



Texas Alliance of Child and Family Services (TACFS):
Foster Care Rate Proposal for FY 2020 and FY 2021

The Texas Alliance of Child and Family Services (TACFS) is the largest statewide collaborative of community organizations that provide services to children, youth, and families involved, or at risk of being involved, with the child welfare system. Our members work directly on the front lines to prevent neglect or abuse, heal trauma when abuse occurs, achieve permanency for children in care, and improve long-term outcomes for all children and youth in communities across Texas. In Texas, the Department of Family and Protective Services (DFPS) contracts with hundreds of community organizations to provide a variety of services, including foster care. The investment made by taxpayers into this system directly impacts our state's capacity to serve abused, neglected and at-risk children and youth and the quality of the services children receive while in the state's conservatorship.

We believe that any investment of state funds into the foster care system should yield two overarching returns:

Foster care capacity that meets demand: Operationally, capacity meets demand when organizations:

- Improve the utilization of existing licensed foster homes that are not currently taking children.
- Ensure steady growth of quality capacity by recruiting and retaining high quality foster and adoptive families.
- Ensure high quality foster care and residential staff.
- Provide quality placement options in the event of emergency removals.

Foster care capacity that improves outcomes for children and youth in the state's conservatorship: Operationally, capacity improves outcomes for children and youth when children are:

- Reunified with parents or other close family members.
- Adopted with a family that has been screened, trained and post-adoption services provided when reunification is not in their best interest.
- Placed in the least restrictive setting to successfully achieve therapeutic progress, within their home communities, and with their siblings when it is in their best interest.
- Transitioned successfully to adulthood.

Funding strategies play a critical role in the state's ability to achieve the above operational objectives and ultimately reach a system where capacity meets demand and improves outcomes. In the 85th Legislative Session, the Texas Legislature made a substantial investment in the child welfare system. Our network was truly grateful for this investment, which has already yielded a clear return such as:



1. CPS caseworker turnover and caseloads have decreased.
2. Contracts are in place for three new Single Source Continuum Contractors (SSCCs) which adopted a community-based continuum of care emphasizing the local community to support and provide services to the children and youth.
3. The number of foster homes increased by nearly 9%.¹
4. Children in care are moving into less restrictive settings.
 - a. The number of children in foster homes with specialized or intense levels of care increased between FY17 and FY18 while the number of children with a level of care of basic or moderate in residential treatment centers decreased demonstrating that an increasing number of children are being diverted from residential care, and instead placed in therapeutic foster homes.
 - b. We have seen steady growth in both the number and proportion of children in kinship care.² Growing kinship care is a success for Texas but requires additional resources for the foster care system due to an increasing proportion of higher needs children and youth remaining in foster care.

Despite these improvements, a targeted investment strategy is necessary to continue gains made in the 85th Session and ultimately move our system toward achieving the overarching goals outlined above. There are two reasons why continued and increased investment is needed.

First, historic increases in demand have outpaced the state's ability to meet the need.³

- New entries into care spiked between FY15 and FY16 and continue to increase each year. Exits from care have not kept pace, meaning the overall number of children in care has increased by 9% since FY15.
- The majority of children exit care in 13 months or less, but 40% of exits take longer than two years. This means that thousands of entries into care from FY18 will require capacity in 2020.⁴
- Increases in demand happen quickly but growing the right types of high-quality capacity takes time.

Second, a variety of external forces either recently exerted pressure on the Texas foster care system or promise to do so in the near future. Most prominent amongst these forces are:

¹ From DFPS data warehouse report FAD_09: private agency homes from October 2017 and October 2018

² From DFPS data warehouse report_05: In April of FY15 there were 10,317 children in kinship care (37% of children in care). In August of FY18 there were 12,094 children in kinship care (40% of children in care).

