

OFFICE OF CHILDREN'S SERVICES

ADMINISTERING THE CHILDREN'S SERVICES ACT



PROGRESS REPORT ON THE CHILDREN'S SERVICES ACT

Biennial Report to the General Assembly, December 2025

In accordance with §2.2-2648.21, COV and Chapter 1, Item 268 (H)

The Children's Services Act (CSA, §2.2-2648 et seq) was enacted in 1993 to create a collaborative system of services and funding for at-risk youth and families.

The CSA establishes local multidisciplinary teams responsible to work with families to plan services according to each child's unique strengths and needs and to administer the community's CSA activities.

The Office of Children's Services (OCS) is the administrative entity responsible for ensuring effective and efficient implementation of the CSA across the Commonwealth.

Guiding principles for OCS include:

- Child and family directed care,
- Equitable access to quality services,
- Responsible and effective use of public funds,
- Support for effective, evidence-based practices, and
- Collaborative partnerships across state, local, public, and private stakeholders.



Code of Virginia, §2.2-2648.

The State Executive Council for Children's Services shall:

21. *Biennially publish and disseminate to members of the General Assembly and community policy and management teams a state progress report on comprehensive services to children, youth and families and a plan for such services for the next succeeding biennium. The state plan shall:*

- Provide a fiscal profile of current and previous years' federal and state expenditures for a comprehensive service system for children, youth and families;*
- Incorporate information and recommendations from local comprehensive service systems with responsibility for planning and delivering services to children, youth and families;*
- Identify and establish goals for comprehensive services and the estimated costs of implementing these goals, report progress toward previously identified goals and establish priorities for the coming biennium;*
- Report and analyze expenditures associated with children who do not receive pool funding and have emotional and behavioral problems;*
- Identify funding streams used to purchase services in addition to pooled, Medicaid, and Title IV-E funding; and*
- Include such other information or recommendations as may be necessary and appropriate for the improvement and coordinated development of the state's comprehensive services system.*

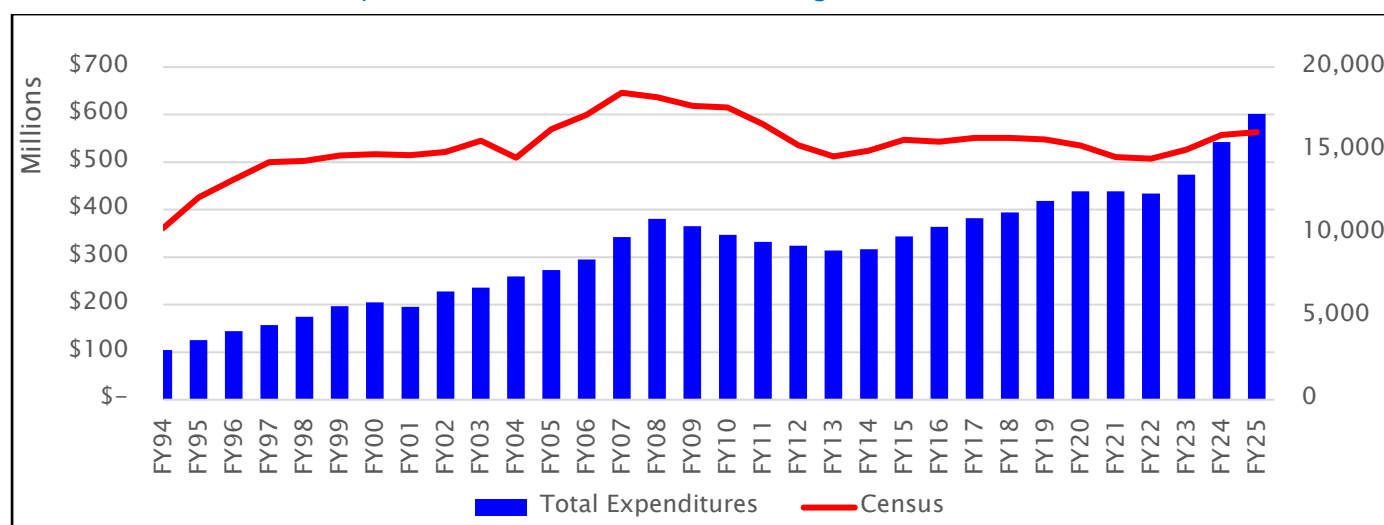
Appropriation Act, Chapter 725, Item 268. H.

