

### Program Budget Comparison

The following table summarizes the total legislative budget for the program by year, type of expenditure, and source of funding.

Program Budget Comparison								
Budget Item	Base Fiscal 2010	Approp. Fiscal 2011	Budget Fiscal 2012	Budget Fiscal 2013	Biennium Fiscal 10-11	Biennium Fiscal 12-13	Biennium Change	Biennium % Change
FTE	380.45	380.45	369.65	369.65	380.45	369.65	(10.80)	(2.84%)
Personal Services	18,935,742	19,692,618	19,072,999	19,067,603	38,628,360	38,140,602	(487,758)	(1.26%)
Operating Expenses	5,449,646	5,493,543	5,559,509	5,561,216	10,943,189	11,120,725	177,536	1.62%
Equipment & Intangible Assets	14,240	20,790	14,240	14,240	35,030	28,480	(6,550)	(18.70%)
Grants	6,338,025	6,846,306	6,338,025	6,338,025	13,184,331	12,676,050	(508,281)	(3.86%)
Benefits & Claims	28,554,530	33,920,201	30,127,965	32,575,351	62,474,731	62,703,316	228,585	0.37%
Debt Service	130,912	118,349	130,912	130,912	249,261	261,824	12,563	5.04%
<b>Total Costs</b>	<b>\$59,423,095</b>	<b>\$66,091,807</b>	<b>\$61,243,650</b>	<b>\$63,687,347</b>	<b>\$125,514,902</b>	<b>\$124,930,997</b>	<b>(\$583,905)</b>	<b>(0.47%)</b>
General Fund	30,727,782	34,702,045	31,873,779	33,460,473	65,429,827	65,334,252	(95,575)	(0.15%)
State Special	2,495,422	2,507,539	2,463,022	2,463,022	5,002,961	4,926,044	(76,917)	(1.54%)
Federal Special	26,199,891	28,882,223	26,906,849	27,763,852	55,082,114	54,670,701	(411,413)	(0.75%)
<b>Total Funds</b>	<b>\$59,423,095</b>	<b>\$66,091,807</b>	<b>\$61,243,650</b>	<b>\$63,687,347</b>	<b>\$125,514,902</b>	<b>\$124,930,997</b>	<b>(\$583,905)</b>	<b>(0.47%)</b>

### Program Description

The Child and Family Services Division (CFSD) administers child protective services, child abuse and neglect services, prevention services, domestic violence grants, and other programs designed to keep children safe and families strong. CFSD is composed of three bureaus and five regions that administer programs and are advised by Local Family Services Advisory Councils, which serve as the link between local communities and DPHHS. CFSD is the primary user of the statewide Child and Adult Protective Services (CAPS) computer system.

Statutory authority for the program is provided in Titles 41, 42, and 52, MCA, and 45 CFR, Parts 1355, 1356, 1357 and 1370.

### Program Highlights

<b>Child and Family Services Major Budget Highlights</b>
<ul style="list-style-type: none"> <li>◆ The legislature decreased total funding by nearly 0.5% from the 2011 biennium primarily due to statewide and present law adjustments as well as benefit increases for foster care and subsidized adoption with offsetting reductions in personal services, grants, and some benefits. Highlights include: <ul style="list-style-type: none"> <li>• Increases of about \$9.1 million total funds in support of foster care and subsidized adoption – about \$4.9 million general fund</li> <li>• Reductions of about \$4.0 million for some benefits, grants, and support services – about \$2.6 million general fund</li> </ul> </li> <li>◆ The legislative budget for the biennium includes: <ul style="list-style-type: none"> <li>• \$62.7 million in benefits - \$31.6 million general fund</li> <li>• \$12.7 million in grants for efforts to keep families together and free of violence - \$2.8 million general fund</li> <li>• \$49.2 million total funds for operations and personal services</li> </ul> </li> <li>◆ The Legislature also approved a reduction in HB 10 of: <ul style="list-style-type: none"> <li>• \$10.3 million total funds for the postponement of the Montana Automated Child Welfare Information System (MACWIS)</li> </ul> </li> </ul>

### Summary of Legislative Action

As shown in the introductory program budget comparison, the legislature approved a budget for the 2013 biennium that is about 0.5 % lower than the 2011 biennium primarily due to legislative approval of statewide present law adjustments as well as benefit increases in foster care and subsidized adoption with offsetting reductions in personal services, grants, and some benefits.

