

Representative Jim Fannin
Chairman



Representative Simone Champagne
Vice Chairman

**FY 14-15 Executive Budget Review
DEPARTMENT OF CHILDREN AND FAMILY SERVICES**

House Committee on Appropriations
by the House Fiscal Division
March 25, 2014



Agenda

Budget Overview

– Department Functions	3
– Department Structure	4
– Comparison to Total State Budget	5
– Means of Finance Comparison	6
– 10-Year Budget History	7
– State General Fund v.s Federal Funds	8
– Major Sources of Revenues	9
– Expenditure Breakdown	10
– Expenditure History	11
– Significant Budget Adjustments	13
– Discretionary/Non-Discretionary Funding	15
– Temporary Assistance for Needy Families (TANF)	17
– Salaries and Positions	21
– Department Contacts	25



Department Functions

- **Supplemental Nutrition Assistance Program (SNAP)**
 - Provides monthly benefits to help families and low-income individuals buy food
- **Child Care Assistance Program (CCAP)**
 - Assists low-income families to help pay for the child care needed in order to work, attend school, or obtain training
- **Family Independence Temporary Assistance (FITAP)**
 - Temporary cash assistance to eligible low-income families who have one or more dependent children
- **Louisiana Combined Application Project (LaCAP)**
 - Food assistance program for Louisiana residents who are at least 60 years of age and receive Supplemental Security Income (SSI)
- **Child Support Enforcement**
 - Enforces payments
 - Establishes paternity in disputed cases
- **Family Violence Prevention and Intervention Program**
 - Provides emergency shelter, crisis intervention, advocacy, counseling, support, resources, and direct services to women and children who are victims of family violence
- **Kinship Care Subsidy Program (KCSP)**
 - Provides cash assistance for eligible children who reside with qualified relatives other than parents
- **Child Welfare (CW)**
 - Protects children against abuse and/or neglect, finds permanent homes for Louisiana's foster children, and educates the public on the Safe Sleep and Louisiana Safe Haven Law



Department Structure

Administration and Executive Support

- The Administration and Support
- Emergency Preparedness Services
- Modernization Activity (Ends in 2014)

Prevention and Intervention Services

- Behavioral Health
- Child Welfare
- Crisis Intervention
- Early Childhood Development
- Licensing

Community and Family Services

- Eligibility and Enrollment
- Economic Security – Administration Portion
- Disability Determination Services

Field Services

- Child Welfare
- Eligibility and Enrollment
- Economic Security – Field Operations Portion
- Child Support Enforcement Program



Comparison to Total State Budget FY 14-15

Means of Finance	Children and Family Services Department	Total State Budget	% of Total State Budget
State General Fund	\$134,916,063	\$8,617,600,000	1.6%
Interagency Transfers	\$9,365,899	\$1,767,132,013	0.5%
Fees and Self-Gen. Rev.	\$17,795,316	\$3,861,523,669	0.5%
Statutory Dedications	\$1,799,544	\$4,065,764,569	0.0%
Federal Funds	\$604,576,185	\$9,886,615,632	6.1%
TOTAL MOF	\$768,453,007	\$28,198,635,883	2.7%
Authorized Positions	3,531	53,109	6.6%



Means of Finance

Means of Finance	Actual Expenditures FY 12-13	Existing Operating Budget FY 13-14 (12/1/13)	Executive Budget Recommended FY 14-15	Change from FY13-14 to FY14-15	Percent Change from FY13-14 to FY14-15
State General Fund	\$150,781,500	\$147,748,647	\$134,916,063	(\$12,832,584)	(8.7%)
Interagency Transfers	\$18,615,261	\$9,365,899	\$9,365,899	\$0	0.0%
Fees and Self-Gen Rev	\$14,139,485	\$17,795,316	\$17,795,316	\$0	0.0%
Statutory Dedications	\$2,735,372	\$1,547,121	\$1,799,544	\$252,423	16.3%
Federal Funds	\$482,829,108	\$608,141,338	\$604,576,185	(\$3,565,153)	(0.6%)
TOTAL	\$669,100,726	\$784,598,321	\$768,453,007	(\$16,145,314)	(2.1%)
Authorized Positions	3,960	3,726	3,531	(195)	(5.2%)

Significant Adjustments:

State General Fund

- Decreased due to consolidation with the Office of Technology Services

\$12.2M



Statutory Dedications

- Fraud Detection Fund increase due to REC projections

\$252,423



Federal

- Elimination of funding for contracts associated with the Modernization Project
- MOF Substitution due to a change to FMAP rate

\$3.6M



Authorized Positions

- Decreased due to consolidation with the Office of Technology Services - 112
- Eliminates 83 vacancies

