

Division of Safety and Permanence
September 5, 2025

DSP Informational Memo Series 2024 – 19i

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

From: John Elliott
Administrator



Re: **Advisory Notification of Calendar Year 2026 County Child Welfare Allocations**

PURPOSE

This memo provides preliminary notification of 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 individual program allocations are listed in the attached spreadsheet showing amounts by county. County agencies can use these amounts for their CY 2026 budget planning.

The CY 2026 allocations are contingent on the availability of state and federal funding. Allocations are subject to change depending on state budget actions and the amount of federal funds received by DCF.

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)

The worksheet also shows the following allocations that go to selected counties:

- SRCCCY Funding

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).

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.

Kinship Care

Initial Kinship Care Benefits allocations have been re-estimated at projected caseloads (110% of SFY25 12-month average) times the 2026 Kinship Care rate of \$384 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.*

DCF implemented the Like-Kin bill ([2023 WI Act 119](#)) on January 1, 2025. A summary of the Like-Kin bill changes to Kinship Care programming are as follows:

- Children can be placed with unlicensed non-relatives who are like-kin without licensing timelines.
- Like-kin will be added as an eligible population to receive a Kinship Care subsidy under Chapter 58.

DCF will continue to perform closeout adjustments to Kinship Care Benefits to reimburse counties with reported expenditures over their contracted amount.

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, SNAP data, and child population. There will be no supplemental IV-E funding in CY26. The match percentage remains the same at 9.89%, however, agencies are now reimbursed at a rate of 90.11% so that the appropriate match amount is collected every time a payment is made (match cannot be underreported).

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.

Youth Aids funds are allocated in two increments – 50% of the funds are available to counties for the period of January through June as part of the initial CY 2026 contract. The remaining 50% of the funds will be added to the contract in July 2026 for unreimbursed expenses through June and the remainder of CY 2026.

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.

CY 2026 State County Child Welfare Contract

The 2026 State County Child Welfare Contract includes a base section containing general requirements applicable to all county contracts and a child welfare scope of services section with the specific requirements for the child welfare program and the Children and Family Aids. The child welfare contract also includes multiple appendices for the other program allocations included in the contract.

The CY 2026 contract and subsequent amendments will be issued electronically using the DocuSign distribution process. County agencies will receive an email notice to the person designated to sign the contract and other persons identified by the county will be copied on the notice. The contract will be signed and submitted back to DCF via email. The agency may print a copy or save a PDF copy of the contract. No software is needed on the agency's end to receive and sign the contract, and the process does not require an encrypted signature.

More information regarding the DocuSign electronic signature process may be found at:
<https://dcf.wisconsin.gov/doingbusinesswith>

Agencies should confirm the designated signor of the CY 2026 contract with their DCF Area Administrator. Agencies can identify other persons, such as agency directors, fiscal managers, and attorneys, to be copied on DocuSign emails for the signed contract.

CY 2026 funds will not be released until the signed contract has been returned to DCF via DocuSign. Once the CY 2026 contracts have been issued, the final CY 2026 allocations will be available at: <https://dcf.wisconsin.gov/cwfunding>.

Fiscal Reporting and Pre-Payments

No advance or pre-payments will be allowed for CY 2026 allocations.

Expenses for the CY 2026 Child Welfare allocations will be reported to DCF using the SPARC fiscal reporting system.

Expenditure reports for expenses will be due on the 28th of the month following the month for which reimbursement is claimed and payable on the 5th day of the month following submission. Payments for cost reimbursement are limited by the contract amount at the time of the payment.

Questions regarding SPARC fiscal reporting can be directed to:

DCF Bureau of Finance
(608) 422-6379
DCFFinanceGrants@wisconsin.gov

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 Child Welfare Allocations Worksheet](#)