

**Economic Services Administration
060 - PL - FJ - FAMILIES FORWARD DEMONSTRATION**

Agency Submittal: 11-2017-19-YR Agency Req

Budget Period: 2017-19

SUMMARY

The Families Forward Demonstration (FFD) is a grant spread over five years awarded to Washington State by the W.G. Kellogg Foundation. The purpose is to provide advanced skills training and financial education services to low-income parents who owe child support. The Economic Services Administration (ESA) requests 1.1 FTEs and \$988,000 (\$82,000 GF-State) in the 2017-19 Biennium to implement the Families Forward Demonstration grant.

PROBLEM STATEMENT

The ESA, Division of Child Support (DCS) was one of six state programs to receive the FFD grant from the W.K. Kellogg Foundation. This is a five-year grant, totaling \$450,000, starting in State Fiscal Year 2017. The local grant can match against federal funding at a 34/66 percent match – increasing the additional funding available to the state to a total of \$1,324,000 (\$450,000 local grant + \$874,000 federal match) across five years. The demonstration will test new strategies to improve the earnings capacity, skills and financial literacy of low-income parents who owe child support but are unable to fully meet their obligations due to low earnings. The goal of this project is to identify effective employment-focused approaches that can be integrated into child support programs across the country.

PROPOSED SOLUTION

The Economic Services Administration requests 1.1 FTEs and \$988,000 (\$82,000 GF-State) in the 2017-19 Biennium to implement the FFD grant. Below are the estimate biennial amounts that will be requested for this grant.

FUNDING	SFY 2017	2017-19 BIENNIUM	2019-21 BIENNIUM
FTEs	1.1	1.1	.7
GF - Local	\$131,000	\$254,000	\$65,000
GF - State	\$43,000	\$82,000	\$25,000
GF - Federal	\$338,000	\$652,000	\$175,000
TOTAL	\$512,000	\$988,000	\$265,000

EXPECTED RESULTS

With the resources offered by the grant, DCS will expand services in the Alternative Solutions Program. This program helps noncustodial parents with barrier removal, including assistance with employment and training, housing, food, medical and legal resources. The program also provides direct assistance to noncustodial parents regarding child support issues. One of the programs within the Alternative Solutions Program is the Employment Pipeline which provides training and employment services for noncustodial parents to help them stay employed. The model has three components:



DSHS VISION
People are healthy • People are safe • People are supported • Taxpayer resources are guarded

DSHS MISSION
To transform lives

DSHS VALUES
Honesty and Integrity • Pursuit of Excellence • Open Communication • Diversity and Inclusion • Commitment to Service

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1. Partnering with employers willing to work with DCS to offer meaningful, long-term employment to noncustodial parents, building on transferable skills.
2. The second component is support services. Through this employer, navigators provide on-site support to noncustodial parents – helping them stay employed by resolving issues that otherwise might jeopardize their employment.
3. The third is to provide basic training and skills through local community college partners and community-based organizations to prepare noncustodial parents for specific jobs available from the selected employers.

STAKEHOLDER IMPACT

There is no known opposition. DCS has a long history of partnering in the community to provide services to noncustodial parents. This demonstration grant is in direct alignment with DCS' commitment to being a part of these partnerships and collaborations to leverage resources, share information and create seamless and stress-free client transactions between programs. With a mission of "Transforming Lives", DCS is positioned to provide the services proposed by the Families Forward Demonstration.

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Program Contact: Joe LaChance, (360) 725-4514

OTHER CONNECTIONS

Performance Outcomes/Important Connections

1. **Does this DP provide essential support to one or more of the Governor's Results Washington priorities?**
Goal 4: Healthy & Safe Communities - Healthy People - Provide access to good medical care to improve people's lives.
2. **The decision package meets the following DSHS' strategic objectives:**
 - 2.1: The percentage of child support collected by ESA will increase.
 - 3.1: The percentage of people who leave Temporary Assistance for Needy Families (TANF) due to self-sufficiency or at their request will increase.
3. **Identify other important connections or impacts below.** (Indicate 'Yes' or 'No'. If 'Yes' identify the connections or impacts related to the proposal.)
 - a) Regional/County impacts? Yes. See response to #4.
 - b) Other local government impacts? Yes. See response to #4.
 - c) Tribal government impacts? Yes. See response to #4.
 - d) Other state agency impacts? Yes. See response to #4.
 - e) Responds to specific task force, report, mandate or executive order? No

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- f) Does request contain a compensation change or require changes to a Collective Bargaining Agreement? No
- g) Facility/workplace needs or impacts? No
- h) Capital budget impacts? No
- i) Is change required to existing statutes, rules or contracts? No
- j) Is the request related to litigation? No
- k) Is the request related to Puget Sound recovery? No
- l) Other important connections? Yes. See response to #4.

