



Division of Safety and Permanence

DSP Informational Memo Series 2026-02i

January 28th 2026

To: DCF/DMCPS Administrator
DCF Area Administrators
Child Placing Agency Directors
Child Welfare Agency Directors
County Departments of Community Programs Directors
County Departments of Human Services Directors
County Departments of Social Services Directors
Group Home Providers
Private Child Placing Agencies
Residential Care Center Providers
Shelter Care Providers
Tribal Chairpersons

From: John Elliott
Administrator

Re: **Changes to the Federal Foster Youth to Independence (FYI) Voucher Program**

PURPOSE

This memo is a revision to DCF Informational Memo 2023-25i, providing a review of the United States Department of Housing and Urban Development (HUD)'s Foster Youth to Independence (FYI) housing voucher program and detailing a change to the FYI referral timeframe. Originally, youth leaving out-of-home care who qualify for FYI could be referred within 90 days of their discharge date. However, eligible youth may now be referred within 180 of leaving care. This change, and references to the current HUD PIH in which voucher guidance is housed, is reflected in this memo; aside from updates to resource links, all other content remains unchanged.

BACKGROUND

As originally stated in DCF Memo Series 2020-07, youth with experience in out-of-home care face a high risk of homelessness, especially if they aged out of care. Nationally, about 25 percent of young people who age out of care experience homelessness within four years. To help address this problem, in July 2019, the United States Department of Housing and Urban Development (HUD) introduced its federal Foster Youth to Independence (FYI) initiative to provide *housing vouchers to youth who experienced foster care¹ at any age and are homeless or at risk of being homeless after age 16*. FYI vouchers are subject to availability. How much a

¹ "Foster care" in this description is synonymous with the term "out-of-home care" elsewhere in this memo. Foster care is more commonly used at the federal level whereas out-of-home care is more commonly used in Wisconsin.

youth receives for a specific voucher depends on the cost of living in their area and their income. Voucher recipients are required to contribute towards their rent obligation; the voucher is applied to the remaining amount. These vouchers are not a substitute for working with youth to develop a detailed plan for housing following their time in care.

Originally, Public Housing Authorities (PHAs) that administered Family Unification Program (FUP) vouchers could not also administer FYI vouchers. Additionally, those that administered FYI vouchers were not able to request more than 25 FYI vouchers in a given fiscal year. However, in 2021, HUD permitted PHAs that met specific utilization thresholds to administer both FYI and FUP and/or request more than 25 FYI vouchers per federal fiscal year. As of 2023, PHAs may seek approval to administer FYI vouchers even if they do not administer 90 percent of their FUP vouchers; they do so by submitting a narrative to HUD explaining their need for more vouchers and/or their plan to improve utilization.

INFORMATION SUMMARY

Full information about the FYI vouchers, including background, youth eligibility, process, and roles and responsibilities, are detailed in the most recent HUD Notice about FYI – PIH 2025-08, available via [HUD's FYI information page](#). That site also contains other HUD communications and guidance.

The provision of FYI vouchers is a federal initiative that is applicable across the nation. HUD continues to monitor its implementation and will likely continue to refine processes and provide additional guidance as this initiative evolves. DCF recommends keeping apprised of the most current version of HUD resources and guidance by directly consulting the official HUD FYI website and documentation.

Voucher Administration Process in Wisconsin

Refer to HUD materials for complete information regarding program funding, voucher processes, and youth eligibility. Following are important considerations related to the structure of Wisconsin's child welfare system and its key partners:

Roles and Responsibilities

- Who are the Public Housing Authorities (PHAs) and what do they do?
 - There are 53 Public Housing Agencies in Wisconsin, though not all administer FYI vouchers; you can find the complete list of Wisconsin PHAs [here](#).
 - PHAs receive federal funds to coordinate housing for low-income residents at rents they can afford. HUD Notice PIH 2025-08 details which criteria a PHA must meet to request FYI vouchers from HUD and administer them to recipients.
 - Originally, PHAs that administer the Family Unification Program (FUP) vouchers could not administer the FYI vouchers. A revision to the rules in PIH 2021-26 required PHAs that administer FYI vouchers to utilize at least 90 percent of their FUP vouchers to also administer FYI vouchers. As originally detailed in HUD Notice PIH 2023-04, PHAs that administer FUP may also administer FYI even if

they have not utilized at least 90 percent of the FUP vouchers so long as they submit a narrative to HUD explaining their need for more vouchers and/or their plan to improve utilization.