³ Please see Appendix C for a detailed discussion and source citations for demand in the current system



- *The \$12,000 annual raise provided to CPS caseworkers.* TACFS whole-heartedly supported this long overdue increase to the state caseworker salary. This increase led to decreased turnover and caseloads for front-line, direct-care staff at CPS, resulting in more time and attention being given to children and families. Community organizations also directly serve children, youth, and families with the services and supports necessary to provide safety and heal trauma. Turnover and caseloads are issues for these staff as well and many organizations have increased their staff salaries to address turnover and caseloads at the community level. However, to bridge the financial gap, organizations raised private funds, which cannot always be relied upon year after year.
- *Family First Prevention Services Act (FFPSA).* In addition to many other provisions, FFPSA's changes to IV-E funds means that states must plan for increasing the capacity of foster families to serve high needs children, while recognizing that some children are better served in residential settings. Serving high needs children in family settings requires special foster families with a unique skillset, intense training, and ongoing support. While we believe our proposal helps move the system in the right direction, it is important to note that rate increases alone will not be enough to offset the costs of FFPSA implementation.
- *The 5th Circuit ruling in the lawsuit against DFPS.* Because this lawsuit is ongoing, it is yet to be determined what impact this may have on the foster care system.

Texas needs a long-term strategic funding strategy which can effectively absorb increased demand and external pressures. Our recommendations outlined below link investment strategies to the outcomes we want the system to achieve. By linking ongoing investment to key operational outputs, we can better measure system improvement. While by no means a simple one for one link, this methodology allows for a nuanced approach to investment which recognizes that targeting specific funding strategies generates outcomes.⁵

TACFS Recommendations

The Texas Alliance of Child and Family Services recommends a total investment of an additional \$45,308,527 (\$34,455,130 in state funds) for the 2020/2021 biennium. Please see page 6 for a breakdown of specific costs. At a high level, our approach focuses on the following funding areas we believe are critical to generating capacity to meet demand and improve outcomes for children and youth in care.

1. *The least restrictive setting and the lowest level of care need to be fully funded.*
Approximately 75-80% of the children in a foster home placement are either at a basic

⁵ See Appendix B for a more detailed discussion of the link between operational outputs and funding strategies



and moderate level of care. Keeping these children in a stable foster home with their needs being met is critical for successful outcomes.

2. *Provide organizations with funds to support the front-line staff who recruit, train, and provide support services for foster families.* We hope to replicate similar results obtained by the increase in salary to CPS caseworkers last session by providing community organizations with the resources necessary to pay their caseworkers competitive salaries based on the current market.
3. *Recognize the role emergency care facilities play in acting as a strategic buffer for placement disruptions, sudden increases in removals, and assessing the needs of children coming into care.* These facilities can help ensure that children are properly evaluated before being placed, can help keep sibling groups together, and are a safety net that helps prevent children from sleeping in CPS offices. The increasing acuity of children entering emergency shelters requires more treatment services, a higher staff-to-child ratio, and increased staff training to ensure children are safe and cared for in these settings. The emergency shelter rate has not increased since FY 2016, requiring community organizations to subsidize this rate.
4. *Continue to fund organizations that care for the children with higher needs (such as those with acute mental health issues, victims of sex trafficking, etc).* If implemented, the Families First Prevention Services Act will require increasing capacity of foster families to serve high needs children. The State and private organizations will need to be ready for this transition by funding the treatment foster care, the intense, and specialized rates in order to meet this goal.
5. *Begin to offset the financial burden put on community organizations that provide residential care when they achieve therapeutic success with children at a specialized and intense level of care.* When organizations achieve therapeutic success, children's authorized levels of care drop to moderate, which is funded at a much lower level than specialized or intense rates. Increasing funding for children with a moderate service level in residential care buffers the financial losses suffered when treatment centers work successfully with children and can help ease the transition from a residential setting to a family setting. The moderate residential rate has not increased since FY 2014, requiring community organizations to subsidize this rate.
6. *Offset the financial burdens inherent in providing Supervised Independent Living (SIL) services.* SILs offer substantial benefits to older youth who age out of care. However, these programs are often cost prohibitive to maintain at their currently funded rates. The SIL rates have not been increased since the program was implemented in 2011.



7. *Implement a cost of living increase for foster families.* We recognize the significant investment made in foster families last session. We believe these investments were a driver in increasing capacity. A cost of living increase can help ensure that the gains made are not lost.
8. *Allocate funding for performance incentives.* While not included in the cost breakdowns on page 6, to fully support the incentives and remedies provisions of SB11, we respectfully recommend that the Legislature allocate funds for performance incentives. The current plan requires that any awards for incentives come from remedies.

This type of investment in our foster care system will continue to target strategic growth in capacity that meets the needs of children in care, help retain existing capacity, and improve outcomes for children and youth that enter care. In recognition of the work done in the 85th session, we respectfully recommend the state invest in foster care as outlined in Appendix A. While TACFS recommends implementation of a comprehensive update to the foster care rate setting methodology⁶, we believe this more immediate approach will bring us closer to a foster care system where capacity meets demand and improves outcomes for children in care.

