

Department of Social and Health Services
2012 Reduction Options and Supplemental Budget Request
Children's Administration

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Recommendation Summary

Budget Period:2011-13

Version: A2 - 010 - 2012 Sup Agency Request

Budget Level Criteria: ALL

Dollars in Thousands		Program Priority	Annual Avg FTEs	General Fund State	Other Funds	Total Funds
Program 010 - Children's Administration						
CB - Current Biennium						
00	Current Biennium Base	0	2,563.1	604,460	487,008	1,091,468
	SubTotal CB		2,563.1	604,460	487,008	1,091,468
	Cumulative Total Thru CB		2,563.1	604,460	487,008	1,091,468
M1 - Mandatory Caseload and Enrollment Changes						
93	Mandatory Caseload Adjustments	0	0.0	0	0	0
	SubTotal M1		0.0	0	0	0
	Cumulative Total Thru M1		2,563.1	604,460	487,008	1,091,468
M2 - Inflation and Other Rate Changes						
9T	Transfers	0	(18.6)	(122)	(164)	(286)
WB	Federal Funds Technical Adjustment	0	0.0	0	0	0
WW	Technical Corrections	0	0.0	22	(22)	0
ZZ	Unemployment	0	0.0	428	143	571
	SubTotal M2		(18.6)	328	(43)	285
	Cumulative Total Thru M2		2,544.5	604,788	486,965	1,091,753
PL - Performance Level						
20	Adjust Caseload Ratios	0	(44.0)	(3,226)	(2,979)	(6,205)
PF	State Data Center Equipment	0	0.0	30	41	71
QR	Optimize Efficiencies	0	0.0	(16,933)	12,820	(4,113)
QS	Foster Care Reductions	0	0.0	(11,968)	(2,353)	(14,321)
QU	Program Reduction	0	0.0	(5,581)	(279)	(5,860)
QY	Program Eliminations	0	0.0	(4,048)	0	(4,048)
	SubTotal PL		(44.0)	(41,726)	7,250	(34,476)
	Cumulative Total Thru PL		2,500.6	563,062	494,215	1,057,277
Total Proposed Budget for Program 010 - Children's Administration			2,500.6	563,062	494,215	1,057,277

Recommendation Summary Text

20 - Adjust Caseload Ratios

(PL) The Department of Social and Health Services, Children's Administration (CA), reduces (75.4) FTEs and (\$6,205,000), (\$3,226,000) GF-State, in the 2012 Supplemental Budget by adjusting caseload ratios.

93 - Mandatory Caseload Adjustments

(M1) The Department of Social and Health Services (DSHS), Children's Administration (CA), requests a placeholder in the 2012 Supplemental Budget to fund the forecasted caseload in Adoption Support and Foster Care as adopted by the Caseload Forecast Council (CFC).

9T - Transfers

(M2) The Department of Social and Health Services (DSHS) requests to shift FTEs and funding among programs in the 2012 Supplemental Budget. This transfer will align FTEs and funds within the programs where the costs are incurred. The net

Recommendation Summary

Version: A2 - 010 - 2012 Sup Agency Request

Budget Period: 2011-13
Budget Level Criteria: ALL

Dollars in Thousands	Program Priority	Annual Avg FTEs	General Fund State	Other Funds	Total Funds
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9T - Transfers

impact is zero.

PF - State Data Center Equipment

(PL) The Department of Social and Health Services (DSHS), Information System Services Division (ISSD), requests \$512,000 (\$291,000 GF-State) in the 2012 Supplemental Budget for startup equipment required to migrate systems from the Office Building 2 (OB2) to the new State Data Center (SDC) located in the 1500 Jefferson Building.

QR - Optimize Efficiencies

(PL) The Department of Social and Health Services (DSHS), Children's Administration (CA), reduces (\$4,113,000), (\$16,933,000) GF-State, for the 2012 Supplemental Budget. This reduction will be achieved by maximizing federal funds, enhanced payment integrity efforts, and aligning funding levels with Fiscal Year 2011 actual expenditures, which were less than previously projected.

QS - Foster Care Reductions

(PL) The Department of Social and Health Services, Children's Administration (CA), reduces (\$14,321,000), (\$11,968,000) GF-State, in the 2012 Supplemental Budget through foster care reductions.

QU - Program Reduction

(PL) The Department of Social and Health Services (DSHS), Children's Administration (CA), reduces (\$5,860,000), (\$5,581,000) GF-State, in the 2012 Supplemental Budget as a result of program reductions.

QY - Program Eliminations

(PL) The Department of Social and Health Services (DSHS), Children's Administration (CA), reduces (\$4,048,000) GF-State in the 2012 Supplemental Budget through the elimination of Child Advocacy Centers, Continuum of Care, and research and training services.

WB - Federal Funds Technical Adjustment

(M2) The Department of Social and Health Services (DSHS) requests adjustments between types of federal funds, within the current GF-Federal spending authority, to accurately reflect expected types of federal earnings in the 2012 Supplemental Budget.

WW - Technical Corrections

(M2) The Department of Social and Health Services (DSHS) requests a reduction of (\$24,050,000) ((\$18,494,000) GF-State) and 0.6 FTEs in the 2012 Supplemental Budget to make technical corrections throughout the department.

ZZ - Unemployment

(M2) The Department of Social and Health Services (DSHS) requests \$2,893,000 (\$2,245,000 GF-State) in the 2012 Supplemental Budget to offset increased Unemployment Insurance reimbursement to the Employment Security Department (ESD).

Department of Social and Health Services

DP Code/Title: M1-93 Mandatory Caseload Adjustments

Program Level - 010 Children's Administration

Budget Period: 2011-13 Version: A2 010 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS), Children's Administration (CA), requests a placeholder in the 2012 Supplemental Budget to fund the forecasted caseload in Adoption Support and Foster Care as adopted by the Caseload Forecast Council (CFC).

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
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Program Cost

Total Cost

Staffing

Package Description:

This request serves as a placeholder in the 2012 Supplemental Budget to fund the forecasted caseload in Adoption Support and Foster Care. Funding estimates for Adoption Support and Foster Care will not be finalized until the caseload is updated, approved, and adopted by the CFC.

Agency Contact: Angela Visser (360) 902-8183

Program Contact: Tammy Hay (360) 902-7865

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Children are placed in out-of-home care to protect them from abuse and neglect, and to provide necessities such as food, clothing, and shelter when their parents cannot care for them. Forecasted services are designed to ensure the safety of children and to assist children who are temporarily or permanently removed from their parent's homes. Primary responsibility for caring for children requiring out-of-home support rests with the state.

Funding the forecasted need for Adoption Support and Foster Care ensures that children who are in need of protection will continue to be assisted temporarily or permanently through Washington State's Child Welfare system.

Performance Measure Detail

Is this decision package essential to implement a strategy identified in the agency's strategic plan?

This caseload adjustment is essential to pursuing the agency's goal of "improving children's safety and well being." By ensuring that caseload increases are adequately funded, the agency is in a much better position to maintain the safety of children in Washington, particularly in regards to providing for foster services, wherein a child may be in a high risk environment.

Does this decision package provide essential support to one of the Governor's priorities?

Department of Social and Health Services

DP Code/Title: M1-93 Mandatory Caseload Adjustments

Program Level - 010 Children's Administration

Budget Period: 2011-13 Version: A2 010 - 2012 Sup Agency Request

Yes, the primary goal of the Governor's human services priority is "safety for our children, seniors and vulnerable adults." Providing funding for the caseload based on the CFC estimates is integral to pursuing this priority.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

Yes, by adequately maintaining the mechanisms for placing children in the safest environment possible, this decision package directly contributes to the Priority of Government (POG) goals of "responding to abuse and neglect allegations" and "increasing the percentage of vulnerable children and adults living in permanent families and safe home or community settings."

What are the other important connections or impacts related to this proposal?

None

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

CA has not explored any alternatives to Adoption Support for several reasons; adoption is in the best interest of legally freed children, adoption is fiscally more responsible as it costs less than keeping the child in a foster family home, and federal law requires the state provide adoption services to children.

Additionally, CA has not explored alternatives to Foster Care including family homes, Behavioral Rehabilitation Services (BRS), or receiving homes as CA has no intention to abandon the basic continuum of care that currently exists.

What are the consequences of not funding this package?

Not funding this request will result in longer stays in Foster Care for children whose families experience prolonged negotiations regarding the level of support for adoption. Children in Foster Care will receive basic services to assure their safety; however, services addressing their mental and or emotional health needs will be more limited or possibly eliminated. Delays in finalizing adoptions and further limits on necessary treatment will result in longer stays in Foster Care and consequently, higher caseloads.

What is the relationship, if any, to the state's capital budget?

None

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

None

Expenditure and revenue calculations and assumptions

Funding estimates for Adoption Support and Foster Care will not be finalized until the caseload is updated, approved and adopted by the CFC.

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

All costs are ongoing and will impact future biennia.

Department of Social and Health Services

DP Code/Title: M1-93 Mandatory Caseload Adjustments

Program Level - 010 Children's Administration

Budget Period: 2011-13 Version: A2 010 - 2012 Sup Agency Request

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program Totals			
DSHS Source Code Detail			
	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund ,			
<u>Sources Title</u>			
<i>Total for Fund</i>			
Total			
Totals for all funds			

Department of Social and Health Services

DP Code/Title: M2-9T Transfers
Program Level - 010 Children's Administration

Budget Period: 2011-13 Version: A2 010 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS) requests to shift FTEs and funding among programs in the 2012 Supplemental Budget. This transfer will align FTEs and funds within the programs where the costs are incurred. The net impact is zero.

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	3,000	(125,000)	(122,000)
001-A General Fund - Basic Account-DSHS Fam Support/Chi	(53,000)	(111,000)	(164,000)
Total Cost	(50,000)	(236,000)	(286,000)

Staffing

	<u>FY 1</u>	<u>FY 2</u>	<u>Annual Avg</u>
Agency FTEs	(10.9)	(26.2)	(18.6)

Package Description:

DSHS requests an internal transfer among several program budgets resulting in a net zero funding change for the department. To align program appropriations with planned expenditures for the current budget, DSHS requests the following adjustments:

Information System Services Division (ISSD) Compensation Adjustment (110 to 010, 020, 030, 040, 050, 060, 070, 100, 135, 150): Administration and Supporting Services (Administration) will transfer compensation costs for staff in ISSD to other DSHS programs. Compensation steps associated with staff in ISSD are routinely included within the budget steps for Administration. Administration will distribute \$383,000 (\$303,000 GF-State) of ISSD's costs to the programs. These steps include: 1) savings from ending automatic benefit increases from the Public Employees' Retirement System Plan 1; 2) health insurance decrease in Fiscal Year 2013 to reflect the expected decrease of state employees in 2011-13, (the decrease in the carry forward level has already been adjusted in Fiscal Year 2012); 3) 3 percent cost savings in employee salaries; and 4) employer contributions adjusted to levels adopted by the Pension Funding Council. ISSD's budget resides in programs' budgets at Sub-Object TZ.

Department of Information Services (DIS) Rate Reduction (145 to 010, 020, 030, 040, 050, 060, 070, 100, 135, 150): Payments to Other Agencies (PTOA) will distribute \$2,130,000 (\$1,494,000 GF-State) of DIS rate adjustment costs to the various programs. DIS reduced their 2011-13 rates in technology leasing services, storage, and mainframe computing. Also, the Central Service Model reduced the department's funding for DIS services. PTOA does not pay these DIS costs for the entire department; rather, they are paid out of the programs' budgets at the Sub-Object EL levels.

Medicaid Purchasing Administration (MPA) Funding (110 to 010, 020, 030, 040, 050, 060, 070, 100, 135): Administration will distribute \$456,000 (\$296,000 GF-State) in costs to DSHS programs for the funding of positions that were transferred to the Health Care Authority (HCA). The negotiation for the DSHS and MPA transfer required DSHS to provide additional staff funding to HCA. Administration distributes this cost to the programs in this request. (Economic Services Administration (ESA) agreed to provide 3.0 FTEs, which were transferred out of the ESA 2011-13 Biennial Budget.) This distribution will give each program a share of the cost without Administration carrying the full cost as this was the original intent.

Department of Labor and Industries (L&I) Funding from PTOA to Programs (145 to 010, 020, 030, 040, 050, 060, 070, 100, 135, 150): L&I funding for the various DSHS programs was provided in PTOA's budget and will need to transfer to the respective programs. PTOA will transfer \$9,341,000 (\$6,725,000 GF-State) to the programs.

ISSD Transfer of Email and Blackberry services to DIS (All DSHS Programs):

Department of Social and Health Services

DP Code/Title: M2-9T Transfers
Program Level - 010 Children's Administration

Budget Period: 2011-13 Version: A2 010 - 2012 Sup Agency Request

ISSD will no longer provide email and blackberry services for the department and will transfer these services to DIS. Program's funding for these services are in Sub-Object TZ and will need to transfer to Sub-Object EL. The estimated transfer amount is \$624,000 total funds for Fiscal Year 2012 and \$1,208,000 total funds for Fiscal Year 2013. Amounts in the first year are estimates because the transfer timeline may change.

ISSD Staff Transfer to Administration (150 or 020, 030, 040, 050, 060, 070, 100, 135 to 110):
ISSD will transfer 1.0 FTE and \$216,000 (\$126,000 GF-State) to Administration, which fits with the current organizational reporting structure. As mentioned above, because of ISSD's budget residing in the programs' Sub-Object TZ costs, programs will transfer \$176,000 of their ISSD's costs to Administration, which will also reduce their share of ISSD's costs by \$40,000.

Mental Health Category Transfers (030 8000 to 030 9000):
DSHS, Mental Health (MH), is a categorically appropriated program. Thus, MH requests to move 8.6 FTEs and \$671,000 (\$74,000 GF-State) from Category 8000 to Category 9000 to align appropriations where costs are incurred.

Consolidated Field Services FTE Transfer (010, 020, 030, 040, 050, 060, 135 to 110 & 160):
Program 160 - Consolidated Field Services (CFS) will consolidate 343.1 FTEs in Fiscal Year 2012 and 540.2 FTEs in Fiscal Year 2013 from various DSHS Programs, which is designed to centralize services and maximize efficiencies in order to support business functions and maintenance for the regional centers and the institutions. CFS will operate as a chargeback to programs in order to maintain the maximum federal participation rate that DSHS Programs receive. Part of this consolidation is a transfer of 8.0 FTEs and \$704,000 (\$490,000 GF-State) in Fiscal Year 2012 and 13.0 FTEs and \$1,021,000 (\$714,000 GF-State) in Fiscal Year 2013 for payroll staff, Facility Planners and a Fiscal Coordinator from the various programs to Program 110. The consolidation will phase in from November 1, 2011, through March 1, 2012, and has been approved by the Legislative Evaluation and Accountability Program (LEAP) Committee.

These transfers will realign the funding with the DSHS programs to be charged.

Agency contact: Tula Habb (360) 902-8182

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

DSHS accounts for the wise use of public dollars by maximizing federal funding sources.

Performance Measure Detail

Agency Level

<p>Activity: A009 Child Protective Services (CPS) No measures linked to package</p> <p>Activity: A012 Child Welfare Services (CWS) No measures linked to package</p> <p>Activity: A033 Family Reconciliation Services (FRS) No measures linked to package</p>	<p>Incremental Changes <u>FY 1</u> <u>FY 2</u> 0.00 0.00</p> <p>Incremental Changes <u>FY 1</u> <u>FY 2</u> 0.00 0.00</p> <p>Incremental Changes <u>FY 1</u> <u>FY 2</u> 0.00 0.00</p>
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Is this decision package essential to implement a strategy identified in the agency's strategic plan?

Yes. This request supports our goal to improve health care quality and access and to improve internal and external partnerships.

Department of Social and Health Services

DP Code/Title: M2-9T Transfers
Program Level - 010 Children's Administration

Budget Period: 2011-13 Version: A2 010 - 2012 Sup Agency Request

Does this decision package provide essential support to one of the Governor's priorities?

Yes. This request supports the Governor's priority associated with efficient state government services for the people of Washington State.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

Yes. This request makes key contributions to the Governor's statewide results to "strengthen government's ability to achieve results efficiently and effectively."

