



DEPARTMENT OF HUMAN SERVICES - CHILD AND FAMILY SERVICES

SOCIAL SERVICES APPROPRIATIONS SUBCOMMITTEE
STAFF: STEPHEN JARDINE

BUDGET BRIEF

SUMMARY

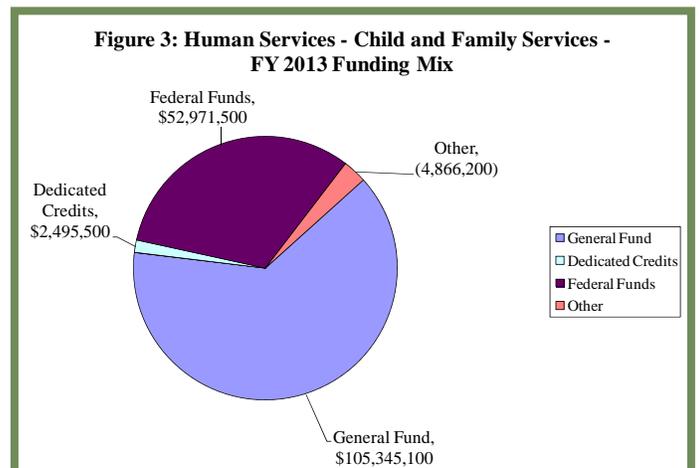
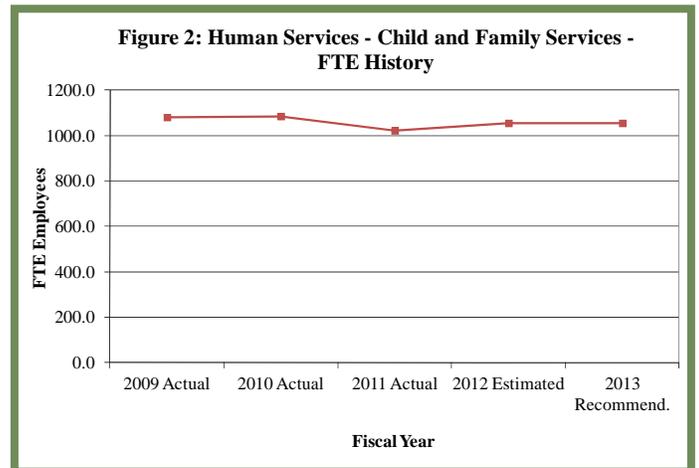
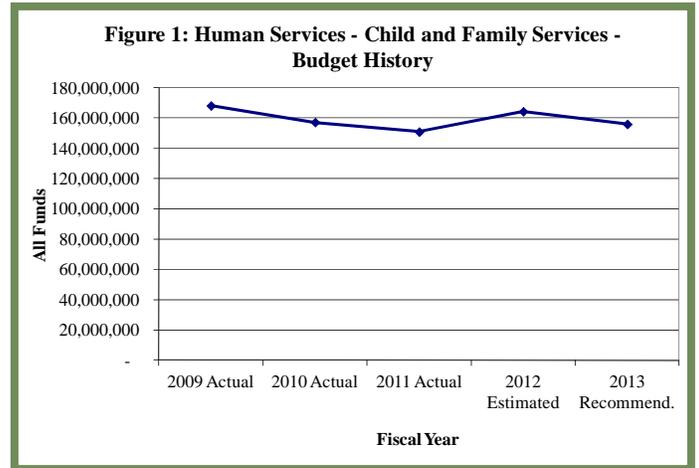
The Division of Child and Family Services (DCFS) is “the child, youth, and family services authority of the state.” Its primary purpose is to provide child welfare services. The division shall also, “... when possible and appropriate, provide preventive services and family preservation services...” Furthermore, the division shall “provide domestic violence services in accordance with federal law.” By statute, DCFS is to provide child abuse prevention services, child protective services, shelter care, foster care, residential care, adoption assistance, health care for children in state custody, family preservation, protective supervision, and domestic violence preventive services. For additional detailed information on DCFS, see the Compendium of Budget Information prepared for the 2012 General Session at:

http://le.utah.gov/lfa/reports/cobi2012/agcy_200.htm

LEGISLATIVE ACTION

1. For the Division of Child and Family Services, the Fiscal Analyst recommends an FY 2013 budget of \$155,945,900 as shown in Table 1 on page 4.
2. The Fiscal Analyst further recommends the subcommittee forward to the Executive Appropriations Committee for further consideration the following item of intent language:

Under Section 63J-1-603 of the Utah Code the Legislature intends that any remaining funds provided by item 16, Chapter 4 of the Laws of Utah 2011 for the Division of Child and Family Services not lapse at the close of Fiscal Year 2012. It is further the intent of the Legislature that nonlapsing funds are to be used only for one-time costs associated with Adoption Assistance, Out of Home Care, Service Delivery, In-home Services, and SAFE Management Information System modernization. If nonlapsing funds are to be used for ongoing programs, the division must first receive specific approval from the Social Services



Appropriations Subcommittee in FY 2013 at either an interim meeting or during the 2013 General Session.

3. The Fiscal Analyst further recommends the subcommittee forward to the Executive Appropriations Committee for further consideration the following item of intent language:

The Legislature intends the Division of Child and Family Services (DCFS) begin modernizing its SAFE database system using internal funding and routinely report on the modernization project's status and current cost estimates at both interim and General Session subcommittee meetings as well as to the Office of the Legislative Fiscal Analyst. The Legislature further intends DCFS develop performance measures associated with organizational efficiencies and worker productivity to demonstrate the anticipated benefits that modernizing the SAFE system would have on the core purposes of DCFS and share these measures with the subcommittee prior to any significant expenditure of funds for the SAFE project.

4. The Fiscal Analyst further recommends the subcommittee transfer \$2,260,400 General Fund one-time from DCFS to the Division of Services for People with Disabilities Community Supports Waiver program for FY 2012. This transfer would have the effect of funding one-time for FY 2012 the structural imbalance in the Community Supports Waiver program by using financing currently existing within the department's budget rather than receiving an additional appropriation.

ISSUES

FY 2013 Budget Adoption

Adoption of the FY 2013 budget enables the programs to continue for the next fiscal year at the level outlined. Some changes in the budget may occur, namely non-state fund increases or decreases (i.e. federal funds, transfers, dedicated credits and non-lapsing balances) and program shifts within a line item.

Department Requests for Consideration

The department requests the following action from the subcommittee for Child and Family Services:

1. ***Authorize the following item of intent language:***

Under Section 63J-1-603 of the Utah Code the Legislature intends that any remaining funds provided by item 16, Chapter 4 of the Laws of Utah 2011 for the Division of Child and Family Services not lapse at the close of Fiscal Year 2012. It is further the intent of the Legislature that these nonlapsing funds are to be used only for Adoption Assistance, Out of Home Care, Service Delivery, In-home Services, and SAFE Management Information System modernization.

DCFS is requesting nonlapsing intent language that would essentially provide the division authority to carry forward all unused funds at the end of FY 2012 and the ability to use those funds for all of its major programs. The Legislature granted similar intent language last year (SB 3, item 14). As part of Section 63J-1-603 of the Utah Code, an agency is to provide a list of one-time projects "upon which an agency would like to spend any appropriation balance." DCFS did submit a list of one-time projects consisting of the following:

- \$ 13,400 - Computer equipment/software
- \$2,800,000 - Pass through to providers for client services for Out of Home Care
- \$1,000,000 - Pass through to providers for client Services for Adoption Assistance and In Home Services
- \$ 292,600 - Replace ongoing building cuts

Section 63-J-1-603 also states that "an agency may not include a proposed expenditure on its one-time projects list if . . . the expenditure enhances the level of an existing program or the expenditure will require a legislative appropriation

in the next fiscal year.” The Analyst recommends the committee approve the intent language but add the requirement that DCFS receive authorization in the 2013 General Session prior to the agency spending any one-time nonlapsing funds for ongoing programs such as Adoption Assistance, Out of Home Care, Service Delivery, In-home Services, and the SAFE Management Information System modernization.

