



**Agency Budget Request Summary  
2015 – 2017 Biennium**

**September 15, 2014**

**DEPARTMENT OF CHILDREN AND FAMILIES**  
**2015-17 Biennial Budget Request**

- In total, the Department's requests an increase in funding of \$15,227,300 [\$4,994,700 GPR, \$85,400 FED, \$3,423,600 PR, \$6,793,600 PR-S, and -\$70,000 SEG] and 6.00 FTE [9.08 FED, -1.00 PR, and -2.08 PR-S] in SFY16 and a decrease of -\$11,932,000 [\$8,940,700 GPR, -\$30,558,300 FED, \$3,238,600 PR, \$6,512,000 PR-S, and -\$65,000 SEG] and 0.50 FTE [3.08 FED, -1.00 PR and -1.58 PR-S] in SFY17.
- Represents a 1.9% GPR increase in the biennium over the base year doubled and an overall biennial all funds increase of 0.1% over the base year doubled

**Department-Wide**

**Standard Budget Adjustments**

- Request a total of \$845,700 [\$305,100 GPR, \$253,200 FED, -\$13,800 PR and \$301,200 PRS] in SFY16 and \$750,800 [\$333,900 GPR, \$93,100 FED, -\$10,400 PR and \$334,200 PR-S] and -6.00 FED project positions in SFY17 to fund standard budget adjustments, including full funding of salary and fringe, turnover, overtime, night and weekend differential, full funding of lease costs, and the removal of non-continuing elements from the base.

**Program Revenue Reestimates**

- Request an increase of \$5,929,500 [\$2,188,300 FED, -\$195,000 PR and \$3,936,200 PR-S] in SFY16 and an increase of \$4,743,900 [\$1,014,800 FED, -\$195,000 PR and \$3,924,100 PR-S] in SFY17 to reflect estimates of federal and program revenue funding levels.
- Largest change relates to increase in federal funds for Race to the Top and the IV-E program.

**Realignment**

- Request increases of \$218,200 FED and 3.08 FED FTE and decreases of -\$45,300 GPR, -\$85,400 PR and -1.0 PR FTE, and -\$87,200 PR-S and -2.08 PR-S FTE in SFY16 and SFY17 for the reallocation of funding and positions within base funding to more accurately reflect the needs and organizational structure of the Department.
- This item results in no change in total FTE and just a small increase of \$300 in each year through shifts between fund sources.

**Overtime Funding**

- The Department requests an increase of \$264,700 [\$236,800 GPR] in SFY16 and SFY17 in order to more accurately compensate for the agency's overtime needs beyond those contained in the overtime standard decision item.
- Overtime expenditures in SFY14 exceeded the amounts allowed in standard decision item and DCF expects similar, if not higher, levels in SFY16 and SFY17.

## **Child Welfare**

### **Children and Families Allocation**

- Provides a total of \$2,390,700 in SFY16 and \$6,140,700 in SFY17 to fund previously approved foster care rate increases and the foster care out-of-home extension to age 21 and provide an increase in the base children and families allocation beginning in CY 2016.
- Increases the children and families allocation to counties by \$5.0 million annually from IV-E funds, beginning with CY 2016 (\$1.25 million in SFY 16 and \$5.0 in SFY 17).
- Re-estimates base funding of various fund sources by increasing IV-B and IV-E funding to compensate for an expected decrease in SSBG funding.
- Folds Adam Walsh funding into CFA \$135,900 (\$99,200 GPR) annually.

### **Foster Care Rates**

- Provides increases of \$708,600 [\$533,400 GPR] in SFY16 and \$747,700 [\$562,900 GPR] in SFY17 to provide a 2.5% increase in foster care basic maintenance rates on Jan. 1, 2016 and another 2.5% increase in rates on Jan. 1, 2017.
- Previous biennial budget also contained a 2.5% increase in each year.