This package will rate high in the Priorities of Government (POG) process as it will assist us in ensuring that needed support and funds are in the correct programs. In addition, it will allow DSHS to monitor costs and services efficiently and effectively.

What are the other important connections or impacts related to this proposal?

None

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

None

What are the consequences of not funding this package?

If the funding authority is not transferred between programs, DSHS would be required to develop internal mechanisms to track and transfer costs resulting in reduced efficiency.

What is the relationship, if any, to the state's capital budget?

None

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

None

Expenditure and revenue calculations and assumptions

See attachment: AW M2-9T Transfers.xlsx

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

The transfer is one-time resulting in the funding being in the correct programs. Then, all costs associated with these transfers will be ongoing and will carry-forward into future biennia.

Department of Social and Health Services

DP Code/Title: M2-9T Transfers
Program Level - 010 Children's Administration

Budget Period: 2011-13 Version: A2 010 - 2012 Sup Agency Request

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
A Salaries And Wages	(50,000)	(75,000)	(125,000)
B Employee Benefits	(16,000)	(23,000)	(39,000)
E Goods And Services	99,000	(2,000)	97,000
G Travel	(6,000)	(3,000)	(9,000)
J Capital Outlays	(4,000)	(7,000)	(11,000)
T Intra-Agency Reimbursements	(73,000)	(126,000)	(199,000)
Total Objects	(50,000)	(236,000)	(286,000)

DSHS Source Code Detail

<u>Overall Funding</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State			
<u>Sources Title</u>			
0011 General Fund State	3,000	(125,000)	(122,000)
<i>Total for Fund 001-1</i>	3,000	(125,000)	(122,000)
Fund 001-A, General Fund - Basic Account-DSHS Fam Support/Chi			
<u>Sources Title</u>			
658L Title IV-E-Foster Care (50%)	(53,000)	(111,000)	(164,000)
<i>Total for Fund 001-A</i>	(53,000)	(111,000)	(164,000)
Total Overall Funding	(50,000)	(236,000)	(286,000)

**2012 Supplemental Budget
M2-9T Transfers**

Program	FTEs			FY 2012			FY 2013			2011-13 Biennium		
	FY12	FY13	Total	001-1	Other	Total	001-1	Other	Total	001-1	Other	Total
010 Children's Administration												
ISSD compensation adjustments from Admin			0.0	(19,000)	(9,000)	(28,000)	(23,000)	(13,000)	(36,000)	(42,000)	(22,000)	(64,000)
DIS reductions from PTOA			0.0	(103,000)	(44,000)	(147,000)	(100,000)	(43,000)	(143,000)	(203,000)	(87,000)	(290,000)
MPA costs from Admin			0.0	(24,000)	(13,000)	(37,000)	(24,000)	(13,000)	(37,000)	(48,000)	(26,000)	(74,000)
L&I Funding from PTOA			0.0	192,000	63,000	255,000	80,000	26,000	106,000	272,000	89,000	361,000
Email & BB to DIS from ISSD (net zero impact)			0.0	0	0	0	0	0	0	0	0	0
ISSD Staff Transfer to Admin			0.0	(6,000)	(9,000)	(15,000)	(6,000)	(9,000)	(15,000)	(12,000)	(18,000)	(30,000)
FTE Consolidation Transfer	(10.9)	(26.2)	(18.6)	(37,000)	(41,000)	(78,000)	(52,000)	(59,000)	(111,000)	(89,000)	(100,000)	(189,000)
			0.0			0			0	0	0	0
010 Total	(10.9)	(26.2)	(18.6)	3,000	(53,000)	(50,000)	(125,000)	(111,000)	(236,000)	(122,000)	(164,000)	(286,000)
020 Juvenile Rehabilitation												
ISSD compensation adjustments from Admin			0.0	(5,000)		(5,000)	(7,000)		(7,000)	(12,000)	0	(12,000)
DIS reductions from PTOA			0.0	(8,000)		(8,000)	(8,000)		(8,000)	(16,000)	0	(16,000)
MPA costs from Admin			0.0	(8,000)	(4,000)	(12,000)	(8,000)	(4,000)	(12,000)	(16,000)	(8,000)	(24,000)
L&I Funding from PTOA			0.0	382,000		382,000	179,000		179,000	561,000	0	561,000
Email & BB to DIS from ISSD (net zero impact)			0.0	0	0	0	0	0	0	0	0	0
ISSD Staff Transfer to Admin			0.0	(3,000)	0	(3,000)	(3,000)	0	(3,000)	(6,000)	0	(6,000)
FTE Consolidation Transfer	(36.0)	(55.1)	(45.6)	(11,000)	0	(11,000)	(15,000)	0	(15,000)	(26,000)	0	(26,000)
			0.0			0			0	0	0	0
020 Total	(36.0)	(55.1)	(45.6)	347,000	(4,000)	343,000	138,000	(4,000)	134,000	485,000	(8,000)	477,000
030 Mental Health												
ISSD compensation adjustments from Admin			0.0	(12,000)	1,000	(11,000)	(15,000)	1,000	(14,000)	(27,000)	2,000	(25,000)
DIS reductions from PTOA			0.0	(19,000)	4,000	(15,000)	(18,000)	4,000	(14,000)	(37,000)	8,000	(29,000)
MPA costs from Admin			0.0	(26,000)	(14,000)	(40,000)	(26,000)	(14,000)	(40,000)	(52,000)	(28,000)	(80,000)
L&I Funding from PTOA			0.0	2,011,000	249,000	2,260,000	893,000	110,000	1,003,000	2,904,000	359,000	3,263,000
Email & BB to DIS from ISSD (net zero impact)			0.0	0	0	0	0	0	0	0	0	0
ISSD Staff Transfer to Admin			0.0	(6,000)	0	(6,000)	(6,000)	0	(6,000)	(12,000)	0	(12,000)
Category 8000	(8.6)	(8.6)	(8.6)	(296,000)	(38,000)	(334,000)	(301,000)	(36,000)	(337,000)	(597,000)	(74,000)	(671,000)
Category 9000	8.6	8.6	8.6	296,000	38,000	334,000	301,000	36,000	337,000	597,000	74,000	671,000
FTE Consolidation Transfer	(119.2)	(178.9)	(149.1)	(239,000)	0	(239,000)	(353,000)	0	(353,000)	(592,000)	0	(592,000)
			0.0			0			0	0	0	0
030 Total	(119.2)	(178.9)	(149.1)	1,709,000	240,000	1,949,000	475,000	101,000	576,000	2,184,000	341,000	2,525,000
040 Division of Developmental Disabilities												
ISSD compensation adjustments from Admin			0.0	(9,000)	(2,000)	(11,000)	(10,000)	(3,000)	(13,000)	(19,000)	(5,000)	(24,000)
DIS reductions from PTOA			0.0	(27,000)	(1,000)	(28,000)	(26,000)		(26,000)	(53,000)	(1,000)	(54,000)
MPA costs from Admin			0.0	(31,000)	(17,000)	(48,000)	(31,000)	(17,000)	(48,000)	(62,000)	(34,000)	(96,000)
L&I Funding from PTOA			0.0	1,366,000	1,311,000	2,677,000	670,000	644,000	1,314,000	2,036,000	1,955,000	3,991,000
Email & BB to DIS from ISSD (net zero impact)			0.0	0	0	0	0	0	0	0	0	0
ISSD Staff Transfer to Admin			0.0	(5,000)	(1,000)	(6,000)	(5,000)	(1,000)	(6,000)	(10,000)	(2,000)	(12,000)
FTE Consolidation Transfer	(144.9)	(219.7)	(182.3)	(62,000)	(105,000)	(167,000)	(92,000)	(152,000)	(244,000)	(154,000)	(257,000)	(411,000)
			0.0			0			0	0	0	0
040 Total	(144.9)	(219.7)	(182.3)	1,232,000	1,185,000	2,417,000	506,000	471,000	977,000	1,738,000	1,656,000	3,394,000
050 Long Term Care												
ISSD compensation adjustments from Admin			0.0	(11,000)	(3,000)	(14,000)	(14,000)	(4,000)	(18,000)	(25,000)	(7,000)	(32,000)
DIS reductions from PTOA			0.0	(44,000)	(15,000)	(59,000)	(44,000)	(14,000)	(58,000)	(88,000)	(29,000)	(117,000)
MPA costs from Admin			0.0	(12,000)	(7,000)	(19,000)	(12,000)	(7,000)	(19,000)	(24,000)	(14,000)	(38,000)
L&I Funding from PTOA			0.0	77,000	51,000	128,000	33,000	21,000	54,000	110,000	72,000	182,000
Email & BB to DIS from ISSD (net zero impact)			0.0	0	0	0	0	0	0	0	0	0
ISSD Staff Transfer to Admin			0.0	(4,000)	(3,000)	(7,000)	(4,000)	(3,000)	(7,000)	(8,000)	(6,000)	(14,000)
FTE Consolidation Transfer	(3.9)	(9.1)	(6.5)	(15,000)	(13,000)	(28,000)	(22,000)	(18,000)	(40,000)	(37,000)	(31,000)	(68,000)
			0.0			0			0	0	0	0
050 Total	(3.9)	(9.1)	(6.5)	(9,000)	10,000	1,000	(63,000)	(25,000)	(88,000)	(72,000)	(15,000)	(87,000)
060 Economic Services Administration												
ISSD compensation adjustments from Admin			0.0	(76,000)	(16,000)	(92,000)	(91,000)	(27,000)	(118,000)	(167,000)	(43,000)	(210,000)
DIS reductions from PTOA			0.0	(530,000)	(260,000)	(790,000)	(519,000)	(255,000)	(774,000)	(1,049,000)	(515,000)	(1,564,000)
MPA costs from Admin			0.0	(39,000)	(21,000)	(60,000)	(39,000)	(21,000)	(60,000)	(78,000)	(42,000)	(120,000)
L&I Funding from PTOA			0.0	325,000	90,000	415,000	140,000	39,000	179,000	465,000	129,000	594,000
Email & BB to DIS from ISSD (net zero impact)			0.0	0	0	0	0	0	0	0	0	0
ISSD Staff Transfer to Admin			0.0	(25,000)	(22,000)	(47,000)	(25,000)	(22,000)	(47,000)	(50,000)	(44,000)	(94,000)
FTE Consolidation Transfer	(11.5)	(27.2)	(19.4)	(72,000)	(55,000)	(127,000)	(101,000)	(78,000)	(179,000)	(173,000)	(133,000)	(306,000)
			0.0			0			0	0	0	0
060 Total	(11.5)	(27.2)	(19.4)	(417,000)	(284,000)	(701,000)	(635,000)	(364,000)	(999,000)	(1,052,000)	(648,000)	(1,700,000)
070 Division of Alcohol and Substance Abuse												
ISSD compensation adjustments from Admin			0.0	(1,000)		(1,000)	(1,000)		(1,000)	(2,000)	0	(2,000)
DIS reductions from PTOA			0.0		(1,000)	(1,000)		(1,000)	(1,000)	0	(2,000)	(2,000)
MPA costs from Admin			0.0	(1,000)		(1,000)	(1,000)		(1,000)	(2,000)	0	(2,000)
L&I Funding from PTOA			0.0	6,000	1,000	7,000	3,000		3,000	9,000	1,000	10,000
Email & BB to DIS from ISSD (net zero impact)			0.0	0	0	0	0	0	0	0	0	0
ISSD Staff Transfer to Admin			0.0	(1,000)	0	(1,000)	(1,000)	0	(1,000)	(2,000)		(2,000)
			0.0			0			0	0	0	0
070 Total	0.0	0.0	0.0	3,000	0	3,000	0	(1,000)	(1,000)	3,000	(1,000)	2,000

**2012 Supplemental Budget
M2-9T Transfers**

	Program	FTEs			FY 2012			FY 2013			2011-13 Biennium		
		FY12	FY13	Total	001-1	Other	Total	001-1	Other	Total	001-1	Other	Total
100	Division of Voc. Rehabilitation												
	ISSD compensation adjustments from Admin			0.0	(2,000)	(2,000)	(4,000)	(2,000)	(3,000)	(5,000)	(4,000)	(5,000)	(9,000)
	DIS reductions from PTOA			0.0	(2,000)	(5,000)	(7,000)	(2,000)	(5,000)	(7,000)	(4,000)	(10,000)	(14,000)
	MPA costs from Admin			0.0	(1,000)	(4,000)	(5,000)	(1,000)	(4,000)	(5,000)	(2,000)	(8,000)	(10,000)
	L&I Funding from PTOA			0.0	30,000		30,000	12,000		12,000	42,000	0	42,000
	Email & BB to DIS from ISSD (net zero impact)			0.0	0	0	0	0	0	0	0	0	0
	ISSD Staff Transfer to Admin			0.0	0	(2,000)	(2,000)	0	(2,000)	(2,000)	0	(4,000)	(4,000)
				0.0			0			0	0	0	0
	100 Total	0.0	0.0	0.0	25,000	(13,000)	12,000	7,000	(14,000)	(7,000)	32,000	(27,000)	5,000
110	Administration & Supporting Services												
	ISSD compensation adjustments from Admin			0.0	137,000	31,000	168,000	166,000	49,000	215,000	303,000	80,000	383,000
	DIS reductions from PTOA			0.0	(21,000)		(21,000)	(21,000)		(21,000)	(42,000)	0	(42,000)
	MPA costs from Admin			0.0	148,000	80,000	228,000	148,000	80,000	228,000	296,000	160,000	456,000
	L&I Funding from PTOA			0.0	37,000	8,000	45,000	16,000	3,000	19,000	53,000	11,000	64,000
	Email & BB to DIS from ISSD (net zero impact)			0.0	0	0	0	0	0	0	0	0	0
	ISSD Staff Transfer to Admin	1.0	1.0	1.0	51,000	37,000	88,000	51,000	37,000	88,000	102,000	74,000	176,000
	FTE Consolidation Transfer	8.0	13.0	10.5	490,000	214,000	704,000	714,000	307,000	1,021,000	1,204,000	521,000	1,725,000
				0.0			0			0	0	0	0
	110 Total	9.0	14.0	11.5	842,000	370,000	1,212,000	1,074,000	476,000	1,550,000	1,916,000	846,000	2,762,000
135	Special Commitment Center												
	ISSD compensation adjustments from Admin			0.0	(2,000)		(2,000)	(3,000)		(3,000)	(5,000)	0	(5,000)
	DIS reductions from PTOA			0.0	(1,000)		(1,000)	(1,000)		(1,000)	(2,000)	0	(2,000)
	MPA costs from Admin			0.0	(6,000)		(6,000)	(6,000)		(6,000)	(12,000)	0	(12,000)
	L&I Funding from PTOA			0.0	183,000		183,000	90,000		90,000	273,000	0	273,000
	Email & BB to DIS from ISSD (net zero impact)			0.0	0	0	0	0	0	0	0	0	0
	ISSD Staff Transfer to Admin			0.0	(1,000)	0	(1,000)	(1,000)	0	(1,000)	(2,000)	0	(2,000)
	FTE Consolidation Transfer	(24.7)	(37.0)	(30.9)	(54,000)	0	(54,000)	(79,000)	0	(79,000)	(133,000)	0	(133,000)
				0.0			0			0	0	0	0
	135 Total	(24.7)	(37.0)	(30.9)	119,000	0	119,000	0	0	0	119,000	0	119,000
145	Payments to Other Agencies												
	DIS reductions from PTOA			0.0	755,000	322,000	1,077,000	739,000	314,000	1,053,000	1,494,000	636,000	2,130,000
	L&I Funding from PTOA			0.0	(4,609,000)	(1,773,000)	(6,382,000)	(2,116,000)	(843,000)	(2,959,000)	(6,725,000)	(2,616,000)	(9,341,000)
				0.0			0			0	0	0	0
				0.0			0			0	0	0	0
	145 Total	0.0	0.0	0.0	(3,854,000)	(1,451,000)	(5,305,000)	(1,377,000)	(529,000)	(1,906,000)	(5,231,000)	(1,980,000)	(7,211,000)
150	Information System Services Division												
	Email & BB to DIS from ISSD	0.0	0.0	0.0	0	0	0	0	0	0	0	0	0
	ISSD Staff Transfer to Admin	(1.0)	(1.0)	(1.0)	0	0	0	0	0	0	0	0	0
				0.0			0			0	0	0	0
				0.0			0			0	0	0	0
	145 Total	(1.0)	(1.0)	(1.0)	0	0	0	0	0	0	0	0	0
160	Consolidated Field Services												
	FTE Consolidation Transfer	343.1	540.2	441.7	0	0	0	0	0	0	0	0	0
				0.0			0			0	0	0	0
				0.0			0			0	0	0	0
	150 Total	343.1	540.2	441.7	0	0	0	0	0	0	0	0	0
Agency-Wide:		0	0	0.0	0	0	0	0	0	0	0	0	0

notes:

1. Information System Services Division (ISSD) compensation adjustments from Administration & Supporting Services (Admin).
2. Department of Information Services (DIS) rate & central service reductions from Payments to Other Agencies (PTOA).
3. Additional Medicaid Purchasing Administration (MPA) costs to transfer from Admin.
4. L&I funding from PTOA to programs.
5. Email and Blackberry (BB) services transfer from ISSD to DIS. Net impact to the programs is zero; however, ISSD's funding will decrease by the amount programs reduce/transfer their TZ costs.
6. ISSD Staff Transfer to Admin.
7. In Mental Health, move FTEs and funding from Category 8000 to 9000 to align appropriations where costs are incurred.
8. FTE Transfer related to the Regional Business Centers, Institutional Business Offices, and Maintenance Operations are consolidated in Program 160.