LOSS OF FEDERAL FUNDS

Changes in federal Medicaid requirements, effective July 1, 2010, resulted in the loss of an estimated \$18,000,000 in federal Medicaid funds used to pay providers for treatment services for youth in the state’s custody as a result of abuse, neglect, delinquency, or dependency. In its 2010 General Session the Legislature appropriated \$14,000,000 in General Fund (\$7,000,000 one-time and \$7,000,000 ongoing). In its 2011 General Session, the Legislature appropriated \$5,006,300 ongoing General Fund in response to the loss of the \$7,000,000 one-time funding from the 2010 session going away. A more detailed discussion regarding this topic can be found in the issue brief *A Follow Up on the Loss of Federal Funds for Children and Youth in Residential Care* (2012 General Session). For a detailed discussion on the origin of this issue, see the issue brief *Loss of Federal Medicaid Funds for Children and Youth in Residential Care* (2010 General Session) at: <http://le.utah.gov/interim/2010/pdf/00000405.pdf>.

YEAR END NONLAPSING BALANCES

Since 2007, DCFS has carried forward between 6.0 percent and 11.0 percent of its General Fund appropriation at the end of each fiscal year ranging in size from \$5.6 million to \$12.2 million. For a chart showing more detail for fiscal years 2007 through 2011, see Table 2 found in issue brief *Human Services Related Revenue Options*.

SAFE SYSTEM MODERNIZATION

SAFE is a computer system used by DCFS to provide for child abuse and neglect case management. SAFE was written using older software language that is currently more difficult to support, not internet browser-based and cannot be modified to run on mobile devices, and not consistent with current Department of Technology database standard platforms. DCFS is preparing to move to more modern technology providing a browser-based environment with which most DCFS workers are more familiar. Further information is provided on this topic in the issue brief *SAFE Modernization in the Division of Child and Family Services* (2012 General Session). In that brief, the Analyst recommends DCFS proceed with its SAFE modernization project using internal funding sources, DCFS routinely report to the subcommittee and the Analyst on the project’s status and current cost estimates, and DCFS develop performance measures associated with organizational efficiencies and worker productivity to demonstrate the anticipated benefits that modernizing the SAFE system would have on the core purposes of DCFS.

ACCOUNTABILITY DETAIL

For a seven year history of output and outcome measures used by the division, see the issue brief *Division of Child and Family Services Output and Outcome Measures*.

BUILDINGS

For a discussion of buildings used by the Division of Child and Family Services, see the *Department of Human Services In-depth Budget Review* found at <http://le.utah.gov/interim/2010/pdf/00001613.pdf> pages 79 through 86. For a listing of those buildings see the *Department of Human Services In-depth Budget Review Appendix 3*, pages 29 through 30 at <http://le.utah.gov/interim/2010/pdf/00001614.pdf>.

BUDGET DETAIL

The following table shows the budget history for the Division of Child and Family Services and its FY 2013 *Recommended Budget*. This proposed FY 2013 Budget consists of the ongoing portion of FY 2012 state funds (General Fund and various

restricted funds) plus the most recent estimates of other funds (federal funds, dedicated credits collections and various transfer or carry over funds). Estimated expenditures are then proposed based upon available funding.

