EXHIBIT 7
DATE 2·16·05 Wed
HB

CFSD

1. Rent and Overtime decision package funding – see handout
2. CFSR compliance – anything further on this?
3. DP 9999 page B-66 = 6.35 FTE and $255,502 general fund ($546,353 total funds)
4. Vacancy savings options – see handout – 1 percent equates to about $43-47,000 general fund
5. Rate increase
    a. Family Foster Care – 1 percent = about $48,000 general fund and $20,000 federal funds (current rates are about $15 for younger kids and $18 for older kids)
    b. Group homes – 1 percent = about $28,000 general fund and $12,000 federal funds (current rates vary but non therapeutic group home or shelter care runs about $66 per day)
6. Language
    a. Restricted appropriations
    b. Reporting, possible shortfall, compliance issues

Funding in item [Foster Care – Respite Allowance] may only be used to provide foster care related respite care.

Funding in item [Foster Care – Transportation] may only be used to provide foster care related respite care, transportation, diapers or clothing.

Funding in item [Foster Care – Diapers] may only be used to provide foster care related diaper allowances.

Funding in item [Foster Care – Clothing] may only be used to provide foster care related clothing allowances.

Funding in item [Child and Family Services] supports programs operated under Title IV-E of the social security act that are subject to federal Child and Family Service Reviews. Montana has been the subject of such a review, was found not in compliance with all elements of the review, and has entered into a performance improvement plan. Department staff presented testimony to the Joint Appropriations Subcommittee on Health and Human Services that they anticipated that it may not be possible to achieve the level of compliance necessary to avoid federal penalties when the follow-up review is completed. The executive budget did not request additional funding to achieve compliance with the federal review or to pay penalties that may be imposed by the federal agency for noncompliance.

## Child and Family Services Divison

| Overtime & Comp. Time Payoffs | | | | | |
|---|---|---|---|---|---|
| Reporting Level | FY 2004 Base | Percent of Total | FY 04 Base % Gen. Fund | | Gen. Fund Share of Overtime |
| Centralized Intake | $ 15,415 | 12% | 100% | $ | 15,415 |
| Regional Offices | 109,303 | 88% | 37% | | 40,836 |
| Total | $ 124,718 | 100% | | $ | 56,251 |
| Gen. Fund as % of Total | | | | | 45% |
| | | | | | |
| After adjustment forf Regional Office Base Funding Change | | | | | |
| Centralized Intake | $ 15,415 | 12% | 100% | $ | 15,415 |
| Regional Offices | 109,303 | 88% | 45% | | 48,794 |
| Total | $ 124,718 | 100% | | $ | 64,209 |
| Gen. Fund as % of Total | | | | | 51% |
| | | | | | |
| General Fund Requested in DP 49 Overtime | | | | $ | 72,000 |
| General Fund Approved by Subcommittee for DP 49 Overtime | | | | | 48,000 |
| | | | | | |
| Difference Requested Less Revised Funding Level (annually) | | | | | 7,791 |
| Difference Provided Less Revised Funding Level (annually) | | | | | (16,209) |

| DP 53 Rent Increases - General Fund | FY 2006 | FY 2007 |
|---|---|---|
| General Fund Per Revised Funding Percentage | $ 79,526 | $ 95,227 |
| General Fund in Schweitzer Budget Request | 92,683 | 110,981 |
| General Fund Approved by Subcommittee | 61,788 | 73,987 |
| | | |
| Difference Requested Less Revised Funding Level | 13,157 | 15,754 |
| Difference Provided Less Revised Funding Level | (17,738) | (21,240) |

Vacancy Savings
Selected Areas within DPHHS

| Area | FY 2006 Total Pers. Svcs.** | FY 2006 Vacancy Savings 4% | FY 2006 Vacancy Savings 2% | FY 2006 Vacancy Savings 1% | FY 2007 Total Pers. Svcs.** | FY 2007 Vacancy Savings 4% | FY 2007 Vacancy Savings 2% | FY 2007 Vacancy Savings 1% |
|---|---|---|---|---|---|---|---|---|
| CFSD - Regional Offices | $ 12,030,078 | $ 506,047 | $ 253,024 | $ 126,512 | $ 12,020,859 | $ 505,880 | $ 252,940 | $ 126,470 |
| General Fund @ 37.359% | | 189,054 | 94,527 | 43,468 | | 188,992 | 94,496 | 47,248 |
| MDC Direct Care* | 8,209,380 | 374,004 | 187,002 | 93,501 | 8,161,586 | 375,360 | 187,680 | 93,840 |
| MDC Non Direct Care* | 3,027,654 | 131,177 | 65,589 | 32,794 | 3,044,800 | 131,656 | 65,828 | 32,914 |

Notes:
*Funded entirely from the general fund
**Total personal services costs after adjustment for payplan and vacancy savings reduction.