

CHAPTER 9

Funding

Effective statewide efforts to prevent child maltreatment must be adequately funded and should include resources for program implementation, training, quality assurance, and evaluation to ensure the success of such efforts. New resources are often very limited. The Task Force on Child Abuse Prevention wanted to assess existing funds to determine the extent to which existing resources are or could be used to prevent child maltreatment. The Task Force on Child Abuse Prevention chose on the major state and federal funding sources that could be used to support child maltreatment prevention efforts.

Information about these sources of funding was collected from the following agencies: NC Department of Public Instruction, the NC Department of Health and Human Services, the NC Department of Juvenile Justice and Delinquency Prevention, and the NC Department of Crime Control and Public Safety. In addition, information was collected from the NC Partnership for Children. More detailed information about how this data was collected can be found in the Appendix of this report.

NC Department of Public Instruction (DPI)

NC Children’s Trust Fund: DPI houses the NC Children’s Trust Fund (NCCTF), the only source of funding in North Carolina that is dedicated explicitly to the purpose of preventing child maltreatment. The NCCTF was established in 1983 by the NC General Assembly (G.S. §110-147) to provide funds for programs and services to prevent child abuse and neglect. The fund is supported by a part-time staff person who has sole administrative duties. The NCCTF provides small grants (approximately \$15,000) to public and non-profit organizations across the state to conduct education and broad family support activities. Some state-level organizations receive larger grants. Activities funded are diverse in nature and include parent education and parent support programs, child safety programs, parent leadership training, and home visiting programs.

Funding for the NCCTF is comprised of an annual state appropriation of \$250,000; fees from marriage licenses that total approximately \$300,000 annually; and fees from specialized “Kids First” license plates, which totaled \$21,135 in revenue from mid-2002 until June 2004 (approximately 1,400 plates sold). The state appropriation and marriage license fees have provided an average of \$652,402 in revenue annually since 1996. In two instances, fund transfers were made from the NCCTF to help balance the state’s budget: \$1.7 million in 2000 and \$50,000 in 2001. These transfers undermined the NCCTF efforts to fund a large-scale child maltreatment prevention initiative of home visiting programs.

The Task Force on Child Abuse Prevention recognized the importance of the NCCTF in supporting child maltreatment prevention efforts in North Carolina. It also recognized that multiple opportunities exist to strengthen the capacity of the NCCTF. A previous analysis of the NCCTF outlined such opportunities and highlighted strategies used by other states to strengthen their Children's Trust Funds.¹⁶⁷ One strategy would be to ensure that a full-time position leads and promotes the goals of NCCTF, to enhance its capacity to serve as a leadership organization in the state's maltreatment prevention efforts. The Task Force on Child Abuse Prevention recommends:

Rec. 9.1 The NC Department of Public Instruction should ensure that funds from the NC Children's Trust Fund are used to support a full-time administrator for the NC Children's Trust Fund whose responsibilities are solely dedicated to child maltreatment prevention efforts. These efforts should be associated with managing, promoting, and increasing resources for the NC Children's Trust Fund and with serving in a leadership role for maltreatment prevention in the state. The NC Department of Public Instruction should report back its progress in implementing this recommendation to the Child Maltreatment Prevention Leadership Team by January 2006 and annually thereafter.

Safe and Drug Free Schools and Communities Program: The federal "No Child Left Behind" act includes the Safe and Drug-Free Schools and Communities program as Title IV-Part A. North Carolina received \$9.9 million in Safe and Drug Free School funds last year. The purpose of this program is to support activities that prevent violence in and around schools and to prevent the illegal use of alcohol, tobacco, and drugs. Activities are to be coordinated with other school and community-based programs, and are to include performance measures. A wide range of programs in NC are funded through Safe and Drug Free Schools resources including life skills programs, safety fairs, school resource officers, anti-bullying programs, public speakers, parent involvement activities, and individual/group counseling. Some programs, such as social skills programs for children and their parents and parent education programs, may contribute to the prevention of child maltreatment.

