



FY16 Executive Budget

Schedule 10 Department of Children and Family Services



Louisiana Senate
Finance Committee
April 20, 2015

FY16 Executive Budget

Schedule 10 — DCFS Agencies

- 10-360 Office of Children and Family Services
 - 360-1000 Administrative and Executive Support
 - 360-2000 Prevention and Intervention Services
 - 360-3000 Community and Family Services
 - 360-4000 Field Services

Audit Findings

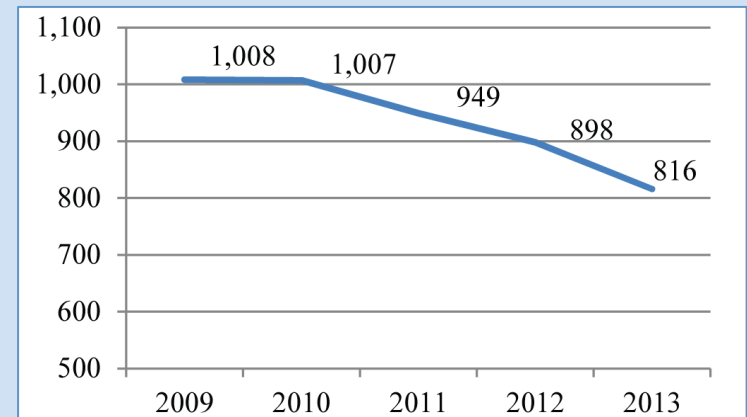
Department of Children and Family Services

CHILD WELFARE: INTAKE, ALTERNATIVE RESPONSE, AND CHILD PROTECTION ACTIVITIES

• APRIL 9, 2014

The Department of Children and Family Services (DCFS) did not always conduct its intake, alternative response, and child protection investigation activities in compliance with its policies and other requirements, such as timely investigation referrals, service referrals, and risk assessment. Some caseworkers and stakeholders attributed the problems to decreased staff, higher caseloads, turnover, and a lack of available services. The audit also found that DCFS was not using comprehensive data analyses to help evaluate the effectiveness of its child welfare activities, such as evaluating victims and perpetrators re-entering the system multiple times.

Child Welfare Caseworkers
Fiscal Years 2009 Through 2013



Audit Findings (continued)

SUPPLEMENTAL NUTRITIONAL ASSISTANCE PROGRAM BENEFITS SPENT AFTER A PARTICIPANT'S DEATH • JULY 2, 2014

Between July 1, 2009, and June 30, 2013, approximately \$1.3 million in Supplemental Nutritional Assistance Program (SNAP) benefits for 3,938 individuals continued to be spent after the participant's death.

CONTROL WEAKNESS OVER TEMPORARY ASSISTANCE FOR NEEDY FAMILIES WORK VERIFICATION PLAN • DECEMBER 10, 2014

For the third consecutive year, DCFS did not maintain and verify all documentation required under the federal TANF program cluster, potentially subjecting the department to financial penalties from the federal government. The federal grantor could assess the state penalties totaling not less than 1% and not more than 5% of the \$110 million adjusted grant award; however, the likelihood of such an assessment is unknown.

Audit Findings (continued)

NON-COMPLIANCE WITH TANF ELIGIBILITY REQUIREMENTS • DECEMBER 10, 2014

For the second consecutive year, DCFS did not have complete eligibility and related documentation for clients receiving benefits under the federal TANF program cluster, resulting in known questioned costs of \$10,388 for which the state may be liable. Because the missing documents occurred in 12 of 25 client files selected for testing, it is likely that there are substantial numbers of missing eligibility documents in a program that disbursed \$144 million during fiscal year 2014. These exceptions increase the risk that clients may receive benefits to which they are not entitled and could result in DCFS having to repay the funds to the federal grantor.

THEFT OF PUBLIC FUNDS • DECEMBER 10, 2014

DCFS identified thefts totaling more than \$150,000 by former employees in its Bureau of Audit and Compliance Services (BACS). Although DCFS controls required segregation of duties between employees for purchases on travel cards and LaCarte cards, the BACS employees were able to override those controls through collusion. As a result of the thefts, the BACS director pled guilty to federal fraud charges, was sentenced to three years imprisonment, and ordered to pay restitution of \$155,305. One BACS manager pled guilty to federal charges, was sentenced to two years of probation, and was ordered to pay restitution of \$11,124. Another BACS manager has also pled guilty to federal fraud charges but was not sentenced as of the date of the report.

