

Department of Social and Health Services
2012 Reduction Options and Supplemental Budget Request
Economic Services Administration

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Recommendation Summary

Version: F2 - 060 - 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
Program 060 - Economic Services Admin						
CB - Current Biennium						
00	Current Biennium Base	0	4,568.0	1,006,614	1,146,391	2,153,005
	SubTotal CB		4,568.0	1,006,614	1,146,391	2,153,005
	Cumulative Total Thru CB		4,568.0	1,006,614	1,146,391	2,153,005
M1 - Mandatory Caseload and Enrollment Changes						
93	Mandatory Caseload Adjustments	0	0.0	(2,007)	1,618	(389)
	SubTotal M1		0.0	(2,007)	1,618	(389)
	Cumulative Total Thru M1		4,568.0	1,004,607	1,148,009	2,152,616
M2 - Inflation and Other Rate Changes						
24	ACES Mainframe	0	0.0	888	396	1,284
25	EBT Caseload Growth	0	0.0	2,472	2,022	4,494
9T	Transfers	0	(19.4)	(1,052)	(648)	(1,700)
UN	Increase Federal Fund Authority	0	0.0	0	3,612	3,612
WB	Federal Funds Technical Adjustment	0	0.0	0	0	0
WX	Funding for CSD Staff - FQHC	0	0.0	5,208	5,210	10,418
ZZ	Unemployment	0	0.0	10	8	18
	SubTotal M2		(19.4)	7,526	10,600	18,126
	Cumulative Total Thru M2		4,548.6	1,012,133	1,158,609	2,170,742
PL - Performance Level						
26	Refugee/LEP Assistance Reduction	0	0.0	(1,775)	0	(1,775)
27	Elimination Naturalization	0	0.0	(2,624)	0	(2,624)
28	Mail EBT Cards	0	(14.0)	(752)	(621)	(1,373)
29	TANF/WorkFirst Reductions	0	(1.3)	(32,068)	0	(32,068)
2C	Increase Retained Child Support	0	8.0	0	405	405
FU	Elimin ABD and PWA Cash Progs	0	(25.3)	(29,697)	0	(29,697)
FV	Elimin State Food Assistance Prog	0	(13.8)	(17,825)	0	(17,825)
PF	State Data Center Equipment	0	0.0	119	107	226
	SubTotal PL		(46.3)	(84,622)	(109)	(84,731)
	Cumulative Total Thru PL		4,502.3	927,511	1,158,500	2,086,011
Total Proposed Budget for Program 060 - Economic Services Admin			4,502.3	927,511	1,158,500	2,086,011

Recommendation Summary Text

24 - ACES Mainframe

(M2) The Department of Social and Health Services (DSHS), Economic Services Administration (ESA), requests \$1,284,000 (\$888,000 GF-State) in the 2012 Supplemental Budget to replace the mainframe complex central processing unit (CPU), disk array, and tape server for the Automated Client Eligibility System (ACES).

25 - EBT Caseload Growth

(M2) The Department of Social and Health Services (DSHS), Economic Services Administration (ESA) requests \$4,494,000 (\$2,472,000 GF-State) in the 2012 Supplemental Budget for increased costs associated with Electronic Benefits Transfer

Recommendation Summary

Budget Period: 2011-13
Budget Level Criteria: ALL

Version: F2 - 060 - 2012 Sup Agency Request

Dollars in Thousands	Program Priority	Annual Avg FTEs	General Fund State	Other Funds	Total Funds
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25 - EBT Caseload Growth
(EBT).

26 - Refugee/LEP Assistance Reduction

(PL) The Department of Social and Health Services (DSHS), Economic Services Administration (ESA), reduces (\$1,775,000) GF-State in the 2012 Supplemental Budget associated with a reduction in the state-funded Refugee Assistance/Limited English Proficiency (LEP) Pathway Program effective January 1, 2012.

27 - Elimination Naturalization

(PL) The Department of Social and Health Services (DSHS), Economic Services Administration (ESA), reduces (\$2,624,000) GF-State in the 2012 Supplemental Budget associated with the elimination of naturalization services contracts effective January 1, 2012.

28 - Mail EBT Cards

(PL) The Department of Social and Health Services (DSHS), Economic Services Administration (ESA), reduces (\$1,373,000), (\$752,000) GF-State, and (28.0) FTEs in the 2012 Supplemental Budget by contracting to mail replacement Electronic Benefit Transfer (EBT) Cards rather than issuing them from the Community Service Offices (CSO).

29 - TANF/WorkFirst Reductions

(PL) The Department of Social and Health Services (DSHS), Economic Services Administration (ESA), reduces (\$32,068,000) GF-State and (1.3) FTEs in the 2012 Supplemental Budget associated with reductions in the Temporary Assistance for Needy Families (TANF)/WorkFirst program.

2C - Increase Retained Child Support

(PL) The Department of Social and Health Services (DSHS), Economic Services Administration (ESA), requests \$405,000 GF-Federal and 16.0 FTEs in the 2012 Supplemental Budget to increase the amount of child support collected and retained by the state. The additional child support recoveries projected in the 2011-13 Biennium will offset the GF-State cost of the additional resources and will result in savings in the 2013-15 Biennium.

93 - Mandatory Caseload Adjustments

(M1) The Department of Social and Health Services (DSHS), Economic Services Administration (ESA), reduces (\$389,000), (\$2,007,000) GF-State, in the 2012 Supplemental Budget for costs associated with caseload changes projected in the June 2011 forecast.

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 impact is zero.

FU - Elimin ABD and PWA Cash Progs

(PL) The Department of Social and Health Services (DSHS), Economic Services Administration (ESA), reduces (\$29,697,000) GF-State and (25.3) FTEs in the 2012 Supplemental Budget associated with elimination of the Aged, Blind, or Disabled and Pregnant Women Assistance programs effective April 1, 2012.

FV - Elimin State Food Assistance Prog

Recommendation Summary

Budget Period: 2011-13
Budget Level Criteria: ALL

Version: F2 - 060 - 2012 Sup Agency Request

Dollars in Thousands	Program Priority	Annual Avg FTEs	General Fund State	Other Funds	Total Funds
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(PL) The Department of Social and Health Services (DSHS), Economic Services Administration (ESA), reduces (\$17,825,000) GF-State and (13.8) FTEs in the 2012 Supplemental Budget associated with the elimination of the State Food Assistance Program (FAP) effective April 1, 2012.

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.

UN - Increase Federal Fund Authority

(M2) The Department of Social and Health Services (DSHS), Economic Services Administration (ESA) requests \$3,612,000 GF-Federal in the 2012 Supplemental Budget to account for the increases in federal grants.

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.

WX - Funding for CSD Staff - FQHC

(M2) The Department of Social and Health Services (DSHS), Economic Services Administration (ESA), requests \$10,418,000 (\$5,208,000 GF-State) in the 2012 Supplemental Budget for continued support of outstationed staff in Federally Qualified Health Centers (FQHC), Disproportionate Share Hospitals (DSH) and Indian Health Clinics located across the state.

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 - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS), Economic Services Administration (ESA), reduces (\$389,000), (\$2,007,000) GF-State, in the 2012 Supplemental Budget for costs associated with caseload changes projected in the June 2011 forecast.

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 060			
001-1 General Fund - Basic Account-State	1,181,000	(3,188,000)	(2,007,000)
001-2 General Fund - Basic Account-Federal	(239,000)	(141,000)	(380,000)
001-A General Fund - Basic Account-DSHS Fam Support/Chi	813,000	1,185,000	1,998,000
Total Cost	1,755,000	(2,144,000)	(389,000)

Staffing

Package Description:

DSHS, ESA, reduces (\$389,000), (\$2,007,000) GF-State, in the 2012 Supplemental Budget for costs associated with caseload changes projected in the June 2011 forecast. In June 2011, the DSHS Central Budget Office and the Caseload Forecast Council prepared updated forecasts of the caseloads anticipated in certain ESA programs. These updated forecasts include the Division of Child Support (DCS) Recoveries, Disability Lifeline (DL), Food Assistance Program for Legal Immigrants (FAP), Refugee Cash Assistance (RCA), and the Aged, Blind, or Disabled (ABD) and Pregnant Women Assistance (PWA) programs.

RCA provides cash grants to needy refugees who have settled in Washington State. The population served by this benefit are refugees authorized by the United States State Department to immigrate to the country. Refugees are granted permanent residence authorization. The goal of this program is to help refugees attain self-sufficiency. The funding needed to support this program is decreased by (\$239,000) in Fiscal Year 2012 and (\$141,000) in Fiscal Year 2013 due to a forecasted decrease in caseload.

Through October 31, 2011, the DL program will provide cash assistance for low-income adults who are unemployable based on a medical impairment and/or who are applying for and appear to be eligible for federal Supplemental Security Income (SSI) benefits. Decreased funding of (\$2.8) million in Fiscal Year 2012 is needed to support forecasted changes in the DL caseload. Additionally, increased funding in the amount of \$2.2 million in Fiscal Year 2012 is needed for forecasted changes in the amount of DL expenditures that will be recovered from the Social Security Administration as DL clients are determined to be eligible for SSI benefits.

Child Support Recoveries - DCS provides support collection services to custodial parents. Collections for families on public assistance are retained by the state and shared with the federal government. An increase in funding in the amount of \$1.6 million in Fiscal Year 2012 and \$2.4 million in Fiscal Year 2013 is requested due to changes in forecasted collections.

FAP provides state Basic Food benefits for legal immigrants who are not eligible for federal food benefits due to their immigration status. Increased funding in the amount of \$744,000 in Fiscal Year 2012 and decreased funding of (\$4.1 million) in Fiscal Year 2013 is needed for forecasted changes in the both the caseload and the monthly cost per case.

Beginning November 1, 2011, the ABD program will provide financial grants to adults in need who are not receiving federal aid assistance other than medical or basic food assistance and who are 65 or older, blind based on the SSI standard, or are likely to meet the SSI disability criteria. Beginning November 1, 2011 the PWA program will provide financial grants to persons who are not eligible to receive federal aid assistance, other than basic food or medical assistance and are pregnant and in financial need based upon the current income and resource standards of the federal Temporary Assistance to Needy Families (TANF) program, but are

Department of Social and Health Services

DP Code/Title: M1-93 Mandatory Caseload Adjustments

Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

ineligible for that federal program for a reason other than failure to cooperate. Decreased funding of (\$4.3) million in Fiscal Year 2012 and (\$6.6) million in Fiscal Year 2013 is needed as a result of decreases in the forecasted caseload for these programs. Additionally, increased funding of \$4.6 million in Fiscal Year 2012 and \$6.3 million in Fiscal Year 2013 is needed for forecasted changes in the amount of ABD expenditures that will be recovered from the Social Security Administration for ABD clients determined eligible for SSI benefits.