The legislative budget of about \$125 million total funds for the biennium includes:

- \$62.7 million total funds in support of foster care and subsidized adoption client caseload
- About \$12.6 million in grant funding for programs that support efforts to keep families together and free of violence
- Over \$38 million to support personal services for 369.65 FTE that carry out the programs

As mentioned in the discussion of TANF block grant funds in the Human and Community Services Division write-up, the legislature appropriated \$711,750 of federal TANF block grant funds for foster care to support a stipend for regular foster care families and regular kinship care families of an estimated \$0.75 per day in addition to the daily foster care maintenance payment. It is a restricted, biennial, one-time-only appropriation and is included in the \$62.7 million figure mentioned above.

The legislature reduced funding for FTE by nearly \$1.0 million over the biennium for a reduction of 10.80 FTE.

### Other Legislation

HB 10 – The legislature approved a \$10.3 million reduction in HB 10 to the Montana Automated Child Welfare Information System (MACWIS), as recommended by the Governor. MACWIS was initially funded during the 2007 May Special Session in HB 4 with LRIT funding and was being designed to replace the antiquated Child and Adult Protective Services system (CAPS) used in the monitoring of foster care cases, adoption cases, payment for service to providers, and reporting. The proposed budget was \$27.1 million. As part of the executive budget reductions per MCA 17-1-140 in April of 2010, the Governor placed this project on hold at the point when LRIT funds totaling \$8.7 million (\$4.9 million general fund and \$3.8 million federal funds) had been transferred to DPHHS for work done on system requirements definitions and development of a draft RFP. The remaining \$18.4 million (\$10.3 million general fund and \$8.1 million federal fund) was eliminated in HB 10. It is anticipated that the system upgrade is delayed for at least two years.

### Program Narrative

#### *Summary of the Division Budget, Benefits, and Grants*

The following table provides a brief overview of the legislative budget for CFSD. There is additional information in the present law and new proposal sections of the program narrative.

The table shows that benefits and grants for foster care, subsidized adoption, activities that keep children safe, family support and reunification efforts comprise around 60% of the total budget over the biennium. The combined benefit funds of foster care and subsidized adoption, including the ARRA enhanced FMAP general fund reduction, comprise 99% of the benefit costs of the division. The remaining amount supports the five regional offices, centralized intake (all general fund), and administration.

Grants for tribal contracts comprise 30.7% of that category, followed closely by in-home and reunification services at 23.9%. Funding for tribal contracts is used to reimburse tribes for Title IV-E allowable administrative costs of their child welfare programs.

The Children’s Trust Fund listed in the grant category is funded from the state special revenue fund called the Child Abuse & Neglect Program. Funding serves Montana’s limited prevention and early intervention services. The \$92,687 listed is for grants to be managed by the trust advisory committee.