Pursuant to subdivision 21 of § 2.2-2648, Code of Virginia, no later than December 20 in the odd-numbered years, the State Executive Council shall biennially publish and disseminate to members of the General Assembly and Community Policy and Management Teams a progress report on services for children, youth, and families and a plan for such services for the succeeding biennium.

The Code of Virginia and the Appropriation Act require that the State Executive Council for Children's Services (SEC) biennially publish and disseminate a progress report on services for children, youth, and families and a plan for such services for the ensuing biennium. As the administrative entity of the Council, the Office of Children's Services (OCS) is pleased to submit the following report, approved by the SEC. A report on progress meeting the goals and objectives of the 2024 - 2025 biennial Strategic Plan can be found in this report.

CSA Expenditures and Utilization

Total Expenditures / Children Served through the CSA, FY1994 – FY2025



Annual CSA expenditures (both state and local) and the number of children served rose consistently from the Act's inception in FY1994 through FY2008. Following a decline in spending and the number of children receiving services over five years (FY2009–2013), except during the COVID-19 pandemic (FY2021–2022), expenditures have increased significantly. In contrast, the CSA census (number of children served) has risen slightly and has been generally stable since FY2015. In FY2025, expenditures increased by 27.1% from the prior report issued in 2023, and the census increased by 7.0%. Overall, increased expenditures are due to higher service costs across almost all CSA-funded services, notably the rise in the number (and associated costs) of children receiving private day special education placements.

State and Federal Funding Not Included in the CSA State Pool

	FY2024	FY2025
Children's Mental Health Initiative (DBHDS)	\$ 5,648,128	\$ 5,648,128
Promoting Safe & Stable Families ¹ (DSS)	\$ 11,292,933	\$ 19,271,934
Virginia Juvenile Community Crime Control Act (DJJ)	\$ 10,379,921	\$ 10,379,921
Title IV-E (Foster Care Maintenance) ² (DSS)	\$ 35,114,222	\$ 35,371,465
Social Services Block Grant ² (DSS)	\$ 9,419,998	\$ 9,419,998
Medicaid (Treatment Foster Care, Residential Care) ³	\$ 80,025,076	\$ 113,570,115
TOTAL	\$151,880,278	\$193,661,561

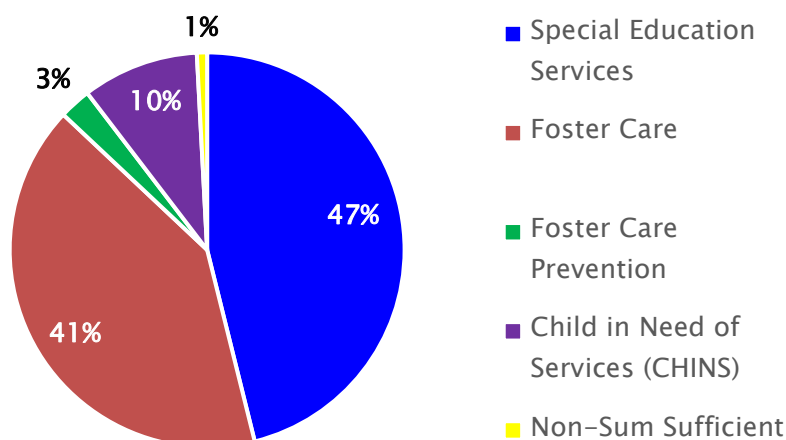
¹Federal FMAP rate was 74% (FY2024) and 85% (FY2025).

²Federal FMAP rate was approximately 51% throughout the period.