Agency Contact: Mickie Coates (360) 902-8077

Program Contact: Babs Roberts (360) 725-4888

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

These vital assistance programs will be funded at the anticipated level of need.

Performance Measure Detail

Program: 060

Activity: F011 Child Support Recoveries

No measures linked to package

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

Activity: F039 General Assistance - Interim SSI (GA-U/X)

No measures linked to package

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

Activity: F042 Immigrant State Food Assistance

No measures linked to package

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

Activity: F083 Refugee Assistance Income

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 funding will support DSHS in providing services to improve the safety and health of individuals, families, and communities.

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

This request supports the Governor's priority to improve the health of Washingtonians and to improve the security of Washington's vulnerable children and adults.

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

This package should rate high in the Priorities of Government (POG) process as it maintains existing, proven programs that assist needy families and individuals.

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?

Department of Social and Health Services

DP Code/Title: M1-93 Mandatory Caseload Adjustments
Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

None

What are the consequences of not funding this package?

If no funding is received for these forecasted caseload changes, ESA may be forced to reduce other vital services to fund these programs.

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: ESA M1-93 Mandatory Caseload Adjustments.xlsx

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

All costs are ongoing and will be carried forward into future biennia, based on future caseload forecasts.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 060 Objects			
N Grants, Benefits & Client Services	1,755,000	(2,144,000)	(389,000)

DSHS Source Code Detail

Program 060		<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	1,181,000	(3,188,000)	(2,007,000)
<i>Total for Fund 001-1</i>		1,181,000	(3,188,000)	(2,007,000)
Fund 001-2, General Fund - Basic Account-Federal				
<u>Sources Title</u>				
566B	Refugee & Entrant Assist-St Admin'd Prog(D)(100%)	(239,000)	(141,000)	(380,000)
<i>Total for Fund 001-2</i>		(239,000)	(141,000)	(380,000)
Fund 001-A, General Fund - Basic Account-DSHS Fam Support/Chi				
<u>Sources Title</u>				
563A	Title IV-D Child Support Enforcement (A) (FMAP)	813,000	1,185,000	1,998,000
<i>Total for Fund 001-A</i>		813,000	1,185,000	1,998,000
Total Program 060		1,755,000	(2,144,000)	(389,000)

2012 Supplemental Budget M1-93 Mandatory Caseload Adjustments

		SFY 2012	SFY 2013
REFUGEE CASH ASSISTANCE			
Current Allotment		1,992,000	2,018,000
June 2011 Forecast		1,753,000	1,877,000
	001-2 (566B)	(239,000)	(141,000)
DISABILITY LIFELINE			
Current Allotment		28,011,000	
June 2011 Forecast - Disability Lifeline		25,214,000	
	001-1	(2,797,000)	
AGED, BLIND, DISABLED/PREGNANT			
Current Allotment		27,202,000	41,723,000
June 2011 Forecast - Aged, Blind, Disabled		22,857,000	35,106,000
June 2011 Forecast - Pregnant		(4,345,000)	(6,617,000)
	001-1	(4,345,000)	(6,617,000)
DISABILITY LIFELINE-EXPEDITED RECOVERIES			
Current Allotment		(7,741,000)	
June 2011 Forecast		(5,570,000)	
	001-1	2,171,000	-
AGED, BLIND, DISABLED/PREGNANT RECOVERIES			
Current Allotment		(15,512,000)	(20,229,000)
June 2011 Forecast		(10,916,000)	(13,922,000)
	001-1	4,596,000	6,307,000
CHILD SUPPORT RECOVERIES			
Current Allotment		(76,969,000)	(76,969,000)
June 2011 Forecast		(75,344,000)	(74,600,000)
		1,625,000	2,369,000
	001-1	812,000	1,184,000
	001-A (563A)	813,000	1,185,000
FOOD ASSISTANCE PROGRAM			
Current Allotment		13,482,000	16,801,000
June 2011 Forecast		14,226,000	12,739,000
	001-1	744,000	(4,062,000)
TOTAL ML ADJUSTMENT		1,755,000	(2,144,000)
<hr/>			
General Fund - State	001-1	1,181,000	(3,188,000)
001-2 (566B) Refugee (100%)		(239,000)	(141,000)
001-A (563A) Title IV-D Child Support Enforcement		813,000	1,185,000
TOTAL ML ADJUSTMENT		1,755,000	(2,144,000)

Department of Social and Health Services

DP Code/Title: M2-24 ACES Mainframe
Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS), Economic Services Administration (ESA), requests \$1,284,000 (\$888,000 GF-State) in the 2012 Supplemental Budget to replace the mainframe complex central processing unit (CPU), disk array, and tape server for the Automated Client Eligibility System (ACES).

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-1 General Fund - Basic Account-State	327,000	561,000	888,000
001-2 General Fund - Basic Account-Federal	54,000	93,000	147,000
001-C General Fund - Basic Account-Medicaid Federal	92,000	157,000	249,000
Total Cost	473,000	811,000	1,284,000

Staffing

Package Description:

ACES is a mission critical system in the DSHS Information Technology (IT) Portfolio and is one of the largest and most comprehensive systems in Washington State government. The system automates the eligibility determination and case maintenance process for the Temporary Assistance for Needy Family (TANF), Supplement Nutrition Assistance Program (SNAP), and Medicaid programs. The system supports federal and state policies and procedures for delivering these benefits to clients statewide. Supporting up to 8,000 users in over 90 locations throughout the state, the system controls over \$160,000,000 in monthly client benefits and processes benefits for over two million people in Washington State. In addition ACES supports the Washington Connections web site with Client Benefit Account access.

In order to provide processing capacity for the current caseload and projected caseload increases, increased complexity of business rules, and strategic modernization of system architecture, it is necessary to replace the ACES mainframe complex CPU, disk array, and tape server.

The current processor has been in place since 2007 and upgrades are no longer available. The machine is 18 months beyond its planned lifecycle and operating with loaned memory in order to meet critical needs. The existing processors experience 100 percent utilization for extended periods several days every month and routinely run at 98 percent utilization. During these high utilization periods, testing and development staff are impacted by slow response times and an inability to run batch jobs. This limits coding and testing work necessary to complete thorough and high quality releases for ACES and Washington Connections within the defined schedules. As workload increases, these slowdowns will begin to impact the field's ability to process cases. Additionally, the overall size of the ACES databases along with the number of active cases makes it difficult to complete special processing, such as Mass Modifications (applying new business rules against an entire population). For example, the average monthly basic food caseload has increased from 288,000 in Fiscal Year 2008 to 537,000 in Fiscal Year 2011, an increase of 86 percent over the last three years. To run the yearly standard change against the current food caseload would require over 36 hours of processing time, which greatly restricts when these sorts of changes could be implemented without reducing the online availability to field staff working directly with clients. The strain on the current mainframe has also increased the risk that ACES will not be available to field staff after overnight batch processing. With an estimated 1,500 to 1,800 concurrent users on the system at any time, it has been estimated that for each hour that ACES is not available the equivalent of 2080 staff hours in productivity is lost.

For all of the reasons stated above, the safe operating capacity of the current machine has been exceeded and there is a real risk of negatively impacting system access and job performance for field and headquarters staff. ESA is therefore requesting funding to ensure the mainframe complex central processing unit (CPU), disk array, and tape server for the Automated Client Eligibility System (ACES).

Department of Social and Health Services

DP Code/Title: M2-24 ACES Mainframe
Program Level - 060 Economic Services Admin

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The Department of Information (DIS) will acquire the needed hardware. ESA will then purchase the mainframe computing services from DIS. Estimated costs are \$473,000 for Fiscal Year 2012 and \$811,000 for Fiscal Year 2013.

Agency Contact: Mickie Coates (360) 902-8077
Program Contact: Ira Feuer (360) 664-4866

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

The ability to quickly connect individuals and families with the benefits and services they need.

Performance Measure Detail

Agency Level

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

This package directly relates to the following goals:

Connect people to benefits and services that reduce poverty and help them become more self-sufficient.

Provide responsive, accurate, and timely services to families and individuals who apply for benefits.

Support staff and managers by providing tools, technology, data, resources, and work environment they need to do their jobs.

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

This request supports the Governor's priority to improve the health of Washingtonians and to improve the security of Washington's vulnerable children and adults.

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

This package makes key contributions to the following results and will rate high in the Priorities of Government (POG) process.

Improve the health of Washingtonians by providing access to healthcare.

Improve the security of Washington's vulnerable children and adults by providing supports and services to those in need.

Support the ability of state government to achieve results efficiently and effectively by providing the needed resources.

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

Funding this package will enable ESA to provide timely and accurate services to clients served in ESA and the Health Care Authority (HCA).

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

Three mainframe options were considered. The selected hardware was chosen based on anticipated lifecycle, scalability, and

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DP Code/Title: M2-24 ACES Mainframe
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software maintenance costs.

What are the consequences of not funding this package?

As ACES is a mission critical system, ESA will need to reduce staff to fund the equipment replacement. Increasing caseloads and decreasing workforce puts at risk the ability to issue public assistance benefits within federal requirements related to timeliness. Failure to meet these requirements could result in a loss of federal funding.

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

Expenditure calculations are based on the estimated cost of the needed equipment spread over five years. Total hardware costs are estimated at \$4,054,000.