Department of Social and Health Services

DP Code/Title: M2-WB Federal Funds Technical Adjustment
Program Level - 010 Children's Administration

Budget Period: 2011-13 Version: A2 010 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS) requests adjustments between types of federal funds, within the current GF-Federal spending authority, to accurately reflect expected types of federal earnings in the 2012 Supplemental Budget.

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 010			
001-2 General Fund - Basic Account-Federal	787,000	977,000	1,764,000
001-A General Fund - Basic Account-DSHS Fam Support/Chi	(787,000)	(977,000)	(1,764,000)
Total Cost	0	0	0

Staffing

Package Description:

This adjustment realigns federal funds between fund types that DSHS will be able to earn in the 2012 Supplemental Budget. This decision package nets to zero and impacts programs 010, 030, 040, 050, and 060.

Agency Contact: Jialing Huang (360) 902-7831

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

To align budgeted federal funding sources with projected federal earnings.

Performance Measure Detail

Program: 010

Activity: **A004 Adoption Services and Support**
No measures linked to package

Incremental Changes	
<u>FY 1</u>	<u>FY 2</u>
0.00	0.00

Activity: **A005 Alternate Response System (ARS)**
No measures linked to package

Incremental Changes	
<u>FY 1</u>	<u>FY 2</u>
0.00	0.00

Activity: **A007 Behavioral Rehabilitative Services (BRS)**
No measures linked to package

Incremental Changes	
<u>FY 1</u>	<u>FY 2</u>
0.00	0.00

Activity: **A009 Child Protective Services (CPS)**
No measures linked to package

Incremental Changes	
<u>FY 1</u>	<u>FY 2</u>
0.00	0.00

Activity: **A012 Child Welfare Services (CWS)**
No measures linked to package

Incremental Changes	
<u>FY 1</u>	<u>FY 2</u>
0.00	0.00

Activity: **A027 Division of Licensed Resources**
No measures linked to package

Incremental Changes	
<u>FY 1</u>	<u>FY 2</u>
0.00	0.00

Activity: **A031 Family Foster Home (FFH) Care**

Incremental Changes	
<u>FY 1</u>	<u>FY 2</u>

Department of Social and Health Services

DP Code/Title: M2-WB Federal Funds Technical Adjustment
Program Level - 010 Children's Administration

Budget Period: 2011-13 Version: A2 010 - 2012 Sup Agency Request

No measures linked to package	0.00	0.00
Activity: A033 Family Reconciliation Services (FRS)	Incremental Changes	
No measures linked to package	<u>FY 1</u>	<u>FY 2</u>
	0.00	0.00
Activity: A035 Family Support Services	Incremental Changes	
No measures linked to package	<u>FY 1</u>	<u>FY 2</u>
	0.00	0.00
Activity: A071 Other Foster Care	Incremental Changes	
No measures linked to package	<u>FY 1</u>	<u>FY 2</u>
	0.00	0.00

Is this decision package essential to implement a strategy identified in the agency's strategic plan?

This proposal supports the department's strategic plan to maintain a safety net for people in need by delivering cash, food, medical benefits, child care, and other services to eligible people quickly and accurately.

Does this decision package provide essential support to one of the Governor's priorities?

Yes. This request supports the Governor's priority of holding government accountable.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

Yes.

What are the other important connections or impacts related to this proposal?

This request aligns federal funding sources with projected federal earnings.

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

Not applicable

What are the consequences of not funding this package?

Not realigning federal funds will result in less accurate information on fund sources that will be earned.

What is the relationship, if any, to the state's capital budget?

Not applicable

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

Not applicable

Expenditure and revenue calculations and assumptions

See attachment: 'AW_M2-WB Federal Funds Technical Adjustment_2011.xls'.

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

The budget impacts will carry forward.

Department of Social and Health Services

DP Code/Title: M2-WB Federal Funds Technical Adjustment
Program Level - 010 Children's Administration

Budget Period: 2011-13 Version: A2 010 - 2012 Sup Agency Request

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
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Program Totals

DSHS Source Code Detail

Program 010	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-2, General Fund - Basic Account-Federal			
<u>Sources</u> <u>Title</u>			
ZZ02 001-2 s/b 001-A 658L	787,000	977,000	1,764,000
<i>Total for Fund 001-2</i>	787,000	977,000	1,764,000
Fund 001-A, General Fund - Basic Account-DSHS Fam Support/Chi			
<u>Sources</u> <u>Title</u>			
658L Title IV-E-Foster Care (50%)	(787,000)	(977,000)	(1,764,000)
<i>Total for Fund 001-A</i>	(787,000)	(977,000)	(1,764,000)
Total Program 010	0	0	0

**2012 Supplemental Budget
AW M2-WB Federal Funds Technical Adjustment**

Program	Fund Given As	2012	2013
010	001-2	787,000	977,000
	001-A	-	-
	001-C	-	-
	001-D	-	-
030	001-2	(547,000)	(525,000)
040	001-2	(976,000)	(1,064,000)
050	001-2	(902,000)	(968,000)
060	001-2	(1,264,000)	(1,958,000)
	001-A	-	-
	001-C	-	-
	001-D	-	-
Grand Total		(2,902,000)	(3,538,000)

	2012	2013
Net Impact of DP	-	-

Fund Should Be	2012	2013
001-0	-	-
001-A	(787,000)	(977,000)
001-D	-	-
001-C	-	-
001-A	-	-
001-A	-	-
001-C	547,000	525,000
001-C	976,000	1,064,000
001-C	902,000	968,000
001-A	(489,000)	(303,000)
001-C	1,753,000	2,261,000
001-2	-	-
001-C	-	-
001-A	-	-
001-8	-	-
Grand Total	2,902,000	3,538,000

Department of Social and Health Services

DP Code/Title: M2-WW Technical Corrections
Program Level - 010 Children's Administration

Budget Period: 2011-13 Version: A2 010 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS) requests a reduction of (\$24,050,000) ((\$18,494,000) GF-State) and 0.6 FTEs in the 2012 Supplemental Budget to make technical corrections throughout the department.

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	10,000	12,000	22,000
001-7 General Fund - Basic Account-Private/Local	(10,000)	(12,000)	(22,000)
Total Cost	0	0	0

Staffing

Package Description:

Children's Administration (CA)

In the 2011-13 Biennial Budget, CA received \$22,000 GF-Local for Pension Rate Adjustments. CA is unable to earn these local dollars, and requests to shift the funds to GF-State.

Mental Health (MH)

Technical corrections for MH include carry forward corrections, adjustments between categories, and a split between fiscal year fund split. In total, MH technical correction request is \$590,000 (a reduction of (\$198,000) GF-State) and 0.6 FTEs.

Division of Developmental Disabilities (DDD)

- 1) RHC Stabilization - This request nets to zero over the course of the biennium. Currently, in base funding, the Residential Habilitation Centers (RHCs) are funded at different levels by fiscal year. This request stabilizes the funding in each year to enable the RHCs to provide a consistent level of service.
- 2) L&I rates are corrected in LTC and DDD based on actual experience. This represents a reduction of (\$4,200,000) (\$2,100,000) GF-State.
- 3) Carry Forward Level (CFL) Correction - DDD has a technical correction in professional services. Service levels will remain the same as the previous biennium, and no clients will lose service. This represents a reduction of (\$10,000,000) GF-State.

Long Term Care (LTC)

- 1) The Legislature's intent for the Family Caregiver Support Program (FCSP) was a single year expansion in the LTC 2011-13 Biennial Budget under Step EC. Partial funding was provided in Fiscal Year 2013 by mistake. This request is to remove the appropriated amount in Fiscal Year 2013 by adding \$2,178,000 GF-Federal in order to meet Legislative intent.
- 2) Adult Family Homes (AFH) - The 2011-13 Biennial Budget included a change in the AFH license fee. The budget assumed additional staffing resource for complaint investigations and quality assurance. However, the calculation for the AFH license fee did not include funding for these positions. This step will allow LTC to match the intent of the 2011-13 Biennial Budget item. This item represents a request for \$182,000 GF-State.
- 3) Department of Labor and Industries (L&I) rates are corrected in LTC and DDD based on actual experience. This represents a reduction of (\$12,800,000) ((\$6,400,000) GF-State).

Agency Contact: Bryce Andersen (360) 902-8284

Narrative Justification and Impact Statement

Department of Social and Health Services

DP Code/Title: M2-WW Technical Corrections

Program Level - 010 Children's Administration

Budget Period: 2011-13 Version: A2 010 - 2012 Sup Agency Request

What specific performance outcomes does the agency expect?

DSHS accounts for the wise use of public dollars by maximizing federal funding sources.

Performance Measure Detail

Agency Level

Is this decision package essential to implement a strategy identified in the agency's strategic plan?

Yes. This request will improve the ability of state government to achieve results efficiently and effectively.

Does this decision package provide essential support to one of the Governor's priorities?

Not applicable

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

Not applicable

What are the other important connections or impacts related to this proposal?

None

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

None

What are the consequences of not funding this package?

DSHS will lack the appropriate mix of funds to meet expected costs.

What is the relationship, if any, to the state's capital budget?

None

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

None

Expenditure and revenue calculations and assumptions

See attachment: AW M2 WW Technical Corrections.xlsx.

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

All costs are ongoing.

Object Detail

Overall Funding

FY 1

FY 2

Total

Program Totals

Department of Social and Health Services

DP Code/Title: M2-WW Technical Corrections

Program Level - 010 Children's Administration

Budget Period: 2011-13 Version: A2 010 - 2012 Sup Agency Request

DSHS Source Code Detail

Overall Funding		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State				
<u>Sources</u>	<u>Title</u>			
0011	General Fund State	10,000	12,000	22,000
<i>Total for Fund 001-1</i>		10,000	12,000	22,000
Fund 001-7, General Fund - Basic Account-Private/Local				
<u>Sources</u>	<u>Title</u>			
5417	Contributions & Grants	(10,000)	(12,000)	(22,000)
<i>Total for Fund 001-7</i>		(10,000)	(12,000)	(22,000)
Total Overall Funding		0	0	0

Department of Social and Health Services

DP Code/Title: M2-ZZ Unemployment
Program Level - 010 Children's Administration

Budget Period: 2011-13 Version: A2 010 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS) requests \$2,893,000 (\$2,245,000 GF-State) in the 2012 Supplemental Budget to offset increased Unemployment Insurance reimbursement to the Employment Security Department (ESD).

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	254,000	174,000	428,000
001-A General Fund - Basic Account-DSHS Fam Support/Chi	85,000	58,000	143,000
Total Cost	339,000	232,000	571,000

Staffing

Package Description:

Unemployment expenditures have increased significantly since 2008. DSHS has not been funded for this increase costs attributed to reductions to overall staffing levels. This decision package request funds related to the increase from 2008 which cannot be absorbed.

DSHS is self-insured for its unemployment insurance obligations, reimbursing the ESD for all unemployment benefits paid out to former employees. As DSHS has reduced its staffing level, its most current ESD quarterly bill, 2nd Quarter Calendar Year 2011, shows a 60 percent increase above its average quarterly ESD reimbursement from State Fiscal Year 2008. DSHS has reduced its FTEs by 2,400 or 13 percent since 2008 with no additional funding provided for its unemployment insurance obligations.

Agency contact: Edd Giger (360) 902-8067

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

This request is necessary to ensure DSHS has adequate funds to reimburse the ESD for increased Unemployment Insurance billings due to mandated staff reduction.

Performance Measure Detail

Agency Level

Activity: A009 Child Protective Services (CPS) No measures linked to package	Incremental Changes <u>FY 1</u> <u>FY 2</u> 0.00 0.00
Activity: A012 Child Welfare Services (CWS) No measures linked to package	Incremental Changes <u>FY 1</u> <u>FY 2</u> 0.00 0.00
Activity: A033 Family Reconciliation Services (FRS) No measures linked to package	Incremental Changes <u>FY 1</u> <u>FY 2</u> 0.00 0.00

Is this decision package essential to implement a strategy identified in the agency's strategic plan?

This request contributes to the agency goal of strong management to increase public trust.

Department of Social and Health Services

DP Code/Title: M2-ZZ Unemployment
Program Level - 010 Children's Administration

Budget Period: 2011-13 Version: A2 010 - 2012 Sup Agency Request

Does this decision package provide essential support to one of the Governor's priorities?

Yes. This request supports priority for economic security to promote practices and programs that protect workers.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

This decision package makes key contributions to the following statewide results: Commitment to promote practices and programs that protect workers.

What are the other important connections or impacts related to this proposal?

All DSHS programs are impacted by this request.

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

None. Given the large reductions undertaken by DSHS, the department is no longer able to absorb the increase costs associated with unemployment insurance compensation above funded levels.

What are the consequences of not funding this package?

If this decision package is not funded, then DSHS will have to divert funds for client services to offset this expense.

What is the relationship, if any, to the state's capital budget?

None

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

None

Expenditure and revenue calculations and assumptions

See attachment: AW M2 - ZZ Unemployment.xls

To develop the Unemployment model, the department looked at the Unemployment Rate Forecast completed by the state of Washington Revenue Forecast Council. The Unemployment Rate Forecast predicts unemployment will decline by an average of 0.6 percent each year. The department assumption is to dampened the trend by 75 percent given the current unemployment rate and the potential of additional reductions in Fiscal Year 2012 and Fiscal Year 2013.

