



FEDERAL FUNDS TO NEW YORK CITY: TITLE IV-E FOSTER CARE

Overview

Title IV-E of the Social Security Act (Assistance Listing Number 93.658) is a federal program that provides reimbursement for a portion of foster care costs. Funds are allocated to New York State and pass through to the City, and are used for ongoing foster care expenses (like food, clothing and shelter), administration and training. Funding is specifically for children who have been removed from the home of a guardian due to a lack of care or supervision or due to maltreatment (see the [Office of Child and Family Services eligibility manual](#) for details).

City Funding

The City's latest projections, released in January 2025, include \$299 million in Title IV-E funding in FY 2025 and \$295 million in FY 2026, all of which is allocated to the Administration for Children's Services' (ACS) budget (see Figure 1). Of ACS's various program functions, Foster Care Services is due to receive the largest allocation of Title IV-E, comprising roughly 60 percent of the ACS's annual Title IV-E funding, with Protective Services receiving the next largest allocation at 18 percent of the funding. The Protective Services division conducts investigations of allegations of child abuse and neglect.

IMPACT

- In total, federal funding, including amounts not attributable to Title-IV-E, comprise 43 percent of ACS's planned departmental spending in FY 2025. Title IV-E is the second largest source of these funds.
- The Foster Care Services budget totals \$764 million in FY 2025, of which 24 percent (\$183 million) will be funded by Title IV-E. Although the foster care census has decreased by nearly 40 percent since June 2015, there still remain 6,500 children in foster care as of June 2024.
- Nearly half of \$112 million allocated to Protective Services in FY 2025 (\$53 million) will be funded by Title IV-E. In FY 2024, a total of 40,485 child abuse/neglect investigations were conducted.
- From FY 2022 to FY 2024, the City added an average of \$100 million annually in City funds to make up for a shortfall in IV-E funds. Moving forward, the City funds impact could be larger if there is a further reduction in funding.

FIGURE 1

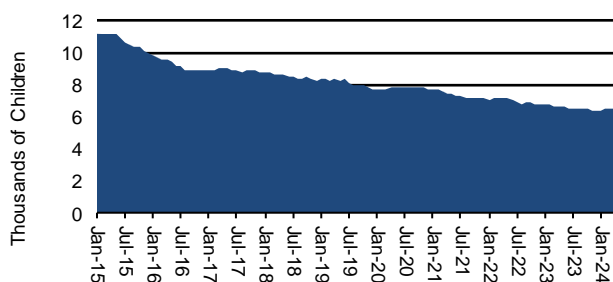
Title IV-E Funds by Function
FY 2026 Preliminary Budget
(in millions)

ACS	FY 2025	FY 2026
Foster Care Services & Support	\$ 191.5	\$ 187.9
Protective Services	52.8	53.9
General Administration	33.2	32.4
All Other	21.2	21.1
Total IV-E Funding	\$ 298.8	\$ 295.4

Sources: NYC Office of Management and Budget; OSC analysis

FIGURE 2

Foster Care Census



Sources: NYC Open Data; OSC analysis