See attachment: ESA M2-F5 ACES Mainframe IT Addendum.doc

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

Costs to support ACES mainframe computing services are ongoing and will continue into the future biennia.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
E Goods And Services	473,000	811,000	1,284,000

Department of Social and Health Services

DP Code/Title: M2-24 ACES Mainframe
Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 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	216,000	371,000	587,000
GFS2	General Fund State TANF Moe	111,000	190,000	301,000
<i>Total for Fund 001-1</i>		327,000	561,000	888,000
Fund 001-2, General Fund - Basic Account-Federal				
<u>Sources</u>	<u>Title</u>			
566B	Refugee & Entrant Assist-St Admin'd Prog(D)(100%)	5,000	9,000	14,000
E61L	Food Stamp Program (50%)	49,000	84,000	133,000
<i>Total for Fund 001-2</i>		54,000	93,000	147,000
Fund 001-C, General Fund - Basic Account-Medicaid Federal				
<u>Sources</u>	<u>Title</u>			
19UL	Title XIX Admin (50%)	92,000	157,000	249,000
<i>Total for Fund 001-C</i>		92,000	157,000	249,000
Total Overall Funding		473,000	811,000	1,284,000

Information Technology (IT) Addendum

Complete one IT Addendum for each decision package. See Section 12.3 of the 2011-13 Operating Budget Instructions for more guidance. This form is located at <http://www.ofm.wa.gov/budget/forms.asp>

I. Complete questions 1 through 9 for every IT-related Decision Package:

- 1. Provide a brief description of the Information Technology (IT) components of this decision package (e.g., the project or commodity investment):**

This is a request for funding to replace the existing ACES Mainframe Complex.

Funding will be used to upgrade the current ACES Host Processor Complex from model 2096-Y02 (z9) Business Class to model 2817-M15-502 (z196) Enterprise Class processor including a 2458-002 Bladecenter eXtension (zBX) with IBM Smart Analytics Optimizer (ISAO) appliance and DS5020 Storage for ISOA.

The current disk data storage will also be upgraded from a model DS8100 to a DS8700 Storage System and the current tape server from a model 3494-L12 to a model TS7720 VTL Tape Server with TS3500 Tape Library.

The ACES Maintenance and Operation contract will change to provide software and hardware maintenance at the increased capacity levels, and new software being purchased to support performance needs.

- 2. Is the project or commodity investment in the agency's IT Portfolio: Yes No**
- 3. What is the oversight level for this project or commodity investment? Attach a copy of the completed severity risk matrix (*Appendix A - Severity & Risk Level Criteria and Oversight*). Severity and risk level assessments should be completed with your DIS Senior Technology Management Consultant.**

PROJECT: DSHS ACES Mainframe Complex Upgrade, DATE: 9/1/2011 SEVERITY RATING = MEDIUM

	Impact on Clients	Visibility	Impact on State Operations	Failure or Nil Consequences
High	<input type="checkbox"/> Direct contact with citizens, political subdivisions, and service providers – including benefits payments and transactions.	<input checked="" type="checkbox"/> Highly visible to public, trading partners, political subdivisions and Legislature. <input type="checkbox"/> Likely subject to hearings. <input checked="" type="checkbox"/> System processes sensitive / confidential data (e.g. medical, SSN, credit card #'s).	<input type="checkbox"/> Statewide or multiple agency involvement / impact. <input type="checkbox"/> Initial mainframe acquisitions or network acquisitions.	<input type="checkbox"/> Inability to meet legislative mandate or DSHS mission. <input type="checkbox"/> Loss of significant federal funding.
Medium	<input type="checkbox"/> Indirect impacts on citizens through management systems that support decisions that are viewed as important by the public. <input type="checkbox"/> Access by citizens for information and research purposes.	<input checked="" type="checkbox"/> Some visibility to the Legislature, trading partners, or public the system / program supports. <input type="checkbox"/> May be subject to legislative hearing.	<input checked="" type="checkbox"/> Multiple administrations, within DSHS.	<input checked="" type="checkbox"/> Potential failure of aging systems.
Low	<input checked="" type="checkbox"/> Impact on DSHS systems that support service delivery.	<input type="checkbox"/> Internal DSHS only. <input type="checkbox"/> Visible to multiple administrations. <input type="checkbox"/> Visible to multiple divisions within the same administration.	<input type="checkbox"/> Single administration. <input checked="" type="checkbox"/> Improve or expand existing wide area networks or mainframes with similar technology.	<input type="checkbox"/> Loss of opportunity for improved service delivery efficiency. <input type="checkbox"/> Failure to resolve customer service complaints or requests.
Very Low	<input type="checkbox"/> Impact on systems that are operational or administrative only.	<input type="checkbox"/> Visible to single division only.	<input type="checkbox"/> Single division. <input type="checkbox"/> Improve or expand existing local area network.	<input type="checkbox"/> Loss of opportunity for improved operational or administrative efficiency.

PROJECT: DSHS ACES Mainframe Complex Upgrade, DATE: 9/1/2011

RISK RATING = LOW

	Functional Impact on Business Processes or Rules	Development Effort and Resources	Technology	Capability and Management
High	<input type="checkbox"/> Significant change to business rules. <input type="checkbox"/> Replacement of a mission critical system. <input type="checkbox"/> Multiple organizations involved. <input type="checkbox"/> Requires extensive and substantial job training for work groups.	<input checked="" type="checkbox"/> Over \$5 million. <input type="checkbox"/> Development and implementation exceeds 24 months.* <input type="checkbox"/> Requires a second decision package. * Clock starts after feasibility study or project approval and release of funding.	<input type="checkbox"/> Emerging. <input type="checkbox"/> Unproven. <input type="checkbox"/> Two or more of the following are new for agency technology staff or integrator, or are new to the agency architecture: <input type="checkbox"/> Programming language <input type="checkbox"/> Operating systems <input type="checkbox"/> Database products <input type="checkbox"/> Development tools <input type="checkbox"/> Data communications technology. <input checked="" type="checkbox"/> Requires PKI certificate. <input checked="" type="checkbox"/> Complex architecture – greater than 2 tier.	<input type="checkbox"/> Minimal executive sponsorship. <input type="checkbox"/> Organization uses ad-hoc processes. <input type="checkbox"/> Organization and/or vendor track record suggests inability to mitigate risk on project requiring a given level of development effort.
Medium	<input type="checkbox"/> Moderate change to business rules. <input type="checkbox"/> Major enhancement or moderate change of mission critical system. <input type="checkbox"/> Medium complexity business process(es). <input type="checkbox"/> Requires moderate job training.	<input type="checkbox"/> Under \$5 million but over agency delegated authority. <input type="checkbox"/> 12 to 24 months for development and implementation.*	<input type="checkbox"/> New in DSHS with 3rd party expertise and knowledge transfer. <input type="checkbox"/> One of the technologies listed above is new for agency development staff.	<input type="checkbox"/> Executive sponsor knowledgeable but not actively engaged. <input type="checkbox"/> System integrator under contract with organization technical participation. <input type="checkbox"/> Organization and/or vendor record indicates good level of success but without the structure for repeatability.
Low	<input type="checkbox"/> Insignificant change to business rules. <input type="checkbox"/> Low complexity business process(es). <input type="checkbox"/> Some job training could be required.	<input type="checkbox"/> Within agency delegated authority (\$1.73 million). <input type="checkbox"/> Under 12 months for development and implementation.*	<input type="checkbox"/> Standard, proven DSHS technology. <input type="checkbox"/> New in administration or division with 3rd party expertise and knowledge transfer. Third party may include another DSHS administration or division.	<input checked="" type="checkbox"/> Strong executive sponsorship. <input checked="" type="checkbox"/> Organization and vendor have strong ability to mitigate risk on a development project.
Very Low	<input checked="" type="checkbox"/> No training required, but may require brief orientation. <input type="checkbox"/> No change to business rules or processes.	<input type="checkbox"/> Under \$50,000 total and no single purchase greater than \$10,000. <input checked="" type="checkbox"/> Under three staff-months for development and implementation.*	<input checked="" type="checkbox"/> Standard, proven administration or division technology. <input checked="" type="checkbox"/> Development staff possesses high degree of expertise in chosen technology.	<input type="checkbox"/> Project staff uses documented and repeatable processes for tracking status, problems, and change. <input type="checkbox"/> Project management practices are appropriate for nature and scope of this effort.

Project Approval and Oversight Matrix				
High Severity	Level 1 <input type="checkbox"/>	Level 2 <input type="checkbox"/>	Level 2 <input type="checkbox"/>	Level 3 <input type="checkbox"/>
Medium Severity	Level 1 <input type="checkbox"/>	Level 1 <input checked="" type="checkbox"/>	Level 2 <input type="checkbox"/>	Level 2 <input type="checkbox"/>
Low Severity	Level 0 <input type="checkbox"/>	Level 1 <input type="checkbox"/>	Level 1 <input type="checkbox"/>	Level 1 <input type="checkbox"/>
Very Low Severity	Level 0 <input type="checkbox"/>	Level 0 <input type="checkbox"/>	Level 1 <input type="checkbox"/>	Level 1 <input type="checkbox"/>
	Very Low Risk	Low Risk	Medium Risk	High Risk

Oversight Requirements			
	Justification and Approval Decision	Feasibility Study and Project Management Approach/Execution	Oversight
Level 0 <input type="checkbox"/>	<ul style="list-style-type: none"> Administration or division approval with option of e-Center consultation 	<ul style="list-style-type: none"> Administration- or division-defined methods using industry best practices. 	<ul style="list-style-type: none"> Administration or division discretion.
Level 1 <input checked="" type="checkbox"/>	<ul style="list-style-type: none"> DSHS Executive* approval with option of DIS consultation. <p>*May be administration Assistant Secretary or CIO.</p>	<ul style="list-style-type: none"> DSHS-defined methods using industry best practices. 	<ul style="list-style-type: none"> Internal QA at DSHS determination. Reported as part of portfolio. DSHS determines internal oversight required.
Level 2 <input type="checkbox"/>	<ul style="list-style-type: none"> DSHS CIO approval. DIS Director review and approval. 	<ul style="list-style-type: none"> DSHS executive approval. DIS consultation. 	<ul style="list-style-type: none"> Internal or external QA at DSHS discretion. DIS and DSHS determine oversight required. ISB oversight optional. Reported as part of portfolio.
Level 3 <input type="checkbox"/>	<ul style="list-style-type: none"> DSHS Secretary approval. DIS executive review and comment. ISB approval. 	<ul style="list-style-type: none"> DSHS presents feasibility study to ISB. Prototype required at discretion of ISB. Private sector participation encouraged or required. 	<ul style="list-style-type: none"> ISB oversight required. External QA required. ISB audit as necessary. Other ISB discretionary actions as needed. Reported as part of portfolio.

4. What common services will be utilized for this project or commodity investment?

A list of common services is available at <http://techmail.dis.wa.gov/>.

The ACES complex is housed in the DIS Data Center and uses the State Governmental Network (SGN).