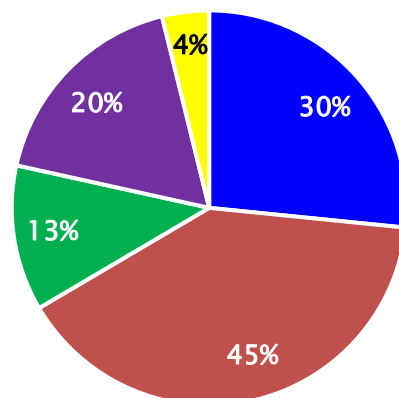
³Federal FMAP rate for Medicaid is typically 50%. Adjustments during the COVID-19 pandemic resulted in higher FMAP rates.

The table above reflects the contributions of funding sources other than the CSA pool funds to addressing the needs of children and families.¹ These funds are “braided” with the “blended” CSA pool funds and are utilized for CSA and non-CSA-eligible youth and services, in whole or in part, when available to support needed services. Medicaid funds for behavioral health services for children, other than residential and treatment foster care, are not reported here and are available from the Department of Medical Assistance Services.

FY2025 CSA Expenditures and Mandate Types



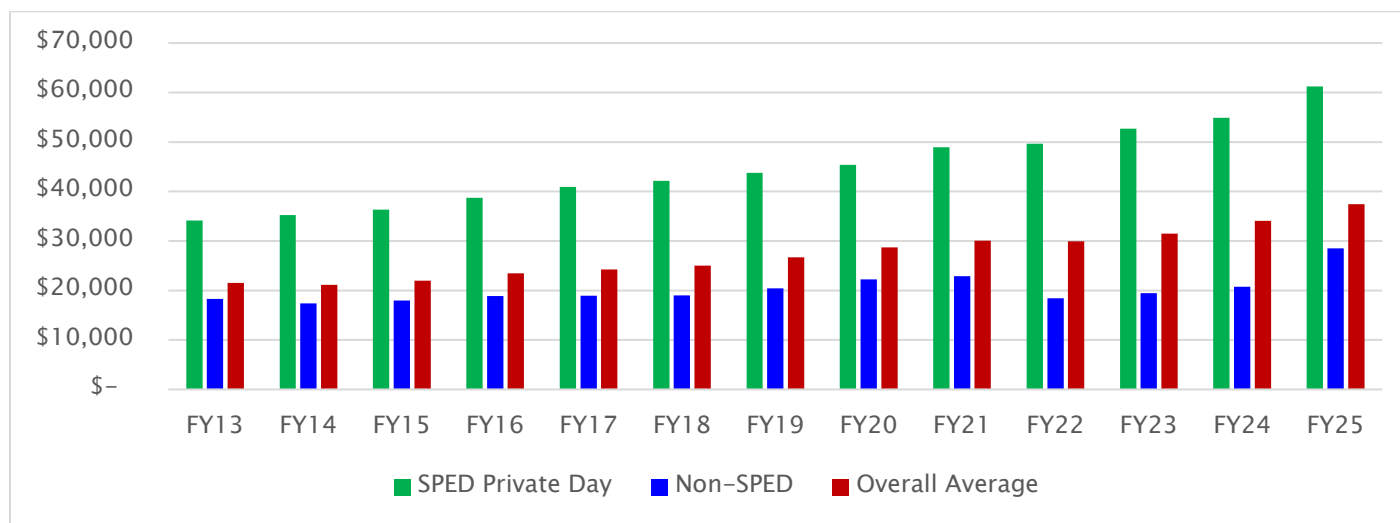
CSA Pool Fund Expenditures by
Primary Mandate Type – FY2025
(Total Net Expenditures = \$601,720,685)



CSA Census by
Primary Mandate Type – FY2025
(Total Census = 16,086)

The two graphs above show that special education services accounted for 47% of the total CSA expenditures in FY2025. However, children in this category accounted for only 30% of the total CSA primary mandates. (Note: Children may have more than one Primary Mandate Type.) This disparity is because private day special education placements have an annual per-child cost of \$53,488 compared to an average of \$18,707 for all other categories of children (see graph below). Children eligible for CSA due to receiving foster care or foster care prevention services accounted for 64% of those eligible for CSA, but only 46% of expenditures.

