

Schedule 13
Change Request for FY 2010-11 Budget Request Cycle

Decision Item FY 2010-11 Base Reduction Item FY 2010-11 Supplemental FY 2009-10 Budget Amendment FY 2010-11

Request Title: Refinance \$7,000,000 of Child Welfare Services with TANF
 Department: Human Services Dept. Approval by: *[Signature]* Date: 2-4-10
 Priority Number: SBA-7 OSPB Approval: *[Signature]* Date: 2-9-10

	Fund	1	2	3	4	5	6	8	9	10	
		Prior-Year Actual FY 2008-09	Appropriation FY 2009-10	Supplemental Request FY 2009-10	Total Revised Request FY 2009-10	Base Request FY 2010-11	Decision/Base Reduction FY 2010-11	November 1 Request FY 2010-11	Budget Amendment FY 2010-11	Total Revised Request FY 2010-11	Change from Base (Column 5) FY 2011-12
Total of All Line Items	Total	345,544,931	366,575,261	0	366,575,261	358,161,289	0	358,161,289	(7,000,000)	351,161,289	(7,000,000)
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	171,716,693	171,949,309	0	171,949,309	167,794,450	0	167,794,450	(7,000,000)	160,794,450	(7,000,000)
	CF	62,775,661	61,947,571	0	61,947,571	65,196,739	0	65,196,739	0	65,196,739	0
	CFE/RF	12,872,178	18,746,950	0	18,746,950	14,508,228	0	14,508,228	0	14,508,228	0
	FF	98,180,399	113,931,431	0	113,931,431	110,661,872	0	110,661,872	0	110,661,872	0
	MCF	13,865,508	18,746,950	0	18,746,950	14,508,228	0	14,508,228	0	14,508,228	0
	MGF	5,939,424	9,373,475	0	9,373,475	7,254,114	0	7,254,114	0	7,254,114	0
NGF	177,656,117	181,322,784	0	181,322,784	175,048,564	0	175,048,564	(7,000,000)	168,048,564	(7,000,000)	
(5) Division of Child Welfare, Child Welfare Services	Total	345,340,609	353,575,261	0	353,575,261	345,161,289	0	345,161,289	0	345,161,289	0
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	171,716,693	171,949,309	0	171,949,309	167,794,450	0	167,794,450	(7,000,000)	160,794,450	(7,000,000)
	CF	62,775,661	61,947,571	0	61,947,571	65,196,739	0	65,196,739	0	65,196,739	0
	CFE/RF	12,872,178	18,746,950	0	18,746,950	14,508,228	0	14,508,228	0	14,508,228	0
	FF	97,976,077	100,931,431	0	100,931,431	97,661,872	0	97,661,872	7,000,000	104,661,872	7,000,000
	MCF	13,865,508	18,746,950	0	18,746,950	14,508,228	0	14,508,228	0	14,508,228	0
	MGF	5,939,424	9,373,475	0	9,373,475	7,254,114	0	7,254,114	0	7,254,114	0
NGF	177,656,117	181,322,784	0	181,322,784	175,048,564	0	175,048,564	(7,000,000)	168,048,564	(7,000,000)	
(7) Office of Self Sufficiency, (B) Colorado Works Program, Program Maintenance Fund	Total	0	3,000,000	0	3,000,000	3,000,000	0	3,000,000	(2,000,000)	1,000,000	(2,000,000)
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	0	0	0	0	0	0	0	0	0	0
	CF	0	0	0	0	0	0	0	0	0	0
	CFE/RF	0	0	0	0	0	0	0	0	0	0
	FF	0	3,000,000	0	3,000,000	3,000,000	0	3,000,000	(2,000,000)	1,000,000	(2,000,000)
	MCF	0	0	0	0	0	0	0	0	0	0
	MGF	0	0	0	0	0	0	0	0	0	0
NGF	0	0	0	0	0	0	0	0	0	0	

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Change Request for FY 2010-11 Budget Request Cycle

Decision Item FY 2010-11 Base Reduction Item FY 2010-11 Supplemental FY 2009-10 Budget Amendment FY 2010-11

Request Title: Refinance \$7,000,000 of Child Welfare Services with TANF

Department: Human Services

Dept. Approval by:

Date:

Priority Number: SBA-7

OSPB Approval:

Date:

		1	2	3	4	5	6	7	8	9	10
Fund		Prior-Year Actual FY 2008-09	Appropriation FY 2009-10	Supplemental Request FY 2009-10	Total Revised Request FY 2009-10	Base Request FY 2010-11	Decision/ Base Reduction FY 2010-11	November 1 Request FY 2010-11	Budget Amendment FY 2010-11	Total Revised Request FY 2010-11	Change from Base (Column 5) FY 2011-12
(7) Office of Self Sufficiency, (B)	Total	204,322	10,000,000	0	10,000,000	10,000,000	0	10,000,000	(5,000,000)	5,000,000	(5,000,000)
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Colorado Works Program, Statewide	GF	0	0	0	0	0	0	0	0	0	0
	CF	0	0	0	0	0	0	0	0	0	0
Strategic Use Fund	CFE/RF	0	0	0	0	0	0	0	0	0	0
	FF	204,322	10,000,000	0	10,000,000	10,000,000	0	10,000,000	(5,000,000)	5,000,000	(5,000,000)
	MCF	0	0	0	0	0	0	0	0	0	0
	MGF	0	0	0	0	0	0	0	0	0	0
	NGF	0	0	0	0	0	0	0	0	0	0

Non-Line Item Request: None

Letternote Revised Text: (5) Division of Child Welfare, letternote f (FY 2010-11): Of these amounts, \$73,044,436 shall be from Title IV-E of the Social Security Act, \$22,690,313 shall be from the Title XX Social Services Block Grant, ~~\$9,500,000~~ \$16,500,000 shall be from the Temporary Assistance for Needy Families (TANF) Block Grant, and \$4,019,549 shall be from Title IV-B, Subpart 1, of the Social Security Act.

Cash or Federal Fund Name and COFRS Fund Number: Temporary Assistance for Needy Families Block Grant

Reappropriated Funds Source, by Department and Line Item Name: Not applicable.

Approval by OIT? Yes: No: N/A:

Schedule 13s from Affected Departments: Not applicable.



DEPARTMENT OF HUMAN SERVICES

*Budget Reduction Proposal
February 18, 2010*

Karen L. Beye
Executive Director

Refinance \$7,000,000 General Fund of Child Welfare Services with Federal TANF Moneys

Proposal:

The Department is proposing an ongoing refinance of an additional \$7,000,000 to the Child Welfare Services Line (Child Welfare Block) by reducing the General Fund by \$7,000,000 and refinancing it with federal Temporary Assistance for Needy Families (TANF) funds for FY 2010-11 and beyond. This refinancing would create a net General Fund savings of \$7,000,000. The proposal includes a commensurate reduction in two TANF areas: \$5,000,000 from the Statewide Strategic Use Fund, and \$2,000,000 from the Program Maintenance Fund.

Summary of Request:

The Child Welfare Services Block appropriation provides funding for Child Welfare Services as defined in Section 26-5-101, C.R.S. (2009) with the exception of certain services (such as Core services, Promoting Safe and Stable Families services, and Chafee Independent Living services).

The following are brief descriptions of some of the broad categories of service, which may be provided through the Child Welfare Block services:

- Out of Home Placement provides 24-hour temporary or long-term care for those children who must live outside their own homes. Out-of-Home Placement Services are provided in the least restrictive most appropriate setting that meets the child's need. This includes a variety of settings including county department family foster homes, kinship care homes and group care, Child Placement Agency family foster and group care (CPAs), Therapeutic Residential Child Care Facility (TRCCF), Psychiatric Residential Treatment Facility (PRTF), and Residential Child Care Facilities (RCCFs) and Children's Habilitation Residential Program (CHRP) placements.
- Subsidized Adoption provides funding to families adopting children with special needs. These special needs include significant physical or mental disabilities, emotional disturbance or other considerations such as membership in a sibling group. Most of the children adopted with this subsidy were previously in out-of-home placement.
- Case Services Payments for Subsidized Adoptions provides funding for certain one-time costs incurred in freeing a child for adoption, such as legal fees. In addition, these payments fund certain ongoing costs incurred in maintaining the child in the adoptive home, such as physical and speech therapy, special transportation needs or funding for pre-existing medical conditions that are not covered by insurance. These payments are necessary for the initial adoptions and to prevent later disruptions.
- Child Welfare Related Child Care (Special Circumstance Child Care) provides less than 24-hour care to children at risk of out-of-home placement due to abuse, neglect or exploitation. This care is authorized by the county department and is provided primarily by private child care facilities. These services are used to prevent out-of-home placements and to maintain children in the least restrictive settings and most appropriate setting as possible.

- County Administration provides funding to the county department for caseworker and administrative staff to implement child welfare programs. This funding is for both direct client services as well as administrative costs.

The Department previously requested through Budget Reduction Item # 4 (FY 2010-11) “Refinance \$3,000,000 of Child Welfare Services with TANF,” a \$3,000,000 refinance to the Child Welfare Services Line (Child Welfare Block) by reducing the General Fund by \$3,000,000 and refinancing it with federal Temporary Assistance for Needy Families (TANF) funds for FY 2010-11 and FY 2011-12, which was included in the Department’s November 6, 2009 budget submission. These funds were from the Long Term Works Reserve. This proposal is also for FY 2010-11 and would create a Net General Fund savings of \$7,000,000, helping the State meet its anticipated budget deficit in FY 2010-11. To fund the \$7,000,000 refinance, reductions of \$5,000,000 and \$2,000,000 would be taken from the Statewide Strategic Use Fund and Program Maintenance Fund, respectively.