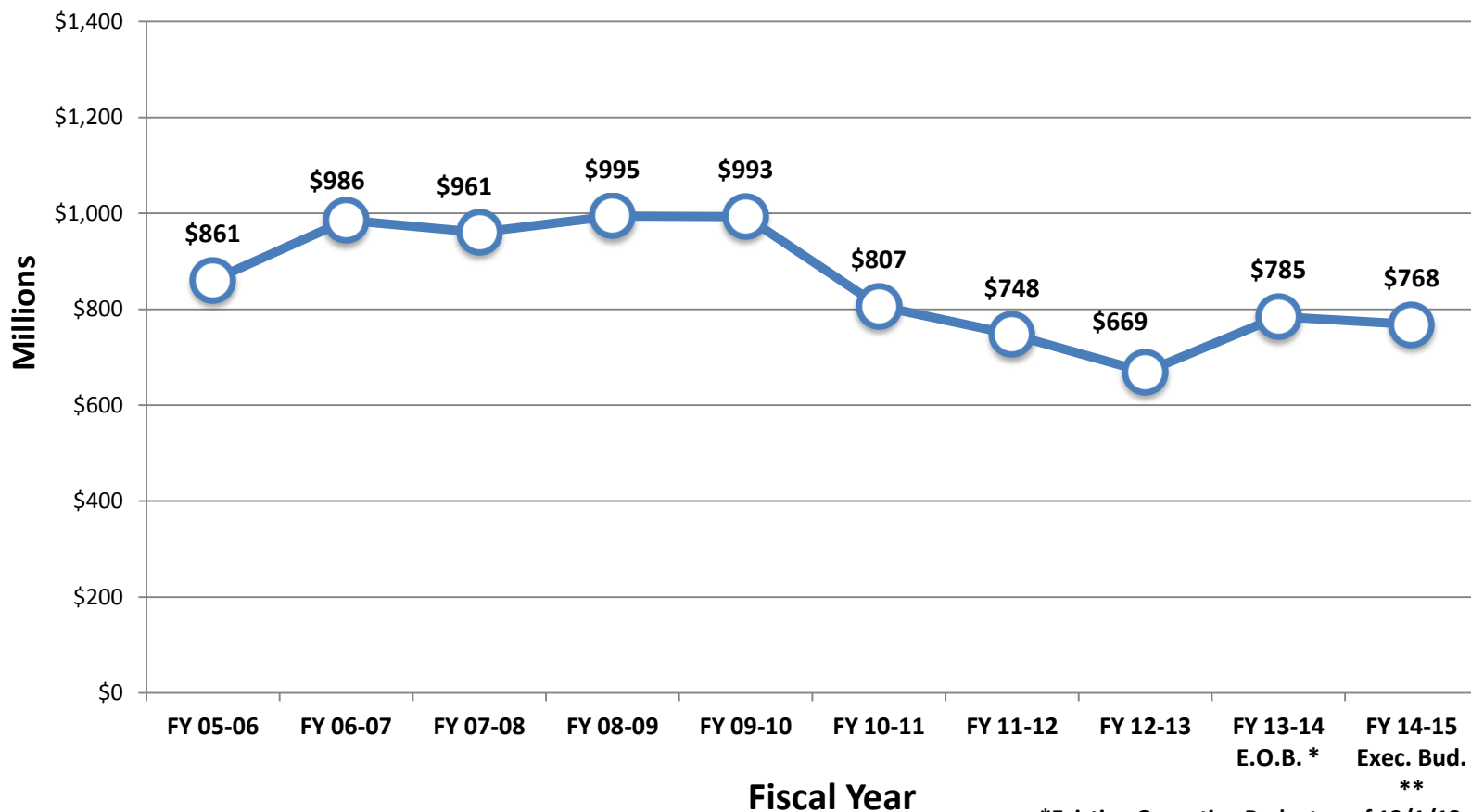
195 T.O.





10-Year Budget History

DEPARTMENT OF SOCIAL SERVICES (Total Funding)



Source: Executive Budget Supporting Documents

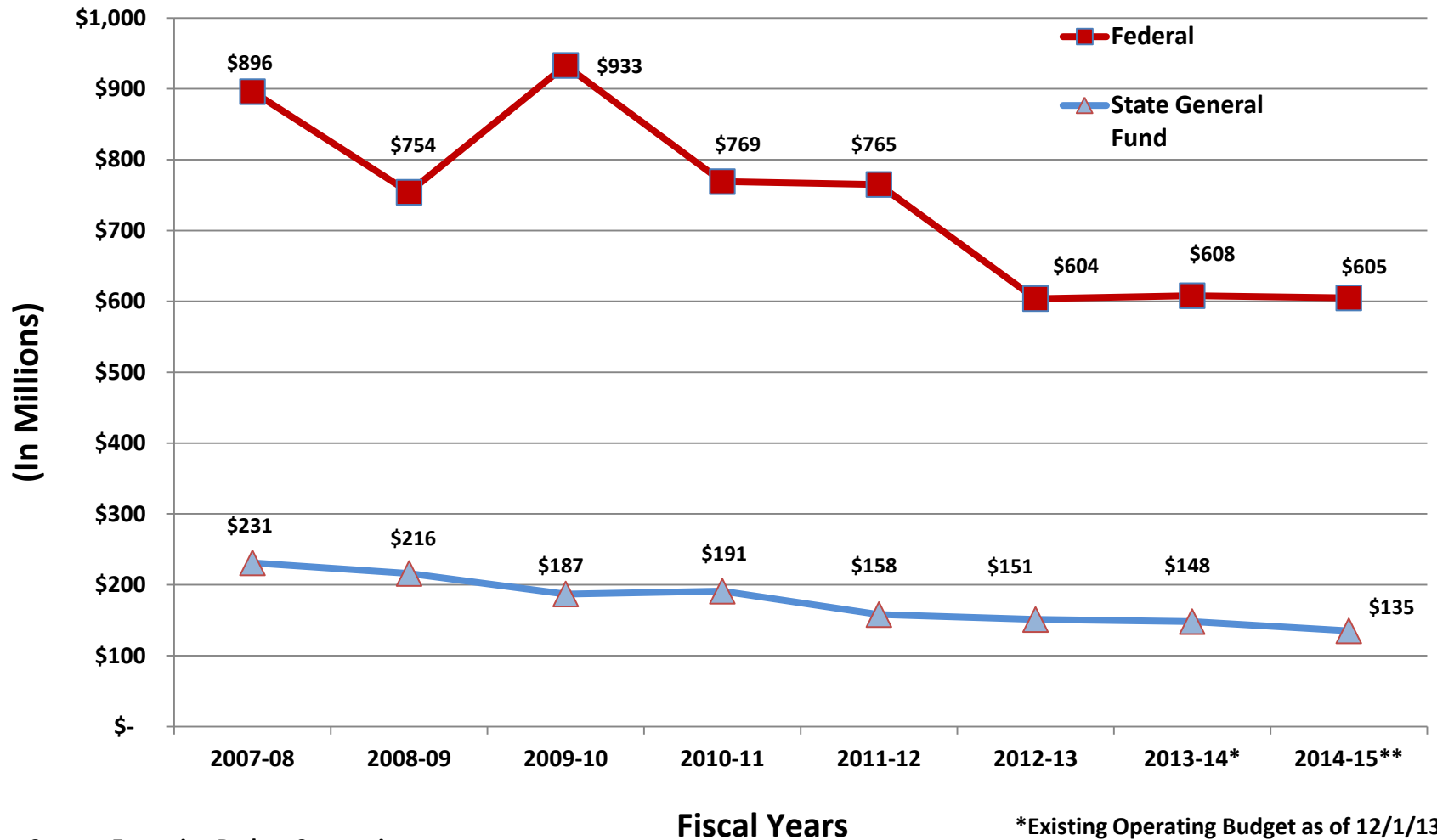
*Existing Operating Budget as of 12/1/13

