

# WV CHILDREN & FAMILIES PRELIMINARY FUNDING REPORT

## The Big Picture

An Initial Analysis of State & Federal Expenditures  
FY 1999 through FY 2001

*Division of Criminal Justice Services* ● *Department of Military Affairs & Public Safety* ● *State of West Virginia*

JUVENILE JUSTICE REPORT

APRIL 2003

### Overview

This report presents the initial findings of an analysis of state and federal funding streams supporting public services for children and families in West Virginia. The study's purpose is to provide West Virginia citizens, including planners and policy makers, with data to inform planning and policy decisions and better understand the services provided to children and families in the state.

The study focuses on funding streams administered by West Virginia state agencies that provided services to children and families from fiscal year (FY) 1999 through fiscal year 2001. More than 250 funding streams were catalogued into six functional spending categories including: **Education**, **Health Care**, **Economic Support**, **Safety and Family Stability**, **Economic Development** and **Community Capacity Building**.

The study included three types of information: an analysis of spending patterns and trends, program descriptions, and available state grant funding.

This report presents only the **analysis of spending patterns and trends in spending** within functional categories related to desired outcomes. This information is provided for overall expenditures and in some degree of detail for each functional category.

Due to their voluminous nature, the two other types of information gathered as part of this study are only available on the study website: <http://www.prevnet.org/fundingstudyindex>.

The first type of information provided only on this website is information about federal and state programs in West Virginia that provide or support services for children and families. These **program descriptions** are grouped by functional category and can be viewed and printed individually in PDF format. The second type of information provided only on the website is discretionary federal and state funding available to communities through **state grant programs**. This information is provided in a searchable database format.

Future goals of this study include an analysis of the distribution of available financial resources by population, region, and type of service to provide policy makers and state program administrators with the ability to better allocate discretionary grant funding to communities and populations with the greatest need. A prototype of this level of analysis is being conducted in Southern West Virginia (West Virginia Department of Health and Human Resources, Region IV) in cooperation with the Region IV Children's Summit.

### History

An interagency group of policy makers and practitioners began planning this study in 1998 as part of an effort to improve children and family services for West Virginia. It was the premise of this interagency group that many youth in West Virginia were being under- or over-served by federal, state, local, and private agencies due to the lack of a coordinated, comprehensive planning process that would provide adequate and appropriate resources where they were most needed. This premise was based on: the lack of agreed upon statewide goals for improving service delivery and child well-being, the lack of accountability for reaching programmatic goals, the lack of information about child/family service needs, and the lack of information about the availability and use of child/family services. The study presented here is a significant step toward a coordinated approach to improving juvenile justice and children and family services in West Virginia.

In 2000, the Child Welfare and Juvenile Justice Coordinating Council commissioned the study. The Governor's Committee on Crime Delinquency and Correction, Juvenile Justice Subcommittee voted to fund the West Virginia Prevention Resource Center's proposal with United States Department of Justice, Juvenile Accountability Incentive Block Grant funds in FY 2001.

# General Scope of the Study

## Introduction

This study is an analysis of state and federal spending in West Virginia and is based on the best data available at the state level. The current project does not have the capacity to seek out and catalog all locally administered discretionary federal grants or private investments by foundations or charitable organizations that may help support services for children and families in West Virginia. In general, expenditure data presented here is administered and accounted for by some entity of state government. Thus, this study does not attempt to catalog every state and federal dollar spent within the state. It does attempt, for the first time, to bring together all significant state and federal program expenditures that support services to children and families across the various administering agencies of state government.

This is a functional, results oriented analysis.<sup>4</sup> Information is presented in a way that allows for the examination of spending patterns within a wide range of state and federal programs by expected outcome areas. The analysis includes more than 250 distinct funding streams supporting public services for children and families in West Virginia. Expenditure information is examined for three state fiscal years (FY 1999, 2000, and 2001) in order to begin to establish trends in spending within specific funding streams and outcome-based categories. It is the intent of this ongoing study to add expenditure information to the database each year as it becomes available so that long-term trends can be established related to the allocation of state and federal resources.

A funding stream is defined for purposes of this study as: an identifiable flow of federal or state dollars that supports local programs and services within the defined functional categories. When possible, large multi-purpose programs that contribute to more than one functional category of services were separated into several funding streams based on the estimated portion of the expenditures that supported the intended outcome. Thus programs such as Medicaid and the Temporary Assistance to Needy Families Block Grant (TANF) are shown as distinct funding streams within more than one functional category.

## Methodology

The primary source documents used for this study were the *West Virginia Single Audit of Federal Programs* and the annual *Enrolled State Budget Bill* passed by the legislature for each of the three years of the initial study.

## The Functional Areas & Related Expected Outcomes

**Each of the functional areas outlined below is explored in the remaining pages of this report. The functional areas of the analysis are defined by the outcomes (or results) that group of funding streams is focused on impacting.<sup>5</sup> This outcome focus will allow for future analysis that ties the expenditure data to the results-based indicator data related to each of the outcome areas.**

### Education

Includes: Early Care and Education, Public Education, and Higher Education.

*Outcomes: Children will be ready for school.  
Children will succeed in school.*

### Health Care

Includes: Physical and Dental Health.

*Outcomes: People will be healthy.*

### Economic Support

Includes: Economic Assistance, Nutrition and Food, Housing, and Employment & Training.

*Outcomes: Families will have adequate resources to protect, nurture, educate, and support their children.*

### Safety and Family Stability

Includes: Behavioral Health, Child Welfare, Youth Development, and Public Safety.

*Outcomes: People will be safe in their homes and communities. Children will live in permanent, stable homes.*

### Economic Development

*Outcomes: Communities will sustain economic growth. People will have access to good jobs.*

### Community Capacity Building

*Outcomes: People will be informed about community issues. People will be engaged in making their local community a better place to live and work.*

Expenditures for most of the distinct federal programs are taken from audited reports and should reflect the actual amount expended during the state fiscal year within each of those funding streams. In some cases where it was necessary to subdivide expenditures within large federal programs into the functional categories, agency records are used for that purpose or estimates are made from federal reports.<sup>6</sup> Since there is no annual audit of state funds, expenditures of state funds are based on the amounts appropriated through the state budget for each of the fiscal years or agency records.

These amounts do not in all cases reflect the exact amount spent during the fiscal year, but they provide for a close estimate of the actual expenditures. It is not possible without examining individual agency records in some detail to determine the actual amounts expended during the fiscal year period or to separate out administrative expenditures from spending on service delivery. For most federal funding streams the total expenditures including any allowable administrative costs are reported. In the case of state appropriations, line items in the state budget that primarily support state agency administrative costs and state office staffing are not included in the analysis. Costs related to state employees delivering services at the local level are generally included in the analysis.

Source documents were reviewed and a spreadsheet was created that lists discrete funding streams by functional category for the three-year period of the study. In cases where estimates of expenditures were necessary, notes were inserted into the spreadsheet that describes the specific method used to make the estimate. The administering state agency and source of the data was also recorded on the master spreadsheet, and in the case of federal programs, the federal Catalog of Federal Domestic Assistance (CFDA) number was recorded. Expenditure information was then analyzed related to trends in spending, state vs. federal investments, and total expenditures within each of the functional categories. Funding maps were developed for each category of expenditures that make up the major child/family service systems in West Virginia to graphically describe the flow of funds from state and federal administering agencies to local program types that make up each of the functionally defined service systems.

Federal and state funding streams were included in the analysis if the expenditures support services that benefit children directly, support families, or strengthen communities. In conducting such an analysis, it is often difficult to make decisions about what to include and what not to include. It could certainly be argued that expenditure in areas such as highways, environmental protection, parks

and recreation, police, fire protection, emergency services, government, and the judiciary benefit children and families in the state. However, this analysis does not attempt to catalog these types of expenditures. It is primarily focused on funding streams that fall within four broad functional categories that make up what we traditionally think of as the child/family service system. These functional categories are: *Education, Health Care, Economic Support, and Safety & Family Stability*. In addition, the study looks at some funding streams that contribute to *Economic Development and Community Capacity Building*.

## Organization of the Data

Expenditure data is organized within this study by function - it is a functional analysis of state and federal spending. Funding streams are grouped according to their primary purpose or outcome area and across traditional categorical and agency boundaries. Thus, a particular functional area may bring together state and federal funding streams administered by several different agencies and targeted at several different categorical designations of beneficiaries. The advantages of looking at the expenditure data from a multi-year, functional point of view as opposed to an agency point of view are many.

- Includes spending at more than one level of government (generally the state and federal levels).
- Documents areas of state and federal investments and trends in those investments over several years.
- Brings programs and funding streams that share similar goals together in one place. It is outcome focused.
- Identifies funding streams that can be better coordinated and integrated across agency-based administrative structures.
- Provides the foundation for the development and monitoring of a “children and families budget.”
- Allows for further analysis related to possible correlations between public investments and results.

Each of the functional areas outlined above is explored in the remaining pages of this report. Specific methodological issues, data challenges, and clarifications will be addressed through endnotes.

**A general “Big Picture” view of the child/family service system in West Virginia is presented, and then each functional area is explored in more detail. Local and private investments, distribution of public resources to local communities, correlation of spending with results indicators, and policy analysis are all areas for further work.**

## The Federal Financing Picture

Beginning in 1935 with the passage of the Social Security Act by the Congress of the United States, there has been a 67-year history of creating federal programs to address some identified and often specific need of a particular group of persons. These categorical programs carry with them a set of rules and regulations, an administering bureaucracy, and generally a specific funding stream or allocation of federal dollars to implement the program. In most cases, a corresponding state or local administrative structure must be developed to carry out the program and often a state match, appropriation of state funds is required to access the federal funds that are made available to the state. The number and type of major federal programs increased significantly in the 1960's and has been increasing ever since.

Major federal programs for children and families may come in the form of entitlement programs, block grants, grant programs to states, discretionary grants or loan programs. Most are categorical, which means specific eligibility requirements must be met before children and families can benefit from the program. There are hundreds of federal programs that provide some type of financial support for services to children and families.

**Entitlement Programs** are defined in a way that establishes a legal entitlement to the services offered by that program for people who meet the specific eligibility criteria established by the federal government through law and regulation. In most cases, the state government further defines eligibility for the particular federal program through a state plan approved by the federal administering agency. In recent years, the federal government has eliminated several entitlement programs, and there are only a few such programs serving children and families remaining. The largest and most comprehensive of these is the Medicaid Program. Other entitlement programs include the federal Foster Care Program, the School Lunch Program, and the School Breakfast Program.

**Federal Block Grants** generally provide for some degree of flexibility as to how the funds may be spent. The state legislature and administering state agency can usually decide within defined guidelines how this money will be used within the state. Federal block grant funds are provided to the state for support of most public services including education, health, social services, public safety, mental health and substance abuse, economic and community development, and assistance to needy families. The amount of block grant funding received by the state is determined by a formula established at the federal level. Formula allocations of federal funds are made available

to the state based on demographic characteristics established in the authorizing federal law. These funds are generally needs based, hence the formula that determines distribution of the funds to the state is often based on such factors as numbers of persons below the federal poverty level. *The 2003 West Virginia State Budget* lists 15 federal block grants totaling approximately \$500 million. Federal block grants do not require a matching amount of state funds; however, some do require that the state maintain some minimal level of past investment of state funds. This is known as maintenance of effort.

In addition to the block grant programs, the federal government has established **Grant Programs to States** available only to state governments. Funds through these programs must be applied for through a defined federal application process. These grants are only available to designated state agencies and some level of funding is generally made available if the designated state agency submits an application for the funding. These programs are similar to federal block grants, and funds are often distributed to the states based on a formula established by Congress or the administering federal agency. Some examples of these programs include the Safe and Drug Free Schools Program, Even Start, Americorps, and Promoting Safe and Stable Families.

In other cases, federal grant programs may be highly competitive, and a limited amount of money is awarded based on proposals solicited by the administering agency. These **Discretionary Grants** are often made available to local agencies and community based organizations in addition to state or local government entities. In some cases, eligible applicants are limited to local community organizations, local public agencies, or local non-profits. Federal discretionary grant programs are often established when Congress authorizes a relatively small appropriation for the program and/or new approaches are tested through a limited number of demonstration projects. Because many of these discretionary programs do not pass through any state agency, it is difficult to determine how many of these programs may be currently funded in West Virginia and at what amounts. There is no central repository of information related to federal grants made directly to local communities; however, some information about discretionary grant awards can often be obtained through the website of the administering federal agency. Some of the better-known examples of these types of programs are 21<sup>st</sup> Century Schools, Community Health Centers, Technology Opportunities, and Early Learning Opportunities.

Finally, there are a number of federal **Loan Programs**. These may take the form of direct loans to community-based organizations, private business, or other public or private organizations at below-market rates for purposes that are considered to be in the public interest. Other types of loans are guaranteed by the federal government but administered by approved lending institutions. There are several loan programs in the areas of higher education and housing. For example, the Section 108 Loan Guarantee Program allows local communities to borrow money for housing programs and economic development projects, and the federal Stafford and Perkins Loan Programs provide low interest college loans to thousands of families. Higher education loan amounts are listed in this analysis; but because these federal loans are to be repaid, the loan amounts are not included in the total state and federal expenditures for higher education.

To further complicate matters at the federal level, federal decision making related to resource allocation is fragmented and lacks coordination across federal agencies and different authorizing committees of the Congress. A 1995 report from The Institute for Educational Leadership documents a total of 36 distinct federal agencies and 52 congressional committees and subcommittees with primary responsibility for 76 major federal programs that were studied.<sup>1</sup> The situation has only worsened since 1995 with more federal programs authorized and additional agencies established.

### **State Financing of Public Programs**

At the state level, the West Virginia Legislature appropriates state funds and authorizes the expenditure of federal funds made available to the state through the large federal entitlement and block grant programs. Historically, education has been primarily a state responsibility. This is reflected in the large amount of state funds supporting public and higher education. Health care is another area of substantial state investment with large amounts of state dollars required to provide the state match portion of the Medicaid Program and the Children's Health Insurance Program (CHIP) and also pay the state's share of health insurance premiums through the Public

Employees Insurance Agency. A third area where there is a disproportionate amount of state dollars invested relative to federal support is in maintaining children and youth in settings outside the parents' or a relative's home, including secure settings within the state and placement of some children in out-of-state facilities.

