

# Table of Contents

## Department of Children, Youth and Families

<i>Agency Profile</i>	1
<i>Agency Expenditure Overview (REVISED)</i>	2
<i>Agency Financing by Fund (REVISED)</i>	4
<i>Agency Change Summary (REVISED)</i>	7
<b><u>Change Item(s)</u></b>	10
<i>Operating Adjustment</i>	10
<i>Child Care Assistance Program Improvements - Federal Compliance (REVISED)</i>	12
<i>Electronic Statewide Attendance Tracking</i>	17
<i>Child Welfare IT Modernization</i>	21
<i>Increase Capacity of Compliance Team</i>	29
<i>Department of Children, Youth, and Families Transition Account Reallocation</i>	33
<i>Cancel Funding for Mille Lacs Band of Ojibwe to join the American Indian Child Welfare Initiative</i>	36
<i>Reduce Restorative Practices Initiatives Grant Program</i>	38
<i>Great Start Compensation Support Payment Program Updates</i>	40
<i>Modification of Indian Child Welfare Act Grant Reporting Requirements and Funding Limits</i>	43
<i>Supporting Relative Foster Care and Permanency Placements</i>	47
<i>T.E.A.C.H. Higher Education Scholarship Updates</i>	51
<i>Technical Administrative Changes to Department of Children, Youth and Families (REVISED)</i>	53
<i>Licensing Information Federal Compliance (NEW)</i>	56
<b><u>Program</u></b>	59
<b>Operations and Administration</b>	59
<b><u>Activity</u></b>	59
<b>Agencywide Supports</b>	59
<i>Activity Narrative</i>	59
<i>Activity Expenditure Overview (REVISED)</i>	61
<i>Activity Financing by Fund (REVISED)</i>	62
<b>Child Safety and Permanency</b>	64
<i>Activity Narrative</i>	64
<i>Activity Expenditure Overview (REVISED)</i>	66
<i>Activity Financing by Fund (REVISED)</i>	67
<b>Early Childhood</b>	69
<i>Activity Narrative</i>	69
<i>Activity Expenditure Overview</i>	71
<i>Activity Financing by Fund</i>	72
<b>Economic Opportunities and Youth Services</b>	73
<i>Activity Narrative</i>	73
<i>Activity Expenditure Overview</i>	74
<i>Activity Financing by Fund</i>	75
<b>Family Well-Being</b>	76
<i>Activity Narrative</i>	76
<i>Activity Expenditure Overview (REVISED)</i>	78
<i>Activity Financing by Fund (REVISED)</i>	79
<b><u>Program</u></b>	81

<b>Forecast Programs</b>	81
<b><u>Activity</u></b>	81
<b>MFIP and Diversionary Work Program</b>	81
<i>Activity Narrative</i>	81
Activity Expenditure Overview (REVISED)	84
Activity Financing by Fund (REVISED)	85
<b>MFIP Child Care Assistance</b>	86
<i>Activity Narrative</i>	86
Activity Expenditure Overview (REVISED)	89
Activity Financing by Fund (REVISED)	90
<b>Northstar Care for Children</b>	91
<i>Activity Narrative</i>	91
Activity Expenditure Overview (REVISED)	93
Activity Financing by Fund (REVISED)	94
<b>Early Childhood Family Education</b>	95
<i>Activity Narrative</i>	95
Activity Financing by Fund (REVISED)	97
<b>Health and Developmental Screening</b>	98
<i>Activity Narrative</i>	98
Activity Financing by Fund (REVISED)	100
<b><u>Program</u></b>	101
<b>Grant Programs</b>	101
<b><u>Activity</u></b>	101
<b>Support Services Grants</b>	101
<i>Activity Narrative</i>	101
Activity Expenditure Overview (REVISED)	105
Activity Financing by Fund (REVISED)	106
<b>Basic Sliding Fee Child Care Assistance Grants</b>	107
<i>Activity Narrative</i>	107
Activity Expenditure Overview (REVISED)	110
Activity Financing by Fund (REVISED)	111
<b>Child Care Development Grants</b>	112
<i>Activity Narrative</i>	112
Activity Expenditure Overview	114
Activity Financing by Fund	115
<b>Child Support Enforcement Grants</b>	116
<i>Activity Narrative</i>	116
Activity Expenditure Overview (REVISED)	119
Activity Financing by Fund (REVISED)	120
<b>Children's Services Grants</b>	121
<i>Activity Narrative</i>	121
Activity Expenditure Overview (REVISED)	123
Activity Financing by Fund (REVISED)	124
<b>Child and Community Services Grants</b>	126
<i>Activity Narrative</i>	126
Activity Expenditure Overview (REVISED)	128
Activity Financing by Fund (REVISED)	129
<b>Child and Economic Support Grants</b>	130

<i>Activity Narrative</i> .....	130
Activity Expenditure Overview (REVISED) .....	132
Activity Financing by Fund (REVISED) .....	133
<b>Early Learning Grants</b> .....	134
<i>Activity Narrative</i> .....	134
Activity Expenditure Overview (REVISED) .....	139
Activity Financing by Fund (REVISED) .....	140
<b>Youth Services Grants</b> .....	141
<i>Activity Narrative</i> .....	141
Activity Expenditure Overview .....	143
Activity Financing by Fund .....	144
<b><u>Program</u></b> .....	145
<b>Technical and Fiduciary Activities</b> .....	145
<b><u>Activity</u></b> .....	145
<b>Technical and Fiduciary Activities</b> .....	145
<i>Activity Narrative</i> .....	145
Activity Expenditure Overview (REVISED) .....	147
Activity Financing by Fund (REVISED) .....	148
<b><u>Additional Documents</u></b> .....	149
<i>Federal Funds Summary (REVISED)</i> .....	149
<i>Grants Detail (REVISED)</i> .....	161

<https://dcyf.mn.gov/>

### AT A GLANCE

- Assist approximately 23,000 families with child care costs through the Child Care Assistance Program and Early Learning Scholarships.
- Provide financial support through foster care, kinship assistance and adoption assistance to over 18,000 recipients.
- Support over 300 food shelves and meal programs in Minnesota.
- Provide child support services to almost 300,000 parents and their 200,000 children.
- Provide food and cash assistance through the Minnesota Family Investment Program to over 66,000 recipients.

### PURPOSE

The Department of Children, Youth, and Families was established on July 1, 2024. This department brings together programs to better serve children, youth and families across Minnesota. The Department of Children, Youth, and Families will combine programs from the Department of Human Services, the Department of Education, the Department of Health and the Department of Public Safety. As a new agency, the Department of Children, Youth, and Families is undergoing a strategic planning process to draft an agency mission and vision that will incorporate community and partner engagement, existing division and originating agency strategic plans, and align with the One Minnesota Plan Priorities (<https://mn.gov/mmb-stat/one-mn-plan/One-MN-Plan-Building-Blocks.pdf>) and Measurable Goals. (<https://mn.gov/mmb/one-mn-plan/measurable-goals/>).

The Department of Children, Youth, and Families was established in Laws 2023 Chapter 70.

### STRATEGIES

The Department of Children, Youth, and Families provides a broad range of services for Minnesota's children, youth, and families. This includes:

- Address basic needs through the cash assistance, employment services and food and nutrition programs.
- Ensure child safety and family preservation.
- Support the state's adoptive, foster care, and kinship families.
- Assist in establishing child support services.
- Provide access to high quality, affordable child care and early learning.
- Offer resources to families to support their child's development, including children with disabilities.

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The legal citations for the statutes related to the Department of Children, Youth, and Families are chapters 142A, 142B, 142C, 142D, 142E, 142F, 142G, 518A, 260C, 260D and 260E.

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base		Governor's Recommendation	
					FY26	FY27	FY26	FY27

## Expenditures by Fund

1000 - General					865,368	922,185	868,509	910,389
1200 - State Government Special Rev					732	732	732	732
2000 - Restrict Misc Special Revenue					11,373	11,373	11,373	11,373
2001 - Other Misc Special Revenue					282,272	274,621	282,272	274,621
2005 - Opiate Epidemic Response					3,318	3,318	3,318	3,318
2403 - Gift					1	1	1	1
3000 - Federal					2,665,340	2,663,050	2,669,417	2,672,741
3001 - Federal TANF					298,921	319,383	298,921	319,383
6003 - Child Support Enforcement					641,955	641,955	641,955	641,955
<b>Total</b>					<b>4,769,280</b>	<b>4,836,618</b>	<b>4,776,498</b>	<b>4,834,513</b>
Biennial Change				0		9,605,898		9,611,011
Biennial % Change								
Governor's Change from Base								5,113
Governor's % Change from Base								0

## Expenditures by Program

Operations and Administration					269,559	261,301	294,806	269,442
Forecast Programs					1,122,136	1,202,865	1,122,136	1,202,865
Grant Programs					2,376,598	2,371,468	2,363,332	2,363,816
Technical and Fiduciary Activities					1,020,022	1,020,006	1,020,022	1,020,006
DCYF Federal Admin Reimbursement					(19,035)	(19,022)	(23,798)	(21,616)
<b>Total</b>					<b>4,769,280</b>	<b>4,836,618</b>	<b>4,776,498</b>	<b>4,834,513</b>

## Expenditures by Category

Compensation					127,426	124,620	131,050	130,921
Operating Expenses					319,441	313,768	341,064	315,608
Grants, Aids and Subsidies					3,694,724	3,770,528	3,681,458	3,762,876
Other Financial Transaction					646,724	646,724	646,724	646,724
<b>Total Before Federal Admin Reimbursement</b>					<b>4,788,315</b>	<b>4,855,640</b>	<b>4,800,296</b>	<b>4,856,129</b>
Federal Admin Reimbursement					(19,035)	(19,022)	(23,798)	(21,616)
<b>Total</b>					<b>4,769,280</b>	<b>4,836,618</b>	<b>4,776,498</b>	<b>4,834,513</b>

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base FY26 FY27		Governor's Recommendation FY26 FY27	
<u>Full-Time Equivalents</u>					939.01	937.01	943.26	942.01

# Children, Youth and Families

# Agency Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY22	FY23	FY24	FY25	FY26	FY27	FY26	FY27
1000 - General								
Balance Forward In				823				
Direct Appropriation			823	6,800	1,121,844	1,182,058	1,129,748	1,172,856
Transfers In				380				
Transfers Out				8,003	237,441	240,851	237,441	240,851
Balance Forward Out			823					
Expenditures					884,403	941,207	892,307	932,005
Federal Admin Reimbursement					(19,035)	(19,022)	(23,798)	(21,616)
Expenditures after Federal Admin Reimbursement					865,368	922,185	868,509	910,389
Biennial Change in Expenditures				0		1,787,553		1,778,898
Biennial % Change in Expenditures								
Governor's Change from Base								(8,655)
Governor's % Change from Base								(0)
Full-Time Equivalents					591.00	591.00	595.25	596.00

## 1200 - State Government Special Rev

Direct Appropriation					732	732	732	732
<b>Expenditures</b>					<b>732</b>	<b>732</b>	<b>732</b>	<b>732</b>
Biennial Change in Expenditures				0		1,464		1,464
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents					5.00	5.00	5.00	5.00

## 2000 - Restrict Misc Special Revenue

Receipts					10,153	10,153	10,153	10,153
Transfers In				236	1,220	1,220	1,220	1,220
Transfers Out				236				
<b>Expenditures</b>					<b>11,373</b>	<b>11,373</b>	<b>11,373</b>	<b>11,373</b>
Biennial Change in Expenditures				0		22,746		22,746
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								0

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base FY26 FY27		Governor's Recommendation FY26 FY27	
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**2001 - Other Misc Special Revenue**

Balance Forward In					105,666	55,666	105,666	55,666
Receipts					72,276	63,083	72,276	63,083
Transfers In				105,666	159,996	161,538	159,996	161,538
Balance Forward Out				105,666	55,666	5,666	55,666	5,666
<b>Expenditures</b>					<b>282,272</b>	<b>274,621</b>	<b>282,272</b>	<b>274,621</b>
Biennial Change in Expenditures				0		556,893		556,893
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents					159.01	159.01	159.01	159.01

**2005 - Opiate Epidemic Response**

Direct Appropriation					3,318	3,318	3,318	3,318
<b>Expenditures</b>					<b>3,318</b>	<b>3,318</b>	<b>3,318</b>	<b>3,318</b>
Biennial Change in Expenditures				0		6,636		6,636
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								0

**2403 - Gift**

Receipts					1	1	1	1
<b>Expenditures</b>					<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>
Biennial Change in Expenditures				0		2		2
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								0

**3000 - Federal**

Receipts					2,665,340	2,663,050	2,669,417	2,672,741
<b>Expenditures</b>					<b>2,665,340</b>	<b>2,663,050</b>	<b>2,669,417</b>	<b>2,672,741</b>
Biennial Change in Expenditures				0		5,328,390		5,342,158



# Children, Youth and Families

# Agency Financing by Fund

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base FY26 FY27		Governor's Recommendation FY26 FY27	
Biennial % Change in Expenditures								
Governor's Change from Base								13,768
Governor's % Change from Base								0
Full-Time Equivalents					165.00	163.00	165.00	163.00

## 3001 - Federal TANF

Balance Forward In					248,645	210,750	248,645	210,750
Receipts					261,026	261,026	261,026	261,026
Transfers In				248,645				
Balance Forward Out				248,645	210,750	152,393	210,750	152,393
<b>Expenditures</b>					<b>298,921</b>	<b>319,383</b>	<b>298,921</b>	<b>319,383</b>
Biennial Change in Expenditures				0		618,304		618,304
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents					19.00	19.00	19.00	19.00

## 6003 - Child Support Enforcement

Receipts					641,955	641,955	641,955	641,955
<b>Expenditures</b>					<b>641,955</b>	<b>641,955</b>	<b>641,955</b>	<b>641,955</b>
Biennial Change in Expenditures				0		1,283,910		1,283,910
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								0

(Dollars in Thousands)

	FY25	FY26	FY27	Biennium 2026-27
<b>Direct</b>				
<b>Fund: 1000 - General</b>				
<b>FY2025 Appropriations</b>	<b>6,800</b>	<b>6,800</b>	<b>6,800</b>	<b>13,600</b>
<b>Base Adjustments</b>				
Current Law Base Change		3,904	3,554	7,458
Allocated Reduction		(85)	(85)	(170)
Programs and Services Moving to DCYF		1,200,670	1,269,544	2,470,214
Minnesota Paid Leave Allocation		96	96	192
November Forecast Adjustment		(81,636)	(88,981)	(170,617)
February Forecast Adjustment		(7,905)	(8,870)	(16,775)
<b>Forecast Base</b>	<b>6,800</b>	<b>1,121,844</b>	<b>1,182,058</b>	<b>2,303,902</b>
<b>Change Items</b>				
Operating Adjustment		3,003	6,079	9,082
Child Care Assistance Program Improvements - Federal Compliance		161	32	193
Electronic Statewide Attendance Tracking		5,555	1,639	7,194
Child Welfare IT Modernization		10,000		10,000
Increase Capacity of Compliance Team		328	391	719
Department of Children, Youth, and Families Transition Account Reallocation		6,000		6,000
Cancel Funding for Mille Lacs Band of Ojibwe to join the American Indian Child Welfare Initiative		(7,893)	(7,893)	(15,786)
Reduce Restorative Practices Initiatives Grant Program		(1,500)	(1,500)	(3,000)
Technical Administrative Changes to Department of Children, Youth and Families		(7,950)	(7,950)	(15,900)
Licensing Information Federal Compliance		200		200
<b>Total Governor's Recommendations</b>	<b>6,800</b>	<b>1,129,748</b>	<b>1,172,856</b>	<b>2,302,604</b>
<b>Fund: 1200 - State Government Special Rev</b>				
<b>Base Adjustments</b>				
Programs and Services Moving to DCYF		732	732	1,464
<b>Forecast Base</b>		<b>732</b>	<b>732</b>	<b>1,464</b>
<b>Total Governor's Recommendations</b>		<b>732</b>	<b>732</b>	<b>1,464</b>
<b>Fund: 2005 - Opiate Epidemic Response</b>				
<b>Base Adjustments</b>				
Programs and Services Moving to DCYF		3,318	3,318	6,636
<b>Forecast Base</b>		<b>3,318</b>	<b>3,318</b>	<b>6,636</b>
<b>Total Governor's Recommendations</b>		<b>3,318</b>	<b>3,318</b>	<b>6,636</b>
<b>Dedicated</b>				
<b>Fund: 2000 - Restrict Misc Special Revenue</b>				

(Dollars in Thousands)

	FY25	FY26	FY27	Biennium 2026-27
<b>Planned Spending</b>		11,373	11,373	22,746
<b>Forecast Base</b>		11,373	11,373	22,746
<b>Total Governor's Recommendations</b>		11,373	11,373	22,746
<b>Fund: 2001 - Other Misc Special Revenue</b>				
<b>Planned Spending</b>		282,272	274,621	556,893
<b>Forecast Base</b>		282,272	274,621	556,893
<b>Total Governor's Recommendations</b>		282,272	274,621	556,893
<b>Fund: 2403 - Gift</b>				
<b>Planned Spending</b>		1	1	2
<b>Forecast Base</b>		1	1	2
<b>Total Governor's Recommendations</b>		1	1	2
<b>Fund: 3000 - Federal</b>				
<b>Planned Spending</b>		2,665,340	2,663,050	5,328,390
<b>Forecast Base</b>		2,665,340	2,663,050	5,328,390
<b>Change Items</b>				
Child Care Assistance Program Improvements - Federal Compliance		4,077	9,691	13,768
<b>Total Governor's Recommendations</b>		2,669,417	2,672,741	5,342,158
<b>Fund: 3001 - Federal TANF</b>				
<b>Planned Spending</b>		298,921	319,383	618,304
<b>Forecast Base</b>		298,921	319,383	618,304
<b>Total Governor's Recommendations</b>		298,921	319,383	618,304
<b>Fund: 6003 - Child Support Enforcement</b>				
<b>Planned Spending</b>		641,955	641,955	1,283,910
<b>Forecast Base</b>		641,955	641,955	1,283,910
<b>Total Governor's Recommendations</b>		641,955	641,955	1,283,910
<b>Federal Admin Reimbursement</b>				
<b>Fund: 1000 - General</b>				
<b>Forecast Federal Administrative Reimbursement</b>		(19,035)	(19,022)	(38,057)
<b>Change Items</b>				
Operating Adjustment		(961)	(1,945)	(2,906)
Electronic Statewide Attendance Tracking		(1,777)	(524)	(2,301)
Increase Capacity of Compliance Team		(105)	(125)	(230)
Department of Children, Youth, and Families Transition Account Reallocation		(1,920)		(1,920)
<b>Total Governor's Recommendations</b>		(23,798)	(21,616)	(45,414)

(Dollars in Thousands)

	FY25	FY26	FY27	Biennium 2026-27
<b>Revenue Change Summary</b>				
<b>Dedicated</b>				
<b>Fund: 2000 - Restrict Misc Special Revenue</b>				
Forecast Revenues		10,153	10,153	20,306
Total Governor's Recommendations		10,153	10,153	20,306
<b>Fund: 2001 - Other Misc Special Revenue</b>				
Forecast Revenues		72,276	63,083	135,359
Total Governor's Recommendations		72,276	63,083	135,359
<b>Fund: 2403 - Gift</b>				
Forecast Revenues		1	1	2
Total Governor's Recommendations		1	1	2
<b>Fund: 3000 - Federal</b>				
Forecast Revenues		2,665,340	2,663,050	5,328,390
Change Items				
Child Care Assistance Program Improvements - Federal Compliance		4,077	9,691	13,768
Total Governor's Recommendations		2,669,417	2,672,741	5,342,158
<b>Fund: 3001 - Federal TANF</b>				
Forecast Revenues		261,026	261,026	522,052
Total Governor's Recommendations		261,026	261,026	522,052
<b>Fund: 6003 - Child Support Enforcement</b>				
Forecast Revenues		641,955	641,955	1,283,910
Total Governor's Recommendations		641,955	641,955	1,283,910
<b>Non-Dedicated</b>				
<b>Fund: 1000 - General</b>				
Forecast Revenues		7,110	7,110	14,220
Total Governor's Recommendations		7,110	7,110	14,220
<b>Fund: 1200 - State Government Special Rev</b>				
Forecast Revenues		2,899	2,899	5,798
Total Governor's Recommendations		2,899	2,899	5,798

## Children, Youth, and Families

### FY 2026-27 Biennial Budget Change Item

#### Change Item Title: Operating Adjustment

Fiscal Impact (\$000s)	FY 2026	FY 2027	FY 2028	FY 2029
General Fund				
Expenditures	2,042	4,134	4,134	4,134
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	2,042	4,134	4,134	4,134
FTEs	0	0	0	0

#### Recommendation:

The Governor recommends additional funding of \$2.042 million in FY 2026 and \$4.134 million in each subsequent year from the general fund to help address operating cost increases at the Department of Children, Youth, and Families.

#### Rationale/Background:

The cost of operations rises each year due to increases in employer-paid health care contributions, FICA and Medicare, along with other salary and compensation-related costs. Other operating costs, like rent and lease, fuel and utilities, and IT and legal services also grow. This cost growth puts pressure on agency operating budgets that remain flat year to year.

Agencies face challenging decisions to manage these rising costs within existing budgets, while maintaining the services Minnesotans expect. From year to year, agencies find ways to become more efficient with existing resources. For the Department of Children, Youth, and Families, the following efficiencies are being implemented to help offset rising operating costs:

- During SFY2025 and 2026, DCYF is leveraging a sublease of the Lafayette building to minimize costs associated with transitioning to a new space in the current biennium. The additional time allows the agency to evaluate long-term space needs and resources.
- As a new agency, DCYF is methodically analyzing functions performed across the agency to identify opportunities to align resources and maximize our ability to support programs.

For FY 2026-27, agencies will need to continue to find additional efficiencies and leverage management tools to help address budget pressures. Holding open vacancies in certain programs or delaying hiring in other programs are examples of ways agencies manage through constrained operating budgets. Such decisions are difficult and must be weighed against a program's ability to conduct business with less staffing and its impact to service delivery. Agencies will need additional tools and flexibility, similar to those available in the private sector and other government entities, to help address operating pressures in upcoming biennium.

Without additional resources to address these cost pressures, both in funding and in flexibility to manage internal budgets, services delivered to Minnesotans will be impacted.

**Proposal:**

The Governor recommends increasing agency operating budgets to support current services. For the Department of Children, Youth, and Families, this funding will help cover expected growth in employee compensation and insurance, IT services and other operating costs.

Additionally, the Governor recommends providing the Department of Children, Youth, and Families with additional management tools to address upcoming operating pressures. This includes:

- the ability for executive branch agencies to carryforward unexpended non-grant operating appropriations for the second year of a biennium into the next beginning in FY 2025 (costs carried in standalone change item in MMB Non-Operating Budget Book).

These new authorities will provide agencies with additional flexibility to manage through cost pressures within agency divisions and prioritize needs to help minimize impacts on services to Minnesotans.

**Dollars in Thousands**

Net Impact by Fund	FY 26	FY 27	FY 26-27	FY 28	FY 29	FY 28-29
General Fund	2,042	4,134	6,176	4,134	4,134	8,268
<b>Total All Funds</b>	<b>2,042</b>	<b>4,134</b>	<b>6,176</b>	<b>4,134</b>	<b>4,134</b>	<b>8,268</b>

Fund	BACT	Component Description	FY 26	FY 27	FY 26-27	FY 28	FY 29	FY 28-29
GF	11	Mailing Costs		559	559	559	559	1,118
GF	11	Salary & Fringe	3,003	5,520	8,523	5,520	5,520	11,040
GF	REV1	Admin FFP (32%)	(961)	(1,945)	(2,906)	(1,945)	(1,945)	(3,890))

**Results:**

This recommendation is intended to help the Department of Children, Youth, and Families address rising cost pressures and mitigate impacts to current levels of service and information to the public.

## Children, Youth, and Families

### FY 2026-27 Biennial Budget Change Item

#### Change Item Title: Child Care Assistance Program – Federal Compliance

Fiscal Impact (\$000s)	FY 2026	FY 2027	FY 2028	FY 2029
General Fund				
Expenditures	161	32	32	32
Revenues	0	0	0	0
Other Funds				
Expenditures	4,081	9,700	10,273	10,081
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	4,242	9,732	10,305	10,113
FTEs	0	0	0	0

#### Recommendation:

The Governor recommends \$13.781 million in fiscal year (FY) 2026-27 and \$20.354 million in FY2028-29 from the federal fund and \$193,000 in FY2026-27 from the general fund and \$64,000 in FY2028-29 for changes to the Child Care Assistance Program (CCAP) to address federal compliance. These changes represent a 2 percent increase in the annual cost of the program and include reducing family copays, ensuring CCAP children have 12 months of program eligibility, eliminating the schedule reporter designation, and requiring annual training for legal nonlicensed (LNL) providers.

#### Rationale/Background:

In Spring 2024 the Federal Office of Child Care (OCC) announced changes to rules and regulations for the federal Child Care Development Fund (CCDF) which partially funds CCAP payments for Minnesota families. For example, reducing family copays better supports children, families, and providers. Other new federal requirements under 45 C.F.R. § 98.45(m)(1) and (2)<sup>1</sup> require states to mirror private-market practices and pay providers in advance based on enrollment; Minnesota is developing options to meet these requirements and will likely pursue legislative changes in the future. These changes must be implemented by August 1, 2026, to ensure a penalty from OCC is not issued.

During their most recent site visit OCC found state law out of compliance with federal law as it pertains to Legal Nonlicensed Provider (LNL) Health and Safety Training Requirements and the current “Schedule Reporter” designation for some CCAP families. Minnesota submitted a plan to OCC indicating intent to achieve compliance with these requirements by January 1, 2026.

#### Proposal:

This proposal includes several components totaling \$4.242 million in FY2026 and \$9.732 million in FY2027. Each component would make changes to CCAP and partially bring Minnesota into federal compliance for CCDF requirements and avoids penalties. Some components are required to meet current compliance requirements, while some are intended to meet the new regulations. Below details the costs attributable to the CCAP program. Additional details about required information technology changes are included in the fiscal detail.

This proposal is fully funded by the federal Child Care Development Fund (CCDF).

<sup>1</sup> Code of Federal Regulations <https://www.ecfr.gov/current/title-45/subtitle-A/subchapter-A/part-98#98.45>

<i>(Whole dollars)</i>	2026	2027	2028	2029
<b>Eliminate schedule reporter</b>				
Basic Sliding Fee	627,523	2,386,943	2,386,943	2,264,376
MFIP	503,181	2,356,921	2,668,860	2,725,246
<b>Reducing Copayments</b>				
BSF	2,012,946	2,871,282	2,871,282	2,723,845
MFIP	892,997	1,568,562	1,776,162	1,813,687
<b>Redetermination Dates</b>				
BSF	19,047	215,642	218,257	202,531
MFIP	21,139	291,250	341,183	341,282
<b>Interactions</b>				
BSF	2,660	5,474	5,476	5,191
MFIP	1,417	4,217	4,786	4,880

### ***Reduced Copayments***

This component would restructure CCAP copayment tiers to a cap of seven percent of a family's income to be compliant with 45 C.F.R. § 98.45(b)(5)<sup>2</sup> and § 98.45(l)(3)<sup>3</sup>. In addition to reducing families' copayment, the new tier restructuring would be easier to administer and less burdensome on both families and providers. This component would be effective October 13, 2025.

### ***Legal Nonlicensed (LNL) Provider Health and Safety Training Requirements***

This component would comply with existing federal regulations under 45 C. F. R. § 98.44(b)(2)<sup>4</sup>. To come into compliance, Minnesota must require legal nonlicensed providers to take an annual health and safety training. This training will help ensure that providers are trained to safely serve Minnesota's children and families. This component has no cost and is effective October 1, 2025.

### ***Redetermination Dates for Families When a Child is Added to the Family***

This component would comply with 45 C.F.R. § 98.21(d)<sup>5</sup> and § 98.16(h)(4)<sup>6</sup> by extending the redetermination date for all eligible children in a family when a new eligible child is added. Currently, when new eligible children are added to a family, the new children are also entitled to at least 12 months of eligibility which can create multiple redetermination dates for a family. This change would reset the redetermination date for all eligible children in a family when a new eligible child is added. Funding for this change will cover additional eligibility for families who may otherwise have lost eligibility under current law. This component is effective May 25, 2026.

### ***Eliminate the "Schedule Reporter" Designation from CCAP***

This component would remove the category of schedule reporters, resulting in all children being on the same in 12-month of eligibility cycle of redetermination. Currently, families who meet at least one of the following criteria must report information more frequently than families on a 12-month eligibility cycle:

1. A parent in the family is employed by any child care center that is licensed by the Department;
2. At least one child in the family is authorized for care with a legal nonlicensed provider;
3. At least one child is authorized for care with more than one provider

<sup>2</sup> Code of Federal Regulations <https://www.ecfr.gov/current/title-45/subtitle-A/subchapter-A/part-98#98.45>

<sup>3</sup> Code of Federal Regulations <https://www.ecfr.gov/current/title-45/subtitle-A/subchapter-A/part-98#98.45>

<sup>4</sup> Code of Federal Regulations <https://www.ecfr.gov/current/title-45/subtitle-A/subchapter-A/part-98#98.44>

<sup>5</sup> Code of Federal Regulations <https://www.ecfr.gov/current/title-45/subtitle-A/subchapter-A/part-98#98.21>

<sup>6</sup> Code of Federal Regulations <https://www.ecfr.gov/current/title-45/subtitle-A/subchapter-A/part-98#98.16>



The OCC found this state law out of compliance with federal regulations under 45 C.F.R. § 98.21(a)(1) and (e)(1), (2), & (4)<sup>7</sup> around minimizing disruptions in child care for families. Funding for this proposal will help cover additional eligibility for families currently designated as schedule reporters who may have lost CCAP benefits during their 12-month eligibility under current law. This component is effective March 2, 2026.

## **Impact on Children and Families:**

### ***Reduced Copayments***

This proposal aims to reduce out of pocket costs for children and families receiving CCAP. Capping family copayments at 7 percent of a family's income aligns with federal requirements as well as the Minnesota Great Start Scholarships Program established by the 2023 Legislature. Currently CCAP families spend up to 14 percent of their income on copayments for child care.

### ***LNL Provider Health and Safety Training Requirements***

Requiring providers to take annual training could improve health and safety outcomes for children in LNL settings.

### ***Redetermination Dates for Families When a Child is Added to the Family***

Children and families will have more stable access to CCAP. This proposal will reduce administrative complexity for families due to having their redetermination extended a year.

### ***Eliminate the "Schedule Reporter" Designation from CCAP***

Families who are currently designated as "Schedule Reporters" will be eligible to receive CCAP but will no longer have to provide updates on their eligibility within a 12-month eligibility period.

## **Equity and Inclusion:**

These changes increase financial supports for families by decreasing the amount they are required to pay in copayments and streamline how they complete the eligibility redetermination process. Providers will be better supported by not having to collect as high of copayments from families and by having more consistent authorizations and payment for families that previous had a schedule reporter designation. Although all families receiving CCAP will benefit from these changes, Black or African American children and families are disproportionately represented in the current CCAP caseload. This means that Black or African American children will more greatly benefit from these changes to improve CCAP.

## **Tribal Consultation:**

Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

☒ Yes

☐ No

## **Impacts to Counties:**

These changes may:

1. Increase the number of cases that need to be processed by counties and local agencies, which could require more time and effort on the part of county and local agency workers.
2. Simplify program policies, which could decrease burdens for CCAP agencies.

CCAP has engaged with local agencies on these proposals and has discussed impacts to workload. For example, CCAP agencies specifically recognized eliminating schedule reporters as possibly lessening their burden.

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<sup>7</sup> Code of Federal Regulations <https://www.ecfr.gov/current/title-45/subtitle-A/subchapter-A/part-98/subpart-C/section-98.21>

## IT Costs:

This proposal includes technology costs for changes to MEC<sup>2</sup>

## Results:

Overall, these proposals would reduce out of pocket child care costs for CCAP families and provide more supports for providers who provide care for children and families receiving CCAP. Additionally, these changes reduce barriers for providers to accept CCAP, address the child care shortage, increase families' access to child care, and implement program integrity strategies to ensure funding is available for the most vulnerable Minnesotans.

### Part A: Performance Measures

The goal of this proposal is to better support children, families, and providers who participate in CCAP. Improving provider payment practices will better support CCAP providers, improve families' access to child care by increasing the number of providers willing to accept CCAP, and help stabilize the child care market. These changes will also better support children and families receiving CCAP by ensuring 12-month eligibility and lowering the out-of-pocket cost for copays.

A study from the University of Minnesota<sup>8</sup> suggests that increasing subsidy payment rates, and by extension improving payment policies to eliminate or reduce copayments, leads to more stable subsidy participation.

Engagement sessions with advocates, local agency administrators, and various types of providers informed developing these proposals. Community partners support these changes and have confidence they will better support the child care sector and help meet the needs of families receiving CCAP subsidies.

Measure	Measure type	Measure data source	Most recent data	Projected change
Number of tiers of copays	Result	CCAP Program Data	33 copay tiers	Decrease to 15 tiers
Extend the redetermination period when a new child is added to the family	Result	CCAP Program Data	Estimated 40 families	Approximately 40 families per year are estimated to have extended CCAP eligibility when a child is added to the family
Number of families under a schedule reporter designation	Outcome	CCAP Program Data	12% of CCAP families	Decrease/eliminate

### Part B: Use of Evidence

Indicate what kind(s) of evaluation you will be conducting. Select all that apply.

- ☐ No formal evaluation planned at this time
- ☐ Not yet determined
- ☒ Needs Assessment
- ☐ Process or Implementation Evaluation
- ☐ Summative Impact Evaluation (Randomized Control Trial (RCT) or Quasi-Experimental Design)
- ☐ Summative Evaluation other than an Impact Evaluation
- ☐ Other (please describe or link):

## Part C: Evidence-Based Practices

Evidence-based practice:	Source:
Will conduct a literature review linking these potential changes to improved access to child care.	TBD (possibly linked to efforts underway with the U of M- PROSPR)

### **Reducing Copayments**

Families' copays will be reduced and there will be fewer tiers in the copay schedule. This will simplify CCAP administration and may result in copays changing less frequently for families.

### **Changes to Legal Nonlicensed Provider Health and Safety Training Requirements**

Requiring providers to take annual training could improve health and safety outcomes for children in LNL settings.

### **Extending Redetermination Dates for Families When a Child is Added to the Family**

This change will result in more consistent child care authorizations which may lead to more stability for children, families, and providers. This brings Minnesota into compliance with federal law removing the threat of financial penalty. By extending redeterminations when new eligible children are added to the family, we expect to see 12 months before families next redetermination due date.

### **Eliminating the "Schedule Reporter" Designation from CCAP**

Reduce the frequency of changes to the amount of care that is authorized during the 12-month eligibility period. This brings Minnesota into compliance with federal law removing the threat of financial penalty. By eliminating the "Schedule Reporter" designation from CCAP there will be fewer changes in the amount of care authorized for their children.

### **Fiscal Detail:**

Net Impact by Fund (dollars in thousands)	FY 26	FY 27	FY 26-27	FY 28	FY 29	FY 28-29
General Fund	161	32	193	32	32	64
HCAF			-			-
Federal Fund – Child Care Development Fund	4,081	9,700	13,781	10,273	10,081	20,354
<b>Total All Funds</b>	<b>4,242</b>	<b>9,732</b>	<b>13,974</b>	<b>10,305</b>	<b>10,113</b>	<b>20,418</b>

Fund	BACT#	Description	FY 26	FY 27	FY 26-27	FY 28	FY 29	FY 28-29
Federal Fund	22	MFIP CCAP	1,419	4,221	5,640	4,791	4,885	9,676
Federal Fund	42	Basic Sliding Fee	2,662	5,479	8,142	5,482	5,196	10,678
General Fund	11	MEC2 @ 52% state share	161	32	193	32	32	64
		<b>Requested FTE's</b>						

### **Statutory Change(s):**

This proposal will impact 142E.

## Children, Youth, and Families

### FY 2026-27 Biennial Budget Change Item

#### Change Item Title: Electronic Statewide Attendance Tracking

Fiscal Impact (\$000s)	FY 2026	FY 2027	FY 2028	FY 2029
General Fund				
Expenditures	3,778	1,115	1,115	1,114
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	3,778	1,115	1,115	1,114
FTEs	2.25	3.0	3.0	3.0

#### Recommendation:

The Governor recommends \$3.778 million from the general fund in fiscal year (FY) 2026 and \$1.115 million annually beginning in FY2027 for changes to develop a statewide electronic attendance and recordkeeping system for the Child Care Assistance Program (CCAP).

