



Department for Children and Families
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4.25.2025 DCF Family Services Division Testimony

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Thank you for inviting us here today to talk about the Federal funds in our budget and the impacts of any potential cuts.

The Family Services Division relies heavily on Federal funds for the operation of our division and the delivery of services to children, youth, and families. Federal funds make up a portion of our staff costs, supports eligible foster care and subsidized adoption costs, and pays for services offered to children/youth/families who are at risk of greater system involvement, have been joined through adoption or guardianship, or are exiting our system by aging out or through reunification.

At this time, we have gotten no notice that any Federal funds have been cut and we do not want to speculate about what may happen in the future. Our plan today is show you specifically which Federal funds we receive, what they pay for, and what the impact would be if they were eliminated in the future. The hope is that you will have greater understanding of what the impacts may be in the event there are Federal funding cuts.

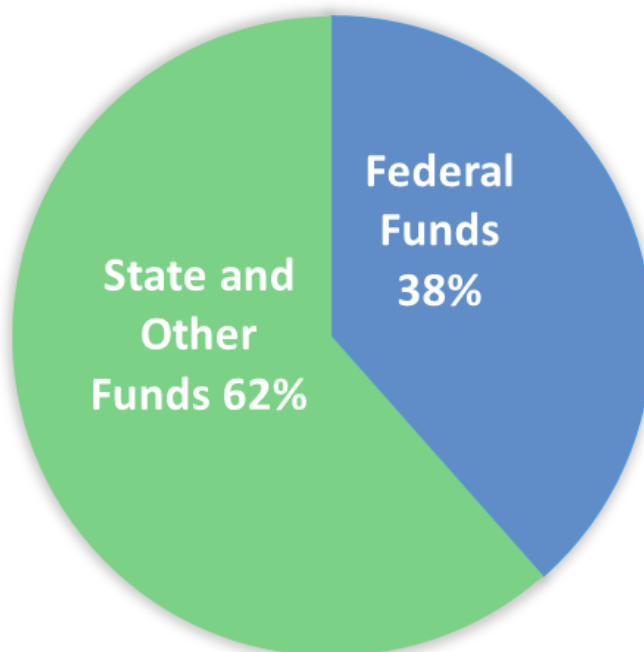
Please note that included in this testimony are the potential impacts of only FSD-specific cuts. This does not contemplate the impacts on FSD and the children and families we serve if other federal funds are cut, such Head Start. The social safety net is described as a net, not just because of the hope that it will catch those that need it, but also because each part is connected. Losses to other programs, even those that may seem unrelated, like the Low-Income Home Energy Assistance Program, can mean more families needing support or intervention from FSD. There are also funds that span across DCF and AHS. For example, if there is a cut to Title IV-E, that would impact FSD because it funds many parts of our system, but it would also impact the Child Development Division because Title IV-E funds child care costs for children in foster care. While each Division may testify separately, some of our Federal funds

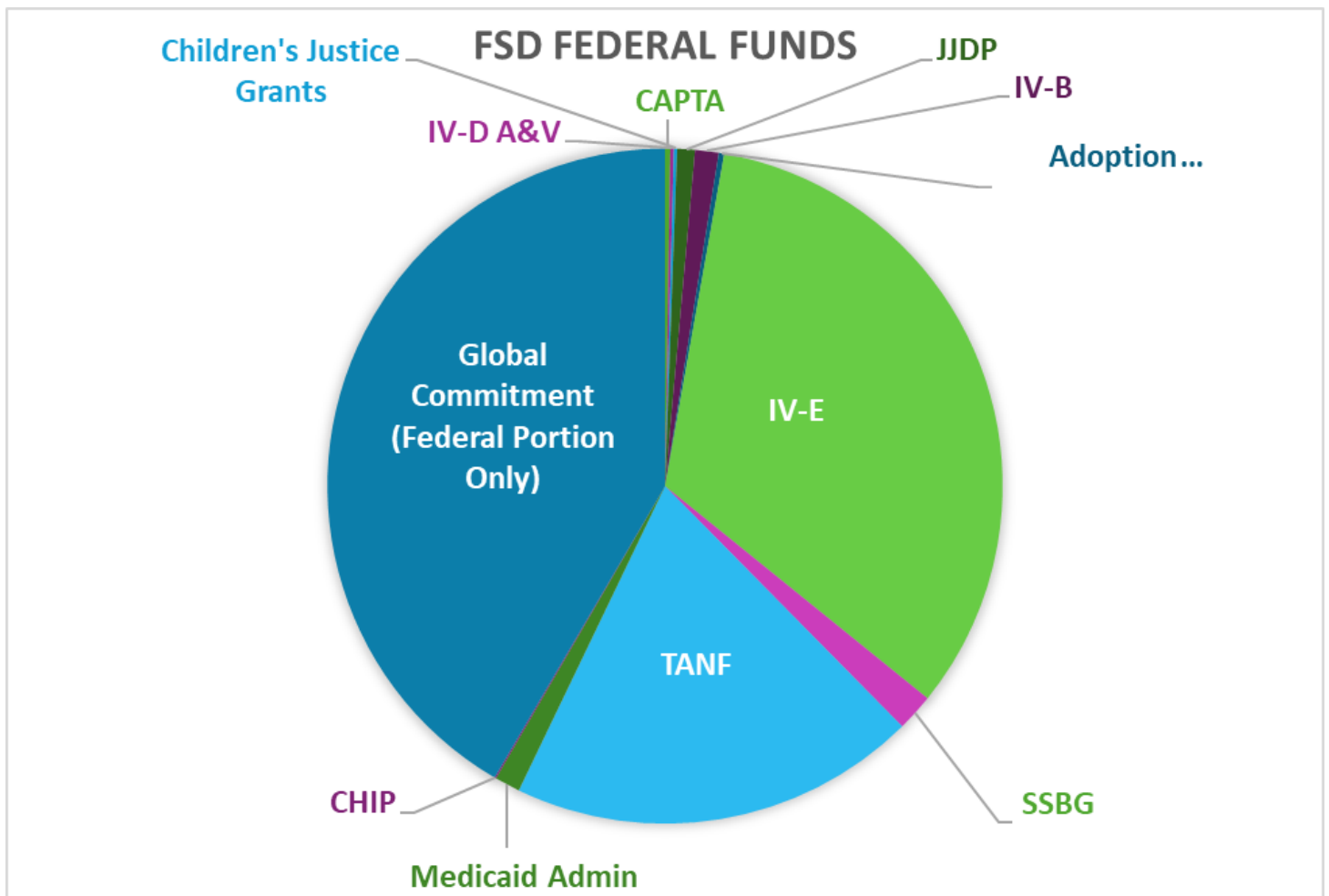


need to be considered with a wider lens to truly understand the potential impacts to the state and to the children and families of Vermont.

Below you will find two charts. The first shows the proportion of the FSD budget made up by Federal funds. As you can see, 38% of the budget is comprised of Federal funds. The second chart zooms in on the Federal portion of the FSD budget and the proportion each funding stream makes up. Among other things, this gives a sense of the outsized impact of some of the funding streams, namely Global Commitment, TANF, and Title IV-E.

FSD BUDGET- FEDERAL VS STATE FUNDS





You will find in your materials a spreadsheet with the actual Federal fund figures, including how much can be found in different parts of our budget, such as staff costs, operating budget, and grants and contracts. After that sheet, you will find a list of each funding source, what each pay for, and the impacts of any potential cuts to those funds. I will walk through the narrative sheet with you.