Priorities for financing children and family services in West Virginia are often driven by national policy as defined through the various federal programs authorized by Congress. This is particularly true in areas of health care, economic support, behavioral health, and child welfare where a significant amount of the state appropriated dollars available to support services for children and families are required to be used as matching funds or maintenance of effort if the state is to take full advantage of federal funding available.<sup>2</sup> Nevertheless, many of the details about what specific services and programs are supported and how the service systems operate within the state are established at the state level through a state plan<sup>3</sup> filed with the federal government. With the exception of public education, which has some degree of local governance through county boards of education, local service systems for children and families are largely state defined and administered by an array of state departments, bureaus, and offices. Funding streams that support similar types of services may flow through several different state agencies on their way to local community programs. Unlike some states with local governance structures that control spending for healthcare, social services, and safety programs, there is no local decision making authority in West Virginia that determines how these types of state and federal funds are used.

Some state agencies use a small portion of the federal and state funds available to them to offer discretionary grant programs to local communities. These grant programs, when available, are generally found in areas related to economic development, social support services, health care, and safety. Some of the state agencies that offer small discretionary grants for local projects include: the Development Office, the Bureau for Children and Families, the Bureau for Public Health, and the Division of Criminal Justice Services.

More information is available on the Funding Study website  
<http://www.prevnet.org/fundingstudyindex>

One type of information provided on this website is information about federal and state programs in West Virginia that provide or support services for children and families. These **program descriptions** are grouped by functional category and can be viewed and printed individually in PDF format.

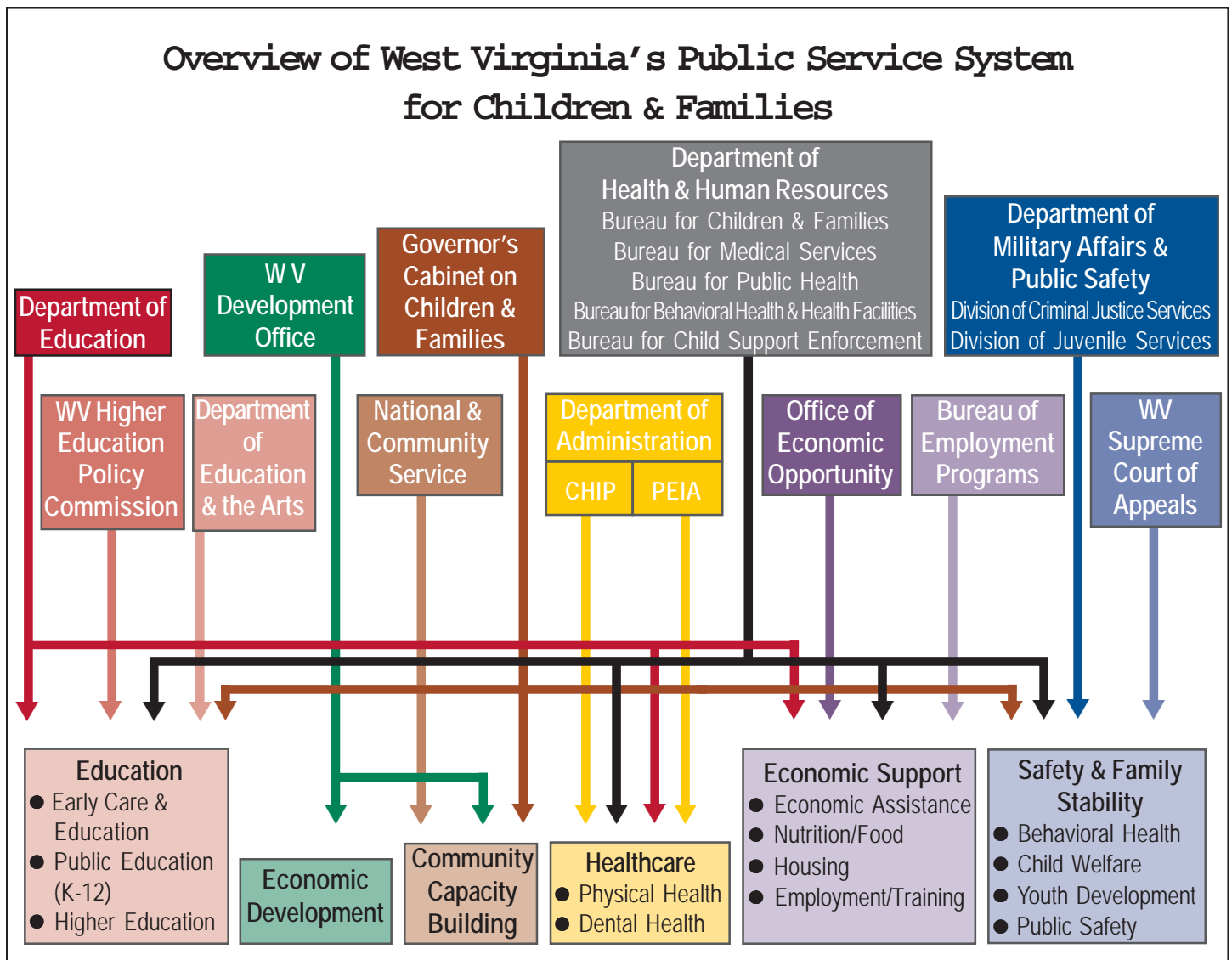
The second type of information provided on the website is discretionary federal and state funding available to local communities through **state grant programs**. This information is provided in a searchable database format.

Below is an image of the homepage for the website.



# Overall Analysis of Funding for Children & Family Services

The West Virginia publicly funded service system supporting children and families that is described in this report is supported by more than 250 identifiable federal and state funding streams administered by at least 18 state agencies (bureau/division level or higher). Federal and state funds flow through these state agencies to a wide range of state and local programs and services. The diagram below shows the state level administering agencies and the flow of funds from these agencies to the functional categories of programs and services described in this report.



## Trends in Expenditures Over the Three-Year Period by Functional Category

Total expenditures identified within the funding streams included in the analysis exceed \$5 billion for state fiscal year 2001. The overall three-year trend in spending (FY 99-2001) rises steadily from \$4.5 billion in 1999 to \$5.2 billion in 2001. Spending over the three-year period increased in each of the functional sub-categories analyzed, with the exception of *Nutrition & Food* and *Employment and Training* where spending decreased, and *Child Welfare* where spending was essentially flat. The downward trend in *Nutrition and Food* is largely due to reduced expenditures through the federal Food Stamp Program, most likely reflecting less need for assistance in this area during a period of economic growth.

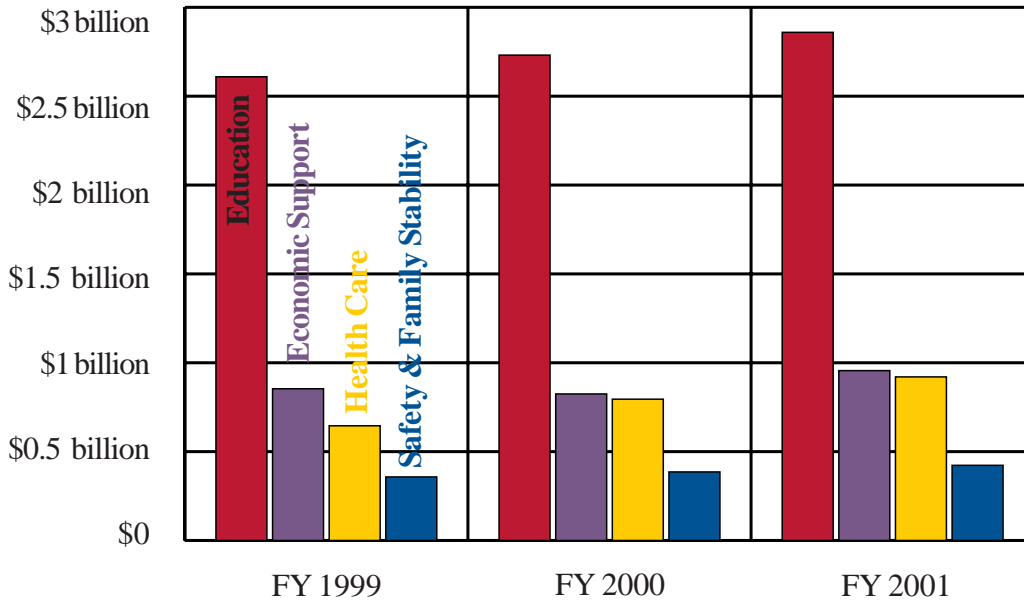
A summary of the expenditure totals by functional category for the three years of the study is shown in the table below.

These increasing trends in expenditures, separated out by the major functional categories, can be seen in the bar chart on page nine. Expenditures in all areas increased over the three-year period. Identified health care expenditures have increased at a faster rate than expenditures for economic support. As a result, these two areas have trended toward more equal amounts over the three-year period.

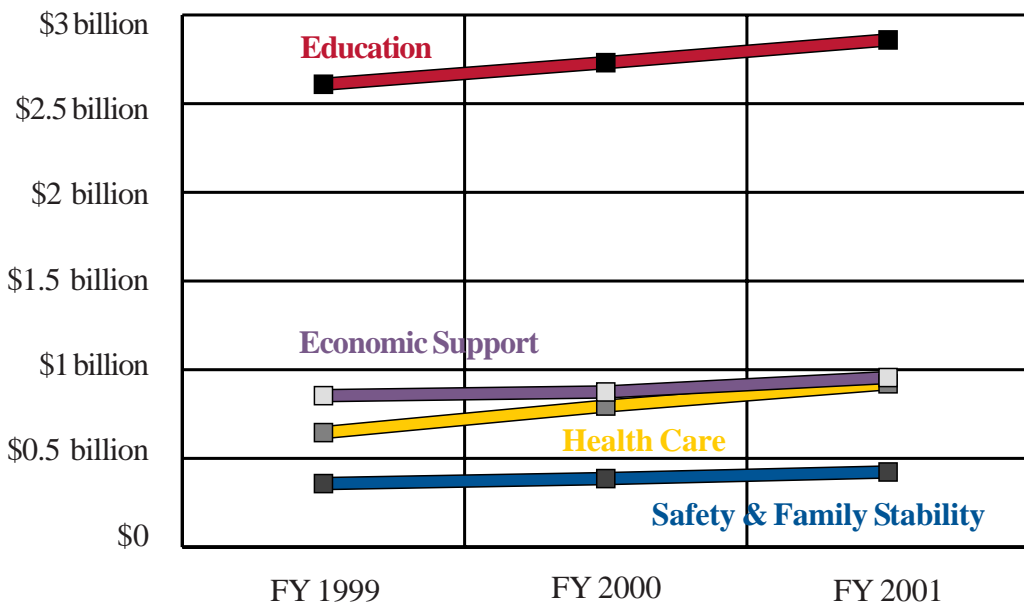
Trends in spending can be illustrated graphically for each of the functional categories. Trend lines for the total expenditures by category all increase over the three-year period as would be expected due to normal increases in state and federal spending due to inflation and other factors. As can be seen in the adjoining chart, the trend lines increase more sharply in areas of education and health care than in other types of spending.

<b>Expenditure Totals for All Funding Streams</b>			
<b>By Functional Category of Spending</b>			
<b>Functional Category</b>	<b>FY 99</b>	<b>FY 2000</b>	<b>FY 2001</b>
Early Care and Education	\$121,698,359	\$148,546,723	\$178,740,505
Public Education	\$2,118,571,994	\$2,189,616,626	\$2,273,412,584
Higher Education	\$369,045,831	\$392,906,314	\$407,093,826
<b>Total Education</b>	<b>\$2,609,316,184</b>	<b>\$2,731,069,663</b>	<b>\$2,859,246,915</b>
<b>Total Health Care</b>	<b>\$597,876,843</b>	<b>\$749,332,034</b>	<b>\$872,018,345</b>
Economic Assistance	\$471,964,404	\$506,100,377	\$602,109,237
Nutrition/Food	\$322,688,236	\$303,444,872	\$293,952,331
Housing	\$12,536,120	\$12,738,799	\$14,443,559
Employment & Training	\$46,532,844	\$52,266,576	\$45,320,146
<b>Total Economic Support</b>	<b>\$853,721,604</b>	<b>\$874,550,624</b>	<b>\$955,825,273</b>
Behavioral Health	\$191,555,571	\$219,377,576	\$248,281,801
Child Welfare	\$134,073,223	\$127,939,999	\$133,135,190
Youth Development	\$4,461,843	\$4,986,186	\$5,458,621
Public Safety	\$27,538,997	\$33,522,007	\$36,076,588
<b>Total Safety and Family Stability</b>	<b>\$357,629,634</b>	<b>\$385,825,768</b>	<b>\$422,952,200</b>
<b>Total Economic Development</b>	<b>\$56,315,405</b>	<b>\$60,859,079</b>	<b>\$67,398,972</b>
<b>Total Community Capacity Building</b>	<b>\$9,441,465</b>	<b>\$12,925,783</b>	<b>\$12,715,082</b>
<b>Grand Total -All Funding Streams</b>	<b>\$4,484,301,135</b>	<b>\$4,814,562,951</b>	<b>\$5,190,156,787</b>

**Total State & Federal Expenditure by Functional Category**  
 FY 1999 through FY 2001



**Trends in Spending by Functional Category**  
 FY 1999 through FY 2001



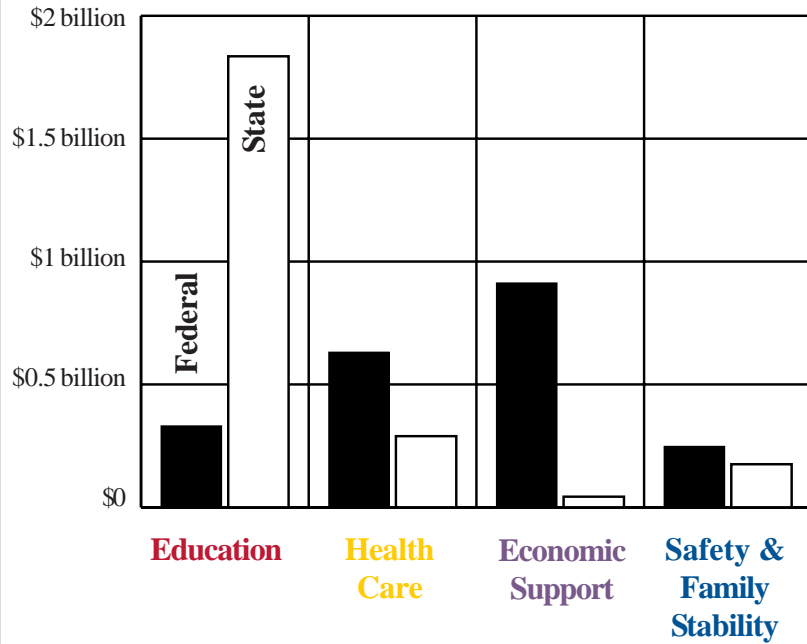
## Federal vs. State Spending

The relative proportions of federal and state spending are almost equal when one considers all the funding streams contained within the analysis (about 48% federal and 52% state). However, a more detailed look at the relative proportions of federal funds and state funds within each functional category indicates significant differences. The federal to state ratio of expenditures for different functional categories of services varies greatly. In general, education is predominately funded from state dollars while economic support services are primarily supported with federal dollars. Other types of services show more balance between federal and state financial support. The table below summarizes the data for FY 2001 broken out by federal and state expenditures. The FY 2001 total amounts listed below are less than those in the table presented on page 8, because the amounts below do not include locally generated education funds (local property taxes and special levies).