#### Rationale/Background:

In Spring 2024, the Federal Office of Child Care (OCC) announced changes to rules and regulations for the federal Child Care Development Fund (CCDF) which partially funds CCAP payments for Minnesota families. Part of these new federal requirements under 45 C.F.R. § 98.45(m)(1) and (2)<sup>1</sup> require states to mirror private-market practices and pay providers in advance based on enrollment. While the new rules include positive changes for families and providers, they do require resources in order to comply. While these new rules must be implemented by August 1, 2026, to ensure a penalty from OCC is not issued, Minnesota is not alone in examining how to most efficiently implement the new rules.

A known step to implementing the new rules is developing a statewide electronic records system. This is required infrastructure to implement several components of the new rule with fidelity and integrity. Even outside of the new federal rule requirements, a statewide electronic attendance tracking system improves service delivery for families and providers, and supports program integrity and fraud prevention efforts.

To this end, 2019 reports from the Office of Legislative Auditor recommended CCAP adopt a statewide electronic records system as a tool to improve program integrity. Providing real-time access to electronic attendance records gives the Department and implementing counties and participating tribal nations the ability to verify children's enrollment and proactively address issues before they escalate.

#### Proposal:

This proposal provides \$3.779 million in FY2026 and \$1.115 million annually beginning in FY2027 to develop a statewide electronic attendance recordkeeping system for CCAP. This will improve fraud prevention and program integrity immediately and is required infrastructure to implement forthcoming federal regulations with fidelity and integrity. Implementing a new recordkeeping system positions Minnesota to balance the new federal requirements under 45 C.F.R. § 98.45(m)(1) and (2)<sup>2</sup> to pay based on enrollment with existing federal laws under

<sup>1</sup> <https://www.ecfr.gov/current/title-45/subtitle-A/subchapter-A/part-98#98.45>

<sup>2</sup> <https://www.ecfr.gov/current/title-45/subtitle-A/subchapter-A/part-98#98.45>

45 C.F.R. § 98.68(a) & (b)<sup>3</sup> requiring states to have effective internal controls, which includes review of attendance records and billing. Electronic attendance recordkeeping is also a step towards early care and education program coordination and alignment. The Great Start Compensation Support Payment Program (GSCSPP) already has requirements for providers to start using electronic attendance records, and Early Learning Scholarships (ELS) is moving in this direction.

This proposal includes 2 full-time equivalent (FTE) positions for Minnesota Information Technology Services (MNIT) and 1 FTE for the Office of Inspector General (OIG) transition to DCYF in July 2025 to develop this system. Due to implementation timing, the OIG position is 0.25 FTE in FY26, increasing to a full 1.0 FTE in FY27 onward.

### Impact on Children and Families:

This proposal will provide a key program integrity measure to ensure public funds are available for the most vulnerable families and children. This proposal also moves toward aligning CCAP with Early Learning Scholarships and the Great Start Compensation Support Payment Program (GSCSPP), which can help reduce duplication of efforts for children and who receive both CCAP, an Early Learning Scholarship, and/or GSCSPP.

### Equity and Inclusion:

This change creates a streamlined electronic attendance and recordkeeping system for providers. Providers that experience barriers to maintaining records may benefit from this change.

### Tribal Consultation:

Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

☐ Yes

☒ No

### Impacts to Counties:

CCAP has engaged with local agencies on this proposal and has not identified impacts to caseloads related to electronic attendance.

### IT Costs

<i>Category</i>	<i>FY 2026</i>	<i>FY 2027</i>	<i>FY 2028</i>	<i>FY 2029</i>	<i>FY 2030</i>	<i>FY 2031</i>
Payroll						
Professional/Technical Contracts						
Infrastructure	5,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Hardware						
Software	169,140	169,140	169,140	169,140	169,140	169,140
Training						
Enterprise Services						
Staff costs	387,500	470,000	470,000	470,000	470,000	470,000
<b>Total</b>	<b>5,556,640</b>	<b>1,639,140</b>	<b>1,639,140</b>	<b>1,639,140</b>	<b>1,639,140</b>	<b>1,639,140</b>
MNIT FTEs	2	2	2	2	2	2
Agency FTEs	.25	1	1	1	1	1

<sup>3</sup> <https://www.ecfr.gov/current/title-45/subtitle-A/subchapter-A/part-98#98.68>

## Results:

This proposal will implement program integrity strategies to ensure funding is available for the most vulnerable Minnesotans.

## Performance Measures

Engagement sessions with advocates, local agency administrators, and various types of providers informed developing these proposals. Community partners support these changes and have confidence they will better support the child care sector and help meet the needs of families receiving CCAP.

Measure	Measure type	Measure data source	Most recent data	Projected change
Provider participation in electronic attendance recordkeeping	Outcome	Internal data	14% of family child care providers and 50% of child care centers use some form of electronic attendance system	Increase
Time spent by state and local agencies collecting attendance records	Outcome	Internal review	N/A	Decrease
Number of childcare attendance tracking systems compatible with CCAP attendance requirements	Outcome	Internal data	N/A	Increase

## Evidence-Based Practices

Evidence-based practice:	Source:
Will conduct a literature review linking these potential changes to improved access to child care.	TBD (possibly linked to efforts underway with the U of M- PROSPR)

## Statewide Electronic Attendance Recordkeeping System

Widespread use and access to electronic records may:

- Reduce paperwork and provide a streamlined way to submit and collect and records.
- Provide proactive monitoring and use of data to better identify providers at highest risk for fraud, waste, or abuse.
- Mitigate potential risks involved with paying in advance, as Minnesota moves in this direction as required under federal law, by having a consistent method of verifying children's enrollment.
- Give state and local agencies the ability to proactively address issues before they escalate (e.g., quickly alert CCAP to situations when children are no longer enrolled).
- Support simplification and modernization by aligning with existing requirements in Minnesota Statutes, section 142D.21 (previously 119B.27<sup>4</sup>) for the Great Start Compensation Support Payment Program (GSCSPP) and upcoming requirements under Minnesota Statutes, section 119B.99<sup>5</sup> for the Great Start Scholarship Program.

<sup>4</sup> <https://www.revisor.mn.gov/statutes/cite/119B.27>

<sup>5</sup> <https://www.revisor.mn.gov/statutes/cite/119B.99>

- Continue to shift the focus of the department's program integrity efforts toward encouraging compliance and away from enforcing consequences, which attempts to eliminate racial disparities and improve outcomes for everyone.

#### Fiscal Detail:

Net Impact by Fund (dollars in thousands)	FY 26	FY 27	FY 26-27	FY 28	FY 29	FY 28-29
General Fund	3,778	1,115	4,893	1,115	1,114	2,229
<b>Total All Funds</b>	<b>3,778</b>	<b>1,115</b>	<b>4,893</b>	<b>1,115</b>	<b>1,114</b>	<b>2,229</b>

Fund	BACT#	Description	FY 26	FY 27	FY 26-27	FY 28	FY 29	FY 28-29
General Fund	13	Electronic attendance tracking - (2.25,3,3,3)	5,555	1,639	7,194	1,639	1,638	3,277
General Fund	REV1	FFP @ 32%	(1,777)	(524)	(2,301)	(524)	(524)	(1,048)
		<b>Requested FTE's</b>						

Fund	BACT#	Description	FY 26	FY 27	FY 26-27	FY 28	FY 29	FY 28-29
			2.25	3	3	3	3	3

**Change Item Title: Child Welfare IT Modernization**

<b>Fiscal Impact (\$000s)</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>	<b>FY 2029</b>
General Fund					
Expenditures	(10,000)	10,000	0	0	0
Revenues	0	0	0	0	0
Other Funds					
Expenditures	0	0	0	0	0
Revenues	0	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	(10,000)	10,000	0	0	0
<b>FTEs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Recommendation:**

The Governor recommends investing \$10 million onetime in fiscal year 2026 to make further progress toward modernization of the child welfare portions of the Social Service Information System (SSIS), the state's case management and reporting system that was developed in the 1990s. County and tribal social services use SSIS to track, manage, and pay for social services. The expectation is that federal financial participation in the amount of 50% will be available to offset state costs. In 2024, \$10 million for SSIS modernization was appropriated to start the modernization process. This additional request will double the funding available for modernization efforts to begin in earnest. This funding would come from the cancellation and reappropriation of a portion of an FY 2024 appropriation for IT systems improvements for children and families.

**Rationale/Background:**

There are over 6,000 daily users of SSIS. This system is in urgent need of modernization due to frequent system outages, slow performance, and a lack of a modern user interface. Funds will be used to continue the process of modernizing the child welfare IT system built on a Product and Agile methodology in partnership with MNIT.

The child welfare IT system presently has frequent outages and slow performance. The user interface is not intuitive and contains excessive and outdated data entry requirements. DCYF has identified three key categories of required improvements in SSIS that are critical and urgent: application performance and stability, more user-friendly design and modern functionality, and fewer onerous data entry requirements.

In early 2024, DHS conducted a comprehensive, field-by-field review of the system from the point of view of a child protection worker. This study was made up of 12 listening sessions with over 150 end users from county and Tribal social service agencies and with over 50 DHS policy staff. The themes that emerged from this review included:

- **Performance and stability of the application is unreliable.** Slow screen loading, unexpected system outages, and dropped user sessions are common. Critical case information cannot be entered or accessed during outages; unsaved work is lost, worker data entry backlog increases.
- **There are no web or mobile capabilities.** Social work and case management are inherently mobile activities. It is critical to enable case workers to be in the field and access their information system on multiple devices.
- **The system has limited interaction with other systems serving the same people.** Counties have expressed a need for a statewide child welfare data system that can interface with the Courts. Limited functionality exists to share across counties and tribes securely.



- **The system lacks modern features that users expect.** Staff are accustomed to functionality such as auto save, address verification and autofill, customizable reports, electronic signatures, voice-to-text.
- **The system must become ADA accessible-** As required by federal law, a modernized system should also be designed for audiences with visual, hearing, cognitive, speech, mobility, and neural disabilities.
- **The system is not customizable to accommodate the unique needs of tribal social services.** Tribes have been advocating for data sovereignty and customized technology.
- **There are many bugs and workarounds that add to burden.** Workers frequently make notes in other applications, then paste them into SSIS to ensure they don't lose their work.
- **It is difficult to make system changes.** The complexity and age of this application means that the development expertise lies with very few people. Dwindling MNIT@DHS resources have led to long wait times for application changes.

In addition to the state's critical need to replace a failing system, in 2016, the U.S. Department of Health and Human Services (HHS) introduced the Comprehensive Child Welfare Information System (CCWIS) regulations. These new regulations aimed to provide more flexibility and support to states and tribes in developing and implementing their child welfare information systems. SSIS today is not compliant with federal CCWIS requirements. In 2018, Minnesota declared the state's intention to become CCWIS compliant, which has allowed Minnesota to continue to receive matching funds to support the maintenance and operations of the existing system while we plan for modernization. While deadlines have not yet been implemented, the federal government is signaling that expectations for movement towards compliance will be enforced soon. CCWIS regulations encourage or require:

- **Modularity:** Unlike SSIS, which is a single, monolithic system based upon prior federal requirements, CCWIS emphasizes a modular approach. This allows states and tribes to build or procure separate components that can be integrated to meet their specific needs. The modular design also supports easier updates and replacements of system components over time.
- **Data Quality and Interoperability:** CCWIS introduces stricter requirements for data quality and emphasized the importance of interoperability between systems. This was to ensure better data sharing across agencies and improved overall service delivery to children and families.
- **Customization and Flexibility:** CCWIS allows states and tribes to design systems that align more closely with their unique needs, while still meeting federal requirements.
- **Focus on Secure Data Sharing:** One of the primary goals of CCWIS is to enhance data sharing between child welfare agencies and other service providers, such as education, health, and justice systems. In addition, systems must also be secure to protect sensitive data and uphold privacy regulations. This facilitates a more holistic approach to child welfare.
- **Reduced Administrative Burden:** CCWIS regulations encourage the use of modern technologies and streamlined processes, reducing the administrative burden on social workers and allowing them to spend more time on direct service delivery.

DCYF, in collaboration with local social service agencies, has identified the following vision for a modernized system:

- The system supports, but does not dictate, social work practice. An information system is not a substitute for quality supervision.
- Workers devote more time to service provision and less to paperwork. Innovative technology allows easier access to information.
- The system promotes accountability to families, federal partners, and the public. We envision a system that is built with collaboration, review, audit, and investigation in mind. New technology can help us keep confidential and private data secure while enabling reviews that will inform better policy, practice, and equity.
- The system provides a modern user experience. We seek a system that meets the technology expectations of the next generation of case workers.

- The system is adaptable to future needs- We envision a system that will be modular and anticipates the evolution of technology. We want to future proof our investment.

Our strategy for child welfare IT modernization includes working within a Product and Agile framework. The Governor's One Minnesota Plan<sup>1</sup> includes customer experience as a key priority. Product and Agile best practices are a key component of improving digital customer experience by:

- Improving our customers' and employees' experiences, and ensures we are working efficiently and effectively.
- Enabling customer insight and feedback, team collaboration, and innovation.
- Ensuring ongoing support and continuous improvements for our service offerings and technologies.

DCYF and MNIT are currently reviewing proposals from external vendors to perform a comprehensive assessment of the child welfare portions of SSIS and develop a detailed plan for modernization. Upon completion of this plan, DCYF and MNIT will be able to provide a more precise breakdown of the estimated costs for each specific improvement to be made to SSIS. While the additional funding included in this request will enable some progress, DCYF expects, based on the experiences of other states that have undertaken similar efforts, that there will be additional costs in the future.

### Proposal:

This proposal requests funding to continue the efforts to modernize child welfare IT in a way that satisfies CCWIS requirements. The vendor modernization recommendations are likely to include a blend of contracting with software development companies for system redesign; hiring new MNIT maintenance and operations staff; and purchasing new application technology such as cloud space, security, and database management.

**Cost:** \$10 million one time in FY 2026 to continue progress toward modernization of the child welfare portions of SSIS. As noted above, DCYF and MNIT are still in the process of developing a detailed modernization plan, but factors that will affect the final total costs include:

1. **Scope of the System:** SSIS today has a broader scope than most states' systems. This request will focus on improving experiences for the child welfare system; however, the current system supports a wide variety of social services that county and tribal social services provide. These services include non-child welfare social services programs such as mental health, adult protection, elderly services, early-intervention and prevention services, disability services, chemical dependency, and family childcare and family foster care licensing. SSIS also contains a fiscal management module that facilitates vendor payments, \$136 million in Medicaid claims that go to local agencies for case management, and Title IV-E foster care eligibility and reimbursement. SSIS contains over 150 documents including letters, case plans and official court documents. Minnesota intends to create new functionality including the CCWIS-required data exchanges with the Minnesota Courts, Minnesota Department of Education, and the juvenile justice system.
2. **Vendor Selection and Technology:** The most cost-effective solution for full replacement of the child welfare portions of SSIS and development of modern features will likely include a blend of off-the-shelf, vendor customized, homegrown, and subscription services.
3. **Maintenance and Ongoing Costs:** Beyond initial implementation, ongoing costs for system maintenance, support, and updates are significant. This can add 15% to 20% annually to the total project cost.
4. **Federal Funding:** CCWIS modernization activities are eligible for 50 percent federal financial participation, though some aspects may be able to draw down higher rates.

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<sup>1</sup> [One Minnesota Plan / One Minnesota Plan \(mn.gov\)](https://mn.gov/mmb/one-mn-plan/) <https://mn.gov/mmb/one-mn-plan/>

5. **Timeframe:** DCYF anticipates modernizing SSIS using a modular and iterative approach over a period of several years depending on the complexity of the project and the state's readiness for transition. Prolonged timelines can increase overall costs.

### **Impact on Children and Families:**

Investments in a modern information system will ultimately result in better outcomes for children and families. Research studies have shown that burnout and turnover among social workers is linked to poorer outcomes in child protection cases<sup>2</sup>. Workers need more time to work directly with families and providers. Workers need more time to work directly with families and providers. Scott County testified to the Minnesota House Children and Families Finance Committee in 2023 that there was a 50% turnover in child protection staff in the prior year. Data entry requirements and constant frustrations related to SSIS performance were the most cited reasons for leaving child protection work in favor of social work positions with fewer administrative requirements.

The HHS Administration for Children and Families outlines the primary outcomes of a modernized CCWIS as including those listed below. This proposal will enable progress toward these outcomes.

- **Personalized Care:** CCWIS enables caseworkers to manage cases more effectively by providing tools that allow for detailed tracking of each child's needs, history, and services received. This leads to more personalized and timely interventions tailored to the specific circumstances of each child and family.
- **Reduced Errors:** By automating data entry and validation, CCWIS reduces the risk of errors in case records. Accurate data ensures that caseworkers have the correct information when making critical decisions that affect children and families.
- **Holistic Approach:** CCWIS facilitates the sharing of information across different agencies (such as health, education, and juvenile justice), allowing for a more comprehensive understanding of a child's needs. This improved coordination ensures that children receive the necessary services from various sectors in a timely and coordinated manner.
- **Efficient Service Delivery:** With access to real-time data and integrated systems, caseworkers can quickly identify and address gaps in services, ensuring that children and families receive the support they need without unnecessary delays.
- **Data-Driven Decisions:** CCWIS provides caseworkers with up-to-date, accurate data, enabling them to make informed decisions regarding the safety, placement, and well-being of children. This data-driven approach helps ensure that decisions are based on the best available information.
- **Clear Documentation:** CCWIS ensures that all actions taken by caseworkers are documented and easily accessible. This transparency helps build trust with families and ensures that there is a clear record of the services provided and decisions made.
- **Monitoring and Oversight:** The system allows for better oversight of caseworkers' activities and compliance with legal and regulatory requirements. This oversight ensures that children and families receive the services they are entitled to and that their rights are protected.
- **More Time for Direct Services:** By automating many administrative tasks, CCWIS reduces the time caseworkers spend on paperwork. This allows them to focus more on direct interactions with children and families, which is critical for building trust and effectively addressing their needs.
- **Improved Worker Retention:** By making case management less burdensome and more efficient, CCWIS can help reduce burnout and turnover among caseworkers. This stability in staffing benefits children and families by ensuring continuity in the care and support they receive.
- **Timely Interventions:** With better data and more efficient processes, CCWIS helps ensure that children receive timely interventions, reducing the likelihood of adverse outcomes such as extended stays in foster care or repeated incidents of abuse or neglect.

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<sup>2</sup> Kim, H., & Stoner, M. (2008). "Burnout and turnover intention among social workers: Effects of role stress, job autonomy and social support." *Administration in Social Work*, 32(3), 5-25. doi:10.1080/03643100801922357

- **Permanent Solutions:** The system supports efforts to find permanent, stable placements for children more quickly, whether through reunification with their families, adoption, or guardianship. This focus on permanency helps provide children with the stability they need to thrive.
- **Access to Information:** Families can benefit from clearer communication and easier access to information about their cases through CCWIS. This transparency empowers them to be more involved in the decision-making process and better understand the steps being taken to support their children.
- **Support for Family Reunification:** For families working toward reunification, CCWIS can help ensure that the necessary services (such as counseling or parenting classes) are delivered promptly, making it easier for them to meet the requirements for reunification.

### **Equity and Inclusion:**

SSIS is presently not Americans with Disabilities Act (ADA) compliant and is not adaptable or compatible with tools that make web sites accessible. ADA compliance ensures that people with disabilities have equal access to digital services and applications. ADA-compliant applications have clear navigation, straightforward language, and intuitive design elements make it easier for users to interact with the application. Many features that make an application ADA-compliant known as “universal design”, such as clear navigation, easy-to-read fonts, and uncluttered screens benefit all users.

Through standardized data collection, enhanced access to services, and data-driven decision-making, CCWIS helps reduce disparities and promotes fairness across the child welfare system. This leads to better, more equitable outcomes for children and families, ensuring that everyone has an equal opportunity to thrive. A modernized system will consider how to incorporate better oversight of caseworkers' activities and compliance with legal and regulatory requirements securely and without further burden on caseworkers. DCYF will prioritize improvements in monitoring related to Indian Child Welfare Act (ICWA) compliance; Minnesota African American Family Preservation Act; and complaints being investigated by the Office for Ombudspersons for Families, the Ombudsperson for American Indian Families, and the Ombudsperson for Foster Care Youth. This oversight ensures that children and families receive the services they are entitled to and that their rights are protected.

### **Tribal Consultation:**

Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

☒ Yes

☐ No

Presently, three Minnesota Tribes use SSIS: the Leech Lake Band of Ojibwe, the Red Lake Nation, and the White Earth Nation. The White Earth Nation testified to the legislature that they experience the same problems as counties with SSIS impacting their ability to serve families. Additionally, SSIS was not created with the unique needs of tribes in mind and does not ensure data sovereignty. DCYF has engaged with Tribal social services and the DHS Office of Indian Policy to hear these concerns. The SSIS Partnership Committee, which is a collaboration around SSIS modernization that includes DCYF, DHS, MNIT, Tribes and counties, includes the DHS Tribal Modernization Coordinator and representatives from Leech Lake and White Earth.

### **Impacts to Counties:**

Further analysis is needed to determine the short- and long-term returns on investment and opportunity costs associated with modernization. Modernizing SSIS will ideally result in immediate returns to the counties and Tribes with increased efficiency, lower turnover, increased morale, and better financial management tools. A modernized application will ideally reduce or simplify data entry requirements. In the short term, local agencies will need to devote time to a transition period that includes data transition and training. These functions will be managed by DCYF, however counties and Tribes will have personnel time devoted to this transition. Local agencies may submit reimbursement claims to the State for activities related to CCWIS including staff who are devoted to CCWIS maintenance and training and hardware. Counties and Tribes have been actively advocating for

a modernization of the information system. Multiple avenues for communication and input are in place. DCYF established the SSIS Partnership Committee, made up of administrators and staff at local agencies, DCYF and DHS staff, and MNIT. This collaboration will identify priorities and will communicate regularly with DCYF-MNIT formal governance.

### IT Costs:

At this time, the specific estimates for the categories in the IT cost table are unknown but are likely to span profession/technical services, infrastructure, hardware, software, training, consulting and FTEs. The vendor modernization recommendations are likely to include a blend of contracting with software development companies for system redesign; hiring new MNIT maintenance and operations staff; and purchasing new application technology such as cloud space, security, and database management. Other states that have made further progress towards CCWIS compliance have had similar budgets.

### Results:

#### Part A: Performance Measures

Eventually, upon full completion of this modernization project, DCYF envisions technology that supports the services that lead to better outcomes for the most vulnerable Minnesotans. Upon completion, we expect to begin formal process evaluation on the extent to which all partners were included in the modernization planning and design, and to track the effectiveness of communications and feedback loops. Over the longer term of phased-out implementation, we will gather data on user satisfaction, data quality, data sharing, caseworker productivity, and performance and stability improvements. We will use baseline data collected on worker turnover and how frequently they cite excessive administrative duties and frustrating technology experience.

Measure	Measure type	Measure data source	Most recent data	Projected change
Partner participation satisfaction	Quality	Survey of the Minnesota Association of County Social Service Administrators, the SSIS Partnership Committee and the Indian Child Welfare Advisory Council, DCYF policy staff and leadership	N/A	Partners will indicate that they Agree or Strongly Agree that relevant partners have been included in the planning of modernization.
Overall user satisfaction	Quality	Twice yearly survey	N/A	Period over period improvement in satisfaction starting with initial rollout.
Staff turnover in counties and tribes	Quality and quantity	Ongoing survey	Scott County 2022, 50% staff turnover. Most indicated SSIS/administrative paperwork as primary reason.	New baseline data to be collected January 2025. More precise baseline for turnover and information system satisfaction.

Measure	Measure type	Measure data source	Most recent data	Projected change
System performance data: Number of incidents Hours of service impacts	Quantity	MNIT	September 2024 (rolling 12 months) 22 incidents 66 hours impacted	
Time spent with families	Quantity	Time records	Two counties show time spent with families is, on average, less than 17 percent of their work week.	New baseline data should be gathered between January and May 2025 to determine expected change.
Federal reporting errors	Quantity	Adoption and Foster Care Analysis and Reporting System (AFCARS) error reports. Each data element will meet established compliance threshold.	For the first two quarters of federal fiscal year 2024, 12 data elements did not meet data quality compliance thresholds.	Zero data elements will be out of compliance.
Child maltreatment re-reporting: Of children who had a maltreatment report in the prior year, what percentage of children had a subsequent report within 12 months?	Results	Minnesota Child Welfare Data Dashboard	2023 18.0 percent	15.2 percent or less
Of all screened in Child Protection reports closed during the year, what percentage of alleged victims were seen in face-to-face visits within the time-limit specified by MN state statute?	Results	Minnesota Child Welfare Data Dashboard	2023 86.2 percent	95 percent or higher

#### Part B: Use of Evidence

1. Have you previously conducted a formal quantitative or qualitative program evaluation that informed the contents of this proposal? If so, please briefly describe the evaluation.

N/A

2. Are you planning to conduct a formal qualitative or quantitative program evaluation related to this proposal? Indicate what kind(s) of evaluation you will be conducting. Select all that apply.

DCYF intends to conduct a formal evaluation associated with this proposal.

- ☐ No formal evaluation planned at this time
- ☐ Not yet determined
- ☒ Needs Assessment
- ☒ Process or Implementation Evaluation
- ☐ Summative Impact Evaluation (Randomized Control Trial (RCT) or Quasi-Experimental Design)
- ☒ Summative Evaluation other than an Impact Evaluation
- ☐ Other (please describe or link):

**Fiscal Detail:**

Net Impact by Fund (dollars in thousands)	FY 25	FY 26	FY 27	FY 25-27	FY 28	FY 29	FY 28-29
General Fund	(10,000)	10,000	-	0	-	-	-
<b>Total All Funds</b>	<b>(10,000)</b>	<b>10,000</b>	<b>-</b>	<b>0</b>	<b>-</b>	<b>-</b>	<b>-</b>

Fund	BACT	Description	FY 25	FY 26	FY 27	FY 25-27	FY 28	FY 29	FY 28-29
General Fund	11	Cancellation to GF	(10,000)		-	(10,000)	-	-	-
General Fund	11	SSIS Modernization		10,000	-	10,000	-	-	-
		<b>Requested FTE's</b>							

Fund	BACT	Description	FY 25	FY 26	FY 27	FY 26-27	FY 28	FY 29	FY 28-29
			0	0	0	0	0	0	0

## Children, Youth, and Families

### FY 2026-27 Biennial Budget Change Item

#### Change Item Title: Increase Capacity of Compliance Team

Fiscal Impact (\$000s)	FY 2026	FY 2027	FY 2028	FY 2029
General Fund				
Expenditures	223	266	266	266
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	223	266	266	266
FTEs	2	2	2	2

#### Recommendation:

The Governor recommends investing \$489,000 in FY 2026-27 and \$532,000 in FY 2028-29 to increase the capacity of the compliance team at the Department of Children, Youth, and Families (DCYF). This investment will support two positions within the DCYF Compliance Office to enhance the agency's internal process controls, monitoring, and data analytics to prevent fraud, waste, and abuse in public programs. These positions will expand the agency's capacity to effectively monitor providers and other entities receiving public funding and ensure that DCYF meets its statutory obligations to remove bad actors from public programs when program integrity violations occur.

#### Rationale/Background:

On January 3, 2025, Governor Walz signed executive order 25-01, which created a centralized state fraud investigations unit at the Bureau of Criminal Apprehension to combat fraudulent activity impacting state programs. The Governor also announced a legislative package to prevent, detect, investigate, and penalize fraud in state programs. As a part of this package the Governor is recommending increased criminal penalties, strengthened investigation and enforcement authority, and enhanced detection and oversight by state executive branch agencies, including at the newly established Department of Children, Youth, and Families (DCYF).

DCYF oversees a wide and complex range of public programs, funding streams, and providers that serve hundreds of thousands of children and families each year, including some of the most vulnerable children and families in Minnesota. DCYF actively promotes program oversight and monitoring strategies that improve program integrity; prevent fraud, waste, and abuse in public programs; and ensure that taxpayer dollars for critical safety net programs serve their intended purpose.

Since the agency was established in July 2024, the DCYF Compliance Office has taken a collaborative, cross-agency approach to compliance, including taking an agency-wide assessment of state and federal audit findings, internal process controls, ongoing agency investigations, and the grants and contracts processes. With this approach, the Compliance Office can better develop solutions that enhance compliance on an agencywide basis and improve coordination and oversight across programs. Additional resources in the DCYF Compliance Office will improve these ongoing efforts to ensure that programs meant to serve children and families in Minnesota are managed effectively, efficiently, and with the oversight needed to ensure program integrity.

#### Proposal:

The Governor recommends investing \$489,000 in FY 2026-27 and \$532,000 in FY 2028-29 to increase the capacity of the compliance team at DCYF. This investment will support two positions within the DCYF



Compliance Office to enhance the agency's internal process controls, monitoring, and data analytics to prevent fraud, waste, and abuse in public programs. These positions will expand the agency's capacity to effectively monitor providers and other entities receiving public funding and ensure that DCYF meets its statutory obligations to remove bad actors from public programs.

#### Limit on Receiving Public Funds Coordinator

One FTE in the DCYF Compliance Office will be responsible for enhancing the agency's capacity to proactively meet its obligations under Minnesota Statutes, section 142A.12,<sup>1</sup> to root out bad actors in public programs. Section 142A.12 – limits on receiving public funds – ensures that when a provider, vendor, or individual enrolled, licensed, receiving funds under a grant contract, or registered in any program administered by the commissioner, is excluded from a program due to program integrity violations, the commissioner shall ensure that entity or individual and any associated entities or individuals cannot participate or receive funding in any other programs administered by the commissioner. Section 142A.12 also grants the commissioner the authority to stop or withhold payments due to credible allegations of fraud. An additional FTE in the Compliance Office will increase DCYF's capacity to coordinate across programs and services and ensure the agency takes an active and preventive approach to combatting fraud, waste, and abuse in public programs.

#### Sub-recipient Monitoring and Data Analytics Coordinator

One FTE in the DCYF Compliance Office will provide coordinated, agency-wide support for systemic monitoring efforts to reduce repetitive DCYF audit findings related to a lack of sufficient sub-recipient monitoring. The position will also provide data analysis to identify trends and gaps in audit findings, systemic supports, and programmatic needs that will ensure greater prevention of fraud, waste, and abuse. This position will coordinate with the Limits on Receiving Public Funds Coordinator and the grants and contracts teams to ensure DCYF is both meeting its regulatory obligations and providing broad-based support to programmatic teams in their monitoring efforts.

#### **Impact on Children and Families:**

DCYF was created as a bold step toward realigning state government to better coordinate and resource the systems that serve children, youth, and families, investing in the vision and mission that Minnesota is a state where all children can – and do – thrive. Bringing together programs from the Departments of Education, Health, Human Services, and Public Safety, DCYF will:

- Align outcomes and pursue equity for children, youth, and families across state government
- Elevate the policy priorities and funding needs of children, youth, and families in budgeting and policy decision-making
- Focus with local partners on improving the front door for services, with a goal to ease access and navigation for families
- Sharpen the focus of all impacted state agencies to best address the issues central to the people they serve

Investing in additional capacity to improve program compliance, enhance internal process controls, reduce negative audit findings, and strengthen monitoring of grantees and providers will help ensure that DCYF programs are meeting their intended purpose of serving Minnesota's children and families.

#### **Equity and Inclusion:**

Many of Minnesota's public programs, including the safety net programs and family supports overseen by DCYF, reflect the state's racial and ethnic socioeconomic disparities. Children and families of color, American Indian children and families, LGBTQ+ children and youth, and children with disabilities or behavioral health challenges are overrepresented in the programs, services, and systems overseen by the agency.

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<sup>1</sup> <https://www.revisor.mn.gov/statutes/cite/142A.12>.

DCYF was established to put children at the center of state government, creating a permanent state agency and commissioner focused on elevating children and families in policy and budget decisions. This realigns state government to advance equitable outcomes for children, youth, and families through transformative, partnership-driven policies, programs, and practices. Enhancing DCYF's program oversight and monitoring strategies to improve program integrity; prevent fraud, waste, and abuse in public programs; and ensure that taxpayer dollars serve their intended purpose supports DCYF's mission of making Minnesota the best state in the country for all children and families to thrive.

**Tribal Consultation:**

Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

\_\_\_ Yes  
X No

**IT Costs:**

Not applicable.

**Results:**

Part A: Performance Measures

DCYF aims to proactively prevent fraud, waste, and abuse in public programs and ensure that critical safety net resources benefit children and families in Minnesota. Increased capacity in DCYF's Compliance Office should result in fewer negative state and federal audit findings, enhanced internal process controls, expanded monitoring and oversight of public funds, and removal of bad actors from public programs when fraud and program integrity violations occur.

Measure	Measure type	Measure data source	Most recent data	Projected change
Coordinated structure and process with grants and contracts team and program areas to ensure regulatory obligations related to monitoring funds distributed by DCYF are met in a manner that comports with service provision	Quality/Result	Administrative data will be collected across DCYF divisions.	N/A	Increased agencywide coordination
Coordinated system to meet agency obligations under Limit on Receiving Public Funds	Quality/Result	Administrative data will be collected across divisions.	N/A	Enhanced system for monitoring
Strategic utilization of agency data including but not limited to audit findings, programmatic deliverable assessments, resource allocation and regulatory obligations to proactively create strong program integrity measures agency-wide	Quality/Result	Administrative data will be collected across divisions.	N/A	Increased agencywide utilization of administrative data

**Fiscal Detail:**

<b>Net Impact by Fund (dollars in thousands)</b>	<b>FY 26</b>	<b>FY 27</b>	<b>FY 26-27</b>	<b>FY 28</b>	<b>FY 29</b>	<b>FY 28-29</b>
General Fund	223	266	489	266	266	532
<b>Total All Funds</b>	<b>223</b>	<b>266</b>	<b>489</b>	<b>266</b>	<b>266</b>	<b>532</b>

<b>Fund</b>	<b>BACT#</b>	<b>Description</b>	<b>FY 26</b>	<b>FY 27</b>	<b>FY 26-27</b>	<b>FY 28</b>	<b>FY 29</b>	<b>FY 28-29</b>
GF	11	DCYF Admin – Compliance FTEs (2,2,2,2)	328	391	719	391	391	782
GF	11	Admin FFP @ 32%	(105)	(125)	(230)	(125)	(125)	(250)
		<b>Requested FTEs</b>						

<b>Fund</b>	<b>BACT#</b>	<b>Description</b>	<b>FY 26</b>	<b>FY 27</b>	<b>FY 26-27</b>	<b>FY 28</b>	<b>FY 29</b>	<b>FY 28-29</b>
GF	11	DCYF Admin – Compliance FTEs (2,2,2,2)	2	2		2	2	

## Children, Youth, and Families

### FY 2026-27 Biennial Budget Change Item

#### Change Item Title: Department of Children, Youth, and Families Transition Account Reallocation

Fiscal Impact (\$000s)	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
General Fund					
Expenditures - MMB	(8,500)	0	0	0	0
Expenditures - DCYF	0	4,080			
Revenues	0	0	0	0	0
Other Funds					
Expenditures	0	0	0	0	0
Revenues	0	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	(8,500)	4,080	0	0	0
<b>FTEs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

#### Recommendation:

The Governor recommends canceling and reappropriating \$6 million in the Department of Children Youth and Families Transition Account, currently at Minnesota Management and Budget, making these funds available through the FY2026-27 biennium. The new appropriation would be to the Department of Children, Youth, and Families (DCYF) in order to fund one-time needs associated with the transition, including costs associated with moving the agency, IT systems migration and a risk assessment for the new agency. The Governor also recommends canceling \$2.5 million from the DCYF Transition Account in FY 2025. The Implementation Office at MMB and the leadership of the Children’s Cabinet have been overseeing and coordinating the transfer of programs and associated finances and administrative operational functions from current state agencies to the new DCYF, as well as the transition account and associated expenses. DCYF will draw down federal reimbursement for this appropriation, making the net cost of the new appropriation \$4.080 million in FY 2026.

#### Rationale/Background:

In July 2024 the new Department of Children, Youth, and Families was established with a commissioner in place and programs and staff from the Children and Family Services Division at DHS and Early Learning Services Division at MDE transferred to the new agency. An implementation office at MMB was created to support the transition starting from July 2023 to June 30, 2025. As part of legislation establishing the new agency, \$11,931,000 in FY 2024 and \$2,066,000 in FY 2025 (Laws of Minnesota 2023, chapter 70, article 20, section 12(b)) were appropriated to MMB to establish the Department of Children, Youth, and Families. This included \$10 million appropriated to MMB for a transition account to fund the dedicated capacity to successfully transition and support the new agency in the transfer of programs and costs associated with one-time set-up of systems, analysis, engagement, and implementation processes. These funds are set to expire on June 30, 2025.