These recommendations are intended to strike a balance between program choices that the Department believes are important and the very practical consideration that these line items have some capacity to help balance the budget while avoiding reduction of the County Block Grant. Though decreasing the Statewide Strategic Use Fund by \$5 million is a significant cut to the program (a 50% reduction), such a reduction would allow it to continue to provide a portion of the benefits to Colorado’s communities as it was designed. A distinctive program, it is the only statewide, multi-county approach focusing on strategic efforts to produce long-term impacts for families becoming self-sufficient. The Program Maintenance Fund reduction would limit the Executive Director’s ability to react to emergencies, but requires no immediate change in programs or services.

In FY 2011-12, there will be a need to make reductions to the TANF program due to the balance of the Long Term Works Reserve, regardless of the current proposal. The Department has developed a strategic plan to balance the TANF budget that takes into account this proposal, Maintenance of Effort requirements, and programmatic priorities.

There will be no programmatic change to the Child Welfare Services allocation at the county level.

Assumptions and Tables to Show Calculations:

FY 2010-11:

	Total Funds	General Fund	Federal Funds	Net General Fund
(5) Division of Child Welfare, Child Welfare Services	\$0	(\$7,000,000)	\$7,000,000	(\$7,000,000)
(7) Office of Self Sufficiency, (B) Colorado Works Program, Program Maintenance Fund	(\$2,000,000)	\$0	(\$2,000,000)	\$0
7) Office of Self Sufficiency, (B) Colorado Works Program, Statewide Strategic Use Fund	(\$5,000,000)	\$0	(\$5,000,000)	\$0
Total	(\$7,000,000)	(\$7,000,000)	\$0	(\$7,000,000)

FY 2011-12:

	Total Funds	General Fund	Federal Funds	Net General Fund
(5) Division of Child Welfare, Child Welfare Services	\$0	(\$7,000,000)	\$7,000,000	(\$7,000,000)
(7) Office of Self Sufficiency, (B) Colorado Works Program, Program Maintenance Fund	(\$2,000,000)	\$0	(\$2,000,000)	\$0
7) Office of Self Sufficiency, (B) Colorado Works Program, Statewide Strategic Use Fund	(\$5,000,000)	\$0	(\$5,000,000)	\$0
Total	(\$7,000,000)	(\$7,000,000)	\$0	(\$7,000,000)

Current Statutory Authority or Needed Statutory Change:

No statutory change is required.

Section 26-5-101, C.R.S. (2009). As used in this article, unless the context otherwise requires:

(1) "Capped allocation" means a capped amount of funds distributed to counties or a group of counties for the purpose of providing all or a portion of the child welfare services as defined in subsection (3) of this section.

(1.5) "Caseload" means the number of children who are eligible for child welfare services that are defined in subsection (3) of this section and who are currently receiving such child welfare services on a regular basis from a county.

(2) "Child welfare allocations committee" means a committee that is organized and authorized pursuant to the provisions of section 26-5-103.5 C.R.S. (2009).

(3) "Child welfare services" means the provision of necessary shelter, sustenance, and guidance to or for children who are or who, if such services are not provided, are likely to become neglected or dependent, as defined in section 19-3-102, C.R.S. (2009). "Child welfare services" includes but is not limited to: (a) Child protection; (b) Risk assessment; (c) Permanency planning; (d) Treatment planning; (e) Case management; (f) Core services, as defined in section 19-3-208, C.R.S. (2009); (g) Adoption and subsidized adoption; (h) Emergency shelter; (i) Out-of-home placement, including foster care; (j) Utilization review; (k) Early intervention and prevention; (l) Youth-in-conflict functions; and (m) Administration and support functions.

(4) "County" means a county or a city and county or any two or more counties.

(5) "Governing body" means the board of county commissioners of a county or the city council and mayor of a city and county.

(6) "Targeted allocation" means a fixed amount of funds from a capped allocation to a group of counties that is designated for a specific county within that group of counties.

Section 26-5-104, C.R.S. (2009) (4) (a) Allocations. (a) For state fiscal year 1997-98, and for each state fiscal year thereafter, all counties shall receive capped allocations for child welfare services. A county may receive one or more capped allocations for the provision of child welfare services. The counties may use capped allocation moneys for child welfare services without category restriction within a specific capped allocation if not prohibited by federal law.

Section 26-2-705 (2), C.R.S (2009). Works program – purposes.

(2) The purposes of the works program are to: (b) Provide assistance to needy families so that children may be cared for in their homes or in the homes of family members;

Section 26-2-706.6, C.R.S. (2009). Colorado works Program – Supportive Services

(4) (V) Services such as counseling, case management, peer support, child care information and referral, transitional services, job retention, job advancement, and other employment-related services that do not provide basic income support