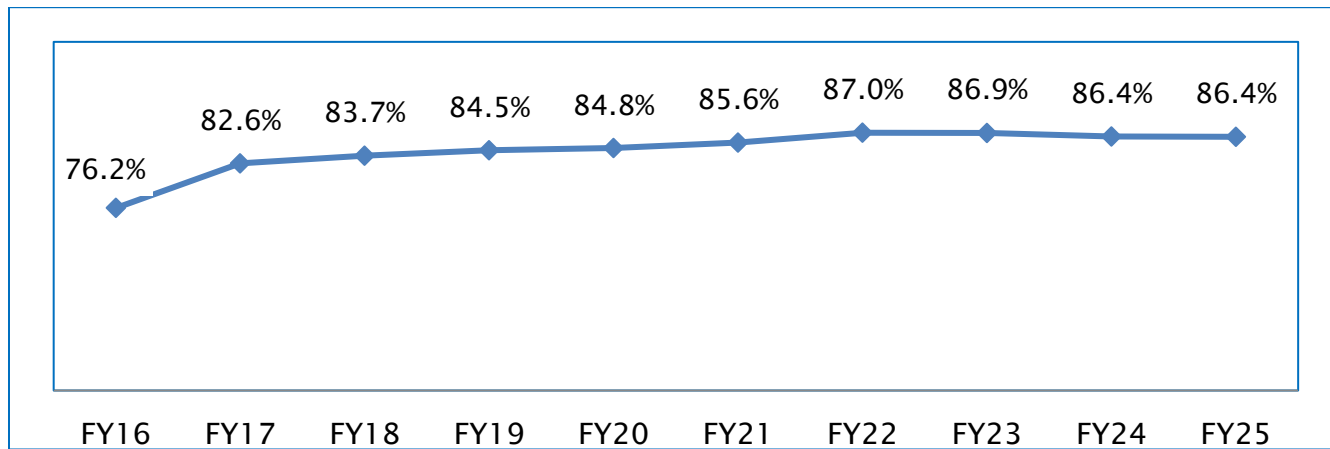
Average Annual per Child CSA Pool Fund Expenditures (FY2013 – FY2025)



¹ Appendix A provides a description of these various funding sources.

Serving children in community-based (as opposed to residential or congregate care) settings is at the core of the CSA system of care philosophy. An extensive body of evidence indicates that long-term outcomes are improved when children are safely maintained in their families, schools, and communities. The avoidance, where possible, given clinical needs and other concerns, of placements in restrictive, congregate residential settings has long been a goal of the CSA. As shown in the chart below, performance on this indicator has continued to improve over time, though it has remained essentially flat from FY2022 to FY2025.

Percent of Children Served in Community-Based Settings (FY2016 – FY2025)



Significant Accomplishments 2024 – 2025

The following is a summary of significant accomplishments related to the Goals and Objectives for the 2024 – 2025 Strategic Plan approved by the State Executive Council for Children’s Services in December 2023.