Child and Family Services Division Summary of Benefit and Grant Costs and Funding														
	Fiscal 2010 Base				Fiscal 2012 Appropriation				Fiscal 2013 Appropriation				Percent Category Total	
	General Fund	State Spec. Rev	Federal Funds	Total Funds	General Fund	State Spec. Rev	Federal Funds	Total Funds	General Fund	State Spec. Rev	Federal Funds	Total Funds		
Total CFSD Budget	\$30,727,782	\$2,495,422	\$26,199,891	\$59,423,095	\$31,873,779	\$2,463,022	\$26,906,849	\$61,243,650	\$33,460,473	\$2,463,022	\$27,763,852	\$63,687,347		
<b>Benefits and Claims</b>														
Foster Care	\$8,549,153	\$2,299,154	\$5,935,077	\$16,783,384	\$9,167,934	\$2,266,815	\$6,430,151	\$17,864,901	\$10,187,205	\$2,266,874	\$6,841,292	\$19,295,370	59.2%	
* ARRA Benefit General Fund Reduct.	(\$696,639)	0	0	(696,639)	(\$696,639)	0	0	(696,639)	(\$696,639)	0	0	(696,639)	-2.1%	
Subsidized Adoption	5,962,819	0	6,201,263	12,164,082	6,389,029	0	6,306,977	12,696,006	6,961,904	0	6,751,019	13,712,923	42.1%	
In home and Reunification	93,638	0	73,222	166,860	93,714	0	73,146	166,860	93,711	0	73,149	166,860	0.5%	
Big Brothers and Sisters	90,002	0	0	90,002	49,996	0	0	49,996	49,996	0	0	49,996	0.2%	
Chafee - Independent Living	7,885	0	38,956	46,841	9,669	0	37,172	46,841	9,686	0	37,155	46,841	0.1%	
<b>Total Benefits &amp; Claims</b>	<b>\$14,006,858</b>	<b>\$2,299,154</b>	<b>\$12,248,519</b>	<b>\$28,554,530</b>	<b>\$15,013,703</b>	<b>\$2,266,815</b>	<b>\$12,847,447</b>	<b>\$30,127,965</b>	<b>\$16,605,863</b>	<b>\$2,266,874</b>	<b>\$13,702,615</b>	<b>\$32,575,351</b>	<b>100.0%</b>	
Percent of Total Budget	45.6%	92.1%	46.8%	48.1%	47.1%	92.0%	47.7%	49.2%	49.6%	92.0%	49.4%	51.1%		
<b>Grants</b>														
In home and Reunification	849,116	0	663,980	1,513,096	849,801	0	663,295	1,513,096	849,779	0	663,317	1,513,096	23.9%	
IV-E Pass Through	13,019	0	1,319,976	1,332,995	0	0	1,332,995	1,332,995	0	0	1,332,995	1,332,995	21.0%	
Tribal Contracts	441,126	0	1,502,273	1,943,399	441,126	0	1,502,273	1,943,399	441,126	0	1,502,273	1,943,399	30.7%	
Domestic Violence	117,684	86,516	746,942	951,142	117,688	86,519	746,936	951,142	117,688	86,519	746,936	951,142	15.0%	
Chafee - Independent Living	9,820	0	48,517	58,337	12,042	0	46,295	58,337	12,063	0	46,274	58,337	0.9%	
Community Based Challenge	0	0	191,678	191,678	0	0	191,678	191,678	0	0	191,678	191,678	3.0%	
Chafee - ETV	0	0	145,000	145,000	0	0	145,000	145,000	0	0	145,000	145,000	2.3%	
Access and Visitation	10,771	-	98,920	109,691	10,771	-	98,920	109,691	10,771	-	98,920	109,691	1.7%	
Children's Trust Fund	0	92,687	0	92,687	0	92,687	0	92,687	0	92,687	0	92,687	1.5%	
<b>Total Grants</b>	<b>\$1,441,536</b>	<b>\$179,203</b>	<b>\$4,717,286</b>	<b>\$6,338,025</b>	<b>\$1,431,427</b>	<b>\$179,206</b>	<b>\$4,727,392</b>	<b>\$6,338,025</b>	<b>\$1,431,426</b>	<b>\$179,206</b>	<b>\$4,727,393</b>	<b>\$6,338,025</b>	<b>100.0%</b>	
Percent of Total Budget	4.7%	7.2%	18.0%	10.7%	4.5%	7.3%	17.6%	10.3%	4.3%	7.3%	17.0%	10.0%		
<b>Total Benefits and Grants</b>	<b>\$ 15,448,393</b>	<b>\$ 2,478,357</b>	<b>\$ 16,965,805</b>	<b>\$ 34,892,555</b>	<b>\$ 16,445,130</b>	<b>\$ 2,446,021</b>	<b>\$ 17,574,838</b>	<b>\$ 36,465,990</b>	<b>\$ 18,037,289</b>	<b>\$ 2,446,079</b>	<b>\$ 18,430,008</b>	<b>\$ 38,913,376</b>		
Percent of Total Budget	50.3%	99.3%	64.8%	58.7%	51.6%	99.3%	65.3%	59.5%	53.9%	99.3%	66.4%	61.1%		
<b>Regional Offices, Centralized Intake, and Administration</b>														
	\$ 15,279,389	\$ 17,065	\$ 9,234,086	\$ 24,530,540	\$ 15,428,649	\$ 17,001	\$ 9,332,011	\$ 24,777,660	\$ 15,423,184	\$ 16,943	\$ 9,333,844	\$ 24,773,971		
Percent of Total Budget	49.7%	0.7%	35.2%	41.3%	48.4%	0.7%	34.7%	40.5%	46.1%	0.7%	33.6%	38.9%		