This proposal extends the availability of \$6 million of the remaining balance of these funds and cancels \$2.5 million of the balance in FY 2025. Additionally, this would appropriate the remaining funding to DCYF instead of MMB.

The funds will be used for moving-related expenses, wrap-up activities by the Implementation Office through the first quarter of FY26, a structured risk assessment, and expenses to transition IT and data infrastructure for operational functions. For example, we will use it to implement a grants management system that supports program integrity efforts and unifies our grant management operations for grantees.

**Proposal:**

The Governor recommends extending the availability of \$6 million remaining of these funds to be available through the 2026-27 biennium to be used for DCYF moving-related expenses, final transition activities at MMB, transition of IT and data infrastructure and a risk assessment.

The original appropriation was provided to support transition-related costs for the new Department of Children, Youth, and Families. These transition costs included moving-related expenses for the new agency. However, through the end of fiscal year 2026, DCYF is subleasing office space on floors three and four of the 444 Lafayette Rd N building, which DHS leases from a private landlord. The DHS lease of the 444 Lafayette building will end on June 30, 2026. This arrangement was a more efficient use of resources for both agencies, but delayed expenses that will be incurred by DCYF associated with moving to a new space and ensuring it aligns with the agency's needs. For example, since DCYF staff handle Federal Tax Information, there are some specialized physical and IT security standards required by the Social Security Administration that may need to be custom built. DCYF will need to pay for those customizations in a new space while it continues paying for the current space. DCYF has been overseeing a process, in collaboration with the Implementation Office and the Real Estate and Construction Services team at the Department of Administration, to identify a permanent office space. Identifying a permanent office space has been a visible component of the transition and these resources will help ensure it is executed smoothly.

In addition, the Implementation Office was only funded through June 30, 2025. Although all remaining DCYF programs will transition before that date, the Implementation Office will need to continue to support transition activities through at least the first quarter of FY 2026.

**Dollars in Thousands**

Net Impact by Fund	FY 25	FY 26	FY 27	FY 25-27	FY 28	FY 29	FY 28-29
General Fund	(8,500)	4,080	0	(4,420)	0	0	0
<b>Total All Funds</b>	<b>(8,500)</b>	<b>4,080</b>	<b>0</b>	<b>(4,420)</b>	<b>0</b>	<b>0</b>	<b>0</b>

Fund	Component Description	FY 25	FY 26	FY 27	FY 25-27	FY 28	FY 29	FY 28-29
GF	Transition Account Cancel	(8,500)	0	0	(8,500)	0	0	0
GF	Appropriation at DCYF	0	6,000	0	6,000	0	0	0
GF	DCYF FFP @ 32%	0	(1,920)	0	(1,920)	0	0	0

**Impact on Children and Families:**

The draft mission of DCYF is to advance equitable outcomes for children, youth, and families through transformative, partnership-driven policies, programs and practices. The agency aims to do this by prioritizing children and youth in state government, and by providing coordinated, whole -family -focused services that improve the lives of children and families through efficient, effective governance. This provides an opportunity to better prioritize children in our state government systems, especially our children who face barriers to opportunities and access to services, focused on culturally relevant services, including children of color and indigenous children, lower income children and children in rural areas.

This proposal contributes to this mission by continuing to ensure a smooth transition process, in particular for moving the physical office space to a space that meets the needs of the agency and its employees.

**Equity and Inclusion:**

This proposal supports the administrative functions of DCYF, so it is not independently contributing to supporting equity and inclusion of Minnesota communities; however, ensuring the DCYF transition happens smoothly is central to fulfilling the agency's mission and vision that are centered on equity and inclusion.

**Tribal Consultation:**

Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

☐ Yes  
☒ No

**IT Costs:**

N/A

**Results:**

This proposal is for operational improvements which cannot be studied through a randomized control trial or other performance-based measurements.

## Children, Youth, and Families

### FY 2026-27 Biennial Budget Change Item

#### Change Item Title: Cancel Funding for the Mille Lacs Band of Ojibwe to join the American Indian Child Welfare Initiative

Fiscal Impact (\$000s)	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
General Fund					
Expenditures	(5,294)	(7,893)	(7,893)	(7,893)	(7,893)
Revenues	0	0	0	0	0
Other Funds					
Expenditures	0	0	0	0	0
Revenues	0	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	(5,294)	(7,893)	(7,893)	(7,893)	(7,893)
FTEs		0	0	0	0

#### Recommendation:

The Governor recommends canceling funding that was appropriated in Minnesota Session Laws 2023, Chapter 70, Article 20, section 2, subdivision 22(b) for the Mille Lacs Band of Ojibwe (MLBO) to plan for and ultimately join the American Indian Child Welfare Initiative (the Initiative) under Minnesota Statute Section 142A.03, subdivision 9. This results in a reduction of \$5.294 million in FY 2025, \$15.786 in FY 2026-27, and \$15.786 million in FY 2028-29. MLBO Tribal leadership notified the Department of Children, Youth, and Families (DCYF) that they do not wish to move forward with joining the Initiative at this time. If MLBO decides to become an Initiative Tribe in the future, the Tribe will be able to determine program costs that reflect their population and available federal funding at that time. This reduction item also allows DCYF to reduce spending while protecting the agency's core mission and minimizing impacts on people served. This is a 100% reduction for the MLBO project to join the Initiative.

#### Rationale/Background:

This American Indian Child Welfare Initiative is a strategy to ensure American Indian children receive culturally appropriate child welfare and child protection services in their community. Tribes that join the Initiative provide child welfare services to American Indian children and their parents and custodians living on their reservation. Currently, White Earth Nation, Red Lake Nation, and Leech Lake Band of Ojibwe are part of the Initiative.

During the 2023 Legislative Session, staff from the Child Safety and Permanency Division at the Department of Human Services (now DCYF), worked with the MLBO to develop a plan and budget for becoming an Initiative Tribe and funding was appropriated for this purpose. However, the Chief Executive of MLBO notified the Commissioner of DCYF in late 2024 that the Band's leadership has found multiple barriers to becoming an Initiative tribe and therefore would not pursue joining the Initiative at this time. Based on this decision, the funding appropriated to DCYF to enable MBLO to become an Initiative Tribe is no longer needed.

#### Proposal:

As noted above, this proposal would cancel funding that was appropriated for the MLBO to become a member of the Initiative making the funding available for other priorities.

## Dollars in Thousands

Net Impact by Fund (dollars in thousands)	FY 25	FY 26	FY 27	FY 25-27	FY 28	FY 29	FY 28-29
General Fund	(5,294)	(7,893)	(7,893)	(21,080)	(7,893)	(7,893)	(15,786)
<b>Total All Funds</b>	(5,294)	(7,893)	(7,893)	(21,080)	(7,893)	(7,893)	(15,786)

Fund	BACT#	Description	FY25	FY 26	FY 27	FY 25-27	FY 28	FY 29	FY 28-29
General Fund	45	Grant to MLBO	(5,294)	(7,893)	(7,893)	(21,080)	(7,893)	(7,893)	(15,786)
		<b>Requested FTE's</b>							

Fund	BACT#	Description	FY 25	FY 26	FY 27	FY 25-27	FY 28	FY 29	FY 28-29
			0	0	0	0	0	0	0

## Tribal Consultation:

Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

☒ Yes

☐ No

As noted above, MLBO has determined and clearly communicated that they will not join the Initiative at this time. This proposal matches that intent.

## Results:

N/A



## Children, Youth, and Families

### FY 2026-27 Biennial Budget Change Item

#### Change Item Title: Reduce Restorative Practices Initiatives Grant Program

Fiscal Impact (\$000s)	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
General Fund					
Expenditures	0	(1,500)	(1,500)	(1,500)	(1,500)
Revenues	0	0	0	0	0
Other Funds					
Expenditures	0	0	0	0	0
Revenues	0	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	0	(1,500)	(1,500)	(1,500)	(1,500)
FTEs	0	0	0	0	0

#### Recommendation:

The Governor recommends reducing funding for Restorative Practices Initiatives grant program by \$1.5 million in FY 2026 and each year thereafter. This results in a reduction of \$3 million in FY 2026-27 and beyond. Reduction items at the Department of Children, Youth, and Family Services are intended to align with strategic decisions to minimize impacts on people served. The reduction results in an ongoing base appropriation of \$2 million for Restorative Practices Initiatives grants in FY 2026-27 and beyond.

#### Rationale/Background:

The Restorative Practices Initiatives Grant Program was created in 2023 to be administered through the newly created Office of Restorative Practices within the Department of Public Safety's Office of Justice Programs (OJP). The Office of Restorative Practices received funding for \$8 million in grants to be awarded for FY 2024-25 and \$5 million in grants to be awarded for FY 2026-27 and beyond. This change will leave in place \$2 million in grants to be awarded for FY 2026-27. The legislature transferred power of responsibility of the Office of Restorative Practices and Restorative Practices Initiative Grants from the Department of Public Safety to the Department of Children, Youth, and Families (DCYF) starting in FY 2026. DCYF will manage this impact by communicating to existing grant recipients about the decreased funding amount available in future grant cycles and ensuring that funding is distributed consistent with the statutory requirements of the Office of Restorative Practices.

- The Restorative Practices Initiatives grant program is intended to fund initiatives addressing the needs of those who have been harmed, increasing community connections, restoring relationships, increasing empathy, and promoting responsibility for and understanding of the impact of actions. The grants may also be used to pay restitution awards directed to reimburse victims for economic losses or other harm resulting from specific acts.

#### Proposal:

The Governor recommends reducing base funding for Restorative Practices grants by \$1,500,000 beginning in FY 2026. This results in a reduction of \$3 million in FY 2026-27 and \$3 million in FY 2028-29. The reduction results in an ongoing \$2 million available for Restorative Justice Grants in FY2026-27 and FY 2028-29.

The Restorative Practices grants were established in the 2023 legislative session. The first request for proposals for the grants was released in fall 2024, after hiring the first Office of Restorative Practices Director in August 2024. The size of grant awards, the number of grants, and the geographic distribution across the state will be reduced with this proposal. With the reduction in the amount of grants, staff will need to be maintained to administer the remaining amount.

## Dollars in Thousands

Net Impact by Fund (dollars in thousands)	FY 26	FY 27	FY 26-27	FY 28	FY 29	FY 28-29
General Fund	(1,500)	(1,500)	(3,000)	(1,500)	(1,500)	(3,000)
<b>Total All Funds</b>	(1,500)	(1,500)	(3,000)	(1,500)	(1,500)	(3,000)

Fund	BACT#	Description	FY 26	FY 27	FY 26-27	FY 28	FY 29	FY 28-29
General Fund	49	Youth Services Grant Program	(1,500)	(1,500)	(3,000)	(1,500)	(1,500)	(3,000)
		<b>Requested FTE's</b>						

Fund	BACT#	Description	FY 26	FY 27	FY 26-27	FY 28	FY 29	FY 28-29
			0	0	0	0	0	0

## Tribal Consultation:

Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

☐ Yes  
☒ No

## Results:

N/A

## Children, Youth, and Families

### FY 2026-27 Biennial Budget Change Item

#### Change Item Title: Great Start Compensation Support Payment Program Updates

Fiscal Impact (\$000s)	FY 2026	FY 2027	FY 2028	FY 2029
General Fund				
Expenditures	(129,887)	(129,887)	(129,887)	(129,887)
Transfer Out	129,887	129,887	129,887	129,887
Other Funds – Special Revenue				
Expenditures	129,887	129,887	129,887	129,887
Transfer In	129,887	129,887	129,887	129,887
Net Fiscal Impact = (Expenditures – Revenues)	0	0	0	0
<b>FTEs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

#### Recommendation:

The Governor recommends budget neutral changes to the Great Start Compensation Support Payment Program (GSCSPP), which provides payments to Minnesota child care providers to support increased compensation for the child care workforce. These budget neutral changes include establishing a special revenue fund and expanding the 10 percent addition to monthly payments available for early care and learning programs located in Child Care Access Equity Areas to tribally licensed programs and programs that operate within tribal reservation land.

#### Rationale/Background:

State law provides that child care programs located in an “Child Care Access Equity Area” and those who serve families receiving Child Care Assistance and/or Early Learning Scholarships are eligible for a 10 percent higher payment amount through the GSCSPP. A Child Care Access Equity Area (Access Equity Area) is defined in statute as “an area with low access to child care, high poverty rates, high unemployment rates, low homeownership rates, and low median household incomes<sup>1</sup>.” Child care providers in Access Equity Areas are more likely to be serving children and families who are facing higher barriers to opportunity.

The Access Equity Areas were established based on demographic data from the U.S. Census and local analysis of family access to child care based on child care program locations and capacity. The current definition includes some but not all portions of Tribal lands within Access Equity Areas. Although there are portions of Tribal reservation lands that have not been prioritized as Access Equity Areas based on the five indicators in the current definition, additional analysis of data on family access to child care suggests notably lower access for families living on reservation lands than in other regions of the state. Tribal Nations as sovereign nations hold their own child care data independent of state data systems, which means the state’s data on child care access on reservation lands is limited. However, the identified difference in family access is significant enough to pose an equity concern even accounting for some data imprecision. Amending the definition of Access Equity Areas to explicitly include Tribal lands and adding Tribally-licensed child care programs to the list of eligibility criteria for receiving the 10 percent payment bonus will prioritize investment of resources in child care programs serving families from Tribal Nations.

Additionally, GSCSPP funds currently carryforward until expended under statute. A more common accounting practice would be to place the funds into a special revenue account.

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<sup>1</sup> See Minn. Stat. § 142D.21.

**Proposal:**

This proposal would expand eligibility for the 10 percent increase to GSCSPP payments, adding to the current definition of Access Equity Areas to include Tribal reservation land and making any Tribally licensed program (some of which are located outside of reservation lands) eligible for the 10 percent increase. This proposal is cost neutral because the appropriation is a fixed amount.

This proposal would also transfer the GSCSPP into a special revenue fund to allow the program to manage fluctuation in the base appropriation to provide stable funding to providers. Current statute provides for ongoing carryforward of funding, however, transferring the general fund appropriation into a special revenue fund will align this authority with the typical accounting structure. This reduces administrative complexity and increases transparency for the program.

<b>Net Impact by Fund (dollars in thousands)</b>	<b>FY 26</b>	<b>FY 27</b>	<b>FY 26-27</b>	<b>FY 28</b>	<b>FY 29</b>	<b>FY 28-29</b>
General Fund	(0)	(0)	(0)	(0)	(0)	(0)
Special Revenue Fund	(0)	(0)	(0)	(0)	(0)	(0)
<b>Total All Funds</b>	(0)	(0)	(0)	(0)	(0)	(0)

<b>Fund</b>	<b>BACT#</b>	<b>Description</b>	<b>FY 26</b>	<b>FY 27</b>	<b>FY 26-27</b>	<b>FY 28</b>	<b>FY 29</b>	<b>FY 28-29</b>
General Fund	43	Exp - GS Comp Support Payment Grants	(129,887)	(129,887)	(259,774)	(129,887)	(129,887)	(259,774)
General Fund	43	TR OUT - GS Comp Support Payment Grants	129,887	129,887	259,774	129,887	129,887	259,774
Spec Rev	43	TR IN - GS Comp Support Payment Grants	129,887	129,887	259,774	129,887	129,887	259,774
Spec Rev	43	Exp - GS Comp Support Payment Grants	129,887	129,887	259,774	129,887	129,887	259,774
		<b>Requested FTE's</b>						

<b>Fund</b>	<b>BACT#</b>	<b>Description</b>	<b>FY 26</b>	<b>FY 27</b>	<b>FY 26-27</b>	<b>FY 28</b>	<b>FY 29</b>	<b>FY 28-29</b>
			0	0	0	0	0	0

**Impact on Children and Families:**

The GSCSPP benefits children, families, and providers. The change to broaden Access Equity Areas aligns with Tribal Nation's desires to bring added resources to their communities. The change in Access Equity Area definition will impact Indigenous children's lives by helping those who care for them directly, maintaining greater quality and stability in areas of the state where child care access is low. Though the number of estimated providers impacted is estimated to be relatively small, this change helps support child care providers on Tribal lands and in communities where Indigenous children and families reside.

**Equity and Inclusion:**

While the state's data on access to child care in Tribal communities is currently limited, it suggests that child care access is a particular challenge for some Tribal communities. The proposed change to the definition of Access Equity Areas is intended to recognize the historic disinvestment in Tribal communities and the inequities this creates, while also creating an opportunity for the state to better understand challenges and opportunities related to child care access in Tribal communities and where the state can be a better partner in improving it. There are no negative impacts on Tribal Nations or child care providers licensed by Tribal Nations or providing services on Tribal lands.

**Tribal Consultation:**

Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

☒ Yes

This proposal to update the definition of Child Care Access Equity Areas will have a modest impact on child care and early learning programs operating on identified Tribally lands, and on Tribally licensed programs.

**Impacts to Counties:**

N/A

**IT Costs**

N/A

**Results:**Part A: Performance Measures

There are a modest number of child care programs that are located on Tribal lands and/or are Tribally licensed, and that participate currently in the GSCSPP, that do not currently qualify for the 10 percent increase. This proposal would make these programs automatically eligible for a higher payment amount, thus directing more resources to these Tribal communities. The goal of this change item is to direct more financial resources to child care programs serving children and families from Tribal communities. Successful implementation would result in additional Tribally-licensed programs and programs located on Tribal lands qualifying for the 10 percent increase to their GSCSPP. These changes should be observable as soon as the change is in effect.

Measure	Measure type	Measure data source	Most recent data	Projected change
Number of Tribally-affiliated child care programs that qualify for the 10% increase	Quantity	Administrative data from payment applications	Approximately 25 Tribally licensed providers	Modest increase
Total monthly payment dollars going to Tribally-affiliated programs	Quantity	Administrative data from program payments	Approximately \$46,000 per month	Modest increase
Participation rate of Tribally-affiliated programs in Compensation Payment Program	Quantity	Administrative data from payment applications and licensing records from Tribal partners	Approximately 50%	Modest increase

Part B: Use of Evidence

1. There has not been a program evaluation conducted yet on this proposal.
2. Are you planning to conduct a formal qualitative or quantitative program evaluation related to this proposal? Indicate what kind(s) of evaluation you will be conducting. Select all that apply.

☒ Process or Implementation Evaluation

**Statutory Change(s):**

Minnesota Statutes 2023, section 142D.21

## Children, Youth, and Families

### FY 2026-27 Biennial Budget Change Item

#### Change Item Title: Modification of Indian Child Welfare Act Grant Reporting Requirements and Funding Limits

Fiscal Impact (\$000s)	FY 2026	FY 2027	FY 2028	FY 2029
General Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	0	0	0	0
FTEs	0	0	0	0

#### Recommendation:

The Governor recommends modifying reporting requirements for Indian child welfare grants and removing the limit on special focus grants to allow full use of appropriated funding. These recommended actions will not impact the state's general fund but will reduce administrative burden for Tribal Nations and allow full use of appropriated funding to support Minnesota Indian Family Preservation Act (MIFPA) implementation and statewide compliance as well as placement prevention and reunification efforts for American Indian children and families.

#### Rationale/Background:

This proposal is grounded in the need for the state to address the disproportionate overrepresentation of American Indian children in the child welfare system. Minnesota leads the nation in this area. According to 2022 Minnesota child welfare data, American Indian children:

- Have the highest rates of contact with Minnesota's child protection system
- Are about 4 times more likely to be reported as abused or neglected than white children
- Are about 16 times more likely to experience foster care than white children.<sup>1,2</sup>

Several components that are both internal and external to the child welfare system influence these disparities. These include bias in identification and maltreatment reporting; child welfare worker bias; the impact of historical trauma; socioeconomic factors, including inequitable outcomes in education, health and corrections; poverty; institutional racism and discriminatory practices; and the everyday stress related to experiencing prejudicial micro-aggressive behaviors in interactions with others. Many of Minnesota's populations of color and American Indians lack the same opportunities to be healthy because of factors such as economic instability, unsafe neighborhoods, and inadequate access to health care. These differences ultimately result in poorer health outcomes, shorter life spans, higher health care cost, lost productivity, and higher involvement the child welfare and criminal justice systems.

Under the Indian Child Welfare Act (ICWA) and Minnesota Indian Family Preservation Act (MIFPA), Tribes ensure the well-being and best interests of their children, which often requires a unique and culturally specific approach. Tribes have access to three grant programs under MIFPA, referred to as ICWA grants, that serve Indian children and families, particularly in areas with social welfare concerns in both urban and rural Indian communities:

<sup>1</sup> Minnesota's Child Maltreatment Report, 2022: <https://edocs.dhs.state.mn.us/lfserver/Public/DHS-5408O-ENG>

<sup>2</sup> Minnesota's Out-of-home Care and Permanency Report, 2022: <https://edocs.dhs.state.mn.us/lfserver/Public/DHS-5408OA-ENG>

- Primary support grants comprise most of the available funding. They are provided directly to Tribes, Indian organizations, and Tribal social services agency programs located off reservation to provide primary support for Indian child welfare programs to implement MIFPA.
- Special focus grants are available to child-placing agencies, Tribes, Indian organizations, and other organizations for placement prevention and family reunification services for Indian children. The maximum award under this category is \$100,000 per year for each grantee.
- Compliance grants are for Indian child welfare defense corporations to promote statewide compliance with MIFPA and ICWA through legal advocacy services across Minnesota.

This proposal seeks to make reporting requirements for ICWA grants more flexible and remove funding limits for special focus grants (M.S. §§ 260.785<sup>3</sup> and 260.821<sup>4</sup>) to further support Tribal sovereignty and capacity.

#### **Proposal:**

To accommodate the diverse needs and varying levels of capacity among Minnesota Tribal partners, this proposal modifies the reporting requirements established under Minn. Stat., section 260.810<sup>5</sup>, to allow Tribes to determine the frequency of program reporting regarding ICWA grants, with a minimum frequency of at least annually. This proposal also removes the cap on funding that can be provided to grantees through special focus grants to allow full expenditure of grant funds following additional appropriations from the 2023 legislature.

**Cost:** This does not have a fiscal impact because it is a capped annual appropriation. It increases the potential grant award to individual grantees but does not impact the state's general fund obligation.

#### **Impact on Children and Families:**

This proposal is designed to build on existing partnerships with Tribal agencies, reinforcing the department's commitment to increasing equity and addressing the opportunity gap for children, youth, and families within Tribal communities. By fostering a collaborative approach with Tribal agencies, this proposal not only enhances service delivery but also cultivates a supportive framework that prioritizes the unique needs of Tribal communities. Through these efforts, we aim to bridge the opportunity gap, ultimately uplifting children, youth, and families and promoting their holistic well-being within their communities.

This proposal will help achieve the administration's priorities by honoring Tribal sovereignty and supporting Tribes with investing in services that are culturally relevant and responsive to the unique needs of their communities.

#### **Equity and Inclusion:**

Funding will address disparities and advance equity by strengthening Tribal child welfare programs and supports. This proposal is strategically designed to reduce the number of American Indian and Alaskan Native (AI/AN) children entering the child welfare system and ensure that children remain connected to their families and Tribal communities. By investing in prevention and early intervention initiatives, we aim to build a more equitable child welfare framework that honors and uplifts the rights and well-being of AI/AN children and families.

#### **Tribal Consultation:**

Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

☒ Yes

☐ No

<sup>3</sup> <https://www.revisor.mn.gov/statutes/cite/260.785>

<sup>4</sup> <https://www.revisor.mn.gov/statutes/cite/260.821>

<sup>5</sup> <https://www.revisor.mn.gov/statutes/cite/260.810>

This proposal will impact all 11 federally recognized Tribes in Minnesota. This proposal seeks to directly benefit American Indian children by removing unnecessary limits on special focus grant funding for grantees, allowing Tribes to continue providing culturally appropriate services through their Tribal Nations to reduce child protection involvement, prevent child removals, and support reunification of children with their families. Additionally, this proposal will honor Tribal sovereignty by providing Tribes with greater flexibility to determine their own reporting frequency for ICWA grants, in consideration of their staffing capacity. This also reduces Tribes' administrative burden and allows Tribes to focus on the delivery of more equitable services tailored to the needs of each Tribe.

The department continues to engage with Tribal Nations.

### Impacts to Counties:

Modifications to reporting requirements for ICWA grants will not impact county agencies. County agencies may tangentially benefit from the removal of the limit on special focus grant awards, as this will ensure grantees can access the full appropriation for these grants that focus on placement prevention and family reunification of American Indian children, for whom county agencies may be financially responsible.

### Results:

#### Part A: Performance Measures

This proposal supports Tribes by reducing their administrative burden for ICWA grants reporting, thereby increasing their capacity to support Tribal families and children who may be at risk of entering the child welfare system. It also ensures grantees' full access to the existing appropriation for special focus grants by removing the statutory limit on grant awards. This will support grantees receiving more funding to provide prevention and reunification services for American Indian children and families.

Because Tribes directly work with their families, there is lived experience that Tribal communities have with intentional culturally appropriate approaches. Reducing administrative burden allows Tribes to focus more on serving their children and families. A qualitative review by department staff indicates that when reporting frequency does not align with Tribal capacity to submit reports at that frequency, Tribes experience a delay in receiving reimbursement for services rendered. This impacts Tribes' ability to provide quality services for their children and families.

Measure	Measure type	Measure data source	Most recent data	Projected change
Number of children and families served through ICWA grants	Quantity	Grantees report the number of children and families served	N/A	Slight increase due to staff having more capacity and/or potential grant award increase
Number of children and families prevented from entering the child protection system based on risk factors identified	Result	Grantees report the number of children and families served that were prevented from entering the child protection system	N/A	Slight increase due to staff having more capacity and/or potential grant award increase
Services/supports associated with prevention and reunification efforts	Quality	Grantees report how funds were used to support prevention and reunification efforts	N/A	Possible increase in available services due to increased capacity and potential access to higher grant awards



## Part B: Use of Evidence

1. Have you previously conducted a formal quantitative or qualitative program evaluation that informed the contents of this proposal? If so, please briefly describe the evaluation.

No. The department receives information from grantees through the grant reporting process, but formal evaluations have not been conducted.

2. Are you planning to conduct a formal qualitative or quantitative program evaluation related to this proposal? Indicate what kind(s) of evaluation you will be conducting. Select all that apply.

- ☐ No formal evaluation planned at this time
- ☐ Not yet determined
- ☐ Needs Assessment
- ☐ Process or Implementation Evaluation
- ☐ Summative Impact Evaluation (Randomized Control Trial (RCT) or Quasi-Experimental Design)
- ☐ Summative Evaluation other than an Impact Evaluation
- ☒ Other (please describe or link):

Department staff have a quantitative report established but are looking to further department efforts in finding a culturally appropriate evaluator or evaluation process to support cultural differences and worldviews when working and administering funds to Tribal partners.

### **Statutory Change(s):**

M.S. 260.810 and 260.821

## Children, Youth, and Families

### FY 2026-27 Biennial Budget Change Item

#### Change Item Title: Supporting Relative Foster Care and Permanency Placements

Fiscal Impact (\$000s)	FY 2026	FY 2027	FY 2028	FY 2029
General Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	0	0	0	0
<b>FTEs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

#### Recommendation:

The Governor recommends expanding statutory authority for Public Private Permanency Collaboration (PPPC) services to include kinship services to support relative foster care and permanency placements for children and youth. This expansion will have no impact on the state's general fund obligation.

#### Rationale/Background:

When children and youth in foster care cannot be reunified with their parents, permanency placement with a relative is the preferred permanency option, whether through adoption or transfer of permanent legal and physical custody (TPLPC). TPLPC allows children to be placed permanently with their relatives without requiring a termination or suspension of their parents' rights. Over time, TPLPC has become more common.

The Minnesota Department of Children, Youth, and Families contracts with six private child-placing agencies through the PPPC grant to provide permanency, adoption, and relative concurrent permanency planning services to children under state guardianship or Tribal jurisdiction. Supporting relatives increases equitable outcomes and bridges the opportunity gap for child welfare-involved children, youth, and families, particularly those who are members of communities disproportionately impacted by the child welfare system. Unfortunately, PPPC is restricted by financial and statutory limitations that prevent PPPC from assisting county and Tribal social service agencies in meeting the shift towards TPLPC as a preferred permanency option.

#### Proposal:

Currently, PPPC is allocated \$3.2 million per year to support adoption-related services. This proposal amends governing statute to authorize these funds to support kinship-related services as well, allowing PPPC agencies to not only provide more support to county and Tribal agencies in their overall permanency efforts, but also to support more relative caregivers and equitable access to permanency services. Recognizing the racial disparities prevalent across the entirety of Minnesota's child welfare system, this expansion will include a focus on engaging Black, Indigenous, and People of Color (BIPOC) families, with department staff working closely with Tribal agencies that wish to develop permanency support programming. These changes are budget neutral.

#### Impact on Children and Families:

Children do better when placed with relatives, allowing them to remain connected to their culture and community. Currently, county and Tribal agencies can request PPPC services to identify and recruit relatives of children in foster care to support permanency through adoption. Often, relatives need additional support and guidance to complete paperwork and training requirements to become licensed for child foster care. PPPC agencies are also able to provide guidance and assistance to those relatives through the child foster care licensure

process. Expansion of PPPC services to include TPLPC and kinship services will increase the likelihood that children are placed with relative caregivers sooner, as it would allow counties and Tribes to utilize PPPC as part of concurrent permanency planning, whether a child's alternative permanency goal is adoption or TPLPC. This would support more relative caregivers becoming permanency resources for children who cannot be reunified with their parents.

### **Equity and Inclusion:**

According to the most recent out-of-home placement and permanency report<sup>1</sup>, Minnesota continues to have significant racial disparities in our child welfare system. In 2022, American Indian children were 16 times more likely, African American/Black children and Hispanic children of any race 2 times more likely, and children identified as two or more races 8 times more likely than white children to experience foster care. Children with disabilities are also disproportionately represented in Minnesota's foster care system. In 2021<sup>2</sup>, more than one out of every three children in Minnesota foster care had a disability; for comparison, about one in 6 children in the United States between ages 3 and 18 have a disability.

While reunification was the most common permanency outcome for all children exiting foster care in 2022<sup>3</sup>, ranging from 43.7% of all Asian/Pacific Islander children to 54.8% of all white children, more than 50% of all American Indian children, Asian/Pacific Islander children, and children of two or more races experienced permanency outcomes other than reunification, including adoption (10%, 32.2%, and 24.4%, respectively) and TPLPC (22.1%, 8%, and 12.6%, respectively). A significant percentage of African American/Black children (11.3%) and Asian/Pacific Islander children (11.5%) aged out of foster care compared to all other racial and ethnic groups, which ranged from 5.8% for children of two or more races and 8.8% for Hispanic children of any race.

The PPPC policy change in this proposal strives to improve relative foster care and permanency placement rates and eliminate racial disparities in foster care and permanency by supporting county and Tribal agencies with:

- Identifying and engaging relatives earlier in the permanency planning process, and
- Providing greater support and guidance to prospective relative caregivers through the foster care licensure process.

Expanding PPPC services to include TPLPC and kinship services supports the placement and permanency policy goals under the Minnesota Indian Family Preservation Act and the Minnesota African American Family Preservation and Child Welfare Disproportionality Act and ensures more children of color and American Indian children will achieve permanency through adoption or TPLPC with relatives than they do now.

### **Tribal Consultation:**

Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

☒ Yes

☐ No

PPPC is available for Tribes in addition to counties. However, at least one Tribal Nation cannot access PPPC services under current statute because they do not recognize adoption in their Tribal code. Expanding PPPC authority to include TPLPC and kinship services will provide financial support to Tribes that do not focus on adoption and/or have fewer adoption needs, as PPPC is funded through state and not local dollars. The department will need to actively engage Tribal staff involved in PPPC cases in the implementation of the new eligibility, service creation and development of plan components.

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<sup>1</sup> <https://edocs.dhs.state.mn.us/lfserver/Public/DHS-5408OA-ENG>

<sup>2</sup> <https://edocs.dhs.state.mn.us/lfserver/Public/DHS-5408NA-ENG>

<sup>3</sup> <https://edocs.dhs.state.mn.us/lfserver/Public/DHS-5408OA-ENG>

## Impacts to Counties:

Counties will be able to access PPPC services for kinship/TPLPC services, rather than only for adoption-related services, to meet counties' shifting permanency-related needs for their children and families. This will also support counties implementing new requirements under the Minnesota African American Family Preservation and Child Welfare Disproportionality Act, which emphasizes TPLPC as an alternative permanency option rather than termination of parental rights and adoption whenever possible. As PPPC is funded through state dollars, it will help counties with costs associated with relative outreach services and recruitment.

## Results:

### Part A: Performance Measures

Counties and Tribes will have access to additional services to support children's permanency with relatives. Relatives will have access to advocates to guide them through the child foster care licensure process and support them before, during, and after placement of their relative children in their home. This in turn supports an increase in relative placements and a reduction in time to permanency for children who cannot be reunified with their parents.

Currently, the PPPC program monitors performance on the following measures: amount of contract funding utilization, number of adoptive placements, number of relative engagement services, number of relative and non-relative adoption home studies completed, number of child-specific recruitment services provided, permanency outcomes for youth receiving child-specific recruitment services, number of adoptive placement disruptions, and number of post-adoption services completed.

Based on the department's ongoing monitoring of PPPC program outcomes, the PPPC program alleviates administrative burden counties and Tribes experience with finalizing children's adoptions by relatives. It has also worked to increase relative adoptions. The department anticipates a similar impact on TPLPCs with this proposal.

Measure	Measure type	Measure data source	Most recent data	Projected change
Contract funding utilization	Quantity	Monitor and calculate each quarter the amount of contract funding utilized as well as cumulative totals for the fiscal year.	Over the past six years, the contract utilization average has been 90% utilization of the overall budget. However, in 2024 the contract utilization was 75%, the lowest in the past 10 years, which is attributed to the program's limitation.	If successful, it is anticipated the PPPC program would increase contract utilization to at least 90% utilization based on the current needs present in the child welfare community.
Contract outcomes	Quantity	Monitor and calculate each quarter the number of contract deliverables completed by each contracted agency as well as cumulative totals for the fiscal year.	In the past six years, the PPPC program has on average served 40 relatives each year via relative outreach or study services.	If successful, it is anticipated the PPPC program would serve additional relatives each year, as the program could support permanency goals of adoption or TPLPC.

Measure	Measure type	Measure data source	Most recent data	Projected change
Contract outcomes	Quality and Result	Monitor and review contract deliverables as well as outcomes of the deliverables, specifically number, type, outcome and demographics for permanency services provided. This will be monitored each quarter as well as cumulative totals for the fiscal year.	In the past six years, the PPPC contract has provided permanency services for on average 20 youth each fiscal year between the ages of 12 to 21.	If successful, it is anticipated the PPPC program would support permanency for more youth over the age of 12, as the program could support youth and relatives with permanency goals of adoption or TPLPC.

#### Part B: Use of Evidence

1. Have you previously conducted a formal quantitative or qualitative program evaluation that informed the contents of this proposal? If so, please briefly describe the evaluation.

Currently, the PPPC program monitors performance on the following measures: amount of contract funding utilization, number of adoptive placements, number of relative engagement services, number of relative and non-relative adoption home studies completed, number of child-specific recruitment services provided, permanency outcomes for youth receiving child-specific recruitment services, number of adoptive placement disruptions, and number of post-adoption services completed.

2. Are you planning to conduct a formal qualitative or quantitative program evaluation related to this proposal? Indicate what kind(s) of evaluation you will be conducting. Select all that apply.

- ☐ No formal evaluation planned at this time
- ☒ Not yet determined
- ☐ Needs Assessment
- ☐ Process or Implementation Evaluation
- ☐ Summative Impact Evaluation (Randomized Control Trial (RCT) or Quasi-Experimental Design)
- ☐ Summative Evaluation other than an Impact Evaluation
- ☐ Other (please describe or link):

The department plans to utilize the current contract performance measures, which include both qualitative and quantitative measures on contract services completion, outcomes, and demographic information. However, the department plans to adjust these measures to appropriately assess the expansion of PPPC services. Based on the results of monitoring and service measures, the department would do the following (but not be limited to): engage in outreach efforts, expand service options, and/or adjust current contract services to increase effectiveness.