⁶ It should be noted that this report outlines recommendations for state investment. The Texas Alliance of Child and Family Services has also partnered with the Meadows Mental Health Policy Institute on improving the rate methodology and distribution such that service organizations are more properly incentivized toward quality and growth.



Appendix A: TACFS recommended rate increases for FY2020 and FY2021⁷

TACFS Rate Proposal							
	FY 2018/2019	FY 2020/2021	Rate Increase	FY 2020		FY 2021	
				GR	All funds	GR	All funds
CPA Foster Families:							
Foster Family rate for <i>Basic</i>	\$27.07	\$ 27.83	2.8%	\$ 1,197,073	\$ 1,783,432	\$ 1,220,008	\$ 1,797,018
Foster Home Support rate for Basic	\$21.40	\$ 23.54	10.0%	\$ 3,746,310	\$ 5,035,290	\$ 3,788,310	\$ 5,073,640
Total Cost for Basic (per child per day)	\$48.47	\$ 51.37	6.0%	\$ 4,943,383	\$ 6,818,722	\$ 5,008,318	\$ 6,870,658
Foster Family rate for <i>Moderate</i>	47.37	\$ 48.70	2.8%	\$ 564,354	\$ 827,263	\$ 656,827	\$ 949,024
Foster Home Support rate for Moderate	\$38.09	\$ 41.90	10.0%	\$ 1,787,860	\$ 2,375,710	\$ 2,063,330	\$ 2,725,380
Total Cost for Moderate (per child per day)	\$85.46	\$ 90.60	6.0%	\$ 2,352,214	\$ 3,202,973	\$ 2,720,157	\$ 3,674,404
Foster Family rate for <i>Specialized</i>	\$57.86	\$ 59.48	2.8%	\$ 213,993	\$ 304,556	\$ 115,329	\$ 161,879
Foster Home Support rate for Specialized	\$51.22	\$ 57.88	13.0%	\$ 961,935	\$ 1,251,731	\$ 514,384	\$ 665,340
Total Cost for Specialized (per child per day)	\$109.08	\$ 117.36	7.6%	\$ 1,175,928	\$ 1,556,287	\$ 629,713	\$ 827,219
Foster Family rate for <i>Intense</i>	\$92.43	\$ 95.02	2.8%	\$ 21,448	\$ 31,242	\$ 15,428	\$ 21,994
Foster Home Support rate for Intense	\$93.99	\$ 106.21	13.0%	\$ 111,501	\$ 147,498	\$ 79,378	\$ 103,831
Total Cost for Intense (per child per day)	\$186.42	\$ 201.23	7.9%	\$ 132,949	\$ 178,740	\$ 94,806	\$ 125,825
Foster Family rate for <i>Treatment Foster Care</i>	\$137.52	\$ 137.52	0.0%	\$ -	\$ -	\$ -	\$ -
Foster Home Support rate for Treatment Foster Care	\$139.85	\$ 139.85	0.0%	\$ -	\$ -	\$ -	\$ -
Total Cost for Treatment Foster Care (per child per day)	\$277.37	\$ 277.37	0.0%	\$ -	\$ -	\$ -	\$ -
DFPS Foster Family:							
Basic	\$27.07	\$ 27.83	2.8%	\$ 229,275	\$ 361,544	\$ 233,332	\$ 363,376
Moderate	\$47.37	\$ 48.70	2.8%	\$ -	\$ -	\$ -	\$ -
Specialized	\$57.86	\$ 59.48	2.8%	\$ 241	\$ 616	\$ 249	\$ 619
Intense	\$92.43	\$ 95.02	2.8%	\$ -	\$ -	\$ -	\$ -
Total DFPS Foster Family				\$ 229,516	\$ 362,160	\$ 233,582	\$ 363,994
Residential Rates:							
Basic	\$45.19	\$ 45.19	0.0%	\$ -	\$ -	\$ -	\$ -
Moderate	\$103.03	\$ 113.33	10.0%	\$ 774,120	\$ 1,023,350	\$ 815,200	\$ 1,079,840
Specialized	\$197.69	\$ 207.57	5.0%	\$ 2,030,700	\$ 2,517,715	\$ 1,650,555	\$ 2,034,015
Intense	\$277.37	\$ 291.24	5.0%	\$ 1,185,750	\$ 1,452,490	\$ 1,124,290	\$ 1,374,185
Psychiatric Transition	\$374.33	\$ 411.76	10.0%	\$ 605,830	\$ 700,370	\$ 626,660	\$ 720,900
Intense Plus	\$400.72	\$ 400.72	0.0%	\$ -	\$ -	\$ -	\$ -
Emergency Care	\$129.53	\$ 155.44	20.0%	\$ 3,662,240	\$ 4,679,640	\$ 3,696,480	\$ 4,714,120
Supervised Independent Living	Varies	Varies	20.0%	\$ 350,900	\$ 475,700	\$ 411,840	\$ 555,220
Total Request				\$17,443,530	\$22,968,148	\$17,011,600	\$ 22,340,380