### **Foster Care Out-of-Home Care Extension**

- Provides increases of \$1,983,300 [\$1,603,900 GPR] in SFY16 and \$2,192,100 [\$1,768,200 GPR] in SFY17 to continue to fund extension of out-of-home care to age 21 for a child in school with an individualized education program (IEP). Funding would support years two and three of a four-year phase-in under 2013 Act 334, as well as support an expansion to include children who attained adoption or subsidized guardianship after age 16.
- Also provides funding of \$174,000 [\$135,500 GPR] in SFY 16 and \$193,700 (\$150,800 GPR) in SFY 17 that DOC will distribute through the Youth Aids program.
- Request statutory changes to (1) include children who attained adoption or subsidized guardianship after age 16 and (2) not require residential care centers (RCCs) or group homes to obtain adult licensure as a community-based residential facility for this population.

### **Home Visiting**

- Provides \$3,022,500 FED in SFY16 and SFY17 to re-estimate the amount of current federal grant funding available for the program during the 2015-17 biennium. These funds are not new federal grant dollars that would support an expansion of the program.
- Requests statutory changes to allow cities to apply for and receive home visiting grants.
- Requests statutory changes to base the amount of a grant award on the need of a county, city, private agency, or Indian tribe and on the capacity of a county, city, private agency, or Indian tribe to participate in the program, instead of the current statutory formula.

### **IV-E Waiver/Post-Reunification Support (PS) Program**

- Pursuant to 2013 Act 20, the Department has the authority to spend the savings generated in the BMCW out-of-home care appropriation in the balance of state counties to provide 12 months of post-reunification services to children and families after a child reunifies with his/her family. The services are to help keep the family stable and safe, prevent the recurrence of abuse or neglect and promote child and family well-being.
- Budget assumes \$1.1 million GPR savings in BMCW, which is transferred to IV-E waiver program in SFY 17, along with \$1.1 million in federal matching funds.

- Approximately \$3 million GPR/\$3 million FED available in SFY 2015 and SFY 2016. Budget assumes another \$1.1 million GPR savings in BMCW, which is transferred to IV-E waiver program in SFY 17, along with \$1.1 million in federal matching funds.

### **State Foster Care, Guardianship & Adoption Assistance**

- Requests \$847,500 [\$2,841,800 GPR and -\$1,994,300 FED] in SFY 16 and \$3,377,000 [\$4,122,000 GPR and -\$745,000 FED] in SFY 17 to re-estimate costs for state foster care, adoption assistance and the subsidized guardianship program based on caseload and expenditures.

### **Child Protective Services Appeals**

- Provides an additional \$87,700 GPR in SFY16 and SFY17 to fully fund DOA Division of Hearings and Appeals (DHA) costs for county child protective services appeals. Partial funding was provided to DHA in 2013 Act 20 for SFY 15. The DCF request funds the full annualized cost.

### **BMCW Operations**

- Requests additional funding of \$786,800 [\$406,400 GPR] in SFY 16 and SFY 17 to enable the Bureau of Milwaukee Child Welfare (BMCW) to improve the Access and Initial Assessment (IA) functions in accordance with the timeliness requirements specified in statute and the needs of the community.
- Funding is requested for increased after-hours compensation and LTE case aides.
- Requests an increase of \$246,500 GPR in SFY16 and SFY17 to offset the salary reductions for BMCW taken in the turnover reduction standard decision item.
- Requests a reduction in funding of -\$1,302,200 [-\$1,221,600] GPR in SFY 16 and an increase of funding of \$2,573,600 [\$1,221,600 GPR] in SFY 17 to reflect a re-estimate of Bureau of Milwaukee Child Welfare (BMCW) aids expenditures.
- Funding for aids payments and contracted services in BMCW needs to be adjusted to reflect projected changes in caseload, service expenditures, and federal claiming rates. The Department also requests an adjustment in funding to reflect expenditures for post-reunification services in the balance of state from savings generated in BMCW pursuant to the federal IV-E waiver.

### **Child Care**

- Decreases child care county contracts by \$437,500 annually for the child care share of centralized document processing unit and the call center anywhere costs, and to re-estimate funding based on actual expenditures. Funds for the centralized document processing unit and the call center anywhere had already been taken out of local child care administration in CY 2014 and 2015, with DCF paying these costs to DHS. The budget request makes this reduction permanent.
- Decreases W-2 on-site child care by \$150,000 in SFY 16 and \$100,000 in SFY 17 based on actual expenditures.
- Fully funds the cost of the SFY 15 rate increase, which is expected to be implemented November 1, 2014 (\$8,181,000 in SFY 16 and \$8,303,700 in SFY 17) with no further rate increase in next biennium.