**Governor's Executive Budget



Historical Trend

State General Fund vs. Federal Funds



Source: Executive Budget Supporting

*Existing Operating Budget as of 12/1/13

** Governor's Executive Budget



Major Sources of Revenues FY 14-15

Self-Generated Revenues - \$17.8 million

- Licensing fees from facilities required to have a child care license
- Parental contributions for foster children costs and from one-half of the fee charged for marriage licenses
- Title IV-D Child Support Enforcement collections for TANF cases and related child support fees
- Miscellaneous collections including the state share of recoveries, recoupment, refunds, and fees

Interagency Transfers - \$9.4 million

- DHH, Medical Vendor Administration Program for joint and shared costs for eligibility determinations services, and the Modernization Project
- Administrative cost of Medicaid funding for case management services

Statutory Dedications - \$1.8 million

- Children's Trust Fund is used for child abuse and neglect prevention services
- Battered Women's Shelter Funds are derived from civil fees charged to persons filing for divorce, marriage annulment, or establishment or disavowal of the paternity of children
- Fraud Detection Fund is money recovered from public assistance fraud by the Office of Children and Family Services

Federal Funds - \$605 million

- Temporary Assistance for Needy Families (TANF) block grant for temporary monthly cash payments
- Social Security Act for payments to U.S. citizens returning from a foreign country due to mental illness or destitution
- Child Care and Development Block Grant for child care assistance payments
- Title IV-B, subparts I and II for child welfare services and promoting safe and stable families
- Title IV-E for foster children room and board costs, and Independent Living Services
- Department of Housing and Urban Development for the Emergency Shelter Grant
- Child Abuse and Neglect Grant; Children's Justice Act Grant; Title XX Social Services Block Grant (SSBG); Adoption Incentive Payments, Community-Based Family Resource Grant; and Family Violence Prevention and Service Act, Education and Training Voucher



Expenditure Breakdown

Expenditures	FY 12-13 Actual Expenditures	FY 13-14 Existing Operating Budget (12/1/13)	FY 14-15 Executive Budget Recommendation	Change from FY 13-14 to FY 14-15	Percent Change from FY 13-14 to FY 14-15
Salaries	\$167,330,821	\$167,333,476	\$160,086,332	(\$7,247,144)	(4.3%)
Other Compensation	\$9,017,440	\$9,994,268	\$9,899,280	(\$94,988)	(1.0%)
Related Benefits	\$87,113,328	\$87,899,940	\$95,750,473	\$7,850,533	8.9%
Travel	\$1,351,133	\$1,058,679	\$1,058,679	\$0	0.0%
Operating Services	\$32,855,635	\$35,029,429	\$23,749,945	(\$11,279,484)	(32.2%)
Supplies	\$2,465,537	\$2,959,720	\$2,959,720	\$0	0.0%
Prof Svcs	\$8,695,289	\$11,550,117	\$11,550,117	\$0	0.0%
Other Charges	\$360,271,543	\$468,772,692	\$463,398,461	(\$5,374,231)	(1.1%)
Acq/Major Repairs	\$0	\$0	\$0	\$0	0.0%
Unallotted	\$0	\$0	\$0	\$0	0.0%
TOTAL EXP	\$669,100,726	\$784,598,321	\$768,453,007	(\$16,145,314)	(2.1%)

Salaries

- Decrease due to I.T. Consolidation and personnel reductions

Related Benefits

- Increase due to retirement rate increase and health insurance rate increase

Operating Services

- Decrease due to software, hardware, and maintenance contracts associated with the IT consolidation

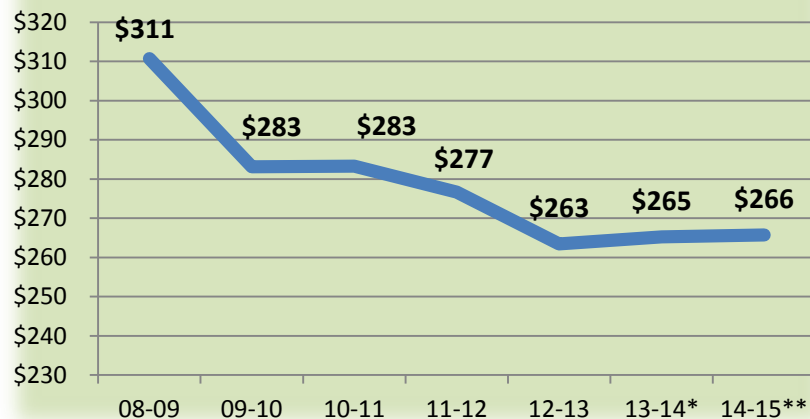
Other Charges

- Eliminates funding for most of the Modernization Project contracts
- Reduction of FITAP and KCSP contracts

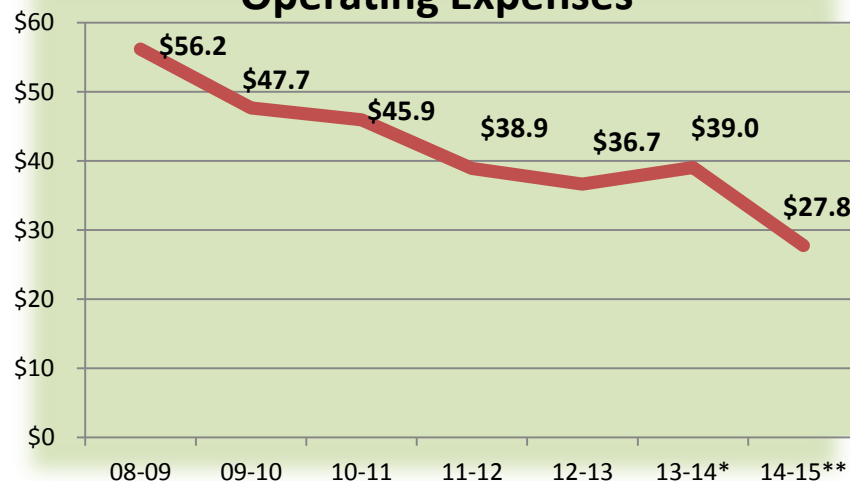


7-Year Expenditure History (in millions)

