



Presentation to the Senate Finance Committee

FY 2008-2009

Legislative Appropriations Request

October 23, 2006

FY 2007 Budget Issues

- Transfers totaling \$48.6 million in All Funds from HHSC to DFPS for FY 2007 were not approved. The following additional funds are still needed to address budget shortfalls for FY 2007:
 - \$9.6 million General Revenue and \$21.1 million TANF Federal Funds to offset the loss of federal entitlement revenue
 - \$7.6 million General Revenue for foster care caseloads
 - \$3.8 million General Revenue for adoption subsidy caseloads
 - \$0.7 million General Revenue and \$5.8 million TANF Federal Funds for the relative caregiver monetary assistance program
- Adam Walsh Protection and Safety Act requires that criminal history checks including fingerprint checks be completed for any prospective foster or adoptive parent. Additional costs for staff, automation, and criminal history checks for DFPS foster homes are anticipated.

Assumptions in FY 2008-2009 Appropriation Request

- The base request includes additional funds to address entitlement caseload growth in Foster Care and Adoption Subsidies Programs.
 - Foster Care is projected to increase 8.3% in FY 2008 and 7.6% in FY 2009
 - Adoption Subsidies is projected to increase 9.1% in FY 2008 and 8.2% in FY 2009
 - The one-month deferral for Foster Care put in place by the 79th Legislature is continued by reflecting 13 months of payments in FY 2008 and 11 months of payments in FY 2009
- The required 10% baseline reduction was applied to the Prevention Programs, resulting in a 53.5% cut to prevention services funding.
- The base request does not include sufficient funds to continue the CPS and APS Reform staffing and other Reform initiatives authorized by the 79th Legislature due to the phased-in funding for the FY 2006-07 biennium.
- The base request does not include sufficient funds to continue the funded CPS staffing level for FY 2007 due to method of financing issues resulting in fewer federal funds.

FY 2008-2009 Budget Issues

- 11 exceptional items total \$215.8 million in GR and represent a 55% increase over the non-entitlement GR baseline.
- Of the \$215.8 million requested, \$135.3 million, or 63%, restores dollars already appropriated or FTEs already authorized.
 - \$40.4 million, or 19%, restores the required 10% baseline reduction (exceptional item 1)
 - \$94.9 million, or 44%, restores the loss of 1,475 appropriated FTEs in the base request and maintains other Reform related initiatives (exceptional items 2 and 3)
- \$63.5 million, or 29%, addresses caseload growth and agency infrastructure issues.
 - \$51.4 million, or 24%, maintains FY 2007 caseloads per worker, purchased services and program support, and addresses caseload growth in the Relative Caregiver program (exceptional items 4 through 7)
 - \$12.1 million, or 5%, maintains information technology capabilities (exceptional item 8)
- \$17.0 million, or 8%, is requested in items 9 through 11 for mission critical enhancements.
- A new rider is requested to transfer funds from foster care to an enhanced family preservation pilot that would divert children from foster care.

Biennial Comparison of Agency Request

(dollars in millions)

Department of Family and Protective Services Goals	FY 2006-2007		FY 2008-2009		Biennial Difference	
	GR / GRD & ESF	All Funds	GR / GRD & ESF	All Funds	GR / GRD & ESF	All Funds
GOAL A: Protective Services						
Statewide Intake Services	\$ 2.8	\$ 25.8	\$ 1.8	\$ 24.9	\$ (1.1)	\$ (0.9)
Child Protective Services	147.8	604.2	116.4	581.2	(31.4)	(23.0)
Foster Care/Adoption Subsidies	404.3	1,008.6	519.5	1,206.1	115.2	197.5
Prevention and Early Intervention	11.0	82.2	10.3	42.1	(0.7)	(40.1)
Adult Protective Services	27.4	97.5	30.1	97.7	2.7	0.1
Child Care Regulation	3.7	43.2	2.7	43.8	(1.0)	0.6
Subtotal, Goal A: Protective Services	\$ 597.0	\$ 1,861.6	\$ 680.8	\$ 1,995.7	\$ 83.7	\$ 134.1
Subtotal, Goal B: Indirect Administration	\$ 18.5	\$ 77.0	\$ 16.0	\$ 73.2	\$ (2.5)	\$ (3.9)
Subtotal, Goal C: CPS Reform	\$ 211.8	\$ 249.7	\$ 212.3	\$ 243.7	\$ 0.5	\$ (5.9)
Exceptional Items Request			215.8	266.1	215.8	266.1
Grand Total	\$ 827.3	\$ 2,188.3	\$ 1,124.8	\$ 2,578.7	\$ 297.5	\$ 390.4

The GR related funds for FY 2006-2007 include Economic Stabilization Funds.