5. Is a 904 consultation e-mail confirmation for this project or commodity investment attached to the decision package? Yes No (This is required.)

6. Breakdown of Implementation Costs/FTEs of the IT Project or Commodity Investment:

Note: Do not include any on-going maintenance costs, since they will be asked for in Question # 7 below. Please provide this information using the InfoPath form at: <http://sharepoint.dis.wa.gov/ofm/dut/OFMSAF/IT%20Addendum/Forms/allitems.aspx>. Specific instructions for completing this form can be found at Appendix A-3 of the Budget Instructions. If you need access, please email a request to SharePointHelpDesk@ofm.wa.gov, with the Subject: Request for IT Addendum SharePoint Site Access.

7. Breakdown of Ongoing Maintenance and Support Costs for the Project or Commodity Investment: Provide the IT costs and IT FTE breakdown for *ongoing* maintenance and support of this project or commodity investment in the table (below). These costs should not duplicate implementation costs provided in Question # 6 (above).

Cost Breakdown (maintenance)						
	Year 1 FY13	Year 2 FY14	Year 3 FY15	Year 4 FY16	Year 5 FY17	Totals
IT FTEs – (For each job type, list the number of staff and the total salary and benefits)						
Purchased Services Contracts						
Personal Services Contracts						
Hardware Purchase or Upgrades						
Hardware Maintenance						
Software License Purchase or Upgrades						
Software Maintenance						
Hardware Lease or Finance (including servers)						
Maintenance & Operations (including DIS)						
Training						
Travel						
Other (specify)						
Annual Total						

8. Was a quote provided to you for this project or commodity investment? Yes No

If yes, who provided the quote and when? Please attach a copy of the quote.

9. Is this investment an e-commerce investment? Yes No

If yes, a copy of the approved Economic Feasibility Study must be attached to the decision package.

II. Continue completing questions 10 through 14 if the IT request pertains to a project (versus a commodity investment):

10. Is this a new project or a continuation of an existing project?

New Continuation

11. Describe how the Project Manager and Quality Assurance will be acquired (i.e., existing state employees , hire new staff, or contract with vendor):

No Project Manager or Quality Assurance is required.

12. Describe your project management approach.

Project Management is not required for this Level 1 project.

13. Provide the estimated project duration and estimated start date.

The project is expected to be completed by November 30, 2011.

14. Where will the system be hosted?

The ACES complex is hosted in the DIS Data Center in OB2.

Department of Social and Health Services

DP Code/Title: M2-25 EBT Caseload Growth
Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS), Economic Services Administration (ESA) requests \$4,494,000 (\$2,472,000 GF-State) in the 2012 Supplemental Budget for increased costs associated with Electronic Benefits Transfer (EBT).

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 060			
001-1 General Fund - Basic Account-State	1,236,000	1,236,000	2,472,000
001-2 General Fund - Basic Account-Federal	1,011,000	1,011,000	2,022,000
Total Cost	<u>2,247,000</u>	<u>2,247,000</u>	<u>4,494,000</u>

Staffing

Package Description:

ESA issues all food benefits and most cash benefits via EBT cards through a contract with JPMorgan. The cash benefits include Temporary Assistance for Needy Families (TANF), Refugee Cash Assistance, Consolidated Emergency Assistance Program (CEAP), Disability Lifeline, and beginning November 1, 2011, the Aged, Blind, or Disabled and the Pregnant Women Assistance programs. The charges are billed to the state through a cost per case month process. These costs are divided into three specific categories:

- Food only cases (\$1.241 per case month)
- Cash only cases (\$0.674 per case month)
- Combined Food and cash cases (\$1.647 per case month)

The overall number of EBT issuances increased from 4,250,395 in Fiscal Year 2009 to 6,472,536 in Fiscal Year 2011. This represents a 52 percent increase over the 2009-11 Biennium. This growth, along with increased costs related to a growth in the number of Point of Sale (POS) devices leased, resulted in an increase in expenditures for the EBT contract from Fiscal Year 2009 to Fiscal Year 2011 in the amount of \$2,247,000. ESA requests this amount of funding to support the growth in costs related to issuing EBT benefits.

Agency Contact: Mickie Coates (360) 902-8077
Program Contact: Babs Roberts (360) 725-4888

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Outcome expected includes the ability to quickly connect individuals and families with the benefits and services they need.

Performance Measure Detail

Program: 060

Activity: F078 Program Support

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?

Department of Social and Health Services

DP Code/Title: M2-25 EBT Caseload Growth
Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

This funding will support DSHS in providing services to improve the safety and health of individuals, families, and communities.

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

This request supports the Governor's priority to improve the health of Washingtonians and to improve the security of Washington's vulnerable children and adults.

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

This package directly supports the statewide result of improving the health of Washingtonians by ensuring access to food and cash benefits and would be a priority.

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?

The ESA Community Services Division will need to reduce the current year staffing plan to fund the increased costs in the EBT contract. An increasing caseload and a decreasing workforce put DSHS at risk in the ability to issue public assistance benefits within federal requirements related to timeliness. Failure to meet these requirements could result in a loss of federal funding.

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

The requested increase in funding is the increase in costs incurred in the EBT contract from Fiscal Year 2009 to Fiscal Year 2011.

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

All costs are ongoing and will be carried forward into future biennia, based on future caseload increases and/or decreases.

Object Detail	FY 1	FY 2	Total
Program 060 Objects			
E Goods And Services	2,247,000	2,247,000	4,494,000

Department of Social and Health Services

DP Code/Title: M2-25 EBT Caseload Growth
Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

DSHS Source Code Detail

Program 060		<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	1,236,000	1,236,000	2,472,000
	<i>Total for Fund 001-1</i>	1,236,000	1,236,000	2,472,000
Fund 001-2, General Fund - Basic Account-Federal				
<u>Sources</u>	<u>Title</u>			
E61L	Food Stamp Program (50%)	1,011,000	1,011,000	2,022,000
	<i>Total for Fund 001-2</i>	1,011,000	1,011,000	2,022,000
	Total Program 060	2,247,000	2,247,000	4,494,000

Department of Social and Health Services

DP Code/Title: M2-9T Transfers
Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 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>
Program 060			
001-1 General Fund - Basic Account-State	(417,000)	(635,000)	(1,052,000)
001-2 General Fund - Basic Account-Federal	(70,000)	(91,000)	(161,000)
001-A General Fund - Basic Account-DSHS Fam Support/Chi	(109,000)	(133,000)	(242,000)
001-C General Fund - Basic Account-Medicaid Federal	(105,000)	(140,000)	(245,000)
Total Cost	(701,000)	(999,000)	(1,700,000)

Staffing

	<u>FY 1</u>	<u>FY 2</u>	<u>Annual Avg</u>
Program 060 FTEs	(11.5)	(27.2)	(19.4)

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.

Department of Social and Health Services

DP Code/Title: M2-9T Transfers

Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

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

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

Program: 060

Activity: F006 Automated Client Eligibility Systems (ACES)

No measures linked to package

Incremental Changes

FY 1 FY 2

0.00 0.00

Incremental Changes

FY 1 FY 2

0.00 0.00

Activity: F010 Child Support Enforcement

No measures linked to package

Incremental Changes

FY 1 FY 2

0.00 0.00

Activity: F016 Office of Financial Recovery

No measures linked to package

Incremental Changes

FY 1 FY 2

0.00 0.00

Activity: F029 Employment Support Services: Refugees

No measures linked to package

Department of Social and Health Services

DP Code/Title: M2-9T Transfers
Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

Activity: F038 Food Stamp Administration	Incremental Changes
No measures linked to package	FY 1 FY 2
	0.00 0.00
Activity: F039 General Assistance - Interim SSI (GA-U/X)	Incremental Changes
No measures linked to package	FY 1 FY 2
	0.00 0.00
Activity: F042 Immigrant State Food Assistance	Incremental Changes
No measures linked to package	FY 1 FY 2
	0.00 0.00
Activity: F061 Medical Eligibility Determination Services	Incremental Changes
No measures linked to package	FY 1 FY 2
	0.00 0.00
Activity: F078 Program Support	Incremental Changes
No measures linked to package	FY 1 FY 2
	0.00 0.00
Activity: F083 Refugee Assistance Income	Incremental Changes
No measures linked to package	FY 1 FY 2
	0.00 0.00

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.

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?

Department of Social and Health Services

DP Code/Title: M2-9T Transfers
Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

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.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 060 Objects			
A Salaries And Wages	(140,000)	(179,000)	(319,000)
B Employee Benefits	368,000	119,000	487,000
E Goods And Services	(625,000)	(455,000)	(1,080,000)
T Intra-Agency Reimbursements	(304,000)	(484,000)	(788,000)
Total Objects	(701,000)	(999,000)	(1,700,000)

DSHS Source Code Detail

Program 060	<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	(417,000)	(635,000)	(1,052,000)
<i>Total for Fund 001-1</i>	(417,000)	(635,000)	(1,052,000)
Fund 001-2, General Fund - Basic Account-Federal			
<u>Sources Title</u>			
566B Refugee & Entrant Assist-St Admin'd Prog(D)(100%)	(5,000)	(5,000)	(10,000)
E61L Food Stamp Program (50%)	(65,000)	(86,000)	(151,000)
<i>Total for Fund 001-2</i>	(70,000)	(91,000)	(161,000)
Fund 001-A, General Fund - Basic Account-DSHS Fam Support/Chi			
<u>Sources Title</u>			
563I Title IV-D Child Support Enforcement (A) (66%)	(109,000)	(133,000)	(242,000)
<i>Total for Fund 001-A</i>	(109,000)	(133,000)	(242,000)
Fund 001-C, General Fund - Basic Account-Medicaid Federal			
<u>Sources Title</u>			
19UL Title XIX Admin (50%)	(105,000)	(140,000)	(245,000)
<i>Total for Fund 001-C</i>	(105,000)	(140,000)	(245,000)
Total Program 060	(701,000)	(999,000)	(1,700,000)

**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)	(280,000)	(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-UN Increase Federal Fund Authority
Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS), Economic Services Administration (ESA) requests \$3,612,000 GF-Federal in the 2012 Supplemental Budget to account for the increases in federal grants.