#### Part C: Evidence-Based Practices

Not applicable

#### **Statutory Change(s):**

Minn. Stat. § 142A.03, subd. 2 (j)

## Children, Youth, and Families

### FY 2026-27 Biennial Budget Change Item

#### Change Item Title: T.E.A.C.H. Higher Education Scholarship Statute Updates

Fiscal Impact (\$000s)	FY 2026	FY 2027	FY 2028	FY 2029
General Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	0	0	0	0
<b>FTEs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

#### Recommendation:

The Governor recommends policy updates to the Teacher Education and Compensation Helps (T.E.A.C.H.) Early Childhood® Minnesota program, a higher education scholarship program for early educators. The changes make additional individuals eligible for scholarships, allow more flexibility in determining scholarship amounts, and reducing matching contributions, and are budget neutral.

#### Rationale/Background:

The statutes governing the national Teacher Education and Compensation Helps (T.E.A.C.H.) Early Childhood® program are currently out-of-date.

In addition, a policy of the national Teacher Education and Compensation Helps (T.E.A.C.H.) Early Childhood® program was updated, requiring a state level change to ensure our state's program is consistent with the national program's policies. This proposal also allows family child care providers to participate in this program in a way that is equivalent to early educators working in other early care and education settings.

The early childhood education field is characterized by persistently low wages for early educators. Making this program more flexible, and consistent with national T.E.A.C.H. Early Childhood® policies, allows Minnesota to address the issue of disparities in wages for early childhood educators in a way that is consistent with national directions. State T.E.A.C.H. Early Childhood® programs must be licensed by the national T.E.A.C.H. Early Childhood® program and must follow national policies.

Fair and consistent inclusion of educators working in family child care, Head Start and certified centers in the T.E.A.C.H. Early Childhood® program serves to ensure that all early childhood professionals are afforded equal opportunities, fostering a more inclusive and sustainable educational ecosystem.

#### Proposal:

This proposal makes relatively minor, budget neutral policy changes to the T.E.A.C.H. scholarship program, including:

- ***Allowing future maximum scholarship amounts to be adjusted consistent with the national T.E.A.C.H. program requirements without requiring a statutory change.*** Since the statute was enacted, the national T.E.A.C.H. program changed the maximum amount from a total maximum scholarship amount to a method that uses a maximum number of college credits. Because different institutions of higher education have different fee structures, this policy change would provide flexibility and equity for providers attending different institutions.

- ***Making individuals employed by certified child care and early education programs eligible.*** The current statute was written before the certification process existed. This updates the statute to recognize this new type of regulation.
- ***Making individuals employed by Head Start programs eligible.*** Head Start programs were previously eligible because they were also licensed child care programs. When the certification process became available, Head Start programs became certified rather than licensed. Naming Head Start programs specifically provides the flexibility to ensure individuals employed by Head Start will continue to be eligible if Head Start programs change how they are regulated again in the future.
- ***Reducing the amount scholarship recipients who work in family child care settings must contribute as a match to 10 percent.*** The statute language currently refers to this provider type as “self-employed scholarship recipients” and requires a match amount of 20 percent. This is higher than all other types of scholarship recipients.

### **Impact on Children and Families:**

The proposed changes to the T.E.A.C.H. scholarship program are aimed at providing flexibility and reducing barriers for the early childhood education workforce in Minnesota, particularly workforce members who struggle financially. Increasing access to high-quality early care and education is positively impacted by supporting the early childhood educators earning higher degrees and credentialing.

### **Equity and Inclusion:**

The proposed changes to the T.E.A.C.H. scholarship program are aimed at providing flexibility and reducing barriers for the early childhood education workforce in Minnesota, particularly workforce members who struggle financially. In addition, family child care providers, who make up a large part of the workforce in rural areas, often bear the brunt of this lack of flexibility. These changes will also ensure that early educators working in Head Start and Tribal Head Start programs can continue to participate. Head Start serves low-income and many culturally diverse families.

### **Tribal Consultation:**

While this proposal does not have a substantial direct effect on Tribal governments, it will address equity needs for staff working in Tribally-licensed family child care, and Tribal Head Start programs. DCYF staff have engaged with Minnesota Tribal Resources for Early Childhood Care (MNTRECC), a group of representatives that work with Tribally-licensed early care and education providers, which includes Tribal Head Start, and these program types are supportive of this change.

### **IT Costs:**

N/A

### **Results:**

This proposal is budget neutral. Ongoing progress monitoring is part of the oversight for this program. However, the changes in this proposal are small, and there are no projected changes outcomes.

This proposal does not include evidence-based practices consistent with the definition of this term found in <https://mn.gov/mmb/results-first/definitions-of-evidence/>.

### **Statutory Change(s):**

Minnesota Statutes 2023, section 119B.251

## Children, Youth, and Families

### FY 2026-27 Biennial Budget Change Item

#### Change Item Title: Technical Administrative Changes to the Department of Children, Youth and Families

Fiscal Impact (\$000s)	FY 2026	FY 2027	FY 2028	FY 2029
General Fund				
DCYF Expenditures	(7,950)	(7,950)	(7,950)	(7,950)
DCYF Revenues	0	0	0	0
MDE Expenditures	7,950	7,950	7,950	7,950
MDE Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	0	0	0	0
FTEs	0	0	0	0

#### Recommendation:

The Governor recommends several budget neutral changes that align operational and administrative authorities for programs transferring to the Department of Children, Youth, and Families (DCYF).

#### Rationale/Background:

DCYF combines programs from the Department of Human Services, the Department of Education (MDE), the Department of Health and the Department of Public Safety. Each agency has distinct administrative authorities used to maintain smooth operations. These changes simplify and align authorities to enable consistent operations across the Department of Children, Youth, and Families.

#### Proposal:

This proposal makes multiple budget neutral changes to align administrative authorities across programs transferred to the Department of Children, Youth, and Families.

#### Administrative ability to transfer funds between originating agencies

DCYF continues to share services with many of the originating agencies, which is accompanied by unanticipated needs to share financial resources to ensure timely coordination. This change would allow DCYF to continue to transfer administrative funds between originating agencies. These transfers would be approved by the commissioner of management and budget and included in the quarterly transfer report to the ranking chairs of the appropriate committees.

#### Aligns authorities to manage forecast appropriations

Both the Department of Education and Department of Human Services have administrative authorities to efficiently manage funding among forecast appropriations. This proposal clarifies and aligns authority for DCYF to manage funding among forecast appropriations for programs transferred from these agencies. Additionally, the proposal makes technical modifications to how excesses and deficiencies are handled for School Readiness aid, ECFE aid, and home visiting aid. Specifically, the changes eliminate each of these funding streams from excesses and deficiencies in education statutes and replaces it with session law consistent with other programs administered by DCYF.



### Transfer authority for educational aids

The Department of Education (MDE) distributes educational aids and credits to school districts based on processes laid out in Minnesota Statutes 127A.45. This proposal would make changes to Minnesota law to clarify that the current payment schedule to school districts continues to apply to School Readiness aid, developmental screening aid, Early Childhood Family Education (ECFE) aid, and home visiting aid.

### Early Childhood Literacy grants

This proposal would adjust statute to ensure that the early childhood literacy grants under Minnesota Statutes 2024, section 142D.12, subdivision 3, continue to be administered by MDE. The early childhood literacy programs were most recently appropriated in Laws of Minnesota 2023, Chapter 55 under Minnesota Statutes 2023, section 119A.50, subdivision 3<sup>1</sup>. In 2024, section 119A.50 was recodified to the commissioner of DCYF in its entirety because the statute provides authority to administer the Head Start program. As a result, the base appropriation for the early childhood literacy grant programs were also moved. This proposal would remove the reference to early childhood literacy programs in section 142D.12, and instead clarify that the program remains at MDE. The funding has been historically fully allocated to the Reading Corps, who works primarily with kindergarten through grade 3, while supporting Head Start providers too. The grant has continued to be overseen by MDE for FY 2025 during DCYF's transition year. This a technical update to make clear that MDE will continue to oversee the grant in FY 2026 and beyond. This would result in a budget neutral shift of \$7.950 million annually beginning in FY 2026 from DCYF to MDE.

Net Impact by Fund (dollars in thousands)	FY 25	FY 26	FY 27	FY 26-27	FY 28	FY 29	FY 28-29
General Fund		-	-	-	-	-	-
HCAF				-			-
Federal TANF				-			-
Other Fund				-			-
<b>Total All Funds</b>		-	-	-	-	-	-

Fund	BACT#	Description		FY 26	FY 27	FY 26-27	FY 28	FY 29	FY 28-29
General Fund									
		<b>Requested FTE's</b>							

### Impact on Children and Families:

This proposal supports continuity of operations for the Department of Children, Youth, and Families. Enabling these changes ensure that programs supporting children, youth, and families can be managed efficiently.

### Equity and Inclusion:

This proposal does not make explicit efforts to reduce disparities for Black, Indigenous and other people of color, or other groups overrepresented in social services systems. It is a technical change that will allow the agency to maintain services.

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<sup>1</sup> Appropriation is in Minnesota Laws, Chapter 55, Article 2, Section 64, Subdivision 11

**Tribal Consultation:**

Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

☐ Yes  
☒ No

**IT Costs:**

None.

**Results:**

There are no relevant results for this proposal.

## Children, Youth and Families

### FY 2026-27 Biennial Budget Change Item

#### Change Item Title: Licensing Information Federal Compliance

Fiscal Impact (\$000s)	FY 2026	FY 2027	FY 2028	FY 2029
General Fund				
Expenditures	200	0	0	0
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	200	0	0	0
<b>FTEs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

#### Recommendation:

The Governor recommends information technology investments to support changes to the Department of Human Services (DHS) Licensing Information Lookup (LIL), Minnesota's consumer education website with public information on all DHS licensed programs. These systems changes will allow LIL to display additional information on pre-licensure inspections for child care programs and post all items that are reviewed at a child care licensing visit. These changes are needed to come into compliance with federal Child Care and Development Fund (CCDF) regulations.

The Governor recommends investing \$200 thousand in FY 2026 from the General Fund to update LIL and meet federal CCDF requirements.

#### Rationale/Background:

At an August 2023 site visit, the federal Office of Child Care (OCC) found that Minnesota was out of compliance with CCDF regulations (45 CFR 98.44(b)(2)(i), 45 CFR 98.42(b)(2)(i), and 45 CFR 98.42(b)(2)(ii)) by not specifying the number of ongoing training hours needed for various roles within licensed child care centers, family child care, and certified child care centers and not posting pre-licensure inspection reports (45 CFR 98.33(a)(4)). Statutory changes will need to be made to Minnesota Statutes, section 245A.40, 245A.50, and 245H.14 to specify the number of hours required. Changes are also needed to Licensing Information Lookup (LIL) in order to display additional information on pre-licensure inspections and come into compliance with new federal requirements to post all items that are reviewed at a visit. The LIL systems changes will have a cost and require new funding.

#### Proposal:

Minnesota is out of compliance with some federal CCDF requirements. Currently, Minnesota statute specifies that substitutes, unsupervised volunteers, and adult caregivers need to complete ongoing training in certain topics but doesn't specify the number of hours. In order to come into compliance, this proposal adds a minimum of two hours of training each calendar year for licensed child care center substitutes and unsupervised volunteers; a minimum of one hour of training each calendar year for family child care substitutes and adult caregivers who provide care for 500 or fewer hours per year; and at least two hours of training each calendar year for certified child care center substitutes. The existing training requirements will be sufficient to meet the minimum hours. There is no change to the required training topics.

Currently, LIL displays information that one or more pre-licensure reviews occurred at a child care program but does not provide details on the date(s), what information was reviewed, and how the program was in compliance with licensing requirements. The federal Office of Child Care determined that Minnesota's current practice is not

in compliance with CCDF requirements. This proposal will fund necessary IT changes to LIL to ensure the program’s record includes the date(s) of each pre-licensure visit.

In March 2024, OCC released regulatory changes to the CCDF final rule, effective April 30, 2024, and clarified what information must be posted on consumer education websites. Under the updated rule, all items that are reviewed at a visit must be displayed (§ 98.33(a)(4)(ii)). Currently, Minnesota’s consumer education website (LIL) only shows where a program was out of compliance. This proposal will fund systems changes to LIL which will allow Minnesota to post all items – those in compliance and areas of noncompliance – that are reviewed at a visit. These changes will apply to all licensing visits, including pre-licensure reviews.

### Impact on Children and Families:

This will increase transparency for families looking for child care, as it will allow them to see more information about a child care program on LIL. Families and the general public will be able to see every standard that was reviewed and found to be in compliance, not just those items where the program was out of compliance. The impact to child care staff working as a substitute, unsupervised volunteer, or adult caregiver will be minimal as this will specify a minimum number of hours for ongoing training that they are already required to take; it will not change the topics they need to take. Compliance with CCDF requirements helps ensure Minnesota continues to receive federal funding for child care.

### Equity and Inclusion:

The training changes are administrative. The proposed language will clarify the minimum number of hours needed for substitutes and unsupervised volunteers; it will not require any new trainings.

As the changes to LIL are developed, the department will conduct participatory community engagement and seek to ensure LIL is more accessible and culturally responsive.

### Tribal Consultation:

Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

☐ Yes

☒ No

### Impacts to Counties:

This proposal will not have a financial impact on the counties. As with all legislative changes, DHS Licensing will ensure our family child care county licensing partners are aware of the changes and have the forms and resources needed to implement them.

### IT Costs

<i>Category</i>	<i>FY 2026</i>	<i>FY 2027</i>	<i>FY 2028</i>	<i>FY 2029</i>	<i>FY 2030</i>	<i>FY 2031</i>
Payroll						
Professional/Technical Contracts						
Infrastructure						
Hardware						
Software						
Training						
Enterprise Services	200					

<b>Category</b>	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>	<b>FY 2029</b>	<b>FY 2030</b>	<b>FY 2031</b>
Staff costs (MNIT or agency)						
<b>Total</b>	<b>200</b>					
MNIT FTEs	0					
Agency FTEs	0					

#### **Fiscal Detail:**

<b>Net Impact by Fund (dollars in thousands)</b>	<b>FY 26</b>	<b>FY 27</b>	<b>FY 26/27</b>	<b>FY 28</b>	<b>FY 29</b>	<b>FY 28/29</b>
General Fund	200					
HCAF						
Federal TANF						
Other Fund						
<b>Total All Funds</b>	<b>200</b>					

<b>Fund</b>	<b>BACT#</b>	<b>Description</b>	<b>FY 26</b>	<b>FY 27</b>	<b>FY 26/27</b>	<b>FY 28</b>	<b>FY 29</b>	<b>FY 28/29</b>
GF	11	OIG-Provider Hub System Modification	200					
		<b>Requested FTEs</b>						

#### **Results:**

This proposal will ensure Minnesota is found to be in compliance with CCDF requirements during future site visits by the Office of Child Care. It will ensure Minnesota's block grant funding is not jeopardized due to noncompliance.

#### **Statutory Change(s):**

245A.40, subd. 7; 245A.50, subd. 7; 245H.14, subd. 6. These sections will transfer to 142A and 142B after child care licensing moves to DCYF in 2025.

## Program: Operations and Administration

## Activity: Agencywide Supports

<https://dcyf.mn.gov>

## AT A GLANCE

- Provides oversight and administration of approximately \$20.7 million in foster care, kinship assistance, and adoption assistance payments per month to over 18,000 recipients
- Issue approximately \$19.8 million in payments per month for the Child Care Assistance Program supporting approximately 11,500 families in 2023.
- Supports 12,282 children through Early Learning Scholarships in 2023.
- Issue approximately \$1 billion in payments per year for cash benefits and food assistance for families; \$55 million in Summer EBT benefits for school year 2023-2024 to 458,000 children; and receive and process approximately \$45.2 million in child support payments per month in 2022.

## PURPOSE AND CONTEXT

The Department of Children, Youth, and Families (DCYF) brings together programs to better serve children, youth, and families across Minnesota. Agencywide Supports include shared resources that support the collective programs across DCYF. It includes externally facing functions, like community engagement experts, and Tribal liaisons. It also includes internally facing teams, like human resources and financial operations.

While internal infrastructure supporting programs is often invisible to most Minnesotans, it is critical to a well-functioning agency. These are the supports needed to ensure that equity is embedded in the agency culture, community engagement is effective, program staff have the tools to do their jobs, and that payments to program participants and vendors are made timely and accurately.

## SERVICES PROVIDED

The Department of Children, Youth, and Families partners closely with counties, Tribes, early education providers, families, community, and other partners to meet Minnesotans' needs.

Counties and Tribes are critical local partners in administering many of the DCYF programs. The department is most effective in its supervision of those programs when it engages those governments in a regular and meaningful way. **Tribal and County Relations** are a key function of Agencywide Supports to lead efforts focused on relationship building and partnership between DCYF and those governments.

Similarly, **Government Relations** leads DCYF engagement with the legislature. They lead the development of information for lawmakers, as well as recommendations on behalf of the department. The team also serves as an internal resource on the legislative process, timelines, and analyzing bills.

The **Equity and Engagement Team** supports DCYF to build an internal culture centered on equity and set it as a cornerstone in the way the department works with communities and other partners. The **Communications Team** not only responds to media requests, but also leads efforts to ensure information is accessible and usable for individuals, families, and others.

Agencywide Supports also includes legal, compliance, and oversight functions. It includes the **General Counsel** to provide internal legal advice, the **Compliance Office** to support risk management and audit functions, and **Child Care Licensing** responsibilities.

Operational supports, like **Finance, Human Resources, and Contracts and Grants** teams not only work to align agency resources with priorities, they also support agencywide training and capacity building, employee development, and business processes focused on integrity and efficacy.

All DCYF programs depend on IT systems for administration. The **Business Integration Division** supports business functions to prioritize and align IT operations. A **central IT fund** supports MNIT activity at DCYF to provide systems and solutions to administer services for children, youth, and families throughout Minnesota.

## RESULTS

This is a new administration; no results data is available.

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## Agencywide Supports

## Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base		Governor's Recommendation	
					FY26	FY27	FY26	FY27

### Expenditures by Fund

1000 - General					53,988	53,473	73,680	59,975
1200 - State Government Special Rev					732	732	732	732
2000 - Restrict Misc Special Revenue					7,861	7,861	7,861	7,861
2001 - Other Misc Special Revenue					97,113	89,461	97,113	89,461
3000 - Federal					6,586	6,585	6,586	6,585
3001 - Federal TANF					100	100	100	100
<b>Total</b>					<b>166,380</b>	<b>158,212</b>	<b>186,072</b>	<b>164,714</b>
Biennial Change				0		324,592		350,786
Biennial % Change								
Governor's Change from Base								26,194
Governor's % Change from Base								8

### Expenditures by Category

Compensation					69,321	67,330	72,652	73,241
Operating Expenses					97,059	90,882	113,420	91,473
<b>Total</b>					<b>166,380</b>	<b>158,212</b>	<b>186,072</b>	<b>164,714</b>

### Full-Time Equivalents

					517.00	517.00	519.00	519.00
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## Agencywide Supports

## Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY22	FY23	FY24	FY25	FY26	FY27	FY26	FY27
<b>1000 - General</b>								
Balance Forward In				823				
Direct Appropriation			823	6,800	93,572	94,598	113,264	101,100
Transfers In				380				
Transfers Out				8,003	39,584	41,125	39,584	41,125
Balance Forward Out			823					
<b>Expenditures</b>					<b>53,988</b>	<b>53,473</b>	<b>73,680</b>	<b>59,975</b>
Biennial Change in Expenditures				0		107,461		133,655
Biennial % Change in Expenditures								
Governor's Change from Base								26,194
Governor's % Change from Base								24
Full-Time Equivalents					370.00	370.00	372.00	372.00

### 1200 - State Government Special Rev

Direct Appropriation					732	732	732	732
<b>Expenditures</b>					<b>732</b>	<b>732</b>	<b>732</b>	<b>732</b>
Biennial Change in Expenditures				0		1,464		1,464
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents					5.00	5.00	5.00	5.00

### 2000 - Restrict Misc Special Revenue

Receipts					7,861	7,861	7,861	7,861
Transfers In				236				
Transfers Out				236				
<b>Expenditures</b>					<b>7,861</b>	<b>7,861</b>	<b>7,861</b>	<b>7,861</b>
Biennial Change in Expenditures				0		15,722		15,722
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								0

### 2001 - Other Misc Special Revenue

Balance Forward In					5,666	5,666	5,666	5,666
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## Agencywide Supports

## Activity Financing by Fund

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base		Governor's Recommendation	
					FY26	FY27	FY26	FY27
Receipts					57,554	48,361	57,554	48,361
Transfers In				5,666	39,559	41,100	39,559	41,100
Balance Forward Out				5,666	5,666	5,666	5,666	5,666
<b>Expenditures</b>					<b>97,113</b>	<b>89,461</b>	<b>97,113</b>	<b>89,461</b>
Biennial Change in Expenditures				0		186,574		186,574
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents					106.00	106.00	106.00	106.00

### 3000 - Federal

Receipts					6,586	6,585	6,586	6,585
<b>Expenditures</b>					<b>6,586</b>	<b>6,585</b>	<b>6,586</b>	<b>6,585</b>
Biennial Change in Expenditures				0		13,171		13,171
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents					36.00	36.00	36.00	36.00

### 3001 - Federal TANF

Receipts					100	100	100	100
<b>Expenditures</b>					<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>
Biennial Change in Expenditures				0		200		200
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								0

**Program: Operations and Administration****Activity: Child Safety and Permanency**<https://dcyf.mn.gov/individuals-and-families/family-services/>**AT A GLANCE**

- Provides oversight and administration of approximately \$20.7 million in foster care, kinship assistance, and adoption assistance payments per month to over 18,000 recipients
- Supports approximately 3,000 county and Tribal frontline workers using SSIS to provide case management services to children and families involved in the child welfare system
- Trains approximately an average of 233 workers per month through the Child Welfare Training Academy in partnership with the University of Minnesota
- Provides supervision and oversight of child welfare programs administered by local agencies

**PURPOSE AND CONTEXT**

The Child Safety and Permanency administration provides supervision and oversight of Minnesota's child welfare system, which spans prevention, family preservation, child protection, foster care, and permanency. It develops policies and best practice guidance to support better outcomes for at-risk children and families and ensure effective implementation of state and federal laws to keep children with their families whenever possible. It administers several prevention and family preservation grant and allocation programs to support families to care for their children safely. It also supports families who provide permanent homes for children through adoption and kinship arrangements. This administration funds county, Tribal, and community-based child welfare services around the state, including Indian child welfare services, child protection, foster care, and prevention of child abuse and neglect.

**SERVICES PROVIDED**

The Child Safety and Permanency administration implements the following programs:

- Northstar Care for Children
- Early intervention and prevention programs, including Parent Support Outreach Program
- Youth services, including youth transitioning out of foster care
- Education and Training Voucher
- Child Welfare Training Academy, in partnership with the University of Minnesota
- American Indian Child Welfare Initiative
- Public Private Permanency Collaboration
- Opiate Epidemic Response Fund allocation to counties and Initiative Tribes
- Community Resource Centers
- Family First Prevention Services Act, including Kinship Navigator grants
- Family preservation resources
- Child maltreatment screening guidelines
- Safe Harbor Program, co-led with the Minnesota Department of Health

The administration provides the following services to ensure programs are implemented effectively:

- Providing guidance and technical assistance to county and Tribal workers, including training through the Child Welfare Training Academy
- Grant management, ensuring compliance with state and federal requirements and providing technical assistance when needed
- Conducting ongoing research and evaluation and supporting continuous quality improvement through case reviews
- Administering and ensuring compliance with major federal funding streams including Title IV-E, Title IV-B and Title XX
- Ensuring implementation of and compliance with the Indian Child Welfare Act and Minnesota Indian Family Preservation Act
- Providing fiscal and programmatic support and technical assistance to Tribal Nations and counties to improve outcomes for American Indian children and families
- Planning for initial and statewide implementation of the Minnesota African American Family Preservation and Child Welfare Disproportionality Act
- Partnering with counties, Tribes, and community-based agencies to support effective implementation of child welfare programs
- Ensuring accurate and timely payments for Northstar Care for Children, including Adoption Assistance, Kinship Assistance and Family Foster Care through Social Services Information System (SSIS)
- 

## **RESULTS**

This is a new activity, there are no results available.

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(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base		Governor's Recommendation	
					FY26	FY27	FY26	FY27

## Expenditures by Fund

1000 - General					11,999	11,712	11,999	11,712
2000 - Restrict Misc Special Revenue					33	33	33	33
2001 - Other Misc Special Revenue					12,779	12,779	12,779	12,779
3000 - Federal					9,650	10,776	9,650	10,776
<b>Total</b>					<b>34,461</b>	<b>35,300</b>	<b>34,461</b>	<b>35,300</b>
Biennial Change				0		69,761		69,761
Biennial % Change								
Governor's Change from Base								0
Governor's % Change from Base								0

## Expenditures by Category

Compensation					23,451	22,922	23,451	22,922
Operating Expenses					4,887	6,255	4,887	6,255
Grants, Aids and Subsidies					6,119	6,119	6,119	6,119
Other Financial Transaction					4	4	4	4
<b>Total</b>					<b>34,461</b>	<b>35,300</b>	<b>34,461</b>	<b>35,300</b>

## Full-Time Equivalents

					181.66	180.66	181.66	180.66
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# Child Safety and Permanency

# Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY22	FY23	FY24	FY25	FY26	FY27	FY26	FY27
1000 - General								
Direct Appropriation					17,622	17,335	17,622	17,335
Transfers Out					5,623	5,623	5,623	5,623
Expenditures					11,999	11,712	11,999	11,712
Biennial Change in Expenditures				0		23,711		23,711
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents					87.00	87.00	87.00	87.00

## 2000 - Restrict Misc Special Revenue

Receipts					33	33	33	33
<b>Expenditures</b>					<b>33</b>	<b>33</b>	<b>33</b>	<b>33</b>
Biennial Change in Expenditures				0		66		66
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								0

## 2001 - Other Misc Special Revenue

Receipts					7,156	7,156	7,156	7,156
Transfers In					5,623	5,623	5,623	5,623
<b>Expenditures</b>					<b>12,779</b>	<b>12,779</b>	<b>12,779</b>	<b>12,779</b>
Biennial Change in Expenditures				0		25,558		25,558
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents					42.66	42.66	42.66	42.66

## 3000 - Federal

Receipts					9,650	10,776	9,650	10,776
<b>Expenditures</b>					<b>9,650</b>	<b>10,776</b>	<b>9,650</b>	<b>10,776</b>
Biennial Change in Expenditures				0		20,426		20,426
Biennial % Change in Expenditures								
Governor's Change from Base								0

# Child Safety and Permanency

# Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY22	FY23	FY24	FY25	FY26	FY27	FY26	FY27
Governor's % Change from Base								0
Full-Time Equivalents					52.00	51.00	52.00	51.00

**Program: Operations and Administration****Activity: Early Childhood**<https://dcyf.mn.gov/individuals-and-families/family-services/child-care-and-early-learning>**AT A GLANCE**

- Issue approximately \$19.8 million in payments per month for the Child Care Assistance Program supporting approximately 11,500 families in 2023.
- Supports 12,282 children through Early Learning Scholarships in 2023.
- Issue approximately \$12 million in payments per month to child care workers through the Great Start Compensation Support Program in 2023.

**PURPOSE AND CONTEXT**

The Early Childhood administration supports programs that help young children receive the best start in life, including help finding quality and affordable child care and early learning programs that support early child development and thriving families. This administration combines the Child Care Services division, previously housed at the Department of Human Services, the Early Learning division, formerly at the Department of Education and the Help Me Connect program, previously at the Department of Health.

This administration supports families seeking child care and early learning programs by providing financial assistance to low-income families and ensuring families can identify quality care and education that meet their needs. Additionally, this administration directly supports child care and early learning providers through financial assistance, quality improvement, and professional development opportunities. Child care and early learning providers are supported through loans, technical assistance, and training, with the goal of increasing the supply of quality child care options across the state. The Early Childhood administration supports early learning programs delivered by schools designed to ensure all children are ready for school. Finally, this administration provides a variety of early intervention and supports to children with conditions known to result in developmental delays and those who are showing delays in development.

**SERVICES PROVIDED**

The Early Childhood administration implements the following programs:

- Child Care Development Grants, including Great Start Compensation Payment Program
- Child Care Assistance Program (CCAP)
- Child care and early learning workforce development
- Early Learning Scholarships
- Voluntary Pre-Kindergarten
- Head Start
- Infant and Toddler Early Intervention (also known as Part C)
- Developmental Screening Aid
- Early Learning Grants
- Help Me Connect
- Early Childhood Family Education
- Home Visiting Aid
- School Readiness
- Developmental Screening Aid



The administration provides the following services to ensure programs are implemented effectively:

- Providing guidance and technical assistance to child care providers, county and tribal workers, school districts, Head Start programs and other providers
- Grant management, ensuring compliance with state and federal requirements and providing technical assistance when needed.
- Conducting ongoing research and evaluation, including managing the Early Childhood Longitudinal Data System (ECLDS)
- Administering and ensuring compliance with major federal funding streams including the Child Care Development block grant, Head Start and IDEA Part C
- Consulting with tribal nations on program delivery and improvement
- Engaging with community members, including participants, to continuously improve programs.
- Overseeing accuracy of payments for CCAP through the MEC2 system
- Managing Early Learning Scholarships across the state
- Directing the Great Start Compensation payment program

## **RESULTS**

This is a new administration; no results data is available.

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(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base		Governor's Recommendation	
					FY26	FY27	FY26	FY27
<b><u>Expenditures by Fund</u></b>								
1000 - General					9,417	9,458	14,972	11,097
2001 - Other Misc Special Revenue					3,058	3,058	3,058	3,058
3000 - Federal					17,743	17,511	17,743	17,511
<b>Total</b>					<b>30,218</b>	<b>30,027</b>	<b>35,773</b>	<b>31,666</b>
Biennial Change				0		60,245		67,439
Biennial % Change								
Governor's Change from Base								7,194
Governor's % Change from Base								12
<b><u>Expenditures by Category</u></b>								
Compensation					14,172	14,124	14,465	14,514
Operating Expenses					16,046	15,903	21,308	17,152
<b>Total</b>					<b>30,218</b>	<b>30,027</b>	<b>35,773</b>	<b>31,666</b>
<b><u>Full-Time Equivalents</u></b>								
					<b>93.00</b>	<b>93.00</b>	<b>95.25</b>	<b>96.00</b>

## Early Childhood

## Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY22	FY23	FY24	FY25	FY26	FY27	FY26	FY27
1000 - General								
Direct Appropriation					12,800	12,841	18,355	14,480
Transfers Out					3,383	3,383	3,383	3,383
Expenditures					9,417	9,458	14,972	11,097
Biennial Change in Expenditures				0		18,875		26,069
Biennial % Change in Expenditures								
Governor's Change from Base								7,194
Governor's % Change from Base								38
Full-Time Equivalents					43.00	43.00	45.25	46.00

### 2001 - Other Misc Special Revenue

Transfers In					3,058	3,058	3,058	3,058
<b>Expenditures</b>					<b>3,058</b>	<b>3,058</b>	<b>3,058</b>	<b>3,058</b>
Biennial Change in Expenditures				0		6,116		6,116
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents					10.00	10.00	10.00	10.00

### 3000 - Federal

Receipts					17,743	17,511	17,743	17,511
<b>Expenditures</b>					<b>17,743</b>	<b>17,511</b>	<b>17,743</b>	<b>17,511</b>
Biennial Change in Expenditures				0		35,254		35,254
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents					40.00	40.00	40.00	40.00

**Program: Agencywide Supports****Activity: Economic Opportunity and Youth Services**<https://dcyf.mn.gov/individuals-and-families/youth-services><https://dcyf.mn.gov/individuals-and-families/basic-needs/food-and-nutrition>**AT A GLANCE**

- Supports over 300 food shelves and meal programs in Minnesota.
- Youth Intervention Program funding supports almost 100 youth-serving programs statewide.

**PURPOSE AND CONTEXT**

This administration provides support to youth, families and people across Minnesota who are struggling to meet their basic needs and supports youth involved in the justice system and those at risk for system involvement. This administration combines the Office of Economic Opportunity, formerly at the Department of Human Services and the Department of Public Safety's Juvenile Justice Unit, Office of Restorative Practices, and Youth Justice Office. The Office of Restorative Practices was established in 2024.

**SERVICES PROVIDED**

This Economic Opportunity and Youth Services administration implements the following programs:

- Emergency Food Programs, such as the Minnesota Food Shelf Program and the federal Emergency Food Assistance Program (TEFAP)
- SNAP Outreach and SNAP Education
- American Indian Food Sovereignty Program
- Office of Restorative Practices
- Youth Justice Office, including the Governor's Juvenile Justice Advisory Committee (JJAC), federal Title II delinquency prevention grant funding, Youth Intervention Program grant funding, and Crossover/Dual-Status Youth Program grant funding

The administration provides the following services to ensure programs are implemented effectively:

- Grant management, ensuring compliance with state and federal requirements and providing technical assistance when needed
- Administering and ensuring compliance with major federal funding streams including the Community Services Block Grant
- Conducting ongoing research and evaluation to improve programs
- Consulting with tribal nations on program delivery and improvement
- Engaging with youth, families, and community members, including program participants, to continuously improve programs
- Ensuring Minnesota's compliance with the core requirements of the federal Juvenile Justice and Delinquency Prevention Act (JJDPA) and administering its related Title II delinquency prevention subaward program

**RESULTS**

This is a new administration, there are not results for this activity.

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base		Governor's Recommendation	
					FY26	FY27	FY26	FY27

**Expenditures by Fund**

1000 - General					3,708	3,562	3,708	3,562
3000 - Federal					6,618	6,618	6,618	6,618
<b>Total</b>					<b>10,326</b>	<b>10,180</b>	<b>10,326</b>	<b>10,180</b>
Biennial Change				0		20,506		20,506
Biennial % Change								
Governor's Change from Base								0
Governor's % Change from Base								0

**Expenditures by Category**

Compensation					6,621	6,475	6,621	6,475
Operating Expenses					3,705	3,705	3,705	3,705
<b>Total</b>					<b>10,326</b>	<b>10,180</b>	<b>10,326</b>	<b>10,180</b>

**Full-Time Equivalents**

					45.00	45.00	45.00	45.00
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(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY22	FY23	FY24	FY25	FY26	FY27	FY26	FY27
1000 - General								
Direct Appropriation					3,708	3,562	3,708	3,562
Expenditures					3,708	3,562	3,708	3,562
Biennial Change in Expenditures				0		7,270		7,270
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents					24.00	24.00	24.00	24.00

**3000 - Federal**

Receipts					6,618	6,618	6,618	6,618
<b>Expenditures</b>					<b>6,618</b>	<b>6,618</b>	<b>6,618</b>	<b>6,618</b>
Biennial Change in Expenditures				0		13,236		13,236
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents					21.00	21.00	21.00	21.00

**Program: Operations and Administration****Activity: Family Well-Being**<https://dcyf.mn.gov/individuals-and-families/basic-needs>**AT A GLANCE**

- Issue approximately \$1 billion in payments per year for cash benefits and food assistance for families; \$55 million in Summer EBT benefits for school year 2023-2024 to 458,000 children; and receive and process approximately \$45.2 million in child support payments per month in 2022.
- Support approximately 3,000 county and tribal frontline workers using MAXIS and MEC2 to issue cash, food, and child care assistance benefits to families; including 11,974 virtual classroom and on-line training sessions taken in 2023.
- PRISM, Minnesota's automated child support computer system, supports the work of more than 1,350 county and state workers providing child support services.
- MAXIS Help Desk processes on average 30,000 calls and online tickets, Child Support Division help desk processed 22,515 calls and online tickets in 2023.
- Parents access information about their child support case activities and payments through a secure state website, [www.childsupport.dhs.state.mn.us](http://www.childsupport.dhs.state.mn.us), more than 185,500 times per month on average.
- Manage on average 400 phone calls and 200 online tickets daily through the Summer EBT call center.

**PURPOSE AND CONTEXT**

The Family Well-Being administration supports programs that form the social safety net for children and families by providing food assistance, cash assistance, child support services, and employment services and other supports. This administration provides infrastructure, guidance, and partner training so Minnesota families can access these services. It also conducts research, community engagement and policy analysis to continuously improve service delivery for participants. Finally, this administration ensures programs and partners are complying with state and federal regulations.

This administration supports children and families struggling to meet their basic needs. Minnesota's food and nutrition programs help people with low incomes get the food they need for nutritious and well-balanced meals. Children learn more easily, adults work more productively, and seniors are healthier with proper nutrition. Minnesota's cash assistance programs help families with low incomes move to economic stability through work.