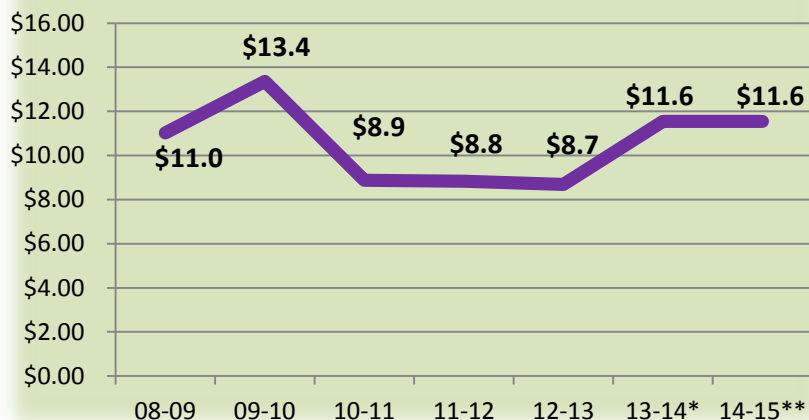
Personal Services



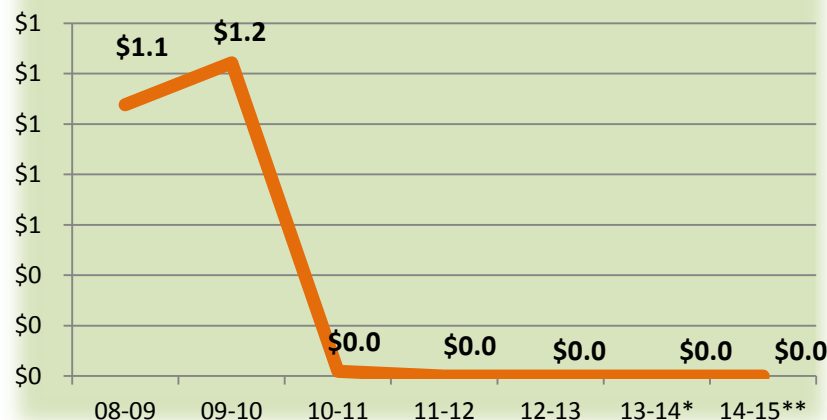
Operating Expenses



Professional Services

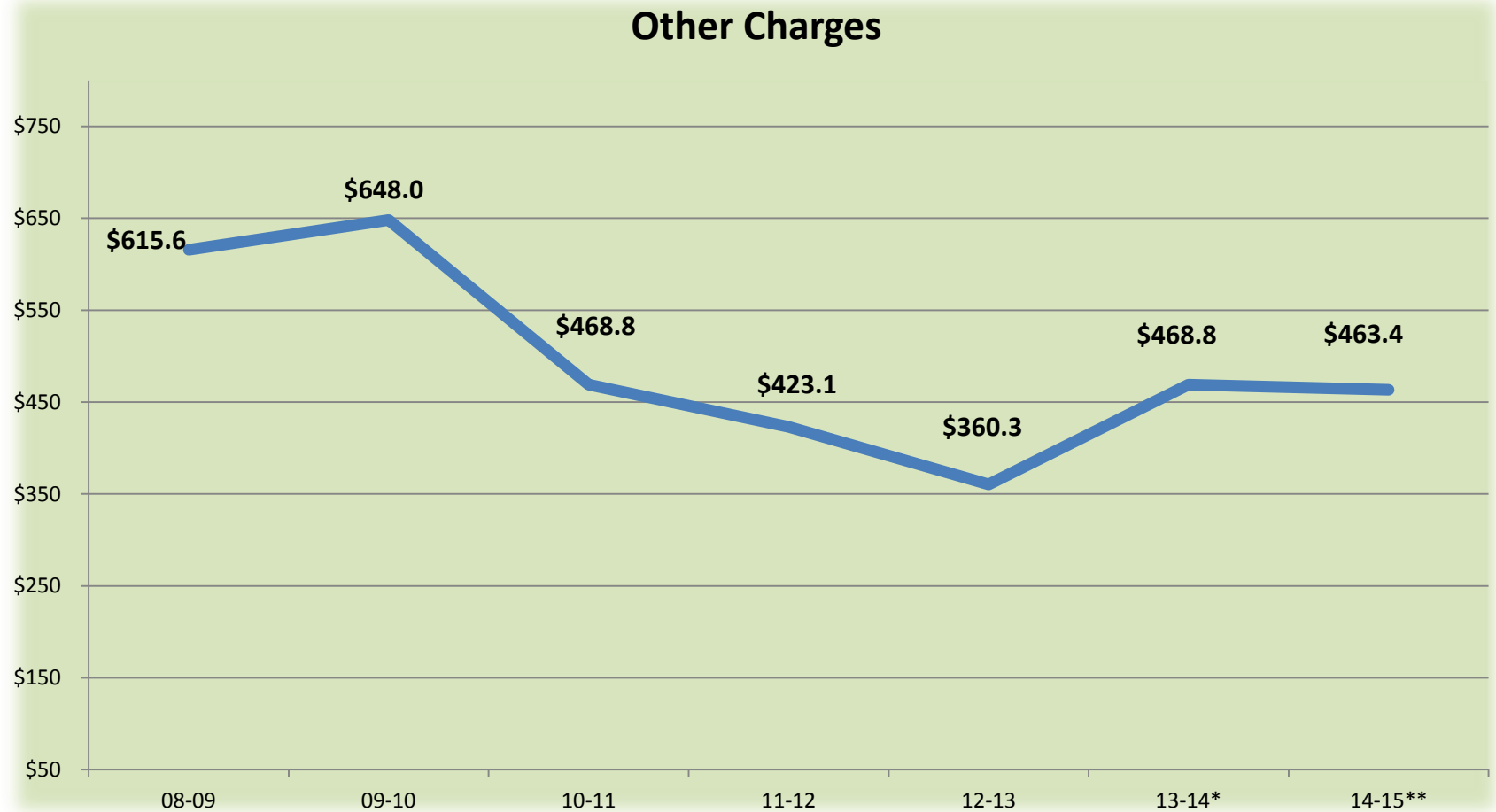


Acquisitions & Major Repairs





7-Year Expenditure History (in millions)



Source: Executive Budget Supporting Documents

*Existing Operating Budget as of 12/1/13

**Governor's Executive Budget Recommendation



Significant Adjustments

\$9.3 M
Various
MOF



Provides funding for the Louisiana State Employees' Retirement System rate adjustment. This increase reflects the change in the LASERS retirement rate change from 31.7% to 37.4% . (\$3.1 million SGF, \$6.1 million FED)

\$6.2 M
Various
MOF



Provides funding for state employee performance adjustments. (\$2.1 million SGF, \$4 million FED)

\$4.1 M
Various
MOF



Provides funding for the salary base adjustment. This is based on an Office of Planning and Budget calculation to determine an amount to fully fund salaries in the next fiscal year. (\$1.4 million SGF, \$2.7 million FED)

\$1.2 M
Various
MOF



Increases funding for health insurance for active and retired state employees. (\$396,937 SGF, \$828,484 FED)



Significant Adjustments

**\$16.3 M
Various
MOF**



Decreases funding for modernization contracts carried forward from the prior year.
(\$6.7 million SGF, \$9.6 million FED)

**\$11.3 M
Various
MOF**



Decreases funding and 83 authorized positions. Reduction of 77 positions due to attrition and eliminating vacant positions. Also, 6 authorized positions were reduced to comply with the Executive Order Hiring Freeze. (\$3.9 million SGF, \$7.4 million FED)

**\$9.6 M
SGF**



Transfers funding and 112 authorized positions to the Office of Technology Services due to statewide consolidation of information technology.

