

# *An Analysis of Federal and State Investments in Prevention FY99 through FY2005*

## *A Report from the West Virginia Children and Youth Funding Study*

June 30, 2007

### **Introduction and Background**

The Funding Study Committee of the *West Virginia Partnership for Community Well-Being*<sup>1</sup> monitors federal and state expenditures for public services available to children and families in West Virginia. To date, expenditure data has been compiled and analyzed over a seven year period (FY 99 through FY 2005). Over 270 distinct public funding streams have been examined during this period. The ongoing study of trends in public expenditures does not examine total public spending within West Virginia. The study focuses only on public expenditures that support programs and services to children and families across fourteen functional categories of services.<sup>2</sup> The study generally excludes public spending on infrastructure (highways, capital expenditures, etc.), services provided to the elderly, environmental services, administrative costs, and large portions of the personnel costs related to state employees.<sup>3</sup>

There is interest within the *Partnership* in identifying and monitoring prevention-related investments within West Virginia to inform the development of a comprehensive prevention plan. Relatively few state and federal funding streams are dedicated to any type of preventative services. Only nineteen such funding sources are readily identifiable as prevention-related funding. In most cases, only a portion of the funds expended by these nineteen programs supports prevention related services; however, for purposes of this initial analysis, the total expenditures through these sources are included in the analysis unless the prevention related expenditures can be readily identified.<sup>4</sup> Programs and services within five functional areas are supported by these nineteen sources of financial support. These functional areas include:

- < Early Care and Education,
- < Healthcare,
- < Behavioral Health,
- < Youth Development, and
- < Community Capacity Building

Prevention related funding streams (in this case these may be thought of as distinct federal and state programs) included in this initial analysis include:

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<sup>1</sup> For more information on the Partnership - <http://www.prevnet.org/sig/partnership/>

<sup>2</sup> For additional information on the categories of public services examined the reader should review the reports available at: <http://www.prevnet.org/fundingstudy/>

<sup>3</sup> For detail on what is included and not included in the initial study and subsequent updates see the initial report at: <http://www.prevnet.org/fundingstudy/PDF/Year%20One%20Report%20final%2003%20edited%20042204.pdf>

<sup>4</sup> The percentage of the federal Substance Abuse Prevention and Treatment Block Grant used for prevention services is defined in statute at 20% so it is that portion that is included.

#### Federal Programs:

- < Health Systems Development in Child Care
- < Community Based Family Resource and Support
- < Childhood Lead Poisoning Prevention
- < Abstinence Education
- < Immunization
- < Preventive Health Services STD
- < Preventive Health and Health Services Block Grant
- < Substance Abuse Prevention and Treatment Block Grant (20% of total)
- < Juvenile Justice and Delinquency Prevention – Title II
- < Juvenile Justice and Delinquency Prevention – Title V
- < Combating Underage Drinking
- < Safe and Drug Free Schools and Communities
- < University Extension Services
- < Americorps

#### State Programs:

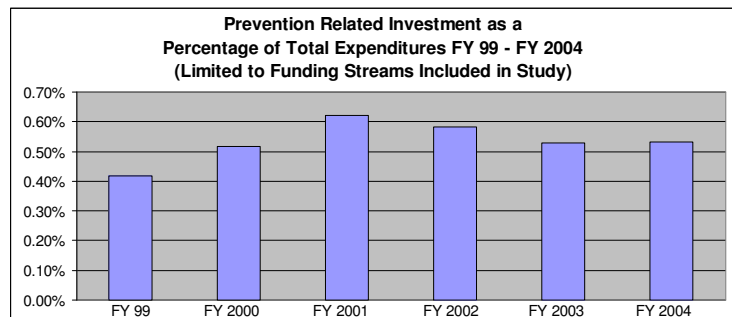
- < Starting Points Centers
- < Early Parent Education
- < Tobacco Education Program
- < Family Resource Networks

As is apparent from the list of programs above, “prevention” is defined broadly for purposes of analysis to include programs and services that build community capacity as well as those that more directly focus on preventing poor outcomes or strengthening child/family resiliency.

### Findings

For FY 2005 the total spending through the identified prevention-related programs totaled \$27.35 million. The largest investment in prevention is in Health-related services (40% of the total) and more than half of the prevention expenditures in the Health area are made available through the tobacco settlement funds. Investments in community capacity building and volunteerism were about one-third (33%) of the total; and the remaining prevention funds were spent in areas related to youth development (16%), substance abuse prevention (6%), and early care and education (5%).

Prevention related expenditures of state and federal funds are a very small portion of the overall expenditures that support services to children and families in the state. In FY 2004, a total of \$26.5 million was spent through the prevention-related programs. This is only about one-half of one percent (.53%) of the total spending to support services to children and families in the state which was over \$5.7 billion. Over the six

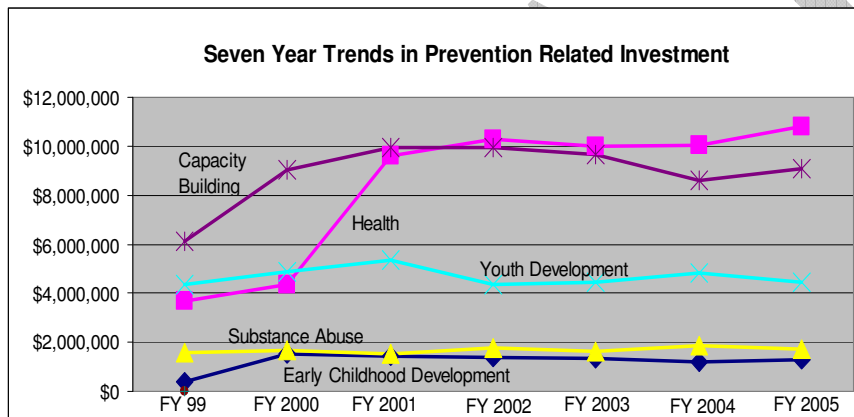


year period (FY 99-2004), prevention spending (through the identified funding streams listed) has ranged from four-tenths of one percent (.42%) to just over six-tenths of one percent (.62%) of the total spending accounted for in the Children and Families Funding Study.

Over 70% of the prevention-related funding identified is from federal dollars. State funds invested in prevention related activity totaled only about \$7.8 million for FY 2005. 72% of that state investment was through the tobacco education fund (tobacco settlement dollars). Since the tobacco settlement dollars are not generated from tax revenues the actual investment of state generated revenue in prevention-related programs is only about \$1.6 million.

When the identified state investment in prevention-related programs is compared to total state revenues available, the investments made in prevention appear even less significant. The total revenue generated by the state through general revenue and special revenue totaled \$8.88 billion for FY 2005.<sup>5</sup> For FY 2005, the state funding for prevention identified in this analysis reflects less than one tenth of one percent (0.088%) of available state revenues.

Trends in spending through the identified prevention programs over a seven year period show little or no increase in areas of substance abuse prevention, youth development, and early care and education. Some increase is noted in community capacity building between 2000 and 2002 due to a



small state investment in local Family Resource Networks; however, those gains were eroded somewhat between 2002 and 2005. A significant increase in health-related prevention is noted in 2001 due to the investment of a portion of the tobacco settlement dollars in programs related to tobacco education and prevention.

<sup>5</sup> West Virginia State Auditor's Office – State Dollar Report