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

These costs are ongoing.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
B Employee Benefits	339,000	232,000	571,000

Department of Social and Health Services

DP Code/Title: M2-ZZ Unemployment
Program Level - 010 Children's Administration

Budget Period: 2011-13 Version: A2 010 - 2012 Sup Agency Request

DSHS Source Code Detail

Overall Funding		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State				
<u>Sources</u> <u>Title</u>				
0011	General Fund State	254,000	174,000	428,000
<i>Total for Fund 001-1</i>		254,000	174,000	428,000
Fund 001-A, General Fund - Basic Account-DSHS Fam Support/Chi				
<u>Sources</u> <u>Title</u>				
658G	Title IV-E Foster Care (75%)	85,000	58,000	143,000
<i>Total for Fund 001-A</i>		85,000	58,000	143,000
Total Overall Funding		339,000	232,000	571,000

**2012 Supplemental Budget
M2-ZZ Unemployment**

Program	2012			2013			BIENNIUM 2011-13		
	State	Federal	Total	State	Federal	Total	State	Federal	Total
	010	\$ 254,000	\$ 85,000	\$ 339,000	\$ 174,000	\$ 58,000	\$ 232,000	\$ 428,000	\$ 143,000
020	\$ 337,000	\$ -	\$ 337,000	\$ 248,000	\$ -	\$ 248,000	\$ 585,000	\$ -	\$ 585,000
030	\$ 199,000	\$ 24,000	\$ 223,000	\$ 107,000	\$ 13,000	\$ 120,000	\$ 306,000	\$ 37,000	\$ 343,000
030 - 2000	\$ 197,000	\$ 24,000	\$ 221,000	\$ 106,000	\$ 13,000	\$ 119,000	\$ 303,000	\$ 37,000	\$ 340,000
030 - 9000	\$ 2,000	\$ -	\$ 2,000	\$ 1,000	\$ -	\$ 1,000	\$ 3,000	\$ -	\$ 3,000
040	\$ 258,000	\$ 233,000	\$ 491,000	\$ 180,000	\$ 162,000	\$ 342,000	\$ 438,000	\$ 395,000	\$ 833,000
040 - 1000	\$ 53,000	\$ 35,000	\$ 88,000	\$ 37,000	\$ 25,000	\$ 62,000	\$ 90,000	\$ 60,000	\$ 150,000
040 - 2000	\$ 203,000	\$ 195,000	\$ 398,000	\$ 141,000	\$ 136,000	\$ 277,000	\$ 344,000	\$ 331,000	\$ 675,000
040 - 9000	\$ 3,000	\$ 2,000	\$ 5,000	\$ 2,000	\$ 2,000	\$ 4,000	\$ 5,000	\$ 4,000	\$ 9,000
050	\$ 9,000	\$ 6,000	\$ 15,000	\$ (3,000)	\$ (2,000)	\$ (5,000)	\$ 6,000	\$ 4,000	\$ 10,000
060	\$ 28,000	\$ 23,000	\$ 51,000	\$ (18,000)	\$ (15,000)	\$ (33,000)	\$ 10,000	\$ 8,000	\$ 18,000
070	\$ 15,000	\$ 2,000	\$ 17,000	\$ 11,000	\$ 2,000	\$ 13,000	\$ 26,000	\$ 4,000	\$ 30,000
100	\$ 33,000	\$ -	\$ 33,000	\$ 22,000	\$ -	\$ 22,000	\$ 55,000	\$ -	\$ 55,000
110	\$ 139,000	\$ 33,000	\$ 172,000	\$ 104,000	\$ 24,000	\$ 128,000	\$ 243,000	\$ 57,000	\$ 300,000
135	\$ 91,000	\$ -	\$ 91,000	\$ 57,000	\$ -	\$ 57,000	\$ 148,000	\$ -	\$ 148,000
Total	\$ 1,363,000	\$ 406,000	\$ 1,769,000	\$ 882,000	\$ 242,000	\$ 1,124,000	\$ 2,245,000	\$ 648,000	\$ 2,893,000

Department of Social and Health Services

DP Code/Title: PL-20 Adjust Caseload Ratios
Program Level - 010 Children's Administration

Budget Period: 2011-13 Version: A2 010 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services, Children's Administration (CA), reduces (75.4) FTEs and (\$6,205,000), (\$3,226,000) GF-State, in the 2012 Supplemental Budget by adjusting caseload ratios.

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	(461,000)	(2,765,000)	(3,226,000)
001-A General Fund - Basic Account-DSHS Fam Support/Chi	(426,000)	(2,553,000)	(2,979,000)
Total Cost	(887,000)	(5,318,000)	(6,205,000)

Staffing

	<u>FY 1</u>	<u>FY 2</u>	<u>Annual Avg</u>
Agency FTEs	(12.5)	(75.4)	(44.0)

Package Description:

Caseloads within CA include some program areas in which social workers carry larger caseloads than recommended, and some areas in which social workers carry caseload ratios that are lower than the 1 to 18 ratio as recommended by the Council on Accreditation. These ratios were re-evaluated to improve statewide consistency and make necessary budget reductions.

Proposed caseload ratios are as follows:

- Child and Family Social Workers (CFWS): Current ratio is 1 to 17.3; proposed ratio is 1 to 18.3.
- Family Reconciliation Services (FRS): Current ratio is 1 to 22.8; proposed ratio is 1 to 25.
- Family Voluntary Services (FVS): Current ratio is 1 to 12.8; proposed ratio is 1 to 13.8.
- Homestudy Workers: Current ratio is 1 to 18; proposed ratio is 1 to 25.

Agency contact: Angela Visser (360) 902-8183

Program contact: Tammy Hay (360) 902-7865

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

To achieve savings to meet the 10 percent reduction targets set by the Office of Financial Management (OFM) for the 2012 Supplemental Budget.

Performance Measure Detail

Agency Level

Activity: A012 Child Welfare Services (CWS)
No measures linked to package

<u>Incremental Changes</u>	
<u>FY 1</u>	<u>FY 2</u>
0.00	0.00

Activity: A033 Family Reconciliation Services (FRS)
No measures linked to package

<u>Incremental Changes</u>	
<u>FY 1</u>	<u>FY 2</u>
0.00	0.00

Is this decision package essential to implement a strategy identified in the agency's strategic plan?

Department of Social and Health Services

DP Code/Title: PL-20 Adjust Caseload Ratios
Program Level - 010 Children's Administration

Budget Period: 2011-13 Version: A2 010 - 2012 Sup Agency Request

No

Does this decision package provide essential support to one of the Governor's priorities?

Yes, this decision package helps the agency meet the 10 percent reduction targets set by OFM for the 2012 Supplemental Budget.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

No

What are the other important connections or impacts related to this proposal?

Caseload ratios for Child Protective Services (CPS) are preserved to ensure timely responses to child safety concerns.

The ratio of 1 supervisor for every 8 social workers is maintained to guide social workers as caseloads increase.

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

All areas of the budget were examined to meet the reduction target.

What are the consequences of not funding this package?

The agency will not be able to meet its budget reduction targets.

What is the relationship, if any, to the state's capital budget?

None

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

None

Expenditure and revenue calculations and assumptions

See attachment: CA PL-20 Adjust Caseload Ratios.xlsx

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

Costs are ongoing. There will be a bow wave in Fiscal Year 2014. Implementation will begin January 1, 2012, and assumed savings will begin in May 2012.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
A Salaries And Wages	(648,000)	(3,882,000)	(4,530,000)
B Employee Benefits	(239,000)	(1,436,000)	(1,675,000)
Total Objects	(887,000)	(5,318,000)	(6,205,000)

Department of Social and Health Services

DP Code/Title: PL-20 Adjust Caseload Ratios

Program Level - 010 Children's Administration

Budget Period: 2011-13 Version: A2 010 - 2012 Sup Agency Request

DSHS Source Code Detail

Overall Funding		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State				
<u>Sources</u>	<u>Title</u>			
0011	General Fund State	(461,000)	(2,765,000)	(3,226,000)
<i>Total for Fund 001-1</i>		(461,000)	(2,765,000)	(3,226,000)
Fund 001-A, General Fund - Basic Account-DSHS Fam Support/Chi				
<u>Sources</u>	<u>Title</u>			
658L	Title IV-E-Foster Care (50%)	(426,000)	(2,553,000)	(2,979,000)
<i>Total for Fund 001-A</i>		(426,000)	(2,553,000)	(2,979,000)
Total Overall Funding		(887,000)	(5,318,000)	(6,205,000)

**2012 Supplemental Budget
PL-20 Adjust Caseload Ratios**

Children's Administration Caseload Ratio Scenarios

							SFY12	SFY13
<u>CFWS Cases</u>	<u>Social Workers</u>	<u>Ratio</u>	<u>SW 3 FTE reduction</u>	<u>SW 4 FTE reduction</u>	<u>SW 3 Annual Savings</u>	<u>SW 4 Annual Savings</u>	<u>Total Annual Savings</u>	<u>Assume May</u>
10,885	631	17.3						
10,885	595	18.3	(36.2)	(4.5)	\$ (2,514,334)	\$ (356,940)	\$ (2,871,274)	\$ (479,000) \$ (2,872,000)

<u>FRS Cases</u>	<u>Social Workers</u>	<u>Ratio</u>	<u>SW 3 FTE reduction</u>	<u>SW 4 FTE reduction</u>	<u>SW 3 Annual Savings</u>	<u>SW 4 Annual Savings</u>	<u>Total Annual Savings</u>	<u>Assume May</u>
792	34.7	22.8						
792	32	25.0	(3.0)	(0.4)	\$ (209,810)	\$ (29,785)	\$ (239,595)	\$ (40,000) \$ (240,000)

<u>FVS Cases</u>	<u>Social Workers</u>	<u>Ratio</u>	<u>SW 3 FTE reduction</u>	<u>SW 4 FTE reduction</u>	<u>SW 3 Annual Savings</u>	<u>SW 4 Annual Savings</u>	<u>Total Annual Savings</u>	<u>Assume May</u>
907.6	71.1	12.8						
907.6	66	13.8	(5.3)	(0.7)	\$ (370,425)	\$ (52,586)	\$ (423,011)	\$ (71,000) \$ (424,000)

<u>Homestudy Workers</u>	<u>Social Workers</u>	<u>Ratio</u>	<u>SW 3 FTE reduction</u>	<u>SW 4 FTE reduction</u>	<u>SW 3 Annual Savings</u>	<u>SW 4 Annual Savings</u>	<u>Total Annual Savings</u>	<u>Assume May</u>
1,436.0	79.9	18.0						
1,436.0	57	25.0	(22.5)	(2.8)	\$ (1,560,375)	\$ (221,514)	\$ (1,781,889)	\$ (297,000) \$ (1,782,000)
								\$ (887,000) \$ (5,318,000)

Summary Ratio Adjustment Scenarios

							SFY12	SFY13
<u>FRS, FVS, Home Study and CFWS Cases</u>	<u>Social Workers</u>	<u>Ratio</u>	<u>SW 3 FTE reduction</u>	<u>SW 4 FTE reduction</u>	<u>SW 3 Annual Savings</u>	<u>SW 4 Annual Savings</u>	<u>Total Annual Savings</u>	<u>Assume May</u>
14,020.60	750	18.7	(67.0)	(8.4)	\$ (4,654,944)	\$ (660,826)	\$ (5,315,770)	\$ (887,000) \$ (5,318,000)

		Total		
		SFY12	SFY13	Bien
State	0.52	\$ (2,764,200)	\$ (2,765,000)	\$ (3,226,000)
Federal	0.48	\$ (2,551,569)	\$ (2,553,000)	\$ (2,979,000)
		\$ (887,000)	\$ (5,318,000)	\$ (6,205,000)

CWS	A012	87.5%
FRS	A033	12.5%
		100.0%

By Object		
"A"	\$ (648,000)	\$ (3,882,000)
State	\$ (338,000)	\$ (2,018,000)
Fed	\$ (310,000)	\$ (1,864,000)
"B"	\$ (239,000)	\$ (1,436,000)
State	\$ (124,000)	\$ (747,000)
Fed	\$ (115,000)	\$ (689,000)
		\$ (887,000) \$ (5,318,000)

	SFY12	SFY13
FTE by Activity		
CWS - A012		CWS - A012
State	-5.7	-34.3
Fed	-5.2	-31.7
FRS - A033		FRS - A033
State	-0.8	-4.9
Fed	-0.8	-4.5

By Activity		
CWS - A012		CWS - A012
State	\$ (403,000)	\$ (2,420,000)
Fed	\$ (373,000)	\$ (2,234,000)
FRS - A033		FRS - A033
State	\$ (58,000)	\$ (345,000)
Fed	\$ (53,000)	\$ (319,000)

	SFY12	SFY13
FTE - "AA"		
State	-6.5	-39.2
Fed	-6.0	-36.2
		-12.5 -75.4

	"A"	"A"
CWS - A012	\$ (567,000)	\$ (3,397,000)
FRS - A033	\$ (81,000)	\$ (485,000)
		\$ (648,000) \$ (3,882,000)
	"B"	"B"
CWS - A012	\$ (209,000)	\$ (1,257,000)
FRS - A033	\$ (30,000)	\$ (179,000)
		\$ (239,000) \$ (1,436,000)

¹ January 1, 2012 is the actual implementation date; however, savings will not be realized until May 2012.

Department of Social and Health Services

DP Code/Title: PL-PF State Data Center Equipment

Program Level - 010 Children's Administration

Budget Period: 2011-13 Version: A2 010 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS), Information System Services Division (ISSD), requests \$512,000 (\$291,000 GF-State) in the 2012 Supplemental Budget for startup equipment required to migrate systems from the Office Building 2 (OB2) to the new State Data Center (SDC) located in the 1500 Jefferson Building.

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 010			
001-1 General Fund - Basic Account-State	11,000	19,000	30,000
001-A General Fund - Basic Account-DSHS Fam Support/Chi	15,000	26,000	41,000
Total Cost	26,000	45,000	71,000

Staffing

Package Description:

The Washington State Legislature enacted Engrossed Substitute Senate Bill 5931, during the 2011 Legislative Session, to address the high costs of Information Technology (IT) services. This legislation requires certain IT equipment to be housed in the new SDC located in the 1500 Jefferson Building complex. This investment facilitates the migration and consolidation of IT assets into the SDC in support of this legislation and the Governor's directive to consolidate data centers.

DSHS has a large computer equipment presence in the OB2 Data Center (approximately 85 server racks with 600 devices). Migrating this equipment to the new SDC building located in the 1500 Jefferson Building complex is part of a statewide initiative in support of the legislation.

To enable the migration of some systems, startup equipment is necessary. This startup equipment supports network operations and provides a landing pad for systems in the SDC. Existing equipment supporting these systems cannot be shutdown and physically moved for various reasons:

1. Shutting down and moving the hardware has a high risk of long outages of critical systems.
2. Data storage shared across many systems cannot be shut down and moved without significant system outages. These systems are critical to business operations and impact service to citizens.
3. Virtual host platforms need a starting point (e.g., landing pad) in the State Data Center. This equipment would be supplemented with existing hardware as virtual systems are migrated off the hardware freeing up capacity. Initial servers are needed to start the process.
4. Network components are needed to maintain performance and operations. These network components are needed during the migration period of dual operations and will be used ongoing after the migration.

The funding provides servers, storage and network equipment. DSHS has evaluated existing equipment and is only requesting new equipment where existing equipment will not work or makes business/financial sense (too old, not enough capacity, incompatible, etc.). The vast majority of existing DSHS equipment will be used or replaced by virtual capacity without additional funding. This request represents the exceptions where existing equipment is either not available or impractical to use.

The implementation schedule is driven by the Consolidated Technology Services OB2 Move project. This equipment is targeted for procurement approximately June 2012.

If the funding request is not approved, then more of the computer systems and equipment will be dependent on a Physical Move approach, which will increase the duration and risk of outages. There will be a higher probability that application availability will be impacted by the migration.

Department of Social and Health Services

DP Code/Title: PL-PF State Data Center Equipment
Program Level - 010 Children's Administration

Budget Period: 2011-13 Version: A2 010 - 2012 Sup Agency Request

Agency contact: Tula Habb (360) 902-8182
Program contact: Cheryl Adams (360) 902-7551

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Desired Results:

1. The computer servers and storage equipment will allow the agency to increase the number of systems using a virtual to virtual migration approach. This approach is significantly quicker and less risky than physically moving equipment, which can impact services to clients/citizens.
2. The network equipment supports optimization, monitoring and trouble shooting. The desired result of the optimization is to keep network traffic, for 35 DSHS field offices across the state, flowing with the same performance as completed currently. Without this equipment, the network lines will become saturated causing work slowdowns and stoppages.
3. The desired results of the equipment for monitoring and trouble shooting is to resolve system problems quickly. In many cases, problems can be resolved before they become major problems causing work stoppage. Without tools to monitor and trouble shoot production problems, work stoppages will increase in duration causing productivity loss and service impacts to clients/citizens.

Overall, this funding will minimize business disruption (unplanned outages) caused from moving systems and equipment from OB2 to the SDC.

Negative Consequences, if this request is not funded:

1. Without computer servers and storage, systems will require longer outages to move to the SDC causing impacts to worker productivity and service to clients/citizens.
2. Without optimization equipment, the network lines will become saturated causing work slowdowns and stoppages.
3. Without tools to monitor and trouble shoot production problems, work stoppages will increase in duration causing productivity loss and service impacts to clients/citizens.
4. Impact to clients and citizens.
5. Moving equipment into the SDC has positive impacts including:
 - a. Leveraging a state-of-the-art facility.
 - b. Leveraging new shared services.
 - c. Reducing the cost of IT.