NC Department of Health and Human Services

The NC Department of Health and Human Services has many divisions and agencies that provide child maltreatment prevention services. Some efforts focus on primary prevention, while others focus more heavily on tertiary prevention. In addition, existing funds are used to strengthen family and community protective factors, and to reduce risk factors that put families at greater risk of abuse and neglect. The divisions most heavily involved in funding these programs at the state or local level include the NC Division of Social Services, the NC Division of Public Health, and the NC Division of Mental Health, Developmental Disabilities, and Substance Abuse Services.

NC Division of Social Services (DSS): DSS has several funding sources that allow for and/or require the support of child abuse prevention. These include federal Title IV-B,1 and IV-B,2 funds, Child Abuse Prevention Treatment Act/Basic State Grants, Child Abuse Prevention Treatment Act Community-Based Child Abuse Prevention Program, and the Temporary Assistance for Needy Families and Social Services Block Grant programs. In addition, the NC General Assembly has allocated funds for family resource centers.

> *Title IV-B,1 Child Welfare Services:* Federal child welfare services funds can be used for a wide range of activities spanning the entire scope of the child welfare system, including prevention, case management services, placement of children in adoptive homes, and reunification services. Funds for foster care maintenance, childcare, and adoption assistance are limited. The state must provide a 25% match to draw down these federal funds. North Carolina received \$8.2 million in federal Title VI-B,1 funds for state fiscal year 2003-2004. These funds are currently used to fund county departments of social services (permanency planning funding), statewide adoption recruitment efforts (NC KIDS), state maternity homes, child welfare attorneys, training, LINKS (program to assist youth in foster care transition into adulthood

successfully), interpretation services, and a State Bureau of Investigation contract (fingerprinting for foster/adoptive families). The funding is not used for primary child maltreatment prevention efforts.

- > *Title IV-B,2 Promoting Safe and Stable Families (PSSF)*: PSSF funds are used to prevent maltreatment, assure children's safety in the home and preserve families when possible, support reunification, and support/promote adoption services. North Carolina received \$9.7 million during state fiscal year 2003-2004 in PSSF funds. Federal law mandates a 25% state match, and that at least 20% of the funds are spent on each of the following four activities: family support, family preservation, family reunification, and adoption support and promotion. The remaining 20% may be spent on administration and evaluation. In North Carolina, these funds are combined with the Child Abuse Prevention Act/Community-Based Child Abuse Prevention funding and additional state funds into one funding pool for family support programs/family resource centers, which is distributed to local communities through a request for proposals process.
- > *Child Abuse Prevention and Treatment Act (CAPTA)/Basic State Grant*: The CAPTA/Basic State Grant funds are used to improve child protection systems, including developing, strengthening, and supporting child abuse and neglect prevention, treatment, and research programs in the public and private sectors. North Carolina received approximately \$553,000 during fiscal year 2004-2005. North Carolina primarily uses the CAPTA/Basic State Grants funds for child protective services training, the child medical evaluation program, funding contracts for public awareness and child abuse prevention, and newly created domestic violence trainer positions.
- > *CAPTA/Community-Based Child Abuse Prevention (CBCAP)*: These funds are used to support community-based services and networks of coordinated resources to reduce the likelihood of abuse and neglect within families. North Carolina received \$550,000 in state fiscal year 2004-2005 in CAPTA/CBCAP funds. The amount of funding available is based on the number of children under age eighteen in the state and the amount of money that the lead agency can provide as a match. The governor of each state appoints the lead agency for the CBCAP program and these agencies vary across the country. In North Carolina, these funds are administered through the NC Division of Social Services and are combined with other funds into a request for proposals for local communities.
- > *State Appropriations for Family Resource Centers*: The NC General Assembly annually appropriates \$900,000 for the development and implementation of family resource centers as an essential long-term crime prevention strategy. The NC General Assembly began this program in 1994 (G.S. §143B-152.10). The intent of the legislation was to create programs in communities and neighborhoods that have "disproportionately high levels of children who would be less likely to attain educational or social success; families with low-incomes; and crime and juvenile delinquency" (G.S. §143.152.10). The goals of the program focus on school success, family economic self-sufficiency, and the mobilization of public/private community resources to help children and families. These funds are combined with other funds into one request for proposals for local communities.
- > *Combination of Funds to Support a Request for Proposals for Local Communities*: Currently, the NC Division of Social Services combines the funding from Title IV-B,2, CAPTA/CBCAP, and state funds for family resource centers into one request for proposals that provides funds to local communities. The funds have been used to support Family Support Services/Family Resource Centers (\$2.9 million),¹⁶⁸ Non-Intensive and Intensive Family Preservation Services (\$450,000 non-intensive; \$2.7 million intensive), Respite Care Services (\$240,000), Time-Limited Family Reunification Services (\$1.95 million), and Adoption Promotion and Support Services (\$1.05 million). Local agencies eligible to apply include any tribal government, community-based public or private nonprofit, or governmental organization with capacity to plan and provide services in a multi-county area.

