



**SUSTAINABILITY
REPORT**

CHARGE

There are several, key structural components that are necessary for any organization's success. FACT operates with many strengths; however, there are a number of limitations and challenges that prohibit FACT from achieving its statutory purpose and future potential. Oftentimes, organizations consider change when a significant event occurs, such as a legislative mandate, a system audit, or a public crisis that requires an immediate response. For FACT, its Board of Trustees independently chose to conduct a sustainability study to look closely at other organizational models and strategies that might reposition and revitalize FACT in family violence prevention work across human services organization in Virginia. This report provides several recommendations that focus specifically on FACT's structure, authority, and funding, with additional considerations as state government transitions with the beginning of a new administration in January 2022. This report is intended to serve as a framework to guide thinking and discussions by the FACT Board and inform next steps.

CURRENT STATE

Strengths

- **Mission** – FACT's focus on the prevention of family violence across the entire lifespan, while broad, positions FACT as an umbrella organization across all human services entities, not just those serving children. Along with New York, Virginia is one of two state children's trust funds (CTFs) that targets the continuum of family violence.
- **Enabling legislation** – Establishment through state statute has clear advantages to the success and sustainability of any CTF. For FACT, this results in a clearly articulated mandate and demonstrates organizational continuity in ways executive orders cannot.
- **Public/private partnership** – FACT's organizational structure has enabled it to act as a coordinating body between both private and public sectors, resulting in a wide network of stakeholders who are bound and committed to the prevention of violence in families and across generations.
- **Diverse Board** – Gubernatorial-appointed Board members offer a wide range of expertise and experience to FACT's work.
- **Designated staff** – With a full-time Executive Director and part-time Senior Research Associate, FACT is supported by staff who do not split duties elsewhere.
- **VDSS Administrative Support** – The Virginia Department of Social Services provides staff and funding to support FACT. In SFY21, VDSS provided approximately \$230,000 to FACT.
- **OAG Legal Support** – The Office of the Attorney General provides regular counsel to FACT as its own independent entity within state government.
- **Unrestricted funds** – FACT's revenue is privately generated; therefore, the Board has the flexibility to creatively disburse funds without specific, public funding constraints.

- **Trauma lens** – FACT is a long-standing leader, convener and funder of community-based trauma work in Virginia since it formally organized in 2012. This movement has garnered attention from key public policy leaders and influencers not only within Virginia, but also across the country.
- **Issue Briefs** – FACT combines national research with Virginia-specific data in an effort to increase understanding about family violence issues and involves a wide range of subject matter experts in development of issue brief content, enabling FACT to facilitate access to information across multiple systems and sources.
- **Children’s Trust Alliance** – The national membership organization for state children’s trust funds (CTFs) provides FACT with unique resources and peer connections nationwide.

Challenges

- **Under resourced** – FACT’s annual income has steadily declined for the past 10 years. FACT also operates without any appropriation from the General Assembly and does not receive federal funding of any kind. Administrative support from VDSS is limited, and historically, the agency has been unwilling to share federal resources with FACT, even when FACT is successfully positioned to execute specific programs and/or evidence-based practices.
- **Limited staff** – Small staffing structures can be effective provided an organization has strong buy-in from decision makers and the ability to leverage resources. FACT does not have strong support from senior leaders at VDSS and struggles to manage existing organizational priorities with only 1 designated position and 1 part-time position.
- **Organizational scope** – Staff should fit scope. With limited staff and limited funds, achieving FACT’s robust mission is extremely difficult.
- **Not highly publicized** – Many stakeholders, even those within the human services field, are not aware of FACT or do not understand its role.
- **Not perceived as independent** – Many partners and stakeholders assume that FACT is part of VDSS.
- **Limited power and influence** – While the Board retains the authority to disburse funds, FACT is not structurally positioned to act independently of VDSS, despite being a stand-alone entity. Oftentimes, FACT is overlooked or forgotten by key leaders, within and outside of VDSS.
- **Statutory responsibilities conflict with structure** – FACT’s Board is required to advise the governor about child welfare practices within the same agency in which it resides.

FACT Board Perspectives

In June and July 2021, select FACT Board members shared historical perspectives and preliminary input regarding the need to consider FACT’s future. Feedback was used to inform the initial research stage for this report and the sustainability planning discussion that took place on October 2021 with the FACT Board. Themes are outlined below.

- FACT lacks authority, resources and momentum.