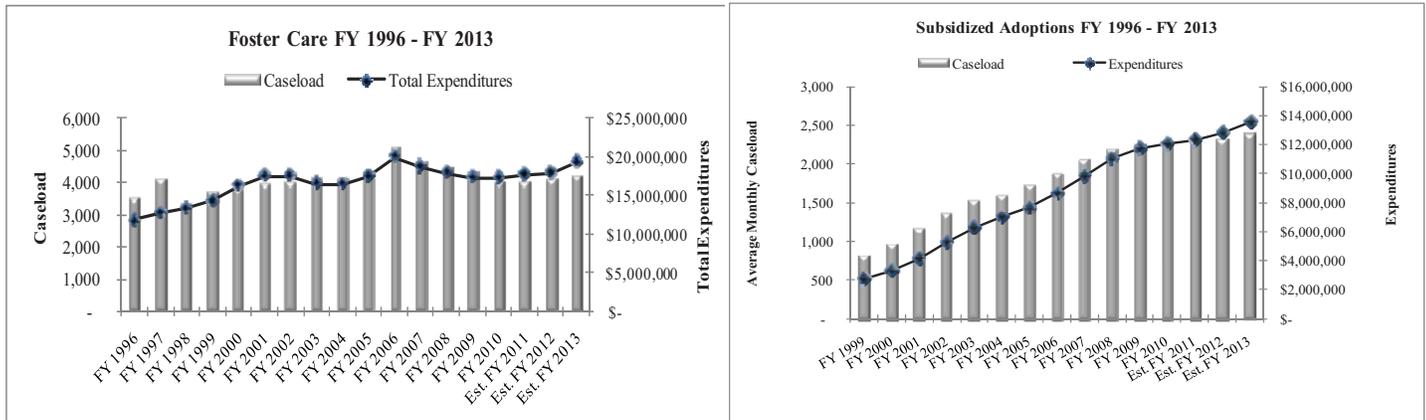
\* This reduction relates to ARRA funds appropriated through HB 645, which reduced general fund by these amounts and replaced it with general fund.

*Benefits and Grants*

Nearly all benefit funding addresses foster care and subsidized adoption. The legislature appropriated increases over the biennium of:

- o \$3.4 million for foster care (\$2.4 million general fund)
- o \$2.1 million for subsidized adoption (\$1.1 million general fund)

The following charts show the historical changes in foster care and subsidized adoption caseload and related costs.



**Funding**

The following table shows program funding, by source, for the base year and for the 2013 biennium as adopted by the legislature.

Program Funding Table						
Child & Family Services						
Program Funding	Base FY 2010	% of Base FY 2010	Budget FY 2012	% of Budget FY 2012	Budget FY 2013	% of Budget FY 2013
01000 Total General Fund	\$ 30,727,782	51.7%	\$ 31,873,779	52.0%	\$ 33,460,473	52.5%
01100 General Fund	30,727,782	51.7%	31,873,779	52.0%	33,460,473	52.5%
02000 Total State Special Funds	2,495,422	4.2%	2,463,022	4.0%	2,463,022	3.9%
02089 Child Abuse & Neglect Program	99,598	0.2%	99,598	0.2%	99,598	0.2%
02209 Third Party Contributions-F.C.	2,299,999	3.9%	2,267,599	3.7%	2,267,599	3.6%
02473 Assault Intervention & Trtmnt	87,125	0.1%	87,125	0.1%	87,125	0.1%
02496 Family Preservation Conference	8,700	0.0%	8,700	0.0%	8,700	0.0%
03000 Total Federal Special Funds	26,199,891	44.1%	26,906,849	43.9%	27,763,852	43.6%
03109 Tanf Benefits	2,000,001	3.4%	2,355,876	3.8%	2,355,876	3.7%
03185 Caseworker Visits	-	-	-	-	-	-
03224 Access & Visitation Grt 93.597	98,920	0.2%	98,920	0.2%	98,920	0.2%
03458 6901 - Chafee - Etv 93.599	145,000	0.2%	145,000	0.2%	145,000	0.2%
03522 93.556 - Family Preservation	814,720	1.4%	818,132	1.3%	818,258	1.3%
03526 93.643 - Child Justice	88,982	0.1%	88,987	0.1%	88,987	0.1%
03530 6901-Foster Care 93.658	7,561,630	12.7%	7,692,867	12.6%	8,102,915	12.7%
03531 6901-Subsidized Adopt 93.659	6,205,703	10.4%	6,311,697	10.3%	6,755,709	10.6%
03532 93.669 - Child Abuse	106,340	0.2%	106,120	0.2%	106,124	0.2%
03533 93.671 - Domestic Violence	752,198	1.3%	752,168	1.2%	752,168	1.2%
03534 93.672 - Child Abuse Challenge	213,161	0.4%	213,052	0.3%	213,054	0.3%
03536 93.674 - Iv-E Independent Livi	382,753	0.6%	394,155	0.6%	393,302	0.6%
03593 03 Indirect Activity Prog 03	7,830,483	13.2%	7,929,875	12.9%	7,933,539	12.5%
Grand Total	\$ 59,423,095	100.0%	\$ 61,243,650	100.0%	\$ 63,687,347	100.0%