Policy and Oversight

- 1.1 With input from the State and Local Advisory Team (SLAT) and other stakeholders, the State Executive Council for Children’s Services (SEC) will complete a comprehensive review of the current CSA Policy Manual to allow for improved uniformity, flexibility, and alignment (internally and across partners).**
 - 1.1.1 The SEC will systematically review the existing policy manual to ensure policies are uniform in format and aligned internally and with the policies and practices of CSA agency partners. (Policy Review/Update)
 - Ongoing
 - 1.1.2 The SEC will review current practices to ensure alignment with relevant policies. (Review Practice for Alignment)
 - Ongoing
- 1.2 The SEC will establish a process for soliciting/generating ideas for new/ revised CSA policies and practices to enhance program effectiveness and efficiency.**
 - 1.2.1 The SEC will work with stakeholders, including the SLAT, CSA Coordinator Network–Policy Committee, Virginia Association of Counties (VACO), and Virginia Municipal League (VML), to develop a process for promoting policy revisions to enhance local CSA programs. (Policy Revision Process)
 - Ongoing
- 1.3. The SEC will provide oversight of local CSA programs through the receipt of regular reports on local CSA program audits and technical assistance activities, highlighting both problematic (specific localities and activities) and positive aspects (areas of excellence and innovation).**
 - 1.3.1 The SEC will receive electronic notification of the publication of audits, review quarterly and annual audit summary reports prepared by the Office of Children’s Services and recommend actions as appropriate. (Audit Reporting)
 - Ongoing – 2nd Written Report – March 2025
 - 1.3.2. The SEC will receive quarterly updates on technical assistance activities. (ETA Reporting)
 - Ongoing – 2nd Written Report – March 2025
 - 1.3.3. The SEC will develop a process to acknowledge areas of local excellence and best practices. (Acknowledge Local Excellence)
 - Implemented March 2025

Leadership and Collective Action

2.1 The SEC, SLAT, and member entities will enhance the availability of and access to services for youth and families by supporting and championing statewide, cross-agency initiatives.

- 2.1.1. The SEC and SLAT will support enhanced community capacity by supporting outcome-driven practices in localities. (Support outcome-driven practice through OCS / SLAT)
 - Evidence-Based Program Bench Card – Completed
 - OCS is participating in the DMAS-led behavioral health redesign process to replace legacy services
- 2.1.2. With the SLAT and OCS, the SEC will develop resources/tools to assist localities in implementing outcome-driven practices and decision-making. (Resources to assist localities through OCS / SLAT)
 - Model Strategic Plan Template – Completed and Distributed – June 2025
- 2.1.3. The SEC will receive updates from lead agencies to determine the most appropriate supportive actions from the SEC, the SLAT, and OCS. (Agency updates)
 - Right Help, Right Now and Safe and Sound – June 2024
 - Department of Behavioral Health and Developmental Services (DBHDS) Youth Substance Use Strategic Planning – March 2025
 - Special Education Process (VDOE) – September 2025
 - Regular agency updates at SEC meetings – Ongoing
- 2.1.4. The SEC will receive annual updates on service needs assessments completed by participating agencies.
(Service Needs updates)
 - DBHDS Substance Use Disorder Needs Assessment and Strategic Plan – March 2025
 - 2025 CSA Service Gap Survey – December 2025
- 2.1.5. The SEC and SLAT members should educate their respective agencies, highlighting policy issues and best practices. (Members educate their agencies/constituents)
 - Ongoing

Empowering Families and Communities

3.1 The SEC will support family engagement and a child-centered, family-focused, trauma-informed, and community-based system of care through:

- Training and coaching by OCS and SEC member agencies on youth and family engagement for local CSA teams and other system partners.
 - Continuing OCS's role as a key training partner for evidence-based and outcomes-driven practices.
- 3.1.1. The SEC, in collaboration with the SLAT, OCS, and other stakeholders, will develop tools for youth and families, such as a family guide brochure, model intake form, and family experience video, to build understanding about access to needed services.
 - Family Video – Completed and distributed, Spring 2024
 - Family Guide Brochure – Completed and distributed, June 2024
 - Model Intake Form – Completed and distributed to local CSA programs, November 2024

3.2 In collaboration with the SLAT and other partners, the SEC will work to increase parent participation at the state and local levels.