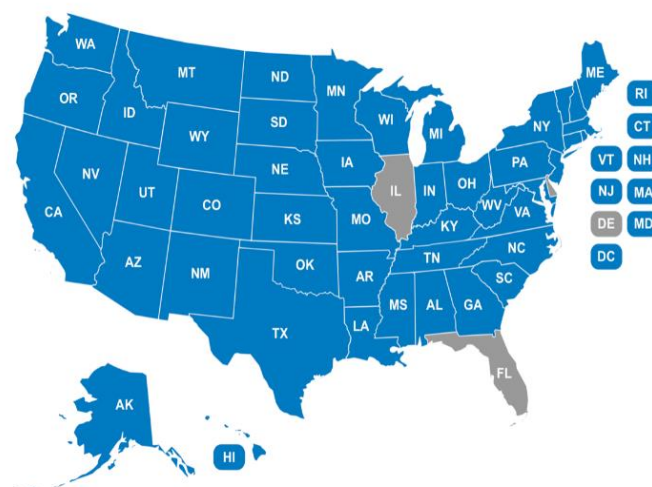
- FACT is primarily set up as a grant making organization, despite the recognized need and desire for a broader reach.
- FACT requires a level of engagement from the Board that can be difficult to achieve with gubernatorial appointees, particularly with limited staff.
- VDSS is not invested in FACT, which hinders, prohibits, and undermines the work.

OVERVIEW & HISTORY

Children’s Trust Funds (CTFs)

CTFs exist in almost every state and focus on strengthening families to prevent child abuse and neglect before it occurs and catalyze and support prevention efforts at individual, family, community and societal levels. Following the establishment of the first CTF in Kansas in 1980, legislatures across the country took action to pass laws to create their own state trust fund, charging them with leading statewide efforts to prevent child abuse and neglect and working to ensure a protected pool of funds existed for child maltreatment prevention efforts. Because of this official sanction and mandate, CTFs are uniquely positioned to serve as catalysts, connectors, conveners, facilitators, funders, strategists, communicators, capacity-builders, and evaluators. CTFs are clearly identifiable state leads who drive innovation and promote proven strategies to prevent child abuse and neglect.

CTFs work to embed prevention in multiple agendas by working in partnership with and across multiple fields and systems. They also work to ensure that proven effective and research-based programs and strategies are broadly available to families and communities by providing funding, technical assistance and training, linkage to other resources, and other capacity-building supports. As a result, support from the federal Child Abuse Prevention and Treatment Act (CAPTA) has always been important to CTFs. Refer to the attached **Compilation of Historical Information for FACT** for additional information regarding the history of the CAPTA.



■ denotes CTFs

According to a national survey conducted by the Children’s Trust Alliance in 2020, 39 CTFs recently reported current organizational structure and staffing. The majority of CTFs across the country are part of state government – 16 are embedded in a state agency with a broader purpose than prevention, 13 are quasi-governmental and/or have public/private structures, 2 have an attached non-profit fundraising arm, and 1 is a stand-alone agency. Many are tied to a children’s cabinet, the attorney general’s office, or the state human services department. There are at least 5 CTFs who function as independent non-profit organizations.

The majority of CTFs operate between \$500,000-\$6 million in annual revenue. At least 12 CTFs have budgets greater than \$6 million. Across the country, top sources of revenue for CTFs include marriage licenses, divorce filings, income tax check-off programs, specialty license plates, state allocated funds, foundation grants, private donations, birth certificates, special fundraising events, and endowment income and interest. Many also receive federal funds through programs like Community-Based Child Abuse Prevention (CBCAP); Maternal, Infant and Early Childhood Home Visiting (MIECHV), Promoting Safe and Stable Families (PSSF), Temporary Assistance for Needy Families, and Centers for Disease Control. Approximately 75% of respondents indicated CBCAP funding support for their CTF.

Survey respondents also reported staffing for respective CTFs. It is important to note that 13 CTFs have dedicated policy staff and 18 have dedicated communication staff. Approximately 60% are the state CBCAP lead agency, 40% are the state Prevent Child Abuse America chapter, and many manage specific programs in their state, such as Prevent Adverse Childhood Experience research and public awareness, family resources centers, home visiting programs, parent education and development, and Strengthening Families Protective Factors Framework. Combined, CTFs provide over \$259 million in funding for statewide and community-based child abuse and neglect prevention strategies and leverage even greater amounts of funding. Refer to the attached **CTF Inventory** for additional information from select states.