The division is funded from a variety of sources. The funding and federal matching rates vary by function. Some costs are allocated among funding sources through a complex federally approved cost allocation plan that considers such factors as the results of a random moment in time study of social worker time spent on various activities.

Subsidized adoption is funded with both general fund and Title IV-E federal funds. The FMAP rate for the general fund share of Title IV-E eligible benefits is 33.78% in 2012 and 34.26% in the 2013. The non-Title IV-E eligible subsidized adoption benefits are paid at 100% general fund.

Foster care is funded with general fund, state special revenue, TANF, and Title IV-E federal funds. The Title IV-E eligible benefits are calculated at the same FMAP rate as subsidized adoption.

General fund also helps support family reunification efforts as well as safe, non-violent environments for children. The only major activity of the division that is supported entirely by the general fund is the centralized intake function. General fund also helps support the five regional offices across the state, and operating costs of central administration.

Federal funds include foster care and adoption subsidy funds, in addition to federal funds obtained through the cost allocation process.

State special revenue primarily supports the cost of foster care from a wide variety of third party contributions such as parental payments, collections from child support enforcement for children in foster care, and supplemental security income (SSI) for eligible children.

### Budget Summary by Category

The following summarizes the total budget by base, present law adjustments, and new proposals.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2012	Budget Fiscal 2013	Biennium Fiscal 12-13	Percent of Budget	Budget Fiscal 2012	Budget Fiscal 2013	Biennium Fiscal 12-13	Percent of Budget
Base Budget	30,727,782	30,727,782	61,455,564	94.06%	59,423,095	59,423,095	118,846,190	95.13%
Statewide PL Adjustments	380,815	375,272	756,087	1.16%	361,914	357,727	719,641	0.58%
Other PL Adjustments	1,310,246	2,902,483	4,212,729	6.45%	1,642,455	4,089,841	5,732,296	4.59%
New Proposals	(545,064)	(545,064)	(1,090,128)	(1.67%)	(183,814)	(183,316)	(367,130)	(0.29%)
<b>Total Budget</b>	<b>\$31,873,779</b>	<b>\$33,460,473</b>	<b>\$65,334,252</b>		<b>\$61,243,650</b>	<b>\$63,687,347</b>	<b>\$124,930,997</b>	

### Present Law Adjustments

The “Present Law Adjustments” table shows the changes to the adjusted base budget adopted by the legislature. “Statewide Present Law” adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