> *TANF Block Grant*: TANF is a block grant created by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. The TANF block grant replaced the Aid to Families with Dependent Children program, which had provided cash welfare to poor families with children since 1935. Under the TANF structure, the federal government provides a block grant to each state, which uses the funds to operate its own programs. States can use TANF dollars in ways designed to meet any of the four purposes set out in federal law, which are to: “provide assistance to needy families so that children may be cared for in their own homes or in the homes of relatives; end the dependence of needy parents on government benefits by promoting job preparation, work, and marriage; prevent and reduce the incidence of out-of-wedlock pregnancies and establish annual numerical goals for preventing and reducing the incidence of these pregnancies; and encourage the formation and maintenance of two-parent families.”¹⁶⁹

North Carolina received \$369,77,414 in TANF Block Grant funds for state fiscal year 2004–2005. Of those funds \$119.8 million was used for Work First Cash Assistance; \$94 million for Work First Block Grants; and \$115 million for childcare subsidies. These allocations represent almost 90% of the total TANF funds. Other programs and efforts funded by TANF include afterschool programming; mentoring programs for children; funding for children’s services, child welfare training, special children’s adoption fund, and childcare institutions; domestic violence services for Work First families; teen pregnancy prevention; Boys and Girls Clubs; and NC Fast Implementation. A few of these initiatives, such as the Teen Pregnancy Prevention programs, could be seen as contributing to the primary prevention of child maltreatment.

> *Social Services Block Grant (SSBG)*: The purpose of the SSBG is to enable states to provide services directed toward the goals of economic self-support; personal self-sufficiency; preventing or remedying neglect, abuse, or exploitation of children and vulnerable adults and support for families; preventing or reducing inappropriate institutional care; and securing appropriate institutional care.

SSBG funds support thirteen mandatory services that are available statewide, including: adjustment services for the blind and visually impaired; adoption services; adult placement services; childcare services; family planning services; foster care services for adults; foster care services for children; health support services; individual and family adjustment services; in-home aide services; in-home aide services for the blind; protective services for adults; and protective services for children. A number of other services are considered optional.

For state fiscal year 2004–2005, North Carolina has approximately \$57 million in SSBG funds. Of those funds, almost \$29 million was allocated to counties to support the thirteen mandatory services outlined above. The other efforts funded through SSBG are varied but range from the Commission on Indian Affairs - In Home Services for the Elderly to childcare subsidies to services for the blind and mental health services for adults and children. Several of these efforts can be linked to risk factors associated with child maltreatment.

NC Division of Public Health: The NC Division of Public Health has several funding streams that can be used in an effort to prevent violence in the home and/or to reduce risk factors. These include the Rape Prevention and Education Grant and the Maternal and Child Health Block Grant.