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Schedule 10 — DCFS Statistics

Supplemental Nutrition Assistance Program (SNAP) — Provides monthly benefits for low-income families to buy food (also known as “Food Stamps.”)

SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM	Cases	Recipients	Avg. Recipients per Household	Recipient Benefits	Average Payment
March 2015	361,754	811,218	2.24	\$105.8 m.	\$292.36
March 2014	368,017	825,900	2.25	\$105.4 m.	\$288.80

Child Care Assistance Program (CCAP) — Helps low-income families pay for child care while working and/or attending school or training.

CHILD CARE ASSISTANCE PROGRAM	Total Children	Benefits	Average Payment
March 2015	14,305	\$2.6 m.	\$180.72
March 2014	14,846	\$2.7 m.	\$183.56

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Schedule 10 — DCFS Statistics

Child Support Enforcement Program — Assists in establishing and enforcing child support orders and collection and distribution of payments.

CHILD SUPPORT ENFORCEMENT	Current Support Collections	Current Support Due	% of Current Support Collected	Arrears Collections	Arrears Due (Cumulative Amount)	% Arrears Collected	Total Collections
March 2015	\$27.2 m.	\$46.6 m.	58.4%	\$18.6 m.	\$1.5 b.	1.2%	\$45.9 m.
March 2014	\$26.0 m.	\$44.7 m.	58.1%	\$17.5 m.	\$1.4 b.	1.2%	\$43.5 m.

Family Independence Temporary Assistance Program (FITAP) — Provides cash assistance to families with children who have insufficient resources to meet subsistence needs. Most closely resembles the “old welfare” under AFDC.

FAMILY INDEPENDENCE TEMPORARY ASSISTANCE PROGRAM	Cases Paid	Recipients Paid	Children	Adults	Payments to Recipients	Average Payment
March 2015	3,042	5,519	4,118	1,401	\$583,974	\$191.97
March 2014	3,444	5,947	4,426	1,521	\$636,842	\$190.44

DCFS

FY15 Existing Operating Budget vs. Proposed FY16 Budget

Total Funding	FY15 EOB as of 12-1-14	FY16 Recommended	<i>Difference</i>
DCFS	\$ 783,100,536	\$ 681,762,394	<i>\$(101,338,142)</i>

Total Positions	3,492	3,404	<i>(88)</i>
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Other Charges Positions:

0

FY16 Non-Discretionary Funding

Total Non-Disc.: \$435,090,158

Percent Non-Disc: 63.8%

Total Non-Disc. SGF: \$85,216,151

Non-Disc. T.O.: 1,972

FY16 Discretionary Funding

Total Discretionary: \$246,672,236

Percent Discretionary: 36.2%

Total Discretionary SGF: \$59,125,036

Discretionary T.O.: 1,432

DCFS

Non-Discretionary/Discretionary Funding by Agency

Non-Discretionary Funding:

\$33.5 m. — Admin and Exec Support (rent in state-owned bldgs, Group Benefits for retirees, legislative auditor fees).

\$175.1 m. — Prevention and Intervention (Children's Trust Fund, foster care, family preservation and children's services, Title IV-B Parts 1 and 2, Child Care Development Fund).

\$64.4 m. — Community and Family Services (Title IV-D Child Support Enforcement and Child Care Development Fund).