**\$342,887
Means of
Financing
Substitution**



Means of Financing Substitution replacing Federal Funds with State General Funds for the Child Welfare Program due to the decrease in the Federal Matching Assistance Participation (FMAP) rate.



Discretionary/Nondiscretionary Funding in FY 14-15

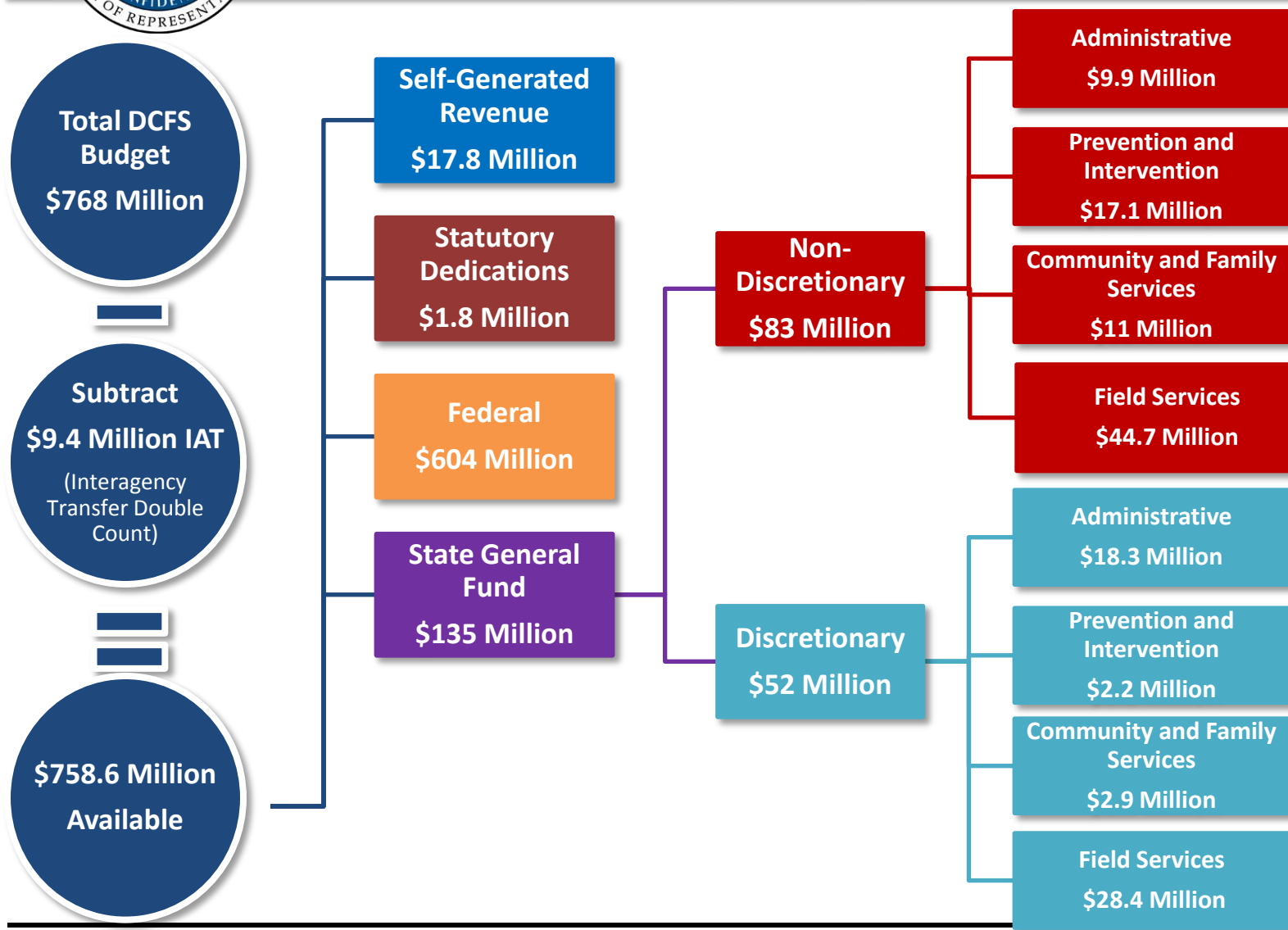
Executive Budget

<u>Activity/Program</u>	<u>TOTAL FUNDING -\$768,453,007</u>		<u>STATE GENERAL FUND -\$134,916,063</u>	
	Discretionary	Non-Discretionary	Discretionary	Non-Discretionary
<u>Administrative and Executive Support</u>	\$ 77,652,698	\$ 29,586,678	\$ 18,361,613	\$ 9,973,495
Modernization	\$ 2,616,270	\$ 26,281,560	\$ 0	\$ 3,850,000
<u>Prevention and Intervention Services</u>	\$ 10,281,008	\$ 191,904,739	\$ 2,239,207	\$ 17,139,182
Child Welfare Services	\$ 4,705,599	\$111,503,469	\$ 0	\$ 17,139,182
Early Childhood Development	\$ 5,575,409	\$ 521,789	\$ 0	\$ 0
<u>Community and Family Services</u>	\$131,311,823	\$ 115,129,556	\$ 2,986,203	\$ 11,056,443
Family Independence Temporary Assistance (FITAP)	\$ 0	\$ 34,779,324	\$ 0	\$ 0
Strategies to Empower People (STEP)	\$ 0	\$7,151,682	\$ 0	\$ 0
Supplemental Nutrition Assistance Program (SNAP)	\$ 22,555,609	\$ 0	\$2,558,219	\$ 0
Temporary Assistance of Needy Families (TANF)	\$ 12,200,000	\$ 0	\$ 0	\$ 0
<u>Field Services</u>	\$ 50,611,894	\$161,974,611	\$ 28,417,397	\$ 44,742,523
Child Support Enforcement Program	\$ 0	\$ 32,839,636	\$0	\$ 5,813,686
TOTAL	\$269,857,423	\$ 498,595,584	\$52,004,420*	\$ 82,911,643

*The discretionary State General Fund in the agency's budget is **1.9%** of the total discretionary State General Fund recommended for FY 14-15.