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-2 General Fund - Basic Account-Federal	1,729,000	1,514,000	3,243,000
001-A General Fund - Basic Account-DSHS Fam Support/Chi	294,000	75,000	369,000
Total Cost	2,023,000	1,589,000	3,612,000

Staffing

Package Description:

ESA requests an increase of \$3,612,000 (\$2,023,000 in State Fiscal Year 2012 and \$1,589,000 in State Fiscal Year 2013) in federal appropriation for increases in the following grants:

- \$840,000 (\$729,000 in State Fiscal Year 2012 and \$111,000 in State Fiscal Year 2013) for on-going increases in the Supplemental Nutrition Assistance Program (SNAP) Operational (Operations, Employment and Training and Outreach), SNAP Nutrition Education, SNAP Reaching Underserved Elderly and Poor, and SNAP Medicaid Participant Grants.
- \$2,403,000 (\$1,000,000 in State Fiscal Year 2012 and \$1,403,000 in State Fiscal Year 2013) for a one-time increase for the Children's Health Insurance Program Reauthorization Act (CHIPRA) Outreach and Enrollment Grant. This grant will be used to develop methods to enroll and retain children in the Medicaid and Children's Health Insurance Program.
- \$369,000 (\$294,000 in State Fiscal Year 2012 and \$75,000 in State Fiscal Year 2013) for the University Partnership Grant. This grant will be used to build a partnership with the University of Washington and to capitalize on the University's research capabilities to inform child support efforts.

Agency Contact: Mickie Coates (360) 902-8077
Program Contact: Judy Fitzgerald (360) 725-4642

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Outcomes expected include the ability to:

Enhance economic security of children through child support enforcement efforts.
Quickly connect individuals and families to the benefits and services they need.

Performance Measure Detail

Agency Level

Activity: F010 Child Support Enforcement
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: M2-UN Increase Federal Fund Authority
Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

Activity: F038 Food Stamp Administration

No measures linked to package

Incremental Changes

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

Activity: F061 Medical Eligibility Determination Services

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 funding will support DSHS in providing services to improve the safety and health of individuals, families, and communities and in the development of internal and external partnerships.

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

This request supports the Governor's priority to improve the health of Washingtonians and to improve the security of Washington's vulnerable children and adults.

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

The requested funding will make key contributions to statewide results and rates high in the Priorities of Government process as it will be used to improve the health of and supports available to Washingtonians.

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

The specified federal grants fund services provided through a number of entities external to DSHS. These entities are positively impacted by the availability of this federal funding.

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

None

What are the consequences of not funding this package?

The Department will have insufficient federal authority to spend available federal revenue. Additional federal authority will alternatively be requested through the Unanticipated Receipt process. If not approved, the Department will be unable to provide the services made available through the use of these federal grants.

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

This request for increased federal appropriations reflects the current estimate of federal funds that will be received in the specified programs.

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

Please see narrative under "Package Description" above for detail on which increases in federal funding are on-going and

Department of Social and Health Services

DP Code/Title: M2-UN Increase Federal Fund Authority
Program Level - 060 Economic Services Admin

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which are one-time awards.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
E Goods And Services	2,823,000	2,389,000	5,212,000
N Grants, Benefits & Client Services	(800,000)	(800,000)	(1,600,000)
Total Objects	2,023,000	1,589,000	3,612,000

DSHS Source Code Detail

<u>Overall Funding</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-2, General Fund - Basic Account-Federal			
<u>Sources Title</u>			
767H Children's Health Ins Prog (CHIP)	1,000,000	1,403,000	2,403,000
E61B Food Stamp Program (100%)	1,229,000	611,000	1,840,000
E61L Food Stamp Program (50%)	(500,000)	(500,000)	(1,000,000)
Total for Fund 001-2	1,729,000	1,514,000	3,243,000
Fund 001-A, General Fund - Basic Account-DSHS Fam Support/Chi			
<u>Sources Title</u>			
563I Title IV-D Child Support Enforcement (A) (66%)	294,000	75,000	369,000
Total for Fund 001-A	294,000	75,000	369,000
Total Overall Funding	2,023,000	1,589,000	3,612,000

Department of Social and Health Services

DP Code/Title: M2-WB Federal Funds Technical Adjustment

Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 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 060			
001-2 General Fund - Basic Account-Federal	(1,264,000)	(1,958,000)	(3,222,000)
001-A General Fund - Basic Account-DSHS Fam Support/Chi	(489,000)	(303,000)	(792,000)
001-C General Fund - Basic Account-Medicaid Federal	1,753,000	2,261,000	4,014,000
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: 060

Activity: F016 Office of Financial Recovery

No measures linked to package

Incremental Changes

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

Activity: F068 Other Client Services

No measures linked to package

Incremental Changes

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

Activity: H001 Administrative Costs

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 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.

Department of Social and Health Services

DP Code/Title: M2-WB Federal Funds Technical Adjustment
Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 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?

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.

Object Detail

FY 1

FY 2

Total

Program Totals

Department of Social and Health Services

DP Code/Title: M2-WB Federal Funds Technical Adjustment

Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

DSHS Source Code Detail

		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 060				
Fund 001-2, General Fund - Basic Account-Federal				
<u>Sources</u> <u>Title</u>				
ZZ01	001-2 s/b 001-A 563i	489,000	303,000	792,000
ZZ06	001-2 s/b 001-C 19UL	(1,753,000)	(2,261,000)	(4,014,000)
<i>Total for Fund 001-2</i>		<u>(1,264,000)</u>	<u>(1,958,000)</u>	<u>(3,222,000)</u>
Fund 001-A, General Fund - Basic Account-DSHS Fam Support/Chi				
<u>Sources</u> <u>Title</u>				
563I	Title IV-D Child Support Enforcement (A) (66%)	(489,000)	(303,000)	(792,000)
<i>Total for Fund 001-A</i>		<u>(489,000)</u>	<u>(303,000)</u>	<u>(792,000)</u>
Fund 001-C, General Fund - Basic Account-Medicaid Federal				
<u>Sources</u> <u>Title</u>				
19UL	Title XIX Admin (50%)	1,753,000	2,261,000	4,014,000
<i>Total for Fund 001-C</i>		<u>1,753,000</u>	<u>2,261,000</u>	<u>4,014,000</u>
Total Program 060		<u>0</u>	<u>0</u>	<u>0</u>

**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)

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

	2012	2013
Net Impact of DP	-	-

Department of Social and Health Services

DP Code/Title: M2-WX Funding for CSD Staff - FQHC
Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS), Economic Services Administration (ESA), requests \$10,418,000 (\$5,208,000 GF-State) in the 2012 Supplemental Budget for continued support of outstationed staff in Federally Qualified Health Centers (FQHC), Disproportionate Share Hospitals (DSH) and Indian Health Clinics located across the state.

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 060			
001-1 General Fund - Basic Account-State	2,604,000	2,604,000	5,208,000
001-C General Fund - Basic Account-Medicaid Federal	2,605,000	2,605,000	5,210,000
Total Cost	5,209,000	5,209,000	10,418,000

Staffing

Package Description:

Under federal law, states are required to ensure that staff are available to take Medicaid applications from low-income pregnant women, infants and children at locations other than Community Service Offices (CSOs). The law was enacted as part of the Omnibus Reconciliation Act of 1990 and went into effect on July 1, 1991. It specifies that these outstations include FQHC's, DSH's and Indian Health Clinic facilities.

Federal rules on outstationing went into effect in 1994. These rules require states to ensure that outstationed staff are available at FQHC's and DSH's to take applications during the hours that regular State Medicaid offices (CSO's) are normally open. Federal Financial Participation (FFP) is available at the standard 50 percent matching rate for administrative costs associated with the outstationing requirement. FFP is also available to match funds donated by facilities to share the cost of outstationed state agency personnel. In January 2001, the Centers for Medicare and Medicaid Services (CMS) issued a letter to state Medicaid directors reiterating the requirement to make each DSH and FQHC participating in the state's Medicaid program an outstation location and reminding states that FQHC and DSH facilities cannot be compelled to provide funding for these staff. The letter also stated that limited staff and resources are not an acceptable reason for a state's failure to comply with and pay for the outstationing requirements of the federal law and regulations.

The ESA Community Services Division (CSD) currently has staff assigned to FQHC's and DSH's in the state. In addition to the populations mandated by federal law, outstationed staff are able to process medical applications for other individuals and families, including the homeless, elderly and disabled persons who are eligible for both Medicare and Medicaid, and children who are eligible for the State Children's Health Insurance Program (SCHIP). The availability of DSHS eligibility workers outside the CSO's to process medical assistance applications increases the number of low-income families and individuals who have medical coverage and helps reduce the number and rate of uninsured people in our state. These are benefits that without the co-located staff could have resulted in uncompensated care costs for the providers and a financial burden for the affected families.

The funding for these staff has never been in the department's budget. Prior to Fiscal Year 2006, the staffing levels related to this program fluctuated between 5 and 25 FTEs per year but grew to a need for 90.5 FTEs by the 2009-11 Biennium. ESA received authority for these 90.5 FTEs in the 2009-11 Biennial Budget but was not appropriated the related funding. In order to continue this vital service, ESA is requesting \$10,418,000 in the 2012 Supplemental Budget.

Agency Contact: Mickie Coates (360) 902-8077
Program Contact: Babs Roberts (360) 725-4888

Department of Social and Health Services

DP Code/Title: M2-WX Funding for CSD Staff - FQHC

Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

ESA anticipates this activity will allow us to increase the percentage of eligible families accessing medical benefits.

Performance Measure Detail

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

Goal: Provide Quality Services to Our Customers

Objective: Connect people to benefits and services that reduce poverty and help them become more self-sufficient.

Strategic Initiative: Out-station staff to support service delivery, as appropriate, and seek funding and FTEs to support current as well as expansion of the FQHC's and expedited medical staffing.

Performance Measure: Percent of children who are in families at or below 200 percent federal poverty level who are receiving medical coverage

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

This package supports the Governor's priority for Health Care: Keeping Patients Safe by contributing to the effort to ensure Washington's children have access to health care.

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

This package directly supports two statewide results and would be a high priority:

- 1) Improving the health of Washingtonians through the increased access to health care services; and
- 2) Improving the security of vulnerable adults and families by allowing families to access medical assistance and other public assistance programs in convenient locations.