> *Rape Prevention and Education Grant*: The Violence Against Women Act authorizes rape prevention and education funds that are administered by the Center for Disease Control National Center for Injury Prevention and Control. These funds are designed to help prevent sexual violence by supporting increased awareness, education, and training for all age groups. These efforts are carried out by local rape crisis centers, state sexual assault coalitions, and other public and private non-profit entities. North Carolina received \$1.2 million in state fiscal year 2005 in rape prevention and education funds. The funds are administered in North Carolina by the NC Division of Public Health’s Injury and Violence Prevention Branch. The Branch is currently overseeing a strategic planning process (which is also being

conducted at the federal level) for use of the Rape Prevention and Education Grant funding, and there is discussion of utilizing the funding to more effectively support primary prevention.

- > *Maternal and Child Health Block Grant (MCH)*: The MCH Block grant (Title V) is used to improve the health of mothers and children by reducing infant mortality and the incidence of handicapping conditions among children; increasing the number of children appropriately immunized against disease; increasing the number of children in low-income households who receive assessments and follow-up diagnostic and treatment services; providing and ensuring access to comprehensive perinatal care for women, preventive and childcare services, comprehensive care (including long-term care services) for children with special healthcare needs, and rehabilitation services for blind and disabled children under sixteen years of age who are eligible for Supplemental Security Income; and facilitating the development of comprehensive, family-centered, community-based, culturally competent, coordinated systems of care for children with special healthcare needs.

In state fiscal year 2004–2005, North Carolina received \$25,296,768 in Maternal and Child Health Block Grant funds. Of this, \$9.5 million was block granted to local health departments, \$6 million was targeted toward the School Health Nurse Initiative, \$4.2 million funded services for children with special healthcare needs, and \$2.2 million was used for a variety of services including high-risk maternity clinic services, perinatal education and training, childhood injury prevention, and public information and education. Several of these efforts are closely linked with child maltreatment prevention.

NC Division of Mental Health, Developmental Disabilities and Substance Abuse Services (DMH/DD/SAS):

DMH/DD/SAS receives state and federal funds that are used for prevention and treatment of mental health, developmental disabilities, and substance abuse problems. While not directly tied to child maltreatment prevention, these funds are used to reduce some of the risk factors associated with child maltreatment. For example, DMH/DD/SAS receives:

- > *Mental Health Block Grant (MHBG)*: The Mental Health Block Grant provides federal financial assistance to states for the provision of community-based services for people with mental illness. Services provided through the use of the block grant must be those described in the state's plan in accordance with Federal P.L. 102-321. These services include outpatient, day treatment, psychosocial rehabilitation, emergency services, and residential services for adults and children. The funds may also be used for evaluating programs and services carried out under the plan and planning, administration, and educational activities related to providing services under the State Plan.

The State must maintain the level of state funds expenditures for mental health services at no less than the average of the preceding two-year period and must expend an amount equal to the amount expended by the state in fiscal year 1994 for a system of services for children.

The state MHBG plan for state fiscal year 2003–2004 allocated a total of \$9,892,319 to three areas: the Adult Mental Health Plan, Child Mental Health Plan, and Comprehensive Treatment Services Program. Of that allocation, the Child Mental Health Plan received \$2,665,018 as a continuation of Child Mental Health services in accordance with the NC Community Mental Health Services Plan and Block Grant. Applications of this plan include services/programs for children who are sexually aggressive, deaf or have multiple needs, family preservation programs, group homes, specialized foster care, therapeutic homes, professional parenting programs, mental health services in schools, respite services, suicide prevention, training, and initiatives to develop systems of care for serving children with serious emotional disturbance and their families.

NC Partnership for Children

The NC Partnership for Children, or “Smart Start,” currently receives \$190 million in state and other funds that are distributed to local partnerships throughout the state. Local partnerships are required to spend 70% of all funds to improve the quality of childcare, and the remaining 30% may be used for additional quality childcare services and for children’s health and family support services. Each local partnership determines its funding priorities based on identified needs in the community.