Citizen Review Panels (CRPs)

The Child Abuse Prevention and Treatment Act (CAPTA) provides federal funding and guidance to states for child maltreatment prevention, assessment, investigation, prosecution and treatment activities. It requires a number of provisions, including the submission of a state plan detailing compliance requirements in order to obtain federal funds (see attached for **VDSS CAPTA 2020 Update**) and the establishment of three, independent CRPs who are responsible for reviewing compliance of state and local child protective services (CPS). This might include CPS intake and initial screening, investigations, case determination, staff qualifications and training, and prevention services. CAPTA outlines specific federal requirements for CRPs including the preparation of an annual report with activities and recommendations that will strengthen and improve state and local CPS policies and practices.

In Virginia, the State Child Fatality Review Team, the Court Appointed Special Advocates Advisory Board, and FACT’s Child Abuse and Neglect Committee serve as the three CRPs for CAPTA. CRPs are intended to provide valuable child welfare insights from *outside* the public child welfare system, increase community understanding and ownership in CPS, and advise on opportunities for improved responses across state and local agencies and programs. Following the review of other CTFs around the country, FACT’s CRP duties are unique to CTFs and serve as

a major factor when considering alternative organizational models. Refer to the attached [Compilation of Historical Information for FACT](#) for additional information regarding the history of CBCAP, FACT and its role as a CRP.

ALTERNATIVE MODELS

Organizational Structure

As with any organization or entity, FACT's ability to do its work effectively is deeply influenced by its structural characteristics. In many ways, FACT's statutory authority already enables it to function as a designated lead and state coordinating body regarding family violence prevention efforts taking place across public and private systems, both at the state and community level, but its relationship with VDSS complicates FACT's ability to do so. When a coordinating body is housed in a single agency, it can be difficult to engage others in its work. The most effective coordinating bodies are housed in entities with significant overall decision-making power that are not limited to single issues and/or populations.

Due to variability across states, no one structure fits all CTFs, but the majority maintain some sort of association within state government. Similarly, review of various CTF models and consideration of Virginia political context suggests that FACT's connection to Virginia's executive branch outweighs any benefit that could be achieved as a private, nonprofit with no inside relationship within state government. Given their leadership role and responsibilities for helping to achieve broadly held public policy goals, CTFs should function at the highest possible executive branch level in order to make sustained impact around child maltreatment prevention efforts, and in FACT's case, across the entire continuum of family violence. This is why some CTFs are connected with a governor's office, usually through a state children's cabinet, an attorney general's office, or even operate as a stand-alone entity separate from a state's human services agency.

It is imperative that FACT's structure support its ability to perform its critical functions. Laws governing social services in Virginia are outlined in [Title 63.2 Welfare \(Social Services\)](#) of the Code of Virginia. Despite FACT's independent public/private structure, it is established as a fund *within* VDSS' Code section in Subtitle VI of Title 63.2 ([§§ 63.2-2100 – 63.2-2103](#)) pertaining to social service grant programs and funds. FACT administers grants, but it is not a grant program.

While housing FACT within VDSS improves access to administrative funding and staffing and creates an additional layer of protection through gubernatorial transitions, FACT cannot operate autonomously or be perceived as independent based on current structure. Review of several advisory boards, commissions and councils within Virginia suggests that FACT is better served in [Title 2.2 Administration of Government](#) under Subtitle I, Part D, Chapter 24 pertaining to Boards ([§§ 2.2-2400 – 2.2-2499.8](#)).

Additionally, examination of select CTFs and children’s cabinet structures also suggest opportunity for FACT to operate out of or in partnership with Virginia’s Children’s Cabinet, assuming it is reestablished through Executive Order or codified by the incoming administration. Gubernatorial transitions offer new opportunities for administrations to make new, strategic investments to respond to immediate needs and build capacity across systems to better serve target populations. States vary widely on the sources and level of funding provided, but FACT’s structure, organizational priorities, and available funds could help establish the legitimacy of a new cabinet, while setting it apart from the previous administration. Refer to the attached [Forum for Youth Investment’s 2020 State Policy Survey Summary of Findings](#) for more information about the state children’s cabinet network.

Authority

The FACT Board’s statutory authority is inextricably linked to where FACT should be housed within the executive branch. Where and how FACT resides as a public/private partnership within state government must also ensure the Board has the authority, flexibility, momentum and influence to fulfill FACT’s purpose. The FACT Board’s duties associated with advising VDSS, the Board of Social Services and the Governor on matters pertaining to family violence become very complex and difficult to uphold given the conflict between structure and authority within VDSS. FACT must separate from VDSS and elevate to different place within the executive branch.