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

Outstationing staff at FQHC's and DSH's ensures that low income women, infants and children have the opportunity to obtain medical coverage that provides a full scope of care for their ongoing medical needs. This significantly reduces uncompensated care costs for these facilities not only for services provided at the time of contact, but also by reducing the future need for costly services, such as emergency care, through the provision of child health screening, preventive care, and ongoing medical treatment. Outstationing is also consistent with the requirement in RCW 74.09.470 that the department make outreach efforts to help low income families apply for children's healthcare coverage.

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

No alternatives were explored because ESA cannot compel FQHC, DSH, or Indian Health Clinic facilities to share the cost of these workers. Out-stationing of eligibility workers is required under federal law and part of the agency's Medicaid state plan.

ESA sees no alternative to funding this activity.

Department of Social and Health Services

DP Code/Title: M2-WX Funding for CSD Staff - FQHC
Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

What are the consequences of not funding this package?

The department will be out of compliance with federal Title XIX laws and regulations if it fails to place or withdraws staff from the FQHC and DSH facilities. If this package is not funded, primary service delivery staff in the CSOs will have to be reduced in order to fulfill this federal requirement and stay within budgeted resources.

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

Estimated costs are based on historical spending patterns.

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

All costs are ongoing staff related costs that will bow wave into future biennia. Additional costs will occur if more FQHC and DSH facilities request additional outstationed staff.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 060 Objects			
A Salaries And Wages	3,637,000	3,637,000	7,274,000
B Employee Benefits	1,489,000	1,489,000	2,978,000
E Goods And Services	45,000	45,000	90,000
G Travel	35,000	35,000	70,000
J Capital Outlays	3,000	3,000	6,000
Total Objects	5,209,000	5,209,000	10,418,000

DSHS Source Code Detail

<u>Program 060</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	2,604,000	2,604,000	5,208,000
<i>Total for Fund 001-1</i>	2,604,000	2,604,000	5,208,000
Fund 001-C, General Fund - Basic Account-Medicaid Federal			
<u>Sources Title</u>			
19UL Title XIX Admin (50%)	2,605,000	2,605,000	5,210,000
<i>Total for Fund 001-C</i>	2,605,000	2,605,000	5,210,000
Total Program 060	5,209,000	5,209,000	10,418,000

Department of Social and Health Services

DP Code/Title: M2-ZZ Unemployment
Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 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	28,000	(18,000)	10,000
001-2 General Fund - Basic Account-Federal	8,000	(5,000)	3,000
001-A General Fund - Basic Account-DSHS Fam Support/Chi	9,000	(6,000)	3,000
001-C General Fund - Basic Account-Medicaid Federal	6,000	(4,000)	2,000
Total Cost	51,000	(33,000)	18,000

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: F010 Child Support Enforcement
No measures linked to package

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

Activity: F078 Program Support
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 - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 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	51,000	(33,000)	18,000

Department of Social and Health Services

DP Code/Title: M2-ZZ Unemployment
Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 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	28,000	(18,000)	10,000
<i>Total for Fund 001-1</i>		28,000	(18,000)	10,000
Fund 001-2, General Fund - Basic Account-Federal				
<u>Sources</u>	<u>Title</u>			
E61L	Food Stamp Program (50%)	8,000	(5,000)	3,000
<i>Total for Fund 001-2</i>		8,000	(5,000)	3,000
Fund 001-A, General Fund - Basic Account-DSHS Fam Support/Chi				
<u>Sources</u>	<u>Title</u>			
563B	Title IV-D Child Support Enforcement (A) (100%)	9,000	(6,000)	3,000
<i>Total for Fund 001-A</i>		9,000	(6,000)	3,000
Fund 001-C, General Fund - Basic Account-Medicaid Federal				
<u>Sources</u>	<u>Title</u>			
19UL	Title XIX Admin (50%)	6,000	(4,000)	2,000
<i>Total for Fund 001-C</i>		6,000	(4,000)	2,000
Total Overall Funding		51,000	(33,000)	18,000

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-26 Refugee/LEP Assistance Reduction

Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS), Economic Services Administration (ESA), reduces (\$1,775,000) GF-State in the 2012 Supplemental Budget associated with a reduction in the state-funded Refugee Assistance/Limited English Proficiency (LEP) Pathway Program effective January 1, 2012.

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 060			
001-1 General Fund - Basic Account-State	(592,000)	(1,183,000)	(1,775,000)
Total Cost	(592,000)	(1,183,000)	(1,775,000)

Staffing

Package Description:

DSHS, ESA, reduces (\$1,775,000) GF-State associated with a reduction in the state-funded Refugee Assistance/LEP Pathway Program effective January 1, 2012.

The Refugee Assistance/LEP Pathway program provides services to immigrants through contracts with local and private agencies. Services currently available include job search workshops, job skills training, work experience and community service placements, English as a Second Language (ESL) classes, employment placement assistance, and job retention services. In Fiscal Year 2011, approximately 4,900 clients received these services.

Under this proposal, services will be eliminated for those clients with the highest ESL proficiency levels. Clients at the higher ESL levels can be referred to services not available to lower level ESL proficient clients. These services include Integrated Basic Education and Skills Training (IBEST) through the State Board for Community and Technical Colleges, community jobs through the Department of Commerce, and the Basic Food Employment and Training Program. Services for State Family Assistance (SFA) clients will be limited to those who have their work authorization cards and who have been in the United States for three years or less. Clients who become ineligible for LEP Pathway services will be referred to free or low-cost ESL services available in the community.

Reducing the number of clients served instead of eliminating some types of services will preserve the number of employment services currently available in the LEP Pathway and help maintain the effectiveness of the program for clients who are served.

Agency Contact: Mickie Coates (360) 902-8077

Program Contact: Tom Medina (360) 725-4636

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: 060

Department of Social and Health Services

DP Code/Title: PL-26 Refugee/LEP Assistance Reduction

Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

Activity: F083 Refugee Assistance Income

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

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

Not applicable

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?

None

Expenditure and revenue calculations and assumptions

The savings are 50 percent of the estimated amount of spending in the Refugee Assistance/LEP Pathway program for the period of January 2012 through June 2013.

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

Reductions are ongoing and will continue into future biennia.

Object Detail

Program 060 Objects

N Grants, Benefits & Client Services

FY 1

FY 2

Total

(592,000)

(1,183,000)

(1,775,000)

Department of Social and Health Services

DP Code/Title: PL-26 Refugee/LEP Assistance Reduction
Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

DSHS Source Code Detail

Program 060		<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	(592,000)	(1,183,000)	(1,775,000)
	<i>Total for Fund 001-1</i>	<u>(592,000)</u>	<u>(1,183,000)</u>	<u>(1,775,000)</u>
	Total Program 060	<u>(592,000)</u>	<u>(1,183,000)</u>	<u>(1,775,000)</u>

Department of Social and Health Services

DP Code/Title: PL-27 Elimination Naturalization
Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS), Economic Services Administration (ESA), reduces (\$2,624,000) GF-State in the 2012 Supplemental Budget associated with the elimination of naturalization services contracts effective January 1, 2012.

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 060			
001-1 General Fund - Basic Account-State	(967,000)	(1,657,000)	(2,624,000)
Total Cost	(967,000)	(1,657,000)	(2,624,000)

Staffing

Package Description:

DSHS, ESA, reduces (\$2,624,000) GF-State associated with the elimination of naturalization services contracts effective January 1, 2012.

DSHS provides naturalization services to help legal immigrants on public assistance become US citizens. Services include assistance with completing the Application for Citizenship, assistance with fee waiver requests, payment of application fees for those who do not qualify for a fee waiver, assistance with disability waiver requests, and classes on US civics and history to help pass the citizenship test.

Achieving citizenship is seen as an indicator of successful integration as it provides the opportunity for civic engagement, including the right to vote. However, the process for legal immigrants to become US citizens is a responsibility of the federal government and is not a critical function of state government. Eliminating naturalization services will allow DSHS, ESA, to focus diminishing state resources on basic needs like food and shelter for vulnerable individuals and families residing in our state.

In Fiscal Year 2011, the Naturalization Program was eliminated effective November 30, 2010 due to budget concerns. In the five months the program was available, 3,874 clients received naturalization services. Contractors reported 1,364 clients became US citizens through the Naturalization Program, although this may have been the result of services our clients received through the ESA program in Fiscal Year 2010. Contractors report it generally takes about four months to naturalize.

Most of the contractors providing naturalization services are non-profit organizations that receive funding from other sources like the United Way, church donations, and donations from private individuals. Most of these contractors continued to provide clients with naturalization services when the state program was eliminated in Fiscal Year 2011.

Agency Contact: Mickie Coates (360) 902-8077
Program Contact: Tom Medina (360) 725-4636

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.

Department of Social and Health Services

DP Code/Title: PL-27 Elimination Naturalization
Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

Performance Measure Detail

Program: 060

Activity: F068 Other Client Services

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

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?

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?

None

Expenditure and revenue calculations and assumptions

The savings amount is based on the estimated level of spending in 2011-13 from January 1, 2012 through June 30, 2013.

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

Reductions are ongoing and will continue into future biennia.

Object Detail

FY 1

FY 2

Total

Program 060 Objects

N Grants, Benefits & Client Services

(967,000)

(1,657,000)

(2,624,000)

Department of Social and Health Services

DP Code/Title: PL-27 Elimination Naturalization

Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

DSHS Source Code Detail

Program 060

Fund 001-1, General Fund - Basic Account-State

Sources Title

0011 General Fund State

Total for Fund 001-1

Total Program 060

FY 1

FY 2

Total

(967,000)

(1,657,000)

(2,624,000)

(967,000)

(1,657,000)

(2,624,000)

(967,000)

(1,657,000)

(2,624,000)

Department of Social and Health Services

DP Code/Title: PL-28 Mail EBT Cards
Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS), Economic Services Administration (ESA), reduces (\$1,373,000), (\$752,000) GF-State, and (28.0) FTEs in the 2012 Supplemental Budget by contracting to mail replacement Electronic Benefit Transfer (EBT) Cards rather than issuing them from the Community Service Offices (CSO).

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 060			
001-1 General Fund - Basic Account-State	0	(752,000)	(752,000)
001-2 General Fund - Basic Account-Federal	0	(621,000)	(621,000)
Total Cost	0	(1,373,000)	(1,373,000)

Staffing

	<u>FY 1</u>	<u>FY 2</u>	<u>Annual Avg</u>
Program 060 FTEs	0.0	(28.0)	(14.0)

Package Description:

DSHS, ESA, would issue replacement EBT cards through the EBT vendor. Authorization of EBT cards would continue in the CSOs as would emergency replacement card issuance.