**SERVICES PROVIDED**

The Family Well-Being administration implements the following programs:

- Minnesota Family Investment Program, including employment, emergency assistance, and other support services.
- Diversionary Work Program<sup>1</sup>
- Summer Electronic Benefit Transfer (EBT)
- Supplemental Nutrition Assistance Program (SNAP)
- Supplemental Nutrition Assistance Program Employment and Training
- Child Support Services

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<sup>1</sup> The Diversionary Work Program was repealed during the 2023 legislative session, effective March 1, 2026.

The administration provides the following services to ensure programs are implemented effectively:

- Providing technical assistance and guidance to county and tribal nations workers administering programs, through ongoing training, help desks and maintaining updated policies, manuals, and forms
- Performing data analytics, research and evaluation
- Administering Summer EBT, including managing payments and running a call center for participants
- Administering the federal Temporary for Assistance for Needy Families (TANF) block grant
- Ensuring federal compliance with SNAP program regulations and procedures, including conducting quality control reviews, local agency reviews; running the SNAP Hotline; providing ongoing policy analysis and technical support to counties and tribal nations; and overseeing and managing federal SNAP waivers, appeals, and plans
- Consulting with tribal nations on program delivery and improvement
- Administering the Child Support Payment Center, including payment processing
- Operating Minnesota Child Support Online and the Child Support Help Desk for customer support
- Grant management, ensuring compliance with state and federal requirements and providing technical assistance when needed
- Managing MAXIS, the technology system responsible for cash assistance payments
- Managing PRISM, the technology system responsible for child support enforcement payments
- Managing benefit issuance and the vendor that processes cash, SNAP, and Summer EBT payments
- Engaging with community members, including participants, to continuously improve programs
- Locating parents and establishing parentage
- Establishing and reviewing child support orders for modification
- Helping children receive financial, medical and child care support
- Working with other state agencies to help families when one parent lives outside of Minnesota
- Helping families work toward becoming and remaining self-sufficient, ensuring parents establish a financial partnership

## **RESULTS**

This is a newly formed administration. No results data is available for this biennium.



(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base		Governor's Recommendation	
					FY26	FY27	FY26	FY27
<b><u>Expenditures by Fund</u></b>								
1000 - General					10,439	10,439	10,439	10,439
2001 - Other Misc Special Revenue					82	82	82	82
3000 - Federal					13,977	13,385	13,977	13,385
3001 - Federal TANF					3,676	3,676	3,676	3,676
<b>Total</b>					<b>28,174</b>	<b>27,582</b>	<b>28,174</b>	<b>27,582</b>
Biennial Change				0		55,756		55,756
Biennial % Change								
Governor's Change from Base								0
Governor's % Change from Base								0
<b><u>Expenditures by Category</u></b>								
Compensation					13,861	13,769	13,861	13,769
Operating Expenses					13,413	12,913	13,413	12,913
Grants, Aids and Subsidies					900	900	900	900
<b>Total</b>					<b>28,174</b>	<b>27,582</b>	<b>28,174</b>	<b>27,582</b>
<b><u>Full-Time Equivalents</u></b>								
					<b>102.35</b>	<b>101.35</b>	<b>102.35</b>	<b>101.35</b>

# Family Well-Being

# Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY22	FY23	FY24	FY25	FY26	FY27	FY26	FY27
1000 - General								
Direct Appropriation					10,471	10,471	10,471	10,471
Transfers Out					32	32	32	32
Expenditures					10,439	10,439	10,439	10,439
Biennial Change in Expenditures				0		20,878		20,878
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents					67.00	67.00	67.00	67.00

## 2001 - Other Misc Special Revenue

Receipts					50	50	50	50
Transfers In					32	32	32	32
<b>Expenditures</b>					<b>82</b>	<b>82</b>	<b>82</b>	<b>82</b>
Biennial Change in Expenditures				0		164		164
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents					0.35	0.35	0.35	0.35

## 3000 - Federal

Receipts					13,977	13,385	13,977	13,385
<b>Expenditures</b>					<b>13,977</b>	<b>13,385</b>	<b>13,977</b>	<b>13,385</b>
Biennial Change in Expenditures				0		27,362		27,362
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents					16.00	15.00	16.00	15.00

## 3001 - Federal TANF

Receipts					3,676	3,676	3,676	3,676
<b>Expenditures</b>					<b>3,676</b>	<b>3,676</b>	<b>3,676</b>	<b>3,676</b>
Biennial Change in Expenditures				0		7,352		7,352
Biennial % Change in Expenditures								

## Family Well-Being

## Activity Financing by Fund

*(Dollars in Thousands)*

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base		Governor's Recommendation	
					FY26	FY27	FY26	FY27
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents					19.00	19.00	19.00	19.00

**Program: Forecasted Programs****Activity: Minnesota Family Investment Program and Diversionary Work Program**<https://dcyf.mn.gov/cashemployment>**AT A GLANCE**

- About 70 percent of people served through the Minnesota Family Investment Program (MFIP) and Diversionary Work Program (DWP) are children.
- In an average month, the programs serve about 62,000 children and their parents or caretakers in almost 23,000 households.
- Families receive an average of \$1,100 a month of a combined cash assistance and food support through MFIP and \$523 a month of cash assistance through the Diversionary Work Program.
- All funds spending for the MFIP/DWP activity for FY 2023 was \$310 million.

**PURPOSE AND CONTEXT**

The Minnesota Family Investment Program (MFIP) and Diversionary Work Program (DWP) provide temporary financial support to help meet the basic needs of low-income families with children and low-income pregnant women.

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

The goal of these programs is to stabilize families and improve economic outcomes through employment. Without these benefits, families lack other resources available to help meet their basic needs.

These programs are funded with a combination of state and federal Supplemental Nutrition Assistance Program (SNAP) funds and federal Temporary Assistance for Needy Families (TANF) funds. Counties and Tribal Nations administer the MFIP and DWP programs. Effective March 1, 2026, DWP is repealed and families applying and eligible for assistance will enroll in MFIP.

**SERVICES PROVIDED**

The Minnesota Family Investment Program provides job counseling, cash assistance, and food assistance. Families cannot receive assistance for more than 60 months in their lifetime, unless a significant impairment identified in state law qualifies them for extended assistance. The amount of assistance is based on family size and other sources of income. A family of three with no other income can receive \$731 in cash assistance and \$639 in SNAP benefits per month. The benefits are structured to reward families who work and are gradually reduced as income rises. Parents are required to participate in employment services. Families may also be eligible for childcare assistance and for health care coverage under Medical Assistance. Most families are also eligible for the MFIP housing assistance grant of \$110 per month if they do not already receive a rental subsidy through the federal Department of Housing and Urban Development.

The Diversionary Work Program is a four-month long program for families who are applying for cash assistance who have not received cash assistance in the last 12 months and who meet other eligibility criteria. The program includes intensive, up-front job search services. A family receives cash benefits based on its housing, utility costs, and personal needs up to the same maximum as MFIP, based on the number of people in the family. Housing and

utility costs are paid directly to the landlord or utility company. The maximum that a family of three, a parent with two children, can receive is \$731 in financial assistance. Most families are also eligible for SNAP benefits, childcare assistance, and health care coverage under Medical Assistance.

## RESULTS

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

<i><b>Year ending in March of:</b></i>	<i><b>S-SI</b></i>
2013	66.9%
2014	68.5%
2015	68.8%
2016	68.0%
2017	65.9%
2018	64.6%
2019	64.4%
2020	65.7%
2021	64.6%
2022	63.4%
2023	61.7%

- The decline in the Self-Support Index from 2020 to 2023 can be explained by the corresponding decline in the **range of expected performance** for each local agency. Each local agency has a customized range of Self-Support Index scores based on factors outside of the control of the local agency, such as demographics of person and household, local economic and community factors.
- The **statewide median placement wage** is a results measure and counts the number of MFIP and DWP Employment Services participants newly enrolled during the quarter who obtained employment in that quarter, and the median placement (starting) wage by service area at the start of the job. This only includes the first quarter of the fiscal year. The Minnesota Family Investment Program Management Indicators Report provides details for all quarters.

<i><b>January-March (Quarter 1) of Year</b></i>	<i><b>Number job placements (MFIP) in Q1</b></i>	<i><b>Number job placements (DWP) in Q1</b></i>
2023	1,213	486
2022	851	490
2021	1,060	0
2020	962	736

- The federal **Work Participation Rate** (WPR) is a process measure and counts the number of parents engaging in a minimum number of hours of federally recognized work activities. The measure does NOT count households who discontinue assistance when getting a job. Many requirements of the work participation rate were not in effect during the COVID 19 public health emergency.

<i><b>Federal Fiscal Year</b></i>	<i><b>WPR</b></i>
2012	45.3%
2013	45.1%
2014	46.2%
2015	37.9%
2016	39.4%
2017	38.9%
2018	37.2%
2019	35.7%
2020	22.3%
2021	14.9%
2022	20.4%

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The legal authority for the Minnesota Family Investment Program activities was M.S. chapter 256J in the Minnesota Department of Human Services (<https://www.revisor.mn.gov/statutes/?id=256J>). It will be M.S. chapter 142G in the Minnesota Department of Children, Youth, and Families.

# MFIP and Diversionary Work Program

# Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base FY26FY27		Governor's Recommendation FY26FY27	
<b><u>Expenditures by Fund</u></b>								
1000 - General					103,272	120,504	103,272	120,504
2000 - Restrict Misc Special Revenue					750	750	750	750
3000 - Federal					409,497	409,497	409,497	409,497
3001 - Federal TANF					127,201	147,663	127,201	147,663
<b>Total</b>					<b>640,720</b>	<b>678,414</b>	<b>640,720</b>	<b>678,414</b>
Biennial Change				0	1,319,134		1,319,134	
Biennial % Change								
Governor's Change from Base							0	
Governor's % Change from Base							0	
<b><u>Expenditures by Category</u></b>								
Grants, Aids and Subsidies					639,920	677,614	639,920	677,614
Other Financial Transaction					800	800	800	800
<b>Total</b>					<b>640,720</b>	<b>678,414</b>	<b>640,720</b>	<b>678,414</b>

# MFIP and Diversionary Work Program

# Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY22	FY23	FY24	FY25	FY26	FY27	FY26	FY27
1000 - General								
Direct Appropriation					103,272	120,504	103,272	120,504
Expenditures					103,272	120,504	103,272	120,504
Biennial Change in Expenditures				0		223,776		223,776
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								0
2000 - Restrict Misc Special Revenue								
Receipts					750	750	750	750
Expenditures					750	750	750	750
Biennial Change in Expenditures				0		1,500		1,500
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								0
3000 - Federal								
Receipts					409,497	409,497	409,497	409,497
Expenditures					409,497	409,497	409,497	409,497
Biennial Change in Expenditures				0		818,994		818,994
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								0
3001 - Federal TANF								
Balance Forward In					248,645	210,750	248,645	210,750
Receipts					89,306	89,306	89,306	89,306
Transfers In				248,645				
Balance Forward Out				248,645	210,750	152,393	210,750	152,393
Expenditures					127,201	147,663	127,201	147,663
Biennial Change in Expenditures				0		274,864		274,864
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								0



**Program: Forecasted Programs****Activity: Minnesota Family Investment Program Child Care Assistance**<https://dcyf.mn.gov/partners-and-providers/child-care-services>**AT A GLANCE**

- In 2023 MFIP Child Care Assistance paid childcare for 8,988 children in 4,765 families during an average month.
- The average monthly assistance per family was \$1,776.
- All funds spending for the MFIP Child Care Assistance activity for FY 2023 was \$106 million.

**PURPOSE AND CONTEXT**

In order to work, families need safe and reliable childcare. The average annual cost of full-time care for one child ranges from \$8,000 to \$20,000 per year, depending on the age of the child, location, and type of provider attended.<sup>1</sup> Many low-income families struggle to find affordable childcare that fits their needs. Minnesota Family Investment Program (MFIP) Child Care Assistance provides financial subsidies to help low-income families pay for childcare. To support quality childcare experiences and school readiness, the program can pay a higher subsidy rate when a child is being cared for in a setting that meets quality standards.

**SERVICES PROVIDED**

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

The following families are eligible to receive MFIP childcare assistance:

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

When family income increases, the amount of childcare expenses paid by the family in the form of copayments also increases. All families receiving childcare assistance and earning 75 percent or more of the federal poverty guideline make copayments based on family income. A family of three leaving MFIP and earning 115 percent of the federal poverty level (\$29,693) would have a total biweekly childcare provider payment of \$25 for all children in childcare.

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<sup>1</sup> <https://www.childcareawaremn.org/families/cost-of-care/>

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

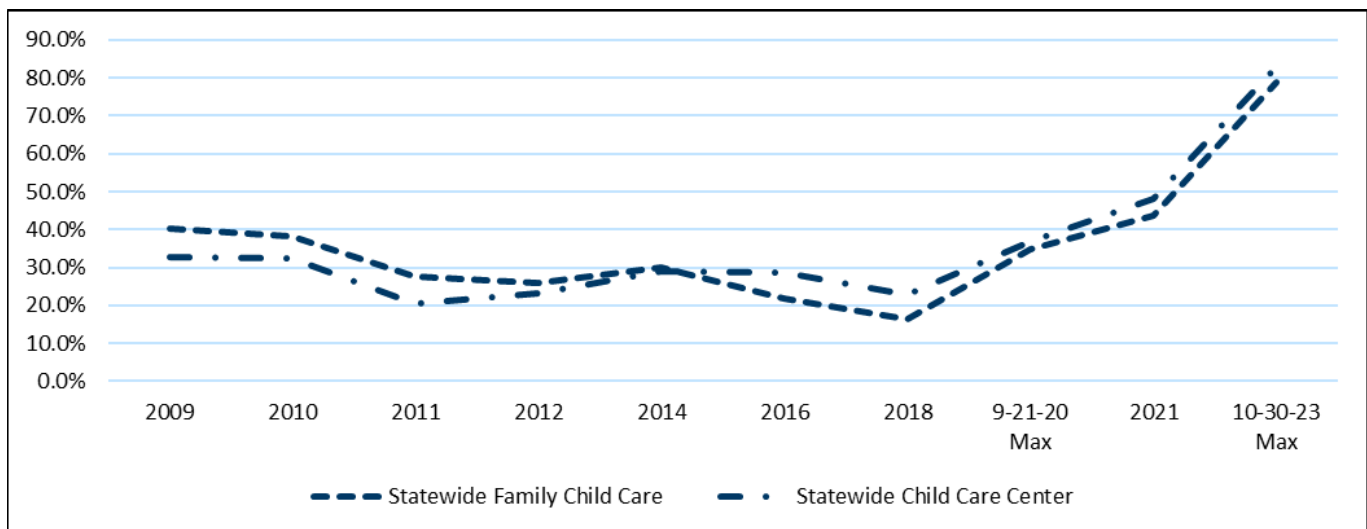
Childcare must be provided by a legal childcare provider over the age of 18 years. Allowable providers include legal non-licensed family childcare, license-exempt centers, licensed family childcare, and licensed childcare centers. Families choose their providers in the private childcare market. Counties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

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

## RESULTS

**Percent of provider prices fully covered by childcare** - Maximum rates paid to providers under the Child Care Assistance Program may not cover the full cost of childcare. This may be a barrier for some families, if the family cannot find a provider in their community whose prices are covered by the maximum allowed under the program. However, **the percent of childcare provider prices that are fully covered by the Child Care Assistance Program increased when the maximum rates were increased in the 2023 legislative session.** As of October 30, 2023, approximately 79 percent of family childcare providers and approximately 83 percent of childcare centers charge prices that are fully covered by the Child Care Assistance Program standard maximum rates.

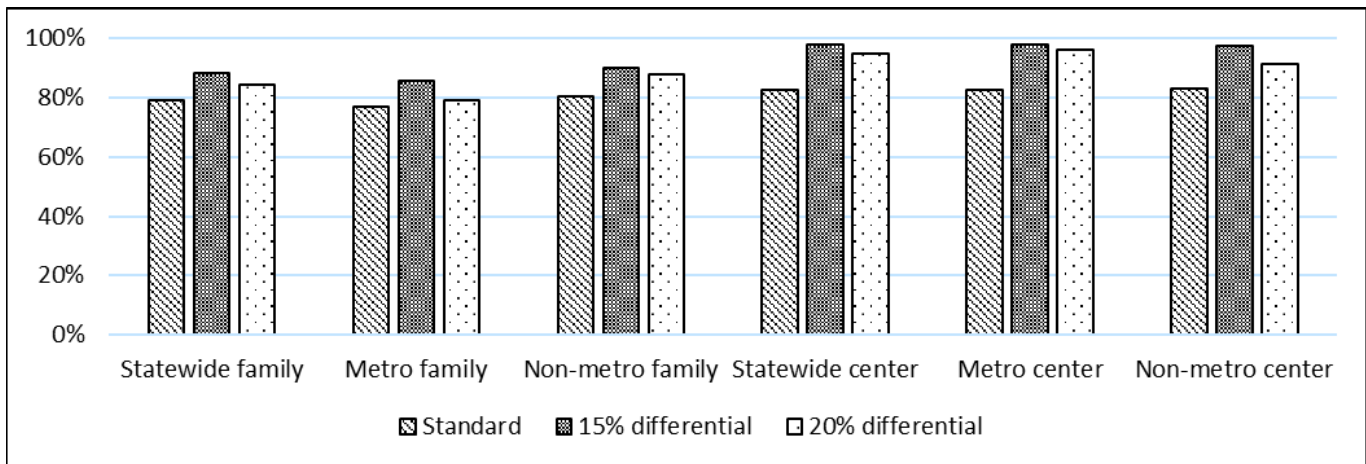
**Provider prices fully covered by Standard Maximum Rates statewide, by percentage.**



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

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

**Prices fully covered by Standard and Quality Differential Maximum Rates, by percent.**



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

**Use of High-Quality Care** - Children who participate in high quality early care and education are more likely to experience school success and positive life-long outcomes. This quality measure shows that the percent of all children receiving childcare assistance through providers eligible for the higher subsidy rates for quality has increased from 37.5 percent in July of 2016 to 51 percent in July of 2023.

**Percent of Children Receiving Child Care Assistance in Quality Settings**

	2020	2021	2022	2023
Standard Care	46.6%	44.5%	47.6%	48.8%
Provider holds Accreditation*	2.4%	2.4%	2.5%	1.6%
Provider holds Parent Aware 1-2 Star	4.0%	3.5%	2.3%	1.5%
Provider holds Parent Aware 3-4 Star*	47%	49.6%	47.6%	48.1%

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

The data source for the prices charged by providers is a biennial survey of provider prices conducted by Child Care Aware of Minnesota for the Department. To assess the portion of provider prices fully covered, provider prices are compared to the applicable maximum subsidy rates. The data source for children in care with provider's eligible for the higher rates for quality is from MEC<sup>2</sup>, Minnesota's childcare electronic eligibility and payment system.

The legal authority for the MFIP/TY Child Care Assistance program was in M.S. chapter 119B in the Minnesota Department of Human Services (<https://www.revisor.mn.gov/statutes/cite/119B>). It will be M.S. chapter 142E in the Minnesota Department of Children, Youth, and Families. (<https://www.revisor.mn.gov/laws/2024/0/80/laws.5.6.0#laws.5.6.0>).

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base		Governor's Recommendation	
					FY26	FY27	FY26	FY27
<b><u>Expenditures by Fund</u></b>								
1000 - General					100,244	137,333	100,244	137,333
3000 - Federal					113,236	113,236	113,236	113,236
<b>Total</b>					<b>213,480</b>	<b>250,569</b>	<b>213,480</b>	<b>250,569</b>
Biennial Change				0		464,049		464,049
Biennial % Change								
Governor's Change from Base								0
Governor's % Change from Base								0
<b><u>Expenditures by Category</u></b>								
Grants, Aids and Subsidies					213,480	250,569	213,480	250,569
<b>Total</b>					<b>213,480</b>	<b>250,569</b>	<b>213,480</b>	<b>250,569</b>

# MFIP Child Care Assistance

# Activity Financing by Fund

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base FY26FY27		Governor's Recommendation FY26FY27	
1000 - General								
Direct Appropriation					100,244	137,333	100,244	137,333
Expenditures					100,244	137,333	100,244	137,333
Biennial Change in Expenditures				0		237,577		237,577
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								0
3000 - Federal								
Receipts					113,236	113,236	113,236	113,236
Expenditures					113,236	113,236	113,236	113,236
Biennial Change in Expenditures				0		226,472		226,472
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								0

**Program: Forecasted Programs****Activity: Northstar Care for Children**<https://dcyf.mn.gov/>**AT A GLANCE**

- 10,509 children experienced an out-of-home placement.
- 1,544 children were either adopted or had a permanent transfer of legal and physical custody to a relative.
- All fund spending for the Northstar Care for Children activity for FY 2023 was \$176.9 million.

**PURPOSE AND CONTEXT**

Northstar Care for Children is designed to help children who are removed from their homes and placed in foster care. It supports permanency through adoption or transfer of permanent legal and physical custody (TPLPC) to a relative if the child cannot be safely reunified with parents. Financial support and medical assistance are provided on behalf of eligible children to support their daily care, stability, and well-being needs while in temporary foster care and in permanent adoptive and kinship homes. The financial benefit varies with the child's age but averages about \$12,000 annually per child. Northstar Care for Children consolidates and simplifies administration of three existing programs: Family Foster Care, Kinship Assistance (which replaced Relative Custody Assistance), and Adoption Assistance. Northstar Care for Children helps more children grow up in safe, stable, and permanent homes.

**SERVICES PROVIDED**

The Northstar Care for Children program:

- Combines three child welfare benefit programs – Family Foster Care, Adoption Assistance, and Kinship Assistance – into a single program with uniform processes and unified benefits, each of which uses federal Title IV-E funds.
  - Northstar Foster Care is for temporary family foster care, including where children might become permanent members of families. It is not used for group housing or residential treatment.
  - Northstar Kinship Assistance supports children achieving permanency with relatives and kin through TPLPC and simplifies ongoing requirements for permanent kinship caregivers.
  - Northstar Adoption Assistance supports children achieving permanency through adoption and allows more decision making by adoptive parents, rather than requiring detailed state review and approval.
- Provides a monthly basic payment based on children's age for most eligible children.
- Uses a uniform assessment for all children to determine needs beyond the basic payment. The assessment results in one of 15 levels of monthly supplemental difficulty of care payments.
- Maintains children's existing pre-Northstar benefits unless they specifically transition into Northstar Care for Children (pre-Northstar benefit programs are phased out as children exit them).
- Reduces barriers to permanency by eliminating financial and medical disparities in benefits across existing programs, particularly for older youth in foster care. This in turn helps reduce racial disparities that are typically associated with longer stays in foster care and aging out of foster care without permanency.

Funding for Northstar Care for Children comes from state general fund appropriations; federal Title IV-E payments for foster care, guardianship assistance, and adoption assistance; and county and Tribal spending on foster care. Northstar Care for Children spending was eligible for the temporary 6.2 percent Federal Medical Assistance

Percentage (FMAP) increase authorized by the Families First Coronavirus Response Act (FFCRA), which lasted through March 31, 2023 and was phased down in each fiscal quarter until it ended January 1, 2024.<sup>1</sup>

## RESULTS

The Minnesota Department of Children, Youth, and Families monitors the performance of counties and Tribes in delivering child welfare services, including services provided under Northstar Care for Children.

Measure name	Measure type	Measure data source	Historical trend	Most recent data
Rate of relative care	Result	Of all days that children spent in family foster care settings during the given period, what percentage of days were spent with a relative	Increased by 3 percentage points from 2019	2023: 63.1%
Placement stability	Quality	Of all children who enter foster care in the year, what is the number of placement moves per 1,000 days spent in foster care?	Decreased by 0.2 per 1,000 since 2019	2023: 3.5 per 1,000
Permanency, 12-23 months	Quality	Of all children in foster care who had been in foster care between 12 and 23 months on the first day of the year, what percent of children are discharged from foster care to permanency within 12 months of the first day of the year	Increased by 4 percentage points since 2019	2023: 59.6%
Permanency, 24 months	Quality	Of all children in foster care who had been in foster care for 24 months or more on the first day of the year, what percent of children are discharged to permanency within 12 months of the first day of the year	Increased by 9 percentage points since 2019	2023: 42.2%

Performance Measures notes:

Measures provided by the Child Safety and Permanency Administration at the Department of Children, Youth, and Families.

Also see the DHS Child Welfare Dashboard

([http://www.dhs.state.mn.us/main/idcplg?IdcService=GET\\_DYNAMIC\\_CONVERSION&RevisionSelectionMethod=LatestReleased&dDocName=dhs16\\_148137](http://www.dhs.state.mn.us/main/idcplg?IdcService=GET_DYNAMIC_CONVERSION&RevisionSelectionMethod=LatestReleased&dDocName=dhs16_148137))

The legal authority for Northstar Care for Children was M.S. chapter 256N in the Minnesota Department of Human Services (<https://www.revisor.mn.gov/statutes/cite/256N>). It will be M.S. chapters 142A.60-142A.612 in the Minnesota Department of Children, Youth, and Families.

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

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base		Governor's Recommendation	
					FY26	FY27	FY26	FY27

**Expenditures by Fund**

1000 - General					110,214	116,160	110,214	116,160
3000 - Federal					157,722	157,722	157,722	157,722
<b>Total</b>					<b>267,936</b>	<b>273,882</b>	<b>267,936</b>	<b>273,882</b>
Biennial Change				0		541,818		541,818
Biennial % Change								
Governor's Change from Base								0
Governor's % Change from Base								0

**Expenditures by Category**

Grants, Aids and Subsidies					267,936	273,882	267,936	273,882
<b>Total</b>					<b>267,936</b>	<b>273,882</b>	<b>267,936</b>	<b>273,882</b>



# Northstar Care for Children

# Activity Financing by Fund

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base FY26FY27		Governor's Recommendation FY26FY27	
1000 - General								
Direct Appropriation					110,214	116,160	110,214	116,160
Expenditures					110,214	116,160	110,214	116,160
Biennial Change in Expenditures				0		226,374		226,374
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								0
3000 - Federal								
Receipts					157,722	157,722	157,722	157,722
Expenditures					157,722	157,722	157,722	157,722
Biennial Change in Expenditures				0		315,444		315,444
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								0

**Program: Forecasted Program****Activity: Early Childhood Family Education**<https://dcyf.mn.gov/individuals-and-families/family-services/child-care-and-early-learning>**AT A GLANCE**

- 12,949 children participated in ongoing Early Childhood Family Education (ECFE) classes in fiscal year (FY) 2023.

**PURPOSE AND CONTEXT**

The purpose of the program is to provide parenting education to support children's learning and development. All families with children prenatal to kindergarten are eligible for services. School districts with prekindergarten through third grade initiatives may continue to serve families up to third grade.

This program helps meet the objective of all children attend a safe, nurturing school.

**SERVICES PROVIDED**

Early Childhood Family Education (ECFE) provides programming and services to educate parents and other relatives about the physical, cognitive, social, and emotional development of children, and to enhance the skills of parents and other relatives in providing for their children's learning and development. In addition, there is funding available to provide home visiting to families. Each year, programs must: 1) conduct a community needs assessment that identifies new and underserved populations; 2) identify child and family risk factors, particularly those that impact children's learning and development; and 3) assess family and parenting education needs in the community. Programs are required to provide programming and services that are tailored to the needs of families and parents prioritized in the community needs assessment.

**Additional ECFE Program Requirements**

- Provide programming to educate parents and other relatives about the development of children and to enhance the skills of parents and other relatives in providing for their children's learning and development.
- Provide structured learning activities requiring interaction between children and their parents or relatives.
- Provide learning experiences for children, parents, and other relatives that promote children's early literacy and, where practicable, their native language skills and activities for children that require substantial involvement of the children's parents or other relatives.
- Provide structured learning activities for children that promote children's development and positive interaction with peers, which are held while parents or relatives attend parent education classes.
- Provide information on related community resources.
- Provide information, materials, and activities that support the safety of children, including prevention of child abuse and neglect.
- Provide information about, and if needed, assist in making arrangements for an early childhood health and developmental screening when the child nears the third birthday.

ECFE programs should also:

- Encourage parents and other relatives to involve four- and five-year-old children in School Readiness programs, and other public and nonpublic early learning programs.
- Provide parents of English learners with translated oral and written information to monitor the program's impact on their children's English language development, to know whether their children are progressing in developing their English and native language proficiency, and to actively engage with and support their children in developing their English and native language proficiency.

### Revenue

ECFE revenue is a combination of state aid and local property tax levy. Total revenue is 2.3 percent of the general education formula allowance times 150, or the number of children under age 5 who lived in the district as of October 1 of the previous school year, whichever is greater. Starting in FY 2018, local Home Visiting levies were supplemented with state aid.

### Collaboration

It is common for other state-funded programs to work collaboratively with ECFE:

- Adult Basic Education (ABE), which provides family literacy programs.
- School Readiness and Voluntary Prekindergarten utilize ECFE to provide family engagement and parenting education service.
- Help Me Grow facilitates the referral and assessment process for Part C and Part B early intervention services.

## RESULTS

Measure name	Measure type	Measure data source	Historical trend	Most recent data
Children participating in regular parent/child weekly sessions.	Quantity	Data collected by MDE	FY2021: 8,299** FY2022: 12,113	FY2023: 12,949
Class offerings for children/parents.	Quantity	Data collected by MDE	FY2021: 1,227** FY2022: 1,416	FY2023: 1,307

\*Note: Some districts did not report ECFE courses in these years.

\*\*Note: Figures impacted by the COVID pandemic and ECFE being a voluntary program.

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This statute was previously M.S. 124D.13 and M.S. 124D.135, it is now codified under M.S. 142D.10; M.S. 142D.11.

# Early Childhood Family Education

# Activity Financing by Fund

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base		Governor's Recommendation	
					FY26	FY27	FY26	FY27
<b>1000 - General</b>								
Direct Appropriation					39,610	41,522	39,610	41,522
Transfers Out					39,610	41,522	39,610	41,522

**Program: Forecasted Program****Activity: Health and Developmental Screening**<https://dcyf.mn.gov/individuals-and-families/family-services/child-care-and-early-learning>**AT A GLANCE**

- In fiscal year (FY) 2023, a total of 58,259 children were screened by school districts. Outcomes included:
  - 7,808 children referred to the school readiness program.
  - 5,210 families referred to early childhood family education.
  - 1,079 children referred to Head Start.
  - 163 parents referred to adult education/literacy.
  - 6,198 children referred to special education for speech/language.
  - 4,906 children referred to special education for cognitive.
  - 2,377 children referred to special education for fine/gross motor.
  - 3,591 children referred to special education for social/emotional concerns.
  - 3,990 children received interpreter services during screening.

**PURPOSE AND CONTEXT**

The purpose of this program is to detect factors that may impede children's learning, growth, and development. Every school board must provide for a mandatory program of early childhood health and developmental screening for children at least once before they start school, targeting children between 3 and 4 years of age. Districts receive state aid for every child screened prior to starting kindergarten, or within 30 days after first entering kindergarten. Charter schools may elect to apply to provide a screening program.

This program supports the objective of ensuring every student receives a world class education and attends a safe, nurturing school.

**SERVICES PROVIDED**

A screening program must include the following components:

- Outreach to inform each resident family about the availability of the program.
- Developmental screening, including cognitive, speech/language, fine/gross motor, and social emotional.
- Hearing and vision screening.
- Immunization review.
- The child's height and weight.
- Identification of risk factors that may influence learning.
- Identification of health care coverage and referral to an appropriate provider.
- An interview with the parent about the child.
- Referral and follow up for assessment, diagnosis, and treatment when potential needs are identified.

A district may also offer additional health screening components such as nutritional, physical, and dental assessments; review of family circumstances that might affect development; blood pressure; laboratory tests; and health history.

Families may opt out by submitting a signed statement of conscientiously held beliefs.

Children may receive a comparable screening through: Head Start; Child and Teen Checkups/Early and Periodic Screening, Diagnosis, and Treatment (EPSDT), or their health care provider.

A district must provide the parent or guardian of the child screened with a record indicating the month and year the child received screening and the results of the screening.

### RESULTS

Measure name	Measure type	Measure data source	Historical trend	Most recent data
Percentage of all Minnesota 3-year-old children receiving health and developmental screening.	Quality	Data collected by MDE	FY2020: 28% FY2021: 21% FY2022: 29%	FY2023: 32%
Number of children receiving interpreter services	Quantity	Data collected by MDE	FY2020: 2,982 FY2021: 2,199 FY2022: 3,535	FY2023: 3,990
Referrals for further assistance made for children identified as having possible health and/or development problems or needs.	Quantity	Data collected by MDE	FY2020: 16,428 FY2021: 16,123 FY2022: 28,024	FY2023: 30,531

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The legal authority for Health and Developmental Screening activities was M.S. chapter 124D.135 in the Minnesota Department of Education. It will be M.S. chapters 142D.09-093 in the Minnesota Department of Children, Youth, and Families.

# Health and Developmental Screening

# Activity Financing by Fund

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base		Governor's Recommendation	
					FY26	FY27	FY26	FY27
<b>1000 - General</b>								
Direct Appropriation					4,127	4,083	4,127	4,083
Transfers Out					4,127	4,083	4,127	4,083

**Program: Grant Programs****Activity: Support Services Grants**<https://dcyf.mn.gov/cashemployment><https://dcyf.mn.gov/individuals-and-families/basic-needs/food-and-nutrition>**AT A GLANCE**

- Provides MFIP/DWP employment services to approximately 21,700 people per month.
- Provides Supplemental Nutrition Assistance Program employment services to approximately 400 people per month.
- More than 449,000 Minnesotans receive help through the Supplemental Nutrition Assistance Program (SNAP) every month with an average monthly benefit of \$222 per person.

**PURPOSE AND CONTEXT**

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

The Minnesota Family Investment Program (MFIP) and Diversionary Work Program (DWP) primary focus is on self-sufficiency through employment. Minnesota's Supplemental Nutrition Assistance Program Employment and Training (SNAP E&T) Program is focused on SNAP recipients and providing them with clear pathways in developing marketable and in-demand skills, leading to career advancement and self-sufficiency. Additionally, a portion of this budget activity is federal funding for the Supplemental Nutrition Assistance Program (SNAP). These efforts help keep more people fed and healthy. Fifty-eight percent of SNAP participants are children and their families, 17 percent are seniors, 12 percent are adults with a disability, and 12 percent are other adults.<sup>1</sup> In summer 2024, Minnesota launched the Summer EBT program which provides additional food assistance for over 400,000 children during the summer months.

**SERVICES PROVIDED**

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

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

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<sup>1</sup> Characteristics of People and Cases on the Supplemental Nutrition Assistance Program, Minnesota Department of Human Services, 2023. (<https://edocs.dhs.state.mn.us/lfserver/Public/DHS-5182P-ENG>).



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

- Referrals to housing, child care, and health care coverage, including any needed chemical and mental health services, to aid in stabilizing families
- Basic education, English proficiency training, skill building, and education programs to prepare participants for the labor market
- Job search assistance and job placement services to help participants locate employment that matches their skills and abilities
- Innovative programs to address special populations or needs such as: the Whole Family Systems initiative, summer youth employment, and services for teen parents that includes public health home visits.

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

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

**SNAP:** This federally funded program provides a monthly benefit to low-income families, seniors, people with disabilities, and some single adults for purchasing only food. Households must have incomes of less than 165 percent of the Federal Poverty Guidelines (FPG). Benefits are based on household size and the amount and types of incomes and expenses. This program is combined with MFIP and operated as a stand-alone program.

## RESULTS

The two key measures in MFIP/DWP are:

- The **Self-Support Index** is a results measure. The Self-Support Index shows the percentage of adults eligible for MFIP or DWP in a quarter who have left assistance or are working at least 30 hours per week three years later. Customized targets are set for each county or tribe using characteristics of the people served and local economic conditions. State law requires the Department of Human Services to use the Self-Support Index to allocate performance bonus funds. The chart following shows that about two-thirds of participants have left MFIP or DWP and/or are working at least 30 hours per week three years after a baseline period.
- The decline in the Self-Support Index from 2020 to 2023 can be explained by the corresponding decline in the range of expected performance for each local agency. Each local agency has a customized range of Self-Support Index scores based on factors outside of the control of the local agency, such as demographics of person and household, local economic and community factors.