Discretionary/Nondiscretionary Funding in FY 14-15 Executive Budget





Temporary Assistance for Needy Families (TANF)

FY 14-15 Initiatives

- Family Violence
- LA4
- Court Appointed Special Advocates (CASA)
- Community Supervision
- Fatherhood Initiatives
- Substance Abuse
- Nurse Family Partnership
- Drug Courts
- Jobs for America's Graduates (JAGS)
- Homeless
- Abortion Alternatives
- Child Welfare



Services and Payment Information

(January 2014)

- 373,672 Supplemental Nutrition Assistance Program (formerly Food Stamps) active cases
- 15,042 Child Care Assistance
- 4,394 Foster Children
- 2,220 Child Abuse Cases
- \$30.6 million Child Support Collections



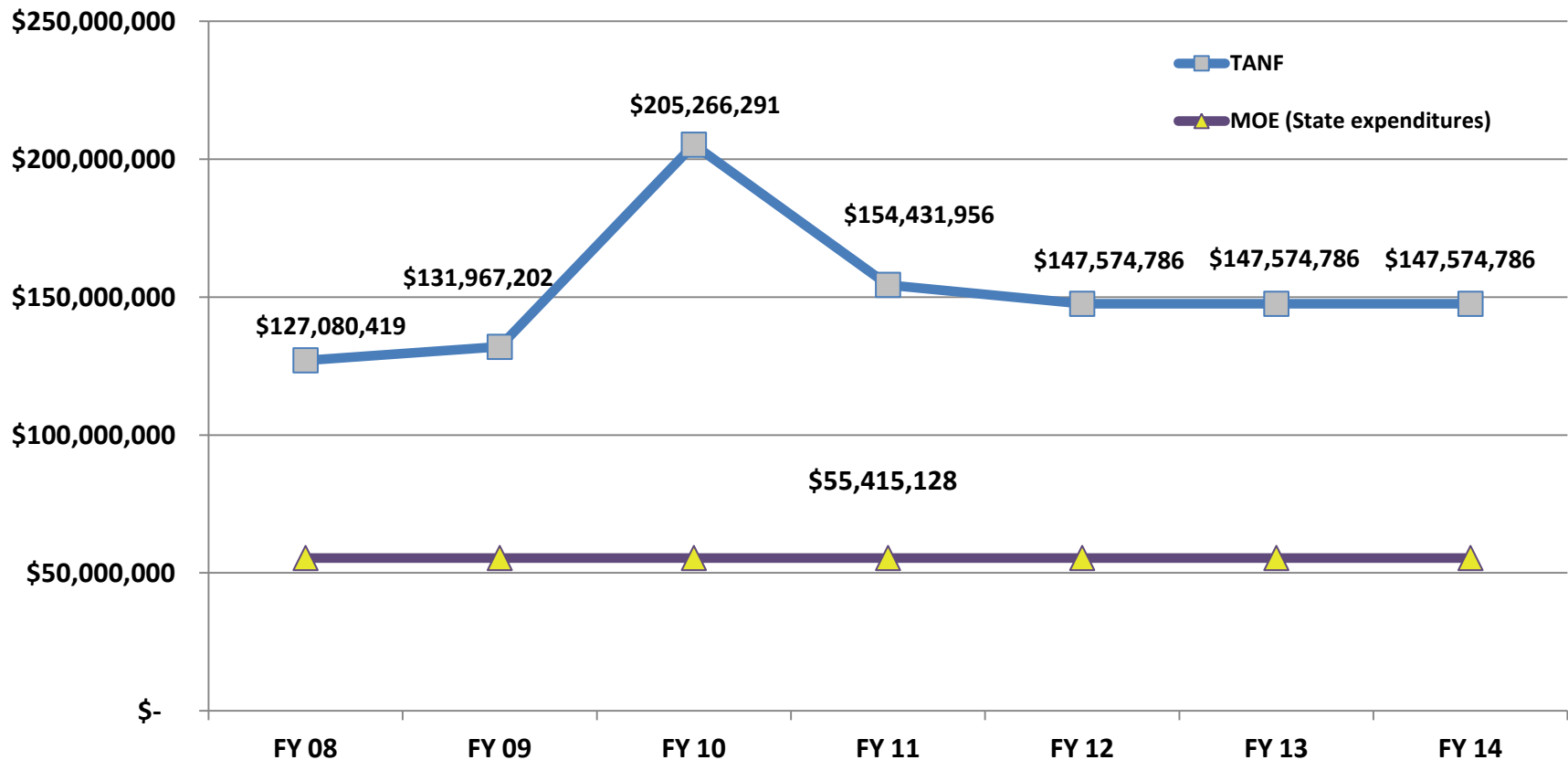
Temporary Assistance for Needy Families TANF Initiatives

FEDERAL INITIATIVES	FY <u>13-14</u>	FY <u>14-15</u>	DIFFERENCE
Literacy:			
Jobs for America's Graduates (JAGS)	\$3,950,000	\$3,950,000	\$0
LA 4	\$36,456,588	\$38,656,588	\$2,200,000
Family Stability:			
CASA	\$4,436,500	\$4,436,500	\$0
Drug Courts	\$6,000,000	\$6,000,000	\$0
Child Welfare	\$38,203,204	\$38,203,204	\$0
Family Violence	\$2,350,000	\$2,350,000	\$0
Homeless	\$637,500	\$637,500	\$0
Fatherhood Initiatives	\$49,900	\$49,000	\$0
Nurse Family Partnership	\$3,196,750	\$3,196,750	\$0
Substance Abuse	\$3,059,458	\$3,059,458	\$0
Community Supervision	\$900,000	\$900,000	\$0
Abortion Alternatives	\$1,260,000	\$1,260,000	\$0
TOTAL	\$100,499,900	\$102,699,900	\$2,200,000