The costs and saving calculations assume that this change would take effect July 1, 2012.

ESA has calculated that the effort to issue replacement EBT cards in the CSOs is equivalent to 28.0 FTEs annually. Currently, staff such as social workers are diverted from their standard duties to issue cards. Eliminating this function and the funding for 28.0 FTEs would result in total savings of about \$1.6 million for a full year. This would be partially offset by an increase in the EBT vendor contract of \$229,000 annually.

Agency Contact: Mickie Coates (360) 902-8077
Program Contact: Judy Fitzgerald (360) 725-4642

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

The department expects the following outcomes:

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

Clients would continue to receive their benefits in a timely manner. Clients would receive their EBT cards within four to five days, which is keeping within the federal expedited timeframe of seven days.

Cards issued by the EBT vendor have the client's name embossed on them. This is an added fraud deterrent given that cards currently issued by the CSOs do not have client names.

Performance Measure Detail

Program: 060

Department of Social and Health Services

DP Code/Title: PL-28 Mail EBT Cards
Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

<p>Activity: F038 Food Stamp Administration No measures linked to package</p> <p>Activity: F039 General Assistance - Interim SSI (GA-U/X) No measures linked to package</p> <p>Activity: F078 Program Support No measures linked to package</p> <p>Activity: F083 Refugee Assistance Income 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> <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?

No

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

Yes. This decision package helps the agency meet the ten percent reduction target 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?

This proposal assumes continuation of the current level of general delivery service provided by the United States Post Office.

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

None

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?

Washington Federation of State Employees (WFSE) contract language must be followed in the course of implementing this reduction option.

The contract with EBT vendor will have to be amended.

Expenditure and revenue calculations and assumptions

Expenditure and savings estimates are based on an effective date of July 1, 2012.

Department of Social and Health Services

DP Code/Title: PL-28 Mail EBT Cards
Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

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

All costs and savings are on-going.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 060 Objects			
A Salaries And Wages	0	(787,000)	(787,000)
B Employee Benefits	0	(410,000)	(410,000)
E Goods And Services	0	(148,000)	(148,000)
T Intra-Agency Reimbursements	0	(28,000)	(28,000)
Total Objects	0	(1,373,000)	(1,373,000)

DSHS Source Code Detail

Program 060	<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	0	(752,000)	(752,000)
<i>Total for Fund 001-1</i>	0	(752,000)	(752,000)
Fund 001-2, General Fund - Basic Account-Federal			
<u>Sources Title</u>			
566B Refugee & Entrant Assist-St Admin'd Prog(D)(100%)	0	(2,000)	(2,000)
E61L Food Stamp Program (50%)	0	(619,000)	(619,000)
<i>Total for Fund 001-2</i>	0	(621,000)	(621,000)
Total Program 060	0	(1,373,000)	(1,373,000)

Department of Social and Health Services

DP Code/Title: PL-29 TANF/WorkFirst Reductions
Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS), Economic Services Administration (ESA), reduces (\$32,068,000) GF-State and (1.3) FTEs in the 2012 Supplemental Budget associated with reductions in the Temporary Assistance for Needy Families (TANF)/WorkFirst program.

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	(5,435,000)	(26,633,000)	(32,068,000)
Total Cost	(5,435,000)	(26,633,000)	(32,068,000)

<u>Staffing</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Annual Avg</u>
Agency FTEs	(0.4)	(2.1)	(1.3)

Package Description:

DSHS, ESA, reduces (\$32,068,000) GF-State and (1.3) FTEs in the 2012 Supplemental Budget associated with the following reductions in the Temporary Assistance for Needy Families (TANF)/WorkFirst program.

1. ESA reduces (\$18,329,000) GF-State through a decrease in the number of months families are eligible to receive a monthly TANF cash grant effective May 1, 2012. With some exceptions, families are currently eligible for 60 months of TANF cash assistance. This reduction will decrease the number of months these families are eligible to receive a cash grant to 48 months. Approximately 1,850 low income families will be impacted. Child only cases with non-parental caregivers are not impacted by time limits. However, approximately 530 child-only TANF cases with a parental caregiver will be impacted.
2. ESA reduces (\$5,972,000) GF-State and (1.3) FTEs through elimination of the State Family Assistance (SFA) monthly cash grant effective May 1, 2012. The savings includes staffing reductions (\$197,000) and the elimination of Limited English Proficiency (LEP) Pathway Program services to SFA clients (\$740,000). This cash grant is provided to legal immigrant families, students ages 19 to 20 and their caregiver relatives, and pregnant women who are ineligible to receive a monthly TANF grant. Currently, this program provides approximately 1,200 families a month with an average monthly grant of about \$240.
3. ESA reduces (\$7,767,000) GF-State through a 2 percent ratable reduction to the monthly TANF cash grant effective January 1, 2012. This monthly cash grant is provided to families with children whose monthly net income does not exceed the payment standard plus authorized additional requirements. Fifty percent of gross earnings are countable when determining eligibility and payment amount. This reduction will decrease the average monthly All-Family TANF grant from \$420 to \$411 and the monthly Child Only TANF grant from \$364 to \$357. Approximately 55,000 families will be impacted each month by this reduction.

Agency Contact: Mickie Coates (360) 402-8077
Program Contact: Babs Roberts (360) 725-4888

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.

Department of Social and Health Services

DP Code/Title: PL-29 TANF/WorkFirst Reductions

Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

Performance Measure Detail

Agency Level

Activity: **F029 Employment Support Services: Refugees**

No measures linked to package

Incremental Changes

FY 1

FY 2

0.00

0.00

Activity: **F100 Temporary Assistance to Needy Families (TANF)**

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

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?

The WorkFirst/TANF program is governed by DSHS, Employment Security Department, State Board for Community and Technical Colleges, Department of Early Learning, and the Department of Commerce. The executive management from these agencies considered the following alternatives for reduction in priority order:

- 1) Apply savings projected for Working Connections Child Care in Fiscal Year 2012 associated with the enrollment cap and waiting list.
- 2) Reduce the TANF time limit from 60 months to 48 months.
- 3) Eliminate funding for Additional Requirements for Emergency Needs (AREN).
- 4) Reset the Working Connections Child Care enrollment cap to the level commensurate with a zero waiting list.
- 5) Extend through Fiscal Year 2013 the temporary suspension of participation for parents with a child under age two or two or more children under age six.
- 6) Reduce the TANF grant by 3 percent (this should not be done in combination with a time limit reduction). Reserve Option/Placeholder: Ten percent holdback in partner agency funding.

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?

Department of Social and Health Services

DP Code/Title: PL-29 TANF/WorkFirst Reductions

Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

Amendments would have to be made to the following:

RCW 74.08A.010, WAC 388-484-0005, RCW 74.08A.120, WAC 388-400-0010, WAC 388-424-0001, WAC 388-424-0006, WAC 388-424-0001, WAC 388-478-0005

Expenditure and revenue calculations and assumptions

The savings are the estimated amount of spending in the areas of the program being reduced from the effective date of the reduction as noted in the Package Description through June 30, 2013. Savings estimates were prepared by OFM forecasting staff.

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

Reductions are ongoing and 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	(16,000)	(96,000)	(112,000)
B Employee Benefits	(6,000)	(33,000)	(39,000)
E Goods And Services	(4,000)	(24,000)	(28,000)
J Capital Outlays	(2,000)	(14,000)	(16,000)
N Grants, Benefits & Client Services	(5,407,000)	(26,464,000)	(31,871,000)
T Intra-Agency Reimbursements	0	(2,000)	(2,000)
Total Objects	(5,435,000)	(26,633,000)	(32,068,000)

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>			
GFS2 General Fund State TANF Moe	(5,435,000)	(26,633,000)	(32,068,000)
<i>Total for Fund 001-1</i>	(5,435,000)	(26,633,000)	(32,068,000)
Total Overall Funding	(5,435,000)	(26,633,000)	(32,068,000)

Department of Social and Health Services

DP Code/Title: PL-2C Increase Retained Child Support

Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS), Economic Services Administration (ESA), requests \$405,000 GF-Federal and 16.0 FTEs in the 2012 Supplemental Budget to increase the amount of child support collected and retained by the state. The additional child support recoveries projected in the 2011-13 Biennium will offset the GF-State cost of the the additional resources and will result in savings in the 2013-15 Biennium.

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
001-A General Fund - Basic Account-DSHS Fam Support/Chi	0	405,000	405,000
Total Cost	0	405,000	405,000

Staffing

	<u>FY 1</u>	<u>FY 2</u>	<u>Annual Avg</u>
Agency FTEs	0.0	16.0	8.0

Package Description:

ESA requests \$1,269,000 (\$432,000 GF-State) and 16.0 FTEs to increase child support recoveries. With these additional resources, it is estimated that the amount of child support collected and retained will increase \$864,000 (\$432,000 GF-State) in Fiscal Year 2013 and \$3,750,000 (\$1,875,000 GF-State) in the 2013-15 Biennium. The projected additional recoveries in the current biennium will be sufficient to offset the increased GF-State expenditures.

DSHS arrears only cases are cases where the debt is owed to the government (state and federal). Currently, there are approximately 21,000 of arrears only cases where no child support payment has been made in the last six months. Increasing collections on these cases will enable Washington State to retain more of the child support that is owed to the state. Data from a past project designed to improve collections showed that implementing intensive locate activities along with skilled negotiation tactics resulted in increased collections on 33 percent of cases, paying an average of \$31 per month. Based on the number of cases to be collected, it is estimated that 16.0 FTEs will be needed to achieve this higher level of collections. Assuming that 33 percent of the 21,000 arrears only cases with no payment in the last six months start paying \$31 per month, it is estimated that child support recoveries will increase by \$2,500,000 (\$1,250,000 GF-State) per year.

Agency Contact: Mickie Coates (360) 902-8077

Program Contact: Jan Hentze (360) 664-5569

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Increase in child support collected and retained by the state.

Performance Measure Detail

Agency Level

Activity: **F010 Child Support Enforcement**

No measures linked to package

Incremental Changes

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

Activity: **F011 Child Support Recoveries**

Incremental Changes

<u>FY 1</u>	<u>FY 2</u>
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Department of Social and Health Services

DP Code/Title: PL-2C Increase Retained Child Support
Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

No measures linked to package

0.00

0.00

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

This proposal supports the goal of effective and efficient use of resources.