Three-quarters of the financial support for early care and education services comes from federal sources and about one-quarter from state allocations; however, state expenditures account for the vast majority of the funds spent for public education (88.0%) and higher education (95.9%). The funding mix for economic support services is predominately federal, 95.5% federal and only 4.5% state. Federal expenditures for health care make up more than two-thirds of the total expenditures included in the analysis, while the safety and family stability services exhibit more balance between the state and federal expenditures (58.6% federal and 41.4% state). There is a fairly equal distribution of federal and state funds supporting economic development programs (53.4% federal and 46.6% state) while investments in community capacity building are predominately federal.

<b>Summary of Federal and State Expenditures</b>					
<b>State FY 2001</b>					
	<b>FY 2001 Federal</b>	<b>FY 2001 State</b>	<b>Total Federal &amp; State</b>	<b>% Federal</b>	<b>% State</b>
Early Care and Education	\$122,517,529	\$41,574,281	\$164,091,810	74.7%	25.3%
Public Education	\$191,867,134	\$1,403,194,145	\$1,595,061,279	12.0%	88.0%
Higher Education	\$16,627,919	\$390,465,907	\$407,093,826	4.1%	95.9%
<b>Total Education</b>	<b>\$331,012,582</b>	<b>\$1,835,234,333</b>	<b>\$2,166,246,915</b>	<b>15.3%</b>	<b>84.7%</b>
<b>Total Health Care</b>	<b>\$631,004,933</b>	<b>\$241,013,412</b>	<b>\$872,018,345</b>	<b>72.4%</b>	<b>27.6%</b>
Economic Assistance	\$562,929,665	\$39,179,572	\$602,109,237	93.5%	6.5%
Nutrition/Food	\$291,457,761	\$2,494,570	\$293,952,331	99.2%	0.8%
Housing	\$14,443,559		\$14,443,559	100.0%	0.0%
Employment & Training	\$43,820,146	\$1,500,000	\$45,320,146	96.7%	3.3%
<b>Total Economic Support</b>	<b>\$912,651,131</b>	<b>\$43,174,142</b>	<b>\$955,825,273</b>	<b>95.5%</b>	<b>4.5%</b>
Behavioral Health	\$170,924,325	\$77,357,476	\$248,281,801	68.8%	31.2%
Child Welfare	\$54,824,262	\$78,310,928	\$133,135,190	41.2%	58.8%
Youth Development	\$5,458,621		\$5,458,621	100.0%	0.0%
Public Safety	\$16,515,495	\$19,561,093	\$36,076,588	45.8%	54.2%
<b>Total Safety and Family Stability</b>	<b>\$247,722,703</b>	<b>\$175,229,497</b>	<b>\$422,952,200</b>	<b>58.6%</b>	<b>41.4%</b>
<b>Total Economic Development</b>	<b>\$35,993,805</b>	<b>\$31,405,167</b>	<b>\$67,398,972</b>	<b>53.4%</b>	<b>46.6%</b>
<b>Total Community Capacity Building</b>	<b>\$10,735,787</b>	<b>\$1,979,295</b>	<b>\$12,715,082</b>	<b>84.4%</b>	<b>15.6%</b>
<b>Total Expenditures</b>	<b>\$2,169,120,941</b>	<b>\$2,328,035,846</b>	<b>\$4,497,156,787</b>	<b>48.2%</b>	<b>51.8%</b>

**Comparison of State & Federal Expenditures by Functional Category  
FY 2001**

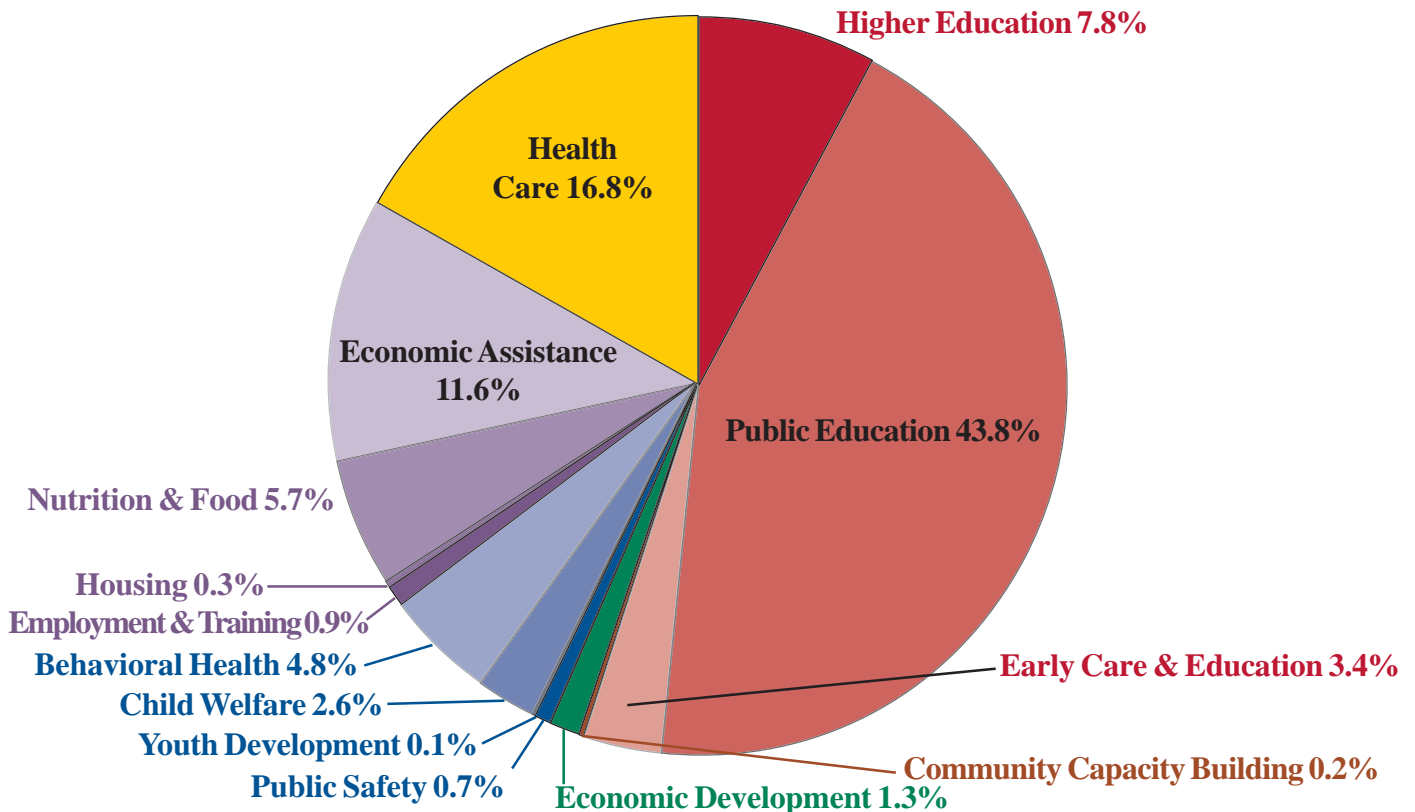


**The Distribution of Total Expenditures**

Expenditures for Education are by far the most significant portion of the overall funding pattern for child and family services. For FY 2001, total education related expenditures were 55% of total spending through all funding streams included in the study. Health care expenditures (16.8%) and economic assistance (11.6%) are the next largest categories of spending. All other types of spending are spread across the remaining 16.6% of the total expenditures. The chart below illustrates the distribution of the total expenditures reflected in the funding streams studied across the functional categories of the service system.

With this “Big Picture” in mind, the remainder of this report explores in some depth the funding streams making up each functional category of programs and services.

**Distribution of Public Expenditures  
Funding Streams Supporting Services to Children & Families  
FY 2001**



# Service System Analysis of Funding for Children & Family Services

## Education

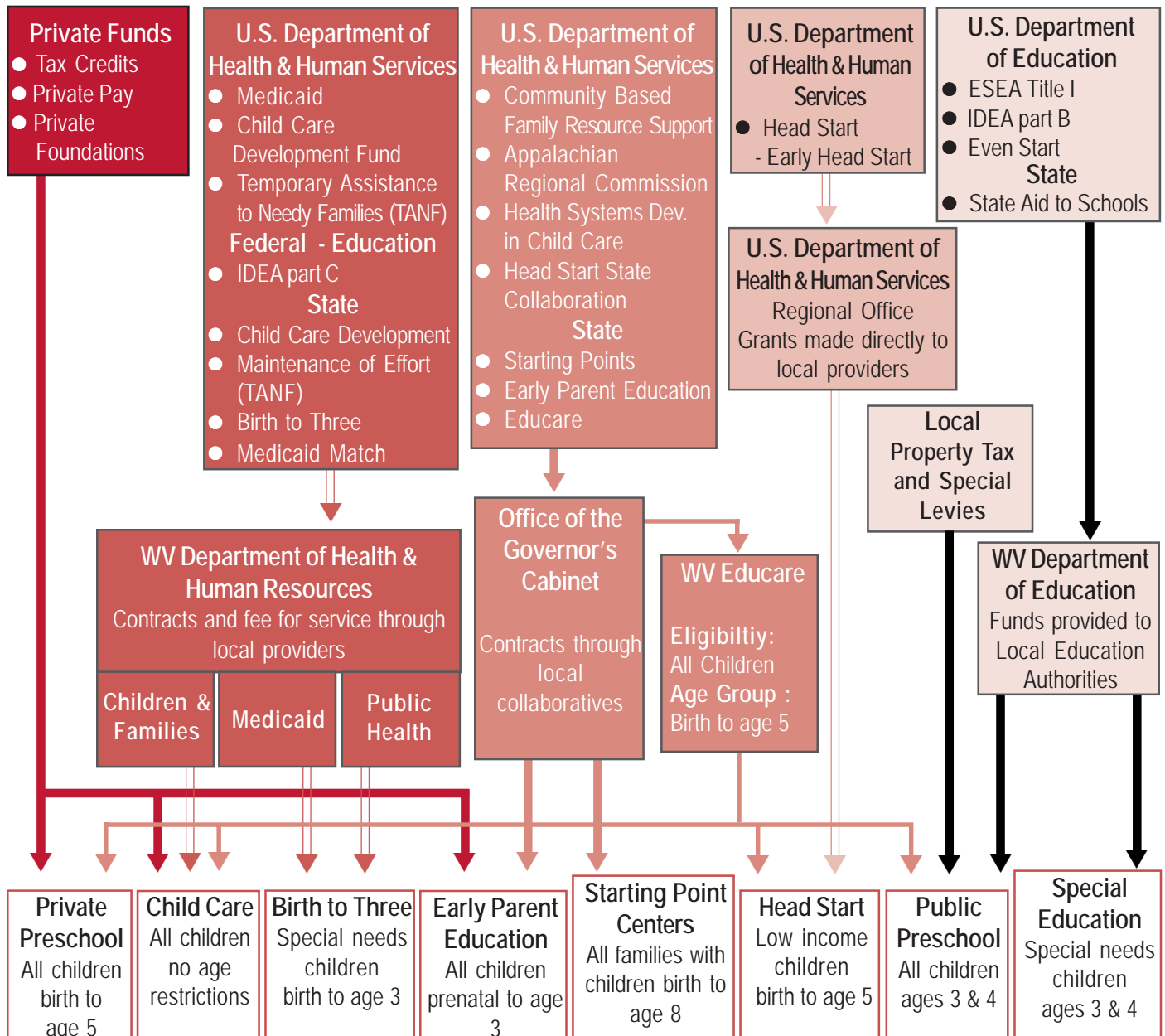
### Early Care & Education

This study has identified 22 distinct state and federal funding streams that support early care and education services in the state. These funding streams specifically support programs and services in the areas of childcare, early education, and early childhood development. Twenty of these 22 funding streams are managed at the state level through five distinct state level administrative structures. These include: the Department

of Health and Human Resources Bureaus for Children and Families, Public Health, and Medical Services, the Governor's Cabinet on Children and Families, and the State Department of Education.