⁷ Estimates based on "Incremental Cost of One-Percent Rate Change Based on the December 2018 Projection" provided by DFPS.



Appendix B – Linking funding strategies to operational outputs for Child Placing Agencies

Resources	Outputs – The measures of what we do		Outcomes – The impact we have		
	Resulting Activities	Measure of success	Short term	Intermediate	Long term
<p>Increase in foster home support rates for Child Placing Agencies with a “stair-step” increase for families serving higher needs children</p> <p>Cost of living increase for foster families</p>	<p>CPAs’ recruit, retain, train, and support foster families.</p> <p>CPAs’ recruit and retain a knowledgeable workforce</p> <p>CPAs’ increase the utilization of evidence and trauma informed practices</p>	<p>Decrease in number of licensed homes that have not taken a child in the last 12 months.</p> <p>Steady increase in the number of newly licensed foster families</p>	<p>Net growth in foster care capacity for basic, moderate, supervised, and intense children</p>	<p>Fewer basic/moderate children in residential settings and more specialized/intense children in foster homes</p> <p>Children are placed within their home communities when in the child’s best interest</p> <p>Children are placed with siblings when it is in their best interest</p>	<p>Foster care capacity meets demand</p> <p>Foster care capacity improves outcomes for children and youth in care</p>



Appendix B – Linking funding strategies to operational outputs for Residential Settings

Resources	Outputs – The measures of what we do		Outcomes – The impact we have		
	Resulting Activities	Measure of success	Short term	Intermediate	Long term
10% increase in moderate rate 5% increase in specialized and intense rates 10% increase in psychiatric transition rate 20% increase for emergency shelters and SIL rates	Residential organizations recruit and retain a knowledge workforce Residential organizations increase the utilization of evidence and trauma informed services and therapeutic treatments for high needs children and youth SIL programs provide effective services for youth transitioning into adulthood Decrease the perverse financial incentive that occurs when organizations achieve therapeutic success with specialized and intense children	Increase in positive placement moves Decrease in negative placement moves Expansion of SIL programs across the state	DFPS has needed capacity to serve high needs children DFPS has needed capacity to effectively absorb a surge in placement demand (number of children sleeping in offices) Increase in utilization of SIL programs across the state	Successful transitions into less restrictive settings as evidenced by stability of positive placements Children are placed within their home communities when in the child’s best interest Children are placed with siblings when it is in their best interest Increase in successful completion of SIL programs	Foster care capacity meets demand Foster care capacity improves outcomes for children and youth in care