<i><b>Year ending in March of:</b></i>	<i><b>S-SI</b></i>
2012	65.3%
2013	66.9%
2014	68.5%
2015	68.8%
2016	68.0%
2017	65.9%
2018	64.6%
2019	64.4%
2020	65.7%
2021	64.6%
2022	63.4%
2023	61.7%

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

<i><b>Federal Fiscal Year</b></i>	<i><b>WPR</b></i>
2012	45.3%
2013	45.1%
2014	46.2%
2015	37.9%
2016	39.4%
2017	38.9%
2018	37.2%
2019	35.7%
2020	22.3%
2021	14.9%
2022	20.4%

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

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

<b><i>Calendar Year</i></b>	<b><i>Median Placement Wage Per Hour for MFIP Clients</i></b>	<b><i>Median Placement Wage Per Hour for DWP Clients</i></b>
2008	\$9.00	\$9.39
2009	\$9.00	\$9.30
2010	\$9.50	\$9.50
2011	\$9.50	\$9.50
2012	\$9.95	\$10.00
2013	\$10.00	\$10.00
2014	\$10.29	\$10.00
2015	\$11.00	\$11.00
2016	\$11.50	\$11.50
2017	\$12.00	\$12.00
2018	\$12.50	\$13.00
2019	\$13.00	\$13.00
2020	\$14.00	-
2021	\$15.00	-
2022	\$15.88	\$16.44
2023	\$17.07	\$17.23

Two key federal reporting requirements for SNAP E&T are the percentage of participants employed and median quarterly wages in the second quarter after exiting the program.

<b><i>Year</i></b>	<b><i>Percent of participants employed 2 quarters after exit</i></b>	<b><i>Median quarterly wages of employed participants 2 quarters after exit</i></b>
2020	52.09%	\$4204.21
2021	48.52%	\$4,018.72
2022	45.16%	\$5,894.00
2023	9.12%	\$6,648.12

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The legal authority for Support Services Grants is M.S. sections 256J.626 (<https://www.revisor.mn.gov/statutes/?id=256J.626>) in the Minnesota Department of Human Services. It will be M.S. sections 142G.76 in the Department of Children, Youth, and Families.

## Support Services Grants

## Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base		Governor's Recommendation	
					FY26	FY27	FY26	FY27

### Expenditures by Fund

1000 - General					14,908	14,908	14,908	14,908
3000 - Federal					1,361,200	1,361,200	1,361,200	1,361,200
3001 - Federal TANF					96,451	96,451	96,451	96,451
<b>Total</b>					<b>1,472,559</b>	<b>1,472,559</b>	<b>1,472,559</b>	<b>1,472,559</b>
Biennial Change				0	2,945,118		2,945,118	
Biennial % Change								
Governor's Change from Base								0
Governor's % Change from Base								0

### Expenditures by Category

Operating Expenses					80,000	80,000	80,000	80,000
Grants, Aids and Subsidies					1,392,559	1,392,559	1,392,559	1,392,559
<b>Total</b>					<b>1,472,559</b>	<b>1,472,559</b>	<b>1,472,559</b>	<b>1,472,559</b>

## Support Services Grants

## Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY22	FY23	FY24	FY25	FY26	FY27	FY26	FY27
1000 - General								
Direct Appropriation					14,908	14,908	14,908	14,908
Expenditures					14,908	14,908	14,908	14,908
Biennial Change in Expenditures				0		29,816		29,816
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								0
3000 - Federal								
Receipts					1,361,200	1,361,200	1,361,200	1,361,200
Expenditures					1,361,200	1,361,200	1,361,200	1,361,200
Biennial Change in Expenditures				0		2,722,400		2,722,400
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								0
3001 - Federal TANF								
Receipts					96,451	96,451	96,451	96,451
Expenditures					96,451	96,451	96,451	96,451
Biennial Change in Expenditures				0		192,902		192,902
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								0

**Program: Grant Programs****Activity: Basic Sliding Fee Child Care Assistance Grants**<https://dcyf.mn.gov/partners-and-providers/child-care-services>**AT A GLANCE**

- In SFY23 Basic Sliding Fee Child Care Assistance paid for childcare for 13,169 children in 6,775 families in an average month.
- As of May 2024, there was a waiting list of 1,116 families eligible for assistance but unable to be served at the current funding levels.
- The average monthly assistance per family was \$1,663.
- All funds spending for the BSF Child Care Assistance Grants activity for FY 2023 was \$142 million.

**PURPOSE AND CONTEXT**

In order to work, families need safe and reliable childcare. The average annual cost of full-time care for one child ranges from \$8,000 to \$20,000 per year, depending on the age of the child, location, and type of provider attended.<sup>1</sup> Many low-income families struggle to find affordable childcare that fits their needs. Basic Sliding Fee (BSF) Child Care Assistance provides financial subsidies to help low-income families pay for childcare through the Child Care Assistance Program. Families earning no more than 47 percent of the state median income (\$49,605 in 2023 for a family of three) are eligible to enter the Basic Sliding Fee program. Families leave the Child Care Assistance Program when their earnings are greater than 67 percent of state median income (\$70,713 in 2023 for a family of three) or when their copayment exceeds their cost of care.

**SERVICES PROVIDED**

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

Families must be working, looking for work or attending school to be eligible for the Basic Sliding Fee Program. The program helps families pay childcare costs on a sliding fee basis. As family income increases, so does the amount of childcare expenses (copayment) paid by the family. All families receiving childcare assistance and earning 75 percent or more of the federal poverty guideline make copayments based on their income. A family of three earning 55 percent of the state median income (\$58,048) would have a total biweekly copayment of \$187 for all children in care.

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

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

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<sup>1</sup> <https://www.childcareawaremn.org/families/cost-of-care/>

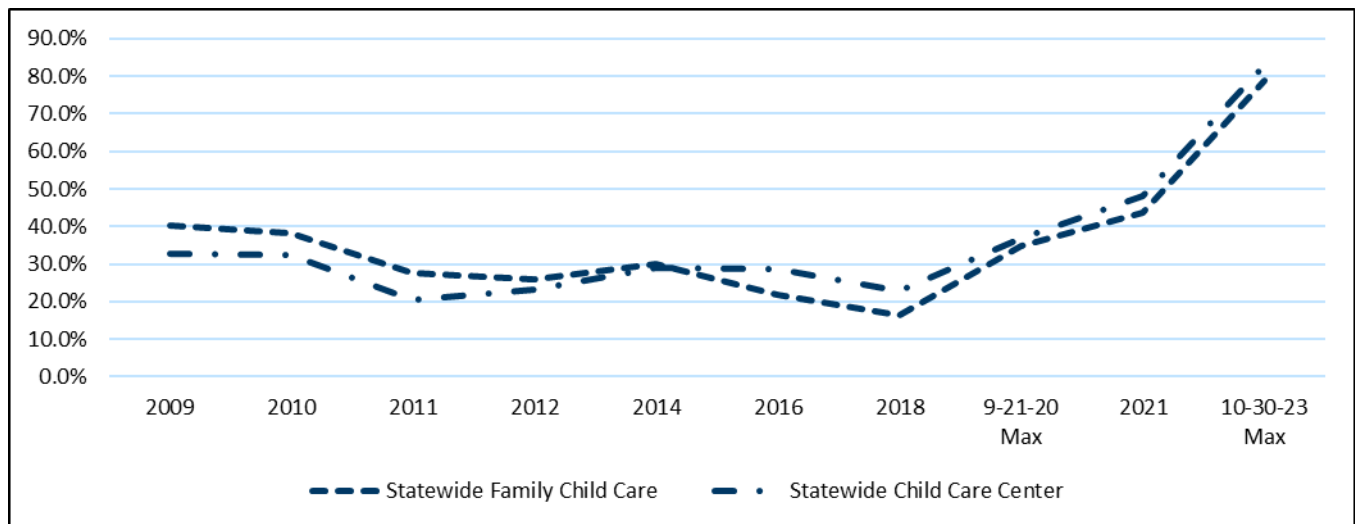
BSF funding is a capped allocation. It includes a combination of state funds and federal Child Care and Development and Temporary Assistance for Needy Families (TANF) funding. The agency allocates funding to counties, who administer the program. Because the funding is capped, not everyone who is eligible for the program may be served. As of May 2024, there was a waiting list for BSF childcare assistance of 1,116 families.

## RESULTS

**Percent of Provider Prices Fully Covered by CCAP** - Maximum rates paid to providers under the Child Care Assistance Program may not cover the full cost of childcare. This may be a barrier for some families if they cannot find a provider in their community whose prices are covered by the maximum allowed under the program. **The percent of childcare providers who charge prices that are fully covered by the Child Care Assistance Program increased when the maximum rates were raised in the 2023 legislative session.**

As of October 30, 2023, approximately 79 percent of family childcare providers and approximately 83 percent of childcare centers charge prices that are fully covered by the Child Care Assistance Program standard maximum rates.

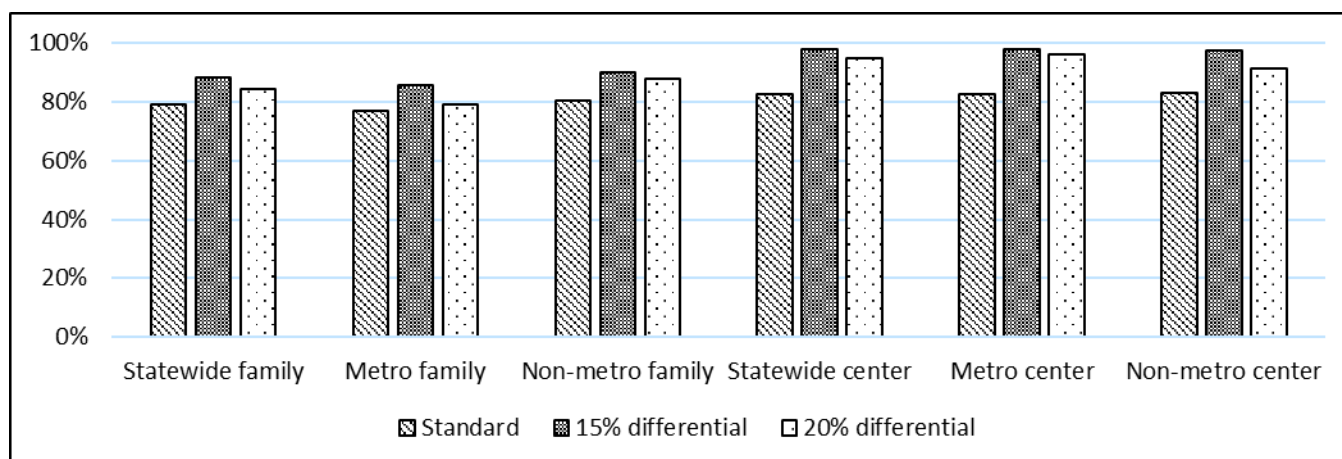
**Provider prices fully covered by Standard Maximum Rates statewide, by percentage**



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

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

### Prices fully covered by Standard and Quality Differential Maximum Rates



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

**Use of High-Quality Care** - Children who participate in high quality early care and education are more likely to experience school success and positive life-long outcomes. This quality measure shows that the percent of all children receiving childcare assistance through providers eligible for the higher subsidy rates for quality has increased from 37.5 percent in July of 2016 to 51 percent in July of 2023.

### Percent of Children Receiving Child Care Assistance in Quality Settings

	2020	2021	2022	2023
Standard Care	46.6%	44.5%	47.6%	48.8%
Provider holds Accreditation*	2.4%	2.4%	2.5%	1.6%
Provider holds Parent Aware 1-2 Star	4.0%	3.5%	2.3%	1.5%
Provider holds Parent Aware 3-4 Star*	47%	49.6%	47.6%	48.1%

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

The data source for the prices charged by providers is a biennial survey of provider prices conducted by Child Care Aware of Minnesota for the Department. To assess the portion of provider prices fully covered, provider prices are compared to the applicable maximum subsidy rates. The data source for children in care with provider's eligible of the higher rates for quality is from MEC<sup>2</sup>, Minnesota's childcare electronic eligibility and payment system.

The legal authority for the Basic Sliding Fee (BSF) Child Care Assistance program was in M.S. chapter 119B. (<https://www.revisor.mn.gov/statutes/cite/119B>) in the Department of Human Services. It will be in M.S. chapter 142E. (<https://www.revisor.mn.gov/laws/2024/0/80/laws.5.6.0#laws.5.6.0>) at the Department of Children, Youth, and Families.



## Basic Sliding Fee Child Care Assistance Grants

## Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base		Governor's Recommendation	
					FY26	FY27	FY26	FY27
<b><u>Expenditures by Fund</u></b>								
1000 - General					137,768	135,212	137,768	135,212
3000 - Federal					116,523	116,523	120,600	126,214
<b>Total</b>					<b>254,291</b>	<b>251,735</b>	<b>258,368</b>	<b>261,426</b>
Biennial Change				0		506,026		519,794
Biennial % Change								
Governor's Change from Base								13,768
Governor's % Change from Base								3
<b><u>Expenditures by Category</u></b>								
Grants, Aids and Subsidies					254,291	251,735	258,368	261,426
<b>Total</b>					<b>254,291</b>	<b>251,735</b>	<b>258,368</b>	<b>261,426</b>

# Basic Sliding Fee Child Care Assistance Grants

# Activity Financing by Fund

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base FY26FY27		Governor's Recommendation FY26FY27	
1000 - General								
Direct Appropriation					137,768	135,212	137,768	135,212
Expenditures					137,768	135,212	137,768	135,212
Biennial Change in Expenditures				0		272,980		272,980
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								0
3000 - Federal								
Receipts					116,523	116,523	120,600	126,214
Expenditures					116,523	116,523	120,600	126,214
Biennial Change in Expenditures				0		233,046		246,814
Biennial % Change in Expenditures								
Governor's Change from Base								13,768
Governor's % Change from Base								6

**Program: Grant Programs****Activity: Child Care Development Grants**<https://dcyf.mn.gov/individuals-and-families/family-services/child-care-and-early-learning>**AT A GLANCE**

- Over 6,000 child care programs received funding through the Great Start Compensation Support Payment Program from October – December 2023.
- 2,879 family child care providers and 11,360 child care center direct care staff have listed their employment at their child care program in Develop, Minnesota's Quality Improvement and Registry Tool.
- 32% of eligible child care and early education programs are Rated by Parent Aware, Minnesota's Quality Rating and Improvement System as of July 2023.
- All spending for the Child Care Development Grants activity for FY23 was \$203.2 million.

**PURPOSE AND CONTEXT**

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

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

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

**SERVICES PROVIDED**

The Department of Children, Youth, and Families provides compensation support payments to child care providers, and grants to public and private partners who specialize in providing services for child care providers, families, and individuals working on starting new child care businesses, to increase the supply and quality of child care in Minnesota. Services include:

- Information for parents searching for quality child care and early education for their children through Parent Aware, an online search tool (Parent Aware website, <http://www.parentaware.org/>) and other parent education services provided by Child Care Aware of Minnesota.
- Grants, loans, financial supports and other incentives to encourage current and prospective child care providers and early educators to enter the care and education field, stay in it, advance in the field of child care and early education, and improve their programs.
- Training, coaching, professional development advising, and other workforce supports for early childhood and school-age care providers to increase their business skills, knowledge of child development, and instructional practices to meet the needs of individual children.
- Compensation support payments to retain early educators working directly with children in child care programs, stabilizing the child care workforce as part of a larger strategy to address Minnesota's child care shortages.

- Supports for family, friend and neighbor providers to promote children's social-emotional learning and healthy development, early literacy, and other skills to succeed as learners.
- Reimbursement to child care programs and providers to cover some of the fees charged to complete a nationally recognized child care accreditation program.

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

## RESULTS

**Use of Quality Child Care** - Children who participate in quality child care and early education are more likely to experience school success and positive life-long outcomes. This measure shows that the percent of all children receiving child care assistance and attending child care programs with Parent Aware Ratings has increased from 65 percent in July 2021 to 71 percent in July 2023.

**Number of Programs Rated by Parent Aware** – Parent Aware improves children’s outcomes by improving families’ access to high quality child care. This measure shows that the percentage of child care and early education programs with a Parent Aware rating increased from 2021 to 2023.

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

**Searches for Quality Care through Parent Aware** – The ParentAware.org website is an important resource for families searching for all types of early care and education settings, including child care, school-based pre-kindergarten programs, and Head Start. The number of unique visitors on this website grew between 2021 to 2023.

Measurement Name	Type of Measure	Measurement Data Source	Historical trend	Most recent data
Quality Child Care	Result	Percent of children receiving child care assistance in quality settings	65% in 2021	71% in 2023
Quality Child Care	Quantity	Percent of child care and early education programs with a Parent Aware rating	30% in 2021	32% in 2023
Quality Child Care	Quantity	Number of family child care providers and teachers working directly with children with a Credential, CDA or Degree (AAS, BA/BS or higher)	6,070 in 2021	9,352 in 2023
Great Start Compensation Support Payment Program Impact	Quantity	Number of child care programs receiving payments through the Great Start Compensation Support Payment Program and the number of individuals supported.	6,186 programs and 40,161 individuals from July to Sept 2023	6,388 programs and 38,593 individuals from Oct to Dec 2023
Parent Aware Visibility	Quantity	Number of unique visitors on Parent Aware.org	109,671 in 2021	121,000 in 2023

The legal authority for the Child Care Development Grant activities was M.S. chapter 119B in the Minnesota Department of Human Services (<https://www.revisor.mn.gov/statutes/?id=119B>). It will be M.S. chapters 142D and 142E in the Minnesota Department of Children, Youth, and Families.

## Child Care Development Grants

## Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base		Governor's Recommendation	
					FY26	FY27	FY26	FY27

### Expenditures by Fund

1000 - General					138,819	138,819	138,819	138,819
3000 - Federal					37,562	37,562	37,562	37,562
<b>Total</b>					<b>176,381</b>	<b>176,381</b>	<b>176,381</b>	<b>176,381</b>
Biennial Change				0		352,762		352,762
Biennial % Change								
Governor's Change from Base								0
Governor's % Change from Base								0

### Expenditures by Category

Grants, Aids and Subsidies					176,381	176,381	176,381	176,381
<b>Total</b>					<b>176,381</b>	<b>176,381</b>	<b>176,381</b>	<b>176,381</b>

# Child Care Development Grants

# Activity Financing by Fund

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base FY26 FY27		Governor's Recommendation FY26 FY27	
<b>1000 - General</b>								
Direct Appropriation					138,819	138,819	138,819	138,819
<b>Expenditures</b>					<b>138,819</b>	<b>138,819</b>	<b>138,819</b>	<b>138,819</b>
Biennial Change in Expenditures				0		277,638		277,638
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								0
<b>3000 - Federal</b>								
Receipts					37,562	37,562	37,562	37,562
<b>Expenditures</b>					<b>37,562</b>	<b>37,562</b>	<b>37,562</b>	<b>37,562</b>
Biennial Change in Expenditures				0		75,124		75,124
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								0

**Program: Grant Programs****Activity: Child Support Enforcement Grants**<https://dcyf.mn.gov/individuals-and-families/family-services/child-support>**AT A GLANCE**

- In federal fiscal year (FFY) 2023, county and state child support offices provide services to more than 292,245 custodial and non-custodial parents and their 206,649 children.
- In FFY 2023, the child support program collected and disbursed \$520 million in child support payments.
- Access and visitation funds served 1,465 children in 2023.
- All funds spending for Child Support Enforcement Grants for FFY2023 was \$1.7 million.

**PURPOSE AND CONTEXT**

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

The State of Minnesota collected \$520 million in child support payments in FY 2023. The Minnesota child support program plays an active role in reducing the reliance on other state income maintenance programs given the significant amount of child support that is collected and sent directly to families.

Child support represents a high proportion of income for low income custodial parents. Ten percent of cases are currently on public assistance and 40.3 percent of cases were formerly on public assistance. 88 percent of custodial parents who are eligible for child support are women. The program disproportionately serves parents of color. African American parents account for 24 percent of the child support caseload and American Indian parents account for six percent even though African American and American Indian Minnesotans only account for seven and three percent of the general population.

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

**SERVICES PROVIDED**

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

The following activities help to support and stabilize families:

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

## RESULTS

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

In 2023 Minnesota earned \$11.3 million dollars in federal incentives. The federal incentives are passed on to counties to help cover their administrative costs of the program.

Measure name	Measure type	Measure data source	Historical trend	Most recent data
Paternities established	Result	Percent of children born outside marriage for whom paternity was established in open child support cases for the year	Decreased by three percentage points since 2019	FFY2023: 97.7%
Orders established	Result	Percent of cases open at the end of the year with orders established	Decreased by three percentage points since 2019	FFY2023: 85.7%
Collections on current support	Result	Percent of cases with current support due within the year that had a collection on current support	Decreased by two percentage points since 2019	FFY2023: 73.4%
Collections on arrears	Result	Percent of cases with arrears due within the year that had a collection on arrears	Decreased by three percentage points since 2019	FFY2023: 69.9%
Cost effectiveness	Result	Dollars collected per dollars spent	Decreased by 46 cents since 2019	FFY2023: \$2.68

Evidence-based Practice	Source of Evidence	FY 22-23 Expenditures
Driver's License Suspension Procedural Justice Project	Pilot that started in Fall 2021, ended in Spring 2022. MMB Impact Evaluation Unit conducted an evaluation. The descriptive report was published April 2023 and the impact evaluation report is published on the MMB website <sup>1</sup> .	No current costs in regards to the evaluation report. Based upon finding(s) of the evaluation report there may be action steps taken to address the findings which may have future costs.

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<sup>1</sup> Driver's License Suspension Project Impact Evaluation:  
[https://mn.gov/mmb/assets/DLS%20impact%20report\\_Final%20%28accessible%29\\_tcm1059-632219.pdf](https://mn.gov/mmb/assets/DLS%20impact%20report_Final%20%28accessible%29_tcm1059-632219.pdf)



**Notes on Performance Measures:**

1. Federal performance measures are listed in the 2023 Minnesota Child Support Performance Report (<https://www.lrl.mn.gov/docs/2024/other/240564.pdf>)
  2. FFY = federal fiscal year
  3. Paternities established can be higher than 100 percent because the results include children born in prior years for whom paternity has been established in that year.
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The legal authority for Child Support Enforcement Grants comes from federal and state laws.

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

State law:

Requires a person receiving public assistance to assign child support rights to the state and cooperate with child support services (M.S. sec. 518A.81)

Provides legal authority to establish child support (M.S. sec. 518A.81) and to establish paternity (M.S. sec. 257.57)

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

# Child Support Enforcement Grants

# Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base		Governor's Recommendation	
					FY26	FY27	FY26	FY27

## Expenditures by Fund

2000 - Restrict Misc Special Revenue					1,509	1,509	1,509	1,509
2001 - Other Misc Special Revenue					50	50	50	50
3000 - Federal					2,759	2,309	2,759	2,309
<b>Total</b>					<b>4,318</b>	<b>3,868</b>	<b>4,318</b>	<b>3,868</b>
Biennial Change				0		8,186		8,186
Biennial % Change								
Governor's Change from Base								0
Governor's % Change from Base								0

## Expenditures by Category

Operating Expenses					1,759	1,554	1,759	1,554
Grants, Aids and Subsidies					2,559	2,314	2,559	2,314
<b>Total</b>					<b>4,318</b>	<b>3,868</b>	<b>4,318</b>	<b>3,868</b>

# Child Support Enforcement Grants

# Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY22	FY23	FY24	FY25	FY26	FY27	FY26	FY27
1000 - General								
Direct Appropriation					50	50	50	50
Transfers Out					50	50	50	50
2000 - Restrict Misc Special Revenue								
Receipts					1,509	1,509	1,509	1,509
Expenditures					1,509	1,509	1,509	1,509
Biennial Change in Expenditures				0		3,018		3,018
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								0
2001 - Other Misc Special Revenue								
Transfers In					50	50	50	50
Expenditures					50	50	50	50
Biennial Change in Expenditures				0		100		100
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								0
3000 - Federal								
Receipts					2,759	2,309	2,759	2,309
Expenditures					2,759	2,309	2,759	2,309
Biennial Change in Expenditures				0		5,068		5,068
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								0

**Program: Grant Programs****Activity: Children's Services Grants**<https://dcyf.mn.gov/individuals-and-families/family-services/child-safety-and-family-preservation>**AT A GLANCE**

In 2023:

- 23,507 assessments and investigations of child abuse and neglect involving 30,444 children were finalized.
- Of these, 4,884 unique children were determined to be victims of child maltreatment.
- 10,509 children/youth experienced an out-of-home placement.
- All funds spending for the Children's Services Grants activity for FY 2023 was \$82.6 million.

**PURPOSE AND CONTEXT**

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

**SERVICES PROVIDED**

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

- Reform the child welfare system to focus on prevention and early intervention efforts to ensure children's safety and well-being by supporting families.
- Improve the Minnesota Child Welfare Training System.
- Design and develop Tribal approaches that ensure child safety and permanency.
- Transfer responsibility from counties to Tribes to deliver a full continuum of child welfare services to American Indian children and families on three reservations.

These services are essential to keep children safe and families stable. Children's Services Grants include state and federal funding for child welfare services.

**RESULTS**

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

Measure name	Measure type	Measure data source	Historical trend	Most recent data
Repeated abuse or neglect	Quantity	Percent of children not experiencing repeated abuse or neglect within 12 months of a prior report	Remained steady since 2020	2023: 94.4%
Permanency within 12 months	Result	Percent of all children who enter foster care in the previous year that are discharged to permanency (i.e., reunification with parents, caregivers, living with relative, guardianship, adoption) within 12 months	Increased by 2 percentage points since 2020	2023: 48.6%
Permanency , 12 to 23 months	Result	Percent of all children in foster care who had been in care between 12 and 23 months on the first day of the year that were discharged to permanency within 12 months of the first day of the year	Increased by 7.2 percentage points since 2020	2023: 59.6%
Permanency , 24 months or more	Result	Percent of all children in foster care who had been in care for 24 months or more on the first day of the year that were discharged to permanency within 12 months of the first day of the year	Increased by 10 percentage points since 2020	2023: 42.2%

Performance Measures notes:

Measures from the Child Safety and Permanency Administration at the Department of Children, Youth, and Families.

Also see the DHS Child Welfare Dashboard

([http://www.dhs.state.mn.us/main/idcplg?IdcService=GET\\_DYNAMIC\\_CONVERSION&RevisionSelectionMethod=LatestReleased&dDocName=dhs16\\_148137](http://www.dhs.state.mn.us/main/idcplg?IdcService=GET_DYNAMIC_CONVERSION&RevisionSelectionMethod=LatestReleased&dDocName=dhs16_148137))

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Several state statutes provide the legal authority for the Children's Services Grants activity:

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

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

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

Reporting of Maltreatment of minors is under M.S. chapter 260E (<https://www.revisor.mn.gov/statutes/?id=260E>)

# Children's Services Grants

# Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base		Governor's Recommendation	
					FY26	FY27	FY26	FY27
<b><u>Expenditures by Fund</u></b>								
1000 - General					40,369	40,369	32,476	32,476
2000 - Restrict Misc Special Revenue					1,220	1,220	1,220	1,220
2001 - Other Misc Special Revenue					17,410	17,411	17,410	17,411
2403 - Gift					1	1	1	1
3000 - Federal					39,379	37,254	39,379	37,254
<b>Total</b>					<b>98,379</b>	<b>96,255</b>	<b>90,486</b>	<b>88,362</b>
Biennial Change				0		194,634		178,848
Biennial % Change								
Governor's Change from Base							(15,786)	
Governor's % Change from Base							(8)	
<b><u>Expenditures by Category</u></b>								
Grants, Aids and Subsidies					98,379	96,255	90,486	88,362
<b>Total</b>					<b>98,379</b>	<b>96,255</b>	<b>90,486</b>	<b>88,362</b>

# Children's Services Grants

# Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY22	FY23	FY24	FY25	FY26	FY27	FY26	FY27
1000 - General								
Direct Appropriation					51,097	51,098	43,204	43,205
Transfers Out					10,728	10,729	10,728	10,729
Expenditures					40,369	40,369	32,476	32,476
Biennial Change in Expenditures				0		80,738		64,952
Biennial % Change in Expenditures								
Governor's Change from Base								(15,786)
Governor's % Change from Base								(20)

## 2000 - Restrict Misc Special Revenue

Transfers In					1,220	1,220	1,220	1,220
<b>Expenditures</b>					<b>1,220</b>	<b>1,220</b>	<b>1,220</b>	<b>1,220</b>
Biennial Change in Expenditures				0		2,440		2,440
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								0

## 2001 - Other Misc Special Revenue

Receipts					3,351	3,351	3,351	3,351
Transfers In					14,059	14,060	14,059	14,060
<b>Expenditures</b>					<b>17,410</b>	<b>17,411</b>	<b>17,410</b>	<b>17,411</b>
Biennial Change in Expenditures				0		34,821		34,821
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								0

## 2403 - Gift

Receipts					1	1	1	1
<b>Expenditures</b>					<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>
Biennial Change in Expenditures				0		2		2
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								0

# Children's Services Grants

# Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY22	FY23	FY24	FY25	FY26	FY27	FY26	FY27

## 3000 - Federal

Receipts					39,379	37,254	39,379	37,254
<b>Expenditures</b>					<b>39,379</b>	<b>37,254</b>	<b>39,379</b>	<b>37,254</b>
Biennial Change in Expenditures				0		76,633		76,633
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								0



**Program: Grant Programs****Activity: Child and Community Service Grants**<https://dcyf.mn.gov/individuals-and-families/family-services/child-safety-and-family-preservation>**AT A GLANCE**

In 2023:

- 23,507 assessments and investigations of child abuse and neglect involving 30,443 children were finalized.
- 1,544 children were either adopted or had a permanent transfer of legal and physical custody to a relative.
- All funds spending for the Children and Community Services activity for FY 2023 was \$97.4 million.

**PURPOSE AND CONTEXT**

Under the state Vulnerable Children and Adult Act, Child and Community Services Grants provide funding to support core safety services for vulnerable children, including response to reports of maltreatment, assessments of safety and risk, case management, and other supportive services that help keep children safely in their own homes. This budget activity includes other grant programs that are allocated to local agencies and tribal nations for child welfare activities.

The grants provide funding that supports counties' administrative responsibility for child protection services and foster care. The funding also helps counties purchase or provide these services for children and families.

**SERVICES PROVIDED**

Funding through these grants provides core safety services that focus on preventing or remedying child maltreatment, preserving and rehabilitating families, and providing for community-based care. Services include:

- Response to reports of child maltreatment and assessment of safety and risk of harm.
- Adoption and foster care supports for children.
- Case management and counseling.

Children and Community Services Grants provide child protection services to help keep more children out of foster care and safely with their families, and to decrease the disproportionate number of children of color in out-of-home placements. They help ensure that vulnerable children are better protected and receive support services in their communities. These grants include state funds and the federal Social Services Block Grant and are allocated to counties through the state's Vulnerable Children and Adult Act.

This budget activity includes many funding streams that support child welfare activities. Child protection funding for the opioid epidemic response fund is annually distributed to counties and tribal nations to provide prevention and protection activities for children whose families are affected by addiction. The Child Protection Grant is used to address staffing for child protection activities or expand child protection services. The Counsel for Child Protection allocation provides an offset to county board costs for expenses related to paying for court-appointed counsel representing parents at emergency protective care (EPC) hearings. The Family First Prevention Services Act Allocation provides funding to counties and American Indian Child Welfare Initiative tribes for prevention activities.

## RESULTS

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

Measure name	Measure type	Measure data source	Historical trend	Most recent data
Repeated abuse or neglect	Result	Percent of children not experiencing repeated abuse or neglect within 12 months of a prior report	Remained steady since 2020	2023: 94.4%
Permanency	Result	Percent of all children who enter foster care in the previous year that are discharged to permanency (i.e., reunification with parents, caregivers, living with relative, guardianship, adoption) within 12 months	Increased by two percentage points since 2020	2023: 48.6%
Permanency, 12 months	Result	Percent of all children in foster care who had been in care between 12 and 23 months on the first day of the year that were discharged to permanency within 12 months of the first day of the year	Increased by 7 percentage points since 2020	2023: 59.6%

Performance Measures notes:

Measures provided by the Child Safety and Permanency Administration at the Department of Children, Youth, and Families.

Also see the DHS Child Welfare Data Dashboard (<https://mn.gov/dhs/partners-and-providers/news-initiatives-reports-workgroups/child-protection-foster-care-adoption/child-welfare-data-dashboard/>).

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The legal authority for the Vulnerable Children and Adult Act is in M.S. chapter 256M (<https://www.revisor.mn.gov/statutes/?id=256M>). This Act establishes a fund to address the needs of vulnerable children and adults in each county under a service plan agreed to by each county board and the commissioners of children, youth, and families and human services.

# Child and Community Services Grants

# Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base		Governor's Recommendation	
					FY26	FY27	FY26	FY27

## Expenditures by Fund

1000 - General					84,653	84,653	84,653	84,653
2005 - Opiate Epidemic Response					3,318	3,318	3,318	3,318
3000 - Federal					44,745	44,745	44,745	44,745
<b>Total</b>					<b>132,716</b>	<b>132,716</b>	<b>132,716</b>	<b>132,716</b>
Biennial Change				0		265,432		265,432
Biennial % Change								
Governor's Change from Base								0
Governor's % Change from Base								0

## Expenditures by Category

Grants, Aids and Subsidies					132,716	132,716	132,716	132,716
<b>Total</b>					<b>132,716</b>	<b>132,716</b>	<b>132,716</b>	<b>132,716</b>

# Child and Community Services Grants

# Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY22	FY23	FY24	FY25	FY26	FY27	FY26	FY27
1000 - General								
Direct Appropriation					87,984	87,984	87,984	87,984
Transfers Out					3,331	3,331	3,331	3,331
Expenditures					84,653	84,653	84,653	84,653
Biennial Change in Expenditures				0		169,306		169,306
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								0

## 2005 - Opiate Epidemic Response

Direct Appropriation					3,318	3,318	3,318	3,318
<b>Expenditures</b>					<b>3,318</b>	<b>3,318</b>	<b>3,318</b>	<b>3,318</b>
Biennial Change in Expenditures				0		6,636		6,636
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								0

## 3000 - Federal

Receipts					44,745	44,745	44,745	44,745
<b>Expenditures</b>					<b>44,745</b>	<b>44,745</b>	<b>44,745</b>	<b>44,745</b>
Biennial Change in Expenditures				0		89,490		89,490
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								0

**Program: Grant Programs****Activity: Child and Economic Support Grants**

SNAP (<https://dcyf.mn.gov/programs-directory/supplemental-nutrition-assistance-program-snap>)

Economic Opportunity (<https://mn.gov/dhs/partners-and-providers/program-overviews/economic-supports-cash-food/office-of-economic-opportunity/>)

**AT A GLANCE**

- More than 449,000 Minnesotans receive help through the Supplemental Nutrition Assistance Program (SNAP) every month with an average monthly benefit of \$222 per person.
- In SFY 2022-23, 297 food shelves across the state received funding from the Minnesota Food Shelf Program (MFSP) grant, totaling \$1.5 million.
- 88.5% of the MFSP grant funds were spent on food purchases that allowed food shelves to keep fresh produce, pantry staples, dairy products, and meat on their shelves.<sup>1</sup>
- As of April 2022, Family Assets for Independence in Minnesota (FAIM) has helped 1,114 people save nearly \$4.9 million and acquire over 3,300 long-term financial assets since 1998.
- All funds spending for the Child and Economic Support Grants activity for FY 2023 was \$1.3 billion.

**PURPOSE AND CONTEXT**

People living in poverty often face numerous barriers and have complex needs. The Department of Children, Youth, and Families administers nearly 200 grants annually to more than 100 organizations to help people in poverty meet their basic needs through the Children and Economic Support Grants. Funds are also used to help people get the skills and knowledge to improve their economic stability. Without these funds, more people would be hungry, homeless, and poor.

The largest part of this budget activity is federal funding for the Supplemental Nutrition Assistance Program (SNAP). Outreach and nutrition education are conducted under this activity. These efforts help keep more people fed and healthy. Fifty-eight percent of SNAP participants are children and their families, 17 percent are seniors, 12 percent are adults with a disability, and 12 percent are other adults.<sup>1</sup>

**SERVICES PROVIDED**

Children and Economic Support Grants fund food, poverty reduction, and financial capability services for low-income families and individuals. These services are designed to:

- Help people buy food.
- Help families with school-aged children buy groceries when school is out for the summer.
- Ensure people eligible for SNAP know about the program and receive application assistance.
- Educate people on nutrition and food preparation.
- Help legal non-citizens 50 years and older who do not qualify for federal SNAP due to citizenship status purchase food.
- Fund food banks, food shelves, and on-site meal programs.
- Support food system changes and provide equitable access to food support for Tribal Nations and American Indian communities.
- Fund a diaper distribution program for low-income families.

<sup>1</sup> Characteristics of People and Cases on the Supplemental Nutrition Assistance Program, Minnesota Department of Human Services, 2023 (<https://edocs.dhs.state.mn.us/lfsrserver/Public/DHS-5182P-ENG>).