These multiple funding streams support eight primary types of programs at the local level. These program types are: Private preschools, child care (state licensed child care centers and registered family child

Education



care homes), the Birth to Three Program (for children birth through 2 years of age with special needs), Early Parent Education and Home Visiting Programs, Starting Points Centers (local one-stop-shops for early care and education), Head Start, Public Preschools, and Special Education Programs (for 3 and 4 year old children with special needs). The funding map on page 12 describes these funding streams and their flow to local programs through various state, federal, and local agencies.

In addition to the state and federal funding streams described above, additional public funds are made available through discretionary federal grant programs received by selected local grantees in West Virginia. Further, the federal income tax code allows for qualifying taxpayers to claim the Child and Dependent Care Tax Credit for a portion of child care expenses incurred. This federal tax credit provides for over \$5 million each year to assist families in paying for childcare.<sup>7</sup> These funds reflect a portion of the private payments made for childcare services in West Virginia. An additional unknown amount of private funds contribute to the support of early care and education services including out-of-pocket payments to private

preschool and child care providers and private foundation grants made directly to early care and education programs.

West Virginia has increased its investment of state and federal funds in early care and education services over recent years from about \$120 million in FY 1999 to almost \$180 million in FY 2001. The largest source of current investment is the federally funded Head Start Program that provided nearly \$47 million to the system in FY 2001. Other major early care and education funding streams include: the federal Child Care Fund (Child Care and Development Block Grant) and the Temporary Assistance to Needy Families Block Grant (TANF), which together contributed more than \$50 million to child care (FY 2001). State and local public education funding for preschool programs is estimated at about \$43 million (FY 2001).<sup>8</sup> In FY 2001, 69% of the current investments in the early care and education of the state's children were federal funds, about 23% were estimated to be state and local education funds, and the remaining 8% were funds appropriated by the legislature outside the state aid to schools formula.<sup>9</sup>

<b>Early Care &amp; Education Programs</b>	<b>FY 1999</b>	<b>FY 2000</b>	<b>FY 2001</b>
Head Start/Early Head Start	\$36,062,000	\$39,842,000	\$46,712,650
Head Start State Collaboration	\$70,714	\$83,100	\$101,710
Child Care and Development Block Grant	\$9,106,581	\$12,345,475	\$13,402,493
Child Care and Development Fund	\$8,397,567	\$22,769,049	\$18,946,822
Transfer from TANF to Child Care and Development Fund	\$5,353,655		
TANF* (Child Care for Cash Assistance Clients)		\$2,806,121	\$1,589,937
TANF* Expenditures on Child Care (for non-assistance cases)		\$502,614	\$22,072,371
Individuals with Disabilities Education Act (IDEA)Part C, Birth to Three	\$2,194,095	\$2,123,564	\$2,684,915
IDEA - Part B, Preschool Education	\$3,509,082	\$3,449,743	\$3,502,699
Even Start	\$1,052,154	\$745,307	\$1,215,580
Even Start -Statewide Family Literacy			\$148,464
Medicaid (vendor payments for clinic, other practitioner & other care services)	\$7,801,036	\$10,704,162	\$11,979,062
Health Systems Development in Child Care	\$47,694	\$38,558	\$74,326
Community Based Family Resource/Support Program (CAPTA Title II)	\$50,000	\$60,000	\$86,500
<b>Sub-total Federal Funds</b>	<b>\$73,644,578</b>	<b>\$95,469,693</b>	<b>\$122,517,529</b>
Medicaid State Match	\$2,674,371	\$3,610,043	\$3,920,940
State Expenditures for Child Care (MOE/Match)	\$4,409,643	\$4,409,643	\$4,409,643
State Child Care Development	\$1,390,400	\$1,437,213	\$1,438,120
State Birth to Three Program	\$2,018,357	\$2,018,357	\$2,018,357
Starting Points Centers	\$237,017	\$945,000	\$861,740
Early Parent Education	\$70,203	\$464,566	\$279,900
West Virginia Educare		\$29,957	\$111,075
Estimated Public Schools pre-K Services (state share)	\$24,858,103	\$26,677,131	\$28,534,506
<b>Sub-total State Funds</b>	<b>\$35,658,094</b>	<b>\$39,591,910</b>	<b>\$41,574,281</b>
<b>Estimated Public School pre-K Services (local share)</b>	<b>\$12,395,687</b>	<b>\$13,485,120</b>	<b>\$14,648,695</b>
<b>Sub-Total Early Care and Education</b>	<b>\$121,698,359</b>	<b>\$148,546,723</b>	<b>\$178,740,505</b>

\* The expenditures of TANF funds for child care services shown here are also included in the TANF expenditures for economic support on p. 21.

## Public & Higher Education

The administrative structures and funding flows supporting both public education and higher education are shown in the same funding map. The West Virginia Department of Education and the West Virginia Higher Education Policy Commission administer almost all public expenditures for education. The West Virginia Department of Education and the West Virginia Higher Education Policy Commission administer almost all public expenditures for education. The West Virginia Department of Education and the Arts is responsible for rehabilitation services, and those services are considered to be educational for purposes of this study.

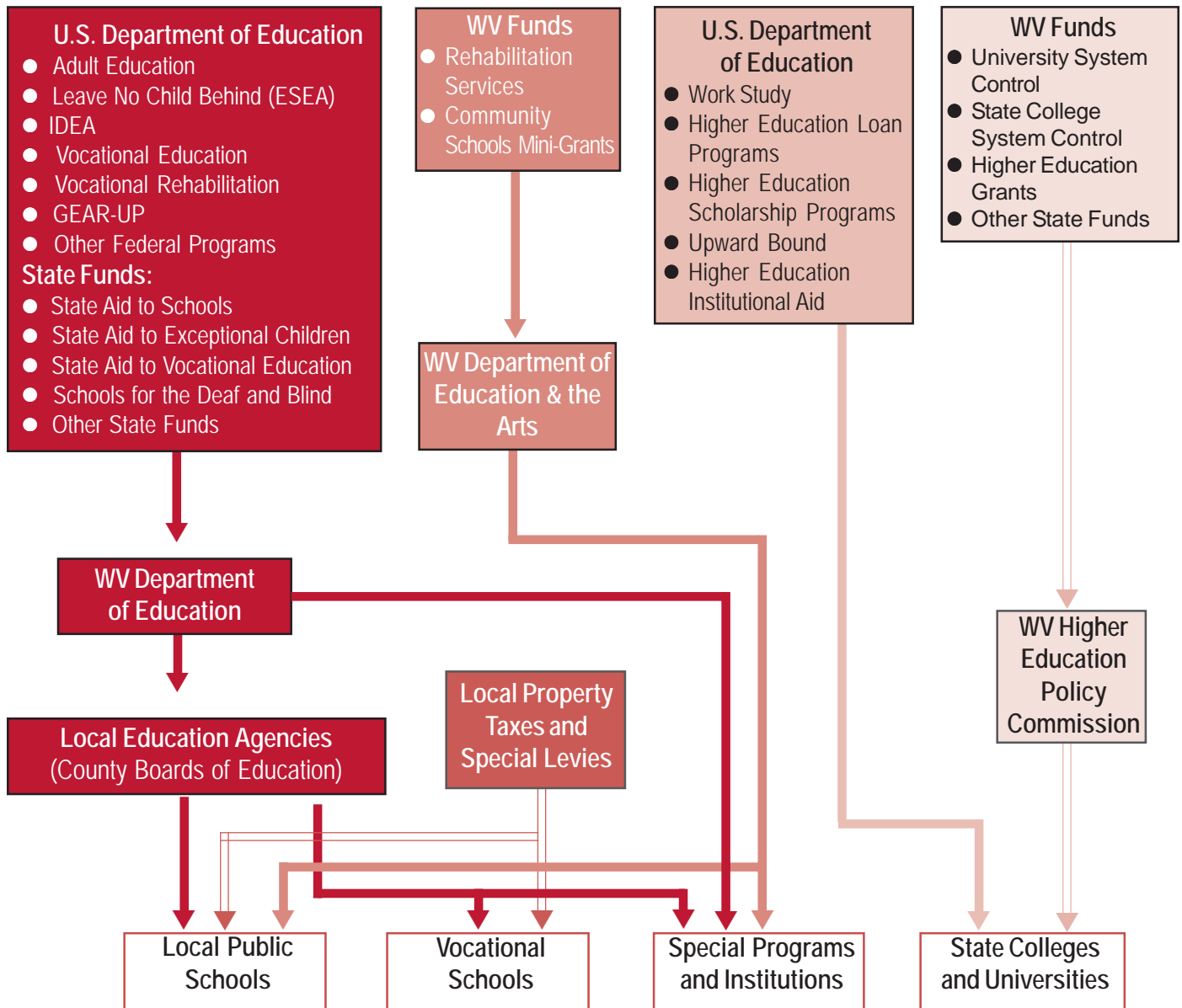
Local boards of education manage the public funds that support Kindergarten through 12<sup>th</sup> grade at the county level and receive local revenues from property taxes and special levies in addition to state and federal funding. Similarly, each college and university manages its budget with assistance from the state and federal funding streams identified within this analysis.

The graphic funding map below describes the funding streams and their flow to local public schools, colleges and universities, and specialized programs operated by the West Virginia Department of Education and the Department of Education and the Arts.

### Public Education

#### Kindergarten through 12<sup>th</sup> Grade

The K through 12 public education system is supported by a number of federal funding streams, state appropriations made available through the state aid to schools formula, and local property taxes and special levies. Many of the federal funding streams supporting public education are authorized through the Elementary and Secondary Education Act (recently reauthorized by the Congress as the *No Child Left Behind Act of*



<b>Public Education Programs</b>	<b>FY 1999</b>	<b>FY 2000</b>	<b>FY 2001</b>
Adult Education	\$3,639,538	\$3,534,245	\$4,050,883
Elementary and Secondary Education Act - Title 1	\$66,961,338	\$71,889,538	\$80,776,090
Migrant Education	\$131,632	\$54,793	\$202,015
Title 1 for Neglected and Delinquent	\$314,160	\$291,326	\$202,270
Title 1 for Institutions (Deaf/Blind)	\$132,184	\$17,500	
IDEA Part B (Special Education)	\$28,195,017	\$28,994,862	\$35,406,244
Special Ed - Personnel Development/Parent Training	\$165,098	\$110,363	\$127,328
Impact Aid			\$181,082
Vocational Ed. - Grants to States	\$8,901,674	\$8,587,441	\$8,534,377
Student Incentive Grants	\$185,498	\$185,498	\$305,013
Improvement of Post-Secondary Education			\$615,380
Vocational Rehabilitation	\$26,626,898	\$27,066,304	\$23,169,676
Library Construction and Technology Advancement	\$91,137	\$75,143	
Eisenhower Math and Science Education - State Grants			\$11,874
Independent Living - State Grants	\$300,477	\$294,287	\$296,352
Bilingual Education	\$85,169	\$114,699	\$81,128
Education for Homeless Children	\$287,538	\$269,641	\$259,995
Grants for Assistive Technology	\$671,680	\$567,185	\$40,224
Tech-Prep Education	\$1,001,479	\$845,287	\$928,124
Rehabilitation Training	\$107,600	\$55,301	\$64,566
Educate America (Goals 2000) (Education First)	\$3,920,662	\$3,677,067	\$2,991,280
Foreign Language Assistance	\$14,451	\$25,816	\$28,477
Innovative Program Strategies	\$1,500,743	\$2,216,463	\$2,011,101
Technology Literacy Challenge Fund	\$3,162,530	\$3,942,022	\$6,271,109
Special Ed. -TA		\$102,126	\$125,514
Advanced Placement Test Fees	\$27,000	\$100,496	\$246,688
Grants for Incarcerated Youth Offenders	\$7,518	\$12,957	\$53,106
Comprehensive School Reform Demonstration	\$204,289	\$1,127,489	\$1,674,277
Gaining Early Awareness & Readiness Undergrad. Prog. (GEAR UP)		\$777,776	\$4,158,272
Teacher Quality Enhancement		\$279,744	\$567,432
Reading Excellence		\$75,045	\$4,254,714
Class Size Reduction		\$7,506,137	\$13,032,192
Preparing Teachers to use Technology		\$55,011	\$202,342
Occupational and Employment Information State Grants			\$115,608
Title I Accountability			\$860,885
Appalachian Regional Commission	\$7,846	\$424,482	\$21,516
<b>Sub-total Federal</b>	<b>\$146,643,156</b>	<b>\$163,276,044</b>	<b>\$191,867,134</b>
Miscellaneous State Programs	\$25,731,112	\$23,656,974	\$26,367,083
State Aid to Schools	\$1,251,300,905	\$1,282,830,537	\$1,310,263,257
State Aid to Exceptional Children	\$15,815,184	\$16,767,297	\$18,174,327
State Aid for Vocational Education	\$18,286,029	\$19,266,639	\$20,300,093
Budget Digest - Additional Appropriations	\$8,591,000	\$7,370,000	\$5,530,457
Schools for Deaf and Blind	\$9,223,105	\$9,644,400	\$10,079,829
Division of Rehabilitation Services	\$10,671,077	\$11,057,690	\$11,398,270
Community Schools Mini Grants	\$800,631	\$200,971	\$200,971
Educational Performance Audits	\$828,000	\$838,406	\$879,858
<b>Sub-total State</b>	<b>\$1,341,247,043</b>	<b>\$1,371,632,914</b>	<b>\$1,403,194,145</b>
<b>Local Boards of Education Expenditures (Local Funds)</b>	<b>\$630,681,795</b>	<b>\$654,707,668</b>	<b>\$678,351,305</b>
<b>Total Public Education</b>	<b>\$2,118,571,994</b>	<b>\$2,189,616,626</b>	<b>\$2,273,412,584</b>

2001) and the Individuals With Disabilities Education Act (IDEA). This analysis has identified 36 federal funding streams supporting public education (K-12).