Performance Measure Detail

Program: 010

Activity: A009 Child Protective Services (CPS)
No measures linked to package

Incremental Changes	
<u>FY 1</u>	<u>FY 2</u>
0.00	0.00

Activity: A012 Child Welfare Services (CWS)
No measures linked to package

Incremental Changes	
<u>FY 1</u>	<u>FY 2</u>
0.00	0.00

Activity: A033 Family Reconciliation Services (FRS)
No measures linked to package

Incremental Changes	
<u>FY 1</u>	<u>FY 2</u>
0.00	0.00

Department of Social and Health Services

DP Code/Title: PL-PF State Data Center Equipment

Program Level - 010 Children's Administration

Budget Period: 2011-13 Version: A2 010 - 2012 Sup Agency Request

Is this decision package essential to implement a strategy identified in the agency's strategic plan?

This decision package supports the agency's strategic plan as follows:

Goal H: Reinforce strong management to increase public trust

Objective 1: Improve information technology capacity to support management needs

Strategy: Maintain and update existing or implement new core applications, systems, and infrastructure to meet changing needs and take advantage of changes in technology (DSHS).

The funding obtained by this decision package will allow the department to minimize impacts to existing systems performance and operations. Moving into the SDC will take advantage of a state-of-the-art facility and position the department to take advantage of future shared services.

Does this decision package provide essential support to one of the Governor's priorities?

This funding supports the new legislation and the consolidation of data centers into the SDC. This supports the statewide result to "improve state government efficiency" by reducing the overall cost of information technology.

The OB2 Move project is one of several phases in Washington State's IT Transformation Initiative. The other components of the IT initiative include implementation of shared services and data center consolidation.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

This decision package supports the Priorities of Government (POG) critical value statement to improve state government efficiency. SDC has three mandated outcomes that align with this statewide result:

1. Improve security.
2. Reduce operational costs.
3. Improve service quality, availability, and performance.

What are the other important connections or impacts related to this proposal?

This is related to new Legislation, ESSB 5931, requiring consolidation of data centers and moving all servers into the SDC building.

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

The department is using multiple options for migrating computer equipment and systems from OB2 to SDC. These are listed below and align with a study performed by INX Metagyre Inc. (INX) for DIS. The INX study included an analysis of alternatives for moving equipment out of OB2. One alternative looked at Physical Relocation of all systems. This alternative was dismissed due to the long system outage it would require and the risks of breaking systems. The other alternative looked at Individualize System Moves based on each system's requirements and interrelationships. This alternative was recommended as it has the least risk and allows better management of risks, resources, testing, problem resolution, and ability to fallback.

The three primary move scenarios that DSHS will use include:

1. Virtual to Virtual: Migrating virtual systems in OB2 to a virtual platform in the SDC. This requires seed equipment or some form of existing hardware platform (e.g., landing pad) in the SDC to work.

Department of Social and Health Services

DP Code/Title: PL-PF State Data Center Equipment
Program Level - 010 Children's Administration

Budget Period: 2011-13 Version: A2 010 - 2012 Sup Agency Request

- 2. Physical Move: Unplugging existing equipment, moving, and installing it in the SDC. This is higher risk and requires a system outage.
- 3. Logical Move: Installing startup equipment in the SDC, loading systems on the equipment, and doing a cut-over. This is lower risk and can be done quicker than a physical move. This option requires startup equipment.

Each system is examined to determine which migration option best meets the business need and level of risk. The agency also put stringent requirements around what could be requested in this decision package. Equipment at end-of-life was not allowed on the funding list as these should already have a funding source for them (required regardless of the move). Only items required to make the move happen without a funding source were put on the list.

What are the consequences of not funding this package?

If the funding request is not approved, then more of the computer systems and equipment will be dependent on a Physical Move approach, which will increase the duration and risk of system outages. These would cause work stoppages and impact service to clients/citizens.

What is the relationship, if any, to the state's capital budget?

None

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

None

Expenditure and revenue calculations and assumptions

Costs estimates are based on vendor budgetary quotes.

See attachments: ISSD PL-PF State Data Center equipment.xlsx and ISSD PL PF State Data Center Transition IT Addendum.doc

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

The costs are one-time costs. Once equipment reaches end-of-life, the agency intends to migrate to a statewide shared service to provide this function.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 010 Objects			
T Intra-Agency Reimbursements	26,000	45,000	71,000

Department of Social and Health Services

DP Code/Title: PL-PF State Data Center Equipment
Program Level - 010 Children's Administration

Budget Period: 2011-13 Version: A2 010 - 2012 Sup Agency Request

DSHS Source Code Detail

Program 010		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State				
<u>Sources Title</u>				
0011	General Fund State	11,000	19,000	30,000
<i>Total for Fund 001-1</i>		11,000	19,000	30,000
Fund 001-A, General Fund - Basic Account-DSHS Fam Support/Chi				
<u>Sources Title</u>				
658G	Title IV-E Foster Care (75%)	15,000	26,000	41,000
<i>Total for Fund 001-A</i>		15,000	26,000	41,000
Total Program 010		26,000	45,000	71,000

**2012 Supplemental Budget
PL-PF State Data Center equipment**

**Department of Social & Health Services
COST SUMMARY**

	FY 2012	FY 2013	TOTAL
STORAGE		\$250,000	\$250,000
SERVERS		\$75,000	\$75,000
NETWORK	\$187,000		\$187,000
TOTAL	\$187,000	\$325,000	\$512,000

Total Funds	State	Federal
\$512,000	\$291,000	\$221,000

Biennial Total	DSHS Programs		All Objects			Object J			Object TZ		
			State	Federal	Total	State	Federal	Total	State	Federal	Total
010	CA		30,000	41,000	71,000	-	-	-	30,000	41,000	71,000
020	JRA		13,000	-	13,000	-	-	-	13,000	-	13,000
030	MH		27,000	-	27,000	-	-	-	27,000	-	27,000
040	DD		21,000	6,000	27,000	-	-	-	21,000	6,000	27,000
050	LTC		17,000	16,000	33,000	-	-	-	17,000	16,000	33,000
060	ESA		119,000	107,000	226,000	-	-	-	119,000	107,000	226,000
070	ASA		2,000	1,000	3,000	-	-	-	2,000	1,000	3,000
100	VR		1,000	9,000	10,000	-	-	-	1,000	9,000	10,000
110	ADMIN		57,000	41,000	98,000	-	-	-	57,000	41,000	98,000
135	SCC		4,000	-	4,000	-	-	-	4,000	-	4,000
150	ISSD		-	-	-	-	-	-	-	-	-
			291,000	221,000	512,000	512,000	512,000	512,000	(512,000)	-	(512,000)
			57%	43%					(221,000)	221,000	-

Total Funds	State	Federal
\$187,000	\$106,000	\$81,000

FY 2012	DSHS Programs		All Objects			Object J			Object TZ		
			State	Federal	Total	State	Federal	Total	State	Federal	Total
010	CA		11,000	15,000	26,000	-	-	-	11,000	15,000	26,000
020	JRA		5,000	-	5,000	-	-	-	5,000	-	5,000
030	MH		10,000	-	10,000	-	-	-	10,000	-	10,000
040	DD		8,000	2,000	10,000	-	-	-	8,000	2,000	10,000
050	LTC		6,000	6,000	12,000	-	-	-	6,000	6,000	12,000
060	ESA		43,000	39,000	82,000	-	-	-	43,000	39,000	82,000
070	ASA		1,000	-	1,000	-	-	-	1,000	-	1,000
100	VR		-	4,000	4,000	-	-	-	-	4,000	4,000
110	ADMIN		21,000	15,000	36,000	-	-	-	21,000	15,000	36,000
135	SCC		1,000	-	1,000	-	-	-	1,000	-	1,000
150	ISSD		-	-	-	-	-	-	-	-	-
			106,000	81,000	187,000	187,000	187,000	187,000	(187,000)	81,000	(187,000)
			57%	43%					(81,000)	81,000	-

Total Funds	State	Federal
\$325,000	\$185,000	\$140,000

FY 2013	DSHS Programs		All Objects			Object J			Object TZ		
			State	Federal	Total	State	Federal	Total	State	Federal	Total
010	CA		19,000	26,000	45,000	-	-	-	19,000	26,000	45,000
020	JRA		8,000	-	8,000	-	-	-	8,000	-	8,000
030	MH		17,000	-	17,000	-	-	-	17,000	-	17,000
040	DD		13,000	4,000	17,000	-	-	-	13,000	4,000	17,000
050	LTC		11,000	10,000	21,000	-	-	-	11,000	10,000	21,000
060	ESA		76,000	68,000	144,000	-	-	-	76,000	68,000	144,000
070	ASA		1,000	1,000	2,000	-	-	-	1,000	1,000	2,000
100	VR		1,000	5,000	6,000	-	-	-	1,000	5,000	6,000
110	ADMIN		36,000	26,000	62,000	-	-	-	36,000	26,000	62,000
135	SCC		3,000	-	3,000	-	-	-	3,000	-	3,000
150	ISSD		-	-	-	-	-	-	-	-	-
			185,000	140,000	325,000	325,000	325,000	325,000	(325,000)	140,000	(325,000)
			57%	43%					(140,000)	140,000	-

2012 Supplemental Budget
PL-PF State Data Center equipment
 Department of Social & Health Services
 Estimated Costs Breakout

Item	Area	Description	Total
1	ISSD Storage	This device will replicate the Storage Area Network (SAN) used by the Information Systems Services Division (ISSD). The existing Net App storage device cannot be moved to the State Data Center (SDC) until all the systems data is migrated off the device. Once all the systems data is migrated, the existing equipment can be repurposed by another group to avoid another purchase.	\$250,000
2	ISSD Servers	Three physical servers are needed to support the initial virtual platform at the SDC. Once virtual servers in the A-la-Carte 2 computer room are migrated to the SDC, the existing compute infrastructure (physical servers) can be used (i.e. repurposed) for the next round of system migrations.	\$45,000
3	ISSD Shared SQL database	Two servers are needed to support the ISSD Shared SQL environment. One for Production and one for the Quality Assurance (QA) environment.	\$30,000
4	ISSD Network	One Steelhead device to support Wide Area Network (WAN) optimization. This is a second device that will support the migration to the SDC reducing risk to local office disruption. This will also provide some redundancy in the architecture.	\$127,000
5	ISSD Network	Devices that tap into networks in support of network traffic monitoring (also known as TAPs), are needed to support DSHS network operations during the migration. Some of the existing TAPs equipment needs to remain attached to the DSHS Core network in OB2 during the migration. DSHS needs additional TAP equipment to monitor components on the SDC side of the network.	\$60,000
	TOTAL		\$512,000

Department of Social and Health Services

DP Code/Title: PL-QR Optimize Efficiencies
Program Level - 010 Children's Administration

Budget Period: 2011-13 Version: A2 010 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS), Children's Administration (CA), reduces (\$4,113,000), (\$16,933,000) GF-State, for the 2012 Supplemental Budget. This reduction will be achieved by maximizing federal funds, enhanced payment integrity efforts, and aligning funding levels with Fiscal Year 2011 actual expenditures, which were less than previously projected.

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	(7,996,000)	(8,937,000)	(16,933,000)
001-A General Fund - Basic Account-DSHS Fam Support/Chi	6,524,000	6,296,000	12,820,000
Total Cost	(1,472,000)	(2,641,000)	(4,113,000)

Staffing

Package Description:

CA will continue to work to ensure our business functions are efficient and effective. CA will achieve savings through payment integrity efforts, maximizing federal funds, and through the continuation of savings and efficiency measures implemented in the previous budget cycle.

A) Continue Savings and Efficiency Measures for a savings of (\$2,336,000) GF-State. These savings are a result of savings measures taken during state Fiscal Year 2011 and will have no further impact to the clients of CA.

- 40 percent to Sexually Aggressive Youth services, (\$226,000) GF State.
- 7 percent to Foster Care Child Aide, (\$86,000) GF State.
- 30 percent Foster Care Support Goods and Services, (\$178,000) GF State.
- Hold Responsible Living Skills Program (RLSP) to Fiscal Year 2011 expenditure, (\$824,000) GF State.
- Continue Foster Parent Child Care Reviews, (\$750,000) GF State.
- Contract Savings - non-renewals, (\$272,000) GF State.

B) Payment Integrity for a savings of (\$550,000) GF-State. These savings are a result of enhanced payment integrity initiatives implemented by CA to appropriately reduce expenditures.

- Prevent Overpayments, (\$498,000) GF-State.
- Eliminate Family Preservation Training, (\$52,000) GF State.

C) Maximize Federal Funding for a savings of (\$15,055,000) GF-State. These savings are a result of continued efforts to identify GF-State expenditures that are eligible for federal reimbursement as well as a demonstrated performance to finalize adoptions earning federal incentive funds.

- Targeted Case Management, (\$10,000,000) GF State.

Department of Social and Health Services

DP Code/Title: PL-QR Optimize Efficiencies
Program Level - 010 Children's Administration

Budget Period: 2011-13 Version: A2 010 - 2012 Sup Agency Request

- Adoption Incentive Fund Swap, (\$3,769,000) GF State.
- Use of Supplemental Security Income (SSI) for Allowable Services, (\$45,000) GF State.
- 15 percent Reduction to Evaluation and Treatment, (\$233,000) GF State.

Agency Contact: Angela Visser (360) 902-8183

Program Contact: Tammy Hay (360) 902-7865

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

To achieve savings to meet the 10 percent reduction targets set by the Office of Financial Management (OFM) for the 2012 Supplemental Budget.

Performance Measure Detail

Agency Level

Activity: A004 Adoption Services and Support

No measures linked to package

Incremental Changes

FY 1 FY 2

0.00 0.00

Activity: A009 Child Protective Services (CPS)

No measures linked to package

Incremental Changes

FY 1 FY 2

0.00 0.00

Activity: A012 Child Welfare Services (CWS)

No measures linked to package

Incremental Changes

FY 1 FY 2

0.00 0.00

Activity: A033 Family Reconciliation Services (FRS)

No measures linked to package

Incremental Changes

FY 1 FY 2

0.00 0.00

Activity: A035 Family Support Services

No measures linked to package

Incremental Changes

FY 1 FY 2

0.00 0.00

Activity: A071 Other Foster Care

No measures linked to package

Incremental Changes

FY 1 FY 2

0.00 0.00

Activity: A088 Responsible Living Skills (RLSP)

No measures linked to package

Incremental Changes

FY 1 FY 2

0.00 0.00

Activity: A101 Victim Assistance

No measures linked to package

Incremental Changes

FY 1 FY 2

0.00 0.00

Is this decision package essential to implement a strategy identified in the agency's strategic plan?

No

Does this decision package provide essential support to one of the Governor's priorities?

Yes, this decision package helps the agency meet the 10 percent reduction targets set by OFM for the 2012 Supplemental Budget.

Department of Social and Health Services

DP Code/Title: PL-QR Optimize Efficiencies

Program Level - 010 Children's Administration

Budget Period: 2011-13 Version: A2 010 - 2012 Sup Agency Request

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

No

Department of Social and Health Services

DP Code/Title: PL-QR Optimize Efficiencies
Program Level - 010 Children's Administration

Budget Period: 2011-13 Version: A2 010 - 2012 Sup Agency Request

What are the other important connections or impacts related to this proposal?

A) Continue Savings and Efficiency Measures

- Sexually Aggressive Youth Program:

The proposed reduction aligns funded levels with actual expenditures, which were less than previously projected.

- Foster Care Child Aide and Foster Care Support Goods and Services:

CA will manage the reduction to Foster Care supports for children in foster care through continued cost controls that connect expenditures to key outcomes of the child's case as related to safety, permanency, and well being. The proposed reduction aligns funded levels with actual expenditures, which were less than previously projected.

- RLSP:

RLSP provides Independent Living services in a residential setting. RLSP are intended as a placement alternative for dependent youth needing transitional and emancipation skills and because no other services or alternative placements have been successful. This proposal aligns funding levels with actual expenditures. Client impact is minimal as service will continue at current utilization.

- Continue Foster Parent Child Care Reviews:

CA will achieve savings through cost controls implemented in the 2009-11 biennium that ensure child care is provided in a two-parent household when both foster parents are employed. To reduce any potential negative impact on children, CA will work with community partners to identify ways to maximize community resources.