TANF Funding

TANF Funding Relative to State Maintenance of Effort (MOE) Expenditures



Source: Department of Children and Family Services



Salaries and Positions

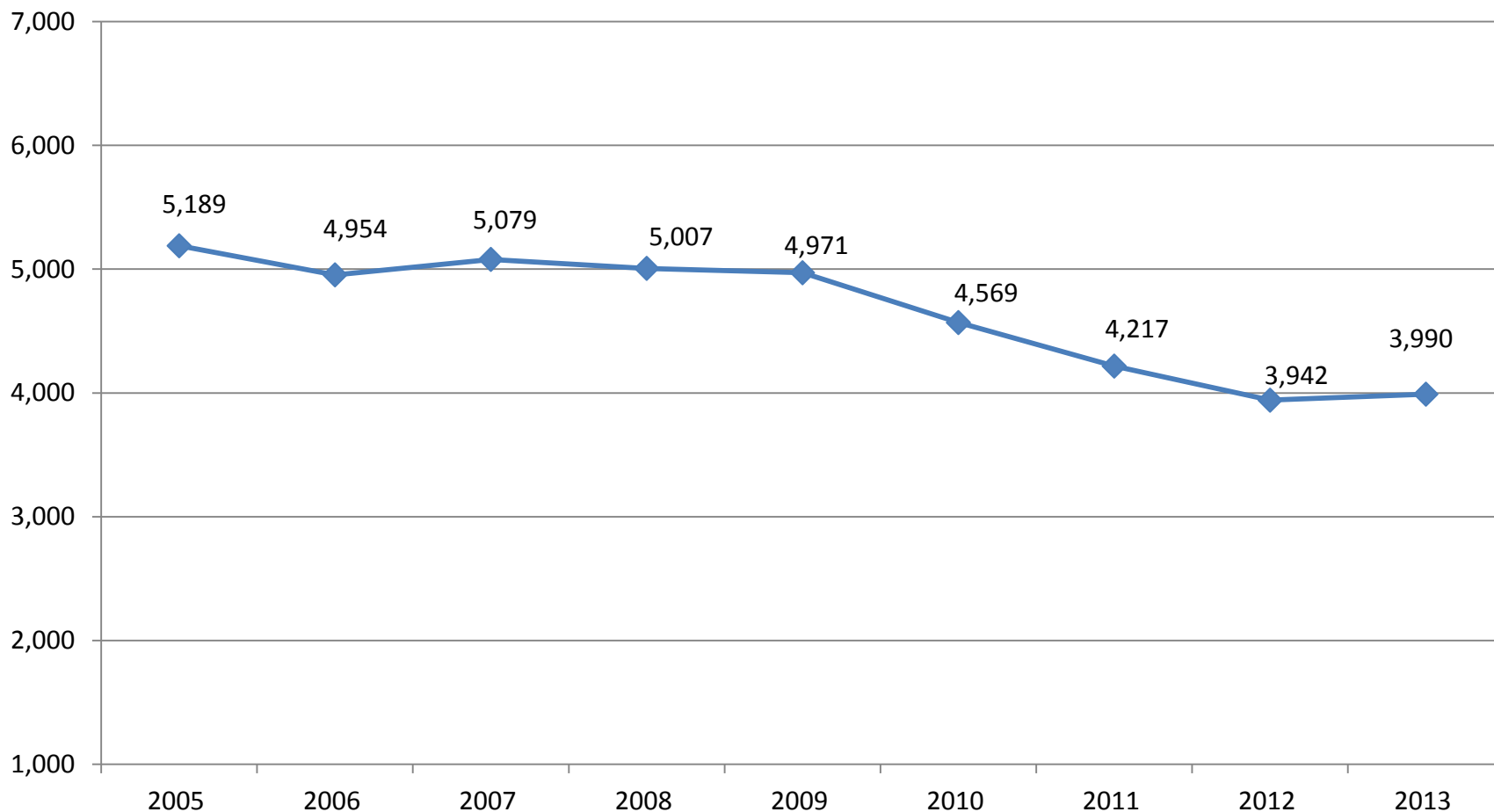
FY 14-15 SALARIES/POSITIONS

- \$170 million for Salaries and Other Compensation
- \$96 million for Related Benefits
- Total Personnel Services = \$266 million; 87% of the Department of Children and Family Services total Executive Budget Recommendation (excluding Other Charges)
- 3,531 Authorized Positions (3,520 classified and 11 unclassified)
- 210 full-time non-T.O. positions
- 0 Other Charges positions
- As of 12/27/2013, the Department of Children and Family Services had 264 vacancies. The Executive Budget eliminates 83 of these vacant positions.



