

# Funding Virginia's Future: Fiscal Map of Children's Supports in Virginia FY 20

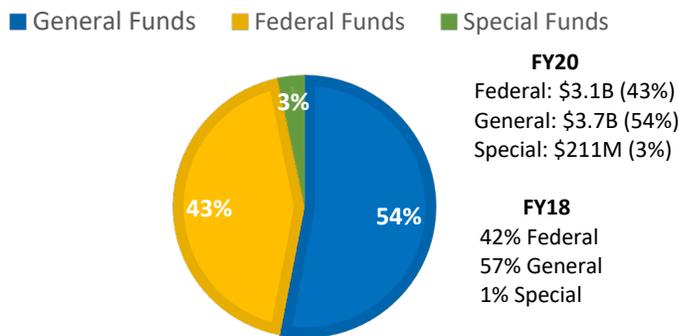
## OVERVIEW

The purpose of the FY 2020 Fiscal Map of Children's Supports in Virginia was to create a clear report of the funds that the state is investing in its future generations. Updated from the inaugural report, *2017-2018 Fiscal Map of Children's Supports in Virginia*, the current fiscal map, commissioned by Families Forward Virginia, will provide the Virginia Children's Cabinet, the state legislature and, subsequently, the new administration with an informative tool for decision making, and a method for tracking and analyzing funding data for future fiscal years.

The fiscal map focused on state budget appropriation data from fiscal year 2020 for non-instructional, whole-child youth supports for ages 0-21 years old. Data was collected and verified via an initial interview, data collection tool, and follow up correspondence and document review with members from participating state agencies. Agencies were asked to provide the following data: funding stream names and descriptions, type of services the funds support, total appropriation amounts, originating source of funds (federal, general, and special funds), and designation of funds for prevention services.



## VA STATE INVESTMENTS IN CHILDREN & YOUTH, BY FUND SOURCE



## Largest Child-Serving Agency Budgets

AGENCY	FY18	FY20	NOTABLE CHANGES
DMAS	\$2.80B	\$3.23B	Increases in Medicaid & MCHIP
DOE	\$1.79B	\$2.09B	CARES Act, Investments in PK
DSS	\$765M	\$813M	Expanded Investments in ECE
OCS	\$330M	\$353M	General Fund increases
DJJ	\$211M	\$194M	Federal funding down, investment shifts away from most restrictive settings
VDH	\$177M*	\$154M	Does not fully reflect COVID-related funds which presents a significant development in the short-term investment picture

## KEY FINDINGS

- Total investments from state agencies for non-instructional, whole child supports for Virginia's children and youth ages 0 – 21 years totaled more than \$7 billion. This is more than a 13% increase in total funding since FY18.
- Funds reported by state agencies show the largest state agency investments in the physical health, education, and mental health of children and youth. services. Excluding funds for Medicaid/ FAMIS (comprising 46% of state administered funds for children's services), the state invests most in education, child welfare, and nutrition & food programs.
- Additional key investments that help lift children and families include SNAP nutrition benefits and tax credits via the Earned Income Tax Credit and the Child Tax Credit. More than \$287.5 million in SNAP nutrition benefits, and more than \$1.3 and \$1.9 billion in EITC and child tax credits supported Virginia families with children in 2020.
- Approximately 1 in 3 families with children live at or below the state's income survival threshold.
- Special revenues for education are up – increased five-fold from FY18 to FY20, and then an additional 85% increase in allocated funding from special revenues in FY21, reflecting priorities to shore up PK-12 programs in the Covid era.
- State-administered nutrition programs, nearly 80% of which are administered through DOE, are up more than 50%, reflecting economic realities strained by Covid.

## KEY RECOMMENDATIONS

Ø **Establish a high-level oversight body to manage a regular fiscal mapping process** that allows stakeholders to track trend data on investments. The Virginia Children’s Cabinet may be best positioned to serve or stand up an oversight body for this purpose. This body would serve as an institutional mechanism for bringing fiscal data on child-serving programs together with strategic discussions about outcomes for children and youth and develop a coordinated approach to maintaining and determining where expanded investments for children and youth are needed. Future iterations of the children’s fiscal map can include the amount of funds that are disbursed to specific localities. Funding data at the county-level can be used in conjunction with the Youth Wellbeing Index and KIDS COUNT data. Comparing fiscal mapping information with these data can help determine whether those investments in children and youth are being used effectively to improve outcomes over time.

Ø **Socialize the adoption and use of a comprehensive, equity-focused prevention framework** that would undergird efforts within and across agencies to test, track, and innovate fiscal strategies that provide early supports to families to mitigate the risks most associated with harmful developmental outcomes and have strong potential to move outcomes that multiple agencies affect. This recommendation aligns with the work of the Department of Social Services in partnership with other state agencies and organizations throughout the Commonwealth to introduce a prevention framework in response to the 2020 Appropriations Act directive to create a comprehensive, coordinated plan to prevent child abuse and neglect. This framework would further help agencies articulate their contributions to a “children’s budget” organized around determinants of wellness for all young people – health, safety, education, employment opportunities, and community connections.

Ø **Build on efforts to shore up families that have been most deeply impacted and are still recovering from Covid era setbacks and challenges.** One in three families in Virginia struggle to maintain a survival level income that meets the cost of living in the state despite the vast majority of these families maintaining full time work. Covid era challenges will continue for many families who continue to need assistance in maintaining housing and utility payments, affording rising food and childcare costs, and, increasingly, in accessing mental health supports during a time when mental health needs are rising, especially among children and youth. Recent state investments, including the use of ARPA funds to increase rental and utility assistance; appropriations to community-based mental health services; and doubling state investments in early childhood education while ensuring that early care providers hardest hit by Covid setbacks could receive assistance to keep their doors open, have been critical for Virginia families. Continuing these funding priorities for nutrition and food security, secure housing, early childhood development and school readiness, and systems of care and safety will continue to be essential to support families reaching for economic prosperity. A basic fiscal mapping process can be aligned with efforts to strategically deploy resources and understand whether and how effectively “recovery” funds helped communities organize their resources in ways that advanced the goals of improved outcomes for all Virginia youth.

Ø **Consider undertaking a stage two project to launch a cost modeling projection** that helps stakeholders across the state to have a common understanding of the relationship between child wellbeing and the Commonwealth’s investments in its children and youth. In many areas of child well-being, it is difficult to ascertain the levels of funding actually needed to move key outcomes – and ideally, move them together. Cost modeling is a close cousin to fiscal mapping. But where fiscal mapping answers the question of current investments, cost modeling addresses the question of what the level of funding should be to get us to the outcomes we seek. This approach has been taken up in a variety of contexts, with the right investments translating into both improved outcomes and cost savings over the long-term.



For more information on the FY20 Fiscal Map of Children’s Supports in Virginia, visit <https://www.familiesforwardva.org/fiscal-map-childrens-supports>