Present Law Adjustments	Fiscal 2012					Fiscal 2013				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services					1,356,728					1,349,720
Vacancy Savings					(811,672)					(811,413)
Inflation/Deflation					(110,217)					(107,655)
Fixed Costs					(72,925)					(72,925)
<b>Total Statewide Present Law Adjustments</b>		<b>\$380,815</b>	<b>\$0</b>	<b>(\$18,901)</b>	<b>\$361,914</b>		<b>\$375,272</b>	<b>\$0</b>	<b>(\$17,545)</b>	<b>\$357,727</b>
DP 30001 - Adoption Caseload Increase	0.00	275,792	0	271,592	547,384	0.00	804,920	0	759,381	1,564,301
DP 30002 - Foster Care Caseload Increase	0.00	698,300	0	309,073	1,007,373	0.00	1,689,886	0	747,956	2,437,842
DP 30003 - FMAP Rate Decrease - Foster Care	0.00	105,317	0	(105,317)	0	0.00	133,093	0	(133,093)	0
DP 30004 - FMAP Rate Decrease - Subsidized Adoption	0.00	165,878	0	(165,878)	0	0.00	209,625	0	(209,625)	0
DP 30005 - Restore OT/Holidays Worked	0.00	64,959	0	22,739	87,698	0.00	64,959	0	22,739	87,698
<b>Total Other Present Law Adjustments</b>	<b>0.00</b>	<b>\$1,310,246</b>	<b>\$0</b>	<b>\$332,209</b>	<b>\$1,642,455</b>	<b>0.00</b>	<b>\$2,902,483</b>	<b>\$0</b>	<b>\$1,187,358</b>	<b>\$4,089,841</b>
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$1,691,061</b>	<b>\$0</b>	<b>\$313,308</b>	<b>\$2,004,369</b>	<b>0.00</b>	<b>\$3,277,755</b>	<b>\$0</b>	<b>\$1,169,813</b>	<b>\$4,447,568</b>

DP 30001 - Adoption Caseload Increase - The legislature approved funding in support of an anticipated caseload increase for subsidized adoption of 4.5% in FY 2012 and 8% in FY 2013. Individuals eligible for adoption subsidies are children with special needs in the foster care system whose parents’ rights have been terminated by the court.

*The following information was utilized as part of the legislative decision making process, and will be used for ongoing program evaluation. It was submitted by the agency, with editing by LFD staff as necessary for brevity and/or clarity.*

Justification: The subsidized adoption program encourages and promotes the adoption of children with special needs out of the public foster care system. Adoption subsidies are currently paid to approximately 2,100 children, of which an average of 1,528 are eligible for Title IV-E funding, which is a federal entitlement program. The negotiated amount of the adoption subsidy payment is based upon the child’s identified special needs, but the amount cannot exceed \$10.00 less per month than the amount the child would have received in a regular or specialized foster family home. There are currently over 300 children with special needs whose parent’s rights have been terminated and have the permanency goal of adoption identified.

Goal: To move children with special needs out of the foster care system to permanent placements.

Increasing costs are related to:

- Children aging out of adoption are typically paid lower subsidies than the children presently entering into adoption subsidy agreements primarily because foster care rates have increased over time increasing the ceiling on newly negotiated adoption subsidies.
- The state may renegotiate a subsidy agreement if circumstances merit.

Funding: Subsidized adoption caseload is funded with both general fund and Title IV-E federal funds. The non-Title IV-E eligible subsidized adoption benefits are paid at 100% general fund. The FMAP rate increases from 31.96% in the 2010 base budget for Title IV-E eligible benefits to 33.78% in 2012 and 34.26% in the 2013.

Challenges: Recruitment of prospective adoptive placements for children in the foster care system.

Risks: Adoption is the highest priority option for permanency under federal and state law. If children are not placed adoptively within the federal timelines, the successful completion of the federally approved PIP would be in jeopardy and financial penalties could be imposed.

DP 30002 - Foster Care Caseload Increase - The legislature approved funding for an estimated foster care caseload increase of 6.0% in FY 2012 and 8.0% in FY 2013. Individuals eligible for foster care services include any child under age 18 who is removed from his or her parent, guardian, or legal custodian pursuant to federal and state requirements to provide protective services to children.

*The following information was utilized as part of the legislative decision making process, and will be used for ongoing program evaluation. It was submitted by the agency, with editing by LFD staff as necessary for brevity and/or clarity.*

Justification: CFSD is federally mandated to provide protective services to children who are abused, neglected, abandoned, or at substantial risk of such abuse or neglect. Maintenance payments and support services are currently paid to the 1,687 foster kids in care of the state, of which an average of 45.76% are eligible for Title IV-E funding. In 2010, an estimated 2,500 unduplicated children were placed in foster care during the year, with an average of 1,586 placements per month.

Goal: Place children in a safe and permanent environment.

Funding: The foster care caseload is funded with general fund, state special revenue, TANF, and Title IV-E federal funds. The Title IV-E eligible benefits are calculated at the FMAP rate of 33.78% in 2012 and 34.26% in 2013. This funding is for projected growth recognizing the increase in the FMAP rate from 31.96% in the 2010 base budget.