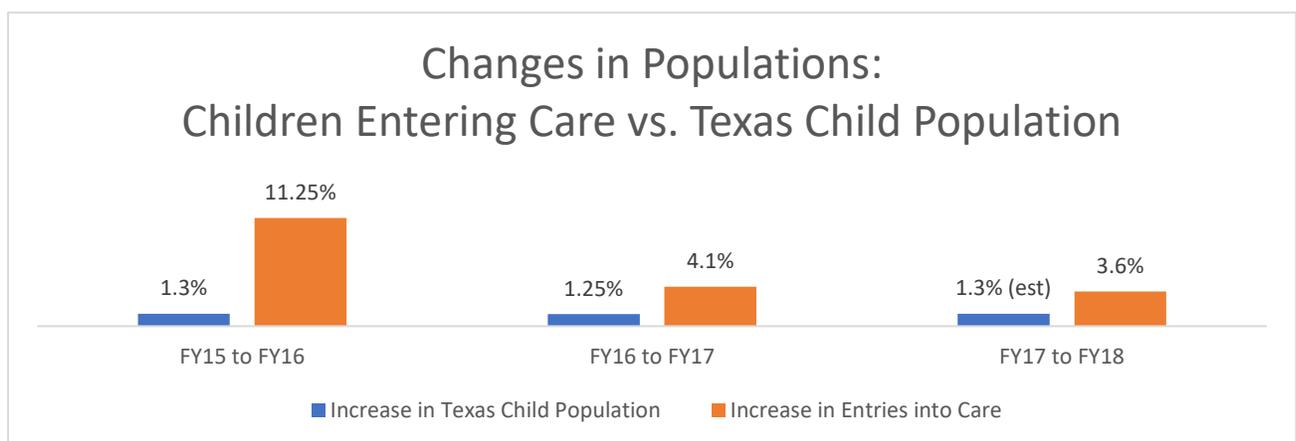
Appendix C: The current system

Discussions of foster care capacity often center on the concepts of supply and demand, which in the simplest terms means the system has the necessary placements to serve children new to care and those already in care. While a good conceptual starting point, this basic understanding of supply and demand is insufficient for understanding our current system. Instead, we must look at the bigger child welfare system in which foster care is situated. We find it helpful to begin with a more nuanced discussion of the demand for care, the characteristics of children in care, and a basic look at the capacity available to serve children in care. It is important to note that what follows is based on statewide data. Given the size and diversity of Texas, each region's story may vary.

Demand for foster care

There are three key elements that make up demand on the system: the number of children entering care during a given year, the number of placements needed for children once they are in care during a given year, and the number of children that leave care during a given year. When combined, these numbers paint a picture of system that is under intense strain.

The number of children entering care in Texas increased by over 11% (from 17,000 to nearly 19,000) between FY15 and FY16. This spike, instead of being an anomaly, created a new normal for entries. New entries increased by just over 4% between FY16 and FY17 and by just over 3.5% from FY17 to FY18. The continued growth of new entries has far outpaced the growth in the child population and continues to compound with each passing year. The below graph illustrates the difference in growth between new entries into care and the child population. It is important to remember that these percentages build on top of each other, meaning the 4% increase from FY16 to FY17 is on top of the 11% increase from FY15 to FY16.⁸



9

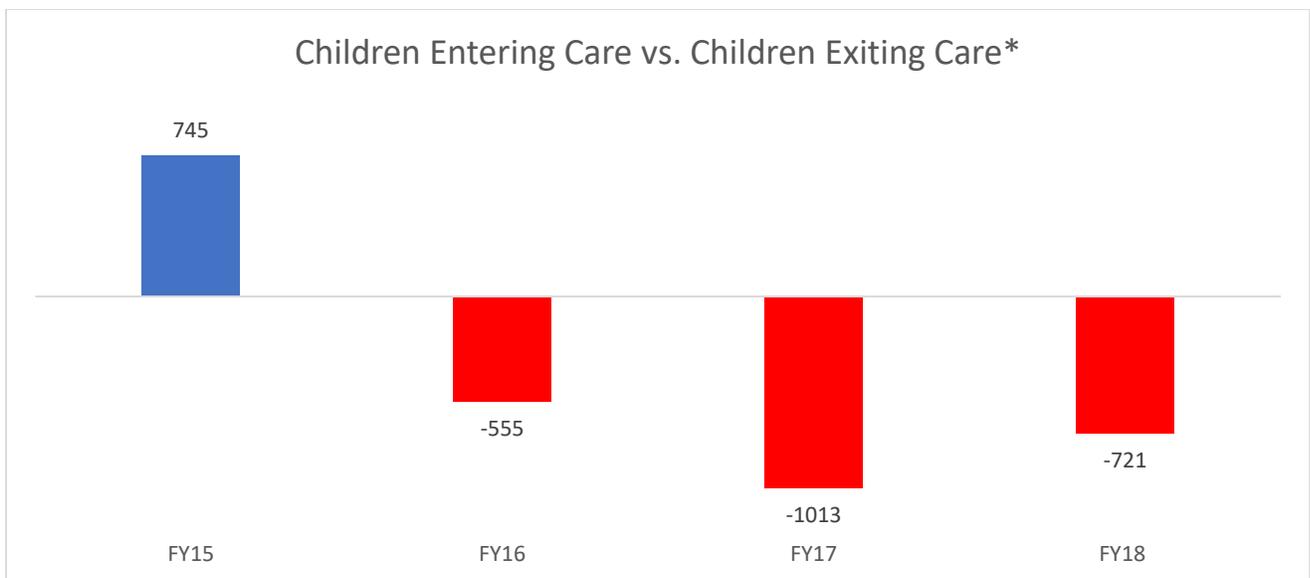
⁸ Sources: DFPS Data warehouse reports PP_20 and SA_19