These grants also support:

- Programs administered by regional Community Action Agencies that help low-income people become more economically secure.
- Financial capability services through the Family Assets for Independence in Minnesota (FAIM) and related financial education initiatives.

In addition to the federal SNAP funding, other funding sources include state grants, federal grants from the U.S. Departments of Agriculture (USDA) for Summer Electronic Benefit Transfer, The Emergency Food Assistance Program (TEFAP), SNAP Outreach, and SNAP Education, and Health and Human Services (HHS) for the Community Services Block Grant.

## RESULTS

Measure name	Measure type	Measure data source	Historical trend	Most recent data
SNAP Enrollment	Quantity	Count of enrollment	10 percent increase from December 2021	December 2022: 450,067 <sup>1</sup>
Family Assets for Independence	Result	Participants interviewed reported improved Incomes of FAIM post-secondary education participants	Trend not available	2019: 57% <sup>2</sup>
Food shelf visits	Quantity	Number of food shelf visits	36 percent increase from 2022	2023: 7.5 million

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The legal authority for Children and Economic Support Grants comes from:

SNAP Employment and Training, M.S. sec. 142F.10

Minnesota Food Assistance Program, M.S. sec. 142F.13

SNAP Outreach, M.S. Sec. 142F.12

Community Action Programs, M.S. secs. 142F.30-142F.302

Minnesota Food Shelf Program, M.S. sec. 142F.14

American Indian Food Sovereignty Funding Program, M.S. sec. 142F.15

Family Assets for Independence in Minnesota (FAIM), M.S. sec. 142F.20

Diaper Distribution Grant Program, M.S. sec. 142A.42

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<sup>2</sup> Minnesota Community Action Annual Report, 2019  
([https://minncap.org/files/galleries/2019\\_MinnCAP\\_Annual\\_Report.pdf](https://minncap.org/files/galleries/2019_MinnCAP_Annual_Report.pdf)).

# Child and Economic Support Grants

# Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base FY26 FY27		Governor's Recommendation FY26 FY27	
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## Expenditures by Fund

1000 - General					12,216	12,216	12,216	12,216
3000 - Federal					24,579	24,579	24,579	24,579
<b>Total</b>					<b>36,795</b>	<b>36,795</b>	<b>36,795</b>	<b>36,795</b>
Biennial Change				0		73,590		73,590
Biennial % Change								
Governor's Change from Base								0
Governor's % Change from Base								0

## Expenditures by Category

Grants, Aids and Subsidies					36,795	36,795	36,795	36,795
<b>Total</b>					<b>36,795</b>	<b>36,795</b>	<b>36,795</b>	<b>36,795</b>

# Child and Economic Support Grants

# Activity Financing by Fund

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base FY26 FY27		Governor's Recommendation FY26 FY27	
<b>1000 - General</b>								
Direct Appropriation					12,216	12,216	12,216	12,216
<b>Expenditures</b>					<b>12,216</b>	<b>12,216</b>	<b>12,216</b>	<b>12,216</b>
Biennial Change in Expenditures				0		24,432		24,432
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								0
<b>3000 - Federal</b>								
Receipts					24,579	24,579	24,579	24,579
<b>Expenditures</b>					<b>24,579</b>	<b>24,579</b>	<b>24,579</b>	<b>24,579</b>
Biennial Change in Expenditures				0		49,158		49,158
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								0



**Program: Grant Program****Activity: Early Learning Grants**<https://dcyf.mn.gov/individuals-and-families/family-services/child-care-and-early-learning>**AT A GLANCE**

- Approximately 20 percent of the eligible 3 and 4-year-olds in the state are served by the Early Learning Scholarship program. Effective July 1, 2024, scholarship amounts are aligned to Minnesota's Child Care Assistance Program, with scholarship award amounts varying based on program type, quality and region of the state.
- Additionally, beginning in January of 2024, scholarships were expanded to serve all children, ages 0 to kindergarten entry.
- 34 Head Start and Early Head Start programs served 13,593 children and families in fiscal year (FY) 2023.
- 1,102 children experiencing homelessness received services in FY 2023
- 9,053 Minnesota infants and toddlers with disabilities were counted as being served through Individual Family Service Plans (IFSP) on December 1, 2023.

**PURPOSE AND CONTEXT**

The Early Learning Grants budget activity includes programs that were formerly located at the Minnesota Department of Education, such as Early Learning Scholarships, Head Start, Infant and Toddler program, Reach Out and Read and the Parent Child+ program. These grant programs provide access to quality education for families.

The Early Learning Scholarship program supports access to the state's early care and education system for young children. Early Learning Scholarships, as a funding source, are intended to increase access to high quality early care education for those families with barriers to accessing care.

Head Start and Early Head Start are federal programs that support comprehensive development and promote school readiness of children from birth to age 5 from low-income families. Head Start and Early Head Start services include early learning, health, and family well-being.

Minnesota supplements federal Head Start funds with state funds. With the additional state funding, Head Start and Early Head Start programs are able to expand services and access to educational opportunities for additional children, thus preparing children and families experiencing multiple risk factors for kindergarten. Head Start and Early Head Start supports families and children with high needs to make progress on closing the opportunity gap upon school entrance, which supports the objective of ensuring every student receives a world-class education.

The federally regulated Infants and Toddlers program (Part C of IDEA) through the provision of individualized family-centered services to eligible children and their families seeks to:

- to enhance the development of infants and toddlers with disabilities, to minimize their potential for developmental delay, and to recognize the significant brain development that occurs during a child's first 3 years of life;
- to reduce the educational costs to our society, including our Nation's schools, by minimizing the need for special education and related services after infants and toddlers with disabilities reach school age;
- to maximize the potential for individuals with disabilities to live independently in society;

- to enhance the capacity of families to meet the special needs of their infants and toddlers with disabilities;
- to enhance the capacity of state and local agencies and service providers to identify, evaluate, and meet the needs of all children, particularly minority, low-income, inner city, and rural children, and infants and toddlers in foster care

### **SERVICES PROVIDED**

The Early Learning Scholarship program has two pathways:

- Pathway I scholarships are awarded directly to eligible families. - Scholarship funds are paid directly to the early learning program.
- Pathway II scholarships are awarded to families through an eligible Four-Star Parent Aware-rated program. Participating programs receive funding to provide scholarships to a specified number of eligible children to cover the cost of the program.

The ParentChild+ program is a national model focused on early literacy, parenting, and school readiness. It is a home visiting program that promotes creative ways to learn through play, increases parenting skills, and helps children prepare for school. Participants select either in-person home visits following safety protocols or virtual visits. Participants receive deliveries including free books, toys, and guide sheets.

The Reach Out and Read program supports early literacy and development by providing books to children at pediatric clinics throughout the state. Doctors and nurses are trained in the program and provide developmental guidance to parents and children during routine visits.

Head Start and Early Head Start programs promote children's development through comprehensive services that support early learning, health, and family well-being which include:

- Health, dental, and nutrition support and resources
- Education
- Parent engagement
- Social services and family supports including assistance with housing, medical insurance, heating, and food

Programs operate a center-based, home-based, or combination delivery model.

- Head Start center-based programs must operate at least 3.5 hours per day, four days a week, for 128 days a year, and have at least two home visits.
- Early Head Start home-based programs must offer at least 46 home visits of 1.5 hours each, and at least 22 group socializations distributed over the course of the program year.
- Many programs offer full-day, full-year services, through partnerships with child care and school-based programs.

Infant and Toddler program provides the following services:

- Specific services are determined for each eligible child and family based on the child's needs and family priorities.
- Services most often include special instruction, speech therapy, and occupational or physical therapy and other qualified personnel.
- Services are provided at no cost to Minnesota families due to our birth mandate status that ensures general education revenue to support early intervention programs.

- Ninety-four percent of eligible infants and toddlers receive early intervention services in their homes and other natural environments that children birth to age three spend their time.
- Federal funds support 12 Interagency Early Intervention Committees (IEICs) that conduct public awareness and outreach activities to seek out and identify potentially eligible infants and toddlers in coordination with state, local and community partners.
- Federal funds support the implementation of programs and services at the local level by supplementing state special education and general education aide.
- Federal funds support a comprehensive system of personnel development including extensive technical assistance, guidance and professional development.

Federal funds support twelve Interagency Early Intervention Committees (IEICs) that conduct public awareness and outreach activities to seek out and identify potentially eligible infants and toddlers in coordination with state, local and community partners.

Federal funds support the implementation of programs and services at the local level by supplementing state special education and general education aid. Federal funds support a comprehensive system of personnel development including extensive technical assistance, guidance and professional development.

## RESULTS

Measure name	Measure type	Measure data source	Historical trend	Most recent data
Percentage of children who met developmental targets upon exiting Head Start	Results	Data collected by MDE	3-year-olds: FY 2020-2021 – 81% FY 2021-2022 – 80%  4-year-olds: FY 2020-2021 – 70% FY 2021-2022 – 63%	3-year-olds:  FY2022-2023 – 78%  4-year-olds:  FY2022-2023 – 68%
Number of children assessed upon exiting Head Start	Quantity	Data collected by MDE	3-year-olds: FY 2020-2021 – 1,483 FY 2021-2022 – 1,819  4-year-olds Y 2020-2021 – 2,153Y 2021-2022 – 2,078	3-year-olds:  FY2022-2023 – 1,720  4-year-olds:  FY2022-2023 – 2,022
Children will demonstrate positive relationships a. Greater than expected progress b. Exited Part C within age expectations	Result	Data collected by MDE	 FFY2020: 50.12% FFY2021: 49.90%  FFY2020: 48.38% FFY2021: 48.82%	 FFY2022: 51.79%  FFY2022: 46.98%
Children will acquire and use knowledge and skills a. Greater than expected progress b. Exited Part C within age expectations	Result	Data collected by MDE	 FFY2020: 57.61% FFY2021: 55.57%  FFY2020: 43.43% FFY2021: 41.79%	 FFY2022: 57.15%  FFY2022: 39.87%

Measure name	Measure type	Measure data source	Historical trend	Most recent data
Children will take action to meet needs a. Greater than expected progress b. Exited Part C within age expectations	Result	Data collected by MDE	FFY2020: 57.83% FFY2021: 59.12%  FFY2020: 50.69% FFY2021: 50.11%	FFY2022: 55.52%  FFY2022: 47.53%
Percent of participating families who report that the Infants and Toddlers program has helped their child develop and learn	Quality	Data collected by MDE	FFY2020: 87.05% FFY2021: 90.48%	FFY2022: 90.69%
Number of early care and education programs participating in Parent Aware.	Quantity	Data collected by MDE	FY2018: 2,610 FY2019: 2,869 FY2020: 2,921 FY2021: 2,941 FY2022: 2,886	FY2023: 2,876
Percent of rated early care and education programs with a 3- or 4-Star Parent Aware rating.	Quality		FY2018: 79% FY2019: 71% FY2020: 79%	FY2021: 78%
Number of high-needs children attending a 3- or 4-Star Parent Aware rated public education program.	Quantity		FY2018: 28,851 FY2019: 28,687 FY2020: 31,251	FY2021: 31,470
Number of high-needs children attending a 3- or 4-Star Parent Aware rated public education program.	Quantity		FY2018: 17,091 FY2019: 15,022 FY2020: 14,185 FY2021: 12,268 FY2022: 11,597	FY2023: 12,282
Percent of participating families who report that the Infants and Toddlers program has helped their child develop and learn	Quality	Data collected by MDE	FFY2020: 87.05% FFY2021: 90.48%	FFY2022: 90.69%

#### Number of Children Receiving a Scholarship by Race

Race	2018	2019	2020	2021	2022	2023
American Indian or Alaskan Native	670	584	544	569	525	568
Asian	733	609	553	437	437	437
Black or African	3,630	3,544	3,624	3,148	3,139	3,488
Native Hawaiian or Pacific Islander	38	31	21	24	16	20
Hispanic/Latino	2,086	1,835	1,669	1,679	1,742	1,863
White	5,647	4,893	4,505	4,370	4,007	4,086
Two or More 9.3%	1,428	1,292	1,389	1,455	1,407	1,451
Not Answered	2,305	2,138	1,938	581	343	298
<b>Total</b>	<b>16,537</b>	<b>15,022</b>	<b>14,185</b>	<b>12,268</b>	<b>11,597</b>	<b>12,282</b>

**Performance Measure Notes**

- FY 2023 enrollment retrieved from internal MDE records.
  - FY 2023 data retrieved from the federal Office of Head Start Program Information Report (PIR). This may not include all state funded Head Start/Early Head Start enrollment, as there are not requirements to report non-federally funded children on the PIR.
  - FY 2019-2020 - Data is not available for this year as spring assessments fell during the period when sites were initially closed due to the first weeks of the COVID-19 pandemic and the planning that took place then to continue services. FY 2020-2021 - Data was impacted by multiple site closures that occurred multiple times throughout the year due to the COVID-19 pandemic and CDC/MDH requirements. FY 2021-2022 - Data was impacted by multiple site closures that occurred multiple times throughout the year due to the COVID-19 pandemic and CDC/MDH requirements. The Office of Head Start allowed programs to make determinations on their own as to whether virtual or in person services would be offered through December 2021. On January 1, 2022 in person service was required unless sites were closed because of COVID-19 health guidance from the CDC/MDH.
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Head Start: M.S. 119A.50-545; 42 U.S.C. 9840 et seq.

Early Learning Scholarships: M.S. 124.142; M.S. 124D.165

Infants and Toddler, Part C: M.S. 125A.26–48

Part C of the federal Individuals with Disabilities Education Act

## Early Learning Grants

## Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base FY26 FY27		Governor's Recommendation FY26 FY27	
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### **Expenditures by Fund**

1000 - General					43,498	43,498	35,548	35,548
2001 - Other Misc Special Revenue					147,615	147,615	147,615	147,615
<b>Total</b>					<b>191,113</b>	<b>191,113</b>	<b>183,163</b>	<b>183,163</b>
Biennial Change				0		382,226		366,326
Biennial % Change								
Governor's Change from Base								(15,900)
Governor's % Change from Base								(4)

### **Expenditures by Category**

Grants, Aids and Subsidies					191,113	191,113	183,163	183,163
<b>Total</b>					<b>191,113</b>	<b>191,113</b>	<b>183,163</b>	<b>183,163</b>

## Early Learning Grants

## Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY22	FY23	FY24	FY25	FY26	FY27	FY26	FY27
<b>1000 - General</b>								
Direct Appropriation					174,471	174,471	166,521	166,521
Transfers Out					130,973	130,973	130,973	130,973
<b>Expenditures</b>					<b>43,498</b>	<b>43,498</b>	<b>35,548</b>	<b>35,548</b>
Biennial Change in Expenditures				0		86,996		71,096
Biennial % Change in Expenditures								
Governor's Change from Base								(15,900)
Governor's % Change from Base								(18)

### 2001 - Other Misc Special Revenue

Balance Forward In					100,000	50,000	100,000	50,000
Transfers In				100,000	97,615	97,615	97,615	97,615
Balance Forward Out				100,000	50,000		50,000	
<b>Expenditures</b>					<b>147,615</b>	<b>147,615</b>	<b>147,615</b>	<b>147,615</b>
Biennial Change in Expenditures				0		295,230		295,230
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								0

**Program: Grant Programs****Activity: Youth Services Grants**<https://dcyf.mn.gov/individuals-and-families/youth-services>**AT A GLANCE**

- The Youth Intervention Program provided almost 100 grants in 2023
- The newly formed Restorative Practices Grant program will administer \$8 million in grants in 2024

**PURPOSE AND CONTEXT**

The Youth Services budget activity supports grants administered by the Youth Justice Office and the Office of Restorative Practices. These offices will transfer from the Department of Public Safety to the Department of Children, Youth and Families by July 1, 2025.

**Youth Justice Office Grant Programs**

The Youth Justice Office (YJO) identifies, promotes, and sustains the most effective youth crime prevention and intervention solutions - those that recognize the promise and potential of young people as well as the need to ensure community safety. The Youth Justice Office provides staff support to the Governor's Juvenile Justice Advisory Committee (JJAC). Functions include federal Juvenile Justice and Delinquency Prevention Act (JJDNA) compliance monitoring, disparities-reduction programming, initiatives to expand mental health service access, support for families impacted by incarceration, distribution of grant funding to prevention and intervention programs, and more.

The Youth Justice Office administers state and federal grant funding, including the Youth Intervention Program which provides grants to sustain and expand services for youth, including truancy prevention, literacy and academic assistance, behavioral interventions and counseling, mentoring services, juvenile justice system diversions and restorative practice programming, afterschool activities, career exploration and life skills classes, and emergency youth shelter.

**Office of Restorative Practices**

The Minnesota Office of Restorative Practices was established in 2024 at the Department of Public Safety's Office of Justice Program. This Office will be staffed with restorative practice practitioners and experts dedicated to providing training and technical assistance in best practices; assist local communities in establishing and sustaining restorative practices programs through education and funding; and maintaining a statewide network of thriving restorative practice programs.

The Office will be responsible for administering approximately \$8 million dollars to new and existing restorative practice programs in the first couple of years and then administering \$5 million dollars per biennium ongoing.

**SERVICES PROVIDED****Youth Intervention Program**

Youth Intervention Program provides grants that fund early intervention, nonresidential, community-based programs that provide advocacy, education, counseling, mentoring, and referral services to youth and their families experiencing personal, familial, school, legal, or chemical problems with the goal of resolving the present problems and preventing the occurrence of problems in the future. Programs focus on increasing independent living skills, decision-making skills, and conflict-resolution skills, school attendance, and increasing the



development and maintenance of relationships with positive, caring adults. Grantees include non-profit organizations, city and county governments, and Tribal governments.

The Youth Intervention Program has been administered by the Office of Justice Programs (OJP) for decades. In 2023, the Minnesota Legislature made a significant investment in the program, increasing funding to \$13,206,930 for the biennium, which nearly doubled the previous amount. In the 2023 competitive grant cycle, there were over \$19 million in requests for the \$13 million available from 150 applicants. OJP made grant awards to 98 applicants. OJP is maximizing distributing the funding broadly to ensure services and interventions reach the communities and individuals who need it. The program previously funded 77 grants and is now funding 98.

**Restorative Practices Initiative Grant Program**

The Restorative Practices Initiatives grant program is intended to uphold Restorative Practices initiatives statewide that have current programs in place or are creating new Restorative Practices programs. The grants can also fund Restitution Grants to reimburse victims for economic loss and harm resulting from offenses committed by juveniles.

**RESULTS**

Measure name	Measure type	Measure data source	Historical trend	Most recent data
YIP Number of Grants	Quantity	Grants management system.	2022-2023 grant period: 77 grants	2024-2025 grant period: 98 grants
Restorative Practices: Number of Grants	Quantity	Grants management system.	New grant program, no data yet to report.	N/A

The legal authority for the Juvenile Justice Program was M.S. 229A.71 in the Department of Public Safety. It will be M.S. 142A.75 at the Department of Children, Youth, and Families.

The legal authority for Youth Intervention Programs (YIP) was M.S. 229A.73 in the Department of Public Safety. It will be M.S. 142A.43 at the Department of Children, Youth, and Families.

The legal authority for the Office of Restorative Practices was M.S. 229A.95 in the Department of Public Safety. It will be M.S. 142A.76 at the Department of Children, Youth, and Families.

# Youth Services Grants

# Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base FY26 FY27		Governor's Recommendation FY26 FY27	
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## Expenditures by Fund

1000 - General					8,891	8,891	7,391	7,391
3000 - Federal					1,155	1,155	1,155	1,155
<b>Total</b>					<b>10,046</b>	<b>10,046</b>	<b>8,546</b>	<b>8,546</b>
Biennial Change				0		20,092		17,092
Biennial % Change								
Governor's Change from Base								(3,000)
Governor's % Change from Base								(15)

## Expenditures by Category

Grants, Aids and Subsidies					10,046	10,046	8,546	8,546
<b>Total</b>					<b>10,046</b>	<b>10,046</b>	<b>8,546</b>	<b>8,546</b>

# Youth Services Grants

# Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY22	FY23	FY24	FY25	FY26	FY27	FY26	FY27
1000 - General								
Direct Appropriation					8,891	8,891	7,391	7,391
Expenditures					8,891	8,891	7,391	7,391
Biennial Change in Expenditures				0		17,782		14,782
Biennial % Change in Expenditures								
Governor's Change from Base								(3,000)
Governor's % Change from Base								(17)
3000 - Federal								
Receipts					1,155	1,155	1,155	1,155
Expenditures					1,155	1,155	1,155	1,155
Biennial Change in Expenditures				0		2,310		2,310
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								0

**Program: Technical and Fiduciary Activities****Activity: Technical and Fiduciary Activities**<https://dcyf.mn.gov/individuals-and-families/family-services/child-support>**AT A GLANCE**

- Child support program payments make up most of the activity in this program.
- In federal fiscal year 2023, the program processed \$539 million in child support payments.

**PURPOSE AND CONTEXT**

The Fiduciary and Technical Activities budget program collects money from individuals and organizations and distributes the collected funds to people owed the money. It also includes transfers and expenditures between federal grants, programs, and other agencies that would result in misleading distortions of the state's budget if they were not accounted for in a separate budget activity. This structure helps us make sure that funds are properly processed in the state's accounting system and to comply with federal accounting requirements.

Fiduciary activities include collecting money from individuals and organizations and distributing it to the people owed the money. This primarily includes collecting and distributing child support money. Because these are not state funds and belong to others, they are not included in the state's budget or consolidated fund statement.

**SERVICES PROVIDED**

The following services will make up most of the transactions in this budget activity:

- Child Support Payments: Payments made to custodial parents, collected from non-custodial parents
- Recoveries: Money recovered that cannot be processed in the state computer systems. Funds will be held here until they can be credited to the correct area, such as:
  - US Treasury
  - Supplemental Security Income (SSI)
  - Counties
  - People enrolled in services
- Several different types of inter-fund and pass through expenditures that are technical activities, including:
  - Federal administrative reimbursement earned by and paid to counties, tribes, and other local agencies
  - Federal administrative reimbursement earned by and paid to other state agencies.
  - Administrative reimbursement (primarily federal funds) earned on statewide indirect costs and paid to the general fund
  - Administrative reimbursement (primarily federal funds) earned on DCYF Agencywide Supports administrative costs and paid to the general fund or special revenue fund under state law and policy
  - Transfers between federal grants, programs and state agencies that are accounted for as expenditures in the state's SWIFT accounting system
  - Other technical accounting transactions

## RESULTS

The Child Support Program makes timely distribution of collected child support payments to custodial parents and ranks in the top tier of states in terms of percent collections and payments on both current obligations and arrears.

### National Federal Performance Measure: Collections on Current

State	FFY2022 (%)	Due (2022) millions (\$)	Paid (2022) millions (\$)	FFY2021 (%)	FFY2020 (%)
Pennsylvania	81.72	1,144	935	84.33	83.01
North Dakota	75.88	114	87	75.45	76.18
Vermont	74.17	40	30	75.82	75.71
Wisconsin	73.66	676	498	74.54	74.10
<b>Minnesota</b>	<b>72.62</b>	<b>538</b>	<b>390</b>	<b>75.75</b>	<b>75.41</b>
New York	72.02	1,832	1,320	78.29	68.85
Nebraska	71.64	224	161	71.33	71.65
Wyoming	71.63	69	49	70.23	70.73

### National Federal Performance Measure: Collections on Arrears

State	FFY2022 (%)	Due (2022) millions (\$)	Paid (2022) millions (\$)	FFY2021 (%)	FFY2020 (%)
Pennsylvania	82.76	208,904	172,885	86.33	88.07
Vermont	78.15	10,434	8,154	80.45	82.50
Wyoming	76.13	20,796	15,832	77.65	73.21
Indiana	74.54	190,463	141,965	78.15	79.80
Alaska	72.66	35,446	25,755	65.56	77.55
Nebraska	71.97	67,319	48,448	73.78	76.04
Florida	71.53	459,559	328,744	73.78	76.89
<b>Minnesota</b>	<b>70.41</b>	<b>141,370</b>	<b>99,540</b>	<b>72.30</b>	<b>79.65</b>

Source: 2023 Minnesota Child Support Performance Report  
(<https://www.lrl.mn.gov/docs/2024/other/240564.pdf>)

Several state statutes underlie the activities in this budget activity. These statutes are M.S. sections 256.741 (<https://www.revisor.mn.gov/statutes/?id=256.741>), which will be M.S. 518A.81 for the Minnesota Department of Children, Youth, and Families; 256.019 (<https://www.revisor.mn.gov/statutes/?id=256.019>) which will be M.S. 142A.28 for the Minnesota Department of Children, Youth, and Families; 256.01 (<https://www.revisor.mn.gov/statutes/?id=256.01>) will be under M.S. 142A.03 for the Minnesota Department of Children, Youth, and Families

## Technical and Fiduciary Activities

## Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base		Governor's Recommendation	
					FY26	FY27	FY26	FY27
<b><u>Expenditures by Fund</u></b>								
2001 - Other Misc Special Revenue					4,165	4,165	4,165	4,165
3000 - Federal					302,409	302,393	302,409	302,393
3001 - Federal TANF					71,493	71,493	71,493	71,493
6003 - Child Support Enforcement					641,955	641,955	641,955	641,955
<b>Total</b>					<b>1,020,022</b>	<b>1,020,006</b>	<b>1,020,022</b>	<b>1,020,006</b>
Biennial Change				0	2,040,028		2,040,028	
Biennial % Change								
Governor's Change from Base							0	
Governor's % Change from Base							0	

### **Expenditures by Category**

Operating Expenses					102,572	102,556	102,572	102,556
Grants, Aids and Subsidies					271,530	271,530	271,530	271,530
Other Financial Transaction					645,920	645,920	645,920	645,920
<b>Total</b>					<b>1,020,022</b>	<b>1,020,006</b>	<b>1,020,022</b>	<b>1,020,006</b>

## Technical and Fiduciary Activities

## Activity Financing by Fund

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base FY26 FY27		Governor's Recommendation FY26 FY27	
<b>2001 - Other Misc Special Revenue</b>								
Receipts					4,165	4,165	4,165	4,165
<b>Expenditures</b>					<b>4,165</b>	<b>4,165</b>	<b>4,165</b>	<b>4,165</b>
Biennial Change in Expenditures				0		8,330		8,330
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								0
<b>3000 - Federal</b>								
Receipts					302,409	302,393	302,409	302,393
<b>Expenditures</b>					<b>302,409</b>	<b>302,393</b>	<b>302,409</b>	<b>302,393</b>
Biennial Change in Expenditures				0		604,802		604,802
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								0
<b>3001 - Federal TANF</b>								
Receipts					71,493	71,493	71,493	71,493
<b>Expenditures</b>					<b>71,493</b>	<b>71,493</b>	<b>71,493</b>	<b>71,493</b>
Biennial Change in Expenditures				0		142,986		142,986
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								0
<b>6003 - Child Support Enforcement</b>								
Receipts					641,955	641,955	641,955	641,955
<b>Expenditures</b>					<b>641,955</b>	<b>641,955</b>	<b>641,955</b>	<b>641,955</b>
Biennial Change in Expenditures				0		1,283,910		1,283,910
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								0

## Department of Children, Youth, and Families

## Federal Funds Summary

(Dollars in Thousands)

Federal Agency and ALN	Federal Grant Name Brief Purpose	FY 2024 Actual	FY 2025 Revised	FY 2026 Revised	FY 2027 Revised	Required State Match or MOE?	FTEs
U.S. Dept of Agriculture 10.187	The Emergency Food Assistance Program (TEFAP) CCC - Under statutory authority of Commodity Credit Corporation (CCC), U.S. Department of Agriculture (USDA) is providing additional support for emergency food programs to address supply chain challenges and elevated food costs. Funds will be distributed through The Emergency Food Assistance Program (TEFAP) in the form of additional food and administrative resources to Food Banks. Funding will be provided in multiple phases to the state.	\$ -	\$ -	\$ 1,000	\$ 1,000		
U.S. Dept of Agriculture 10.535	SNAP Fraud Framework Implementation Grant - Supports State agency efforts to improve and expand recipient fraud prevention, detection and investigation efforts using the procedures, ideas and practices outlined in the SNAP Fraud Framework. In response to the increase in SNAP benefit theft, FNS is strongly encouraging States to submit proposals that aim to prevent, detect, and respond to false application or certification attempts, phishing, and card skimming schemes.	\$ -	\$ -	\$ 750	\$ 750		
U.S. Dept of Agriculture 10.537	Supplemental Nutrition Assistance Program (SNAP) Employment and Training (E&T) Data and Technical Assistance Grants - Provide support to State agencies in developing the capacity to collect and analyze outcome reporting data as required by Section 16(h)(5)(B) of the Food and Nutrition Act, which supports State and local agencies in collecting and reporting outcome data for SNAP E&T programs.	\$ -	\$ -	\$ 624	\$ 624		
U.S. Dept of Agriculture 10.541	Summer Electronic Benefit Transfer Technology Grant - Supports Summer Electronic Benefit Transfer investments in technology infrastructure.	\$ -	\$ -	\$ 1,100	\$ 1,100		
U.S. Dept of Agriculture 10.551	Supplemental Nutrition Assistance Program (SNAP) - Improve nutrition of eligible low-income households by ensuring access to nutritious, healthful diets through the issuance of monthly benefits that are used for the purchase of food at authorized retailers as well as nutrition education.	\$ -	\$ -	\$ 1,679,527	\$ 1,679,527		



Federal Agency and ALN	Federal Grant Name Brief Purpose	FY 2024 Actual	FY 2025 Revised	FY 2026 Revised	FY 2027 Revised	Required State Match or MOE?	FTEs
U.S. Dept of Agriculture 10.561	Supplemental Nutrition Assistance Program (State Administrative Match)/SNAP Education/SNAP Outreach/Earnings Verification Support Grants - Supplemental Nutrition Assistance Program (State Administrative Matching Funds): Grants to Community Action Agencies and anti-hunger organizations to conduct statewide outreach to assist people in determining if they are eligible for SNAP benefits. Under Federal SNAP regulations, states have option to include outreach activities in State Plan filed with Food and Nutrition Service (FNS) of United States Department of Agriculture. This option allows states to include costs of outreach activities as administrative costs of SNAP. SNAP-Education partners provide nutrition/health education and deliver policy, systems and change initiatives to communities across state with aim of reducing food insecurity, promoting healthy eating habits and increasing physical activity for SNAP eligible audiences. Costs are reimbursed by FNS at a rate of 50%. The earnings verification grants provide funds for SNAP state agencies' use of electronic earned income verification services.	\$ -	\$ -	\$ 123,656	\$ 123,126	Match	5
U.S. Dept of Agriculture 10.568	The Emergency Food Assistance Program (TEFAP) (Administrative Costs)/Farms to Food Bank Grant - To help supplement the diets of low-income persons by making funds available to States for storage and distribution costs incurred by The Emergency Food Assistance Program (TEFAP) State agencies and local organizations, such as soup kitchens, food banks, and food pantries, including faith-based organizations, in providing food assistance to needy persons. TEFAP Farms to Food Bank Grant - Funds are utilized to engage Minnesota farmers, growers, distributors and processors as food donors; and to assist them to harvest, process, and package and transport these food donations to help relieve hunger in the state.	\$ -	\$ -	\$ 2,840	\$ 2,840		3

Federal Agency and ALN	Federal Grant Name Brief Purpose	FY 2024 Actual	FY 2025 Revised	FY 2026 Revised	FY 2027 Revised	Required State Match or MOE?	FTEs
U.S. Dept of Agriculture 10.646	Summer Electronic Benefit Transfer Program for Children - Summer EBT is a Federally-assisted program through which participating States and Indian Tribal Organizations provide EBT benefits to children who lose access to free and reduced price meals through the National School Lunch Program (NSLP) and School Breakfast Program (SBP) during the summer when school is not in session.	\$ -	\$ -	\$ 85,946	\$ 85,946	Match	9
U.S. Dept of Justice 16.540	Juvenile Justice and Delinquency Prevention - The Title II Formula Grants Program provides funding to support state and local efforts to plan, establish, operate, coordinate, and evaluate policies and projects, directly or through grants and contracts with public and private agencies, for the development of more effective education, training, research, prevention, diversion, treatment, and rehabilitation, compliance with the core requirements and overall juvenile justice system improvement efforts.	\$ -	\$ -	\$ 800	\$ 800	Match	3
U.S. Dept of Justice 16.827	Justice Reinvestment Initiative: Building Local Continuums of Care to Support Youth Success - Helps states identify and respond to crime and other public safety problems, explore evidence-based or innovative and cost-saving strategies, and to invest in strategies that can decrease crime and reduce recidivism. Provides funding to implement evidence-based strategies to combat youth delinquency and to address the unmet needs of at-risk or delinquent youth through a continuum of delinquency prevention programs for young people who have had or who are likely to have contact with the juvenile justice system.	\$ -	\$ -	\$ 825	\$ 825		1
U.S. Dept of Education 84.305	Education Research, Development and Dissemination - Support research activities that improve the quality of education and, thereby, increase student academic achievement, reduce the achievement gap between high-performing and low-performing students, and increase access to and completion of postsecondary education.	\$ -	\$ -	\$ 358	\$ 126		1

Federal Agency and ALN	Federal Grant Name Brief Purpose	FY 2024 Actual	FY 2025 Revised	FY 2026 Revised	FY 2027 Revised	Required State Match or MOE?	FTEs
U.S. Dept of Health and Human Services 93.090	Guardianship Assistance - Provide Federal financial participation (FFP) to states, Indian tribes, tribal organizations and tribal consortia (tribes) who opt to provide guardianship assistance payments to relatives who have assumed legal guardianship of eligible children that they previously cared for as foster parents. This assistance is intended to prevent inappropriately long stays in foster care and to promote the healthy development of children through increased safety, permanency, and well-being.	\$ -	\$ -	\$ 36,124	\$ 36,124	Match	
U.S. Dept of Health and Human Services 93.434	Every Student Succeeds Act/Preschool Development Grants - Assist states in helping low-income and disadvantaged children enter Kindergarten prepared and ready to succeed in school and to help improve the transitions from the early care and education setting to elementary school. The overall responsibility is to assist states in the coordination of their existing early childhood service delivery models and funding streams - for the purpose of serving more children birth through age five in a mixed delivery model.	\$ -	\$ -	\$ 8,000	\$ 8,000	Match	2
U.S. Dept of Health and Human Services 93.471	Title IV-E Kinship Navigator - The Title IV-E Kinship Navigator program helps states, Indian tribes, tribal organizations and tribal consortia (tribes) that also operate the title IV-E foster care and adoption assistance programs to operate kinship navigator programs. Kinship navigator programs assist kinship caregivers in learning about, finding, and using programs and services to meet the needs of the children they are raising and their own needs. They also promote effective partnerships among public and private agencies to ensure kinship caregiver families are served. Title IV-E kinship navigator programs must meet grant requirements in section 427(a)(1) of the Social Security Act (the Act) and must also be operated in accordance with promising, supported, or well-supported practice standards specified in section 471(e)(4)(C) of the Act. Services are to be provided to children and families without regard to children's eligibility for title IV-E foster care maintenance payments.	\$ -	\$ -	\$ 1,500	\$ 1,500	Match	

Federal Agency and ALN	Federal Grant Name Brief Purpose	FY 2024 Actual	FY 2025 Revised	FY 2026 Revised	FY 2027 Revised	Required State Match or MOE?	FTEs
U.S. Dept of Health and Human Services 93.472	Title IV-E Prevention Program - The Title IV-E Prevention Program provides optional title IV-E funding for time-limited prevention services for mental health, substance abuse, and in-home parent skill-based programs for children or youth who are candidates for foster care, pregnant or parenting youth in foster care, and the parents or kin caregivers of those children and youth. These services or programs are available when the needs of the child, a parent, or a caregiver are directly related to the safety, permanence, or well-being of the child or to preventing the child from entering foster care. Services are to be provided to children and families without regard to children's eligibility for title IV-E foster care maintenance payments.	\$ -	\$ -	\$ 8,100	\$ 8,100	Match/ MOE	
U.S. Dept of Health and Human Services 93.556	MaryLee Allen Promoting Safe and Stable Families Program - The objectives are: 1) to prevent child maltreatment among families at risk through the provision of supportive family services; 2) to assure children's safety within the home and preserve intact families in which children have been maltreated, when the family's problems can be addressed effectively; 3) to address the problems of families whose children have been placed in foster care so that reunification may occur in a safe and stable manner; 4) to support adoptive families by providing support services as necessary so that they can make a lifetime commitment to their children. And serve families at risk or in crisis, to develop or expand and operate coordinated programs of community-based family support services, family preservation services, family reunification services, and adoption promotion and support services. Portion of funds is reserved for separate formula awards for states and territories to support monthly caseworker visits with children who are in foster care. A small proportion reserved for research, evaluation, and technical assistance, which may be awarded competitively through contracts or discretionary awards.	\$ -	\$ -	\$ 5,565	\$ 5,565	Match/ MOE	9

