(14)	72	50	50	50
3000 - Federal	168	435	580	1,370	970	920
Total	1,788	1,990	2,082	2,929	2,529	2,479
Biennial Change				1,233		(3)
Biennial % Change				33		(0)

Expenditures by Category

Operating Expenses	(270)	9	147	600	450	400
Grants, Aids and Subsidies	2,058	1,981	1,935	2,329	2,079	2,079
Total	1,788	1,990	2,082	2,929	2,529	2,479

Child Support Enforcement Grants

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base	
					FY24	FY25
1000 - General						
Direct Appropriation	50	50	50	50	50	50
Transfers Out	50	50	50	50	50	50

2000 - Restrict Misc Special Revenue

Balance Forward In	60	60	20			
Receipts	1,697	1,603	1,463	1,543	1,543	1,543
Transfers Out	34	74	54	34	34	34
Balance Forward Out	60	20	0			
Expenditures	1,663	1,569	1,429	1,509	1,509	1,509
Biennial Change in Expenditures				(294)		80
Biennial % Change in Expenditures				(9)		3

2001 - Other Misc Special Revenue

Balance Forward In	356	450	516	494	494	494
Receipts	0					
Transfers In	50	50	50	50	50	50
Balance Forward Out	449	514	494	494	494	494
Expenditures	(43)	(14)	72	50	50	50
Biennial Change in Expenditures				179		(22)
Biennial % Change in Expenditures				(315)		(18)

3000 - Federal

Receipts	168	435	580	1,370	970	920
Expenditures	168	435	580	1,370	970	920
Biennial Change in Expenditures				1,348		(60)
Biennial % Change in Expenditures				224		(3)

Program: Grant Programs**Activity: Children's Services Grants**<https://mn.gov/dhs/people-we-serve/children-and-families/services/child-protection/>

AT A GLANCE

In 2021:

- 24,583 assessments and investigations of child abuse and neglect involving 32,347 children were finalized.
- Of these, 5,606 unique children were determined to be victims of child maltreatment.
- 12,312 children/youth experienced an out-of-home placement.
- All funds spending for the Children's Services Grants activity for FY 2021 was \$74 million. This represented 0.3 percent of the Department of Human Services overall budget.

PURPOSE AND CONTEXT

Strong families and communities are an effective first line of defense for keeping children safe, especially in times of stress. Children who have been abused and neglected are more likely to perform poorly in school, become involved in criminal activities and abuse or neglect their own children. Long-term intervention costs for crime, corrections, truancy, hospitalization, special education, and mental health care are also minimized when programs and services support strong families and communities. Research provides compelling evidence that strength-based child welfare interventions, such as those funded with Children's Services Grants, result in safer children and more stable families. Without these services, children and families remain at risk.

SERVICES PROVIDED

The Children's Services Grants fund county, tribal, and community-based child welfare services around the state, including Indian child welfare services, child protection, homeless youth services, and child abuse and neglect services. These grants help keep children out of foster care and safely with their families and reduce disparities in the number of children of color in out-of-home placements. Recently these grants have been used to:

- Reform the child welfare system to focus on ensuring children's safety while supporting families.
- Improve the Minnesota Child Welfare Training System.
- Design and develop tribal approaches that ensure child safety and permanency.
- Transfer responsibility from counties to tribes to deliver a full continuum of child welfare services to American Indian children and families on two reservations.
- These services are essential to keep children safe and families stable. Children's Services Grants include state and federal funding for child welfare services.

RESULTS

The Department of Human Services monitors the performance of counties and tribes in delivering child welfare services. Minnesota outcomes meet or exceed most federal standards. Efforts to engage families early and collaboratively with evidence-based interventions have resulted in improved safety and timely permanency outcomes.

Type of Measure	Name of Measure	2016	2017	2018	2019	2020	2021
Quality	Percent of children not experiencing repeated abuse or neglect within 12 months of a prior report	91.8%	91.0%	91.0%	93.8%	94.5%	94.2%
Quality	Percent of all children who enter foster care in the previous year that are discharged to permanency (i.e., reunification with parents, caregivers, living with relative, guardianship, adoption) within 12 months	50.6%	47.5%	48.6%	49.5%	46.0%	48.7%
Quality	Percent of all children in foster care who had been in care between 12 and 23 months on the first day of the year that were discharged to permanency within 12 months of the first day of the year	48.1%	51.2%	58.9%	55.5%	52.4%	54.3%
Quality	Percent of all children in foster care who had been in care for 24 months or more on the first day of the year that were discharged to permanency within 12 months of the first day of the year	25.2%	28.8%	34.0%	33.3%	32.4%	37.7%

Performance Measures notes:

Measures from the Child Safety and Permanency Division at the Department of Human Services.