⁹ DFPS Data Book and data warehouse report SA_19



Another equally important component of demand is placements for children already in care. Based on DFPS's Capacity Needs Assessment, in FY17 approximately 57% of need was for placements for children already in care. This means that in addition to serving an ever-increasing number of new entries, each new entry can create demand for multiple placements. There are important reasons for multiple placements: moving to a less restrictive setting, moving sibling groups together, moving children closer to their home communities, etc. No matter the reason, however, the result on the system is the same. New entries plus placement moves equals heightened demand.

The final element to consider when thinking about the demand for care is exits. In a healthy system more children exit care than enter it, and the overall number of children in substitute care would either remain stable or decrease. This has not been the case in Texas for many years. Exits have certainly increased but not at a rate to keep pace with new entries. Since FY15, 1,544 more children have entered care than have exited care leading to a 9% increase in the total number of children in substitute care (April of 2015 – 27,562, August of 2018 – 30,021).¹⁰



*A negative number means that more children entered care than exited care, creating system strain.

Finally, it is important to note that while most children exit care in less than 13 months, nearly 40% of all exits take longer than 2 years. This means that thousands of children entering care in FY18 will still need placements in FY20. As of June 2018, nearly 30% of children in substitute care entered care in FY16. While surges of new entries can happen quickly, exits take time.¹¹

¹⁰ Data warehouse reports PP_20 and SA_05

¹¹ Data warehouse reports PP_20 and SA_38



Characteristics of children in foster care

As the demand for foster care placements has continued to rise over the years, the question becomes what is needed to meet the needs of children and youth in care. To understand the nuance behind this complex question, we need to look at why children enter care, the demographic and service need breakdown of children in care, where children are being served, and some basic descriptive data on the capacity of foster homes and residential beds. A few takeaways from the data:

- Over the last 4 fiscal years children are generally entering care for the same reasons. The most common reason is neglectful supervision.
- The demographics of children entering care have held relative stable over the years with a noticeable increase in the proportion of African American children entering care between FY17 and FY18.
- There is little data available about the levels of care for new entries, but there is a subset of new entries where the children were removed (in part) due to the complex nature of their needs. The proportion of these types of entries remains relatively stable over time, but FY18 saw the highest number of these types of new entries. In short, the number of children with clearly identified high needs at the time of removal is the highest it's been since at least FY15.
- Most children are placed in their home region, but far fewer are placed in their home county. Children with higher levels of care are less likely to be placed closer to home.
- Foster care capacity has increased, but not fast enough to meet the growing need. Residential capacity has declined.

New entries into care¹²

Removal Reason*	Neglectful Supervision	Physical Abuse	Physical Neglect	Abandonment**	Sexual Abuse
FY18	81%	18%	10%	8%	4%

*These percentages will not add to 100% as children may be removed for more than one reason

**Consists of removals due to abandonment, Baby Moses, and refusal to accept parental responsibility.

Removals due in part to high needs of child*	FY18
Total number	1169
% of total removals	5.7%

* Removals due to Medical Neglect, Emotional Abuse, Lack of Medical Services, Lack of Juvenile Justice Services, Solely to Obtain Mental Health Services

¹² Data warehouse report SA_19



Age of child at time of removal	0 to 2	3 to 5	6 to 9	10 to 13	14 to 17
FY18	39%	20%	18%	14%	9%

Race/Ethnicity of child at the time of removal	AA	Hispanic	Anglo	Amer Ind	Asian	Multiple
FY18	21%	40%	31%	0.07%	0.3%	4%

Children in substitute care as of June 2018 - Demographics¹³

By Age	0 to 2	3 to 5	6 to 9	10 to 13	14 to 17	18+
June 2018	28%	19%	19%	16%	16%	2%

By Race/Ethnicity	AA	Hispanic	Anglo	Amer Ind	Asian	Other
June 2018	22%	41%	30%	0.1%	0.3%	6%

By Time in Care	12 months or less	13 to 24 months	24 months+
June of 2018	55%	24%	20%