Nine state funding streams are included in the analysis. Most of the state money supporting public education is provided to local boards of education through the state aid to schools funding formula appropriated each year by the state legislature. Although this analysis is focused on federal and state funding streams, local education funding has been included since it is a substantial portion of the overall support provided to public schools. These funds reflect local property tax and special levies made available to county boards of education. They are listed in the table on page 15 as Local Boards of Education Expenditures (Local Funds).<sup>10</sup>

Public education services are primarily carried out through local schools; however, some specialized services are provided through state supported programs or institutions such as the State Schools for the Deaf and Blind and the West Virginia Rehabilitation Center.<sup>11</sup>

Expenditures for public education comprise nearly half (44%) of all the expenditures supporting services for children and families documented in this study. More than 60% of the total spending on public education is state money appropriated through the state aid to schools formula. Another 30% is locally generated money. Only about 9% of education expenditures are supported by federal dollars.

Trends in funding for public education over the three-year period of the study indicate a steady increase in expenditures. Total spending has increased approximately \$75 to \$80 million each year and is reflected in steady increases in investment at the federal, state, and local levels.

## Higher Education

State supported colleges and universities receive funding from both federal and state sources. Federal support for higher education is primarily in the form of loan and scholarship programs funded by the federal government and made available directly to students. State support provided by the State Legislature flows through the Higher Education Policy Commission to each institution. Students attending private colleges operating within the state also receive federal assistance through scholarship programs and guaranteed loan programs.

Funding streams supporting higher education that have been identified for this study are of four types:

- Federal student aid loan programs that are repaid.
- Federal grants and scholarships that are not repaid.
- Federal programs that support services carried out by colleges and universities other than instructional classroom activities.
- State appropriations for higher education.

Colleges and universities also receive other forms of assistance through discretionary grants and research grants made available by the federal government. These types of grants made directly to higher education institutions are not accounted for in this study.

Aid provided in the form of federal student loans is listed in the smaller table on page 17. Since these loans are generally repaid, the amounts of the various federal loan programs are not included in the total expenditures for higher education programs.<sup>12</sup>

Beginning in state fiscal year 2002, a major new funding stream will help support higher education through state funded scholarships. These Promise Scholarships will be included in future year updates of the study; however, this funding stream did not exist during the three-year period of the current study.

Higher education expenditures exceeded \$400 million in FY 2001. More than 95% of these funds are state appropriations made directly to higher education institutions.

The larger table on page 17 lists federal and state funding streams supporting higher education through direct funding to colleges or universities and scholarships awarded to students attending colleges and universities within the state.

<b>Higher Education Loan Programs</b>	<b>FY 1999</b>	<b>FY 2000</b>	<b>FY 2001</b>
<b>Student Aid</b>			
<b>Loans (to be repaid) - not included in total expenditures</b>			
Federal Family Education Loans	\$5,752,266	\$18,890,980	\$21,821,631
Federal Perkins Loan Program (Capital Contributions)	\$4,312,641	\$4,785,348	\$4,889,239
Federal Pell Grant Program	\$41,007,397	\$41,194,360	\$44,662,769
Federal Direct Student Loans	\$126,092,475	\$138,483,235	\$140,493,780
Health Professions Student Loans	\$59,550	\$56,000	\$74,000
Nursing Student Loans	\$631,081	\$914,988	\$812,713

<b>Higher Education Programs</b>	<b>FY 1999</b>	<b>FY 2000</b>	<b>FY 2001</b>
Federal Work Study Program	\$4,685,980	\$4,238,219	\$4,258,013
Federal Supplemental Educational Opportunity Grants	\$2,813,138	\$2,687,471	\$2,680,016
Scholarships for Students of Exceptional Financial Need	\$235,994	\$156,780	\$99,700
Scholarships for Health Professions Students	\$37,125	\$43,550	\$50,403
Byrd Honors Scholarships	\$257,355	\$497,165	\$476,300
Eisenhower Professional Development	\$2,124,527	\$2,592,905	\$2,622,569
Grants for Graduate Training in Family Medicine	\$36,810	\$77,325	
McNair Post Baccalaureate Achievement	\$179,676	\$248,096	\$416,361
Student Support Services	\$1,579,676	\$1,613,836	\$1,691,761
Talent Search	\$489,058	\$501,858	\$546,041
Upward Bound	\$1,651,783	\$1,772,021	\$2,036,024
Educational Opportunity Centers	\$165,347	\$210,685	\$210,684
Higher Education-Institutional Aid	\$1,673,428	\$1,757,416	\$1,540,047
<b>Sub-total Federal</b>	<b>\$15,929,897</b>	<b>\$16,397,327</b>	<b>\$16,627,919</b>
Miscellaneous State Appropriations	\$6,185,726	\$6,234,479	\$7,603,833
Central Office (University System)	\$12,523,891	\$10,945,308	\$10,380,328
University System Control	\$173,502,933	\$181,001,848	\$187,141,363
University System Health Sciences	\$69,626,656	\$74,491,704	\$75,387,968
State College System Control	\$81,094,678	\$84,403,241	\$88,057,058
Higher Education Grant Program	\$6,662,050	\$13,362,050	\$15,575,000
Other Miscellaneous Grants and Unclassified Expenditures	\$3,520,000	\$6,070,357	\$6,320,357
<b>Sub-total State</b>	<b>\$353,115,934</b>	<b>\$376,508,987</b>	<b>\$390,465,907</b>
<b>Total Higher Education</b>	<b>\$369,045,831</b>	<b>\$392,906,314</b>	<b>\$407,093,826</b>

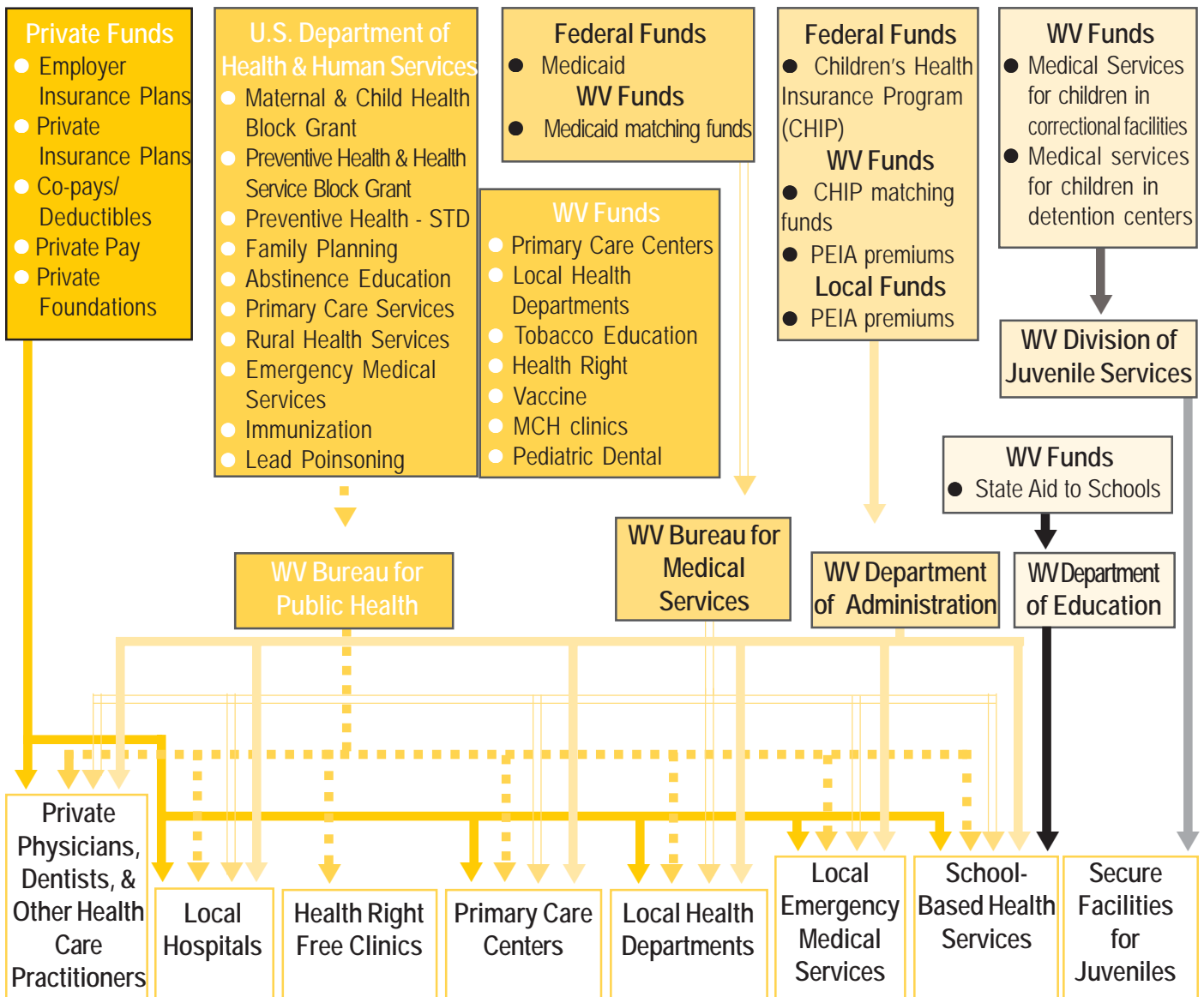
# Health Care

Fourteen distinct federal funding streams and 14 state funding streams have been identified that support health care for children and their families in West Virginia. These 28 funding streams are primarily administered by the Bureau for Medical Services and Public Health within the West Virginia Department of Health and Human Resources. A relatively small amount of state education dollars support health care to children through the support of school nurses and the Department of Military Affairs and Public Safety, Division of Juvenile Services who are responsible for providing health care services to children in secure detention or correctional settings.

The health care funding streams support a wide range of services at the community level including hospital-based services, public health programs, primary care clinics, and private practitioners. In general, each funding stream flows to all parts of the health care system. The health care service system is somewhat

different than other service systems reviewed in that each local health care program or practitioner is generally supported from multiple sources and is therefore not reliant on a designated funding stream, as is often the case within other functional categories.

The largest amounts of financial support for the publicly funded health care service system are provided through the Medicaid program. Medicaid expenditures are included in the analysis for both children (under age 21 years) and adults (ages 21 through 64 years). These expenditures are considered as two separate funding streams as are the corresponding state funds that provide for the required matching dollars. Medicaid expenditures for the elderly are not included in this analysis. Medicaid expenditures listed under the health care section of the analysis include the costs of service categories generally considered to be related to physical and dental health.<sup>13</sup> Behavioral health related services are accounted for in the safety and family stability section of the analysis.



Health Care expenditures have increased steadily and sharply over the period studied. The trend in health care costs is steadily rising each year. Total federal and state spending for the funding streams examined increased from \$598 million to \$872 million during the three-year period from state fiscal years 1999 through 2001. In FY 2001, more than 70% of the total public spending on health care services for adults and children were federal dollars, with the remaining amount funded from state appropriations.

The Children’s Health Insurance Program (CHIP) was initiated and phased in during the three years covered in this study. This new program accounts for some of the increase in publicly funded health care for children. The remaining increases in expenditures within the funding streams examined are almost entirely within the Medicaid Program. Nearly 95% of the federal support for child/adult health care flows through the Medicaid funding stream, and this program accounts for more than 80% of the corresponding state spending.

The Public Employee’s Insurance Agency (PEIA) is a significant contributor to the health care costs incurred by the state as well. However, data on public expenditures within this state funded insurance program

that can be analyzed for costs related to children and families is not currently available and is not included in the current study. Some state expenditure for health care matching through the PEIA is reflected in the analysis through costs related to state funded personnel such as teachers or protective service workers. For purposes of this analysis, however, these costs are considered to be necessary costs related to the provision of public education and child protective services and are included in the public education and child welfare sections of the report.

Another significant source of support of health care expenditures for adults is the Worker’s Compensation Fund. This fund is administered by the state Bureau for Employment Programs. However, it is entirely funded through premiums assessed on employers. With the exception of payments made to the Worker’s Compensation fund for public employees, funding for Worker’s Compensation is not provided through state or federal government appropriations. Therefore, this fund is not included in the spreadsheet analysis. Nevertheless, expenditures for medical services from this fund are substantial amounting to over \$187 million for state fiscal year 2001.<sup>1</sup>