- Contract Savings - non-renewals:

CA reviewed all custom contracts and some contracts were not renewed, resulting in some unobligated funds.

B) Payment Integrity

- Prevent Overpayments:

CA is working to reduce foster care and adoption support overpayments, by creating a mechanism in the FamLink system to stop payments for clients over age 18 where appropriate.

- Family Preservation Training:

CA switched to a web based online training and no longer needed the contracted training. There is no client or service impact.

C) Maximize Federal Funding

- Targeted Case Management:

In order to avoid significant disallowances, CA had to, in 1994 restructure the way it used Targeted Case Management (TCM) in Child Welfare. This restructure involved only using TCM for children who were not eligible for Title IV E funding and using a Random Moment Time Study (RMTS) to accurately measure the staff effort associated with TCM activities and use this as the basis for the calculation to allocate the costs.

In 2007 CMS began another review of TCM in Child Welfare and provided an interim rule that said Medicaid funds could not be used to fund service of State Child Welfare or Child Protective Services (CPS) workers. The rule also said Medicaid funds could not be used to fund Case Management services provided by Child Welfare or CPS providers. The rule became effective March 3, 2008. CA quit claiming TCM effective March 1st, 2008.

Eventually a moratorium was passed on the rule, but it was decided re-claiming TCM may impact other Medicaid issues that were being addressed at the time and CA did not pursue reclaiming TCM.

Department of Social and Health Services

DP Code/Title: PL-QR Optimize Efficiencies
Program Level - 010 Children's Administration

Budget Period: 2011-13 Version: A2 010 - 2012 Sup Agency Request

In June 2009, CA discussed reclaiming TCM with CMS and they provided three areas CA needed to address; the accuracy of our TCM activities described in our RMTS structure, the use of Cost Pools specific to TCM workers, and the time period used in our RMTS sampling. CA began working on these issues and has been working with CMS through an amendment to the Medicaid State Plan to resume claiming TCM. CA has worked at resolving the three areas CMS asked to be addressed and are now in the process of answering questions and providing information through the State Plan Amendment (SPA) process. Through this process, CA developed, at CMS' request, a TCM Cost Report that illustrates by activity the level of funding allocated on a quarterly basis. The current outstanding item for this SPA is providing instructions for completing this cost report.

CA is confident that the remaining items left to discuss with CMS are resolvable and that the SPA will be approved with a retroactive effective date that will include expenditures since July 1, 2011.

- Adoption Incentive Fund Swap:

CA received an adoption incentive bonus from the federal Children's Bureau for adoptions completed in Fiscal Year 2009 and Fiscal Year 2010. CA can use these funds in lieu of state funds on Title IV-E allowable activities. Since it is unknown if CA will receive another award, this item is one time.

- Expend SSI for Allowable Services:

CA will implement the following strategies and processes to maximize federal funds and charge allowable service expenditures to SSI:

1. Routine reminder emails and letters to Social Workers that these funds exist and are available for use for specific children with dedicated accounts;
2. FamLink programming change to create an alert for the Fiduciary Specialist when entering specific service codes indicating it could be an allowable service using available dedicated account funds to pay for this service;
3. Increased training and awareness of Social Workers, Fiduciary Specialists, and Foster Parents on the appropriate uses for dedicated account funds.

- Evaluation and Treatment:

The reduction to Evaluation and Treatment services will be achieved through efficiencies in how the resources are utilized. CA will meet the mental health needs of children in foster care through the Public Mental Health System. The proposed reduction aligns funded levels with actual expenditures, which were less than previously projected.

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

Not applicable

What are the consequences of not funding this package?

The agency will not be able to meet its budget reduction targets.

What is the relationship, if any, to the state's capital budget?

None

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

Reductions to Foster Care Child Aide contracted services will require contract changes. RLSP regional allotments will be reduced.

Expenditure and revenue calculations and assumptions

Department of Social and Health Services

DP Code/Title: PL-QR Optimize Efficiencies
Program Level - 010 Children's Administration

Budget Period: 2011-13 Version: A2 010 - 2012 Sup Agency Request

See attachment: CA PL-QR Optimize Efficiencies.xlsx

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

Adoption incentive funding is one-time. All other savings will continue into future biennia.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
N Grants, Benefits & Client Services	(1,472,000)	(2,641,000)	(4,113,000)

DSHS Source Code Detail

<u>Overall Funding</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State			
<u>Sources Title</u>			
0011 General Fund State	(7,996,000)	(8,937,000)	(16,933,000)
<i>Total for Fund 001-1</i>	<u>(7,996,000)</u>	<u>(8,937,000)</u>	<u>(16,933,000)</u>
Fund 001-A, General Fund - Basic Account-DSHS Fam Support/Chi			
<u>Sources Title</u>			
658G Title IV-E Foster Care (75%)	6,524,000	6,296,000	12,820,000
<i>Total for Fund 001-A</i>	<u>6,524,000</u>	<u>6,296,000</u>	<u>12,820,000</u>
Total Overall Funding	<u>(1,472,000)</u>	<u>(2,641,000)</u>	<u>(4,113,000)</u>

**2012 Supplemental Budget
PL-QR Optimize Efficiencies**

A1964 Continue Foster Parent Child Care reviews				
	SFY11 Allot	SFY11 Expend	SFY12 Allot	SFY13 Allot
State	\$ 7,411,000	\$ 3,588,263	\$ 3,518,772	\$ 3,585,355
T4E	\$ 12,492,000	\$ 13,985,365	\$ 13,714,524	\$ 13,974,033
Total	\$ 19,903,000	\$ 17,573,628	\$ 17,233,296	\$ 17,559,388

Effect July 1, 2011			
	SFY12 Allot	SFY13 Allot	Biennial
state	\$ (250,000)	\$ (500,000)	\$ (750,000)
federal	\$ (50,000)	\$ (100,000)	\$ (150,000)
	\$ (300,000)	\$ (600,000)	\$ (900,000)

Contract Savings - Non renewals						
	SFY11 Expend	SFY12 Allot	SFY13 Allot	State	Federal	Total
State	\$ (136,000)	\$ (136,000)	\$ (136,000)	\$ -	\$ -	\$ -
T4E	\$ (29,000)	\$ (29,000)	\$ (29,000)	\$ (94,000)	\$ (29,000)	\$ (123,000)
Total	\$ (165,000)	\$ (165,000)	\$ (165,000)	\$ (136,000)	\$ (29,000)	\$ (165,000)

	SFY12 Allot	SFY13 Allot	Biennial
state	\$ (136,000)	\$ (136,000)	\$ (272,000)
federal	\$ (29,000)	\$ (29,000)	\$ (58,000)
	\$ (165,000)	\$ (165,000)	\$ (330,000)

Prevent Overpayments C19			
\$250,000 savings in SFY12 state, and \$500,000 in SFY13			
	SFY12 Allot	SFY13 Allot	Biennial
C19	\$ (161,000)	\$ (372,000)	
state	\$ (105,000)	\$ (242,000)	
T4E	\$ (56,000)	\$ (130,000)	
C16	\$ (89,000)	\$ (178,000)	
state	\$ (50,000)	\$ (101,000)	
T4E	\$ (39,000)	\$ (77,000)	
state	\$ (155,000)	\$ (343,000)	\$ (498,000)
T4E	\$ (95,000)	\$ (207,000)	\$ (302,000)
	\$ (250,000)	\$ (550,000)	\$ (800,000)

A1143 Eliminate Family Preservation Training					
	SFY10 Allot	SFY10 Expend	SFY11 Allot	SFY12 Allot	SFY13 Allot
State	\$ 52,000	\$ -	\$ -	\$ 52,000	\$ -
Federal	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ 52,000	\$ -	\$ -	\$ 52,000	\$ -

Effect July 1, 2011			
	SFY12 Allot	SFY13 Allot	Biennial
state	\$ (52,000)	\$ -	\$ (52,000)
	\$ -	\$ -	\$ -
	\$ (52,000)	\$ -	\$ (52,000)

**2012 Supplemental Budget
PL-QR Optimize Efficiencies**

A1841					
40% reduction in Sexually Agressive Youth					
	SFY11 Allot	SFY11 Expend	SFY12 Allot	SFY13 Allot	
State	\$ 322,000	\$ 160,758	\$ 378,200	\$ 376,000	
Total	\$ 322,000	\$ 160,758	\$ 378,200	\$ 376,000	
$\$378,200 \times 40\% = (\$151,280)$					
Effect Jan 1, 2012 (\$151,280) / 12 x 6 mos =					
		state 40% reduction	SFY12 Allot	SFY13 Allot	Biennial
			\$ (76,000)	\$ (150,000)	\$ (226,000)
			\$ (76,000)	\$ (150,000)	\$ (226,000)

A1917					
7% Reduction to Foster Care Child Aide					
	SFY11 Allot	SFY11 Expend	SFY12 Allot	SFY13 Allot	
State	\$ 1,216,000	\$ 637,654	\$ 806,813	\$ 835,339	
Federal	\$ 359,000	\$ 461,127	\$ 365,283	\$ 369,441	
Total	\$ 1,575,000	\$ 1,098,781	\$ 1,172,096	\$ 1,204,780	
$\$1,172,096 \times 7\% = (\$82,047)$					
Effect Jan 1, 2012 (\$82,047) / 12 x 6 mos =					
		state 7% reduction	SFY12 Allot	SFY13 Allot	Biennial
			\$ (28,000)	\$ (58,000)	\$ (86,000)
		federal	\$ (13,000)	\$ (26,000)	\$ (39,000)
			\$ (41,000)	\$ (84,000)	\$ (125,000)

A1918					
30% reduction to Foster Care Support Goods & Services					
	SFY11 Allot	SFY11 Expend	SFY12 Allot	SFY13 Allot	
State	\$ 747,000	\$ 253,358	\$ 388,263	\$ 399,089	
T4E	\$ 112,000	\$ 507,384	\$ 788,293	\$ 810,273	
Total	\$ 859,000	\$ 760,742	\$ 1,176,556	\$ 1,209,362	
$\$1,176,556 \times 30\% = (\$352,967)$					
Effect Jan 1, 2012 (\$352,967) / 12 x 6 mos =					
		state 30% reduction	SFY12 Allot	SFY13 Allot	Biennial
			\$ (58,000)	\$ (120,000)	\$ (178,000)
		federal	\$ (118,000)	\$ (243,000)	\$ (361,000)
			\$ (176,000)	\$ (363,000)	\$ (539,000)

A1552					
Align RLSP funding to expenditure level					
	SFY11 Allot	SFY11 Expend	SFY12 Allot	SFY13 Allot	
State	\$ 1,288,000	\$ 792,069	\$ 1,086,117	\$ 1,322,000	
T4E	\$ 115,000	\$ 74,500	\$ 116,323	\$ 116,000	
Total	\$ 1,403,000	\$ 866,569	\$ 1,202,440	\$ 1,438,000	
Effect July 1, 2011					
		state	SFY12 Allot	SFY13 Allot	Biennial
			\$ (294,000)	\$ (530,000)	\$ (824,000)
		federal	\$ (42,000)	\$ (42,000)	\$ (84,000)
			\$ (336,000)	\$ (572,000)	\$ (908,000)

**2012 Supplemental Budget
PL-QR Optimize Efficiencies**

Targeted Case Management R00				
Claim T19 for Case management, preserve state		SFY12 Allot	SFY13 Allot	Biennial
	state	\$ (5,000,000)	\$ (5,000,000)	\$ (10,000,000)
	T4E	\$ 5,000,000	\$ 5,000,000	\$ 10,000,000
		\$ -	\$ -	\$ -

One time Adoption Incentive Grant, spend federal preserve state C16				
		SFY12	SFY13	Biennial
Allotment		\$ -	\$ -	
State		\$ (1,856,000)	\$ (1,913,000)	\$ (3,769,000)
T4E		\$ 1,856,000	\$ 1,913,000	\$ 3,769,000

Spend SSI for Allowable Services A1983				
		SFY12	SFY13	Biennial
		\$ -	\$ -	
State		\$ (15,000)	\$ (30,000)	\$ (45,000)
T4E		\$ 15,000	\$ 30,000	\$ 45,000

A1962 15% reduction to Eval & Treatment					
		SFY11 Allot	SFY11 Expend	SFY12	SFY13
State		\$ 628,000	\$ 776,709	\$ 1,019,010	\$ 1,048,988
Lidded Grants		\$ 5,050,000	\$ 3,426,750	\$ 4,495,752	\$ 4,628,012
Allotment		\$ 5,678,000	\$ 4,203,459	\$ 5,514,762	\$ 5,677,000
$=\$5,514,762 \times 15\% = \$827,214.30$ Effect Jan 1, 2012 (\$827,000) / 12 x 6 mos=					
		SFY12	SFY13	Biennial	
Reduction		\$ (76,000)	\$ (157,000)	\$ (233,000)	
State		\$ (76,000)	\$ (157,000)	\$ (233,000)	
Lidded Grants		\$ -	\$ -	\$ -	

Total Rollup of Backup				
		SFY12	SFY13	Biennial
Reduction		\$ (1,472,000)	\$ (2,641,000)	\$ (4,113,000)
State		\$ (7,996,000)	\$ (8,937,000)	\$ (16,933,000)
Federal		\$ 6,524,000	\$ 6,296,000	\$ 12,820,000

Department of Social and Health Services

DP Code/Title: PL-QS Foster Care Reductions
Program Level - 010 Children's Administration

Budget Period: 2011-13 Version: A2 010 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services, Children's Administration (CA), reduces (\$14,321,000), (\$11,968,000) GF-State, in the 2012 Supplemental Budget through foster care reductions.

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 010			
001-1 General Fund - Basic Account-State	(5,841,000)	(6,127,000)	(11,968,000)
001-A General Fund - Basic Account-DSHS Fam Support/Chi	(1,114,000)	(1,239,000)	(2,353,000)
Total Cost	(6,955,000)	(7,366,000)	(14,321,000)

Staffing

Package Description:

CA has thoroughly examined its expenditures and identified programs which are not consistent with CA goals and priorities or are more cost effective. CA initiated a reductions to the state's foster care system in an effort to provide child focused and family centered services in the communities of which those families are a part. The goal of this effort is to safely provide quality care to children and youth in their own homes, or when an out of home placement is necessary to place children with fit and willing relatives, or in the most appropriate home-like setting possible. The intended results of the foster care redesign are to safely reduce out of home placements, to safely reduce placement moves, and to reduce the length of stay of a child in an out of home placement. Achieving these results will require fewer funds for placement services.

This approach will better serve all children involved with the public child welfare system with special emphasis on maintaining connections for sibling groups, caring for children with complex needs, and caring for adolescents who exhibit challenging behaviors.

Efforts to keep children safely in their own homes, to reduce placement moves, and to reduced the length of stay while in an appropriate out of home placement is better for children and families and better utilizes public funds while leveraging the natural supports of families and communities to keep children safe and families stable.

Reductions to foster care include the following:

- 10 percent reduction to Child Placing Agency Case Management Service Fee, (\$655,000) GF-State.
- Hold Behavioral Rehabilitative Services (BRS) to State Fiscal Year 2011 Allotment Levels, (\$6,721,000) GF-State.
- Elimination of Pediatric Interim Care (PIC) Facility, (\$1,002,000) GF-State.
- 50 percent reduction to Receiving Care Center program, (\$1,516,000) GF-State.
- One time, first year reduction to Receiving Care Maintenance, (\$1,000,000) GF-State.
- 50 percent reduction to Receiving Care Support Services, (\$198,000) GF-State.
- 2 percent which equates to a 9.5 day reduction in length of stay, (\$876,000) GF-State.

Agency Contact: Angela Visser (360) 902-8183

Department of Social and Health Services

DP Code/Title: PL-QS Foster Care Reductions
Program Level - 010 Children's Administration

Budget Period: 2011-13 Version: A2 010 - 2012 Sup Agency Request

Program Contact: Tammy Hay (360) 902-7865

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

To achieve savings to meet the 10 percent reduction targets set by the Office of Financial Management (OFM) for the 2012 Supplemental Budget.

