

June 11, 2025

To: DCF/DMCPS Administrator
DCF Area Administrators
County Departments of Community Programs Directors
County Departments of Human Services Directors
County Departments of Social Services Directors

From: John Elliott
Administrator



Re: Preliminary Notification of Calendar Year 2026 County Child Welfare Estimated Allocations

PURPOSE

This memo provides preliminary notification of estimated calendar year (CY) 2026 allocations to county departments of human or social services for the Children and Family Aids, Youth Aids, AODA allocations, and other child welfare funds. The preliminary estimated individual program allocations are listed in the attached spreadsheet showing amounts by county.

The preliminary allocations in the attached spreadsheet are estimates provided to aid counties in their budget planning for CY26; however, the estimates are expected to change depending on final Biennial Budget amounts, updates to the background data informing allocations, and updated county placement data. The final state/county memo will be released in the fall with the final allocations to be included in the contract

Child Welfare Allocations

The CY 2026 allocations by child welfare program are listed in the attached spreadsheet. For programs with match requirements, the county match amount is identified. The allocation worksheet includes the following allocations that go to all counties:

- Children and Family Aids (CFA), including Match Requirement
- Promoting Safe and Stable Families (PSSF)
- Community Youth and Family Aids (Youth Aids)
- Alcohol and Other Drug Abuse (AODA)
- Kinship Care Benefits and Assessments
- Targeted Safety Support Funds (TSSF)
- eWiSACWIS User Fee (deducted from the CFA)
- Training Partnership Fee (deducted from the CFA)

No preliminary allocation amounts are included in the spreadsheet for the following programs which require submission of application materials to DCF, have separate allocation procedures, or are one-time commitments:

- IV-E Pass-Through Programs:
 - Legal Services Reimbursement
 - Legal Representation of Parents
 - Foster Parent Training
 - Local eWiSACWIS Costs
- Emergency Funds
- Community Supervision Services Reimbursement
- Temporary Funding Pool for Sex Trafficking Out-of-Home Care Reimbursement

CY 2026 Allocations

The following descriptions provide additional information for each of the allocations included in the attached spreadsheet.

Children and Family Aids (CFA)

The Children and Families Aids (CFA) allocation is the primary source of state funding for child welfare services. The CFA includes several funding sources, including state GPR, federal Title IV-E foster care revenue, federal Title IV-B Subpart 1, and federal Social Services Block Grant (SSBG). The preliminary amounts in this memo are consistent with 2025 CFA allocations and are subject to change following the 25-27 Biennial Budget.

CFA funds are allocated in two increments – 25% of the funds are available to counties for the period of January through June as part of the initial CY 2026 contract. The remaining 75% of the funds are available for expenses through June and the remainder of CY 2026. Costs reported on SPARC line 3681 (July-December Match) are reimbursed at 50% to meet the statutory match requirement.

Counties may carry over up to 3% of the CFA from one year to the next. After the CY 2026 contracts have closed, DCF will notify counties if they have funds eligible to be carried over into CY 2027.

Promoting Safe and Stable Families (PSSF)

PSSF amounts and program requirements are consistent from CY 2025 and are unlikely to change in the final allocations

Kinship Care

Initial Kinship Care Benefits allocations have been re-estimated at projected caseloads (110% of SFY25 12-month average) times the 2025 Kinship Care rate of \$375 per month. The total allocation for Kinship Care Assessments is 10% of the initial Benefits allocation. In order to align contract spending with TANF statutory limits, the calendar year allocation is divided into two periods: January - April and May - December.

Underspending from the January - April period cannot carry over into May - December.

The final Kinship Care allocations will change from the preliminary amounts in this memo. Due to the timing of this preliminary memo, the preliminary Kinship Care allocations use only the months with complete kinship care placement data (July 2024

through May 2025); whereas the final allocations will look at the entire year of county kinship care placements to determine the final allocation amounts.

DCF will continue to perform closeout adjustments to Kinship Care Benefits to reimburse counties with reported expenditures over their contracted amount. Counties should ensure they are reporting *all* kinship care placements to be fully reimbursed and to ensure the following year allocations are accurate to the total placement counts.

Targeted Safety Support Funds (TSSF)

TSSF funds are used to reimburse select services on a Safety or Protective Plan and consistent with the [Program and Fiscal Guide](#).

The TSSF allocation amounts are determined by using the formula agreed upon with WCHSA that uses local child poverty and SNAP data. Beginning in CY23, DSP switched from using Access screen-in data to using the new methodology. TSSF match percentage is 9.89%, however, agencies are now reimbursed at a rate of 90.11% so that the required match amount is collected every time a payment is made (match cannot be under or over reported).

The CY2026 TSSF allocations will utilize only TANF funding and will no longer be supplemented with excess IV-E funding. The final TSSF allocations are subject to any changes passed in the final 25-27 Biennial Budget

Community Youth and Family Aids (Youth Aids)

Youth Aids is the primary source of state funding for community-based youth justice services. Youth Aids includes several funding sources, including state GPR, federal Title IV-E revenue, and federal Title IV-B Subpart 1. Final Youth Aids allocations are subject to the final 25-27 Biennial Budget. Youth Aids funds are allocated in two increments: January to June, and July to December.

Counties may carry over up to 5% of Youth Aids funds from one year to the next. After the CY 2026 contracts have closed, DCF will notify counties if they have funds eligible to be carried over into CY 2027.

Initial Youth Aids allocations do not include Community Supervision Services allocations, Emergency Funds allocation, or Basic Allocation carryover. As counties enroll in Community Supervision Services a \$0 contract code will be added for cost reporting and at the close of each six-month period counties will have contract amounts added based on proportional expenses, per s. 48.526(7)(h).

Alcohol and Other Drug Abuse (AODA)

AODA funding is to provide AODA services to the Youth Aids Target Population. AODA funding is also allocated in two increments, like Youth Aids funding.

Secured Residential Care Center for Children and Youth (SRCCCY) Funds

SRCCCY funding is available annually to counties with SRCCCY facilities that serve youth from other counties. Currently, Racine County is the only county operating a facility meeting these requirements.

CY 2026 State County Child Welfare Contract

This preliminary memo provides estimates to counties in advance of the upcoming calendar year. The estimates for each program are subject to change before the final contract is issued. These changes could be due to updated data sources, budget and funding updates, and programmatic changes; however, DCF strives to capture all known elements impacting the allocations for CY26. The final state/county memo will be released in the fall with the final allocations to be included in the contract. That memo will include instructions for contract issuance and fiscal reporting.

Public Participation Requirements

County human and social service departments must meet the requirements in s. 48.526(2m) to obtain public input on the use of DCF youth justice funds for CY 2026. Counties may use their human service boards or other citizen advisory committees to obtain public input. Information on the public participation process used by counties should be submitted to the DCF Area Administrator.

Action Summary

Counties can use these allocations to prepare their CY 2026 budgets.

REGIONAL OFFICE CONTACTS: DCF Area Administrator

CENTRAL OFFICE CONTACTS Accounting

(608) 422-6379

DCFFinanceGrants@wisconsin.gov

MEMO WEB SITE: <https://dcf.wisconsin.gov/cwfunding>

Attachments: [CY 2026 Preliminary Child Welfare Allocations Worksheet](#)