FACT must also have the ability to make decisions and direct resources. The higher FACT is positioned within state government, the more increased authority FACT will have to work across systems and disburse funds that support family violence prevention across Virginia. Even with greater authority, effective governance will depend on an engaged Board that represents multiple perspectives and focuses on the functions appropriate to FACT’s role. It is also dependent upon qualified staff who are successfully positioned and empowered to fulfill the responsibilities of their position.

Funding

A sufficient funding base is critical to effective CTFs, but it is just as important to ensure funding is sustainable. CTFs with strong financial strategies oftentimes receive an allocation made from the state general fund/operating budgets, have mechanisms to generate revenue which are incorporated into state statute, and are well positioned to access federal funds, either through independent efforts to compete for awards or through collaborations that might distribute federal funding to multiple partners. FACT only has established mechanisms to generate revenue through specialty license plates, income tax contributions, and private donations. With the exception of 2021, revenues from established funding sources have diminished over time.

Year	Tax Income	License Plate
2015	\$19,664	\$184,455
2016	\$11,540	\$176,010
2017	\$13,968	\$171,368
2018	\$26,246	\$159,188
2019	\$23,100	\$153,435
2020	\$23,994	\$145,447
2021	\$46,534	\$152,663

Looking ahead, FACT must leverage resources from multiple sources in order to uphold its statutory responsibility and advance its mission. Furthermore, if changes are pursued to clearly separate FACT from VDSS, considerations must be made to ensure FACT remains viable – either through a statutory provision that one or more state agencies provide administrative support to FACT or securing a general fund allocation, or both.

In addition, the establishment of the Gaming Proceeds Fund ([§ 58.1-4125](#)) sets forth that two-tenths of one percent of the Fund will be appropriated to FACT and could yield an estimated distribution between \$90,000 - \$450,000 annually between FY2023 and FY2027. If funded, this additional source of revenue, or a percentage of the funds, could be set aside to ensure FACT’s funding sustainability. Some CTFs, like Idaho, set aside funds from existing streams of revenue to fund endowments. Despite FACT’s 35-year history, the establishment of an endowment, even in the near future, could result in new and/or renewed attention from key leaders and stakeholders across the public and private sectors who support or share in FACT’s work.

OPTIONAL RECOMMENDATIONS & CONSIDERATIONS

Virginia’s current political landscape will likely require FACT to revisit preliminary recommendations at different intervals. With a new incoming administration, FACT should consider a continuum of options related to the structural components listed below. Some options could be considered together, while others should be considered independently.

STRUCTURE & AUTHORITY

1. Propose legislation for FACT’s code section to move from Title 63.2 to Title 2.2.
2. Revise areas in statute to clarify and strengthen the Board’s advisory responsibilities, including a provision to advise the Department of Aging and Rehabilitative Services.
3. Propose that FACT operate out of the Children’s Cabinet.
4. Recommend the establishment of a Children’s Cabinet advisory board or council and for FACT to serve in a key role.
5. Propose FACT operate out of the OAG.

6. Propose FACT operate in conjunction with the Office of the Children’s Ombudsman.

FUNDING

1. Pursue an appropriation by the Virginia General Assembly for 2023 and/or beyond.
2. Propose legislation that VDSS, DARS, and/or OAG provide administrative support to FACT.
3. Pursue program partnerships across select state agencies that would yield a portion of federal funds to FACT.
4. Reevaluate FACT’s fund development strategies if changes to its organizational structure occur. State statute clearly outlines that it is the Board’s duty to engage in fundraising activities to expand and perpetuate FACT, but it does not define how that should happen. Historically, CTFs are not very effective at raising private dollars, but opportunities to leverage private funds could change if FACT is elevated to a higher level within state government.
5. Pursue the establishment of an endowment with partial proceeds from the Gaming Proceeds Fund.

ADDITIONAL CONSIDERATIONS

- Identify a champion within the state legislature who can help promote and achieve FACT’s sustainability agenda. FACT does not have the power to achieve changes without help, and FACT cannot rely on VDSS to lead the effort.
- Reevaluate FACT’s mission and vision. Without key structural and funding changes, FACT’s impact will diminish if revenue continues to decline.
- Pursue legislative changes that would enable FACT to enter into contracts without competition with respect to the exercise of any of its powers, except for public funds. This could include FACT’s income from specialty license plates and the income tax check off program. Refer to [§ 2.2-4344 Exemptions from competition for certain transactions](#).
- Currently, state statute requires that if FACT was ever dissolved, funds would revert to the Commonwealth. If legislative changes are proposed, the Board may want to consider proposing an alternative.