Comparison of Key Caseloads

Program	FY 2006	FY 2007	Baseline Request		Exceptional Request	
			FY 2008	FY 2009	FY 2008	FY 2009
Average Number of Children (FTE) in Paid Foster Care per Month	19,025	20,994	22,728	24,451	N/A	N/A
Average Number of Children Provided Adoption Subsidy Per Month	20,368	22,624	24,679	26,705	N/A	N/A
Average Number of Children in Relative Caregiver Program	905	1,018	703	703	396	473
CPS Daily Caseload Per Worker: Investigation	30.7	28.3	34.3	37.1	26.2	28.4
CPS Daily Caseload Per Worker: Family Based Safety Services	22.5	24.9	29.8	32.5	24.9	24.9
CPS Daily Caseload Per Worker: Substitute Care	45.6	46.9	54.1	58.2	46.7	46.8
APS Daily Caseload Per Worker: In-home	48.8	42.3	45.4	47.5	37.5	39.2

Summary of Exceptional Items for FY 2008-2009

	FY 2008		FY 2009		BIENNIAL TOTAL		FY 08	FY 09
	GR/GRD	All Funds	GR/GRD	All Funds	GR/GRD	All Funds	FTEs	FTEs
Base Request	467,472,916	1,175,561,677	441,544,635	1,137,058,330	909,017,551	2,312,620,007	8,345.2	8,345.2
Exceptional Item Requests:								
1. Restore Base Funding	20,189,177	20,189,177	20,189,177	20,189,177	40,378,354	40,378,354	-	-
2. Required Biennial Funding for Phased-in APS/CPS Reform Initiatives	39,672,707	47,732,620	39,904,030	47,982,620	79,576,737	95,715,240	1,150.0	1,150.0
<i>CPS Reform</i>	34,808,036	41,180,434	35,030,372	41,430,434	69,838,408	82,610,868	1,012.5	1,012.5
<i>APS Reform</i>	4,864,671	6,552,186	4,873,658	6,552,186	9,738,329	13,104,372	137.5	137.5
3. Restore Loss of Funds from Method of Financing Changes	7,652,269	13,541,323	7,650,503	13,541,323	15,302,772	27,082,646	325.0	325.0
4. Additional Direct Delivery Staff to Maintain Caseload Per Worker	18,068,090	21,048,115	20,675,171	23,899,927	38,743,261	44,948,042	486.0	531.0
<i>Statewide Intake</i>	1,862,491	1,907,383	3,361,165	3,431,231	5,223,656	5,338,614	45.0	90.0
<i>CPS Substitute Care</i>	8,842,961	10,444,947	9,901,452	11,706,031	18,744,413	22,150,978	253.0	253.0
<i>CPS Family Based Safety Services</i>	7,362,638	8,695,785	7,412,554	8,762,665	14,775,192	17,458,450	188.0	188.0
5. Additional Purchased Client Services for Caseload Growth	5,097,714	5,148,439	5,546,367	5,593,934	10,644,081	10,742,373	4.0	4.0
6. Additional Program Support Staff for Caseload Growth	668,206	785,368	719,101	836,505	1,387,307	1,621,873	13.0	15.0
7. Relative Caregiver Caseload Growth	274,745	2,717,452	327,514	3,245,140	602,259	5,962,592	-	-
8. Maintain Information Technology Capabilities	5,385,041	5,762,633	6,734,625	7,112,633	12,119,666	12,875,266	-	-
9. Increase Prevention Services	5,897,189	5,900,651	7,365,962	7,367,466	13,263,151	13,268,117	5.0	5.0
<i>Services to At-Risk Youth</i>	2,100,000	2,100,000	2,100,000	2,100,000	4,200,000	4,200,000	-	-
<i>Community Youth Development</i>	1,000,000	1,000,000	1,000,000	1,000,000	2,000,000	2,000,000	-	-
<i>Other At-Risk Prevention Programs</i>	1,000,000	1,000,000	1,000,000	1,000,000	2,000,000	2,000,000	-	-
<i>Community-Based Family Services</i>	1,500,000	1,500,000	3,000,000	3,000,000	4,500,000	4,500,000	-	-
<i>Additional Staff for Increased Prevention Services</i>	297,189	300,651	265,962	267,466	563,151	568,117	5.0	5.0
10. Establish Family Preservation Flexible Funding Program	-	4,426,500	-	4,823,000	-	9,249,500	-	-
11. Mobile Technology for Child Care Licensing Staff	2,536,485	2,893,467	1,224,668	1,386,399	3,761,153	4,279,866	-	-
Total Exceptional Items	105,441,623	130,145,745	110,337,118	135,978,124	215,778,741	266,123,869	1,983.0	2,030.0
Grand Total Request	572,914,539	1,305,707,422	551,881,753	1,273,036,454	1,124,796,292	2,578,743,876	10,328.2	10,375.2