- HUD continues to require that PHAs that offer FYI vouchers comply with Foster Stable Housing Opportunities (FSHO) requirements. You can find more information about FSHO [here](#).
- A PHA's decision to administer FYI vouchers is voluntary and they must administer vouchers according to state and federal law.
- Each qualifying PHA has the option to allocate up to 25 vouchers per fiscal year; a PHA may only request vouchers from HUD based on the referrals it receives.
 - PHAs that receive the initial maximum cap of 25 vouchers in a fiscal year and achieve at least 90 percent utilization of the FYI vouchers may request up to an additional 25 vouchers. HUD will not award PHAs with more than 50 vouchers in a fiscal year.
- Who are the Public Child Welfare Agencies (PCWAs) and what do they do?
 - Given Wisconsin's service structure, the following stakeholders qualify to be PCWAs:
 - County and tribal social service agencies, outside of Milwaukee County;
 - Certain contracted partners, including, but not limited to [Transition Resource Agencies \(TRAs\)](#); and
 - Department of Children and Families – Division of Milwaukee Child Protective Services (DMCPS), for Milwaukee County.
 - Under the law, agencies classified as PCWAs must be the ones to identify youth potentially eligible for the FYI voucher, verify youth eligibility according to HUD criteria, and make the youth referrals to the participating PHA(s) in their area. The role each PCWA plays and when depends on a young person's trajectory.
 - County and tribal social services agencies should discuss the FYI voucher with a youth who is transitioning from care and is at risk of homelessness upon discharge. This should be done in the six months leading up to discharge and as part of the Independent Living Transition to Discharge (ILTD) or comparable planning meeting(s). A youth's housing plans following time in care is a primary consideration within the ILTD or comparable plan and must be addressed during the youth's transition process. Since these youth will likely retain independent living (Chafee) eligibility after leaving care, the Transition Resource Agencies should also be part of these meetings.
 - HUD Notice PIH 2025-08 lengthens the referral timeframe for youth who may qualify for FYI vouchers, increasing it from 90 days to 180 days. This revised timeframe better aligns with the ILTD planning time period. The goal of this longer referral window is to better support efforts to help qualifying youth locate and secure housing prior to discharging from care.
 - TRAs should be familiar with the voucher process and assist youth who are eligible for independent living until age 23 and meet the voucher eligibility

criteria. This may, for example, include youth who already transitioned from care and either did so before FYI vouchers were available, did not have a housing need at time of transition, or otherwise did not discuss the voucher as part of their transition process.

- DMCPS will serve as the PWCA in Milwaukee County only; DMCPS staff will directly verify youth eligibility and, in collaboration with other stakeholders, coordinate youth referrals to the PHA(s).
- PCWAs may make as many referrals as they like, so long as the youth referred meet the eligibility criteria; voucher receipt is contingent on voucher availability. See HUD's [sample referral](#).

What are the requirements?

- Two primary requirements are detailed below; see the HUD Notices and [one-pager](#) for full requirements regarding interagency partnerships for FYI voucher request and allocation.
 - Each PCWA must have a current partnership agreement(s) with the PHA(s) in their area in order to participate. Counties are encouraged to collaborate and develop the required MOU(s) with the PHA(s) in their area. See HUD's [sample MOU](#).
 - DCF staff will coordinate with the TRAs to provide any necessary amendments to accompany the required MOUs between the TRAs and PHAs.
 - PCWAs that choose to refer eligible youth to receive a FYI voucher must provide or coordinate supportive services for the participating youth. For youth engaged with the TRAs, this requirement is met through the services offered in the independent living program. For other PCWAs, HUD strongly encourages that the PCWA and PHA collaborate with Continuum of Care (CoC) agencies within their state, or other partner agencies. See the HUD Notices and [one-pager](#) for more information on supportive service requirements.
 - You can find more information about Wisconsin's CoCs at the following links:
 - [Dane County](#);
 - [Milwaukee County](#);
 - [Racine County](#); and
 - [Balance of State](#) (remaining 69 counties).

Important considerations

- Most of the youth eligible for the FYI voucher will also be eligible for independent living (Chafee) supports up age 23. The exceptions are youth who were in out-of-home care, as HUD requires, but then did not exit care in a way, per DCF policy, that retains their independent living eligibility to age 23 (adopted from an out-of-home care placement on



or after 16th birthday; entered court-ordered s. 48.977 Guardianship, s. 48.9795 Guardianship, or a guardianship under a substantially similar tribal law; or discharged from an out-of-home care placement on or after 18th birthday). For more information, review [DCF's independent living eligibility requirements](#).

- In some circumstances, a young person may qualify for a FYI voucher but may not qualify for independent living services to age 23 (they did not leave care in an eligible way). If a young person is not eligible for independent living and TRA supports after leaving care, the TRA cannot serve as the PCWA to make a voucher referral. The county in which the youth was in care would fulfill that role.
- It is possible that a youth who receives this voucher for rent support will also receive independent living (Chafee) funds for rental assistance. This is allowable, though it is possible that the PHAs will consider Chafee funds – whether directly or via a provided service – to be income for the young person. All income, whether direct or indirect, should be reported to the PHA for consideration.
 - Any support that is regular and recurring (e.g. monthly rent or cell phone payments) is considered income, whereas support that is sporadic or nonrecurring can be excluded (e.g. one-time security deposit payment). A full list of HUD income exclusions is included in the [Electronic Code of Federal Regulations - 24 CFR 5.609 \(c\)](#).

Points of contact

- Questions about the vouchers, eligibility, or HUD or PHA requirements that are not answered in this memo or any of the documents linked herein be directed to FYI@hud.gov.
- For additional information about the FYI voucher process in Milwaukee County, or if you have questions, contact DMCPS Independent Living at DCFDMCPSIndependentLiving@wi.gov.
- For additional information or other questions, contact DCF Bureau of Youth Services staff at DCFILCoordinator@wisconsin.gov.

REGIONAL OFFICE CONTACT: DCF Area Administrator

CENTRAL OFFICE CONTACT: Independent Living Coordinator, Bureau of Youth Services
608-422-6990
DCFILCoordinator@wisconsin.gov

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