



Highlights of [GAO-06-787T](#), a testimony to Chairman, Subcommittee on Human Resources, Committee on Ways and Means, House of Representatives

## CHILD WELFARE

# Federal Oversight of State IV-B Activities Could Inform Action Needed to Improve Services to Families and Statutory Compliance

### Why GAO Did This Study

For federal fiscal year 2004, state and local child protective services staff determined that an estimated 872,000 children had been victims of abuse or neglect. Title IV-B subparts 1 and 2 authorize a wide array of child welfare services, with some restrictions on states' use of funds. This testimony discusses: (1) how states used Title IV-B dollars to serve families under subparts 1 and 2; (2) the extent that federal oversight ensured state compliance with spending requirements under subpart 1; and (3) what the research said about the effectiveness of services states have provided to families using Title IV-B funds.

This testimony was primarily based on a 2003 report (GAO-03-956).

### What GAO Recommends

The 2003 report recommended that the Secretary of Health and Human Services (HHS) consider collecting data on states' use of Title IV-B subpart 1 funds, use these data in its design of alternative financing options, and provide the necessary guidance to ensure state compliance with statutory restrictions on the use of subpart 1 funds. HHS's Administration for Children and Families (ACF) agreed with the report's findings and implemented the recommendation to provide guidance to states. ACF disagreed with the recommendation to collect data from states and did not comment on using these data for its financing option.

[www.gao.gov/cgi-bin/getrpt?GAO-06-787T](http://www.gao.gov/cgi-bin/getrpt?GAO-06-787T).

To view the full product, including the scope and methodology, click on the link above. For more information, contact Cornelia Ashby at (202) 512-8403 or ashbyc@gao.gov.

### What GAO Found

States used Title IV-B funds to provide a broad range of services to prevent the occurrence of abuse, neglect, and foster care placements in addition to other child welfare services. While there was some overlap, states reported using Title IV-B subpart 1 funds primarily to operate child welfare programs and serve families in the foster care system, while states reported using subpart 2 funds primarily for family services targeted to families at risk of child removal due to abuse and neglect. Some costs to operate programs included direct services to children and families. For example, nearly half of subpart 1 staff costs paid salaries for social worker positions in child protective services. Family services under subpart 2 included those to support, preserve, and reunify families by providing mentoring programs, financial assistance to help with rent and utilities, parenting classes, child care, and support groups.

States Reported Use of Federal Funds under Title IV-B, Fiscal Year 2002

Service category	Subpart 1		Subpart 2	
	Amount	Percent	Amount	Percent
Program operation	\$114,108,675	44.4	17,843,725	6.9
Child protective services	40,543,000	15.8	2,248,690	0.9
Family services	36,624,068	14.2	182,720,128	71.3
Foster care and adoption	35,255,267	13.7	36,695,036	14.4
Miscellaneous	30,623,527	11.9	16,299,500	6.4
<b>Total</b>	<b>\$257,154,537</b>	<b>100.0%</b>	<b>\$255,807,079</b>	<b>100.0%</b>

Source: GAO survey.

Note: Percentages do not always total to 100 due to rounding.

HHS provided relatively little oversight specific to state spending under subpart 1. HHS did not collect data on subpart 1 expenditures and regional officials paid little attention to statutory limits in states' planned use of funds. In response to GAO's survey, 10 states reported actual 2002 subpart 1 expenditures that exceeded the spending limits by over \$15 million in total.

Research is limited assessing the effectiveness of services provided under Title IV-B. In GAO's survey, 22 states reported providing services other than foster care and adoption assistance payments, staff salaries, or administration under subpart 1; however, none of these states had sufficiently evaluated the outcomes of these services. Similarly, GAO's literature review showed that few evaluations had been conducted, and evaluations that had been conducted showed mixed results. HHS evaluations of subpart 2 services also have shown no or little effect in reducing out-of-home placement, maltreatment recurrence, or improved family functioning beyond what normal casework services achieved.