Performance Measure Detail

Program: 010

Activity: A007 Behavioral Rehabilitative Services (BRS)

No measures linked to package

Incremental Changes

FY 1 FY 2

0.00 0.00

Activity: A071 Other Foster Care

No measures linked to package

Incremental Changes

FY 1 FY 2

0.00 0.00

Is this decision package essential to implement a strategy identified in the agency's strategic plan?

No

Does this decision package provide essential support to one of the Governor's priorities?

Yes, this decision package helps the agency meet the 10 percent reduction targets set by OFM for the 2012 Supplemental Budget.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

No

Department of Social and Health Services

DP Code/Title: PL-QS Foster Care Reductions
Program Level - 010 Children's Administration

Budget Period: 2011-13 Version: A2 010 - 2012 Sup Agency Request

What are the other important connections or impacts related to this proposal?

Child Placing Agency Case Management Service Fee:

Contracted Child Placing Agencies (CPA) receive a case management fee or intensive case management fee upon request from a CA social worker on a youth served by the contracted provider. A borrowed bed fee is provided to a child placed in a CPA foster home when no case management is requested. Each fee includes foster parent recruitment, support, monitoring and certification.

Funding for the CPA case management fee is not part of CA core mission to keep children safely in their homes. CA social workers always retain case management responsibility regardless of CPA case management being provided.

CA anticipates that reduced lengths of stay will result in fewer children in out-of-home placements, which will result in savings in the foster care system.

BRS:

BRS are provided to children and youth who are behaviorally and/or emotional disordered and whose behaviors cannot be maintained in a less intensive setting.

The proposed reduction to BRS holds the program at State Fiscal Year 2011 levels. CA was able to decrease BRS expenditures by increasing in-home wrap around services so that children receive quality care and remain safely in their own homes.

CA will continue its efforts in collaboration with the BRS service providers to reduce the child length of stay in BRS programs and facilitate movement of children to the least restrictive placement setting as soon as it is appropriate. This includes safely reunifying children with their families when child behavior has been a barrier to reunification.

PIC Facility:

PIC is provided through a 24-hour facility; contracted to provide for the needs of substance affected infants for up to 45 days upon their release from the hospital following their birth.

This reduction eliminates the facility-based service; however, two non-facility based PIC programs are available to serve substance exposed infants in their own homes and in foster care. These programs provide care in a less restrictive setting, which is ultimately better for children, aligns with national trends, research and promotes CA core values.

Receiving Care Center Programs:

The Receiving Care Center programs represent a neutral/safe alternative for children who are experiencing trauma and struggle with 'new' parents in a foster family.

The receiving care program for Pierce and Kitsap Counties operates as a series of foster homes who accept children experiencing abuse and neglect on an around the clock basis and keep them in a stable family like setting for up to 30 days if needed.

The Spokane program is a facility-based, short term receiving care center with a bed capacity of 12.

The average number of clients served in a fiscal year by these programs is about 300. Potential client impact by a 50 percent reduction is 150. Number of contracted providers impacted is 4.

Receiving Home Maintenance:

The Receiving Home Maintenance reduction in the first fiscal year reduces funding available and evens funding levels by year.

Department of Social and Health Services

DP Code/Title: PL-QS Foster Care Reductions

Program Level - 010 Children's Administration

Budget Period: 2011-13 Version: A2 010 - 2012 Sup Agency Request

Receiving Care Support Services:

Receiving Care Support Services are personal incidentals provided to foster youth in Receiving Home placements. CA will implement cost controls and provide support services for only the most critical needs of children and identify other community supports for other needs.

Reduction in Length of Stay:

CA has began implementation of Safety Framework and Wraparound Principles. CA believes this will safely increase reunification quicker and will help safely reduce length of stay in out of home placement. CA also has implemented specialized Permanency Roundtables to focus on 200 children and youth with the longest lengths of stay. Permanency Roundtables convene teams of social workers, supervisors, community consultants and facilitators to identify barriers to a child or sibling group's permanency and work to identify options. CA estimates the implementation of these initiatives will result in a 2 percent reduction which equates to a 9.5 day decrease in length of stay.

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

Not applicable

What are the consequences of not funding this package?

The agency will not be able to meet its budget reduction targets.

What is the relationship, if any, to the state's capital budget?

Not applicable

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

CPA, PIC, and Receiving Care contracts will be amended.

Expenditure and revenue calculations and assumptions

See attachment: CA PL-QS Redesign Foster Care.xlsx

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

All savings will continue into future biennia.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 010 Objects			
N Grants, Benefits & Client Services	(6,955,000)	(7,366,000)	(14,321,000)

Department of Social and Health Services

DP Code/Title: PL-QS Foster Care Reductions

Program Level - 010 Children's Administration

Budget Period: 2011-13 Version: A2 010 - 2012 Sup Agency Request

DSHS Source Code Detail

Program 010		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State				
<u>Sources</u> <u>Title</u>				
0011	General Fund State	(5,841,000)	(6,127,000)	(11,968,000)
<i>Total for Fund 001-1</i>		(5,841,000)	(6,127,000)	(11,968,000)
Fund 001-A, General Fund - Basic Account-DSHS Fam Support/Chi				
<u>Sources</u> <u>Title</u>				
658G	Title IV-E Foster Care (75%)	(1,114,000)	(1,239,000)	(2,353,000)
<i>Total for Fund 001-A</i>		(1,114,000)	(1,239,000)	(2,353,000)
Total Program 010		(6,955,000)	(7,366,000)	(14,321,000)

**2012 Supplemental Budget
PL-QS Redesign Foster Care**

A1951 Receiving Home Care Maintenance			
	SFY11	SFY12	SFY13
State	\$ 875,000	\$ 2,370,158	\$ 875,000
T4E,SSBG	\$ 302,000	\$ 818,043	\$ 302,000
Allotment	\$ 1,177,000	\$ 3,188,201	\$ 1,177,000
Effect Jan 1, 2012			
	SFY12	SFY13	Biennial Total
Reduction	\$ (1,180,000)	\$ -	\$ (1,180,000)
State	\$ (1,000,000)	\$ -	\$ (1,000,000)
T4E	\$ (180,000)	\$ -	\$ (180,000)

A1952 Reduce Receiving Care Support Services 50%			
	SFY11	SFY12	SFY13
State	\$ 264,000	\$ 264,000	\$ 264,000
T4E	\$ 36,000	\$ 36,000	\$ 36,000
Allotment	\$ 300,000	\$ 300,000	\$ 300,000
Effect Jan 1, 2012 (\$150,000) / 12 x 6 mos=			
	SFY12	SFY13	Biennial Total
Reduction	\$ (75,000)	\$ (150,000)	\$ (225,000)
State	\$ (66,000)	\$ (132,000)	\$ (198,000)
T4E	\$ (9,000)	\$ (18,000)	\$ (27,000)

**2012 Supplemental Budget
PL-QS Redesign Foster Care**

A1953			
50% Reduction in Receiving Care Center			
100% reduction in SFY13			
	SFY11	SFY12	SFY13
State	\$ 810,000	\$ 1,669,676	\$ 1,099,299
T4E	\$ 154,000	\$ 317,445	\$ 209,003
Allotment	\$ 964,000	\$ 1,987,121	\$ 1,308,302
Effect Jan 1, 2012 (\$1,987,121) / 12 x 6 mos =			
	SFY12	SFY13	Biennial Total
Reduction	\$ (496,000)	\$ (1,308,000)	\$ (1,804,000)
State	\$ (417,000)	\$ (1,099,000)	\$ (1,516,000)
T4E	\$ (79,000)	\$ (209,000)	\$ (288,000)

10% Reduction in Child Placing Agency Fees Management					
T4E 50/50% and 100% state					
A1916					
	SFY11 Allot	SFY11 Expend	SFY12 Allot	SFY13 Allot	
State	\$ 3,929,000	\$ 4,725,319	\$ 4,619,395	\$ 4,785,679	
T4E	\$ 748,000	\$ 2,517,897	\$ 879,437	\$ 911,094	
Total	\$ 4,677,000	\$ 7,243,216	\$ 5,498,832	\$ 5,696,773	
FY11 Borrowed Bed Expenditures			\$ 436,000	\$ 436,000	
CPA Annual Allotment less borrowed beds			\$ 5,062,832	\$ 5,260,773	
			SFY12 Allot	SFY13 Allot	Biennial Total
Savings from Case Management Reduction	Reduction		\$ (253,000)	\$ (526,000)	\$ (779,000)
	State		\$ (213,000)	\$ (442,000)	\$ (655,000)
	T4E		\$ (40,000)	\$ (84,000)	\$ (124,000)
Effective January 1, 2012					

**2012 Supplemental Budget
PL-QS Redesign Foster Care**

BRS Hold to SFY11 Allotment Levels				
	SFY11 Allots	SFY11 Expend	SF12 Allots	SF13 Allots
Reduction	\$ 56,641,000		\$ 62,884,000	\$ 62,321,000
State	\$ 31,927,000		\$ 35,446,000	\$ 35,129,000
Federal	\$ 24,714,000		\$ 27,438,000	\$ 27,192,000
T4E	\$ 5,684,220		\$ 6,310,740	\$ 6,254,160
T19	\$ 19,029,780		\$ 21,127,260	\$ 20,937,840

	SF12 Allots	SF13 Allots	Biennial Total
Reduction	\$ (4,146,000)	\$ (3,772,000)	\$ (7,918,000)
State	\$ (3,519,000)	\$ (3,202,000)	\$ (6,721,000)
T4E	\$ (627,000)	\$ (570,000)	\$ (1,197,000)

Eliminate PIC Facility/Proviso A1959 AD1 state only				
	SFY11 Allot	SFY11 Expend	SFY12 Allot	SFY13 Allot
State	\$ 696,000	\$ 696,000	\$ 668,000	\$ 668,000
Total	\$ 696,000	\$ 696,000	\$ 668,000	\$ 668,000

Effect Jan 1, 2012 (\$668,000) / 12 x 6 mos =

	SFY12 Allot	SFY13 Allot	Biennial Total
Reduction	\$ (334,000)	\$ (668,000)	\$ (1,002,000)
State	\$ (334,000)	\$ (668,000)	\$ (1,002,000)

**2012 Supplemental Budget
PL-QS Redesign Foster Care**

Length of Stay reduction by 2%, 10 days A1979		
Reduce Foster Care Length of Stay		
	Days	
Average Length of Stay (LOS) (over 7 days)		476
CA will reduce LOS by 2% of 9.5 days		-9.52
Average monthly FFH Per capita	\$	824.28
Daily Per capita	\$	27.48
Cost savings	\$	(261.57)
Average number of children in care (april - June 2011)		5,400
Savings due to reduced Length of Stay		(1,412,486)
	FY 12 \$	(470,829)
	FY 13 \$	(941,657)
	SFY12 Allot	SFY13 Allot
Reduction	\$ (471,000)	\$ (942,000)
State	\$ (292,000)	\$ (584,000)
Federal	\$ (179,000)	\$ (358,000)
	Biennial Total	\$ (1,413,000)

Total Rollup of Backup

Grand Total	SFY12 Allot	SFY13 Allot	Biennial Total
Reduction	\$ (6,955,000)	\$ (7,366,000)	\$ (14,321,000)
State	\$ (5,841,000)	\$ (6,127,000)	\$ (11,968,000)
Federal (T4E)	\$ (1,114,000)	\$ (1,239,000)	\$ (2,353,000)

Department of Social and Health Services

DP Code/Title: PL-QU Program Reduction
Program Level - 010 Children's Administration

Budget Period: 2011-13 Version: A2 010 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS), Children's Administration (CA), reduces (\$5,860,000), (\$5,581,000) GF-State, in the 2012 Supplemental Budget as a result of program reductions.

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	(1,913,000)	(3,668,000)	(5,581,000)
001-A General Fund - Basic Account-DSHS Fam Support/Chi	(101,000)	(178,000)	(279,000)
Total Cost	(2,014,000)	(3,846,000)	(5,860,000)

Staffing

	<u>FY 1</u>	<u>FY 2</u>	<u>Annual Avg</u>
Agency FTEs	0.5	0.5	0.5

Package Description:

In an effort to reduce state expenditures to align with projected revenues, CA has thoroughly examined its expenditures and identified specific programs or services that can be reduced with minimal impact on children and families. Although funding reductions for some of the identified programs was already reduced in prior budgets, CA believes further reductions can be achieved without major impacts to children and families. Further, CA will attempt to mitigate impacts by referring clients to community based resources whenever possible.

Through Foster Care adjustments with implementation of major initiatives like Safety Framework, Wraparound Principles, and Permanency Roundtables, CA can successfully reduce the number of children in out-of-home placements and reduce the length of stay once a child is placed in an appropriate out-of-home placement. And, as a result it is anticipated that less funding will be required to support fewer children in out of home care. Those programs and services proposed for reduction include the following:

- 5 percent reduction to Ancillary and Child Care Services (\$217,000) GF-State biennium: These are purchased services provided to support children in foster care including shipment of children's belongings, meals for children, film and processing charges, medical records, and dependency petitions (including papers/copies/summons/etc.).
- 25 percent reduction to Education Advocacy Coordinators (\$374,000) GF-State biennium: Education Advocates provide educational advocacy services for children in foster care through a contract with Treehouse.
- 50 percent Adoption Support and Recruitment (\$229,000) GF-State biennium: CA contracts for most of the adoption recruitment efforts. CA staff provides the following limited adoption recruitment services:
 - Relative search and consideration for adoptive placements.
 - Consideration of current caregiver as an adoptive resource.
 - Presenting profiles on children who are available for adoptive placement at the local adoption consortium meetings where Child Placement Agencies (CPA) can review this information with their available, waiting adoptive families who have a completed home study and are searching for a children to adopt.
- 50 percent reduction to Victims of Domestic Violence program (\$4,675,000) GF-State biennium: Statewide domestic violence hotline, emergency shelters, and advocacy services are part of the community support and safety network that provides a safe alternative for victims of domestic violence when they and their children's lives are placed at risk.

Domestic Violence Prevention CA supplemental funding (\$86,000) GF-State biennium: CA historically has used funds to supplement Domestic Violence prevention programming.

Department of Social and Health Services

DP Code/Title: PL-QU Program Reduction
Program Level - 010 Children's Administration

Budget Period: 2011-13 Version: A2 010 - 2012 Sup Agency Request

Agency Contact: Angela Visser (360) 902-8183
Program Contact: Tammy Hay (360) 902-7865

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

To achieve savings to meet the 10 percent reduction targets set by the Office of Financial Management (OFM) for the 2012 Supplemental Budget.

Performance Measure Detail

Agency Level

Activity: A004 Adoption Services and Support No measures linked to package	Incremental Changes <u>FY 1</u> <u>FY 2</u> 0.00 0.00
Activity: A009 Child Protective Services (CPS) No measures linked to package	Incremental Changes <u>FY 1</u> <u>FY 2</u> 0.00 0.00
Activity: A012 Child Welfare Services (CWS) No measures linked to package	Incremental Changes <u>FY 1</u> <u>FY 2</u> 0.00 0.00
Activity: A033 Family Reconciliation Services (FRS) No measures linked to package	Incremental Changes <u>FY 1</u> <u>FY 2</u> 0.00 0.00
Activity: A071 Other Foster Care No measures linked to package	Incremental Changes <u>FY 1</u> <u>FY 2</u> 0.00 0.00
Activity: A101 Victim Assistance No measures linked to package	Incremental Changes <u>FY 1</u> <u>FY 2</u> 0.00 0.00

Is this decision package essential to implement a strategy identified in the agency's strategic plan?

No

Does this decision package provide essential support to one of the Governor's priorities?

Yes, this decision package helps the agency meet the 10 percent reduction targets set by OFM for the 2012 Supplemental Budget.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

No

Department of Social and Health Services

DP Code/Title: PL-QU Program Reduction
Program Level - 010 Children's Administration

Budget Period: 2011-13 Version: A2 010 - 2012 Sup Agency Request

What are the other important connections or impacts related to this proposal?

Ancillary and Child Care Services: CA will manage the reduction to Foster Care supports for children in foster care through increased process and cost controls that connect expenditures to key outcomes of the child's case as related to safety, permanency, and well being. To reduce the potential negative impact on children, CA will work with partners to identify ways to maximize community resources.

Education Advocacy Coordinators: The proposed reduction aligns funded levels with actual expenditures, which were less than previously projected.