Between \$16.5 and \$17 million in NC Partnership for Children funding is used annually for family support services to ensure that children are ready for school, and a large portion of this funding focuses on risk reduction activities to prevent child maltreatment. This makes the NC Partnership for Children one of the state’s largest supporters of child maltreatment prevention. For example, in 2003 the NC Partnership for Children funded 221 family support programs throughout the state, including seven home visiting programs, eighteen parenting skills training programs, fourteen teen parent/child programs, and fifty-one parent education programs.

NC Department of Crime Control and Public Safety

NC Governor’s Crime Commission: The NC Governor’s Crime Commission administers approximately \$30 million in federal block grant money in four areas drug control and system improvement, juvenile justice and delinquency prevention, information systems and technology, and victims services. Funding from the juvenile justice and delinquency prevention and victims services could be used to support child maltreatment prevention efforts. The NC Governor’s Crime Commission received \$1.6 million in federal funds for delinquency prevention programs in state fiscal year 2004, which are targeted services for youth at risk of involvement in the juvenile justice system. Some of these funds have been used in the past to support adolescent parenting initiatives and parent education. Federal Juvenile Justice and Delinquency Prevention formula grant funds have also been used to support nurse home visiting programs (Nurse Family Partnership), which have been shown to be effective in longitudinal studies in reducing juvenile delinquency and also in reducing child maltreatment. Currently, 10% of the funds for victims’ services (approximately \$1.9 million in state fiscal year 2005) were used to support programs addressing abuse and neglect. Most of these funds have been distributed to child advocacy centers.

NC Department of Juvenile Justice and Delinquency Prevention

Funding resources within the NC Department of Juvenile Justice and Delinquency Prevention are primarily targeted at juveniles who are at risk of delinquency or who have been adjudicated undisciplined or delinquent. Examination of this funding did not identify clear opportunities to fund primary prevention of child maltreatment. However, Juvenile Crime Prevention Councils (JCPC), located in each county, are allocated funds and can make data-based decisions to determine the need for prevention programs from the actual indicators of risk factors in each county and from juvenile justice data. Local officials who comprise the JCPCs would decide upon the funding of any child maltreatment prevention initiatives.

Opportunities for Funding the Task Force on Child Abuse Prevention Plan

The Task Force on Child Abuse Prevention has identified several broad strategies to increase funding for child maltreatment prevention efforts in North Carolina.

Strategy 1. Raise additional revenue for the NC Children’s Trust Fund. The NC Children’s Trust Fund is the state’s only source of revenue specifically dedicated for child maltreatment prevention. However, current funding is limited. Other states have developed strategies to increase funding to their children’s trust funds; initiatives that North Carolina could duplicate. Two approaches to increasing revenues in the Trust Fund are raising fees on specific legal documents, such as

birth certificates, marriage licenses, or divorce decrees and having those funds allotted to the NC Children's Trust Fund and strengthening marketing efforts to result in increased sales of specialty KIDS FIRST license plates.

Strategy 2. Shift current funding from federal funding streams, block grants, and state appropriations to support priority recommendations of the Task Force on Child Abuse Prevention. There are a number of funding streams that are being used or could be used to fund child maltreatment prevention activities or activities to reduce specific high-impact risk factors. The Child Maltreatment Prevention Leadership Team should take responsibility for identifying and analyzing these opportunities.

Strategy 3. Require current programs to adopt research-based/evidence-based practices as their core programming strategy when available. There is a growing body of research regarding effective child maltreatment prevention efforts. State agencies and other funders should provide assistance to local organizations to help them implement these proven models. Funding should be targeted to evidence-based programs.

Strategy 4. Seek new funding through federal, state, and non-governmental resources. The Child Maltreatment Prevention Leadership Team should explore opportunities for new funding. This includes maximizing federal funding, seeking additional state revenue for specific programmatic efforts, and pursuing non-governmental funding for pilot programs.