Challenges and risks: Without sufficient funding, children would still be placed into foster care; however, the support services would be cut. It could be more difficult to recruit and retain foster parents and could result in more children being placed into emergency shelter facilities or other residential settings at a higher cost to the division.

DP 30003 - FMAP Rate Decrease - Foster Care - The legislature provided \$238,410 in general fund and a decrease of the same amount in federal funds over the biennium to address federal changes in the FMAP rate for foster care. The foster care adjusted base expenditures were calculated based upon an initial FMAP estimate of 68.04%. This adjustment reduces the FMAP from 68.04% to 66.22% in FY 2012 and to 65.74% in FY 2013 to reflect updated information.

DP 30004 - FMAP Rate Decrease - Subsidized Adoption - The legislature approved an increase of \$375,503 in general fund and a decrease of the same amount in federal funds over the biennium to address federal changes in the FMAP rate for subsidized adoption. The subsidized adoption adjusted base expenditures were calculated based upon an FMAP of 68.04%. This adjustment reduces the FMAP from 68.04% to 66.22% in FY 2012 and to 65.74% in FY 2013.

DP 30005 - Restore OT/Holidays Worked - The legislature approved funding to reinstate overtime compensation and holidays worked that was primarily earned by social workers called out at night or required to work additional hours due to staff shortages.

**New Proposals**

New Proposals	-----Fiscal 2012-----					-----Fiscal 2013-----					
	Program	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 30101 - Continue Chafee Independent Living Support	03	0.00	80,000	0	304,057	384,057	0.00	80,000	0	303,202	383,202
DP 30201 - Foster Care Stipend (Restricted/Biennial/OTO)	03	0.00	0	0	355,875	355,875	0.00	0	0	355,875	355,875
DP 55403 - 4% Personal Svs GF Reduction	03	(10.80)	(322,439)	0	(173,058)	(495,497)	(10.80)	(322,439)	0	(171,705)	(494,144)
DP 95301 - 5% Plan - Eliminate Big Brothers/Big Sisters Funds	03	0.00	(90,006)	0	0	(90,006)	0.00	(90,006)	0	0	(90,006)
DP 95302 - 5% Plan - Reduce Sub. Adopt Medical Subsidy by 25%	03	0.00	(15,460)	0	0	(15,460)	0.00	(15,460)	0	0	(15,460)
DP 95303 - 5% Plan - Reduce Operating Expenses by 2%	03	0.00	(62,344)	0	(28,708)	(91,052)	0.00	(62,344)	0	(28,708)	(91,052)
DP 95304 - 5% Plan - Reduce/Eliminate Foster Care Benefits	03	0.00	(538,995)	(58,778)	(427,417)	(1,025,190)	0.00	(538,995)	(58,778)	(427,417)	(1,025,190)
DP 95305 - 5% Plan Reduce In-Home Reunification Svcs by 20%	03	0.00	(265,983)	0	0	(265,983)	0.00	(265,983)	0	0	(265,983)
DP 96301 - Restore Some Big Brothers and Big Sisters Funds	03	0.00	50,000	0	0	50,000	0.00	50,000	0	0	50,000
DP 96304 - Restore Some Foster Care Benefits	03	0.00	260,145	15,962	259,034	535,141	0.00	260,145	15,962	259,034	535,141
DP 96305 - Restore In-Home Reunification Services	03	0.00	265,983	0	0	265,983	0.00	265,983	0	0	265,983
DP 96306 - Restore Foster Care Clothing Allowance	03	0.00	94,035	10,416	103,867	208,318	0.00	94,035	10,416	103,867	208,318
<b>Total</b>		<b>(10.80)</b>	<b>(\$545,064)</b>	<b>(\$32,400)</b>	<b>\$393,650</b>	<b>(\$183,814)</b>	<b>(10.80)</b>	<b>(\$545,064)</b>	<b>(\$32,400)</b>	<b>\$394,148</b>	<b>(\$183,316)</b>

DP 30101 - Continue Chafee Independent Living Support - The legislature provided funds to allow the division to either continue modified FTE that were not included in the FY 2010 base budget or to switch to contracted services, or a combination of the two in order to provide independent living program services throughout the state.