- 3.2.1. The SEC and SLAT will explore the barriers and challenges to elicit parent representation at the state and local levels and brainstorm ways to overcome these barriers. (Explore barriers)
 - TBD
- 3.2.2. In collaboration with the SLAT and OCS, the SEC will support parent representative empowerment by developing focused training opportunities for parent representatives on the Community Policy and Management Team (CPMT) and Family Assessment and Planning Team (FAPT).
 - Complementary registrations provided for the 2024 and 2025 Annual CSA Conference.
 - Four CSA Parent Representatives were invited to and completed Advanced Parent Leadership Training offered by the Virginia Family Network (VFN).
 - OCS is working with VFN to deliver virtual training for CSA Parent Representatives focusing on leadership, “sharing your story,” and advocacy – First delivery, April 2025
- 3.2.3. The SEC, in collaboration with the SLAT, OCS, and other stakeholders, will survey local CSA programs to determine how they evaluate family perceptions of and satisfaction with the CSA process.
 - Local survey complete and findings presented to the SLAT and SEC – December 2024
- 3.2.4. The SEC, in collaboration with the SLAT, OCS, and other stakeholders, will develop and disseminate a model “Youth and Family Engagement Survey” and recommend practices for gathering youth and family input from local CSA programs.
 - Develop a model survey to include a version for youth input – Completed and distributed, June 2025
 - Recommend best practices for gathering input – TBD

The 2026 – 2027 CSA Strategic Plan

In December 2023, the State Executive Council adopted a Strategic Plan for 2024 – 2025.

The progress in meeting the goals and objectives of that plan is described earlier in this report. With the impending changes in the Executive branch following the election, the development of the plan for 2026 – 2027 will be taken up following the designation of a new State Executive Council Chair (Secretary of Health and Human Resources or their designee) and executive branch agency leadership. The plan will be published on the OCS website upon completion.

Children's Mental Health Initiative

The General Assembly established the Children's Mental Health Initiative (MHI) Fund in FY 2000 to create a dedicated source of funding for mental health and substance abuse services for children and adolescents with serious emotional disturbances (SED) who are not mandated for the Children's Services Act (CSA). Funds are provided to the Community Services Boards based on a funding methodology.

Promoting Safe & Stable Families

The Virginia Department of Social Services administers the Promoting Safe and Stable Families Program (PSSF), which is designed to assist children and families in resolving crises, connecting with necessary and appropriate services, and remaining safely together in their own homes whenever possible. This program helps more than 15,000 children and families each year. Services are provided to meet the following objectives:

- Prevent or eliminate the need for out-of-home placements of children
- Promote family strength and stability
- Enhance parental functioning
- Protect children
- Assess and make changes in state and local service delivery systems

The federal government provides PSSF funding with a required state match. The VDSS allocates funds to individual localities upon submission of an approved plan. Additional information on the PSSF program can be found at:

<https://www.dss.virginia.gov/family/pssf.cgi>.

Virginia Juvenile Community Crime Control Act

In 1995, the Virginia General Assembly passed the Virginia Juvenile Community Crime Control Act (VJCCCA) "to establish a community-based system of progressive intensive sanctions and services that correspond to the severity of offense and treatment needs." Administered by the Department of Juvenile Justice, all localities have access to a funding allocation to provide services to eligible youth involved in the juvenile court system. Services generally fall into the categories of public safety, post-dispositional/graduated sanctions, accountability, and competency development. Additional information on the VJCCCA program can be found at: <https://www.djj.virginia.gov/pages/ppi/vjccca.htm>.

Title IV-E

Title IV-E is a federal program designed to provide funding to states to ensure proper care for eligible children in foster care and to provide ongoing assistance to eligible children with special needs receiving adoption subsidies. The program is administered under Title IV-E of the Social Security Act and is funded by federal and state/local matching funds. Title IV-E funds are administered by the Virginia Department of Social Services and the local departments of social services.

Additional information on Title IV-E can be found at: <https://www.dss.virginia.gov/family/iv-e.cgi>.

Social Services Block Grant

The Social Services Block Grant (SSBG) is a federal funding source that partially supports various services delivered through local departments of social services. The Virginia Department of Social Services administers the SSBG. Additional information on the SSBG can be found at: https://www.dss.virginia.gov/geninfo/reports/agency_wide/block_grants.cgi.

Medicaid

Medicaid is the federal program that assists states in providing health care (including behavioral health) to eligible children and adults. Medicaid funding is a shared federal and state responsibility. Medicaid funds support CSA for residential care (therapeutic group homes and psychiatric residential treatment facilities), treatment foster care case management, and various outpatient behavioral health services.