- Assumes 1% increase in Shares program utilization in SFY 16 and another 1.5% increase in SFY 17.
- Assumes YoungStar migration increases, totaling 4.5% of Shares expenditures in SFY 16 and 5.0% in SFY 17.
- Increases YoungStar contracts by \$1,158,000 annually to maintain current levels for rating, training, technical assistance, and micro-grants.
- Provides \$13,100,000 in SFY 17 for electronic benefit transfer Parent Pay initiative, including \$10 million for the acceleration of Shares payments under Parent Pay. The electronic benefit transfer card is expected to be implemented statewide in SFY 17.
- Provides \$1,776,300 and 2.0 positions in SFY 16 and \$1,426,000 and 1.5 positions in SFY 17 for parent pay administrative costs.
- Eliminates annual background information disclosure forms (only need to do once) for savings of \$10,000 annually.

### **W-2 and TANF-Related Programs**

#### **Wisconsin Works**

- W-2 benefits – Maintains W-2 payment levels at their current levels. Maintains base level funding for benefits at \$90,796,000 in each year.
- Maintains base funding for W-2 services and administration contracts at \$58,336,500 in each year of the biennium.
- Emergency Assistance – Re-estimate program costs to decrease funding by \$100,000 to \$8,500,000 in SFY16 and by \$200,000 to \$8,400,000 in SFY17.
- Provides \$2,045,000 in SFY 16 and \$2,106,100 in SFY 17 and 1.0 FTE to modernize the Work Programs Subsystem within the CARES information technology system.
- Provides \$246,100 in SFY 16 and \$328,100 in SFY 17 and 4.0 FTE pursuant to corrective action plan to avoid future penalties in the income and eligibility verification system (IEVS).
- Statutory Language proposals:
  - Changes the make-up of the Community Steering Committees to make them more useful to contractors/regions.
  - Eliminates notice before taking certain actions that would reduce the benefit by 20% or more. Other notice requirements would still be in effect.
  - Clarifies when and how sanctions for refusing to participate would be utilized.

#### **Other TANF-Related Programs**

- Kinship Care – Provides \$978,900 in SFY 16 and \$1,083,700 in SFY 17, which includes a 2.5% increase on Jan. 1, 2016, and another 2.5% increase on Jan.1, 2017.
- Child Welfare Safety Services – Decreases funding by \$2,386,900 in each year to reflect the elimination of 2 contracts in BMCW. Funding for other counties was not reduced.
- Child Welfare Prevention Services – Decreases funding by \$100,000 in each year for BMCW supervised parental visitation funding.
- SSI Caretaker Supplement – Re-estimate program costs to decrease funding by \$2,349,800 in each year for projected expenditures in the SSI Caretaker Supplement program administered by the Department of Health Services.
- Earned Income Tax Credit – Decreases the level of TANF funding for the EITC by \$55,835,800 in SFY 17. The TANF funding dedicated to the EITC would go down from

\$62.5 million in SFY15 and SFY16 to \$6,664,200 in SFY17. The TANF funds currently used for the EITC will be used for other TANF-related programs.

- Decreases the amount of funds transferred to the Social Services Block Grant by \$424,500 in SFY 16 and by \$789,700 in SFY 17.

### **Child Support**

- Maintains current GPR funding to counties for child support local assistance at \$8.5 million in each year and \$300,000 in each year for identifying children with health insurance.
- Reestimates federal child support funding for counties to be \$25,446,000 annually. DCF will pass through all of the federal funding received to counties.
- Reestimated revenue for state administration of \$3,509,000 PR in SFY 16 and \$3,324,000 in SFY 17, less interest on child support trust fund of -\$70,000 in SFY 16 and -\$65,000 in SFY 17, and less federal matching funds of \$485,300 in SFY 16 due to transferring \$250,000 GPR to TANF program.
- Statutory Language Proposals:
  - Exempt a case based on a voluntary acknowledgment of paternity from filing fees.
  - Allow state tax intercepts for delinquent CR&D fees in cases where services from county child support agencies were not received.
  - Require financial institutions to honor lien levies submitted directly from other states.
  - Allow the assignment of income continuation benefits for child support.