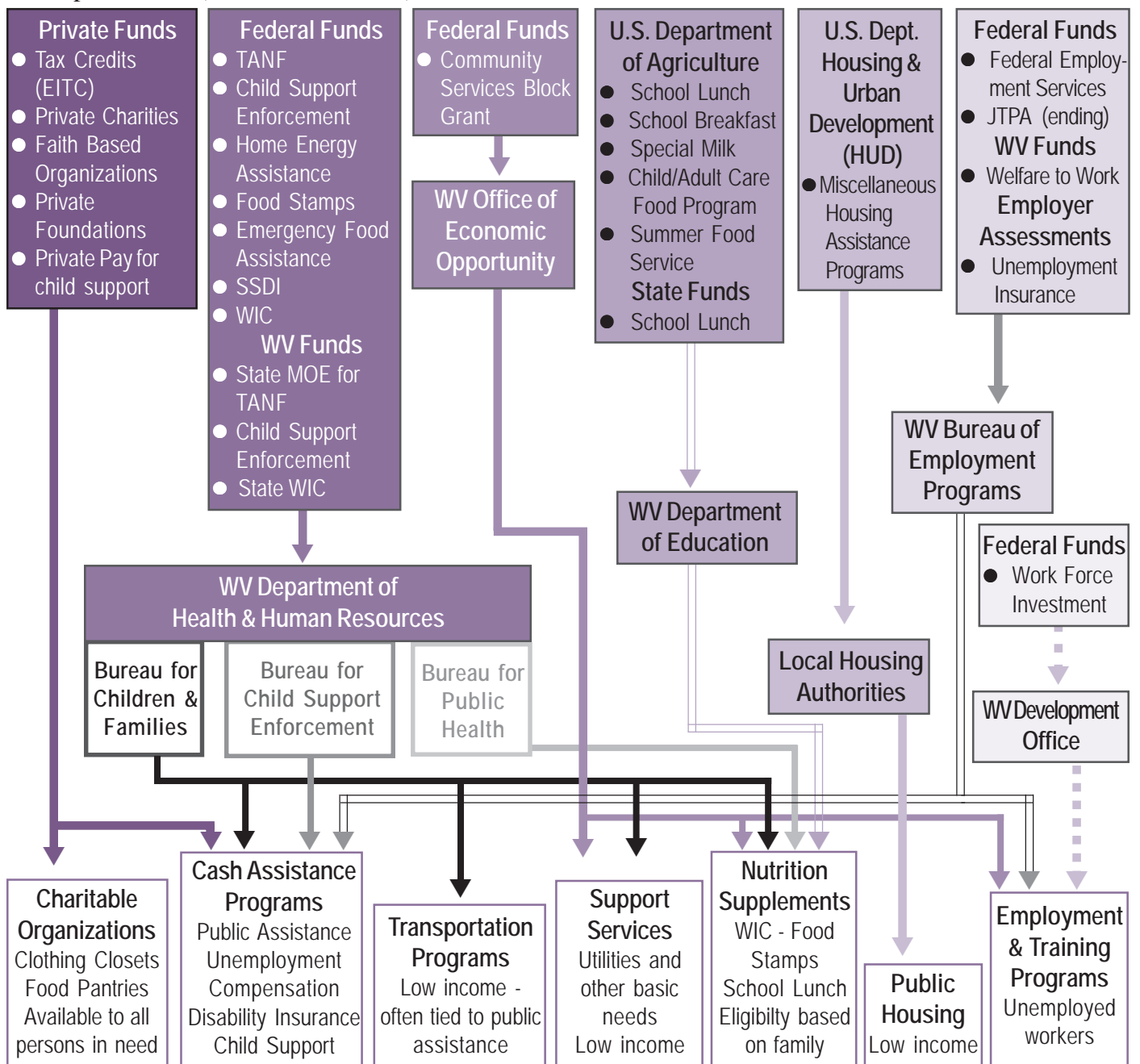
<b>Health Programs</b>	<b>FY 1999</b>	<b>FY 2000</b>	<b>FY 2001</b>
Maternal and Child Health Federal Consolidated Programs	\$151,407	\$113,154	\$181,599
Emergency Medical Services for Children		\$130,000	\$218,575
Primary Care Services - Coordination and Development	\$227,456	\$321,392	\$335,086
Childhood Lead Poisoning Prevention	\$166,048	\$312,184	\$354,353
Family Planning	\$1,695,088	\$1,912,155	\$1,985,325
Development and Coordination of Rural Health Services	\$58,043	\$233,022	\$95,653
Abstinence Education	\$89,534	\$760,592	\$524,233
Immunization	\$1,291,100	\$1,206,298	\$822,111
Children’s Health Insurance Program	\$374,577	\$6,875,879	\$17,099,081
Medicaid - Children (physical health ages birth through 20 yrs)	\$105,084,005	\$151,346,152	\$190,358,411
Medicaid - Adults (physical health ages 21 through 64 yrs)	\$306,412,322	\$366,627,110	\$408,389,640
Preventive Health Services STD	\$632,352	\$656,050	\$688,986
Preventive Health and Health Services Bl.Gr.	\$1,522,430	\$1,416,902	\$1,547,391
Maternal and Child Health Block Grant (Title V)	\$5,559,589	\$5,984,163	\$8,404,489
<b>Sub-total Federal</b>	<b>\$423,263,951</b>	<b>\$537,895,053</b>	<b>\$631,004,933</b>
Children’s Health Insurance Matching Funds	\$81,216	\$1,860,784	\$3,579,196
State Medicaid Match for Children’s Medical Services	\$36,025,173	\$51,042,391	\$62,307,386
State Medicaid Match for persons 21 through 64	\$105,045,073	\$123,647,174	\$137,731,836
Medical Services for Children in Secure Facilities	\$383,889	\$284,694	\$517,337
Medical Services for Children in Detention Centers	\$233,371	\$159,822	\$174,871
School Nurses	\$7,500,000	\$7,500,000	\$7,500,000
Tobacco Education Program			\$5,650,592
Primary Care Support	\$6,706,303	\$6,736,909	\$7,246,987
Local Health Departments	\$7,880,684	\$8,900,684	\$8,800,684
Transitional Funding - Local Health Departments	\$4,302,660	\$4,300,000	\$0
Health Right Free Clinics	\$1,200,000	\$1,750,000	\$2,250,000
Vaccine for Children	\$431,480	\$431,480	\$431,480
State Maternal and Child Health Clinics	\$4,673,043	\$4,673,043	\$4,673,043
Pediatric Dental Services	\$150,000	\$150,000	\$150,000
<b>Sub-total State</b>	<b>\$174,612,892</b>	<b>\$211,436,981</b>	<b>\$241,013,412</b>
<b>Total for Health Care Programs</b>	<b>\$597,876,843</b>	<b>\$749,332,034</b>	<b>\$872,018,345</b>

# Economic Support

The Economic Support section of the study includes funding streams that support economic assistance, nutrition and food, housing, and employment and training. Each of these functional groups of services and programs are examined separately, and the total expenditures for all four groupings is also presented.

Federal, state, and private funding streams support the economic support service system. At the state level, these funding streams are administered through three bureaus of the Department of Health and Human Resources, the Department of Education (school lunch and breakfast), the Office of Economic Opportunity (community services block grant), and the West Virginia Development Office (workforce investment).

Unemployment Insurance is a special revenue stream that provides support for many families when workers involuntarily lose employment. The state and federal governments administer the Unemployment Insurance funding stream; however, it is not funded through appropriations of public funds. Like Worker's Compensation, Unemployment Insurance is funded through assessments on employers within the state. These assessments are collected by the state and deposited in a special fund at the federal government level. Claims for Unemployment Insurance are then paid from this federal fund.



In addition, the federal Earned Income Tax Credit provides significant financial support to many West Virginia families because it is refundable.<sup>15</sup> This federal tax credit is not a program in the traditional sense. However, it is included in the analysis because it is a significant funding stream that supports many West Virginia families and results in direct economic assistance to these families. There is also significant support provided directly to local programs by faith-based organizations and other private non-profit organizations. The numerous grants and other local assistance for food pantries, clothing closets, etc., financed by private funds are not listed in the funding stream analysis but are reflected in the funding map as private funds.

A total of 48 funding streams were identified within the four functional groupings that make up the economic support section of the analysis. The study accounts for:

- 16 funding streams related to economic assistance (12 federal and 4 state)
- 16 related to nutrition and food (13 federal and 3 state)
- 6 related to housing (all federal)
- 10 related to employment and training (8 federal and 2 state)

Federal assistance for housing is provided directly to local housing authorities. Since this study is focused primarily on funding streams that are administered at the state level, all local housing programs may not be included. Those housing funds listed were reported through the state single audit of federal programs and the website of the federal Department of Housing and Urban Development. The graphic funding map describes the economic support service system including financial assistance, nutrition/food, housing, and employment.

Economic Assistance Programs	FY 1999	FY 2000	FY 2001
Earned Income Tax Credit (Families with Children)	\$210,926,000	\$209,965,092	\$210,000,000
Unemployment Insurance (Total for all families)	\$148,917,244	\$130,298,131	\$136,362,994
Social Security- Disability Insurance (SSDI)	\$15,964,746	\$16,515,617	\$17,087,781
TANF (Cash Assistance Payments)	\$8,050,378	\$17,126,247	\$37,088,438
TANF (Supportive Services for Cash Assistance Clients)	\$153,767	\$305,666	\$35,827,252
TANF Expenditures on Non-Assistance	\$1,389,712	\$42,466,351	\$71,170,435
TANF-RAPIDS System	\$2,935,618	\$6,986,804	\$4,393,305
TANF-ADMIN	\$7,552,974	\$9,115,982	\$9,091,234
Child Support Enforcement	\$18,076,472	\$20,848,665	\$19,027,671
Home Energy Assistance (LIEAP)	\$10,016,805	\$12,474,706	\$16,456,783
Assistance in Transition from Homelessness (PATH)	\$352,572	\$375,773	\$260,467
Community Services Block Grant	\$5,483,154	\$5,250,425	\$6,163,305
<b>Sub-Total Federal</b>	<b>\$429,819,442</b>	<b>\$471,729,459</b>	<b>\$562,929,665</b>
State Maintenance of Effort - TANF	\$36,601,856	\$27,885,776	\$31,665,785
TANF State Only Programs	\$670,482	\$1,413,358	\$2,273,919
State Child Support Enforcement	\$1,649,816	\$1,698,542	\$1,782,140
OSCAR and RAPIDS (information systems)	\$3,222,808	\$3,373,242	\$3,457,728
<b>Sub-Total State</b>	<b>\$42,144,962</b>	<b>\$34,370,918</b>	<b>\$39,179,572</b>
<b>Sub-Total Economic Assistance</b>	<b>\$471,964,404</b>	<b>\$506,100,377</b>	<b>\$602,109,237</b>

## Economic Assistance

Total federal and state economic assistance expenditures (cash assistance payments and other types of support provided directly to low income persons) increased over the three-year period of the study; however, the state portion of that total showed a slight downward trend. One-third (\$210 million) of the federal assistance was provided through the Earned Income Tax Credit.<sup>16</sup> The upward trend in federal expenditures is in the area of assistance payments and other types of support to cash assistance clients through the Temporary Assistance to Needy Families (TANF) program. This three-year trend is somewhat of an anomaly due to welfare reform at the federal level and the corresponding transition from the federal Aid to Families with Dependent Children (AFDC) program to the TANF program. Due to this transition and the resulting reductions in cash assistance client roles, expenditures of federal funds during FY 1999 were significantly reduced and then increased again over the next two years.<sup>17</sup>

## Nutrition & Food

Publicly funded programs that supplement the nutrition and food costs for low-income families are almost entirely federally funded. State expenditures make up less than one percent of the total. The most significant funding stream in this functional category is the federal food stamp program. School based nutrition services such as school lunch and breakfast also provide significant nutritional supplements for children as does the supplemental food program for Women, Infants, and Children (WIC) that is targeted at preschool children and pregnant women.

Notably, the nutrition category of services indicates a downward trend in spending over the three-year period examined. This is due to decreasing expenditures within the food stamp program during this period which are most likely a result of two factors: improving economic conditions and welfare reform legislation at the federal level.

Nutrition/Food Programs	FY 1999	FY 2000	FY 2001
Food Distribution (TEFAP)	\$5,121,259	\$5,028,501	\$6,025,183
Food Stamps	\$212,769,848	\$189,959,754	\$176,883,508
School Breakfast	\$13,016,636	\$13,270,814	\$13,834,286
School Lunch	\$36,931,480	\$37,482,017	\$39,323,847
Special Milk Program	\$42,345	\$38,666	\$31,891
Supplemental Food Program (WIC)	\$27,227,838	\$28,746,814	\$27,470,453
Child and Adult Care Food Program	\$11,214,978	\$12,095,345	\$12,914,794
Summer Food Service	\$1,630,680	\$1,523,881	\$1,655,995
Admin. Expenses for Child Nutrition	\$753,906	\$909,033	\$1,019,110
State Administration for Food Stamp Program	\$9,551,270	\$9,571,668	\$9,475,991
Emergency Food Assistance (Admin Costs)	\$511,148	\$351,464	\$575,315
Emergency Food Assistance (Food Commodities)	\$1,792,127	\$1,909,664	\$2,152,635
Team Nutrition Grants	\$74,040	\$71,516	\$94,753
<b>Sub-total Federal</b>	<b>\$320,637,555</b>	<b>\$300,959,137</b>	<b>\$291,457,761</b>
Energy Express		\$425,000	\$425,000
State Expenditure for WIC	\$45,000	\$45,000	\$45,000
State Expenditure for School Lunch	\$2,005,681	\$2,015,735	\$2,024,570
<b>Sub-total State</b>	<b>\$2,050,681</b>	<b>\$2,485,735</b>	<b>\$2,494,570</b>
<b>Sub-Total Nutrition/Food</b>	<b>\$322,688,236</b>	<b>\$303,444,872</b>	<b>\$293,952,331</b>

## Housing

Housing expenditures identified and listed in the funding analysis are entirely federal and are provided to local housing authorities for a variety of programs to aid low-income families with housing needs. Since federal housing funds are not administered by a state agency, these expenditures are not readily identifiable without contacting each local housing agency. Funds included

in the analysis were identified through the website for the federal Department of Housing and Urban Development and do not reflect the total housing assistance available statewide. The state of West Virginia provides for low interest loan programs, but these funds are not included since they are repaid and not considered for purposes of the study to be expenditures.

Housing Programs	FY 1999	FY 2000	FY 2001
Single Family Housing		\$62,307	\$47,646
Emergency Shelter Grants	\$790,761	\$848,197	\$905,076
Home Investment Partnership (Cities Program)	\$2,964,000	\$3,157,000	\$3,511,000
Home Investment Partnership (State Program)	\$8,704,000	\$8,421,000	\$9,539,000
Housing for Persons with AIDS	\$33,346	\$181,613	\$335,889
Fair Housing - EEO	\$44,013	\$68,682	\$104,948
<b>Sub-total Federal</b>	<b>\$12,536,120</b>	<b>\$12,738,799</b>	<b>\$14,443,559</b>
<b>Sub-Total Housing</b>	<b>\$12,536,120</b>	<b>\$12,738,799</b>	<b>\$14,443,559</b>

## Employment & Training

The Employment and Training functional category is, like housing, nearly entirely federally funded. Only 3.3% of the expenditures identified in this category are state funds.

The most significant funding stream supporting employment and training services is the federal Workforce Investment Act (WIA). These funds are currently administered at the state level through the West Virginia Development Office, and most are allocated to regional Workforce Investment Boards to support employment and training services at the local level.

During the period of the study, the federal Jobs Training and Partnership Act (JTPA) was eliminated and replaced by the WIA. This transition is apparent in the expenditures for this category of services with JTPA spending essentially being eliminated in FY 2001 as the WIA program began to take shape.