Salaries and Positions

TOTAL FULL-TIME EQUIVALENT (FTE) POSITIONS

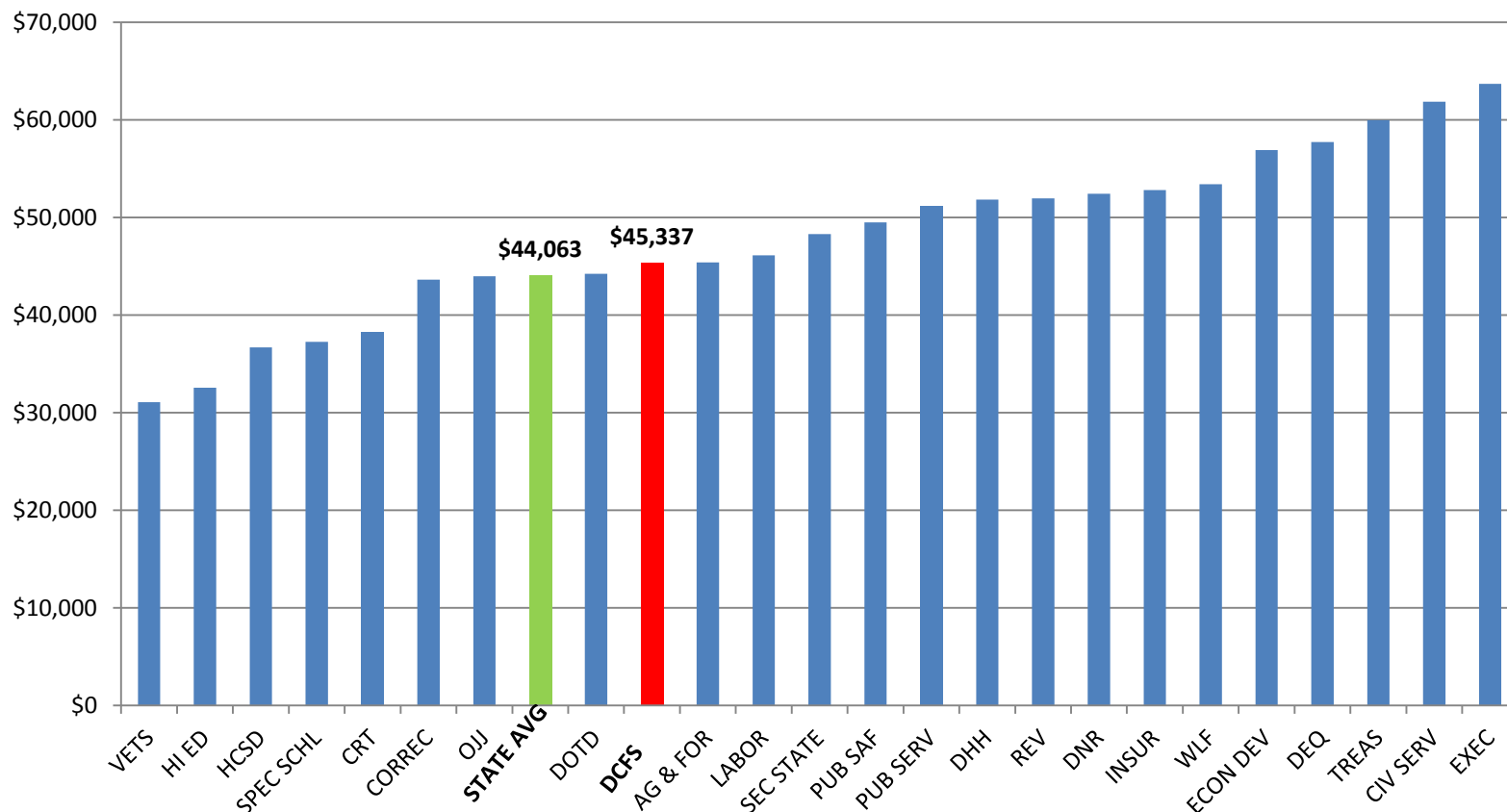


Source: Prepared by House Fiscal Division staff using information from ISIS-HR



Salaries and Positions

FY 13 CLASSIFIED AVERAGE ANNUAL PAY PER FTE

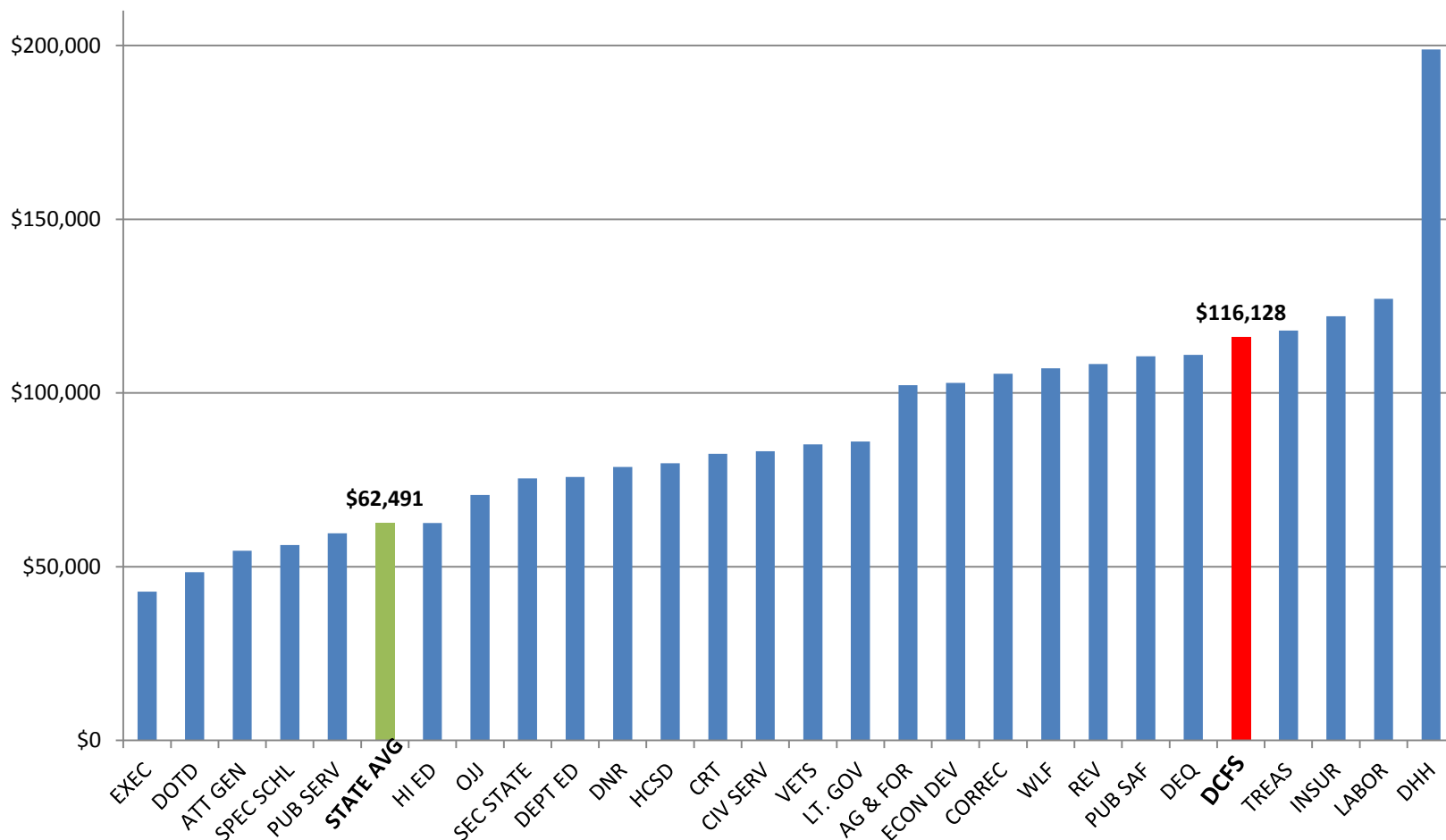


Source: Prepared by House Fiscal Division staff using information from ISIS-HR and Civil Service



Salaries and Positions

FY 13 UNCLASSIFIED AVERAGE ANNUAL PAY PER FTE



Source: Prepared by House Fiscal Division staff using information from ISIS-HR and Civil Service



Department Contacts

Agency Head	Title	Phone
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