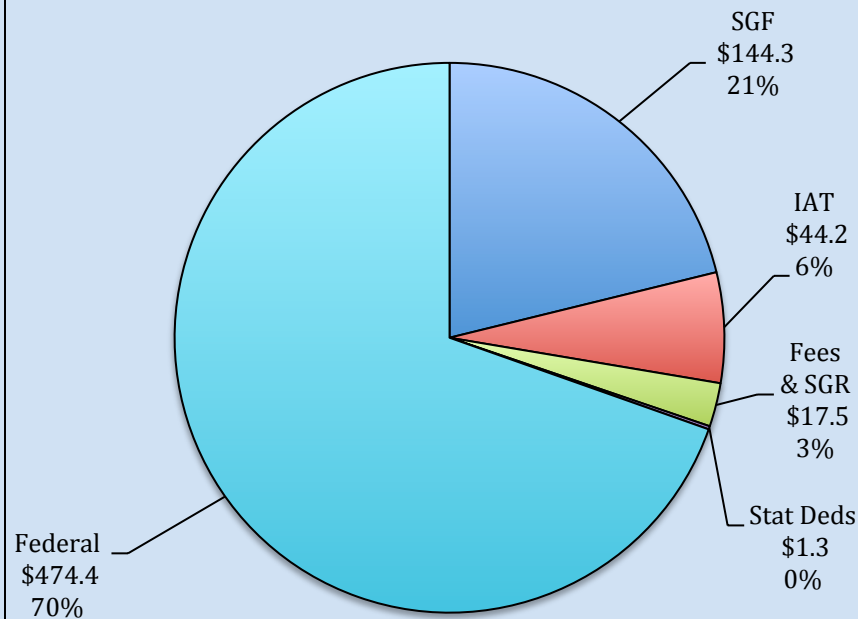
\$162.2 m. — Field Services (rent in state-owned bldgs, foster care, Title IV-D Child Support Enforcement, and maintenance in state-owned bldgs).

Discretionary Funding:

\$246.7 m. — Office of Children and Family Services

FY16 DCFS Means of Finance

FY16 Total Means of Finance
(In Millions)



Major Non-SGF Sources of Funding:

Seventy percent of DCFS funding comes from Federal sources. These sources include the Social Security Act, Title IV-D; Food Stamp Act of 1977; Temporary Assistance for Needy Families (TANF); Child Care Block Grant; Refugee Resettlement Act of 1980 (P.L. 212) for Needy Families (P.L. 86-571, and Section 1113 of the Social Security Act); Title IV-E for foster children room and board costs and for Independent Living services; Child Abuse and Neglect Grant; Children's Justice Act Grant; Social Security Income (SSI); Social Security Disability Income (SSDI); Title XX Social Services Block Grant (SSBG); Adoption Incentive Payments, and Community Based Family Resource Grant.

Interagency Transfer sources include funding from the DHH - Medical Vendor Administration program for the implementation of Targeted Case Management and costs for eligibility determinations services, and from the Department of Education - State Activities for day care funding for foster children ages three or older, and for child care payments for STEP (Strategies to Empower People) eligible families.

Fees and Self-generated Revenues are derived from parental contributions for foster children costs, from one-half of the fee charged for marriage licenses, and from Title IV-D Child Support Enforcement collections and miscellaneous collections.

Statutory Dedications are from the Children's Trust Fund, the Child Care Licensing Trust Fund, the Juvenile Detention Licensing Trust Fund, the Battered Women's Shelter Fund, the Fraud Detection Fund, and the SNAP Fraud and Abuse Detection and Prevention Fund.

FY15 Existing Operating Budget vs. FY16 Recommended

Schedule 10 DCFS — Total Expenditures

Expenditure Category	FY15 Existing Operating Budget	FY16 Recommended Budget	Difference
Personal Services	\$265,772,187	\$251,848,013	(\$13,924,174)
Operating Expenses	\$29,944,506	\$28,287,708	(\$1,656,798)
Professional Services	\$11,550,117	\$11,550,117	\$0
Other Charges	\$475,833,726	\$390,076,556	(\$85,757,170)
Acquisitions & Major Repairs	\$0	\$0	\$0
Total Expenditures	\$783,100,536	\$681,762,394	(\$101,338,142)

FY16 DCFS

Selected Standard Statewide Adjustments

Annualization of FY15 Mid-Year Reduction Plan — (\$1.4 million) Total

Performance/Salary Adjustments:

\$2.2 million Total — Annualize Classified State Employees Performance Adjustment

\$3.4 million Total — Salary Base Adjustment

(\$4.7 million) Total — Attrition Adjustment

Retirement Adjustments:

\$378 k. Total — La. State Employees Retirement System Rate Adjustment

Group Insurance Adjustments (tied to OGB rate increase):