Adoption Support and Recruitment: This proposal reduces adoption support recruitment by 50 percent. Many of CA's adoptive parents are former foster parents. CA has strategies in place to increase foster parent recruitment in an effort to increase the pool of parents to mitigate impact of this reduction. Some adoption support and recruitment funding is preserved to assist in finding permanent homes for hard to place children.

Northwest Adoption Exchange (NWAE) contract provides:

- Washington Adoption Resource Exchange (WARE) and national (NWAE) adoption recruitment for children where an adoptive family has not been found within agency resources.
- Review, clarify, respond individually to families and refer potential appropriate family home study to the CA social workers that make placement decisions. Specialized Adoption Recruitment Program (SARP), was developed to increase adoption recruitment on some of the longest waiting children for adoption; where the usual recruitment venues were not successful.

Adoption Purchase of Services Contracts (POS): The POS are child specific and individually negotiated contracts at the program manager level. The POS program is a means to pay for post placement supervision for hard to place children placed with adoptive families until the adoption is finalized. In Fiscal Year 2010, 72 children were referred to the program which resulted in over 70 child specific contracts for adoptive placements. Twenty-two adoptions have been finalized during this fiscal year and the remaining children are pending adoption finalization.

Domestic Violence Prevention: CA receives funding from the dedicated account Domestic Violence Prevention. CA historically has added state funds for Domestic Violence prevention programming. This proposal eliminates the state funds for Domestic Violence prevention.

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

Not applicable

What are the consequences of not funding this package?

Not applicable

What is the relationship, if any, to the state's capital budget?

Not applicable

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

Domestic Violence, adoption support, and education coordinator contracts will have to be amended.

Expenditure and revenue calculations and assumptions

Department of Social and Health Services

DP Code/Title: PL-QU Program Reduction
Program Level - 010 Children's Administration

Budget Period: 2011-13 Version: A2 010 - 2012 Sup Agency Request

See attachment: CA PL-QU Program Reductions.xlsx

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

All savings will continue into future biennia.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
A Salaries And Wages	(30,000)	(30,000)	(60,000)
B Employee Benefits	(9,000)	(9,000)	(18,000)
E Goods And Services	(7,000)	(7,000)	(14,000)
G Travel	(2,000)	(2,000)	(4,000)
J Capital Outlays	(8,000)	(2,000)	(10,000)
N Grants, Benefits & Client Services	(1,958,000)	(3,796,000)	(5,754,000)
Total Objects	(2,014,000)	(3,846,000)	(5,860,000)

DSHS Source Code Detail

<u>Overall Funding</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State			
<u>Sources Title</u>			
0011 General Fund State	(1,913,000)	(3,668,000)	(5,581,000)
<i>Total for Fund 001-1</i>	(1,913,000)	(3,668,000)	(5,581,000)
Fund 001-A, General Fund - Basic Account-DSHS Fam Support/Chi			
<u>Sources Title</u>			
658G Title IV-E Foster Care (75%)	(101,000)	(178,000)	(279,000)
<i>Total for Fund 001-A</i>	(101,000)	(178,000)	(279,000)
Total Overall Funding	(2,014,000)	(3,846,000)	(5,860,000)

**2012 Supplemental Budget
PL-QU Program Reductions**

A1961
5% reduction to ancillary and child services

	SFY11 Allot	SFY11 Expend	SFY12	SFY13	Biennial
State	\$ 1,762,000	\$ 954,672	\$ 3,516,208	\$ 2,577,741	\$ 6,093,948
T4E	\$ 830,000	\$ 739,311	\$ 1,656,329	\$ 1,214,259	\$ 2,870,589
Allotment	\$ 2,592,000	\$ 1,693,983	\$ 5,172,537	\$ 3,792,000	\$ 8,964,537

Effect Jan 1, 2012 (\$259,000) / 12 x 6 mos =

	SFY12	SFY13	Biennial
Reduction	\$ (129,000)	\$ (190,000)	\$ (319,000)
State	\$ (88,000)	\$ (129,000)	\$ (217,000)
T4E	\$ (41,000)	\$ (61,000)	\$ (102,000)

A1958
25% reduction to Education Coordinators

	SFY11 Allot	SFY11 Expend	SFY12	SFY13	Biennial
State	\$ 975,000	\$ 686,246	\$ 994,528	\$ 994,000	\$ 1,988,528
Total	\$ 975,000	\$ 686,246	\$ 994,528	\$ 994,000	\$ 1,988,528

Effect Jan 1, 2012 (\$248,632) / 12 x 6 mos =

	SFY12	SFY13	Biennial
Reduction	\$ (125,000)	\$ (249,000)	\$ (374,000)
State	\$ (125,000)	\$ (249,000)	\$ (374,000)

50% reduction to Adoption Support Recruitment
A1694

	SFY11 Allot	SFY11 Expend	SFY12 Allot	SFY13 Allot	Biennial
State	\$ 306,000	\$ 310,068	\$ 310,004	\$ 302,844	\$ 612,848
T4E	\$ 230,000	\$ 238,717	\$ 238,667	\$ 233,156	\$ 471,823
Total	\$ 536,000	\$ 548,785	\$ 548,671	\$ 536,000	\$ 1,084,671

\$548,671 x 50% = (\$274,000)
Effect Jan 1, 2012 (\$274,000) / 12 x 6 mos =

	SFY12 Allot	SFY13 Allot	Biennial
Reduction	\$ (138,000)	\$ (268,000)	\$ (406,000)
State	\$ (78,000)	\$ (151,000)	\$ (229,000)
T4E	\$ (60,000)	\$ (117,000)	\$ (177,000)

Domestic Violence Funding reduction
State Only 50% reduction

	SFY11 Allot	SFY11 Expend	SFY12 Allot	SFY13 Allot	Biennial
State	\$ 6,092,000	\$ 7,208,773	\$ 6,092,000	\$ 6,092,000	\$ 12,184,000
Total	\$ 6,092,000	\$ 7,208,773	\$ 6,092,000	\$ 6,092,000	\$ 12,184,000

\$6,092,000 x 50% = (\$3,046,000)
Effect Jan 1, 2012 (\$1,523,000) / 12 x 6 mos =

	SFY12 Allot	SFY13 Allot	Biennial
Reduction	\$ (1,523,000)	\$ (3,046,000)	\$ (4,569,000)
State	\$ (1,523,000)	\$ (3,046,000)	\$ (4,569,000)

.5 of a FTE (Program Manager)

	SFY12	SFY13	Biennial
Reduction	\$ (56,000)	\$ (50,000)	\$ (106,000)
State	\$ (56,000)	\$ (50,000)	\$ (106,000)

	SFY12	SFY13	Biennial
Total Reduction	\$ (1,579,000)	\$ (3,096,000)	\$ (4,675,000)
State	\$ (1,579,000)	\$ (3,096,000)	\$ (4,675,000)

Use DV Prevention Account Funding, preserve state

	SFY11 Allot	SFY11 Expend	SFY12 Allot	SFY13 Allot	Biennial
State	\$ 43,000	\$ -	\$ 43,000	\$ 43,000	\$ 86,000
07W	\$ 577,000	\$ 558,444	\$ 577,000	\$ 577,000	\$ 1,154,000
Total	\$ 620,000	\$ 558,444	\$ 620,000	\$ 620,000	\$ 1,240,000

	SFY12 Allot	SFY13 Allot	Biennial
Reduction	\$ (43,000)	\$ (43,000)	\$ (86,000)
State	\$ (43,000)	\$ (43,000)	\$ (86,000)

Total Rollup of Backup

	SFY12 Allot	SFY13 Allot	Biennial
Reduction	\$ (2,014,000)	\$ (3,846,000)	\$ (5,860,000)
State	\$ (1,913,000)	\$ (3,668,000)	\$ (5,581,000)
Federal (T4E)	\$ (101,000)	\$ (178,000)	\$ (279,000)

Department of Social and Health Services

DP Code/Title: PL-QY Program Eliminations
Program Level - 010 Children's Administration

Budget Period: 2011-13 Version: A2 010 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS), Children's Administration (CA), reduces (\$4,048,000) GF-State in the 2012 Supplemental Budget through the elimination of Child Advocacy Centers, Continuum of Care, and research and training services.

Fiscal Detail:

Operating Expenditures

Overall Funding

001-1 General Fund - Basic Account-State

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
	(1,420,000)	(2,628,000)	(4,048,000)
Total Cost	(1,420,000)	(2,628,000)	(4,048,000)

Staffing

Package Description:

In an effort to reduce state expenditures to align with projected revenues, the Children's Administration has identified specific programs or services for elimination. Each of these programs and services add value to the child welfare system, but have been identified for elimination because the services purchased and provided are not essential functions to maintain the safety of children; or, are not statewide services offered to every child; or, other less expensive approaches have been identified to accomplish the same program goals. The programs or services proposed for elimination include the following:

Foster Care Assessment Program (FCAP) and Comprehensive Assessment Programs (CAP) - (\$2,433,000) GF-State

Continuum of Care Program - (\$188,000) GF-State

Sex Abuse Recognition Training - (\$428,000) GF-State

Child Advocacy Center (CAC) - (\$999,000) GF-State

Agency Contact: Angela Visser (360) 902-8183

Program Contact: Tammy Hay (360) 902-7865

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

To achieve savings to meet the 10 percent reduction targets set by the Office of Financial Management (OFM) for the 2012 Supplemental Budget.

Performance Measure Detail

Agency Level

Activity: A035 Family Support Services

No measures linked to package

Incremental Changes

<u>FY 1</u>	<u>FY 2</u>
0.00	0.00

Activity: A071 Other Foster Care

No measures linked to package

Incremental Changes

<u>FY 1</u>	<u>FY 2</u>
0.00	0.00

Department of Social and Health Services

DP Code/Title: PL-QY Program Eliminations
Program Level - 010 Children's Administration

Budget Period: 2011-13 Version: A2 010 - 2012 Sup Agency Request

Activity: A101 Victim Assistance

No measures linked to package

Incremental Changes

FY 1

FY 2

0.00

0.00

Is this decision package essential to implement a strategy identified in the agency's strategic plan?

No

Does this decision package provide essential support to one of the Governor's priorities?

Yes, this decision package helps the agency meet the 10 percent reduction targets set by OFM for the 2012 Supplemental Budget.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

No

Department of Social and Health Services

DP Code/Title: PL-QY Program Eliminations
Program Level - 010 Children's Administration

Budget Period: 2011-13 Version: A2 010 - 2012 Sup Agency Request

What are the other important connections or impacts related to this proposal?

FCAP:

FCAP was developed to assess issues and barriers impacting permanency for children, for whom a permanent placement has not been identified. The program assesses the child's health, educational, emotional and behavioral, and permanency needs. The comprehensive assessment includes recommendations and services needed to facilitate permanency.

CA will utilize other approaches, including permanency roundtables and Family Team Decision Making meetings to address barriers to permanency. Family Team Decision Making meetings are held with participation from external partners to identify permanent placements for children and to identify ways to overcome barriers to achieving permanent plans. CA will also continue using the Fostering Well Being Program to identify children's health, emotional and behavioral needs, as well as, referring to the Regional Support Network (RSN) for children with mental health issues.

CAP:

CAP provides contracted safety assessments of high risk families using validated assessment tools to guide intervention decisions. CA will continue with safety assessments through the new Child Safety Framework. The Child Safety Framework improves CA's effectiveness, clarity and consistency with assessing and intervening into child abuse and neglect. It will accomplish these goals by introducing new safety assessment and planning tools, and providing training and on going support which will emphasize child safety throughout the life of the case. Child safety will drive all key decisions.

Additionally, CA is utilizing Family Team Decision Making meetings and providing Wraparound services for children who qualify. By utilizing these strategies, CA is able to provide the assessments needed for these high risk families.

Continuum of Care:

The Continuum of Care Program is offered in the Spokane area and provides complete medical examinations for sexual and physical abuse as well as neglect and for preventative parenting services for at risk pregnant teens. Similar services are available in the community.

Sex Abuse Recognition Training:

The Sex Abuse Recognition Training contract ended on February 15, 2009. Following this elimination, a one-time Byrne Grant funded a similar program for another year and state funds were reduced in the budget in response to the grant. Once the Byrne Grant contract and funding ended, no other contract was executed, and state funds were restored in carry-forward level.

Elimination of the Sex Abuse Recognition Training current funding has no impact on clients or services, as no contract for services is in place.

CAC:

CACs are places where children receive forensic interviews, advocacy, and access to medical care, therapy, and other services designed to help them heal from trauma. This service improves a community's ability to provide coordination of investigation and intervention services by bringing together professionals and agencies as a multi disciplinary team to create a child focused approach to child abuse cases.

CA proposes the elimination of CACs as the service is not necessary to ensure the safety of children and families. CA will work with CACs to explore other funding alternatives and to prioritize funding for children involved in the child welfare system.

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

Not applicable

Department of Social and Health Services

DP Code/Title: PL-QY Program Eliminations

Program Level - 010 Children's Administration

Budget Period: 2011-13 Version: A2 010 - 2012 Sup Agency Request

What are the consequences of not funding this package?

The agency will not be able to meet its budget reduction targets.

What is the relationship, if any, to the state's capital budget?

Not applicable

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

Contracts would need to be terminated.

Expenditure and revenue calculations and assumptions

See attachment: CA PL-QY Program Eliminations

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

All savings will continue into future biennia.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
N Grants, Benefits & Client Services	(1,420,000)	(2,628,000)	(4,048,000)

DSHS Source Code Detail

Overall Funding	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State			
Sources Title			
0011 General Fund State	(1,420,000)	(2,628,000)	(4,048,000)
<i>Total for Fund 001-1</i>	<u>(1,420,000)</u>	<u>(2,628,000)</u>	<u>(4,048,000)</u>
Total Overall Funding	<u>(1,420,000)</u>	<u>(2,628,000)</u>	<u>(4,048,000)</u>

**2012 Supplemental Budget
PL-QY Program Eliminations**

FCAP and CAP Contract Levels for 2011-13				
		SFY12	SFY13	
C14	\$	(259,000)	\$ (518,000)	State
C19	\$	(552,000)	\$ (1,104,000)	State
	\$	(88,000)	\$ (176,000)	SSBG
	\$	(899,000)	\$ (1,798,000)	
		SFY12	SFY13	Biennial
State	\$	(811,000)	\$ (1,622,000)	\$ (2,433,000)
	\$	-	\$ -	\$ -
	\$	(811,000)	\$ (1,622,000)	\$ (2,433,000)

Eliminate Continuum of Care A1492				
	SFY11 Allot	SFY11 Expend	SFY12 Allot	SFY13 Allot
State	\$ 118,000	\$ 118,000	\$ 125,000	\$ 125,000
Total	\$ 118,000	\$ 118,000	\$ 125,000	\$ 125,000
Effect Jan 1, 2012 (\$125,000) / 12 x 6 mos =				
	SFY12 Allot	SFY13 Allot	Biennial	
state	\$ (63,000)	\$ (125,000)	\$ (188,000)	

Eliminate Sex Abuse Training A1872			
	SFY11 Allot	SFY12 Allot	SFY13 Allot
State	\$ -	\$ 214,000	\$ 214,000
Total	\$ -	\$ 214,000	\$ 214,000
Effect July 1, 2011			
	SFY12 Allot	SFY13 Allot	Biennial
state	\$ (214,000)	\$ (214,000)	\$ (428,000)

Eliminate Child Advocacy Centers A1812				
	SFY11 Allot	SFY11 Expend	SFY12 Allot	SFY13 Allot
State	\$ 671,000	\$ 534,626	\$ 663,000	\$ 667,000
Total	\$ 671,000	\$ 534,626	\$ 663,000	\$ 667,000
Effect Jan 1, 2012 (\$663,000) / 12 x 6 mos =				
	SFY12 Allot	SFY13 Allot	Biennial	
	\$ (332,000)	\$ (667,000)	\$ (999,000)	

Total Rollup of Backup			
	SFY12 Allot	SFY13 Allot	Biennial
Reduction	\$ (1,420,000)	\$ (2,628,000)	\$ (4,048,000)
State	\$ (1,420,000)	\$ (2,628,000)	\$ (4,048,000)
Federal	\$ -	\$ -	\$ -