4. Please provide a detailed discussion of connections/impacts identified above.

DCS has a long history of working with the county prosecuting attorneys to establish paternity, child support orders and to modify child support orders so they reflect the current financial circumstances of parents. DCS also works closely with employers in regard to the New Hire Reporting Program which impacts DCS's ability to collect child support in a timely manner. DCS partners with Indian tribes, on a government-to-government basis, to provide culturally relevant child support services and has designated Tribal Liaisons who manage the cases and serve as a local resource for staff and tribes. Additionally, DCS works with other state agencies such as Community Service Offices, Department of Licensing, and Department of Health as DCS goes through the processes of establishing paternity and child support orders and the enforcement and modification of child support orders.

Alternatives/Consequences/Other

5. What alternatives were explored by the agency, and why was this alternative chosen?

The FFD grant will help provide effective child support collections by helping noncustodial parents gain more advanced skills training. This can lead to more stable employment and consistent child support payments, thus providing financial stability to children and families relying on child support to pay for food, housing and other living expenses. Noncustodial parents with consistent employment can also mean medical insurance may be available to them through their employer for their children, which would reduce the amount the state expends on health care costs for these children.

6. How has or can the agency address the issue or need within its current appropriation level?

Not funding this package would reduce DCS's ability to help noncustodial parents gain the necessary advanced skills to become more stable financially which impacts their ability to provide consistent child support payments, thus increasing children and families' dependency on public assistance programs for food, housing, medical and basic living necessities.

DCS's current budget plan will not be sufficient to allow for implementing the increases in noncustodial parent assistance with gaining advanced skills for employment. This would either require a reduction of spending in other areas or a reduction in the number of noncustodial parents DCS can assist which would reduce the effectiveness of the grant.

7. Does this decision package include funding for any IT-related costs (hardware, software, services, cloud-based services, contracts or IT staff)?

No

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Yes (Include an IT Addendum)

Fiscal Detail**060 - PL - FJ - Families Forward Demonstration**

Operating Expenditures	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>
001-1 General Fund-State	42,000	40,000	21,000	4,000
001-7 General Fund-Priv-Loc	126,000	128,000	57,000	8,000
001-A General Fund-DSHS Fam	326,000	326,000	152,000	23,000
Total Cost	494,000	494,000	230,000	35,000

Staffing	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>
FTEs	1.1	1.1	1.1	1.1

Performance Measure Detail

Activity:	Incremental Changes			
	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>
Program: 060				
F010 Child Support Enforcement	0	0	0	0
No measures submitted for package				

Object Detail

	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>
A Salaries and Wages	79,000	79,000	79,000	18,000
B Employee Benefits	28,000	28,000	28,000	6,000
C Professional Service Contracts	377,000	377,000	113,000	8,000
E Goods and Other Services	7,000	7,000	7,000	2,000
TZ Intra-agency Reimbursements	3,000	3,000	3,000	1,000
Total Objects	494,000	494,000	230,000	35,000

DSHS Source Detail**Overall Funding**

Operating Expenditures	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>
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Fund 001-1, General Fund-State**Sources Title**

0011 General Fund State	42,000	40,000	21,000	4,000
Total for Fund 001-1	42,000	40,000	21,000	4,000

Fund 001-7, General Fund-Priv-Loc**Sources Title**

5417 Contributions & Grants	126,000	128,000	57,000	8,000
Total for Fund 001-7	126,000	128,000	57,000	8,000

Fund 001-A, General Fund-DSHS Fam**Sources Title**

563I Title IV-D Child Support Enforcement (A) (66%)	326,000	326,000	152,000	23,000
Total for Fund 001-A	326,000	326,000	152,000	23,000
Total Overall Funding	494,000	494,000	230,000	35,000