Children in care as of August 2018 by placement type and location

Children in substitute care by Placement Type ¹⁴	Foster Home	Residential Care	Kinship
August 2018	44%	12%	40%

Children in care by placement type and Level of Care ¹⁵	Foster Home	Residential Care (Includes RTCs, GRO, and Shelters)
Basic	88%	10.5%
Moderate	82%	16%
Specialized	46%	49%
Intense	14%	74%

Children in care by placement location ¹⁶	In Region	In County
Aug 2018	77%	38%

¹³ Data warehouse report SA_38

¹⁴ Data warehouse report SA_05

¹⁵ Data warehouse report SA_06

¹⁶ Data warehouse report SA_30



Children in care by placement location and service level¹⁷	Basic	Moderate	Specialized	Intense	Psych Transition
In Region	85.6%	73.6%	54.5%	33.1%	14.3%
In County	43.9%	33.1%	22.7%	10.5%	7.1%

Existing Capacity

As outlined above, determining the exact capacity need can be fraught with challenges. Given the complexities within child welfare and the numerous external forces acting upon the system, it can be difficult to estimate the exact need on any given day. To help community organizations and policymakers forecast needs, DFPS publishes a Foster Care Needs Assessment. While not without its limitations, the Needs Assessment is currently the most complete look at the placement needs of the Texas foster care system. Combining the Needs Assessment data with the supplemental data on the utilization of currently licensed homes, it is evident that successfully achieving capacity to meet demand will require both steady growth in new homes and improved utilization of currently licensed homes. Success requires both recruitment and retention. Below are a few big picture takeaways regarding the system's capacity to meet demand:

- Based on FY17 supply, DFPS forecasts a shortfall of foster family placements needed to meet demand for higher needs children. This shortfall could potentially be exacerbated by provisions in FFPSA which could reduce the number of residential settings available.
- Based on FY17 supply DFPS forecasts a shortfall of residential placements needed to meet demand for high needs children.
- 11 of the 16 catchments included in the Needs Assessment (Region 3b is excluded), increased the percentage of children in kinship placements 60 days post removal (48%) between FY16 and FY17.

It is clear from the Needs Assessment that Texas needs to increase the number of foster homes for higher needs children. While steady growth in the number of new homes is necessary to reach this goal, supplemental data suggests that Texas could address much of its capacity shortage by focusing energy on retaining, and improving the utilization of, currently licensed foster families.

- ¹⁸In Q1 of FY18 there were 3,388 non-DFPS homes licensed as "foster only."
 - Nearly 24% (806) of those had zero children placed with them in the last year.
 - 260 of those homes were licensed to take specialized children.

¹⁷ Data warehouse report SA_33

¹⁸ DFPS DRIT 88640



Appendix D: Residential Child Care – Analysis of Costs:

Community organizations complete cost reports displaying all costs throughout a fiscal year. Cost reports are required of most community organizations, except for some organizations such as those with low placement days, low occupancy rates, or those who provide basic services only. Although rates are set for the biennium, community organizations are required to complete cost reports annually. The following is a summary of the latest cost reports (year ended 2016) available:

2016 Cost Reports

Direct Care Expenses:

Foster Family Pass Through	\$ 127,290,696	26%
SSCC Subcontract Payments	38,751,686	8%
Direct Care Wages	150,903,689	31%
Foster Family Recruitment and Intake/Evaluation	13,759,718	3%
Facility Costs	53,481,362	11%
Other Direct Costs (food, recreational supplies, medical supplies, educational supplies)	15,582,980	3%
	<u>399,770,131</u>	<u>83%</u>

Payroll Taxes and Workers Compensation

16,700,004 3%

Indirect Expenses:

Administrators Salary (Executor Director, CEO/President)	16,104,824	3%
Other Administrative Staff (financial, clerical, human resources, IT)	33,571,174	7%
Other Expenses (professional fees, training, licenses, dues, advertising)	16,066,943	3%
	<u>65,742,941</u>	<u>14%</u>

Total 2016 Cost Reports

\$ 482,213,076

As noted, 83% of costs are for the direct care and support of the children in foster care. Only 14% of the cost are administrative expenses for such functions as financial, clerical, human resources and IT. When the state invests money into rate increases for community organizations serving children, youth, and their families we can be confident that those funds are used to create capacity that meets demand and improve outcomes for children in care.