Recognizing the importance of each of these strategies in funding child maltreatment prevention efforts in North Carolina, the Task Force on Child Abuse Prevention recommends:

Rec. 9.2 The NC General Assembly should make necessary funds available to implement the recommendations of the Task Force on Child Abuse Prevention with a specific focus on the support of child maltreatment prevention programs identified by the Task Force on Child Abuse Prevention as evidence-based and promising. Specifically, the Task Force on Child Abuse Prevention recommends that the NC General Assembly:

- A. Impose an additional fee of \$10 on all birth certificates and allocate funds to the NC Children's Trust Fund.
- B. Increase the existing fee on all marriage licenses from \$5 to \$10 and allocate funds to the NC Children's Trust Fund.
- C. Impose an additional fee of \$10 to all applications for divorce decrees and allocate funds to the NC Children's Trust Fund.
- D. Provide a check-off on income taxes of \$5 to be used for child abuse prevention programs. Funding from this check-off should be allocated to the NC Children's Trust Fund.
- E. Appropriate funds for replication of the following programs identified by the Task Force on Child Abuse Prevention as evidence-based and/or promising in preventing maltreatment and strengthening families:
 - i. Parent-Child Interaction Therapy - \$50,000 for providing training to three sites involving three or four providers with follow up for model fidelity and skill mastery.
 - ii. Strengthening Families Program - \$1.57 million to fund three additional programs for three years.

A report on the progress on this recommendation should be provided to the Child Maltreatment Prevention Leadership Team by July 2006 and annually thereafter.

- Rec. 9.3 The Child Maltreatment Prevention Leadership Team should work to increase funds available to implement the recommendations of the Task Force on Child Abuse Prevention, with a specific focus on the support of evidence-based and promising child maltreatment prevention programs. Specifically, the Task Force on Child Abuse Prevention recommends that the Child Maltreatment Prevention Leadership Team:
- A. Work with all NC Department of Health and Human Services divisions to ensure that the Task Force on Child Abuse Prevention recommendations are viewed as funding priorities within existing funding streams for child maltreatment prevention and within the following block grants to the NC Department of Health and Human Services: Temporary Assistance for Needy Families, Social Services, Mental Health, Substance Abuse, Maternal and Child Health.
 - B. Explore with the NC Division of Medical Assistance various strategies to reduce long-term health costs associated with child maltreatment trauma. Strategies should focus on reimbursement changes within the Maternity Care Coordination programs, Child Service Coordination programs, postpartum home visit efforts, and other home visiting programs.
 - C. Prioritize the following funding proposals that would help decrease risk factors that significantly contribute to child maltreatment, including funding to:
 - i. Shorten the rollout timeframe of the Medicaid family planning waiver to decrease the number of unplanned and unwanted pregnancies in North Carolina.
 - ii. Expand the number of programs funded by the Teen Pregnancy Prevention Initiative to decrease the number of adolescent pregnancies.
 - iii. Expand the number of perinatal and maternal substance abuse treatment programs to decrease the number of mothers with substance abuse problems.
 - iv. Increase the capacity of the Children’s Developmental Services Agencies to ensure that children at-risk of or experiencing developmental delays are receiving timely assessments and services.
 - v. Increase the number of School-Based Child and Family Support Teams, school nurses, school social workers, and school counselors to ensure that high-risk children and their families receive appropriate services to reduce risk and increase protective factors.
 - vi. Increase the availability of childcare subsidies to reduce the number of children without access to quality, affordable childcare.
 - D. Work with the NC Children’s Trust Fund to support its efforts to increase the sale of the KIDS FIRST license plate.
 - E. Identify funding from non-governmental sources to pilot and evaluate new initiatives.
 - F. Work with local communities and governmental organizations and partner with private foundations and funders to promote funding for evidence-based and promising programs as identified in the Task Force on Child Abuse Prevention plan and by Child Maltreatment Prevention Leadership Team, and to ensure that program evaluation activities are provided through the grant-making process.
- A report on the progress on this recommendation should be provided to the Child Maltreatment Prevention Leadership Team by July 2006 and annually thereafter.