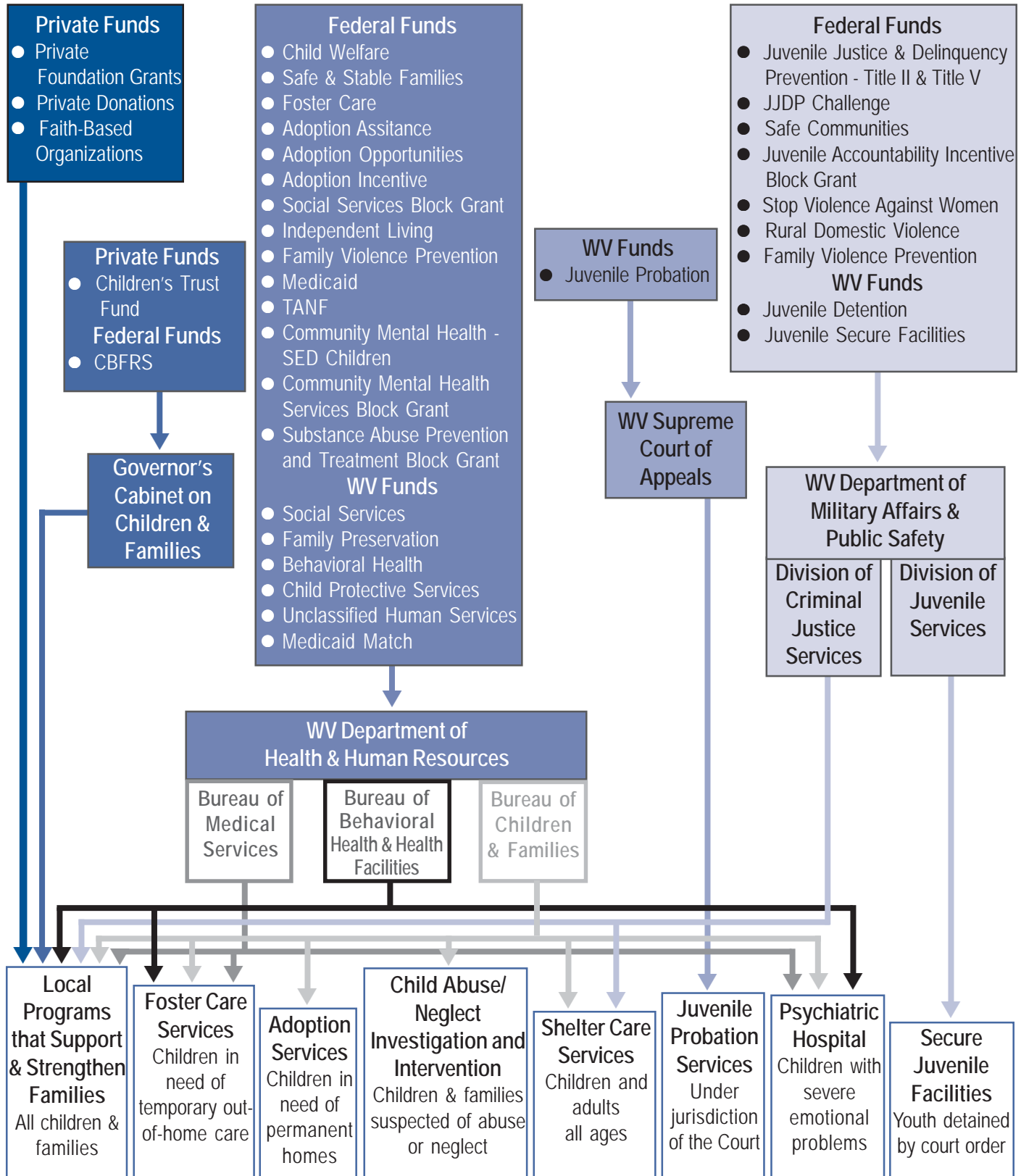
Spending decreased over the three-year period for employment and training services; however, this is a result of the transition from JTPA to WIA, and spending would be expected to increase in FY 2002 to the previous levels.

Employment & Training Programs	FY 1999	FY 2000	FY 2001
Federal Employment Services	\$7,104,176	\$8,280,434	\$8,589,021
Employment & Training Assistance - Dislocated Workers			\$396,644
Job Training Partnership Act	\$34,225,093	\$36,918,143	\$2,905,263
Welfare to Work Grants	\$2,556,643	\$5,187,736	\$4,914,954
Workforce Investment Act - Adult Program			\$10,961,368
Workforce Investment Act - Youth Activities			\$6,837,826
Workforce Investment Act - Dislocated Workers			\$8,915,070
Supported Employment -Disabilities	\$146,932	\$380,263	\$300,000
<b>Sub-total Federal</b>	<b>\$44,032,844</b>	<b>\$50,766,576</b>	<b>\$43,820,146</b>
Jobs for West Virginia Graduates		\$500,000	\$500,000
State Welfare to Work	\$2,500,000	\$1,000,000	\$1,000,000
<b>Sub-total State</b>	<b>\$2,500,000</b>	<b>\$1,500,000</b>	<b>\$1,500,000</b>
<b>Sub-Total Employment and Training</b>	<b>\$46,532,844</b>	<b>\$52,266,576</b>	<b>\$45,320,146</b>

# Safety & Family Stability

The Safety and Family Stability system is composed of services and programs in the areas of Behavioral Health, Child Welfare, Youth Development, and Public Safety. The state and federal funding streams

supporting these services are administered at the state level through seven agencies including three bureaus of the Department of Health and Human Resources, two divisions of the Department of Military Affairs and



Public Safety, and the State Supreme Court of Appeals. In addition, the Governor’s Cabinet on Children and Families provides a few small grants to local communities for child abuse prevention.

A total of 51 funding streams support services within the four functional groups that make up the safety and family stability service system. The study identifies:

- 10 funding streams for behavioral health (6 federal and 4 state)
- 19 funding streams for child welfare (12 federal and 7 state)
- 5 funding streams for youth development (all federal)
- 17 funding streams that support public safety services (13 federal and 4 state)

These 51 funding streams support a wide range of local community services and programs as well as secure facilities for youth that have been detained by the court system. Programs that support and strengthen families are included in this section of the analysis and these programs provide for a wide range of services to families and children including prevention programs, counseling services, social work and case management services, family preservation, domestic violence programs, and others. These types of services are generally available to all families; however, higher income families may be required to pay for all or part of the cost. A large number of local agencies and private practitioners deliver these services, and they include community mental health centers, local social service agencies, and faith-based organizations. Private funding and discretionary grants often supplement the public funding streams that support these types of programs and services.

State and federally supported services within the sub-category of behavioral health are primarily supported through funds made available to the state Bureau of Behavioral Health and Health Facilities and the Bureau for Medical Services (Medicaid). Behavioral health services can be considered to be part of the health care system; however, behavioral health programs for children and families generally provide services that are closely aligned with the child welfare and juvenile justice service systems making up the safety and family stability category and are therefore more appropriately included here.

The safety and family stability service system also includes family preservation, child abuse and neglect services, juvenile probation, and a range of out-of-home placement options for children. Foster care, adoption, and short-term shelter care are some of the options available when children cannot live in the parental home or are ordered by the courts into alternative settings. Many of these in-state residential programs for children are dually licensed by the state as both foster care agencies and behavioral health clinics. As a result, these agencies are supported through both behavioral health funding streams (primarily Medicaid) and child welfare funding streams. In addition to these in-state settings, children may be placed in residential facilities outside the state. These facilities are intensive but non-secure treatment facilities and private residential schools. The placement of children in out-of state facilities is usually paid for with 100% state dollars through child welfare funding streams, and such placement is generally made through an order of the court.

Juvenile probation services are carried out by Juvenile Probation Officers who work for each of the Circuit Courts within the state. Funds to support these probation officers flow through the West Virginia Supreme Court of Appeals Administrative Office. The most restrictive settings for children and youth are included within this functional category as well - secure detention and correctional facilities. Services provided within secure settings are not eligible for support through Medicaid and other federal funding streams and therefore must be funded with state dollars. The Division of Juvenile Services within the West Virginia Department of Military Affairs and Public Safety supports these facilities at the state level.

Some law enforcement programs are assisted through the funding streams that make up the functional category of public safety programs. This analysis does not attempt to account for all funding streams supporting local and state law enforcement agencies. Federal grant programs are, however, included in the public safety category. These grant programs generally complement and support local law enforcement programs or provide assistance directly to families affected by crime.

The funding map describes the safety and family stability service system including services provided through child welfare, behavioral health, and juvenile justice programs.

## Behavioral Health

Publicly funded behavioral health services are largely supported through the Medicaid Program. Based on Medicaid expenditures within the categories of service normally associated with behavioral health, this analysis estimates that about 86% of the total public expenditures for behavioral health related services are funded through the state's Medicaid Program.<sup>18</sup> These Medicaid expenditures are shared between the state and federal governments and consequently most of the state money supporting behavioral health services is used as required matching dollars within the Medicaid funded portion of the behavioral health service system. About 25% of the total expenditures made through the Medicaid program are these required state matching funds. Other federal funding streams account for approximately 4% of the available funding with the Substance Abuse Prevention and Treatment Block Grant being the largest contributor. Only about 1% of the total expenditures in this functional category are state appropriated funds that are not tied to the Medicaid program. Consequently, most publicly funded behavioral health services are only available to the Medicaid eligible population.

Expenditures for behavioral health related services increased at a rate of about 12% to 13% over the three-year period studied; however, the increase is primarily due to increasing Medicaid expenditures. Federal block grants and state appropriations for behavioral health services have remained relatively stable.

There are additional private and out-of-pocket resources that support a wide range of behavioral health services provided by private practitioners including psychiatrists, psychologists, counselors, clinical social workers, and faith based ministries. Those people seeking such services generally pay for them, and it is beyond the scope of this study to attempt to identify these private expenditures; therefore, they are not listed in the table below.

Behavioral Health Programs	FY 1999	FY 2000	FY 2001
Comprehensive Community Mental Health for SED Children		\$201,260	\$702,518
Mental Health Planning and Demonstration	\$82,904		
Medicaid - Child Behavioral Health	\$36,554,339	\$43,515,096	\$51,988,404
Medicaid - Adult Behavioral Health	\$83,553,469	\$95,149,168	\$108,564,247
Community Mental Health Services Block Grant	\$1,782,574	\$1,904,894	\$1,938,665
Substance Abuse Prevention and Treatment Block Grant	\$7,882,585	\$8,308,890	\$7,730,491
<b>Sub-total Federal</b>	<b>\$129,855,871</b>	<b>\$149,079,308</b>	<b>\$170,924,325</b>
State Medicaid Match for Child Behavioral Health	\$12,517,764	\$14,669,075	\$17,002,325
State Medicaid Match for Adult Behavioral Health	\$28,644,018	\$32,089,623	\$36,613,939
State Family Support (Family Support Act)	\$1,088,605	\$1,090,257	\$1,090,622
State Expenditures for Behavioral Health	\$19,449,313	\$22,449,313	\$22,650,590
<b>Sub-total State</b>	<b>\$61,699,700</b>	<b>\$70,298,268</b>	<b>\$77,357,476</b>
<b>Sub-Total Behavioral Health</b>	<b>\$191,555,571</b>	<b>\$219,377,576</b>	<b>\$248,281,801</b>

## Child Welfare

Investments within the child welfare and family stability funding streams identified through the study decreased slightly over the three-year period (FY 1999 to FY 2001). This is one of the few functional sub-categories of services where the trend in spending went down. Federal expenditures showed about a 10% increase during the period; however, the increase in federal funding was more than offset by a nearly \$6 million reduction in state appropriated funding. At a time when state appropriations for social services and child welfare programs was being reduced, state expenditures for placement of children in out-of-state facilities nearly doubled from about \$9 million in FY 1999 to more than \$18 million in FY 2001. This resulted in a shifting of available resources from social service programs within the state to out-of-state facilities for the care and treatment of children.

The state was able to increase federal funding for foster care and adoption services by more than \$8 million from FY 1999 to FY 2001; however, spending from the federal Social Services Block Grant was reduced by about \$3 million in FY 2001.

<b>Child Welfare Programs</b>	<b>FY 1999</b>	<b>FY 2000</b>	<b>FY 2001</b>
Child Welfare Services (Title IV-B, part 1)	\$2,195,577	\$2,163,182	\$2,555,638
TANF Transfer to Title XX	\$6,188,643	\$3,073,942	\$4,000,000
Adoption Incentive Payments			\$165,954
Children's Justice Grants	\$81,790	\$93,123	\$112,782
Adoption Opportunities	\$9,115	\$51,609	\$125,442
Family Pres./Support -Safe/Stable Families (IV-B, subpart 2)	\$2,419,301	\$2,243,779	\$1,427,326
Foster Care (Title IV-E)	\$17,453,170	\$15,700,776	\$20,003,164
Adoption Assistance	\$1,912,319	\$5,323,389	\$7,505,701
Social Services Block Grant (Title XX)	\$13,157,800	\$14,689,913	\$11,599,744
Child Abuse and Neglect State Grants	\$361,160	\$663,834	\$145,416
Independent Living (DHHR)	\$443,989	\$332,981	\$545,970
Medicaid FFP for Foster Care Services	\$5,167,067	\$6,086,660	\$6,637,125
<b>Sub-total Federal</b>	<b>\$49,389,931</b>	<b>\$50,423,188</b>	<b>\$54,824,262</b>
Division of Human Services - Unclassified	\$19,956,784	\$19,956,786	\$20,199,081
Medicaid Match for Foster Care Services	\$1,785,278	\$2,059,412	\$2,186,759
Social Services	\$52,010,138	\$44,040,138	\$44,040,138
Family Preservation	\$1,565,000	\$1,565,000	\$1,565,000
Child Protective Services (Case Workers)	\$6,852,721	\$7,317,646	\$7,709,104
Children's Trust Fund (Child Abuse Prevention)	\$71,376	\$77,380	\$58,350
Child Welfare System (FACTS)	\$2,441,995	\$2,500,449	\$2,552,496
<b>Sub-total State</b>	<b>\$84,683,292</b>	<b>\$77,516,811</b>	<b>\$78,310,928</b>
<b>Sub-Total Child Welfare</b>	<b>\$134,073,223</b>	<b>\$127,939,999</b>	<b>\$133,135,190</b>

## Youth Development

The sub-category of youth development lists five federal funding streams that contribute to the prevention of delinquency in youth and strengthen the ability of families and community institutions to effectively deal with common youth issues such as underage drinking and substance abuse. These programs are primarily preventative in nature. Most of these funding streams flow through the U.S. Department of Justice to the state of West Virginia as formula grants and do not require state matching dollars. Many of these streams support

grants to local community programs and may require the grantee to provide some portion of matching funds either through cash or in-kind services. Similar justice-oriented state funding streams are not readily identifiable; however, a number of the state and federal funding streams listed under the behavioral health and child welfare sections of the analysis may be used to support similar types of youth development programs. Total expenditures within these funding streams have increased by close to 10% for each of the three years examined.