\$2.0 million Total — Group Insurance Rate Adjustment for Active Employees

\$2.6 million Total — Group Insurance Rate Adjustment for Retirees

(\$60 k) Total and (1) T.O. — Personnel Reductions

Other:

\$0 — Acquisitions and Major Repairs

(\$5.8 million) Total — Non-recurring Carryforwards

\$329 k. Total — Risk Management

\$3.5 Total — Office of Technology Services

(\$2.7 million) Total — GEMS Savings (standard statewide adjustments)

(\$172 k.) Total and (47) T.O. — Office of State Human Capital

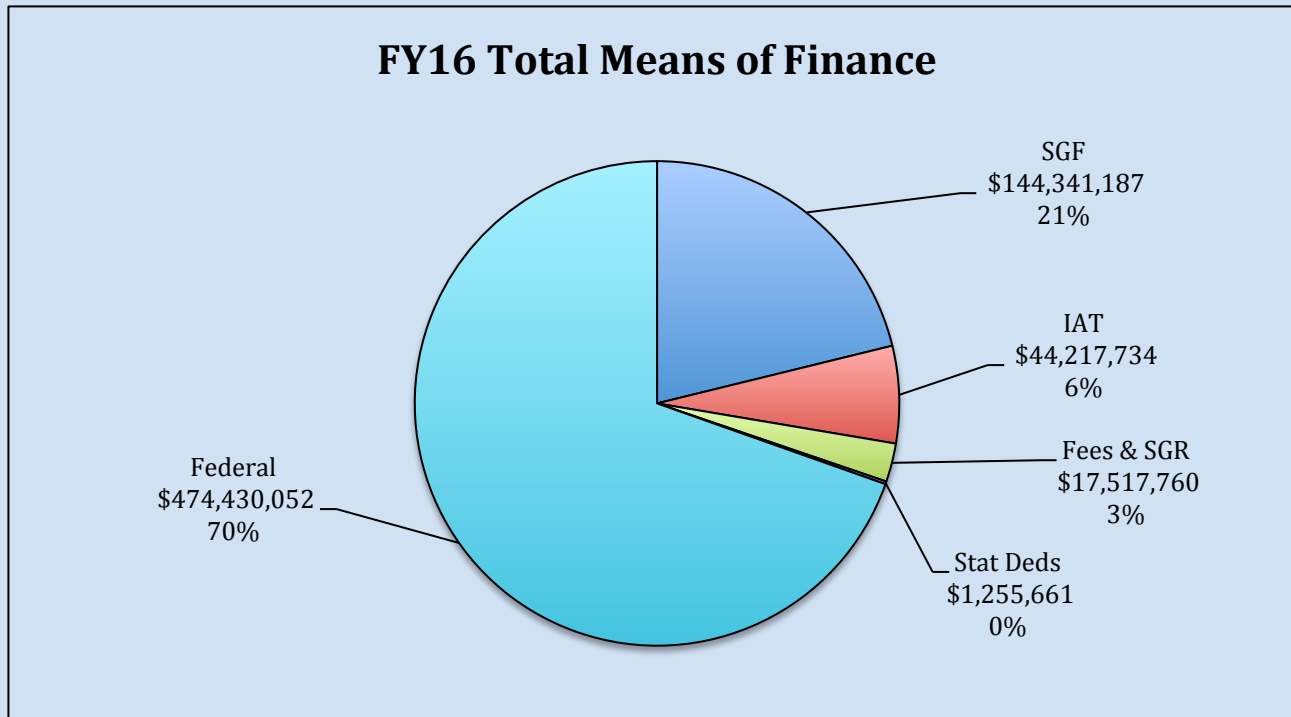
\$126 k. Total — Office of State Procurement

DCFS

10-360 Office of Children and Family Services

Total Funding	FY15 EOB as of 12-1-14	FY16 Recommended	Difference
DCFS - OCFS	\$ 783,100,536	\$ 681,762,394	\$ (101,338,142)

Total Positions	3,492	3,404	(88)
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FY16 Non-Discretionary	FY16 Discretionary
\$435,090,158	\$246,672,236

DCFS

10-360 Office of Children and Family Services

Significant FY16 Budget Issues in DCFS — Children and Family Services:

(\$62.6 m.) FED — Total excess Federal authority reductions in the Child Care Development Fund block grant.