DP 30201 - Foster Care Stipend (Restricted/Biennial/OTO) - The legislature provided a restricted, biennial, one-time-only appropriation of \$711,750 federal TANF block grant funds, which is distributed at \$355,875 each year of the biennium in HB 2. The funding supports a stipend for regular foster care families and regular kinship care families of an estimated \$0.75 per day in addition to the daily foster care maintenance payment. The Child and Family Services Division may adjust the stipend amount to reflect the appropriation and the actual number of children placed in regular family foster care and regular kinship foster care.

DP 55403 - 4% Personal Services General Fund Reduction - The legislature approved the Governor's request for a 4% personal services reduction in general fund and a reduction of 10.8 FTE. The action reduced total funding by over \$980,000 for the biennium.

DP 95301 - Eliminate Big Brothers/Big Sisters Funds - The legislature eliminated funding for the Big Brothers / Big Sisters programs and later restored it at a lower amount in DP 96301. This \$90,006 general fund reduction for each year of the biennium was part of the agency's submitted 5% reduction plan. Combined with DP 96301, the program will receive \$50,000 general fund each year of the biennium compared to \$90,006 from FY 2010.

DP 95302 - Reduce Subsidized Adoption Medical Subsidy by 25% - The legislature reduced the base budget for Child and Family Services by \$15,460 general fund each year of the biennium through a 25% reduction in the subsidized adoption medical subsidy that primarily support orthodontia services that are not covered by Medicaid. This reduction was part of the agency's submitted 5% reduction plan.

DP 95303 - Reduce Operating Expenses by 2% - The legislature reduced the division's base funding by \$62,344 general fund each year of the biennium for a 2% decrease in operating expenses primarily for travel and communications expenditures. This reduction was part of the agency's submitted 5% reduction plan.

DP 95304 - Reduce/Eliminate Foster Care Benefits - The legislature reduced funding in foster care benefits and services by lowering the rate paid to providers for high cost placement from \$60 day to \$20 a day; reducing urine analysis by 50%; and eliminating clothing and diaper allowances, transportation, respite, in-home services, and case management. ("High cost placement cost" refers to a daily rate of \$45.50 for intensive level supervision services, plus \$60.00 per day for additional staff needed in severe cases.) This reduction was part of the agency's submitted 5% reduction plan and was partially restored in DP 96304 and DP 96306. The legislative adjustments net a reduction from FY 2010 of \$281,732 for high cost placement services each year of the biennium.

Some costs were later restored in NP 96306 and NP 96304.

DP 95305 - Reduce In-Home Reunification Services by 20% - The legislature reduced general fund each year of the biennium by \$265,983 in-home and reunification services. This funding was restored in NP 96305.

DP 96301 - Restore Some Big Brothers and Big Sisters Funds - The legislature provided \$50,000 general fund each year of the biennium to support the Big Brothers and Big Sisters activities related to preventing neglect, abuse or exploitation of the youth and assisting foster care family and child reunification activities. The legislative action partially restores the \$90,006 funding reduction taken in DP 95301.

DP 96304 - Restore Some Foster Care Benefits - The legislature restored \$260,145 general fund each year of the biennium that was removed via DP 95304. The original reduction was \$538,995 general fund for each year of the biennium. This legislative action reinstates: urine analysis costs, diaper allowances, transportation, respite, in-home services, and case management. The total amount replaced each year of the biennium is \$260,145 general fund; \$15,962 state special revenue; \$259,034 federal revenue. The legislature restored all but \$281,732 general fund for high cost placement services each year of the biennium that were eliminated in DP 95304.

DP 96305 - Restore In-Home Reunification Services - The legislature restored funding for in-home reunification services at \$265,983 general fund each year of the biennium for a total of \$531,966 over the biennium.

DP 96306 - Restore Foster Care Clothing Allowance - The legislature approved funding to restore the foster care clothing allowance for a total fund increase of \$208,318 each year of the biennium including \$94,035 general fund, \$10,416 state special revenue, and federal funds of \$103,867.

### **Language and Statutory Authority**

The legislature included the following language in HB 2.

"Funding for Foster Care Stipend may be used only by the child and family services division to pay stipends to families who provide regular foster care in a youth foster home and kinship families who provide regular foster care in a kinship foster home of an estimated \$0.75 per day in addition to the daily foster care maintenance payment. Child and family services may adjust the stipend amount to reflect the funding of \$355,875 each year of the biennium with the actual number of children placed in regular family foster care and kinship foster care."