<b>Youth Development Programs</b>	<b>FY 1999</b>	<b>FY 2000</b>	<b>FY 2001</b>
Juvenile Justice and Delinquency Prevention - Title II	\$842,468	\$844,821	\$746,282
JJDP Title V	\$59,295	\$188,501	\$270,978
JJDP Challenge Grants	\$126,972	\$129,442	\$121,779
Enforcing the Underage Drinking Laws Program	\$19,944	\$97,121	\$229,179
Safe and Drug Free Schools and Communities	\$3,413,164	\$3,726,301	\$4,090,403
<b>Sub-total Federal</b>	<b>\$4,461,843</b>	<b>\$4,986,186</b>	<b>\$5,458,621</b>
<b>Sub-Total Youth Development</b>	<b>\$4,461,843</b>	<b>\$4,986,186</b>	<b>\$5,458,621</b>

## Public Safety

The public safety sub-category reviews state and federal expenditures that contribute to increasing the effectiveness of local law enforcement agencies, preventing crime, addressing domestic violence, and caring for children in secure settings. Expenditures within the federal public safety funding streams reviewed have increased about 8% to 9% each year.

State expenditures within this functional area support juvenile probation services, secure juvenile detention and correctional facilities, and domestic violence shelters. These expenditures have increased over the three-year period as well with a significant increase in state appropriations for secure juvenile facilities (a nearly 50% increase from FY 2000 to FY 2001).

<b>Public Safety Programs</b>	<b>FY 1999</b>	<b>FY 2000</b>	<b>FY 2001</b>
Juv. Acct. Incentive Block Grant Program (JAIBG)		\$1,389,536	\$2,037,747
Justice Statistics Program	\$117,793	\$43,542	\$96,253
National Criminal History Improvement Program	\$126,598	\$896,052	\$622,230
Sex Offender Registry	\$1,870	\$117,915	\$116,960
Crime Victim Assistance	\$1,759,427	\$2,029,817	\$2,221,563
Crime Victim Compensation	\$669,061	\$238,500	\$549,500
Drug and Violent Crime Control (Byrne Grants)	\$4,057,921	\$4,175,470	\$4,167,371
Violent Offender Incarceration	\$2,611,602	\$2,083,023	\$1,408,747
Stop Violence Against Women Grant Program	\$1,217,876	\$1,306,930	\$1,235,416
Rural Domestic Violence Enforcement	\$41,449	\$61,928	\$86,644
Local Law Enforcement Grant Program	\$1,713,062	\$3,109,075	\$449,988
Community Policing	\$107,337	\$2,158,141	\$3,066,015
Family Violence Prevention and Services	\$620,308	\$406,319	\$457,061
<b>Sub-total Federal</b>	<b>\$13,044,304</b>	<b>\$18,016,248</b>	<b>\$16,515,495</b>
State Juvenile Detention Services	\$3,650,461	\$3,618,078	\$4,701,968
State Juvenile Secure Correctional Facilities	\$4,642,724	\$5,076,661	\$7,938,593
State Juvenile Probation	\$5,701,508	\$5,811,020	\$5,920,532
State Expenditures for Family Violence Shelters	\$500,000	\$1,000,000	\$1,000,000
<b>Sub-total State</b>	<b>\$14,494,693</b>	<b>\$15,505,759</b>	<b>\$19,561,093</b>
<b>Sub-Total Safety</b>	<b>\$27,538,997</b>	<b>\$33,522,007</b>	<b>\$36,076,588</b>

We have chosen in this report to identify funding streams within two other functional categories that do not make up the service system for children and families but are nonetheless related to family and community well-being. Expenditures for Economic Development and Community Capacity Building directly affect the ability of families and communities in West Virginia to care for and nurture the state's children. Funding maps

have not been developed for these functional categories since they do not make up publicly funded service systems in the same way as the larger functional categories addressed through this study.

## Economic Development

Economic Development programs are administered at the state level by the West Virginia Development Office and are often focused on infrastructure development necessary to attracting business and industry to the state.

At the federal level, the primary source of investment is through the Community Development Block Grant (CDBG) and the Small Cities Block Grant (SCBG). These block grant programs account for 95% of the federal funding identified for economic and community development.

The Small Cities Block Grant funds are available only to small and medium sized cities and these funds are administered at the local level. Within West Virginia, the cities of Charleston, Huntington, Wheeling, Parkersburg, and Weirton qualify for funding from the Small Cities Block Grant.<sup>19</sup>

Other municipalities may apply for funding from the Community Development Block Grant through grant programs offered by the West Virginia Development Office.

State investments made directly in economic and community development during the three-year period of the study are primarily accounted for in the state appropriation for miscellaneous economic development programs. These state funds support a range of assistance to local communities and organizations for economic development projects including development of industrial parks and infrastructure.

Trends in federal expenditures for economic development within West Virginia have remained fairly constant over the three year period and reflect an increase of less than 1% while state appropriations increased steadily over the same period and reflect a 50% increase in funding from FY 1999 to FY 2001.

Economic Development Programs	FY 1999	FY 2000	FY 2001
Rural Development Grants	\$72,051	\$118,844	\$124,484
State and Local Economic Development Planning	\$44,005	\$90,086	
Small Cities Block Grant (local programs)	\$8,927,000	\$8,929,000	\$9,203,000
Community Development Block Grant-State's Program	\$24,122,785	\$22,887,115	\$24,051,441
CDBG - Economic Development Initiative			\$846,131
ARC Regional Development	\$138,638	\$290,218	\$24,736
ARC Area Development	\$196,242	\$1,109,126	\$1,287,698
Appalachian State Research, TA, and Demonstration	\$451,032	\$345,168	\$456,315
<b>Sub-total Federal</b>	<b>\$33,951,753</b>	<b>\$33,769,557</b>	<b>\$35,993,805</b>
Miscellaneous State Economic Development Programs	\$22,363,652	\$27,089,522	\$31,405,167
<b>Sub-total State</b>	<b>\$22,363,652</b>	<b>\$27,089,522</b>	<b>\$31,405,167</b>
<b>Total Economic Development</b>	<b>\$56,315,405</b>	<b>\$60,859,079</b>	<b>\$67,398,972</b>

# Community Capacity Building

Community Capacity Building Programs identified for this study promote leadership development, local planning, volunteerism, and engagement of local citizens in improving their communities. These investments are considered to be critically important to supporting West Virginia communities in addressing local issues and enhancing the well-being of children and families. Funding streams administered through the University Extension Services, the Corporation for National and Community Services, and the Governor's Cabinet on Children and Families are included in this functional category of the analysis. Approximately \$11 million in federal support and about \$2 million in state support was available during state FY 2001 within the funding streams considered for purposes of the study.

Total federal investments within the funding streams making up the capacity building area remained fairly constant during the three-year period examined. However, AmeriCorps funds available within the state increased steadily during the period. State investment is primarily in support of local community organizations called Family Resource Networks. These funds (\$1.5 million) were first appropriated in FY 2000 and remained constant for FY 2001.

Community Capacity Building Programs	FY 1999	FY 2000	FY 2001
University Extension Services	\$4,669,288	\$5,339,809	\$5,925,600
Empowerment Zones	\$321,350	\$936,630	\$223,712
State Commissions (AmeriCorps)	\$181,968	\$153,316	\$172,566
Learn and Serve America (School and Community)	\$383,462	\$395,168	\$192,650
Learn and Serve America (Higher Education)			
Americorps	\$1,437,715	\$2,213,152	\$2,516,869
Innovative Program Development (AmeriCorps)	\$60,227	\$195,344	\$207,973
Technical Assistance (National Service Programs)	\$229,274	\$142,415	\$145,935
Foster Grandparent Program	\$404,677	\$425,902	\$6,992
Family Resource Networks-TANF (GCCF)	\$272,000	\$304,905	\$577,500
CAPTA Title II - CBFRS (TA to FRNs)	\$110,000	\$11,000	\$35,000
Family Resource Networks - Family Preservation/Support	\$400,000	\$263,000	
Family Resource Networks - CSBG	\$26,200	\$12,500	\$12,500
Family Resource Networks-Medicaid Admin. (GCCF)	\$640,000	\$718,490	\$718,490
<b>Sub-total Federal</b>	<b>\$9,136,161</b>	<b>\$11,111,631</b>	<b>\$10,735,787</b>
Commission on National and Community Service			\$165,000
Governor's Cabinet on Children and Families	\$305,304	\$309,152	\$309,295
Family Resource Networks-State Appropriations (GCCF)		\$1,505,000	\$1,505,000
<b>Sub-total State</b>	<b>\$305,304</b>	<b>\$1,814,152</b>	<b>\$1,979,295</b>
<b>Total Community Building</b>	<b>\$9,441,465</b>	<b>\$12,925,783</b>	<b>\$12,715,082</b>

## Endnotes

<sup>1</sup> Dunkle, Margaret, Who Controls Major Federal Programs for Children & Families, Special Report #3, The Policy Exchange of the Institute for Educational Leadership, 1995.

<sup>2</sup> State match and maintenance of effort dollars are of particular significance within the large federal programs of Medicaid and Temporary Assistance to Needy Families.

<sup>3</sup> Federal programs require the state to submit a state plan that defines how the funding made available through each federal program will be used within the state. The state plan for each federal program must conform to guidelines for the use of the federal funds that are defined through statute and regulation at the federal level.

<sup>4</sup> By a functional, results-based analysis, we mean funding streams are grouped according to what types of services they are intended to support and what results (or outcomes) they are intended to achieve. Thus, funding streams identified within each section of the analysis are not specific to any particular agency.

<sup>5</sup> The outcome domains used to define the functional areas of the financing analysis are those adopted by the West Virginia Governor's Cabinet on Children and Families in 1997.

<sup>6</sup> Medicaid expenditures within each applicable functional category are estimated based on available data. Reports prepared for the federal government by the state Medicaid agency (HCFA 2082 reports) are used as the primary source documents for making these estimates. Expenditures within the functional categories of the analysis are estimates made from looking at Medicaid expenditures by age group and category of service within the federal report. Expenditure data for the Temporary Assistance to Needy Families program (TANF) that is broken out by function within the analysis was provided by the Office of Grants Management for the WV Department of Health and Human Resources.

<sup>7</sup> The federal Child and Dependent Care Tax Credit is non-refundable. Thus, families must have sufficient income and pay sufficient federal income taxes before they can take advantage of the credit.

<sup>8</sup> The state and local contribution to early care and education services through public schools is estimated based on the average per pupil expenditure multiplied by the number of children served in pre-kindergarten programs.

<sup>9</sup> Medicaid expenditures listed for Early Care and Education are estimated based on the total expenditures for children ages birth to 5 years old in the categories of clinic services, other practitioner services, and other care services.

<sup>10</sup> Local expenditures are taken from the West Virginia Department of Education Website "Quick Facts". Expenditures for FY 2001 were not available and are estimated based on the trend in recent years.

<sup>11</sup> For purposes of this study, rehabilitation services are listed under the education section of the analysis.

<sup>12</sup> The loan programs and amounts listed are taken from the *WV Single Audit of Federal Programs* and may not reflect the total amounts provided through all federal loan programs to all public and private institutions of higher education in the state.

<sup>13</sup> These expenditures are estimated from HCFA 2082 reports and include vendor payments in the areas of: inpatient hospital services, nursing facilities, physician services, outpatient hospital, prescribed drugs, dental services, lab and x-ray services, family planning, home health services, personal care, and capitated health care.

<sup>14</sup> Bureau of Employment Programs website, Worker's Comp 2001 Annual Statistics.

<sup>15</sup> The Earned Income Tax Credit (EITC) is a refundable tax credit. A refundable tax credit may be claimed through the filing of a federal income tax form even though the person filing the return may not have federal tax liability equal to or exceeding the credit. It may be thought of as a direct federal subsidy for low wage, working families.

<sup>16</sup> Amounts listed for the EITC for fiscal years 1999 and 2000 are from IRS records and reflect calendar or tax year amounts. The amount listed for FY 2001 is estimated since IRS data is not yet available for the 2001 tax year.

<sup>17</sup> This upward trend in TANF expenditures continued during FY 2002 as unspent federal funds appropriated in prior years were used.

<sup>18</sup> Medicaid expenditures for behavioral health services are estimated using data from the HCFA 2082 reports and include vendor payments in the areas of clinic services, other practitioner services, other care services, and mental health facilities. Expenditures included within the behavioral health sub-category are for services to children five to 20 years old and adults 21 to 64 years old. Services for the birth to five-year-old population are included in the early care and education section of the analysis.

<sup>19</sup> Amounts listed from the Small Cities Block Grant are the totals awarded to the five qualifying cities that were obtained from the website for the federal Department of Housing and Urban Development.

More information is available on the Funding Study website  
<http://www.prevnet.org/fundingstudyindex>

### Acknowledgements

#### Funded by:

The West Virginia Division of Criminal Justice Services through United States Department of Justice, Juvenile Accountability Incentive Block Grant funds



J. Norbert Federspiel, Director  
Michael Cutlip, Deputy Director - Programs  
Angela Saunders, Senior Juvenile Justice Specialist  
Jason Carlson, Juvenile Justice Specialist



and funded in part by the West Virginia Community Voices Partnership, a project of the W.K. Kellogg Foundation

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