Human Services - Child and Family Services

Sources of Finance	FY 2011	FY 2012	Changes	FY 2012	Changes	FY 2013*
	Actual	Appropriated		Revised		Recommended
General Fund	105,938,500	105,345,100	0	105,345,100	0	105,345,100
General Fund, One-time	6,776,200	51,100	0	51,100	(51,100)	0
Federal Funds	43,006,600	52,752,500	1,204,300	53,956,800	(985,300)	52,971,500
American Recovery and Reinvestment Ac	1,690,400	0	0	0	0	0
Dedicated Credits Revenue	2,475,400	2,220,400	265,600	2,486,000	9,500	2,495,500
GFR - Children's Account	400,000	400,000	0	400,000	0	400,000
GFR - Choose Life Adoption Support Acco	0	25,000	0	25,000	0	25,000
GFR - Domestic Violence	840,700	959,500	0	959,500	0	959,500
Transfers - Medicaid	(6,382,800)	(6,376,000)	(340,600)	(6,716,600)	(172,200)	(6,888,800)
Transfers - Other Agencies	0	16,500	(16,500)	0	16,500	16,500
Transfers - Within Agency	292,200	325,000	20,500	345,500	(16,500)	329,000
Beginning Nonlapsing	3,764,200	358,800	7,450,500	7,809,300	(7,516,700)	292,600
Closing Nonlapsing	(7,809,300)	(292,600)	0	(292,600)	292,600	0
Lapsing Balance	(19,400)	0	0	0	0	0
Total	\$150,972,700	\$155,785,300	\$8,583,800	\$164,369,100	(\$8,423,200)	\$155,945,900
Programs						
Administration - DCFS	3,264,600	3,473,400	151,200	3,624,600	0	3,624,600
Adoption Assistance	14,535,900	14,454,900	1,485,800	15,940,700	(1,243,200)	14,697,500
Child Welfare Mgt Information System	5,981,300	5,166,500	175,600	5,342,100	0	5,342,100
Children's Account	380,600	400,000	0	400,000	0	400,000
Domestic Violence	5,729,600	6,369,400	(366,800)	6,002,600	0	6,002,600
Facility-based Services	3,471,600	4,114,500	0	4,114,500	0	4,114,500
In-Home Services	1,599,000	2,253,500	253,400	2,506,900	0	2,506,900
Minor Grants	5,035,200	4,982,700	1,351,300	6,334,000	(975,800)	5,358,200
Out-of-Home Care	37,053,800	39,423,200	3,950,000	43,373,200	(5,825,900)	37,547,300
Selected Programs	3,451,100	3,129,400	328,600	3,458,000	0	3,458,000
Service Delivery	67,833,600	69,841,800	1,355,300	71,197,100	(378,300)	70,818,800
Special Needs	2,636,400	2,176,000	(100,600)	2,075,400	0	2,075,400
Total	\$150,972,700	\$155,785,300	\$8,583,800	\$164,369,100	(\$8,423,200)	\$155,945,900
Categories of Expenditure						
Personnel Services	61,330,600	60,906,900	1,655,800	62,562,700	0	62,562,700
In-state Travel	424,200	591,900	(64,600)	527,300	(700)	526,600
Out-of-state Travel	39,200	42,700	1,900	44,600	0	44,600
Current Expense	15,156,900	19,424,500	(2,055,000)	17,369,500	(577,900)	16,791,600
DP Current Expense	5,502,900	4,791,800	435,000	5,226,800	(431,600)	4,795,200
Capital Outlay	57,800	0	0	0	0	0
Other Charges/Pass Thru	68,461,100	70,027,500	8,610,700	78,638,200	(7,413,000)	71,225,200
Total	\$150,972,700	\$155,785,300	\$8,583,800	\$164,369,100	(\$8,423,200)	\$155,945,900
Other Data						
Budgeted FTE	1022.6	1025.9	29.5	1055.5	0.0	1055.5
Actual FTE	975.5	0.0	0.0	0.0	0.0	0.0
Vehicles	187.0	195.0	2.0	197.0	0.0	197.0

*Does not include amounts in excess of subcommittee's state fund allocation that may be recommended by the Fiscal Analyst.

Table 1