Also see the DHS Child Welfare Dashboard

(http://www.dhs.state.mn.us/main/idcplg?IdcService=GET_DYNAMIC_CONVERSION&RevisionSelectionMethod=LatestReleased&dDocName=dhs16_148137) Several state statutes provide the legal authority for the Children's Services Grants activity:

Provisions for reasonable efforts, Interstate Compact on Placement of Children and Minnesota Indian Preservation Act are in M.S. chapter 260 (<https://www.revisor.mn.gov/statutes/?id=260>)

Provisions for juvenile protection are in M.S. chapter 260C (<https://www.revisor.mn.gov/statutes/?id=260C>)

Provisions for voluntary foster care for treatment are in M.S. chapter 260D (<https://www.revisor.mn.gov/statutes/?id=260D>)

Reporting of Maltreatment of minors is under M.S. section 260E(Ch. 260E MN Statutes)

Children's Services Grants

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base	
					FY24	FY25
<u>Expenditures by Fund</u>						
1000 - General	42,455	48,174	49,412	47,555	47,555	47,555
2000 - Restrict Misc Special Revenue	283	1,360	179	611	611	611
2001 - Other Misc Special Revenue	2,129	2,856	1,712	8,946	8,164	8,164
2403 - Gift				1	1	1
3000 - Federal	21,795	26,989	34,631	42,087	33,753	33,925
3001 - Federal TANF	140	140	140	140	140	140
Total	66,801	79,518	86,075	99,340	90,224	90,396
Biennial Change				39,095		(4,795)
Biennial % Change				27		(3)

Expenditures by Category

Operating Expenses	606	1,169	1,419	256	256	256
Grants, Aids and Subsidies	66,196	78,349	84,656	99,084	89,968	90,140
Total	66,801	79,518	86,075	99,340	90,224	90,396

Children's Services Grants

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base	
					FY24	FY25
1000 - General						
Balance Forward In	806	1,022	667	895		
Direct Appropriation	44,207	49,285	52,653	52,368	52,368	52,368
Transfers In	334	636	829			
Transfers Out	1,816	2,118	2,311	5,708	4,813	4,813
Cancellations	54	652	1,531			
Balance Forward Out	1,022		895			
Expenditures	42,455	48,174	49,412	47,555	47,555	47,555
Biennial Change in Expenditures				6,339		(1,857)
Biennial % Change in Expenditures				7		(2)

2000 - Restrict Misc Special Revenue

Balance Forward In	1,116	1,653	902	1,236	1,302	1,338
Transfers In	760	675	585	750	720	720
Transfers Out	41	66	73	73	73	73
Balance Forward Out	1,553	902	1,236	1,302	1,338	1,374
Expenditures	283	1,360	179	611	611	611
Biennial Change in Expenditures				(852)		432
Biennial % Change in Expenditures				(52)		55

2001 - Other Misc Special Revenue

Balance Forward In	66	185	1,197	967	1,456	1,996
Receipts		(31)		3,727	3,891	3,392
Transfers In	2,127	2,814	1,482	5,708	4,813	4,813
Balance Forward Out	64	113	967	1,456	1,996	2,037
Expenditures	2,129	2,856	1,712	8,946	8,164	8,164
Biennial Change in Expenditures				5,673		5,670
Biennial % Change in Expenditures				114		53

2403 - Gift

Balance Forward In	1	1	1	1	1	1
Receipts	0	0	0	1	1	1
Balance Forward Out	1	1	1	1	1	1
Expenditures				1	1	1

Children's Services Grants

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base	
					FY24	FY25
Biennial Change in Expenditures				1		1
Biennial % Change in Expenditures						

3000 - Federal

Balance Forward In	111	0	0	1,424	1,424	1,424
Receipts	21,801	26,989	36,056	42,087	33,753	33,925
Balance Forward Out	117		1,424	1,424	1,424	1,424
Expenditures	21,795	26,989	34,631	42,087	33,753	33,925
Biennial Change in Expenditures				27,934		(9,040)
Biennial % Change in Expenditures				57		(12)

3001 - Federal TANF

Receipts	140	140	140	140	140	140
Expenditures	140	140	140	140	140	140
Biennial Change in Expenditures				0		0
Biennial % Change in Expenditures				0		0