Federal Agency and ALN	Federal Grant Name Brief Purpose	FY 2024 Actual	FY 2025 Revised	FY 2026 Revised	FY 2027 Revised	Required State Match or MOE?	FTEs
U.S. Dept of Health and Human Services 93.563	Child Support Services - Child Support Enforcement: This funding is the federal financial participation (FFP) for the Supreme Court, Department of Corrections, county federal incentives, County Income Maintenance (both administrative and indirect costs), systems fund, general fund and 1115 grants.	\$ -	\$ -	\$ 138,578	\$ 138,571	Match	
U.S. Dept of Health and Human Services 93.564	Child Support Services Research - Responsible Parenting Grant: Grant to develop and implement child support curriculum for incarcerated youth/young adults to improve preparation for parenthood. MN Safe Access for Victims' Economic Security (MN-SAVES) to implement comprehensive domestic violence safety policies, procedures, and outreach activities to enhance safety for victims of domestic violence in the child support program. Advancing Equity In Child Support - examines child support services, policies, and procedures to address disproportional access to services.	\$ -	\$ -	\$ 3,576	\$ 3,034		6
U.S. Dept of Health and Human Services 93.564	Next Generation Child Support Employment Services Demonstration - Grant to expand and enhance child support-led employment services for noncustodial parents.	\$ -	\$ -	\$ 700	\$ 700		6
U.S. Dept of Health and Human Services 93.569	Community Services Block Grant (CSBG) - Grants to Community Action Agencies and Tribal Governments to focus local, state, private and federal resources to support low-income families and individuals to attain the skills, knowledge and motivation to become economically secure. These funds provide grants for emergencies and special projects.	\$ -	\$ -	\$ 16,000	\$ 16,000		4

Federal Agency and ALN	Federal Grant Name Brief Purpose	FY 2024 Actual	FY 2025 Revised	FY 2026 Revised	FY 2027 Revised	Required State Match or MOE?	FTEs
U.S. Dept of Health and Human Services 93.575/93.596	Child Care and Development Block Grant (CCDF) - Provides funds to States to increase the availability, affordability, and quality of child care services for low-income families where the parents are working or attending training or educational programs. This grant helps fund the Minnesota Family Investment Program (MFIP) and Basic Sliding Fee Child Care Assistance Programs that help low-income families pay for child care so that parents may pursue employment or education leading to employment. Also funded are Child Care Development Grants that promote services to improve school readiness, and the quality and availability of child care in Minnesota.	\$ -	\$ -	\$ 284,769	\$ 284,769	MOE	63
U.S. Dept of Health and Human Services 93.590	Community-Based Child Abuse Prevention Grants - Objectives are (1) to support community-based efforts to develop, operate, expand, and enhance, and coordinate initiatives, programs, and activities to prevent child abuse and neglect and to support the coordination of resources and activities to better strengthen and support families to reduce the likelihood of child abuse and neglect; and (2) to foster understanding, appreciation and knowledge of diverse populations in order to effectively prevent and treat child abuse and neglect.	\$ -	\$ -	\$ 6,078	\$ 5,128	Match	5
U.S. Dept of Health and Human Services 93.595	Welfare Reform Research, Evaluations and National Studies - Support research, evaluation, and technical assistance related to the Temporary Assistance for Needy Families (TANF) program. This includes research on the effect of State TANF programs on employment, child well-being, unmarried births, marriage, poverty, economic mobility, and other factors; State-initiated research on TANF ; technical assistance to States in developing and evaluating innovative approaches for reducing welfare dependency and increasing the well-being of families with low incomes; and development of a "what works clearinghouse" of approaches for moving welfare recipients into work.	\$ -	\$ -	\$ 150	\$ 180		1

Federal Agency and ALN	Federal Grant Name Brief Purpose	FY 2024 Actual	FY 2025 Revised	FY 2026 Revised	FY 2027 Revised	Required State Match or MOE?	FTEs
U.S. Dept of Health and Human Services 93.597	Grants to States for Access & Visitation Programs - Grants to States for Access & Visitation Programs: Grant provides resources to states to help establish programs to support and facilitate noncustodial parents' access to and visitation of their children. Responsible Parenting Grant: Grant to develop and implement child support curriculum for incarcerated youth/young adults to improve preparation for parenthood. MN Safe Access for Victims' Economic Security (MN-SAVES) to implement comprehensive domestic violence safety policies, procedures, and outreach activities to enhance safety for victims of domestic violence in the child support program. Advancing Equity In Child Support - examines child support services, policies, and procedures to address disproportional access to services.	\$ -	\$ -	\$ 170	\$ 170		
U.S. Dept of Health and Human Services 93.599	Chafee Education and Training Vouchers Program (ETV) - Provide resources to states and eligible Indian tribes to make available vouchers for postsecondary training and education to youth who have experienced foster care at age 14 or older, who have aged out of foster care, or who have been adopted or left for kinship guardianship from the public foster care system after age 16.	\$ -	\$ -	\$ 1,121	\$ 1,121	Match	1
U.S. Dept of Health and Human Services 93.600	Head Start Collaboration Admin - Funds for the state agency to meet state-level requirements and support local Head Start programs that receive funding directly from the federal government. Head Start promotes school readiness through the provision of educational, health, nutritional, social, and other services to their enrollees - low-income children and families.	\$ -	\$ -	\$ 125	\$ 125	Match	1
U.S. Dept of Health and Human Services 93.603	Adoption and Legal Guardianship Incentive Payments Program - Provide incentives to States and eligible Tribes to increase annually the number of children in foster care who find permanent homes through adoption or legal guardianship.	\$ -	\$ -	\$ 5,942	\$ 5,942		

Federal Agency and ALN	Federal Grant Name Brief Purpose	FY 2024 Actual	FY 2025 Revised	FY 2026 Revised	FY 2027 Revised	Required State Match or MOE?	FTEs
U.S. Dept of Health and Human Services 93.643	Children's Justice Grants to States - To encourage states to enact reforms which are designed to improve (1) the assessment and investigation of suspected child abuse and neglect cases, including cases of suspected child sexual abuse and exploitation, in a manner that limits additional trauma to the child and the child's family; (2) the assessment and investigation of cases of suspected child abuse-related fatalities and suspected child neglect-related fatalities; (3) the investigation and prosecution of cases of child abuse and neglect, including child sexual abuse and exploitation; and (4) the assessment and investigation of cases involving children with disabilities or serious health-related problems who are suspected victims of child abuse or neglect.	\$ -	\$ -	\$ 450	\$ 450		1
U.S. Dept of Health and Human Services 93.645	Stephanie Tubbs Jones Child Welfare Services Program - Promote state and tribal flexibility in the development and expansion of a coordinated child and family services program that utilizes community-based agencies and ensures all children are raised in safe, loving families.	\$ -	\$ -	\$ 7,782	\$ 7,782	Match	27
U.S. Dept of Health and Human Services 93.658	Foster Care Title IV-E - Helps states, Indian tribes, tribal organizations and tribal consortia (tribes) to provide safe and stable out-of-home care for children under the jurisdiction of the state or tribal child welfare agency until the children are returned home safely, placed with adoptive families, or placed in other planned arrangements for permanency. The program provides funds to assist with the costs of foster care maintenance for eligible children; administrative costs to manage the program; and training for public agency staff, foster parents and eligible professional partner agency staff. In addition, \$3 million is reserved for technical assistance and plan development/implementation awards to eligible tribes.	\$ -	\$ -	\$ 95,000	\$ 95,000	Match	



Federal Agency and ALN	Federal Grant Name Brief Purpose	FY 2024 Actual	FY 2025 Revised	FY 2026 Revised	FY 2027 Revised	Required State Match or MOE?	FTEs
U.S. Dept of Health and Human Services 93.659	Adoption Assistance - Provides Federal Financial Participation (FFP) to states, Indian tribes, tribal organizations and tribal consortia (tribes) in adoption subsidy costs for the adoption of children with special needs who cannot be reunited with their families and who meet certain eligibility tests. This assistance is intended to prevent inappropriately long stays in foster care and to promote the healthy development of children through increased safety, permanency and well-being.	\$ -	\$ -	\$ 95,000	\$ 95,000	Match	
U.S. Dept of Health and Human Services 93.667	Social Services Block Grant - The objective is to enable each state and territory to furnish social services best suited to the needs of the individuals residing in the state or territory. Federal funds may be used by recipients to provide services directed toward one of the following five goals specified in the law: (1) To prevent, reduce, or eliminate dependency; (2) To achieve or maintain self-sufficiency; (3) To prevent neglect, abuse, or exploitation of children and adults; (4) To prevent or reduce inappropriate institutional care; and (5) To secure admission or referral for institutional care when other forms of care are not appropriate.	\$ -	\$ -	\$ 47,000	\$ 47,000		9
U.S. Dept of Health and Human Services 93.669	Child Abuse and Neglect State Grants - Assist States in the support and improvement of their child protective services systems.	\$ -	\$ -	\$ 2,784	\$ 2,725		6

Federal Agency and ALN	Federal Grant Name Brief Purpose	FY 2024 Actual	FY 2025 Revised	FY 2026 Revised	FY 2027 Revised	Required State Match or MOE?	FTEs
U.S. Dept of Health and Human Services 93.674	John H. Chafee Foster Care Program for Successful Transition to Adulthood - Assist states and eligible Indian tribes in establishing and carrying out programs designed to assist youth who experienced foster care at age 14 or older, youth who leave foster care for adoption or kinship guardianship after attaining age 16, youth likely to remain in foster care until age 18, and former foster care recipients between 18 and 21 years, to make a successful transition to adulthood and self-sufficiency. States or tribes that operate an extended foster care program for youth up to age 21 have the option to extend services under the Chafee program to youth up to their 23rd birthday.	\$ -	\$ -	\$ 3,400	\$ 3,400	Match	2
U.S. Dept of Health and Human Services 93.575/93.596	Child Care and Development Block Grant (CCDF) - Child Care Assistance Program Improvements - Federal Compliance Change Item	\$ -	\$ -	\$ 4,077	\$ 9,691		
	<b>Federal [3000] Fund – Agency Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,669,417</b>	<b>\$ 2,672,741</b>		<b>168</b>
U.S. Dept of Health and Human Services 93.558	Temporary Assistance for Needy Families (TANF) - Grants to assist needy families with children so that children can be cared for in their own homes; to reduce dependency by promoting job preparation, work, and marriage; to reduce and prevent out-of-wedlock pregnancies; and to encourage the formation and maintenance of two-parent families. These funds are used to provide grants to counties and tribes to provide support services for Minnesota Family Investment Program (MFIP)/Diversionary Work Program (DWP) participants that include job search/skills, adult basic education, GED classes, job coaching, short-term training, county programs to help with emergency needs, and help accessing other services such as child care, medical care and CD/Mental health services. TANF also helps fund the MFIP/DWP cash benefit program and child care assistance programs as well as other programs that help low income families with children. TANF also funds state, county, and Tribal administrative costs.	\$ -	\$ -	287,208	307,670	MOE	15
	<b>TANF [3001] Fund – Agency Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 287,208</b>	<b>\$ 307,670</b>		<b>15</b>
	<b>Total Federal Funds – Agency Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,956,625</b>	<b>\$ 2,980,411</b>		<b>183</b>

## Narrative

The Department of Children, Youth, and Families receives federal funds for a wide variety of operations and programs to support Minnesota children, youth, and families in need. These grants come from a variety of federal agencies, each with their own application, award, expenditure, reporting and reimbursement processes and procedures. Most of the federal funds are ongoing grants that serve specific operations and programs implemented by the Department of Children, Youth, and Families. The Department relies on these funds in managing their budget. Larger grants include the: Supplemental Nutrition Assistance Program (SNAP); Temporary Assistance for Needy Families (TANF) program; Child Care and Development Block Grant (CCDF); Child Support; Foster Care; Adoption Assistance; and the Social Services Block Grant.

Several of the federal grants require matching funds, or maintenance of effort commitments. These vary by federal agency and specific grant. The Department agrees to these commitments when accepting the federal grant award. Matches are covered with existing Department budgets and in some cases by local governments. Maintenance of effort commitments are managed within the budget and require tracking of certain expenditures and a related reporting process. Department federal awards that require a match or maintenance of effort commitment are identified in the table above. Award estimates are based on past experience and current communication between the Department division staff and federal contacts. The forecast for federal funding is based on projected awards, but actual amounts are subject to annual congressional appropriations and federal agency determinations. We do not anticipate any major trends that impact funding at this time, although political changes at the federal level may impact future awards.

## Department of Children, Youth, and Families

## Grants Funding Detail

(Dollars in

Program Name Citation	Purpose/ Recipient Type(s) Eligibility Criteria	FY 2024	FY 2025	FY 2026	FY 2027
<b>Child Safety &amp; Permanency:</b> <b>Child Abuse Prevention, Early Intervention, Child Protection, Foster Care, Adoption</b>					
Children & Community Services Grants <i>M.S. 256M</i>	Grants to all Minnesota counties to purchase or provide services for children, adolescents and other individuals who experience dependency, abuse, neglect, poverty, disability, or chronic health conditions.	\$55,814	\$55,814	\$52,814	\$52,814
American Indian Early Intervention Grants	Grants to organizations serving American Indian families to provide stability and address issues.	\$672	\$900	\$900	\$900
Indian Child Welfare Grants (ICWA) 2023 Session Law, Ch. 70, Art. 20, Sec. 2, Subd. 22(f); M.S. 260.785	Grants to tribes and urban American Indian social service agencies to provide services to preserve and strengthen American Indian families and reunify children placed in out-of-home placement with their families.	\$4,666	\$5,887	\$6,122	\$6,122
Children's Trust Fund, Parent Support Outreach Grant <i>M.S. 142A.412</i>	Grants to counties, tribal nations and community-based agencies for child abuse and neglect prevention and services to families to reduce the risk of child maltreatment and enhanced family capacities. Funded through a birth record surcharge under M.S. 144.226, Subd 3.	\$3	\$1,220	\$1,220	\$1,220
Community Resource Centers 2023 Session Law, Ch. 70, Art. 20, Sec. 2, Subd. 22(n)	Funding for a network of up to 12 community resource centers, which are intended provide supporting relationship based and culturally responsive program and service navigation for families. Grants will be available to community-based organizations, Tribal nations and urban Indian organizations, counties, school districts, and others. (Appropriated in 2024 but carryforward authority through 2027)	\$0	\$7,000	\$0	\$0
Prevention /Early Intervention Grants	Grants to counties for child protection services designed to support families to keep children safely at home. Services include training and counseling support for parents and children, stable housing and safe living conditions.	\$786	\$786	\$786	\$786
Parent Support Outreach Program	Statewide allocations to counties and tribal nations to prevent child maltreatment and improve family functioning for families reported to child protection services.	\$2,250	\$2,250	\$2,250	\$2,250
Parent Support for Better Outcomes Grants <i>Laws 2019, Special Session 1, Ch. 9, Art. 14, Sec 2</i>	Provides grants to Minnesota One-Stop for Communities to provide mentoring, guidance, and support services to parents navigating the child welfare system.	\$142	\$150	\$150	\$150
Family First Prevention Services Act Support and Development Grant Program <i>M.S. 142A.45</i>	Grants to support prevention and early intervention services provided by community-based agencies to implement and build upon Minnesota's Family First Prevention Services Act (FFPSA) Title IV-E Prevention Services Plan.	\$319	\$4,100	\$4,100	\$4,100
Family First Prevention Services Act Kinship Navigator Program <i>M.S. 142A.451</i>	New program for Kinship Navigator programs as outlined by the federal Family First Prevention Services Act.	\$0	\$764	\$506	\$507

Program Name <i>Citation</i>	Purpose/ Recipient Type(s) Eligibility Criteria	FY 2024	FY 2025	FY 2026	FY 2027
Family First Prevention Services Act Prevention and Early Intervention Allocations <i>M.S. 142A.452</i>	New program to support prevention and early intervention services. Amounts to be allocated to counties and Tribes by formula.	\$0	\$6,112	\$6,000	\$6,000
Court-Appointed Counsel in Child Protection Proceedings <i>Laws 2021, Ch 7, Article 16</i>	Funds for county costs to provide court-appointed counsel in child protection proceedings.	\$520	\$520	\$520	\$520
Child Protection Grants <i>M.S. 256M.41</i>	These grants are awarded to counties on a formula basis to address staffing for child protection or expand child protection services. Funds must not be used to supplant current county expenditures for these purposes.	\$23,350	\$23,870	\$23,870	\$23,870
Opioid Epidemic Response Fund Child Protection Grants <i>M.S. 256.043</i>	Grants to county and tribal social service agencies to provide child protection services to children and families who are affected by addiction.	\$637	\$3,243	\$3,243	\$3,243
Quality Parenting Initiative Grant Program <i>2023 Session Law, Ch. 70, Art. 20, Sec. 2, Subd. 22(l), M.S. 245.0962</i>	Provide training and technical assistance on quality parenting principles and practices between a child's parents and foster care provider. The rider for this program requires that the grant funding to go to Quality Parenting Initiative (QPI) – Minnesota. If this is not possible, there is to be a competitive process.	\$100	\$100	\$100	\$100
Supporting Relative Caregiver Grants <i>2024 Session Law, Ch. 115, Art. 22, Sec. 7, Sub. 7, M.S. 260C.007</i>	One-time funding to community-based nonprofits to provide culturally competent supports and connections to government resources for relative caregivers from over-represented communities.	\$0	\$550	\$0	\$0
Transitional Planning Demo Project (Healthy Transitions and Homeless Prevention) <i>Laws of Minnesota 2005, Ch. 4, Art. 9, Sec.</i>	Funding for the Successful Transition to Adulthood for Youth (STAY) program, which provides funding to county, Tribal, and community agencies to provide services, concrete supports, and financial assistance for young people leaving foster care and transitioning into adulthood.	\$1,065	\$1,065	\$1,065	\$1,065
Successful Transitions to Adulthood (STAY) <i>M.S. 260C.452</i>	Funding for independent living skills for eligible youth in or previously in out-of-home placement. Grants go to local social service agencies, tribes, and other organizations.	\$1,579	\$2,247	\$0	\$0
Privatized Adoption Grants <i>M.S. 142A.03</i>	Grants to county and American Indian Child Welfare Initiatives' social service agencies for the recruitment of relative adoptive and foster families.	\$4,094	\$7,806	\$7,806	\$7,806
Northstar Care for Children Act <i>M.S. 142A.60-142A.612</i>	Funds certain benefits to support a child in need who is served by the Minnesota child welfare system and who is the responsibility of the state, local county social service agencies, or tribal social service agencies authorized under section 142A.03, Subdivision 9, or are otherwise eligible for federal adoption assistance. A child is eligible for Northstar Care for Children if the child is eligible for: foster care under section 142A.604; Northstar kinship assistance under section 142A.605; or adoption assistance under section 142A.606.	\$170,818	\$247,126	\$321,267	\$382,785

Program Name <i>Citation</i>	Purpose/ Recipient Type(s) Eligibility Criteria	FY 2024	FY 2025	FY 2026	FY 2027
Child Welfare Disparities Grants <i>M.S. 142A.417</i>	These grants are to address disparities and disproportionality in the child welfare system by addressing structural factors that contribute to inequities in outcomes, using cultural values in decision-making, maintaining relationships between parents, siblings, children, kin, significant others and tribes; and Supporting families to safely divert them from the child welfare system, whenever possible. Grants were awarded to tribes, counties and community agencies.	\$1,500	\$1,650	\$1,650	\$1,650
American Indian Child Welfare Initiative Program <i>M.S. 142.03, Subd. 9</i>	Grants to tribes to provide core child welfare services to American Indian children living on participating tribe's reservations. There are four tribes included: Mille Lacs Band of Ojibwe, Leech Lake Band of Ojibwe, Red Lake Band of Chippewa, and White Earth Nation.	\$14,979	\$30,302	\$32,901	\$32,901
Human Services Initiative <i>Laws 2011, First Special Session, Ch. 9, Art. 9, Sec. 18 and Laws 2016, Ch. 189, Art. 23, Sec. 2</i>	Funding to the White Earth Nation for direct implementation and administrative costs of the White Earth Band of Ojibwe Human Services Project to transfer legal responsibility to the tribe for providing human services to tribal members and their families.	\$1,400	\$1,400	\$1,400	\$1,400
Red Lake Band Human Services Initiative <i>M.S. 256.01, Subd.2(a)(7) and Laws 2016, Chap. 189, Art. 23, Sec. 2</i>	Funding to the Red Lake Nation for direct implementation and administrative costs of the Red Lake Human Services Initiative project to operate a federally approved family assistance program (Tribal TANF) or any other program under the supervision of the commissioner.	\$500	\$500	\$500	\$500
Allocation for Tribal child welfare staff <i>2023 Session Law, Ch. 70, Art. 20, Sec. 2, Subd. 22(g), M.S. 260.786</i>	Funding to hire staff to respond to Indian Child Welfare Act and Minnesota Indian Family Preservation Act notices. Provides \$80,000 each for 10 Tribes.	\$85	\$799	\$799	\$799
Welfare Costs <i>M.S. 142A.03</i>	Grants to counties for child welfare costs associated with children who are enrolled members of Red Lake Nation.	\$487	\$487	\$487	\$487
Minnesota African American Family Preservation and Child Welfare Disproportionality Act: Hennepin County <i>2024 Session Law, Ch. 117, Sec. 21-22, M.S. 260.61-260.693</i>	One-time grant to Hennepin County for phase-in of the new act. The act supports greater protections for African American children who are overrepresented in Minnesota's child welfare system.	\$0	\$2,500	\$0	\$0
Minnesota African American Family Preservation and Child Welfare Disproportionality Act: Ramsey County <i>2024 Session Law, Ch. 117, Sec. 21-22, M.S. 260.61-260.693</i>	One-time grant to Ramsey County for phase-in of the new act. The act supports greater protections for African American children who are overrepresented in Minnesota's child welfare system.	\$0	\$2,500	\$0	\$0

Program Name <i>Citation</i>	Purpose/ Recipient Type(s) Eligibility Criteria	FY 2024	FY 2025	FY 2026	FY 2027
Minnesota African American Family Preservation and Child Welfare Disproportionality Act: Other Grants <i>2024 Session Law, Ch. 117, Sec. 21-22, M.S. 260.61-260.693</i>	Funding for active efforts and safety plans for limiting the use of emergency removals, foster care placements, and terminations of parental rights to better ensure children are not removed from their homes unnecessarily; cultural competency training for case workers, judges, guardians; responsible social service agency case reviews; and annual summary reports.	\$0	\$1,000	\$1,000	\$1,000
<b>Early Childhood: Child Care, Early Learning</b>					
Basic Sliding Fee (BSF) Child Care Assistance Grants <i>M.S. 142E</i>	BSF child care assistance grants provide financial subsidies to help low-income families pay for child care so that parents may pursue employment or education leading to employment, and children are well cared for and prepared to enter school ready to learn.	\$57,953	\$107,346	\$137,768	\$135,212
MFIP Child Care Assistance Grants <i>M.S. 142E</i>	The Minnesota Family Investment Program (MFIP) Child Care Assistance grants provide financial subsidies to help low-income families pay for child care so children are well-cared for and prepared to enter school ready to learn and parents may pursue employment or education leading to employment. This grant serves families who currently participate in the MFIP or DWP programs, or who have recently done so.	\$2,019	\$118,046	\$107,315	\$146,025
Family Friend and Neighbor (FFN) Grant Program <i>M.S. 142D.24</i>	Permanent grant program to support family, friend, and neighbor (FFN) child care providers, replacing the current temporary grant program funding by the federal ARPA. Provide culturally and linguistically appropriate training, support, and resources to FFN caregivers and children's families to promote health, safety, nutrition, and learning.		\$2,725	\$2,225	\$2,225
Child Care Resource and Referral Grants <i>M.S. 142E.30</i>	Grants to child care resource and referral agencies to support the child care infrastructure through information for parents, supports and training resources for providers, coordination of local services and data collection to inform community planning.	\$1,007	\$1,007	\$1,007	\$1,007
Parent Aware Grants <i>M.S. 142D.13</i>	These funds support a Quality Rating and Improvement System (QRIS). Grants to child care resource and referral agencies provide recruitment and supports to child care programs that participate in the QRIS and support a website that provides ratings to parents and information for participating child care programs, as well as a grant for evaluation of the initiative.	\$1,398	\$1,750	\$1,750	\$1,750
Child Care Service Development Grants <i>M.S. 142A</i>	Grants to child care resource and referral agencies to build and improve the capacity of the child care system for centers and family child care providers.	\$250	\$250	\$250	\$250
Child care workforce development grants <i>M.S. 142E; Session Laws 2023, Ch. 70, Art. 20, Sec. 2 Subd. 20(d)</i>	Grant to the statewide child care resource and referral network to administer child care workforce development grants.		\$1,300	\$1,300	\$1,300
Great Start compensation support <i>M.S. 142D. 21</i>	Payments to eligible child care and early learning programs to improve access to early care and learning and strengthen the ability of programs to recruit and retain early educators.	\$105,162	\$206,436	\$129,887	\$129,887

Program Name Citation	Purpose/ Recipient Type(s) Eligibility Criteria	FY 2024	FY 2025	FY 2026	FY 2027
Child Care Facility Grants M.S. 142E	Grants and forgivable loans to child care providers and centers in communities to improve child care or early education sites or to plan design and construct or expand sites to increase availability of child care and early education.	\$163	\$163	\$163	\$163
Migrant Child Care Grants M.S. 142E	Provides grant funds to community based program for comprehensive child care services for migrant children throughout the state.	\$170	\$170	\$170	\$170
Child Care Integrity Grants M.S. 142E	Grants to counties to support fraud prevention activities.	\$141	\$147	\$147	\$147
TEACH Scholarships M.S. 142D.31	Teacher Education And Compensation Helps (TEACH) provides tuition scholarships and education incentives to early care and education providers.	\$0	\$695	\$695	\$695
Early Childhood Registered Apprenticeship Grant Program M.S. 142D.32	Creates a registered early childhood apprenticeship grant program to provide early childhood education workers with training and mentoring opportunities through their employment. Collaboration with the Department of Labor and Industry.	\$1,175	\$2,000	\$1,000	\$1,000
Retaining Early Educators Through Attaining Incentives Now (REETAIN) M.S. 142D.30	Competitive grants to incentivize well-trained child care professionals to remain in the workforce. The overall goal of the REETAIN grant program is to create more consistent care for children over time.	\$1,951	\$1,951	\$750	\$750
Child care improvement grants M.S. 142D.20	Grants to nonprofits to plan, develop, and finance early childhood education and child care sites.	\$0	\$1,125	\$0	\$0
Early Childhood Education Scholarships M.S. 142D.25	Established to close the opportunity gap by increasing access to high-quality early childhood programs.	-	-	\$97,290	\$97,290
Early Child Family Education M.S. 142D.11	Provides early childhood family education program to provide parenting education to support children's learning and development.	-	-	\$39,779	\$41,444
Early Childhood Literacy Program M.S. 142D.12	Actively involves parents, ongoing professional staff development, and establishes high quality early literacy program standards to increase the literacy skills of children participating in Head Start to prepare them to be successful readers and to increase families' participation in providing early literacy experiences to their children.	-	-	\$7,950	\$7,950
Grow Your Own-Early Childhood Educators M.S. 142D.33	Established to increase partnerships between educator preparation programs, school districts or charter schools, and community organizations that recruit and prepare local community members (e.g., parents, para-educators, non-certified school staff, high school students) to enter the teaching profession and teach in their communities.	-	-	\$325	\$325
Head Start M.S. 142D.121/142D.12	A research-based early childhood literacy program established to increase the literacy skills of children participating in Head Start to prepare them to be successful readers and to increase families' participation in providing early literacy experiences to their children.	-	-	\$34,398	\$34,398



Program Name <i>Citation</i>	Purpose/ Recipient Type(s) Eligibility Criteria	FY 2024	FY 2025	FY 2026	FY 2027
ParentChild+ Program <i>M.S. 142D.07</i>	Supports children and their families for success in kindergarten and beyond.	-	-	\$900	\$900
Reach Out and Read MN Grant <i>MN Laws 2023, Ch. 54, Sec. 20, Subd. 20</i>	Grant to Reach Out and Read Minnesota to establish a statewide plan that encourages early childhood development through a network of health care clinics.	-	-	\$250	\$250
School Readiness Prog <i>M.S. 142D.05</i>	Supports district to establish a school readiness program for children age three to kindergarten entrance to prepare to enter kindergarten.	-	-	\$33,683	\$33,683
Health & Developmental Screening <i>M.S. 142D.093</i>	Provides funds for developmental screening of young children.	-	-	\$4,101	\$4,052
Home Visiting Aid <i>M.S. 142D.11</i>	Provides funds to support education services and social services to families with young children.	-	-	\$226	\$192
<b>Economic Opportunity &amp; Youth Services:</b>					
<b>Office of Economic Opportunity, Office of Restorative Practices, Youth Justice, After School Community Learning</b>					
Youth Intervention Program <i>M.S. 142A.43</i>	Provides community-based early intervention programs for youth and their families, including: Literacy and academic assistance; Truancy prevention; Behavioral interventions, counseling and mentoring; Juvenile justice system diversions and restorative justice; Afterschool activities; Career exploration and life skills classes; Emergency youth shelter.	-	-	\$6,391	\$6,391
Office of Restorative Practices <i>M.S. 142A.76</i>	Promotes the establishment of new restorative initiatives, supports established initiatives and promotes the use of restorative practices across multiple disciplines, including: Pretrial diversion programs; Delinquency, criminal justice, child welfare, and education systems; and, Community violence prevention practices.	\$500	\$500	\$2,500	\$2,500
MN Community Action Grants <i>M.S. 142F.30</i>	Grants to Community Action Agencies and tribal governments to focus local, state, private and federal resources to support low-income families and individuals to attain the skills, knowledge and motivation to become economically secure. Funds used at local level for match.	\$4,925	\$7,632	\$4,928	\$4,928
Family Assets for Independence Minnesota (FAIM) <i>M.S. 142F.20</i>	Funds help low-income working Minnesotans increase savings, build financial assets, and enter the financial mainstream.	\$1,730	\$1,716	\$325	\$325
Diaper Distribution Grant Program <i>M.S. 142A.42</i>	Provides diapers to under-resourced families.	\$545	\$553	\$553	\$553
Supplemental Nutrition Assistance Outreach Program <i>2023 Session Law, Ch. 70, Art. 20, Sec. 2, Subd. 24(n), M.S. 124F.12</i>	Funding to create a new SNAP outreach program to inform low-income households about the availability, eligibility requirements, application procedures, and benefits of SNAP.	\$897	\$1,000	\$500	\$500
Minnesota Food Assistance Program <i>M.S. 142F.13</i>	State funded food benefits for legal non-citizens who do not qualify for federal food stamps.	\$1,218	\$1,675	\$1,675	\$1,675

Program Name <i>Citation</i>	Purpose/ Recipient Type(s) Eligibility Criteria	FY 2024	FY 2025	FY 2026	FY 2027
American Indian Food Sovereignty Funding Program <i>M.S. 142F.15</i>	Funding for a new program to improve food security. Funding will be allocated by a formula to federally recognized Tribal Nations. Grants will also be available to American Indian organizations through a competitive process.	\$0	\$5,000	\$2,000	\$2,000
Capital for Emergency Food Distribution Facilities <i>2023 Session Law, Ch. 70, Art. 20, Sec. 2, Subd 24(i)</i>	For food shelf facility infrastructure. Available to nonprofits, federally recognized Tribes, and local governments. (Appropriated in 2024 but carryforward authority through 2027)	\$7,000	\$0	\$0	\$0
Grants for Prepared Meals Food Relief <i>2023 Session Law, Ch. 70, Art. 20, Sec. 2, Subd. 24(e)</i>	Provide relief for people who have difficulty preparing meals. Eligible grantees are nonprofits and Tribes or Bands with a history of providing this service.	\$1,654	\$1,638	\$0	\$0
Food Shelf Grants <i>M.S. 142F.14; 2023 Session Law, Ch. 70, Art. 10, Sec. 25</i>	Additional grants for purchase and distribution of food to food shelves throughout the state.	\$4,318	\$4,318	\$4,318	\$4,318
Food Shelf Grants <i>M. S. 142F.14; 2023 Session Law, Ch. 70, Art. 10, Sec. 25</i>	Grants for purchase and distribution of food to food shelves throughout the state, including some administrative costs.	\$375	\$375	\$375	\$375
Emergency Food Shelf Funding <i>M.S. 142F.14, 2023 Session Law, Ch. 11</i>	Funding for one-time expedited distribution of emergency assistance to food shelves.	\$5,000	\$0	\$0	\$0
Additional funding for food security: Food shelf program <i>2024 Session Law, Ch. 127, Art. 53, Sec. 2, Subd. 9(c), M.S. 142F.14</i>	Additional one-time funding for the Minnesota food shelf program, adds to existing base funding.	\$0	\$1,390	\$0	\$0
Additional funding for food security: Emergency Food Assistance program <i>2024 Session Law, Ch. 115, Art. 22, Sec. 2, Subd. 9(b)</i>	Funding for regional food banks for the Emergency Food Assistance Program (TEFAP). Must be used according to USDA formula and guidelines to purchase food that will be distributed to TEFAP partner agencies.	\$0	\$2,392	\$0	\$0
Additional Funding for food security: Emergency Food Assistance Program <i>2024 Session Law, Ch. 127, Art. 53, Sec. 2, Subd. 9(d)</i>	Funding for regional food banks for the Emergency Food Assistance Program (TEFAP). Must be used according to USDA formula and guidelines to purchase food that will be distributed to TEFAP partner agencies.	\$0	\$2,610	\$0	\$0

Program Name Citation	Purpose/ Recipient Type(s) Eligibility Criteria	FY 2024	FY 2025	FY 2026	FY 2027
Additional funding for food security: Food Shelf Program <i>2024 Session Law, Ch. 115, Art. 22, Sec. 2, Subd. 9(c), M.S., 142F.14</i>	Additional one-time funding for the Minnesota food shelf program, adds to existing base funding.	\$0	\$2,000	\$0	\$0
<b>Family Well-Being: Economic Assistance and Employment Supports, Child Support</b>					
Minnesota Family Investment Program (MFIP) / Diversionary Work Program (DWP) <i>M.S. 142G</i>	Minnesota Family Investment Program (MFIP) / Diversionary Work Program (DWP) grants provide temporary financial support to help meet basic needs of low-income families with children and low-income pregnant women. See also federal funds.	\$76,057	\$88,004	\$103,555	\$120,414
MFIP Consolidated Support Services Grants <i>M.S. 142G.76</i>	The Minnesota Family Investment Program Consolidated Fund is allocated to counties and tribes to provide an array of employment services for MFIP/DWP participants including job search, job placement, training and education. Funds provide other supports such as emergency needs for low-income families with children and also fund a portion of counties' costs to administer MFIP and DWP. See also Federal Funds.	\$8,679	\$8,715	\$8,715	\$8,715
Food Stamp Employment and Training (FSET) Service Grants <i>M.S. 142F.10</i>	Grants to counties to provide employment supports to adults who receive benefits through the Supplemental Nutrition Assistance Program. The grant is now called Supplemental Nutrition Assistance Program Employment & Training (SNAP E & T).	\$26	\$26	\$26	\$26
Aid to Counties- Fraud Prevention Grants (FPG) <i>M.S. 256.983</i>	Grants to counties for the Fraud Prevention Investigation Program, enabling early fraud detection and collection efforts.	\$1,735	\$1,768	\$2,618	\$2,618
CFS Injury Protection Program <i>M.S. 142G.62</i>	Payments to medical providers for the treatment of injuries suffered by persons while participating in a county or tribal community work experience program.	\$0	\$10	\$10	\$10
Child Support County Grants <i>M.S. 518A.51</i>	This funding is from the non-federal share of the child support 2% processing fee authorized in the 2011 session and the federal \$25 annual collections fee mandated in 2006. Counties earn incentives based on their program performance.	\$1,365	\$1,509	\$1,509	\$1,509
Child Support Payment Center Recoupment <i>M.S. 518.56, Subd. 11. Session laws 2023 Ch. 70, Art 20, Sec 2 Subd 21</i>		\$50	\$50	\$50	\$50
Child Support Enforcement County Grants	Grants to counties to provide assistance in obtaining basic support, medical support and child care support to children through locating parents, establishing paternity and support obligations.	\$1,366	\$1,509	\$1,509	\$1,509