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

Yes. This request supports the goal of safeguarding and managing public funds.

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 supports the goal of safeguarding and managing public funds.

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?

Not applicable

What are the consequences of not funding this package?

The higher level of retained child support will not be achieved in this and future biennia.

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

Increased collections are assumed to be \$31 per month on 33 percent of the 21,000 arrears only cases with no payment in the last six months, a total of \$2,500,000 per year. It is assumed that collections will increase to this level by Fiscal Year 2015 as staff are hired, trained, and gain experience. It is assumed that 35 percent of these increased collections will be achieved in Fiscal Year 2013 (\$864,000) and 50 percent will be achieved in Fiscal Year 2014 (\$1,250,000).

Staff costs assume the 16 staff are hired on July 1, 2012.

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

The costs of 16.0 FTEs are ongoing beginning Fiscal Year 2013.

The savings from child support recoveries would start July 1, 2012: The savings are \$864,000 (\$432,000 GF-State) in the 2011-13 Biennium, \$1,250,000 (\$625,000 GF-State) in Fiscal Year 2014, and \$2,500,000 (\$1,250,000 GF-State) a year beginning with Fiscal Year 2015 and continuing into future biennia.

Department of Social and Health Services

DP Code/Title: PL-2C Increase Retained Child Support

Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 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	0	655,000	655,000
B Employee Benefits	0	261,000	261,000
E Goods And Services	0	206,000	206,000
J Capital Outlays	0	131,000	131,000
N Grants, Benefits & Client Services	0	(864,000)	(864,000)
T Intra-Agency Reimbursements	0	16,000	16,000
Total Objects	0	405,000	405,000

DSHS Source Code Detail

Overall Funding		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-A, General Fund - Basic Account-DSHS Fam Support/Chi				
Sources	Title			
563A	Title IV-D Child Support Enforcement (A) (FMAP)	0	(432,000)	(432,000)
563I	Title IV-D Child Support Enforcement (A) (66%)	0	837,000	837,000
<i>Total for Fund 001-A</i>		0	405,000	405,000
Total Overall Funding		0	405,000	405,000

Department of Social and Health Services

DP Code/Title: PL-FU Elimin ABD and PWA Cash Progs

Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS), Economic Services Administration (ESA), reduces (\$29,697,000) GF-State and (25.3) FTEs in the 2012 Supplemental Budget associated with elimination of the Aged, Blind, or Disabled and Pregnant Women Assistance programs effective April 1, 2012.

Fiscal Detail:

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 060			
001-1 General Fund - Basic Account-State	(5,325,000)	(24,372,000)	(29,697,000)
Total Cost	(5,325,000)	(24,372,000)	(29,697,000)

Staffing

	<u>FY 1</u>	<u>FY 2</u>	<u>Annual Avg</u>
Program 060 FTEs	(10.1)	(40.5)	(25.3)

Package Description:

DSHS, ESA, reduces (\$29,697,000) GF-State and (25.3) FTEs associated with elimination of the Aged, Blind, or Disabled (ABD) and Pregnant Women Assistance Programs (PWA) monthly cash grants effective April 1, 2012. The current forecast is that approximately 15,500 cases will receive an ABD or PWA cash grant each month.

The ABD program provides cash and medical assistance to adults without dependents who are aged, blind, or disabled and who are likely to meet the federal Supplemental Security Income (SSI) disability standard. The PWA program provides cash assistance to women who are pregnant and in need based on the eligibility standards of the Temporary Assistance for Needy Families (TANF) program but are ineligible for TANF benefits for a reason other than failure to cooperate in program requirements. These programs are 100 percent GF-State funded. This proposal is to eliminate the monthly cash grants paid under these programs.

Agency Contact: Mickie Coates (360) 902-8077
Program Contact: Melissa Mathson (360) 725-4563

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: 060

Activity: F039 General Assistance - Interim SSI (GA-U/X)

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?

No

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

Department of Social and Health Services

DP Code/Title: PL-FU Eliminate ABD and PWA Cash Progs
Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

Yes, this decision package helps the agency meet the 10 percent reduction targets set 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?

None

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?

Changes will be needed to Sections of Engrossed Substitute House Bill 2082, passed in the 2011 Legislative Session. Proposed WAC's 388-478-0016, 388-478-0027, and 388-478-0033 will also need amendment.

Expenditure and revenue calculations and assumptions

Savings were calculated using the Caseload Forecast Council's June 2010 caseload forecast.

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

Reductions are ongoing and will continue into future biennia.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 060 Objects			
A Salaries And Wages	(450,000)	(1,800,000)	(2,250,000)
B Employee Benefits	(171,000)	(681,000)	(852,000)
E Goods And Services	(130,000)	(520,000)	(650,000)
G Travel	(36,000)	(146,000)	(182,000)
N Grants, Benefits & Client Services	(4,528,000)	(21,183,000)	(25,711,000)
T Intra-Agency Reimbursements	(10,000)	(42,000)	(52,000)
Total Objects	(5,325,000)	(24,372,000)	(29,697,000)

Department of Social and Health Services

DP Code/Title: PL-FU Elimin ABD and PWA Cash Progs
Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

DSHS Source Code Detail

Program 060		<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	(5,325,000)	(24,372,000)	(29,697,000)
<i>Total for Fund 001-1</i>		<u>(5,325,000)</u>	<u>(24,372,000)</u>	<u>(29,697,000)</u>
Total Program 060		<u>(5,325,000)</u>	<u>(24,372,000)</u>	<u>(29,697,000)</u>

Department of Social and Health Services

DP Code/Title: PL-FV Elimin State Food Assistance Prog

Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

Recommendation Summary Text:

The Department of Social and Health Services (DSHS), Economic Services Administration (ESA), reduces (\$17,825,000) GF-State and (13.8) FTEs in the 2012 Supplemental Budget associated with the elimination of the State Food Assistance Program (FAP) effective April 1, 2012.

Fiscal Detail:

Operating Expenditures

Program 060

001-1 General Fund - Basic Account-State

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
	(3,325,000)	(14,500,000)	(17,825,000)
Total Cost	(3,325,000)	(14,500,000)	(17,825,000)

Staffing

	<u>FY 1</u>	<u>FY 2</u>	<u>Annual Avg</u>
Program 060 FTEs	(5.5)	(22.0)	(13.8)

Package Description:

ESA reduces (\$17,825,000) GF-State and (13.8) FTEs associated with the elimination of the state FAP effective April 1, 2012. This savings amount offsets the funding requested for FAP in Decision Package M1-93 - Mandatory Caseload.

This reduction will eliminate food assistance benefits to approximately 13,000 persons residing in Washington legally who do not meet federal requirements for the Supplemental Nutrition Assistance Program (SNAP) because of their alien status.

Agency Contact: Mickie Coates (360) 902-8077
Program Contact: John Camp (360) 725-4616

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: 060

Activity: F042 Immigrant State Food 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.

Department of Social and Health Services

DP Code/Title: PL-FV Eliminate State Food Assistance Program
Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 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

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

Not applicable

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?

None

Expenditure and revenue calculations and assumptions

The savings is a reduction of the forecasted FAP expenditures in the agency request Maintenance Level for 2011-13 for the period April 1, 2012, through June 30, 2013.

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

Reductions are ongoing and will continue into future biennia.

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 060 Objects			
A Salaries And Wages	(251,000)	(1,003,000)	(1,254,000)
B Employee Benefits	(93,000)	(373,000)	(466,000)
E Goods And Services	(71,000)	(283,000)	(354,000)
G Travel	(20,000)	(79,000)	(99,000)
N Grants, Benefits & Client Services	(2,885,000)	(12,739,000)	(15,624,000)
T Intra-Agency Reimbursements	(5,000)	(23,000)	(28,000)
Total Objects	(3,325,000)	(14,500,000)	(17,825,000)

Department of Social and Health Services

DP Code/Title: PL-FV Elimin State Food Assistance Prog
Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

DSHS Source Code Detail

Program 060		<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	(3,325,000)	(14,500,000)	(17,825,000)
<i>Total for Fund 001-1</i>		(3,325,000)	(14,500,000)	(17,825,000)
Total Program 060		(3,325,000)	(14,500,000)	(17,825,000)

Department of Social and Health Services

DP Code/Title: PL-PF State Data Center Equipment
Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 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:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 060			
001-1 General Fund - Basic Account-State	43,000	76,000	119,000
001-2 General Fund - Basic Account-Federal	22,000	38,000	60,000
001-C General Fund - Basic Account-Medicaid Federal	17,000	30,000	47,000
Total Cost	82,000	144,000	226,000

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

Department of Social and Health Services

DP Code/Title: PL-PF State Data Center Equipment
Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

be impacted by the migration.

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: 060

Activity: F078 Program Support

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

Goal H: Reinforce strong management to increase public trust

Department of Social and Health Services

DP Code/Title: PL-PF State Data Center Equipment
Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

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.
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.

Department of Social and Health Services

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

Program Level - 060 Economic Services Admin

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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 060 Objects			
T Intra-Agency Reimbursements	82,000	144,000	226,000

Department of Social and Health Services

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

Program Level - 060 Economic Services Admin

Budget Period: 2011-13 Version: F2 060 - 2012 Sup Agency Request

DSHS Source Code Detail

Program 060		<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	43,000	76,000	119,000
<i>Total for Fund 001-1</i>		43,000	76,000	119,000
Fund 001-2, General Fund - Basic Account-Federal				
<u>Sources</u> <u>Title</u>				
566B	Refugee & Entrant Assist-St Admin'd Prog(D)(100%)	1,000	1,000	2,000
E61L	Food Stamp Program (50%)	21,000	37,000	58,000
<i>Total for Fund 001-2</i>		22,000	38,000	60,000
Fund 001-C, General Fund - Basic Account-Medicaid Federal				
<u>Sources</u> <u>Title</u>				
19JL	Title XIX Admin (50%)	17,000	30,000	47,000
<i>Total for Fund 001-C</i>		17,000	30,000	47,000
Total Program 060		82,000	144,000	226,000

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		All Objects			Object J			Object TZ		
DSHS Programs		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)	221,000	-
		57%	43%							

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

FY 2012		All Objects			Object J			Object TZ		
DSHS Programs		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)	81,000	-
		57%	43%							

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

FY 2013		All Objects			Object J			Object TZ		
DSHS Programs		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)	140,000	-
		57%	43%							

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