(\$34.5 m.) Total and (12) T.O. — Net adjustment tied to Act 868 (2014 RS) implementation. This act transferred the Child Care Development Fund Block Grant to the Department of Education. Federal Funds will decrease by \$41.3 m. while SGF will increase by \$2.8 m. and IAT will increase by \$4 million.

(\$10 m.) Total — Reduces funding for the Modernization CAFÉ system.

(\$6.7 m.) IAT — Reduces budget authority associated with IT consolidation.

(\$3.9 m.) FED — Non-recurs one-time funding in Community and Family Services from the La. Disaster Case Management grant that provided assistance to the affected families in the New Orleans area after Hurricane Isaac (grant expired 12-1-14).

(\$3.3 m.) Total — Reduces funding for the Xerox contract for the call center associated with SNAP.

(\$1.6 m.) FED and (25) T.O. — Transfers the Child Care Development Block Grant and 25 T.O. to the Department of Education pursuant to language in section 18(G) of Act 15 of the 2014 RS (linked to Act 3 of the 2012 RS and Act 868 of the 2014 RS).

(\$1.1 m.) Total — GEMS Savings associated with reducing staff turnover and decreasing time children are in state custody.

(\$165 k.) Total and (3) T.O. — Funding reduction associated with three positions in Administrative and Executive Support.

Targeted Case Management — DCFS is transferring \$23 m. in TANF money to DOE, which “frees up” \$23 m. in SGF. Of this \$23 m. SGF, DCFS is using \$6.5 m. as match for Medicaid funding and \$16.5 m. will be SGF savings for the state. DCFS in turn will receive \$30.8 m. in IAT (Medicaid) from DHH to use for TCM and reduce about \$14 million in Title IV-E Federal.

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Schedule 10 — TANF Initiatives

Program	Initiative	Agency	FY15	FY16	Difference
CORE WELFARE	Cash Assistance-FITAP/KCSP	DCFS	\$ 26,600,100	\$ 20,961,579	(\$5,638,521)
	STEP	DCFS	\$ 5,250,000	\$ 5,250,000	\$0
	Modernization	DCFS	\$ 450,000	\$ 500,000	\$50,000
	Administration	DCFS	\$ 12,600,000	\$ 12,000,000	(\$600,000)
FEDERAL INITIATIVES					
Program 2000 Prevention & Intervention	Community Supervision	OJJ	\$ 900,000	\$ 810,000	(\$90,000)
	LA4	DOE	\$ 38,656,588	\$ 67,492,803	\$28,836,215
	CASA	Supreme Crt	\$ 4,436,500	\$ 3,992,850	(\$443,650)
	Family Violence	DCFS	\$ 2,350,000	\$ 2,350,000	\$0
	Substance Abuse	DHH/OBH	\$ 3,059,458	\$ 2,753,512	(\$305,946)
	Nurse Family Partnership	DHH/OPH	\$ 3,196,750	\$ 2,877,075	(\$319,675)
Program 3000 Community and Family Services	Jobs for America's Graduates	DOE	\$ 3,950,000	\$ 2,655,000	(\$1,295,000)
	Drug Courts	Supreme Crt	\$ 6,000,000	\$ 5,400,000	(\$600,000)
	Homeless	DCFS	\$ 637,500	\$ 637,500	\$0
	Abortion Alternatives	DCFS	\$ 1,260,000	\$ 1,260,000	\$0
	Fatherhood Initiative	DCFS	\$ 49,900	\$ 49,900	\$0
CHILD WELFARE	CPI/FS	DCFS	\$ 24,843,662	\$ 12,217,968	(\$12,625,694)
	Emergency Assistance	DCFS	\$ 13,359,542	\$ 6,366,599	(\$6,992,943)
TOTAL	Core Welfare		\$ 44,900,100	\$ 38,711,579	(\$6,188,521)
	Federal Initiatives		\$ 64,496,696	\$ 90,278,640	\$25,781,944
	Child Welfare		\$ 38,203,204	\$ 18,584,567	(\$19,618,637)
TOTAL			\$147,600,000	\$147,574,786	(\$25,214)